

## **CABINET: MINUTES**

**Date:** 7<sup>th</sup> September 2010

**Time:** 10.00 a.m. – 11.30 a.m.

**Present:** Chairman: L W McGuire (in absence of Councillor Tuck)

Councillors: Sir P Brown, S. Criswell, M Curtis, T Orgee, R Pegram, J Reynolds and F Yeulett

**Apologies:** Councillors J. Tuck and D Harty

**Also Present by invitation:** Councillors: N Bell, M Shuter,

**Also Present:** Councillors: D Brown, J Batchelor, P Downes, N Harrison, L Nethsingha, J West and F Whelan

### **220. MINUTES 5TH JULY 2010**

The minutes of the meeting of the Cabinet held on the 5th July 2010 were approved as a correct record.

With reference to Minute 215 an update was provided on the details of a Local Enterprise Partnerships bid which had now been submitted to the relevant Government department covering Greater Cambridgeshire and Greater Peterborough which had the support of the local authorities included in the area. The Acting Executive Director: Environment Services and his team involved in preparing the bid (Liz Stevenson, Charlotte Taylor and Cathy Taylor) were thanked for their hard work undertaken during the recess period which had enabled a very robust bid to be submitted. Details were also provided of a counter bid which had been submitted by Suffolk County Council covering East Anglia and including within it Cambridgeshire and Norfolk, which was not supported by the County Council.

### **221. DECLARATIONS OF INTERESTS**

Councillor Reynolds declared a personal interest under Paragraph 8 of the Code of Conduct as the chairman of Renewables East with regard to any issues relating to this body that might appear in reports on the agenda.

### **222. PETITION IN SUPPORT OF IMPROVING PAVEMENTS FOR WHEELCHAIR AND MOBILITY CHAIR USERS IN BURWELL.**

Cabinet received a petition with 57 signatures organised by Mrs Brenda Ratcliffe seeking to improve conditions for wheelchair and mobility chair users in Burwell (highlighting pavements which were very uneven, sometimes with awkward cambers, kerbs which although lowered, were not flush with the road). The petition called on the Council to alleviate the inconvenience and difficulties experienced by wheelchair and mobility chair users.

With the agreement of the chairman, the spokesperson Mrs Brenda Ratcliffe with the aid of a number of photographs tabled at the meeting (copies of which were given to each Cabinet Member) set out the 3 areas of concern described above. In recognising it was a difficult financial time for the County Council and that resurfacing pavements and correcting cambers would cost significant amounts of money, she focussed her presentation on the issue of the provision of proper dropped pavements and provided a number of examples which from a carer's point needed attention in view of the physical efforts involved in having to negotiate wheelchairs over them. These included kerbs in Silver Street, the High Street and Hall Lane, Burwell.

The chairman thanked her for an excellent presentation and as there was not a relevant report on the agenda, indicated that he would be asking the Service Director: Highways and Access to prepare a formal response in consultation with himself the Cabinet Member for Highways and Access in order to provide the response to her in writing no later than 10 working days following the meeting.

## **LATE REPORTS**

As all the reports were made available / finalised / authorised for despatch 5 clear days in advance of the meeting there was no requirement for reasons of urgency / lateness to be provided.

## **223. ISSUES ARISING FROM SCRUTINY**

### **A) Corporate Issues Scrutiny Report on the Council's response to the Coalition Manifesto and Emergency Budget and the proposed response**

Councillor Shuter as the chairman of the Corporate Issues Scrutiny Committee was invited to present the findings and recommendations from a scrutiny review of the Council's response to the Coalition manifesto and the emergency budget.

The Committee as part of the review had recognised that the Council was working in a rapidly changing political environment and that the full implications of national level decisions would not become clear until the completion of the Comprehensive Spending Review later in the year. Nonetheless, the Committee felt that the following three issues should be drawn to the attention of Cabinet to assist the Council's planning for significant financial reductions in the future:

- The need to consider reviewing pay arrangements for higher paid staff;
- The need to consider reviewing pay arrangements for non schools based local government employees;
- Proactively communicating and selling the process for achieving service changes to employees, partner organisations and the public.

