

# Public Document Pack

Strategy and Resources Scrutiny Committee

SnR/1

Monday, 19 January 2015

**STRATEGY AND RESOURCES SCRUTINY COMMITTEE** 19 January 2015  
5.00pm - 8.52 pm

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

**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

Head of Corporate Strategy: Andrew Limb

Head of Revenue and Benefits: Alison Cole

Benefits Manager: Naomi Armstrong

Head of Finance: Caroline Ryba

Head of Property Services: Dave Prinsep

Strategy and Partnerships Manager: David Kidston

Committee Manager: Glenn Burges

## FOR THE INFORMATION OF THE COUNCIL

**15/1/SR Apologies for absence**

There were no apologies.

**15/2/SR Declarations of interest**

Councillor	Item	Interest
Baigent	15/13/SR	Personal: Member of FBU
Benstead	15/13/SR	Personal: Member of GMB
Owers	15/15/SR	Personal: Masters and Fellows of Selwyn College were his landlords
Sinnott	15/13/SR	Personal: Member of Unison
C. Smart	15/13/SR	Personal: Worked for Trade Union for 20 years

**15/3/SR Minutes of the Previous Meeting**

The minutes of the meeting held on 20 October 2014 were approved as a correct record and signed by the Chair.

**15/4/SR Public Questions**

There were no public questions.

**15/5/SR Single Equality Scheme 2015-2018**

**Matter for Decision:** The City Council has developed a draft Single Equality Scheme that sets out how the organisation will challenge discrimination and promote equal opportunity in all aspects of its work over the next three years.

**Decision of the Leader**

The Leader resolved to:

- i. Approve the draft Single Equality Scheme 2015-2018 for public consultation.
- ii. Approve the objectives of the draft Single Equality Scheme, as set out at 3.11 of the officer's report, as the interim objectives for the City Council's work on equalities, pending the outcome of public consultation and approval of the final scheme in July 2015.

**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.

The committee made the following comments on the report

- i. Thanked officer for a comprehensive and detailed report.

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

- i. Confirmed that the terminology within the Single Equality Scheme and the Equalities Act would be consistent in the final draft of the City Council's scheme.
- ii. The Single Equality Scheme of 2012-2015 set six objectives. The five objectives proposed for 2015-2018 combined the objectives relating to workforce and also placed more emphasis on ensuring equal access to public activities and spaces in the City.
- iii. The five objectives identified build on the City Council's previous work and achievements on the equality agenda and were identified by an analysis of how communities in Cambridge had changed over recent years.
- iv. Whilst some areas were obviously cross-cutting the aim was to keep the Single Equalities Scheme and the Anti-Poverty Strategy separate. This would ensure that neither policy was 'diluted'.

The Scrutiny Committee considered the recommendations and endorsed them unanimously.

The Leader approved the recommendation.

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

Not applicable.

**15/6/SR Environmental Policy Statement**

**Matter for Decision:** The Environment Policy Statement is a single document that brings together all the commitments on effective action in one place for clarity and accountability. The report recommended approval of the Statement which set out how the City Council would achieve its vision of a high quality and sustainable environment for the City

**Decision of the Leader**

The Leader resolved to:

- i. Approve the Environment Policy Statement as set out in the appendix to 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 Director of Environment.

In response to member's questions the Director of Environment said the following:

- i. Whilst the specific actions may feature across a variety of service Operational Plans the approval of the Leader emphasises the overarching commitment of the Council to achieve a high quality and sustainable environment for the City.
- ii. The report being brought to a central strategic committee also follows best practice from across the country.
- iii. The reference to '*our* land, water bodies and landscapes...' refers to examples across the *whole* city, not just those under ownership of the City Council.

The Scrutiny Committee considered the recommendation and endorsed it unanimously.

The Leader approved the recommendation.

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

Not applicable.

**15/7/SR     Review Of Use Of The Regulation Of Investigatory Powers Act**

**Matter for Decision:** A Code of Practice introduced in April 2010 recommended that Councillors review their authority's use of the Regulation of Investigatory Powers Act 2000 (RIPA) and set its general surveillance policy at least once a year.

