

CABINET: MINUTES

Date: 4th December 2007

Time: 10.00 a.m. – 11.43 a.m.

Present: K Walters (Chairman)

Councillors: M Curtis, D Harty, V H Lucas, L W McGuire, R Pegram (Vice Chairman), J E Reynolds and F H Yeulett.

Also in Attendance

Councillors: M Bradney, M Ballard, M Williamson and J West

Apologies: Councillor: J M Tuck

452. MINUTES 14th NOVEMBER 2007

The minutes of the meeting of the Cabinet held on 14th November 2007 were approved as a correct record.

453. DECLARATIONS OF INTERESTS

Cllr Lucas declared a personal and prejudicial interest in agenda item 7 “Budget Monitoring Report – October 20007” following his appointment as the chairman of the Cambridgeshire Primary Care Trust’s Provider Services Board and left the room during discussion of this item. Congratulations were offered to Councillor Luca regarding the appointment which would result in him having to step down from Cabinet by February.

Cllr Lucas declared a personal interest also as a result of his above appointment in agenda item 11 “Commission for Social Care (CSCI) Inspection of Older People’s Services”.

Cllr Reynolds declared a personal interest in agenda Item 6 “Waste Management Private Finance Initiative Project” as a result of his membership of Renewables East.

454. PETITIONS

None.

455. ISSUES ARISING FROM SCRUTINY COMMITTEES

None

456. LOCAL GOVERNMENT PENSION SCHEME - REVIEW OF EMPLOYER DISCRETIONS

Cabinet received a report seeking its support for a series of recommendations to be made

to the County Council to implement changes to Local Government Pension Scheme (LGPS) discretions as applied to the County Council workforce. The Council Constitution requires that the exercise of decisions relating to the application of pension regulations affecting the County Council's workforce must be made by the full County Council as the employer of the Council's workforce.

The actions proposed were to ensure that discretions under the Local Government Pension Scheme Regulations 1997 (as amended) were up to date and followed on from a review commissioned by the Pensions Service to look at Cambridgeshire County Council's policies in respect of:

- Whether the policy decisions in respect of the current discretions were reasonable when compared to the policy decisions of other LGPS employers and Funds, and if not, to make a recommendation of a reasonable policy for the future;
- Highlighting any particular discretions where improvements could be made;
- Whether or not the technical content of the discretions were correct; and
- To answer specific questions in relation to a number of specific areas of discretion.

The report set out those areas where significant changes were being proposed, or where it was appropriate for the intent behind the discretion to be re-affirmed in light of changes in the Regulations. The changes proposed were designed to promote good employee relations and Cabinet was pleased to note that they were fully supported by Cambridgeshire UNISON.

In terms of applications for flexible retirement, in response to questions raised, it was confirmed that they would need to be considered at the discretion of the relevant Deputy Chief Executive, advised by the relevant head of Human Relations, as the discretion of the LGPS meant that potentially anyone over 50 could apply. It was clarified that granting such a discretion in line with Age Discrimination legislation would only be agreed if it was considered that there was a strong business case e.g. that the likely capital cost did not outweigh the benefit of keeping on an individual in the interests of the service. Cabinet noted in response to a question that it was not currently possible to estimate the full costs, as this would be dependent on meeting the eligibility criteria and on the numbers who chose to apply. The latter could not be accurately predicted. The important consideration noted was that the final discretion/decision remained with the employer.

Due to the complexity of the report, a request was made that Group Leaders should be provided with a one page summary briefing before the Council meeting.

It was resolved:

To recommend that the County Council considers the following employer discretions recommendations for adoption:

- 1) The Council will consider granting flexible retirement for anyone aged 50 or over where a Directorate wishes to retain skills or knowledge of the

individual concerned, the relevant Director supports the business case to retain the individual and:

