

**STRATEGY AND RESOURCES SCRUTINY COMMITTEE**

14 July 2014  
5.00pm - 8.26 pm

**Present:** Councillors Robertson (Chair), Sinnott (Vice-Chair), Baigent, Benstead, Cantrill, M. Smart and Smith

**Leader of the Council:** Councillor Herbert

**Executive Councillor for Finance and Resources:** Councillor Owers

**Officers Present:**

Chief Executive: Antoinette Jackson

Director of Customer and Community Services: Liz Bisset

Director of Environment: Simon Payne

Director of Business Transformation: Ray Ward

Section 151 Officer: Alex Colyer

Head of Property Services: Dave Prinsep

Strategy and Partnerships Manager: David Kidston

Karl Tattam: Support Services Manager

Accountant (VAT and Treasury): Stephen Bevis

Committee Manager: Glenn Burges

<b>FOR THE INFORMATION OF THE COUNCIL</b>
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**14/41/SR Apologies for absence**

Apologies were received from Councillor Bick. Councillor Catherine Smart attended as the alternate.

**14/42/SR Declarations of interest**

<b>Councillor</b>	<b>Item</b>	<b>Interest</b>
Robertson	14/51/SR	Personal: Trustee of Cambridge Cyrenians
Smith	14/52/SR	Personal: Employed by the University
Sinnott	14/52/SR	Personal: Employed by the University

**14/43/SR Minutes of the previous meeting**

The minutes of the meetings held on 26 March 2014 and 12 June 2014 were approved and signed as a correct record.

**14/44/SR Public Questions**

There were no public questions.

**14/45/SR Decisions Taken by Executive Councillor**14/45a/SR Green Deal

The decision was noted.

**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 items. However, for ease of the reader, these minutes will follow the order of the agenda.

**14/46/SR Oral Report From the Executive Councillor and Proposals for 'Lead Councillors'**

The Executive Councillor for Finance and Resources gave an oral update on the following immediate priorities for his portfolio:

- i. Mid-Year Financial Review
- ii. Delivery of the Capital Programme
- iii. Approach to earmarked reserves
- iv. Approach to underspend
- v. Treasury Management
- vi. Social audit of expenditure following CIPFA guidance

The role of the following Lead Councillor was introduced:

Lead Councillor for Anti-Poverty and the Living Wage: Councillor Robertson

In response to member's questions the Executive Councillor said the following:

- i. Cross cutting strategic elements of the Portfolio sat with the Leader of the Council.

**14/47/SR General Debts - Bad Debts for Write-off**

**Matter for Decision:** Write off of debts deemed not to be collectable. The amounts related to general income in the financial year ending 31<sup>st</sup> March 2015.

**Decision of the Executive Councillor for Finance and Resources**

The Executive Councillor resolved:

- i. To write off one debt totalling £2,196.64 as summarised in the exempt 'Appendix A' of the officer's report.

**Reasons for the Decision:** As set out in the officer's report

**Any alternative options considered and rejected:** As set out in the officer's report

**Scrutiny Considerations:** N/A

The Executive Councillor approved the recommendation.

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

Not applicable.

**14/48/SR Budget Amendment**

**Matter for Decision:** Budget amendment proposed by The Executive.

**Decision of the Executive Councillor for Finance and Resources**

The Executive Councillor resolved:

- i. To recommend to Council budget changes as outlined in the following:

**General Fund Revenue Budgets:**

Approve the following revenue budget changes:

- for items funded from General Fund Reserves, as shown in Appendix A of the officer's report.
- for items funded from External or Earmarked Funds, as shown in Appendix B of the officer's report.

**Capital & Revenue Projects Plan:**

Approve the capital amendment, as shown in Appendix C of the officer's report.

**Earmarked Reserves:**

Approve changes as follows:

**• Amend the 'Keep Cambridge Moving Fund'.**

The Budget-Setting Report approved by Council in February 2014 included a contribution to this fund of £1,063.9k. It was now proposed to reduce this to £263.9k in order to fund the new Earmarked Reserves outlined below. The updated Earmarked and Specific Funds were shown in Appendix D of the officer's report.