The scrutiny committee in making their recommendations felt that the Council should develop radical solutions due to the challenges of an extremely difficult financial situation and the need to look at all potential areas where money could be saved. The main proposal was that Cabinet should look at the viability of reducing the pay of higher paid employees, to reflect local economic conditions as salaries constituted the biggest element of Council spending.

A Cabinet Members queried the information base used by the scrutiny member referred to in paragraph 3.2 who had suggested that the Youth Service Review had not applied the fundamental principles of transformation in the same radical way as the Library Service review. It was indicated that this was one particular member's view.

Having thanked the scrutiny committee for its thought provoking report, Cabinet was provided with the details of the proposed response which set out reasons why recommendations 1 and 2 were not supported while 3 was as it accorded with Cabinet's own thinking that it was important to engage with staff to help improve services and make savings. It was indicated that there would be more detailed consultation following the Comprehensive Spending Review announcement.

One member requested an update on how the initiative 'Making Cambridgeshire Count' was currently progressing. It was agreed that the Chief Executive / Corporate Director People, Policy and Law would provide Cabinet with an update progress note outside of the meeting.

**It was resolved:**

To approve the responses to the scrutiny report set out as Appendix A to these minutes.

**B) Scrutiny of the Implementation of the Climate Change and Environment Strategy**

Councillor Bell as the chairman of the Environment and Sustainability Scrutiny Committee was invited to present the findings and recommendations from a scrutiny review of the progress of the implementation of the Climate Change and Environment Strategy (CCES). He highlighted that they had made three recommendations in respect of:

- Identifying a lead officer of Strategic Management Team (SMT) to lead the Climate Change and Environment Strategy across the whole council with regular assessments being made.
- Merging the Local Authority Carbon Management Plan and the Climate Change and Environment action plan
- The lead officer responsible for delivering CCES to be made responsible for Managing the energy efficiency capital fund.

The Chairman of scrutiny made the point that climate change was the biggest threat to the planet with 98% of scientists agreeing and those sceptics often being in the employ of fossil fuel interests. He highlighted the increasingly erratic weather conditions as a result of climate change with record floods in Central Europe and Pakistan and food production problems in such places as Russia, as being evidence of the worsening situation. Nearer to home he highlighted that roads and storm drains in the county were now experiencing much heavier rainfall in recent years. Having seen and been concerned by the proposed response which was only to agree recommendation 1 of the scrutiny proposals he urged the Cabinet to alter the response and agree all three scrutiny recommendations as set out.

The Cabinet Member the Economy and Environment in welcoming the report and the critical challenge, recognised that it reflected the need for joined up working in the

organisation. The Cabinet Member for Children paid tribute to the useful education work being undertaken in schools which was targeted at staff as well as pupils as part of the Climate Change and Environment Strategy.

**It was resolved:**

To approve the response to the member led review of the implementation of the Climate Change and Environment Strategy as set out in Section 2 of the report which set out reasons why the second and third recommendations were not supported, while recommendation one was accepted subject to the addition of the following wording at the end of paragraph 2.3 reading “ .....of leading implementation and is agreed to be the appropriate officer”. (the agreed response is set out in Appendix B to these minutes).

## **224. INTEGRATED RESOURCES AND PERFORMANCE REPORT JULY 2010**

Cabinet received the latest report presenting relevant financial and performance information in order to be able to assess progress in delivering the Council's Integrated Plan.

Cabinet noted following three highlighted performance issues:-

- National Indicator (NI) 130 Social Care Clients receiving Self Directed Support (RED) – actual performance (36.8) was as at end of July, against a target of 80 by the end of the year. An oral update indicated that performance was ahead of the government target and was the second best performance in the region. Roll out of Self Directed Support had started in the previous year and was intended to be completed and embedded by the end of 2010/11, hence the high target with the expectation that it would exceed the government target.
- Local Indicator (LI) 068 Overall Satisfaction of Website Customers (RED ↓) – although the target had not been achieved the Council's satisfaction figure was consistently above the average satisfaction figure for all council websites and Shire county websites in England. It was highlighted that since April 2010 this indicator had varied a maximum of ±4 percentage points off the target and last month had been rated green.
- NI 177 Local Bus Passenger Journeys Originating in the Local Authority Area – CCC (RED ↑) – in 2009/10 there was a growth of 0.69% in bus passenger journeys to a total of 22,060,128. This was below the council's challenging local target, although the Authority did remain on-course to achieve its Local Area Agreement (LAA) target. The lower than anticipated performance was due to a general downturn in the economy, in particular during the first six months. In addition the delay in the opening of the Guided Busway had meant that the resulting expected growth had not occurred.