**Decision of the Leader**

The Leader resolved to:

- i. Review the Council's use of RIPA set out in paragraph 5.1 of the officer's report.
- ii. Note and endorse the steps described in paragraph 5.1 and in Appendix 1 of the officer's report as amended to ensure that surveillance is only authorised in accordance with RIPA.
- iii. Approve the amended general surveillance policy in Appendix 1 of the officer's report as amended.

**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.

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

- i. Whilst the City Council had never used this course of action, access to communication data would be covered by the RIPA regulations.
- ii. Whilst fraud investigations were currently carried out internally by City Council staff, RIPA regulations would still apply for any outsourced investigations.
- iii. Routine overt CCTV operations were not covered by RIPA regulations.

At the request of Councillor Bick the Head of Legal Services proposed the following amended wording for the RIPA Procedure Guide at Appendix 1 of the officer's report (deletions ~~struck through~~ and additions underlined):

### **Section 7: Directed Surveillance and Social Media**

Any activity likely to interfere with an individual's Article 8 rights should only be used when necessary and proportionate to meet the objectives of a specific case. If your proposed use of social media in connection with an investigation amounts to covert directed surveillance within the scope of RIPA by electronic means, an authorisation in accordance with the procedure set out in section 9. Where an investigator may need to communicate covertly online, for example contacting individuals using social media websites, a CHIS authorisation should be considered is likely to be needed and the Head of Legal Service should be consulted.

The Scrutiny Committee considered the amendment and endorsed it unanimously.

The Scrutiny Committee considered the recommendations and endorsed them unanimously.

The Leader approved the amended recommendation.

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

Not applicable.

### **15/8/SR Procurement and Blacklisting**

**Matter for Decision:** On 24<sup>th</sup> July 2014 the Council resolved that:

*“Cambridge City Council deplores the illegal practice of “blacklisting” within the construction industry and will ensure that any company known to have been involved in blacklisting practices and not to have indemnified their victims will not be invited to tender for contracts until they have:*

- (i) Identified the steps taken to remedy the blacklisting for affected workers*
- (ii) Identified the steps taken to ensure that blacklisting will not happen again; and*

- (iii) Given assurances that they do not employ individuals who were named contacts for The Consulting Association*

*The Council asks officers to prepare a report for the Leader and Strategy and Resources Scrutiny Committee on implementation of this policy.*

*The report will develop the policy and consider how it will be embedded into the Council's procurement process and practice".*

This report responded to that decision and set out, at Appendix 1, a draft of the Council's policy toward the practice of blacklisting and explained how the policy would be embedded into the Council's procurement processes.

### **Decision of the Leader**

The Leader resolved to:

- i. Approve the draft policy with regards to Blacklisting set out at Appendix 1 of the officer's report.
- ii. Approve the actions to embed the policy in the Council's procurement processes set out at Section 6 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 Head of Legal Services.

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

- i. Whilst the new Public Contracts Regulations had been published in draft no date had been given for a final version or an implementation timescale. It was likely that this would be within the next 12 months and at this point the City Council would review its Policy if required.
- ii. The City Council's policy could now be implemented.

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.

**15/9/SR Council Tax Reduction Scheme 2015/16**

**Matter for Decision:** The report provided details of the review of the Council's 2014-15 Council Tax Reduction Scheme and proposals for the continuation of the current scheme rules for the financial year 2015-16 and details of the Discretionary Council Tax Reduction Scheme.

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

The Executive Councillor resolved to:

- i. Agree to continue to administer the Cambridge City Council - Council Tax Reduction Scheme 2013 (Persons who are not Pensioners).
- ii. Understand the change in the way that Council Tax Reduction Schemes would be funded by Government from 2015-16 onwards as detailed in Section 4 of the officer's report.
- iii. Agree to invoke the Council's right under paragraph 42(2) of the Scheme to set the applicable amounts in Schedule 1 in accordance with the annual uprating of applicable amounts, which would shortly be laid by Parliament as an amending statutory instrument to the Regulations.
- iv. Agree under paragraph 48(10) of the scheme to set the amounts of non-dependent deductions annually and to increase the amounts set in subparagraphs (1) and (2) by 1.2% in line with the published Consumer Prices Inflation (CPI) for September 2014 or to set them at the rate under the Prescribed Regulations, whichever is the higher.