**• Establishing an earmarked reserve of £500,000 for 'Sharing Prosperity Fund', with the remit:**

**Sharing Prosperity Fund Formal Remit:**

*To provide resources to fund fixed-term and one-off projects and proposals (which can be made through the budget process by members or officers, subject to consideration by the relevant scrutiny committee and the Anti-Poverty Strategy Project Board) that support the interim objectives of the council's Anti-Poverty Strategy, namely:*

- 1) Helping people on low incomes to maximise their income and minimise their costs*
- 2) Making the move into work easier*
- 3) Helping low income families with the cost of raising a child*
- 4) Breaking the link between poor health and poverty*
- 5) Ensuring that vulnerable older people get the services that they need and reducing the social isolation they can experience*
- 6) Helping people with high housing costs and improving the condition of people's homes*
- 7) Working in partnership to tackle wider barriers to employment and engagement (e.g. transport, learning and skills)*

**Establishing an earmarked reserve of £300,000 for 'Fixed-Term Priority Project Fund', with the remit:****Fixed-Term Priority Project Fund Formal Remit:**

*To use non-ongoing, potentially short-term or uncertain sources of income, most obviously New Homes Bonus, for fixed-term costs.*

*The creation of this fund would allow such sources of income to be used for priority projects without building in unsustainable ongoing revenue commitments.*

**Earmarked Reserves****'Sharing Prosperity Fund' (SPF)**

It was recommended that £500,000 of the balance of unapplied New Homes Bonus Funding for 2014/15 (currently in "Keep Cambridge Moving" Earmarked Fund) be used to create a 'Sharing Prosperity Fund'. It would provide resources to fund fixed term and one-off projects and proposals (which can be made through the budget process by members or officers, subject to consideration by the relevant scrutiny committee and the Anti-Poverty Strategy Project Board) that support the objectives of the council's Anti-Poverty Strategy,

**‘Fixed-Term Priority Project Fund’ (FTPPF)**

Currently the Priority Policy Fund (PPF) could be used to fund ongoing revenue costs as well as fixed-term or one-off projects. It was recommended that in future years it be used solely to fund ongoing revenue costs, not fixed-term or one-off projects.

It was recommended that a new fund, similar to the PPF but only available for funding non-ongoing, fixed-term projects, be set up, called the Fixed-Term Priority Project Fund (FTPPF). This could then harness non-ongoing, potentially short-term or uncertain sources of income, most obviously NHB. The creation of this fund would allow such sources of income to be used for priority projects without building in unsustainable ongoing revenue commitments. It was recommended that £300,000 of the balance of unapplied New Homes Bonus Funding for 2014/15 (currently in “Keep Cambridge Moving” Earmarked Fund) be used to create this fund.

**Capital**

The Executive proposed the change identified in Appendix C of the officer’s report, namely to delete the 'Capital contribution to the 'Keep Cambridge Moving Fund' of £111,140 and delete from Capital Plan SC593.

**Reasons for the Decision:** As set out in the officer’s report

**Any alternative options considered and rejected:** As set out in the officer’s report

**Scrutiny Considerations:**

The committee received a report from the Executive Councillor for Finance and Resources.

In response to member’s questions the Executive Councillor for Finance and Resources said the following:

- i. The new ‘Fixed-Term Priority Project Fund’ (FTPPF) would be available for funding non-ongoing and fixed-term projects, and would not result in a reduction in flexibility.
- ii. The Cambridgeshire Collective Switching Scheme would only be successful if promoted effectively. The proposed funding would therefore be used for this purpose.

- iii. The Training, Seminar and Conference budget had been historically underspent, and these funds would now be redistributed according to need. A report on the reasons behind this historic underspend would be brought to a future Strategy and Resources Scrutiny Committee.
- iv. Through informal discussions the Unions had expressed no concerns regarding cuts to the Training, Seminar and Conference budget. Discussion would take place with the Head of Human Resources (HR) about the report also being considered at the Joint Staff Employer Forum (JSEF).
- v. Only a very small number of public toilets in the City would be affected by the change to the pricing structure. This additional income would not be used to fund the Anti-Poverty Strategy as incorrectly report by the Cambridge News, and alterations to the toilets would be funded from existing R&R budgets.