Cabinet noted:

- That The Place Survey, which was due to be undertaken in Autumn 2010, had been scrapped by the Government in early August. As a number of National Indicators relied upon data collected by the Place Survey, the Council had been informed that they would not be expected to report to Government on those indicators.
- The Government's intention to abolish the Audit Commission had been signalled in a letter to the Chairman of the Audit Commission with the aim of introducing a new system

in the 2012/13 financial year based on councils appointing their own auditors, who will work within a regulated framework overseen by the National Audit Office.

Previously reported exceptions were noted as set out in main bullet 6 of paragraph 3.1 of the report.

The following resource issues were highlighted and noted:-

- Overall the budget position was showing a forecast year-end overspend of £2.9m (0.9%) an increase in the forecast overspend of £21k from the previous month.
- In Environment Services (ES) an underspend of -£33k was being predicted, due to savings within Growth and Infrastructure.
- In Community and Adult Services (CAS) an overspend of £755k was being predicted, which was due to pressures identified within Adult Support Services (which through reablement initiatives was expected to reduce through additional savings being identified) and Libraries, Learning and Culture.
- In Children and Young People's Services (CYPS) an overspend of £2.2m was being predicted, in advance of work to identify compensating savings due to pressures within Strategy and Commissioning. Pressures included an increase in the number of identified vulnerable children requiring help and their protection had to be the services number one priority.
- In Corporate Directorates (CD) an underspend of -£18k was being predicted, which was due to savings identified within Customer Services and Transformation.
- In Corporate Directorates – Financing, an overspend of £44k was being predicted due to higher borrowing than budgeted for in the Integrated Plan.
- Spending on the council's overall capital programme was currently proceeding slower than estimated.
- Cabinet was asked to approve the two budget virements of £2.9m that represented the stripping out of the 1% savings target from Services followed by the redistribution of this funding back to the Services to meet pressures arising from recent notified Government funding cuts.
- There were no significant debt problems to report nor were there currently any noticeable effects arising from the economic downturn. The Council's corporate debt targets had been reviewed in light of the good performance during 2009/10 (for which the team was orally congratulated for their good progress) and the need to continuously improve collection rates, but tempered to reflect the present difficult economic climate and Cabinet was asked to approve new debt targets for 2010/11

Cabinet noted the following general economic issues:-

- 2010/11 would be a year of financial challenge and to highlight this it was reported that on the 10<sup>th</sup> June the County Council was notified of revenue and capital reductions of £2.9m and £2.5m respectively, following the new Coalition Government's announcement to make £1.165bn in-year cuts to Local Government. Since then further grant reductions of £0.573m (revenue) and £1.861m (capital) had been confirmed and/or strongly indicated for the County Council. It was noted that Executive and Corporate Directors had been tasked with reviewing capital programmes to take account of the capital grant reductions. It was confirmed in reply to a question that there was sufficient headroom within the Council's borrowing parameters to cover the potential 10m capital resources highlighted in section 4.6 of the report.

- Over and above the further notifications relating solely to this Authority, there was now a strong indication that the outstanding Local Public Service Agreement (LPSA) Reward Grant payment of £4.5m would not be made.
- Services had been tasked with making a 1% saving (£2.9m) in 2010/11. The saving target had been deducted from the Services' budget in July and had then been redistributed to share the burden of the revenue grant cuts in a more equitable manner. As a result Cabinet was asked to provide formal approval for the virement of £2.9m from the Services to the Pressure and Developments Reserve and the subsequent virement of £2.9m to redistribute this funding back out to the Services.