- v. Agree to retain the End of Calculation Deduction as set out in paragraph 49A of the Scheme at “zero” per cent.
- vi. Agree to continue with the current position regarding discounts for empty dwellings and second homes.
- vii. Approve the attached Cambridge City Council Discretionary Council Tax Reduction Scheme, incorporating powers to grant a reduction or further reduction under section 13A(1)(c) of the Finance Act 1992.
- viii. Delegate authority to the Head of Revenues and Benefits to determine such applications for Council Tax Discretionary Reduction where they relate to individual cases of exceptional financial hardship.

**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 Revenues and Benefits.

In response to member’s questions the Head of Revenues and Benefits said the following:

- i. The number of people receiving a Council Tax reduction had fallen from 7112 in 2011-12 to 6838 in 2014/15. This was due to more people being in paid employment and the subsequent reduction in support needed.

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.

**15/10/SR Money Transmission (Banking) Contract**

**Matter for Decision:** The existing banking contract expires on 31 March 2016. Approval was being sought to re-tender and at the end of the tender process, to award a Banking Contract to a chosen banking provider.

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

The Executive Councillor resolved to:

Recommend to Council the following three items:-

- i. To authorise the delegation to the Director of Business Transformation to undertake the re-tendering and award of the Council's Banking Contract for a period of 5 years (with the Council's option to extend up to a further 5 years), subject to the preferred tender price being within 10% over the estimated contract value;
- ii. To commence the tender process by not using a Framework option i.e. using a 'full' tender process; and;
- iii. To use an 'open' tender route and to evaluate bidders using the same creditworthiness criteria as used to select the City Council Counterparty List.

**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 Finance.

In response to member's questions the Head of Finance and the Accountant (VAT & Treasury) said the following:

- i. The estimated total contract value was £360,000 for a term of 10 years (not 8 years as incorrectly noted in the officer's report). Recent activity data had been used to estimate this value.

- ii. Acknowledged members concerns but confirmed that the tender selection criteria would ensure that the City Council was protected from undue risk.
- iii. The Contract could be let to a bank already used by the Council for its other deposits. The separate deposit values would however be combined to ensure they remain within existing limits. This would ensure the Council managed its *overall* risk.
- iv. The tender criteria would be wide to ensure as much choice for the Council as possible.
- v. Whilst some Councils had looked into setting up their own banks, it would not be suitable for this type of contract.

The Head of Finance further acknowledged the committees concerns regarding risk. It was agreed that the creditworthiness criteria used to evaluate bidders for this contract would mirror that used for the City Council's Counterparty List.

Recommendation iii) of the officer's report was therefore amended to read (addition underlined):

iii. To use an 'open' tender route and to evaluate bidders using the same creditworthiness criteria as used to select the City Council Counterparty List.

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.

**15/11/SR Annual Treasury Management Strategy Statement 2015/16**

**Matter for Decision:** The Council is required by regulations issued under the Local Government Act 2003, to produce an Annual Treasury Management Strategy Report. The officer's report complied with the CIPFA Code of Practice on Treasury Management (February 2011) and the CIPFA Prudential Code for Capital Finance in Local Authorities (May 2013 edition). The report also included any changes to the prudential & treasury indicators, since they were last reported within the Mid-Year Financial Review (MFR), to Council, on 6th November 2014.

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

The Executive Councillor resolved to:

- i. Recommend to Council the Annual Borrowing Statement at Paragraph 3.2 of the officer's report, the Council's Minimum Revenue Provision (MRP) Policy at Paragraph 3.3 of the officer's report and the Council's Annual Investment Strategy as contained within Paragraph 6 of the officer's report.
- ii. Recommend to Council an amendment to counterparty limits as follows (which puts these financial instruments in line with the other products in use):

<b>Name</b>	<b>Recommended Limit (£)</b>
Supranational Bonds - AAA	15m
UK Government Treasury Bills	15m
UK Government Gilts	15m

- iii. Recommend to Council changes to the estimated Prudential & Treasury Indicators for 2014/15 to 2017/18, inclusive, as set out in Appendix D.

