

## **GENERAL PURPOSES COMMITTEE: MINUTES**

**Date:** Thursday, 14th January 2016

**Time:** 2.00p.m. – 4.55p.m.

**Present:** Councillors Bailey, Bates, D Brown, Cearns, Count (Chairman), Criswell, Divine (substituting for Councillor Bullen), Hickford, Hipkin, Jenkins, Leeke (substituting for Councillor Nethsingha), Orgee, Reeve, Rouse (substituting for Councillor McGuire), Tew, Walsh and Whitehead

### **188. DECLARATIONS OF INTEREST**

Councillor Jenkins declared a non-statutory disclosable interest under the Code of Conduct in relation to minute 192, as a member of Histon & Impington Parish Council.

### **189. MINUTES – 22ND DECEMBER 2015 AND ACTION LOG**

The minutes of the meeting held on 22nd December 2015 were agreed as a correct record and signed by the Chairman. The Action Log and following updates were noted:

- Item 183: the Chief Finance Officer had clarified the closure of Huntingdon Highways Depot with the Chairman of Economy & Environment Policy and Service Committee.
- Item 183: the Chief Finance Officer reported that benchmarking data had been collected, and he would circulate a report shortly detailing this comparator information with other authorities. **Action Required.**
- Item 183: the Chief Finance Officer reported that it had not been possible within the timeframe to identify a couple of examples where authorities had needed to rely on their reserves to address something which had gone wrong as other authorities were currently focusing on their budgets as a priority.
- Item 183: the Chairman of Highways and Community Infrastructure Committee had asked for an e-mail to be circulated to General Purposes Committee on 23 December 2015 from the Interim Director of Infrastructure Management and Operations addressing the issue school crossing patrols.

### **190. PETITIONS**

No petitions were received.

### **191. OUTLINE BUSINESS CASE FOR MILTON KEYNES TO JOIN LGSS SHARED SERVICES PARTNERSHIP**

The Chairman informed Members that the report contained a confidential Appendix 1 and Appendix B of Appendix 2, and it would therefore be necessary to exclude the press and public if the Committee wished to discuss these appendices.

The Committee was asked to consider and endorse the proposal for Milton Keynes Council to become a full partner of LGSS in line with the Outline Business Case detailed in the report. The LGSS Managing Director reminded the Committee that LGSS was predicated on a third or fourth partner joining. He explained that the Business Case protected all benefits generated by Cambridgeshire and Northamptonshire County Councils before the addition of a third partner. It was noted that the addition of Milton Keynes Council would extend the attraction of the LGSS brand allowing it to expand to become one of the leading shared services operations in the UK.

In welcoming the report, Members asked a number of questions which received the following responses:

- LGSS clients (one Member and an officer) were represented on a Partnership Board attended by the Chair and Vice-Chair of the LGSS Joint Committee, which met twice a year on the same day as the Joint Committee. The Board discussed common interests such as joint investments and the future development and expansion of LGSS.
- the Cabinet of Milton Keynes Council had approved wholeheartedly a recommendation to join LGSS.
- LGSS had to make savings as part of its budget plans unfortunately it did not mean that these savings could then be transferred to other Services.
- the Managing Director agreed to clarify why there were two “total budget” lines in the table on page 47. **Action Required.**
- the Managing Director informed the Committee that LGSS was following a specific remit for growth rather than growth for growth’s sake. LGSS had an ambition to expand in geography to attract more public services. Whilst it was not possible to put a figure on this expansion, the aim was to attract the majority of public services in the region. Attention was drawn to the additional benefits of growth including the sharing of investment to replace major capital systems. There was also the ability to support front line service better by having an enhanced skills set and resilience. It was important to note that less spend of back office functions released resources to fund front line services.

It was resolved unanimously to:

- i) Based on the attached Outline Business Case, approve the proposal for Milton Keynes Council (MKC) to join LGSS shared services.
- ii) Subject to approval from Northamptonshire County Council’s (NCC) Cabinet and MKC’s Cabinet (which was being sought in parallel with approval from the General Purposes Committee), delegate to the LGSS Managing Director in consultation with the Chairman, Vice Chairman and Members of the LGSS Joint Committee, authorisation to negotiate and agree, subject to appropriate terms:

- a. the provision of services to MKC, under the auspices of the LGSS Joint Committee and the terms and conditions under which the Partnering and Delegation Agreement (PDA) would operate;
- b. any changes to the staffing structures necessary or incidental to the implementation of the service delivery; and
- c. to prepare, approve and complete any necessary legal documentation, including a proposal for amendments to the current PDA between Cambridgeshire County Council (CCC) and Northamptonshire County Council (NCC) relating to the setup of LGSS (and any resulting changes to the constitutions of CCC and NCC). This proposal would be brought to CCC and NCC Full Council for approval.