Councillor Catherine Smart proposed the Liberal Democrat 2014/15 Budget amendment.

Full details of the Liberal Democrat 2014/15 Budget amendment available via:

<http://democracy.cambridge.gov.uk/documents/b8353/Budget%20201415%20-%20Lib%20Dem%20Amendment%2014th-Jul-2014%2017.00%20Strategy%20and%20Resources%20Scrutiny%20Committee.pdf?T=9>

In response to member's questions Councillor Catherine Smart and Councillor Cantrill said the following:

- i. The funding for the Living Wage Week would enable a link to the national campaign.
- ii. The seasonal part-time Park Rangers would provide guardianship to the most frequented public spaces in the City. The exact detail of their role would need to be discussed further with officers.

On a show of hands the amendment was lost by 3 votes to 5.

The Scrutiny Committee considered the recommendations and endorsed them by 5 votes to 3.

The Executive Councillor approved the recommendations.

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

Not applicable.

**14/49/SR Annual Treasury Management Report 2013/14**

**Matter for Decision:** The Council was required by regulations issued under the Local Government Act 2003, to produce an annual treasury report reviewing treasury management activities and the actual prudential and treasury indicators for each financial year.

**Decision of the Executive Councillor for Finance and Resources**

The Executive Councillor resolved:

- i. To recommend the report to Council, which included the Council's actual prudential and treasury indicators for 2013/14.
- ii. To recommend to Council the amendments to the Treasury Management Strategy as summarised below:-
  - Increase Counterparty limits
  - Increase the limits for investments greater than 1 year.
  - Include other Building Societies on Counterparty list
  - Include suggested foreign banks on Counterparty list
  - Include Investment Commercial Properties on Counterparty list pending a more detailed report on commercial property to the Chair, Executive Councillor and Spokes.

**Reasons for the Decision:** As set out in the officer's report

**Any alternative options considered and rejected:** As set out in the officer's report

**Scrutiny Considerations:**

The committee received a report from the Section 151 Officer.



In response to member's questions the Section 151 Officer and the Accountant (VAT and Treasury) said the following:

- i. The proposal was to include building societies on the counterparty list with an asset value greater than £5 billion. Building societies that had previously failed had a much lower asset value than this.
- ii. CCLA managed a pooled property asset vehicle that would seek a return on behalf of the City Council. The annual fee was 0.65% per annum with an approximate 6.5% return on this type of investment. Whilst this would include some local commercial property investments, spreading the risk meant that it could be managed more effectively.
- iii. Proposals for local based commercial property investments would be managed via the Mid-Year Financial Review (MFR) process.
- iv. With regards to the expansion of asset classes to include certificates of deposit, the current investment level stood at £7 million. Due to the limited risk it was proposed to increase this.

Councillor Cantrill raised concern about the inclusion of commercial property investment on the Counterparty list. It was suggested that more detail on risk was needed.

After some discussion the committee resolved unanimously to amend recommendation ii) as follows (addition underlined):

- i. Recommend the amendments to the Treasury Management Strategy which are summarised below:-
  - Increase Counterparty limits
  - Increase the limits for investments greater than 1 year.
  - Include other Building Societies on Counterparty list
  - Include suggested foreign banks on Counterparty list
  - Include Investment Commercial Properties on Counterparty list pending a more detailed report on commercial property to the Chair, Executive Councillor and Spokes.

The Scrutiny Committee considered the amended recommendations and endorsed them unanimously.

The Executive Councillor approved the amended recommendations.

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

Not applicable.

**14/50/SR 2013/14 Revenue and Capital Outturn, Carry Forwards and Significant Variances (Customer Services and Resources Portfolio)**

**Matter for Decision:** The report presented a summary of the 2013/14 outturn position (actual income and expenditure) for services within the Customer Services & Resources portfolio, compared to the final budget for the year. The position for revenue and capital was reported and variances from budgets were highlighted, together with explanations. Requests to carry forward funding arising from certain budget underspends into 2014/15 and future years where relevant, were identified.