- a 50% reduction of hours or more is being proposed; or
 - the individual is voluntarily moving to an associated vacancy where key skills and knowledge will continue to be available to the service but, overall, they are taking a substantial downgrading of duties, responsibility and grade.
- 2) Approval for payment of pension between age 50 and 60 is delegated as per the scheme of delegation.
- a) Approval will be deemed to have been given automatically where:
- i) it is to provide an equitable solution to those being made redundant or taking efficiency retirement from an active job with Cambridgeshire County Council (CCC) who also have retained a deferred benefit with CCC that resulted from redundancy, Transfer of Undertakings (Protection of Employment) Regulations (TUPE) or a forced reduction in pay which can only be paid through this mechanism; or
 - ii) as in i) except where the active employment is with another local government employer (as defined by the modification order); or
 - iii) it is to provide an equitable solution to those taking flexible retirement from an active job with Cambridgeshire County Council who also have a retained deferred benefit with CCC that resulted from redundancy, TUPE or a forced reduction in pay which can only be paid through this mechanism.
- b) Individual applications should be made through the Human Resources (HR) Officer aligned to the Directorate concerned, but will not be granted unless:
- iv) the individual can clearly demonstrate that they have a dependent that is in need of the applicants constant supervision due to a long term illness and, as a result, the applicant is suffering from severe financial hardship; or
 - v) there is a substantial reason (not related to caring for a dependent who is ill) where the applicant can demonstrate they are facing severe financial hardship and will be doing so on a long term basis.
- 3) To only allow waiving of actuarial reduction on early payment of pension on compassionate grounds where payment relates to someone who is being made redundant or going on efficiency grounds from an employment in which they are an Active member of the LGPS and is having a deferred pension brought into payment.

- 4) All employees will be allowed to re-join the LGPS following more than one opt out.

457. WASTE MANAGEMENT PRIVATE FINANCE INITIATIVE (PFI) PROJECT

Cabinet received an update report (from the previous position reported at the Cabinet meeting on 17th April 2007) on the outcome of the procurement phase of the Waste PFI Project and to advise on the steps to be taken in respect of financial close.

Cabinet was reminded that the full Council meeting on 15th May 2007, had unanimously agreed that:

- i. The contract negotiated with Donarbon represented:
 - (a) An acceptable solution for meeting the Council's landfill diversion objectives.
 - (b) Acceptable value-for-money
 - (c) An affordable proposition
 - (d) An acceptable level of risk transfer.
- ii. The 28 year Waste PFI contract should be awarded to Donarbon Waste Management Ltd subject to the final contract documents being prepared to the satisfaction of the Head of Legal Services, the Director of Finance & Performance and the Deputy Chief Executive (OECS)

Cabinet noted that in moving towards financial close of the contract both the County Council and Donarbon had closely re-examined every financial element of the proposed contract. In particular attention had been paid to the following issues:

- The capital costs of the Waterbeach Mechanical Biological Treatment (MBT) facility.
- The inclusion or exclusion of the March waste transfer facility from the core contract.
- The payment profile.
- The requirement to recalibrate costs and prices to August 2007 levels.
- A review of risks and opportunities.
- A final price offering from Donarbon.

Cabinet noted the key differences to the values contained within the report to Council on the 15th May 2007 (as set out in paragraphs 3.10 to 3.15 of the report. Cabinet also noted that to ensure the best possible deal for the Authority and to offset in part some of the cost increase identified in the report as a result of core capital costs and inflation, further discussions had been held with Donarbon. These had led to a reduction in the internal rate of return from an industry standard 12% to 11.25% and had reduced the core cost of the contract. The final price at contract close would still be the subject of further alteration as a result of the financing, finance swap and insurance arrangements to be concluded on that day. Cabinet was reassured that the impact of those items on the overall price was considered by the officers to be minimal.

In answer to questions raised, Cabinet was informed that although the core Donarbon price had increased, (half due to inflation calibration), overall the call on new money would be reduced as on reviewing the opportunities and risks, more income was likely as a result of commodity price movements, capacity and better material sorting. Therefore,

with regard to the four point decision under (i) above, the Director of Finance, Property and Performance was able to confirm that any movement on those points would still bring the project within acceptable and affordable ranges and therefore the new figures was still within the scope of the Council decision made on the 15th May 2007. The Head of Legal Services, the Director of Finance, Property and Performance and the Deputy Chief Executive (OECS) confirmed that the final contract documents have been prepared to their satisfaction (in accordance with (ii) above) and that a contract with Donarbon should be possible on or around the 12th December 2007.