**It was resolved:**

- i) to note the resources and performance information as set out and note the remedial action being taken as detailed in the report.
- ii) Approve the two budget virements of £2.9m that represent the stripping out of the 1% savings target from Services followed by the redistribution of this funding back to the Services to meet pressures arising from recent notified Government funding cuts (as set out in paragraph 3.3) of the report.
- iii) Approve new debt targets for 2010/11 of £990k for the value of debt outstanding over 6 months old and a target of £410k for the value of debt outstanding in the 4-6 month age range as further detailed in paragraph 4.7 of the report.

**225. DEVELOPER SECTION 106 DEFERRAL REQUEST - SECTION 106 PAPWORTH BYPASS CONTRIBUTION**

Cabinet received a report on a request by the developer of the Summersfield Development in Papworth Everard for a further deferral of their Section 106 Papworth Bypass Contribution. Cabinet was informed that the developer was proposing amendments to the physical layout of a number of house types at the site and the modified designs needed to be approved by South Cambridgeshire District Council Development Control Committee for which a decision was not expected until the end of October. The developer was therefore not in a position to commence in the summer and was unwilling to progress the scheme until he had received all necessary planning permissions. As a result, the first of the instalment payment dates, originally agreed for 30th September at the 5<sup>th</sup> July Cabinet Meeting could not now be met, as payment only became due on the commencement of the development. As a result,

**It was resolved:**

- i) To agree the Section 106 deferral request and to agree that this obligation can be paid in instalments as requested by the developer as follows:
  - £270,000 plus indexation payable on 31<sup>st</sup> January 2011
  - £270,000 plus indexation payable on 18<sup>th</sup> March 2011
  - £270,000 plus indexation payable on 29<sup>th</sup> July 2011

- ii) To delegate to the lead Member for Growth, Infrastructure and Strategic Planning in consultation with the Acting Executive Director for Environment Services and Corporate Director for Finance Property and Performance, the authority to agree any further reasonable changes to the instalment dates.

## **226. LOCAL GOVERNMENT SHARED SERVICES – PROPOSED MINOR CHANGES TO SERVICES IN SCOPE**

Cabinet was asked to consider a minor change in the scope of services to be included within Local Government Shared Services (LGSS). The Business Case for Local Government Shared Services had been based on an initial agreement of what services should be considered in scope (transactional and professional). In considering what services were to be in scope at the inception of LGSS, Cabinet's attention was drawn to the fact that for a small number of posts a working assumption had been made for the business case but subsequent validation was needed. This report set out minor adjustments to the scope of services within and outside LGSS as a result of the validation exercise.

### **It was resolved:**

- i) To approve the minor change in respect of secretarial and administrative support to Corporate directors with 60% of resources transferring to LGSS and 40% retained by the County Council.
- ii) To approve the amendment of schedule of in-scope services that supports the LGSS Joint Committee agreement as detailed in section 2 of the report.

## **227. AUTISTIC SPECTRUM DISORDER FULFILLING AND REWARDING LIVES: NATIONAL ADULT AUTISM STRATEGY FOR ENGLAND**

Cabinet noted that the document 'Fulfilling and rewarding lives: The National Adult Autism Strategy for England' had been published on 3 March 2010. Guidance and the full delivery plan was expected in December 2010 which would place new responsibilities and provide best practice guideline on the NHS and local authorities.

Cabinet was informed that Cambridgeshire had commenced development work for adults with Autistic Spectrum Disorder (ASD) in 2009 following the identification of need in the Learning Disability Joint Strategic Needs Assessment. An autism development project was then undertaken and following targeted consultation, the Adult Social Care Disability (ASD) management team had endorsed a draft Autism Strategy in December 2009. This strategy included as appendix 2 to the report had the full support of NHS Cambridgeshire who indicated that they wished to see it endorsed as a joint NHS and Adult Social Care Strategy. Cabinet noted the key areas of the strategy as set out in section 2 of the report and also the detail of an action plan which was regularly updated and linked to Children and Young Peoples Service's autism developmental work. The terms of reference of the multi agency consortium and the current plan were attached as appendices 3 and 4 to the Cabinet report.