**Decision of the Executive Councillor for Finance and Resources**

The Executive Councillor resolved:

- i. To recommend Council to approve the carry forward requests totalling £180,520 as detailed in Appendix C of the officer's report.
- ii. To recommend Council to carry forward capital resources to fund rephased net capital spending of £1,459,000 from 2013/14 into 2014/15 and future years where relevant, as detailed in Appendix D of the officer's report.

**Reasons for the Decision:** As set out in the officer's report

**Any alternative options considered and rejected:** As set out in the officer's report

**Scrutiny Considerations:**

The committee received a report from the Section 151 Officer.

The Scrutiny Committee considered the recommendations and endorsed them unanimously.

The Executive Councillor approved the recommendations.

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

Not applicable.

**14/51/SR 2013/14 Revenue and Capital Outturn, Carry Forwards and Significant Variances - Overview**

**Matter for Decision:** The report presented a summary of the 2013/14 outturn position (actual income and expenditure) for all portfolios, compared to the final budget for the year. The position for revenue and capital was reported and variances from budgets were highlighted. Requests to carry forward funding arising from certain budget underspends into 2014/15 were identified.

**Decision of the Executive Councillor for Finance and Resources**

The Executive Councillor resolved:

**Revenue**

- i. To recommend Council to agree the final carry forward requests, totalling £469,010, as detailed in Appendix C of the officer's report, subject to the final outturn position.

**Capital**

- ii. To recommend Council to carry forward (net) capital resources to fund re-phased capital spending of £15,828,000 as shown in Appendix D of the officer's report - Overview. (Note: this includes HRA £11,733,000).

**Reasons for the Decision:** As set out in the officer's report

**Any alternative options considered and rejected:** As set out in the officer's report

**Scrutiny Considerations:**

The committee received a report from the Section 151 Officer.

The Scrutiny Committee considered the recommendations and endorsed them unanimously.

The Executive Councillor approved the recommendations.

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

Not applicable.

**14/52/SR Environmental Initiatives with University of Cambridge**

**Matter for Decision:** On 8 July 2013 Strategy & Resources Committee supported a Memorandum of Understanding to be signed with the University of Cambridge to investigate a district heating scheme for central Cambridge. A Sponsors Board was then established to lead the work and three city councillors were appointed to the Board. The Board subsequently met and received further advice when it became clear that the business case for the proposed scheme was no longer expected to be financially viable. The Board therefore resolved not to undertake further work on the scheme. Arup consultants were, however, commissioned to establish if there were other options for collaboration on strategic carbon initiatives between the Council and the University. The conclusions of this work was included in this report and it was recommended that the two organisations keep open the opportunity to explore possible future heat connections between City Council and University Buildings.

**Decision of the Executive Councillor for Finance and Resources**

The Executive Councillor resolved:

- i. To note the decision of the District Heating Scheme Sponsors Board not to pursue the proposed central Cambridge District Heating Scheme.
- ii. To support future collaboration between the Council and the University of Cambridge on strategic carbon initiatives where there was a strong environmental and financially viable business case.

**Reasons for the Decision:** As set out in the officer's report

**Any alternative options considered and rejected:** As set out in the officer's report

**Scrutiny Considerations:**

The committee received a report from the Director of Environment.

The Scrutiny Committee considered the recommendations and endorsed them unanimously.

The Executive Councillor approved the recommendations.

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

Not applicable.

**14/53/SR Sustainable City Grants Review**

**Matter for Decision:** The report set out the findings from a review of the grants, and proposed changes to the total budget available and a move to a commissioning based approach to ensure that grants are more closely aligned to the council's environmental policy objectives.

**Decision of the Executive Councillor for Finance and Resources**

The Executive Councillor resolved:

- i. To agree the proposed budget of £30,000 for the Sustainable City Grants from 2015/16 onwards and to cash limit the grants from this point forward.
- ii. To move from a grant funding approach to a commissioning approach for the Sustainable City Grants from 2015-16 onwards, as outlined at 5.9 – 5.13 of the officer's report.