Cabinet also agreed the transition of the current Procurement Board to a Delivery Board, acting within the current agreed delegated powers and under the Terms of Reference (attached as Appendix A to the report) that Councillors John Reynolds and Roy Pegram would be the two Members on the board representing the Cabinet.

A change to the draft Recommendation ii) from that set out in the original report was made following legal advice, as the original recommendation would have had the effect of Cabinet and then Council re-considering the award of contract, as well as the current business case. This had never been the intention as there would be legal risks in purporting to re-award the contract to Donarbon. Therefore the wording of the recommendation was amended to reflect the true purpose of the item of business.

Cabinet also agreed a delegation to the Director of Finance, Property and Performance to agree minor amendments to the business case as officers would not have a final figure for certain costs, such as insurance, until financial close. As long as such variations did not significantly change the affordability of the project, the delegation would ensure that the Director of Finance, Property and Performance could agree them.

It was resolved

- i) to note that within the delegations made by Council on the 15th May 2007 that satisfactory progress has been made with financial and legal close and that a contract with Donarbon should be made on or around the 12th December 2007.
- ii) To approve, on financial close of the procurement stage of the PFI project, the transition from Procurement board to Delivery Board and to agree the Terms of Reference for this Board as set out in the appendix to the report.
- iii) To appoint Councillors R Pegram and J Reynolds to represent the Council on the Cambridgeshire Waste PFI Project Delivery Board.

to recommend to Council:

- iv) Approval of the final business case as set out in the Cabinet report; and
- v) To agree to delegate to the Director of Finance, Property and Performance in consultation with the Deputy Chief Executive - OECS and the Head of Legal Services the authority to agree any financial variations that occur between the date of the report and financial close of the project provided that they do not make a significant change to the overall figures in the Final Business Case.

458. BUDGET MONITORING REPORT OCTOBER 2007

Cabinet received a report noting:

- the revenue expenditure of Services in 2007/08 as at 31st October 2007 and in particular, the forecast overspends in the Office of Environment and Community Services (OECS) of £1,193k (less £910k requested to be agreed) and the expected underspends of £53k in Children and Young People's Services and £1,301k in the Office of Corporate Services (OCS) and the actions being taken to deliver a balanced position.
- That capital expenditure was expected to be at £147.6m, an outturn variance of approximately £25.8m and the details also provided of the breakdown of the project specific financing arrangements mainly representing changes in the timing of schemes, as many involved spending across a number of years, rather than underspends on scheme costs themselves.
- That the trading units' performance in 2007/08 was an expected deficit of £647k. with the key accumulated deficits being in OCYPS Trading Units (Cambridgeshire Instrumental Music Agency, Catering and Cleaning Services and Groomfields).
- That performance on debt management which showed that longer term debt (less than six months old) had increased by £144k in October and was now £572k above the target while debt in the 4-6 month age had decreased by £14k at the end of October to £444k.
- That prompt payments performance was above the excellent (95%) prompt payment target at 97.7% in October.
- That as a result of transitional clients who had not been identified as requiring a service during the preparation of the 2007/08 budget there were continuing pressures on the Learning Disabilities Partnership (LDP) Budget in 2007/08 that required to be addressed in order to achieve a balanced budget. It was therefore recommended that the pressures were met through the following package of measures, including use of the Future Development and Pressures Reserve:

	Amount (£000)	Notes
Future Developments and Pressures Reserve	500	Non-recurrent funding
Delay in Waste Private Finance Initiative (PFI)	50	Off-setting saving
Street light energy deal	160	Off-setting saving
Service Reductions:		
- Maintenance - surface dressing preparation	100	
- Carers Grant	50	
- Maintenance scheme: A10	50	
Total	910	

This was agreed on the basis that no reserve balances were held at year-end at Office level that could otherwise be deployed to meet the pressure.

Cabinet expressed concern in respect of both the continued deficits of the Trading Units, and the in-year performance of the Integrated Community Equipment Service (ICES) contract and as a result has requested:

- a report to come back to Cabinet as soon as practicable, on the action required to be taken to address the deficit position of the Trading Units.
- That having been assured that measures were in hand to improve performance of the ICES contract, to review the service via a report back to Cabinet at the end of the financial year.