## **192. COTTENHAM, DEVELOPMENT OF LAND IN RAMPTON ROAD**

The Committee received a report detailing proposals on the development of the Council's land at Rampton Road in Cottenham, and seeking approval to submit a planning application and enter into appropriate agreements to progress the proposals through to implementation. Attention was drawn to the background to the report, which included an opportunity for joint working with the Parish Council. It was important to note that this did not necessarily mean that the Parish Council was supportive of the proposal. The Council was seeking to maximise the opportunity to address the gaps in the South Cambridgeshire District Council Local Plan.

Speaking as a Local Member, Councillor Mason expressed his disappointment that the proposal coming forward at this time was in direct conflict with the existing and emerging Local Plan Policies, the disagreement of the Parish Council and contrary to the views of a large majority of residents expressed at a well attended public meeting last year. The proposed development would be unsustainable in transport and environmental terms, which would be true even if the other sites detailed at paragraph 1.8 were to come forward. All these sites were unlikely to be given approval by the District Council on the basis of policy conflict.

He explained that none of these proposed developments were capable of addressing the severe transport and public open spaces deficit by means of Section 106 or Community Infrastructure Levy contributions. The residents of Cottenham would therefore suffer further inconvenience and delays to journeys to work and schools, which sometimes took up to 2 hours to travel 8 miles by bus. He drew attention to the lack of capacity on minor roads serving the proposed development and the congestion on Histon Road. The report made reference to an urgent need to address the so called housing shortfall. However, the District and City Council had re-submitted combined plans to the Inspector with no further recommendation for large scale development in Cottenham. He urged the Committee to reject the recommendation.

In response to questions, the Local Member commented as follows:

- the Parish Council and local people opposed any development which was unsustainable as demonstrated by a development of 300 homes without improvements to infrastructure.

- there were a number of proposed allocated sites in the Cambridge City and South Cambridgeshire District Council Local Plans to make up the shortfall in deliverable housing numbers. However, there was no proposal in the Local Plan for major development in Cottenham.
- residents had attended a meeting at Cottenham Village College to discuss all developments and had been nearly unanimous in opposition due to the impact of housing numbers on the sustainability of the road infrastructure.
- it was already difficult to achieve sustainability for existing developments, for example the main road to Cambridge was in a deplorable condition. Authorities rarely received the required amount of infrastructure, which also needed to include an amount to catch up, so there was no mechanism to make this development viable. In fact an additional development would accentuate the problem.
- people living in villages beyond the green belt seemed to have development forced upon them to no benefit except for the protection of the green belt. It was important to consider what drove development – housing shortfall or sustainability. The Local Member reported that he was not in favour of building on the green belt.

The Chairman invited Cottenham Parish Council Chairman, Councillor Frank Morris, to address the Committee. Councillor Morris read a statement agreed by the Parish Council. He reported that the Parish Council felt that the proposed County Council development of 300 homes was inappropriate, insensitive and unwelcome. County Council officers were aware of the Parish Council's views and there had been no co-operation given by the Parish Council on this proposal. However, it was important to note that the Council had some interest in working with the County Council in relation to buying or leasing additional land for the extension of the recreation ground.

He explained that the re-evaluation of the five year housing supply in the South Cambridgeshire District Council Local Plan included no development allocated to Cottenham. There had been two other formal applications for development in the village which had both been refused. It was felt that the proposal for land swap to enable the Parish Council to expand its recreational provision would just exacerbate the problem. The Parish Council was currently preparing its Neighbourhood Plan and had so far received 600 responses to a survey regarding the need for affordable homes. In conclusion, the proposed County Council development was of an inappropriate scale for Cottenham.

In response to questions, Councillor Morris commented as follows:

- the Neighbourhood Plan process contained eight milestones and the Parish Council was currently addressing the third, which had involved circulating 2,617 questionnaires. The survey was due to close soon and the results would be available by the end of February for consideration at the Parish Council meeting on 1 March 2016. The statistical evidence would then need to be tested and options identified to close gaps.
- the Parish Council had not discussed this particular site at a public meeting but all threats had been considered.