**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 Finance.

In response to member's questions the Head of Finance, the Director of Customer and Community Services and the Accountant (VAT and Treasury) said the following:

- i. Pointed out that the HRA Business Plan was currently making a provision so that 25% of HRA debts could be repaid from 2038 onwards. However, this would depend on the financial situation at the time.
- ii. The Council's proposed £10m investment with the Charities, Churches and Local Authorities' Property Fund (CCLAPF) would represent 10% of the available cash balances.
- iii. CCLAPF actively manage portfolios to limit voids and have performed consistently well in this area. They also renovate property to a high standard to ensure quality tenants.
- iv. The yield of the fund is based on the rental income.
- v. The administration costs are within the industry standards.
- vi. The City Council's Treasury Management Advisors are supportive of this proposed investment.
- vii. New investors increase the size of CCLAPF. The City Council would therefore be buying new 'units' not ones previously been sold on by other Local Authorities.
- viii. Any capital appreciation would be released upon sale of the 'units'.

With regard to the concerns raised about the investment with CCLAPF the Executive Councillor for Finance and Resources said the following:

- i. This type of investment provided a very stable and long term return for the Council.
- ii. Returns were generally in the 3.5% - 10% range.
- iii. A diverse geographical and property type portfolio reduces risk as differing areas and property types may be affected differently at the same point in any property cycle.
- iv. Since 1971 no Local Authority who had invested in this fund had sold any of its 'units'.
- v. Whilst the capital value of properties did vary over time, the rental income stayed very stable.
- vi. Had been very reassured by his meetings and ongoing dialogue with the CCLAPF Managers.

- vii. CCLAPF held a very diverse portfolio of property and it was therefore very unlikely that the City Council would be bidding on the same properties. This could however be further discussed between the two parties.
- viii. Whilst the overall governance structure was controlled by the LGA, individual investors did have an input into this.
- ix. Any capital appreciation would only be realised if and when 'units' were sold.
- x. This was a safe long term investment for the City Council and the tax payers of Cambridge.

Councillor Bick proposed the following additional recommendation:

- i. To defer investment in CCLAPF for 1 month to allow for alternative proposals to be considered.

On a show of hands this proposal was lost by 3 votes to 5.

Councillor Bick requested that separate votes be taken on the recommendations included in the officer's report.

The Scrutiny Committee considered recommendation i) and endorsed it by 5 votes to 0.

The Scrutiny Committee considered recommendation ii) and endorsed it unanimously.

The Scrutiny Committee considered recommendation iii) and endorsed it by 5 votes to 0.

The Executive Councillor approved the recommendations.

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

Not applicable.

**15/12/SR Strategy and Transformation Portfolio Revenue and Capital Budgets 2015/16 (Estimate), 2016/17, 2017/18, 2018/19 and 2019/20 (Forecast)**

**Matter for Decision:** The report detailed the budget proposals relating to Strategy and Transformation portfolio as included in the Budget-Setting Report (BSR) 2015/16. The report also included consideration of any recommendations concerning the review of charges and project appraisals for schemes in the Capital Plan.

**Decision of the Leader**

The Leader resolved to:

**Revenue:**

- i. Consider the revenue budget proposals as shown in Appendix B of the officer's report.

**Capital:**

- ii Consider the capital budget proposals as shown in Appendix C of the officer's report.
- iii Delete some schemes from the Capital Plan as shown in Appendix C of the officer's report.
- iiii Adjust capital funding for items 2 (c) to 2 (e) as appropriate.

**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 Finance.

In response to member's questions Officers and Executive Councillors said the following:

- ii. Budget Reference PROG3558 and 3561 (self-service and electronic enquiry service/voice activated switchboard): The Director of Business Transformation said that callers to the City Council would be given a limited number of voice activated automated choices in order to direct their query to the appropriate person/service. Where required the caller could be connected directly to a member of staff.
- iii. Budget Reference PROG3747 and 3748 (shared Planning and Building Control Service): The Director of Environment said that these were two separate proposals – one for a Shared Planning Service and one for a shared model for Building Control. Whilst Building Control had been discussed in detail at the Environment Scrutiny Committee on 13 January 2015 the Shared Planning Service proposals were at an earlier stage of development. It was however envisaged that a saving of £50k could be achieved.
- iv. Budget Reference PROG3686 and 3746 (Support Services): The Director of Business Transformation said that the objective, over a medium term period, would be to tackle legacy support costs. A full analysis and benchmarking had been undertaken and savings were achievable. It was also confirmed that support cost savings had not been 'double counted' across numerous budget lines.
- v. Budget Reference PROG3688 (Shared Legal Service): The Director of Business Transformation said that the savings quoted would be the minimum amount achievable and could increase as the service review progressed.
- vi. Budget Reference S3528 (contribution to Cambridgeshire Constabulary): The Leader said that the Police and the Assistant Police Commissioner had confirmed that this reduction would not result in fewer PCSO's on the streets of Cambridge. Other Local Authorities had withdrawn their contributions in 2007/08 and it had had no effect on PCSO numbers. It was felt that the number of PCSO's in Cambridge was adequate.
- vii. Budget Reference PPF3539 (Neighbourhood Resolution Panel initiative): The Leader said that this was a positive initiative and he was confident that, long term, it would succeed.
- viii. The Executive Councillor for Finance and Resources said that the Food Bank had only been funded for two years as their property lease was due to expire at the end of this time and they were looking to relocate.



- ix. Budget Reference C3703 (Keep Cambridge Moving Fund): The Leader said that whilst an overall commitment of £1.5m remained, this money would not be spent before 2020 and there was therefore little point in allocating it in this budget.

The Scrutiny Committee considered the recommendations and endorsed them by 5 votes to 0.

The Leader approved the recommendations.

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

Not applicable.

**15/13/SR Finance and Resources Portfolio Revenue and Capital Budgets 2015/16 (Estimate), 2016/17, 2017/18, 2018/19 and 2019/20 (Forecast)**

**Matter for Decision:** The report detailed the budget proposals relating to Strategy and Transformation portfolio as included in the Budget-Setting Report (BSR) 2015/16. The report also included consideration of any recommendations concerning the review of charges and project appraisals for schemes in the Capital Plan.

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

The Executive Councillor resolved to:

**Review of Charges:**

- i. Approve the proposed charges for this portfolio's services and facilities, as shown in Appendix A of the officer's report.

**Revenue:**

- ii Consider the revenue budget proposals as shown in Appendix B of the officer's report.

**Capital:**

- iii Consider the capital budget proposals as shown in Appendix C of the officer's report.
- iiii Delete some schemes from the Capital Plan as shown in Appendix C of the officer's report.
- iv Adjust capital funding for items 2 (c) to 2 (d) as appropriate.

**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 Finance.

In response to member's questions Officers and Executive Councillors said the following:

- ii. Budget Reference PPF3706 (Trade Union Facilities Agreement): The Executive Councillor for Finance and Resources said that, whilst comparisons with the practice of other Local Authorities in the region was not relevant, the Human Resources (HR) Department may be able to provide members with information on any such comparisons.
- iii. Budget Reference R13569 (loss of Mill Road Depot income): The Executive Councillor for Finance and Resources said that the estimated figures from the previous administration had been overambitious. The Head of Property Services said that the expected income from the proposed lettable space had not been achieved.

The Scrutiny Committee considered the recommendations and endorsed them by 5 votes to 0.

The Executive Councillor approved the recommendation.

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

Not applicable.

**15/14/SR Budget Setting Report February 2015**

**Matter for Decision:** The Budget-Setting Report (BSR) provided an overview of the review of the key assumptions. It included the detailed revenue bids and savings and set out the key parameters for the detailed recommendations and budget finalisation to be considered at the meeting of The Executive on 22 January 2015. The Executive would make final budget recommendations to Council, for consideration at its meeting on 26 February 2015.

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

The Executive Councillor resolved to:

**General Fund Revenue Budgets: [Section 5, page 28 of the BSR refers]**

- i. Agree any recommendations for submission to the Executive in respect of:
  - Revenue Pressures shown in Appendix B(a) and Savings shown in Appendix B(b).
  - Priority Policy Fund (PPF) Bids as shown in Appendix B(c) of the BSR.
  - Bids to be funded from External or Earmarked Funds as shown in Appendix B(d) of the BSR.
  - Non Cash Limit items as shown in Appendix B(e) of the BSR
- ii Formally confirm delegation to the Chief Financial Officer (Head of Finance) of the calculation and determination of the Council Tax taxbase (including submission of the National Non-Domestic Rates Forecast Form, NNDR1, for each financial year) as set out in Appendix A(a) of the BSR.
- iii Recommend to Council the level of Council Tax for 2015/16 as set out in Section 4 [page 26 of the BSR refers].