Following continued concerns regarding long debt management performance, the Head of Research and Financial Strategy undertook to provide the most recent benchmarking information of the County Council's performance in debt management against other similar County Councils as background information to Cabinet outside of the meeting.

It was resolved to:

- i) note the revenue expenditure of Services in 2007/08 as at the 31st October 2007 and in particular, the forecast overspend in OECS (Section 3) and the actions intended to deliver a balanced position.
- ii) note the capital spending and financing in 2007/08 (set out in sections 4.1 – 4.3 of the report)
- iii) note the trading units' performance in 2007/08 (set out sections 3.10 – 3.13 of the report)
- iv) note the performance on debt management (sections 4.4 – 4.7 of the report) and prompt payment (set out in sections 4.8 – 4.9 of the report)
- v) approve the proposed bid to draw down funding for OECS for LDP transitional clients (£500k) (set out in sections 5.1 to 5.3 of the report).
- vi) To receive a report on the Trading Units to a subsequent Cabinet meeting setting out the action to be recommended to deal with the continued deficit position.
- vii) To receive a report at the end of the financial year on the position of the ICES Service.

459. REGIONAL CONSULTATIONS

A) Consultation Draft Of The Revised Integrated Regional Strategy (IRS) For The East Of England “Sustainable Futures” (September 2007)

Cabinet received a report on the above titled strategy that had been prepared by the East of England Regional Assembly (EERA) and set out the overall vision and context for key strategies and plans in the Region and seeking to identify linking themes. A tabled paper

confirmed that the Planning and Regional Matters Policy Development Group endorsed the proposed response.

It was resolved:

- i) To note the key elements of the new draft IRS.
- ii) To Approve the proposed responses to the consultation questions in Appendix 1 of the Cabinet report.

B) Draft Regional Economic Strategy (RES) For East Of England - Cambridgeshire County Council Response

This strategy had been prepared by the East of England Development Agency (EEDA) for consultation and provided the key framework for economic development and interventions in the Region.

A tabled paper confirmed that the Planning and Regional Matters Policy Development Group endorsed the proposed responses with the following additions:

- Supported the request to reinstate the reference to quality of life and a proposal that this should include “for present and future generations”
- The need for the region to take local responsibility for CO2 implications rather than relying on carbon off-setting;
- Draft Strategy was too long and lacked focus, was non-specific about issues for the East of England and said nothing about the differences in urban and rural areas;
- To highlight the inadequate proposals on training and skills levels for young people;
- Highlighting the lack of information regarding delivery and how the Plan would be implemented.

Cabinet Members highlighted the following issues for further officer consideration to be included in the final response:

- a) the need to attract new firms into the Region as a way of enhancing job creation should be emphasised and to recognise the added value that could be provided in knowledge related sectors or low carbon technologies;
- b) climate change objectives should be embedded as a long term factor in the strategy with examples to be highlighted to include:
 - That as limitations on water resources were likely to be an increasingly significant constraint over time this needed to be addressed regionally;
 - the impact of transport by sea, air and road on carbon emissions were highly significant and therefore needed to be fully addressed;

- the significant potential that development of renewable energy had, for example windfarm technology in the Fens.
- c) Northstowe was not an officially designated Ecotown as suggested in the headline ambitions for the Cambridge Sub-Region,
- d) There were concerns about the accuracy of the economic modelling for the RES, particularly at the local level;
- e) Other elements of the draft response which Cabinet wished to highlight included:
 - doubts about the deliverability of high levels of housing growth; and
 - the role of transport currently as a key component of the economy.

It was resolved to;

- i) Note the key elements of the new draft Regional Economic Strategy (RES).
- ii) agree the proposed responses to the consultation questions in Appendix 3 of the report , subject to the approval of the final detail taking into account the comments made at the Cabinet meeting and at the PDG meeting being delegated to the Deputy Chief Executive ECS in consultation with the Cabinet Member for Environment and Community Services and the Cabinet Member for Planning and Regional Matters.