**Reasons for the Decision:** As set out in the officer's report

**Any alternative options considered and rejected:** As set out in the officer's report

**Scrutiny Considerations:**

The committee received a report from the Strategy and Partnerships Manager.

In response to member's questions the Strategy and Partnerships Manager said the following:

- i. An annual commissioning round would be promoted to local voluntary and community groups in October each year. A 'bottom up' approach would be preferred whilst maximising value for money based on the wider strategy.
- ii. Whilst 22 responses was quite low the City Council had promoted the consultation widely. The consultation ran for 12 weeks and was promoted via the website, Twitter and to specific voluntary groups and organisations in the City.

The Scrutiny Committee considered the recommendations and endorsed them unanimously.

The Executive Councillor approved the recommendations.

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

Not applicable.

**14/54/SR Anti-Poverty Strategy**

**Matter for Decision:** The City Council plans to develop an Anti-Poverty Strategy with the aim of improving the standard of living and daily lives of those residents in Cambridge who were currently experiencing poverty, but also to alleviate issues that could lead households to experience financial pressures. The aim of the Strategy was to bring greater focus and coordination to the Council's existing efforts to address poverty, while identifying areas where the Council could have even greater impact. The report set out the broad approach for the development of the Strategy and proposed draft objectives for public consultation.

**Decision of the Executive Councillor for Finance and Resources**

The Executive Councillor resolved:

- i. To approve the draft objectives for the Anti-Poverty Strategy, as set out at 4.10 of the officer's report.
- ii. To approve use of the draft objectives for the Anti-Poverty Strategy, set out at 4.10 of the officer's report, as the interim objectives for the Sharing Prosperity Fund until the final Strategy was completed.
- iii. To approve the proposed approach and timescales for developing the Anti-Poverty Strategy, as set out at 4.11 of the officer's report.

**Reasons for the Decision:** As set out in the officer's report

**Any alternative options considered and rejected:** As set out in the officer's report

**Scrutiny Considerations:**

The committee received a report from the Strategy and Partnerships Manager.

In response to member's questions the Strategy and Partnerships Manager said the following:

- i. Much work was already being undertaken with residents on low incomes and further targeted initiatives had been identified in the budget amendment.
- ii. Partnership working would be required to fully address poverty issues across the City.

At the request of Councillor Cantrill the recommendations were voted on separately.

The Scrutiny Committee considered the recommendations and endorsed them by:

- i. Unanimously: To approve the draft objectives for the Anti-Poverty Strategy, as set out at 4.10 of the officer's report.

- ii. By 5 votes to 0: To approve use of the draft objectives for the Anti-Poverty Strategy, set out at 4.10 of the officer's report, as the interim objectives for the Sharing Prosperity Fund until the final Strategy was completed.
- iii. Unanimously: To approve the proposed approach and timescales for developing the Anti-Poverty Strategy, as set out at 4.11 of the officer's report.

The Executive Councillor approved the recommendations.

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

Not applicable.

**14/55/SR Insurance Services Contract**

**Matter for Decision:** The existing contract for Insurance Services expired on 31<sup>st</sup> March 2015. The report sought Executive Councillor approval to re-tender in accordance with the Council's Contract Procedure Rules.

**Decision of the Executive Councillor for Finance and Resources**

The Executive Councillor resolved:

- i. To authorise officers to undertake the re-tendering and award of the Council's Insurance Services contract for an initial period of 3 years to 31<sup>st</sup> March 2018 with the Council's option to extend the contract for a further period up to 2 years to 31 March 2020, subject to the preferred tender price being within 5% or less of the approved budget and if necessary to the approval of the Director of Transformation to any additional expenditure.
- ii. To approve the appointment of a broker to assist with the tender process.

**Reasons for the Decision:** As set out in the officer's report

**Any alternative options considered and rejected:** As set out in the officer's report



**Scrutiny Considerations:**

The committee received a report from the Support Services Manager.