The following questions were raised:

- What would happen when the Learning Disability Development Fund funding ceased in 2011? It was indicated in reply that this was specifically for the development project which would be completed by July 2011. The strategy was designed to ease pressures on budgets as it would help improve prevention measures and stop late entries into the system.
- In terms of SWIFT where it was reported that recording would need to include ASD there was a query on whether this would require an additional interface patch. In response it was reported that no major change would be required, as it was just an additional data adjustment to the system, as opposed to a major interface change.
- Whether the figures on page 8 appendix 1 had been rounded up as they did not add up. It was confirmed that they had and officers agreed with the member who had raised it that in future, it would be helpful to make reference to any rounding up / rounding down.

**It was resolved:**

- i) To note the National Autism Strategy; and
- ii) To approve Cambridgeshire's Adult Autism Spectrum Disorder strategy as set out in appendix 2 to the Cabinet report.

## **228. INTEGRATED YOUTH SUPPORT SERVICE**

Cabinet was reminded that as part of the Integrated Planning Process, it had been agreed that the Youth Work and Connexions services needed to save a total of £1 million (£750,000 by March 2011 and £250,000 by March 2012) as a result of reductions in Central Government funding. This was approximately one third of the budget currently allocated for Youth Work and Connexions and the saving required meant unfortunately that it was unavoidable there would be a substantial reduction in staff and service provision to young people. Cabinet now received a report informing it of the details of the review and the redesign of Connexions and Youth Work into a single Integrated Youth Support Service.

Cabinet noted the service would become more targeted to those young people considered to be in most need and in those communities where need was highest. Paragraph 2.2 of the report set out the areas where provision was at risk of being reduced or stopped completely.

Following an informal consultation with stakeholders to facilitate discussion about the proposals and to seek views on ways of delivering support services to young people with considerably less resources, a formal consultation document had now been prepared setting out the proposed offer to children and young people in Cambridgeshire, the proposed model of delivery and proposed staff structures. In consideration of the feedback received on the possible models of delivery outlined within the informal consultation paper, it had been agreed to proceed on the basis that the locality team would continue to provide core services allowing the possibility of commissioning of other services. Also in taking into account the feedback received from staff, it had been agreed to realise all of the required savings by March 2011 in order to reduce the impact / disruption of the change process.

The Service Director: Children's Enhanced and Preventative Services and her staff were thanked for their work on the review during what was a very difficult time and Cabinet asked for this thanks to be passed on to the appropriate staff.

**It was resolved:**

- i) To note the progress made to date.
- ii) To agree to proceed to the Formal Consultation stage.

**229. OFFICE FOR STANDARDS IN EDUCATION, CHILDREN'S SERVICES AND SKILLS (OFSTED) EVALUATION OF SERIOUS CASE REVIEWS IN CAMBRIDGESHIRE.**

Cabinet received a report on the progress and action taken in respect of the Serious Case Review Executive Summaries published on the Local Safeguarding Children's Board website on the 7<sup>th</sup> September 2010 and following their publication could be accessed at the following website address: <http://www.cambslscb.org.uk>.

Cabinet noted that In December 2009 Cambridgeshire Local Safeguarding Children's Board (LSCB) had submitted four completed Serious Case Reviews (SCRs) to OFSTED for evaluation as part of the requirement under "Working Together to Safeguard Children – A guide to Inter Working to Safeguard and Promote the Welfare of Children". The Serious Case Reviews related to children who had died in a period between 2006 and 2009. (Baby A who had died in December 2006, Child C and Child E who had died in June 2007, Child G who died January 2009 aged 17 and Child F who had died June 2009 aged 6 weeks)

The circumstances surrounding the tragic deaths of the children were very different and three of the four cases had been subject to criminal proceedings against specific parents who were found to be responsible for their children's death. On being questioned on the delay in producing the reports it was highlighted that the criminal proceedings had been a contributory factor which were written to reflect the guidance requirements in place at the time. The fourth case was of a young man who had tragically committed suicide at the age of 17.