- Cottenham needed 100 affordable homes, which would not be met by building market value homes. One option would be to use a Community Land Trust (CLT) or raise the parish precept over a period of 15 years to fund the shortfall. The scale of need had been identified from a housing need survey undertaken two years ago and the District Council's waiting list. He acknowledged the difficulty of meeting housing needs particularly given the fact that major companies moving into Cambridge had pushed house prices up further. He commented that he would not be surprised to learn that the average house price in Cottenham was £318,000 which reflected a 14% increase over the last year.
- as a qualified engineer, Councillor Morris commented that he would find it difficult to believe the Highway Authority's modelling if it identified that the current road infrastructure was acceptable to accommodate significant development. The Chief Finance Officer reminded the Committee that it was responsible for managing the assets of the organisation and not the planning process. Any planning application would receive a rigorous and professional approach from the Council's Planning and Highways Teams.

The Chairman drew attention to paragraph 1.9 and suggested that it was preferable that the County Council was the developer to plug the housing gap rather than other developers. In considering the report, Members made the following comments:

- queried why the proposed site was seen as sustainable. Members were informed that the site was well located in the village and was the most sustainable of the four proposed sites in the area. One solution to address the impact on educational provision would be to increase educational facilities adjoining the existing school. It was also possible that a new road to such facilities might need to come off Rampton Road through the proposed site. It was noted that 40% affordable housing would satisfy the 100 affordable homes needed in the village.
- queried how the highways issues would be addressed at planning stage. It was noted that a formal transport assessment would be prepared.
- speaking as a Local Member, Councillor Jenkins commented that it was outrageous that the County Council was spending a lot of time talking about co-operating and leveraging good relationships with Parish Councils and then embarking on activity without considering the view of the Parish Council. He questioned why the Council had not spoken to the Parish Council properly. He was concerned that the Council's principle of working with other Councils including South Cambridgeshire District Council was just being ignored. He was of the view that the site was unsustainable particularly given the fact that the B1049 was already at tipping point. This road was so close to capacity that any minor changes caused a problem. The Chief Finance Officer reported that officers had spoken to the Parish Council and were aware of its position.
- acknowledged the difficulty of balancing the concerns of the local community against the Committee's role of balancing the books and managing the Council's assets. It was noted that the Council was exploiting the position of the Local Plan to address the significant housing need across Cambridgeshire. One Member queried whether any consideration had been given to CLT, which had been adopted on a large scale

by East Cambridgeshire District Council; Stretham and Wilburton was one example of a CLT. A CLT was a nonprofit corporation that developed and stewarded affordable housing, community gardens, civic buildings, commercial spaces and other community assets on behalf of a community. CLTs balanced the needs of individuals to access land and maintain security of tenure with a community's need to maintain affordability, economic diversity and local access to essential services. It was suggested that officers should talk to Cottenham Parish Council about the possibility of a CLT. Officers commented that it might also be possible to draw down grant aid to fund CLT projects.

- queried the lack of financial detail in the report in relation to paragraph 2.3. The Chief Finance Officer explained that the recommendation in the report was seeking the opportunity to progress detailed work, which would include a robust business case.
- highlighted the need to give some thought to those people who did not own land. One Member was of the view that the City Deal should be able to deal with infrastructure sustainability issues. He reminded the Committee of the need for the Council to maximise its assets in order to make significant budget savings.
- acknowledged that there were many communities which did not want more housing and there was congestion on roads nearly everywhere. However, there was a housing crisis which needed to be addressed. It was therefore important that every area took its share.
- welcomed the proposal for the Council to engage in house building but not to the detriment of local communities. It was important that any development understood the needs of local residents. Therefore this development should only proceed with the support and engagement of local communities and Local Members. There was concern that the Council was exploiting a situation in acting as an aggressive developer.

Councillor Jenkins proposed an amendment, seconded by Councillor Leeke, to withdraw the recommendation to enable officers to work with the Parish Council and bring back a report in two months. In seconding the amendment, Councillor Leeke acknowledged that paragraph 1.9 might be seen as desirable by the District Council but there had been no opportunity for it to speak. He felt that the Council was effectively exploiting the misfortune of the District Council. He was concerned that not one brick had yet been laid at Northstowe to build 1,500 houses.

Some Members were concerned that timing was an issue and that a two month delay was outside the window of opportunity. Other Members felt that the amendment was sensible as it would allow all points of view to be considered. There was also concern that the Council was undermining the Local Plan process. On being put to the vote the amendment was lost.

Councillor Count proposed an amendment, seconded by Councillor Hipkin, to add to the recommendation a proposal to explore during this process whether it was possible to bring forward a Community Land Trust or other appropriate model, working with the community, as a means to deliver this development and realise its assets appropriately.