C) East of England Plan: Consultation on the Assessment of the Plan under the European Habitats Directive and the Secretary of State's Further Proposed Changes

This further consultation response had resulted from further changes to the draft Regional Spatial Strategy (RSS) for the East of England (the RSS would provide the broad planning strategy for the Region) was being consulted upon by the Government Office for the East of England. The Council's comments on the Government's main changes had been submitted earlier in the year.

The Planning and Regional Matters PDG had made the following suggestions for incorporation in the final document:

- The need for a strategy of habitat preservation that would take on board the effects of global warming.
- Water targets appeared to be over-ambitious, particularly in view of the increase in the number of smaller households which tended to use proportionally more water than larger ones.

Cabinet members also raised issues regarding future water supply issues. While studies suggested water supplies were adequate for the next 20 years water supply and climate change was a long term issue and while a certain amount could be conserved through

increased efficiency, additional and sustainable water supplies including new storage, was a regional issue to be addressed.

It was resolved to:

- i) note the key elements of the RSS Further Proposed Changes.
- ii) Approve the proposed responses to the consultation as outlined in Section 3 of the report subject to the approval of the final detail taking into account the comments made at the Cabinet and PDG meeting being delegated to the Deputy Chief Executive ECS in consultation with the Cabinet Member for Environment and Community Services and the Cabinet member for Planning and Regional Matters.

460. HIGHWAY OPERATIONAL MATTERS

Cabinet received a report to consider a vehicle removal scheme for persistent evaders of parking penalty charge notices (PCNs) and also the implementation arrangements for the review of A and B class road speed limits.

In respect of PCN proposals, Cabinet noted that in October the Cambridge City Environment and Traffic Management Area Joint Committee (AJC) had considered a report on a possible scheme for the removal of all vehicles used by persistent evaders of PCNs. The report had been in response to the growing number of motorists who persistently parked in contravention of existing traffic regulations, causing an obstruction to the flow of traffic and occupying parking places reserved for residents and other permit holders.

Cabinet noted that the proposals were for a one year trial scheme for removing offending vehicles. The Chairman requested that officers should, in due course, also investigate the possibility of the vehicle removal scheme being extended to also address the problems of offenders who persistently parked illegally, where fining them was not providing an effective deterrent.

In respect of the review of A and B road speed limits, this was to address the Department of Transport (DfT) guidance on the setting of local speed limits in Circular 01/2006, which requested that all counties should carry out a review of speed limits on all A and B roads under their control by 2011. In July 2007, following consultation, Cabinet has agreed to adopt a new County Council speed limit policy, but a decision on whether or not to accept the Department of Transport (DfT) request had been deferred at that time until a trial site had been investigated, to determine the probable level of funding and staff resources necessary to successfully complete the review.

Cabinet noted that:

- Roads with 30 mile per hour (mph) speed limits in Cambridge City and other settlements had not been included on the A and B road list, as the review was not aimed at assessment for 20mph limits.

- The A and B road network has been divided into 85 sections, ranked on the KSI rate (i.e. number of fatal or serious collisions per kilometre). Appendix B of the report to Cabinet set out the priority order for the speed limit review.
- During the review, any requests for speed limits on lower class roads would be held over until the completion of the A and B road review, unless the site showed a history of high levels of speed related accidents. Any sites identified with serious accident problems would then bid for funding from the most appropriate programme area.
- Outstanding requests for speed limits on lower class roads were being reviewed to identify any with a history of high accident rates. If any were identified through this process, consideration would be given to a bid for funding from the most appropriate programme area. Remaining outstanding requests would be kept on a waiting list until such time as funding became available for a review of the lower class road network.

There was a request to receive via e-mail following the meeting, details of what data had been used for the speed limit review priorities and if possible the statistics for those killed and injured for the roads set out in Appendix B. The top four priorities had been selected as either having a high number of people killed or seriously injured or were as a result of the high public demand for action.

It was resolved to:

- i) Approve a trial scheme for vehicle removals for persistent evaders of PCNs;
- ii) Approve the arrangements for the review of A and B road speed limits as set out in the report and its appendix;
- iii) Note that the progress in implementing the findings of each speed limit review would depend on the funding made available through the budget setting process; and
- iv) To ask officers to investigate in due course the possibility of the vehicle removal scheme being extended to also address the problems of persistent offenders.