In response to member's questions the Support Services Manager said the following:

- i. Tree claims including subsidence claims are dealt with under the Council's Public Liability Insurance Policy.
- ii. The Council would not be covered by its insurance policy if it failed to abate the nuisance (the Council would effectively self-insure).

The Scrutiny Committee considered the recommendations and endorsed them unanimously

The Executive Councillor approved the recommendations.

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

Not applicable.

**Exclusion of Press and Public**

For the following item 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 paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

**14/56/SR Land at Cowley Road, Cambridge**

**Matter for Decision:** Land at Cowley Road, Cambridge

**Decision of the Executive Councillor for Finance and Resources**

As per the officer's confidential report.

**Reasons for the Decision:** As set out in the officer's confidential report

**Any alternative options considered and rejected:** As set out in the officer's confidential report

**Scrutiny Considerations:**

The committee received a report from the Head of Property Services.

The Scrutiny Committee considered the recommendations and endorsed them unanimously.

The Executive Councillor approved the recommendations.

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

Not applicable.

**14/57/SR Future Meeting Times for Strategy & Resources Scrutiny Committee**

The committee resolved to retain the current start time of 5pm.

**14/58/SR Oral Report From the Leader and Proposals for 'Lead Councillors'**

The Leader gave an oral update on his portfolio and introduced the role of the following Lead Councillors:

Lead Councillor for Disability: Councillor Bird

Lead Councillor for Equalities: Councillor Ratcliffe

Lead Councillor for Domestic Violence and Community Safety: Councillor Sinnott.

In response to member's questions the Leader said the following:

- i. Executive authority for decision making remained with Executive Councillors and therefore no change in governance structures or the constitution was required.
- ii. Lead Councillors would act in an advisory position.

- iii. Lead Councillors would be similar to the old 'Councillor Champion' roles but with more clarity.
- iv. Additional Portfolio Plans would not sit alongside these roles.
- v. Lead Councillors would focus on opportunities to improve service delivery.

At the request of the Leader, Councillor Cantrill agreed to provide a full list of 'Councillor Champions' achievements over the last 10 years.

### **14/59/SR 2013/14 Revenue and Capital Outturn, Carry Forwards and Significant Variances (Strategy Portfolio)**

**Matter for Decision:** The report presented a summary of the 2013/14 outturn position (actual income and expenditure) for services within the Strategy portfolio, compared to the final budget for the year. The position for revenue and capital was reported and variances from budgets were highlighted, together with explanations. Requests to carry forward funding arising from certain budget underspends into 2014/15 and future years were identified.

#### **Decision of the Leader**

The Leader resolved:

- i. To agree that the carry forward requests for £17,320 as detailed in Appendix C of the officer's report be recommended to Council for approval.
- ii. To seek approval from Council to carry forward capital resources to fund rephased net capital spending of £436,000 from 2013/14 into 2014/15 as detailed in Appendix D of the officer's report.

**Reasons for the Decision:** As set out in the officer's report

**Any alternative options considered and rejected:** As set out in the officer's report

#### **Scrutiny Considerations:**

The committee received a report from the Section 151 Officer.

The Scrutiny Committee considered the recommendations and endorsed them unanimously.

The Leader approved the recommendations.

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

Not applicable.

**14/60/SR Review of the Living Wage Policy and Accreditation**

**Matter for Decision:** The purpose of the report was to explore options for the Council becoming a Living Wage Employer accredited by the Living Wage Foundation.

**Decision of the Executive Councillor for Finance and Resources**

The Executive Councillor resolved:

- i. To adopt a living wage policy in respect of contractors as set out in paragraph 4.13 of the officer's report to the extent permitted by law.
- ii. To authorise the Director of Business Transformation to seek accreditation from the Foundation as a UK Living Wage employer.
- iii. To authorise the Director of Business Transformation to make such minor alterations to the approach set out in the officer's report as may be required to achieve accreditation following consultation with the Executive Councillor, Chair and Opposition Spokes.
- iv. To amend the Contract Procedure Rules accordingly.