It was resolved to:

authorise the Chief Finance Officer, in consultation with the Chairman of General Purposes Committee (GPC) and the Investment Review Group, to enter into appropriate agreements outlined in this report required to implement the development by the Council of land at Rampton Road in Cottenham and to explore during this process whether it was possible to bring forward a Community Land Trust or other appropriate model, working with the community, as a means to deliver this development and realise its assets appropriately.

### **193. PROVISIONAL LOCAL GOVERNMENT FINANCE SETTLEMENT - UPDATE**

The Committee considered an update on the provisional Local Government Finance Settlement. The Chief Finance Officer reported that the settlement had not been as favourable as anticipated. Although it was a provisional settlement, it was unlikely to change. The cuts to the Revenue Support Grant had been greater than expected because government had engaged in a 'redistribution' between different types of authorities, which had benefited metropolitan areas at the expense of shire counties and districts. Cambridgeshire had been the second worst affected shire county behind Buckinghamshire.

Members were informed that councils with responsibility for Adult Social Care (ASC) would be able to levy up to an additional 2% of council tax above the referendum threshold to alleviate pressures to ASC funding. However, it was noted that no grant had been included for the cost of meeting the National Living Wage increase. Whilst the Government might have reduced the impact on the welfare bill, it had effectively increased the cost for local authorities who employed staff in the care industry.

The Chairman reported that he was aware of all the figures involved including the proposal in the Business Plan to increase Council Tax by 1.99%. However, he did not think it appropriate to set a 2% ASC precept for 2016-17. Councillor Count therefore proposed an amendment, seconded by Councillor Bates, to add "not currently" before "minded" and to remind the Secretary of State to note that this was a decision for full Council in February.

In response to this amendment, a number of members expressed their disappointment particularly given its impact on the Council's budget. One Member commented that public understanding was beginning to shift regarding the Council's position and many members of the public were now prepared to pay more. The Council was having to face an additional budget reduction of £5m and had been treated the worst of all authorities bar one. The Leader of the Labour Group reported that his Group would be voting against anything less than a 4% increase at the budget meeting. He was frustrated that not a single Group Leader had been informed in advance of this stance. The Chairman reported that he had informed Group Leaders as soon as his Group's position had been confirmed.

One Member commented that this did not help the Council's position as regards arguing that it was underfunded. She was concerned that reference in a press release to getting more efficiency out of hard working staff was an insult. She was upset and

disappointed that the Council appeared to be passing up an opportunity to do good for the county of Cambridgeshire. She queried whether the offer could be taken up in future years and was informed that there were no regulations attached to it yet. Another Member commented that the County Council was talking to Parish Councils to ask them to take on the burden of some services as they were not subject to capping. However, the Council, on the other hand, was proposing not take up an offer of an additional £4.8m. One Member acknowledged the need to transform but was concerned that political ideology was being put before the needs of local people.

Other Members commented that they were disappointed with the comments raised. The Government was not offering the Council money it was instead giving it permission to seek more money from local people. The conversations with Town and Parish Councils to do more were to enable them to put their precepts up if appropriate. Another Member acknowledged that whilst there was evidence that some people were willing to pay more this was generally only if it was targeted. There were still back office inefficiencies as demonstrated by the new Chief Executive's plans for a Corporate Capacity Review. It was therefore important to take a balanced position to protect deprived areas particularly outside of Cambridge and South Cambridgeshire.

The Vice-Chairwoman of Adults Committee reported that she was not taking this decision lightly. She stressed the importance of working differently, for example, to deliver adult care packages. She highlighted the impact of the Transforming Lives Project which allowed social workers to use their professional judgement. She reported that there was evidence in other authorities that it could deliver savings. Other Members commented on the flexibility of a 1.99% increase in Council Tax rather than a ring-fenced increase.

Before putting the amendment proposed by the Chairman to the vote, as permitted under Part 4 - Rules of Procedure, Part 4.4 - Committee and Sub-Committee Meetings, Section 18 Voting of the Council's Constitution, six members requested a recorded vote.

It was resolved to:

- a) Note the impact of the provisional local government finance settlement on the Council's Business Plan; and
- b) Agree that the Chief Finance Officer write to the Secretary of State confirming that the Council was not currently 'minded' to set a 2% Adult Social Care precept for the 2016-17 financial year reminding the Secretary of State notes that this was decision for full Council in February.