461. LISTENING AND INVOLVING STRATEGY

Cabinet received a report requesting approval to a revised Listening and Involving Strategy, which has been updated in line with proposals in the Council's Improvement Plan.

Cabinet noted that in 2001 the Council had produced a Listening and Involving Strategy to support consultation activity, which was updated in 2003. A further draft version was attached for Member comment/input. The need to consult with and, more importantly, engage the public and stakeholders in services, was seen as being increasingly important and therefore Cabinet supported the view that it was essential to be able to demonstrate how that consultation and engagement had helped to shape service delivery.

Issues were raised in respect of requesting that officers should consider ensuring the final version was sufficiently detailed in terms of:

- Providing guidance/advice to ensure there was more robust analysis of responses and their reporting to Members in a more meaningful way in order to help judge the success/relevance of responses received. (the example of the reporting of youth services as a low priority being the example provided and whether the responses of the roadshows had been a true reflection of the total population)
- stressing the importance of ensuring that greater feedback to customers was undertaken as a matter of course , including making it clear whether particular responses had led to the consideration of a change or a review of policy/service delivery.
- The need to review the links between the Listening and Involving Strategy and the Corporate Communications Strategy to ensure there was coordination and cohesion in order to enable their merger as soon as practicable.

It was resolved:

- i) To approve the revised Listening and Involving Strategy subject to the proposals suggested at the meeting being the subject of consultation between the Deputy Chief Executive Corporate Services and the Cabinet Member for Communities and Cabinet Member for Corporate Services.
- ii) To agree that the revised Listening and Involving Strategy should be incorporated into the Corporate Communications Strategy at the earliest opportunity.

462. COMMISSION FOR SOCIAL CARE INSPECTION (CSCI) INSPECTION 2006/07 ANNUAL PERFORMANCE ASSESSMENT OF SOCIAL CARE SERVICES FOR ADULT'S SERVICES FOR CAMBRIDGESHIRE

Cabinet received a report on:

- The Summary Report of the 2006/07 Annual Performance Assessment, including the annual performance rating for Adult Social Care Services which had received a one star rating (adequate) from the Commission for Social Care Inspection, and
- The work to be undertaken in addition to the Action Plan developed following the fieldwork inspection of the older people's service (approved by Cabinet on 16 October 2007), to address the areas for improvement as set out in the Summary Report.

Cabinet noted that the areas for improvement in the Summary Report of 2006/07 Annual Performance Assessment that had not been picked up through the older people's action plan agreed in October were now set out in the action plan at Appendix 2 of the current report. This action plan would be linked to the action plan for the Older People's Service and would also be incorporated into the work of the Adult Support Services Performance Improvement Board.

It was resolved to:

- i) note the content of the Summary Report of the 2006/07 Annual Performance Assessment of Social Care Services for Adult Services For Cambridgeshire, including the judgements and the star rating given, and the action plan set out in Appendix 2 to address the areas for improvement identified by CSCI.
- ii) To confirm that updates on progress against the combined Action Plan (older people's service and additional areas of improvement) would be received by Cabinet, Cambridgeshire Care Partnership and Health and Adult Social Care Scrutiny at a minimum of six monthly intervals.

463. DELEGATIONS FROM CABINET TO CABINET MEMBERS/OFFICERS

Cabinet received a report detailing the progress on delegations. An oral update received reported that since the preparation of the report, contracts had been exchanged in respect of the former Windmill School, Fulbourn.

One Cabinet Member indicated that in respect of those updates in his portfolio area, he would have liked to have been consulted beforehand in respect of the update provided.

It was resolved:

- i) to note the progress on delegations to individual Cabinet Members and/or to officers previously authorised by Cabinet to make decisions/take actions on its behalf.
- ii) To request that relevant Cabinet portfolio holders were made aware of officer updates at a draft stage to enable them to have the opportunity to comment.

464. CABINET DRAFT AGENDA PLAN 18th DECEMBER 2007

The Cabinet Agenda Plan for 18th December was noted with the following changes:

Item 12 Shared Services Commercial partner tender report had been moved to January.
Item 13a Northstowe Trust Report will be a key decision
Item 13 d Cambridge Northern Fringe East had moved to February

Chairman
18th December 2007