**Reasons for the Decision:** As set out in the officer's report

**Any alternative options considered and rejected:** As set out in the officer's report

**Scrutiny Considerations:**

The committee received a report from the Head of Legal Services.

The Scrutiny Committee considered the recommendations and endorsed them unanimously.

The Executive Councillor approved the recommendations.

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

Not applicable.

**14/61/SR Shared Services**

**Matter for Decision:** The report provided members with an update on the Council's current shared service arrangements and the potential for the further sharing of services going forward. It also suggested an approach to governance around this subject.

**Decision of the Leader**

The Leader resolved:

- i. To endorse the proposed outcomes for shared working in Section 4.1 of the officer's report as the basis for shaping future shared service work for the Council.
- ii. That a joint project governance structure be set up with a Member Steering Group overseeing the process supported by a shared service project board as described in Section 7 of the officer's report.
- iii. That the Council Leaders be appointed to that Steering Group with the power to co-opt individual relevant portfolio holders as required.
- iv. That an 'in principle' agreement be given to a shared services between South Cambridgeshire District Council (SCDC) and Huntingdon District Council (HDC) for ICT and Legal as set out in the report and that the project board be tasked with agreeing outline business cases by September 2014.

**Reasons for the Decision:** As set out in the officer's report

**Any alternative options considered and rejected:** As set out in the officer's report

**Scrutiny Considerations:**

The committee received a report from the Director of Business Transformation. In response to member's questions the Director of Business Transformation said the following:

- i. The initial work would provide a 'road map' highlighting potential opportunities for shared services
- ii. Improved ICT may open up opportunities for shared services elsewhere – i.e back office functions.

The Scrutiny Committee considered the recommendations and endorsed them unanimously.

The Leader approved the recommendations.

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

Not applicable.

The Chair ruled that under 100B(4)(b) of the Local Government Act 1972 the following item be considered despite not being publicly available to the Committee for five clear working days.

**14/62/SR Disposal of 18a and freehold to 18b Magrath Avenue**

**Matter for Decision:** To dispose of an HRA dwelling asset at 18a Magrath Avenue, Cambridge as a joint venture with the long leaseholder of 18b Magrath Avenue.

**Decision of the Executive Councillor for Finance and Resources**

The Executive Councillor resolved:

**Financial recommendations –**

- i. To approve the project to dispose of an HRA asset, subject to resources being available to fund any associated capital and revenue implications.

- The total capital cost of the project is estimated to be £5,000
- The capital receipt that the Council would expect to realise is in the region of £237,500, depending upon market forces at the point of sale.
- The revenue impact of the initial disposal would be negligible, with the loss of rental income for the dwelling being offset by a reduction in management and maintenance expenditure, and the ability to earn interest on the capital receipt.
- The net ongoing revenue return for this project would be £4,300 per annum in the longer term, assuming the capital receipt was in future used to fund two replacement dwellings.

**Procurement recommendations:**

- ii To approve the carrying out and completion of the procurement of an agent to act on behalf of the Council and the owner of 18b Magrath Avenue, in agreement with said owner. The cost of this work was expected to be in the region of £7,200, so one quote would be required, with the Councils' share of this cost to be met from the anticipated capital receipt for the sale.

**Subject to:**

- The permission of the Section 151 Officer being sought prior to proceeding if the quotation or tender sum exceeded the estimated contract.
- The permission from the Executive Councillor being sought before proceeding if the value exceeded 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:** As set out in the officer's report

**Scrutiny Considerations:**

The committee received a report from the Head of Property Services and the Director of Customer and Community.

In response to member's questions the Head of Property Services said the following:

- i. Whilst officers did consider market forces at the point of sale, a negotiation was required. Without the agreement of both parties, neither could benefit.
- ii. The difference between leasehold and freehold had been factored into the negotiations.

The Scrutiny Committee considered the recommendations and endorsed them unanimously.

The Executive Councillor approved the recommendations.

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

Not applicable.

The meeting ended at 8.26 pm

**CHAIR**