*Note that the Cambridgeshire Police and Crime Panel will meet on 28 January 2015 to consider the precept proposed by the Police and Crime Commissioner, Cambridgeshire & Peterborough Fire Authority will meet on 12 February 2015 and Cambridgeshire County Council will meet on 17 February*

*2015 to consider the amounts in precepts to be issued to the City Council for the year 2015/16.*

***Treasury Management (see separate report).***

**Other Revenue:**

- ii Delegate to the Head of Finance authority to finalise changes relating to any corporate and/or departmental restructuring and any reallocation of support service and central costs, in accordance with the CIPFA Service Reporting Code of Practice for Local Authorities (SeRCOP).
- iii Approve an amendment to the remit for the “Sharing Prosperity Fund” so that the revised remit (changes are underlined) is

**Sharing Prosperity Fund Formal Remit:**

To provide resources to fund fixed-term and one-off projects and proposals that support the interim and final 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)

In accordance with the Council’s delegation and approval processes outlined in Part 3 Section 9.3 of the Council Constitution, approval of allocations to be made from the Sharing Prosperity Fund will differ depending on the amount of funding requested and whether it is capital or revenue.

Projects costing £15,000 or less will be approved by the Head of Corporate Strategy, subject to endorsement by The Anti-Poverty Strategy Project Board.

Projects costing more than £15,000 will be considered in the first instance by The Anti-Poverty Strategy Project Board and then submitted for approval by the Executive Councillor for Finance and Resources.

Projects over £75,000 will be reviewed at Strategy and Resources Scrutiny Committee before approval, subject to the need to make urgent decisions.

Where a project includes capital spending of more than £15,000, capital approval processes are also required.

**Capital: [Section 7, page 35 of the BSR refers]****Capital Plan:**

- ii Agree any recommendations to the Executive in respect of the proposals outlined in Appendix D(a) of the BSR for approval to include in the Capital Plan, or put on the Projects Under Development or Hold Lists, including any additional use of revenue resources required.
- iii Agree the revised Capital Plan as set out in Appendix D(c) of the BSR, the Projects Under Development and Hold lists set out in Appendices D(d) and D(e) respectively and the Funding as set out in Section 7, page 41 of the BSR for the General Fund.

**General Fund Reserves:**

- iiii Note the impact of revenue and capital budget approvals and approve the resulting level of reserves to be used to support the budget proposals as set out in the table [Section 6, report page 34 and Section 8, page 46 of the BSR refers].

**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 Finance.

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

- ii. With regard to the process for non-vehicular repair and renewal (R&R) bids:
  - Revenue R&R would be funded from the Revenue Repairs Budget
  - Capital R&R would be funded via a capital bid through the budget setting process.

It was noted that the current Capital process was very complex and officers were working to simplify and standardise it.

- iii. Commitments against the New Homes Bonus (NHB), as shown on page 31 of the BSR, are the same headings as in last year's budget, and the priority order would be dependent on City Deal arrangements. It was unlikely, with current allocations, that homelessness prevention would be affected.
- iv. Car park income was very difficult to accurately estimate. Whilst the Council used consultants to help predict the income this was not an exact science and was affected by many variables.

The Director of Environment added that, whilst there were many variables, there were also many constants i.e. growth of the City and surrounding areas which could help estimate car park income. It was confirmed that the Transport Strategy took account of the Park and Ride sites.

- iv Budget Reference NCL3716 (New Homes Bonus - additional): This represented income being put into projections for future years.
- iv Budget Reference NCL3716 (New Homes Bonus - unallocated): This was the balance of unallocated income which would go into the NHB reserve fund.
- ivi Agreed to provide capital bid documentation prepared in line with existing procedures for new projects to Councillor Bick prior to the meeting of The Executive, if required.
- ivii A new prioritisation process was being developed by officers. Whilst the old style paperwork would still be used during this transition period officers were looking in more detail at projects during the prioritisation stage.