*[Councillors Bailey, Bates, Brown, Count, Criswell, Divine, Hickford, Orgee, Reeve, Rouse and Tew voted in favour; Councillors Cearns, Hipkin, Jenkins, Leeke, Walsh and Whitehead voted against]*



#### 194. SERVICE COMMITTEE REVIEW OF DRAFT BUSINESS PLANNING PROPOSALS FOR 2016/17 TO 2020/21

The Chairman received confirmation from every Policy and Service Committee Chairman/woman that all of their committees development of business planning proposals to date had taken into consideration associated Community Impact Assessments and that due regard had been given to the three aims of the Public Sector Equality Duty.

The Committee received a report detailing an overview of the draft Business Plan Proposals for Corporate and Managed Services. The report also included a summary of the latest available results from the budget consultation. The Chief Finance Officer reported that the Committee would receive the final report including the impact of the financial settlement on 2 February.

The Director Customer Services and Transformation drew attention to paragraph 2.7 and the proposal for consideration by Health Committee to remove £35k from Community Engagement (including Time-banking) and contact centre public health activities. Strategic Management Team had recommended that the Council consider whether this work should continue to be funded. Members were also advised of the results of the consultation to assess the impact of proposals to increase charges for new and replacement Blue Badges to the statutory maximum allowed by legislation. Attention was also drawn to the proposal to use the corporate reserve to retain the transformation functions whilst the Corporate Capacity Review was underway.

The Chairman reported that he supported the proposal to fund the £35k for the contact centre and community engagement irrespective of a review of individual jobs in order to help deliver an outcome based programme. He also supported the use of the operational reserve to fund transformation. Another Member reminded the Committee of its commitment to the regeneration agenda with an emphasis on protecting those most adversely affected by cuts to mobile libraries and learning centres.

The Chairman highlighted the effectiveness of the new way of consulting as demonstrated by the Blue Badge consultation. One Member drew attention to the £113,000 subsidy to run the scheme and queried whether it could be reduced. It was noted that there was a central contract to print badges at a fixed price of £4.90 in order to reduce fraud. The Government also required more onerous verification checks than previously again in order to prevent fraud. It was noted that work was taking place to benchmark costs against other authorities and consider outsourcing in order to achieve greater efficiency. It was suggested that the business case for outsourcing including benchmarking should be presented to Committee in March. **Action Required.**

It was resolved unanimously to:

- a) note the overview and context provided for the 2016/17 to 2020/21 Business Plan proposals for the Service, updated since the last report to the Committee in December.

- b) comment on the draft revenue savings proposals that were within the remit of the General Purposes Committee for 2016/17 to 2020/21, and endorse them to the General Purposes Committee as part of consideration for the Council's overall Business Plan.
- c) note the ongoing stakeholder consultation and discussions with partners and service users regarding emerging business planning proposals.
- d) approve the proposal to increase Blue Badge charges from April 2016 for new and replacement Badges to the maximum permitted under legislation.

#### **195. TREASURY MANAGEMENT STRATEGY 2016-17**

The Committee considered a report detailing the draft Treasury Management Strategy 2016-17. It was noted that the Minimum Revenue Provision (MRP) Policy Statement would be presented to the Committee at its next meeting.

It was resolved unanimously to:

- 1. Recommend to Council that it approve the draft Treasury Management Strategy for 2016-17, including:
  - a) The Capital Financing and Borrowing Strategy for 2016-17 including:
    - i) The Council's policy on the making of the Minimum Revenue Provision (MRP) for the repayment of debt, as required by the Local Authorities (Capital Finance & Accounting ) (England) (Amendment) Regulations 2008
    - ii) The Affordable Borrowing Limit for 2016-17 as required by the Local Government Act 2003
  - b) The Investment Strategy for 2016-17 as required by the Communities and Local Government (CLG) revised Guidance on Local Government Investments issued in 2010.

#### **196. GENERAL PURPOSES COMMITTEE AGENDA PLAN, TRAINING PLAN AND APPOINTMENTS TO OUTSIDE BODIES, PARTNERSHIP LIAISON AND ADVISORY GROUPS, AND INTERNAL ADVISORY GROUPS AND PANELS**

The Committee considered its agenda plan, training plan and appointments to outside bodies, partnership liaison and advisory groups, and internal advisory groups and panels. In relation to its next meeting on 2nd February, an item on Customer Services Funding had been added.

It was resolved unanimously to:

- a) review its Agenda Plan attached at Appendix 1; and
- b) review and agree its Training Plan attached at Appendix 2.

Chairman