The Executive Councillor for Finance and Resources added that, in the past many projects had been added with little or no business case and the new prioritisation process would address this. Park Street Car Park and the public convenience project were examples of this.

- iviii Options for Park Street Car Park had been consulted on but they had very different costings and timings. Until a preferred option had been agreed upon the project was therefore placed on the Projects Under Development (PUD) list.
- ix Whilst the Council needed to be *aware* of projects upcoming for the Capital Plan, there was no need to allocate the money before a Business case had been developed.

The Executive Councillor for Finance and Resources added that more efficiency with the Capital Plan process was needed. Placing items on the Plan that had not been fully costed simply tied up money that could be used elsewhere.

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

- v. The funding for public conveniences would be released pending the outcome of the review of provision. The funding had therefore been placed on the Projects Under Development section (PUD) list.

The Scrutiny Committee considered the recommendations and endorsed them by 5 votes to 0.

The Executive Councillor approved the recommendation.

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

Not applicable.

**15/15/SR Combined Colleges Boathouse, Logan's Way - Grant of New Lease**

**Matter for Decision:** The Council owned the freehold of a 0.36 ha (0.9 acre) site off Logan's Way which was currently let to Selwyn College for use as a boat house. Selwyn College in conjunction with Churchill College, King's College and The Leys School, known as the Combined Colleges, want to undertake a comprehensive re-development of the existing boat house and had approached the Council regarding the grant of a longer lease to secure funding. The length of the proposed lease requires Executive Councillor approval.

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

The Executive Councillor resolved to:

- i. Agree to a surrender of the existing lease and grant of a new 99 year lease to the Combined Colleges on the terms set out in the officer's report.

- ii. Delegate authority to the Head of Property Services to finalise lease terms.

**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.

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

- i. The under-lease and the sub-lease terms had been agreed between the Combined Colleges, the Cambridge Rowing Association and the Cam Rowers.
- ii. Retail Price Index (RPI) was an appropriate index used to calculate rental income increases.
- iii. Security issues would make public access to the river frontage difficult. This would be discussed in more detail between the parties.

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 the press and public**

The committee resolved to exclude members of the press and public from the meeting for the following items 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.



**15/16/SR Commercial Property Investment**

**Matter for Decision:** The Council's commercial property portfolio had consistently produced good rates of return compared to Treasury Management investments over the past few years. This reflected recent exceptionally low bank interest rates on cash investments and that the Cambridge commercial property market had proved resilient. The Budget Setting Report for 2015/16 recommended the allocation of £8m for investment in commercial property to generate additional income of £400,000 p.a. from 2016/17. For the reasons set out in the report, it was recommended that the funding available be invested directly in acquiring new property.

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

The Executive Councillor resolved that:

- i. The Council allocates £8m for investment in acquiring commercial property, subject to the 2015/16 Budget Setting Report being approved.
- ii. Authority is delegated to the Head of Property Services to acquire commercial property up to £8,515,000 (inclusive of acquisition costs) in consultation with the Executive Councillor for Finance and Resources, the Chair and Opposition Spokesperson for Strategy & Resources Scrutiny Committee and the Head of Finance

**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.

The Scrutiny Committee considered the recommendations and endorsed them by 5 votes to 0.

The Executive Councillor approved the recommendation.

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

Not applicable.

**15/17/SR Lease of Land at Cheddars Lane**

**Matter for Decision:** Lease of Land at Cheddars Lane

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

The Executive Councillor resolved to:

- i. Agree details of the lease of Land at Cheddars Lane.

**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.

The Scrutiny Committee considered the recommendations and endorsed them unanimously.

The Executive Councillor approved the recommendation.

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

Not applicable.

**15/18/SR General Debts - Bad Debts for Write-off**

**Matter for Decision:** Items recommended for write-offs in the financial year ending 31<sup>st</sup> March 2015.

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

The Executive Councillor resolved to:

- i. Write-off two debts totalling £26,398.45.

**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.

The Chairman of the Committee noted that this would be the last meeting to be supported and serviced by Glenn Burgess. The Committee voiced its thanks to Mr Burgess for his work for the Committee and the Council over many years.

The meeting ended at 8.52 pm

**CHAIR**

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