Referring to the death of the siblings Child C and Child E, the Cabinet Member for Children made the point that agencies alone could not prevent such tragedies and that it took a whole community to keep a child safe. Cabinet was reminded that the evaluations set out in the detail of the report were a judgement on the quality of the report, not a judgement on the quality of work that was undertaken in respect to each individual case. Serious Case Review were for agencies and individuals to learn lessons to improve the way in which they worked, both individually and collectively to safeguard and promote the welfare of children, and was not a process to apportion blame but to identify any lessons that could be learnt to improve practice in the future. With all four cases there had been a multitude of agencies involved and respective agencies will be implementing their own action plans.

The report identified the learning for Children and Young People's Services arising from the reviews which had been actioned at an early stage and had not been dependent on the publication of the reports and were now embedded in necessary processes / action plans as set out in section 3 of the report. The learning undertaken would play an important role in reducing the risk to children and helping improve service delivery.

Questions raised included:

- asking whether there were more Serious Case Reviews (SCR) in the pipeline? In response it was indicated that there was a SCR in Essex where the family had previously lived in Cambridgeshire and Cambridgeshire had contributed to the SCR process, but currently there were no SCR's in Cambridgeshire.
- Whether as a result of recent changes required by Government the reports would in future be published in full? This was confirmed.

**It was resolved:**

To note the progress and action taken in respect of the Serious Case Review Executive Summaries published on the Local Safeguarding Children's Board website on the 7<sup>th</sup> September 2010.

## **230. CAMBRIDGESHIRE GUIDED BUSWAY**

As a result of the continued lack of significant progress towards rectifying the defects which would allow the Council to accept sectional completion of the busway between Cambridge and St Ives, Cabinet had agreed since April to receive progress reports at each meeting.

Cabinet received the latest update report with the Cabinet Member for Growth Infrastructure and Strategic Planning highlighting that despite commitments made, Bam Nuttall had not yet resolved any of the issues and progress such as it was, was behind in terms of the promises made in April. With reference to section 2 of the report detailing the latest update against each of the six outstanding issues, Members again expressed their serious concerns regarding the slow progress made by Bam Nuttall Limited (BNL) to rectify the issues which continued to delay the completion and handover of the Guided Busway

Since the publication of the report, new information had been received which was orally reported regarding the programme for completion of works on the southern section of the scheme. This highlighted that BNL had informed the Council (as part of their monthly programme update) that they had moved the programme completion date back from December 17<sup>th</sup> 2010 to January 14<sup>th</sup> 2011 due to required remedial works to former railway bridges along the route. Officers highlighted that these works were not previously on the critical path list of outstanding issues and could have been undertaken any time during the four year construction period.

It was indicated that contingency plans were being put in place for the Council to carry out any works on outstanding defects once Bam Nuttall had left the site and to recharge them for the work. In addition as Bam Nuttall were not following their own plans for an orderly process of inspection and certification, the process was beginning whereby the Council would carry out its own inspections. More positively Cabinet noted that the Council was taking steps to see if it could deliver the blacktop surfacing to the cycleway between Milton Road and Longstanton before completion of the whole scheme but that this would require the co-operation of the contractor.

Resolutions ii) and iii) agreed at the meeting replaced the original recommendation 2 in the report and was agreed subject to any legal / wording refinement considered necessary following consultation between officers and the Deputy Leader and Cabinet Member for Growth and Infrastructure and Strategic Planning after the meeting.

**It was resolved:**

- i) to note that the Contractor continued to make slow progress towards rectifying the defects which would allow the Council to accept sectional completion of the busway between Cambridge and St Ives;
- ii) To express Cabinet's frustration at the late notification from BNL that the programme completion date of 17th December 2010 would not now be met and had been revised to 14th January 2011.
- iii) To request that officers sought assurance from Bam Nuttall Limited that the guideway would now be completed on 14th January 2011.
- iv) To note that given 1 above, it was likely that sectional completion would not be possible before the entire project was completed.

**231. DRAFT CABINET AGENDA FOR 28<sup>th</sup> SEPTEMBER 2010**

Cabinet noted the draft Cabinet agenda with the addition of a further Guided Busway progress report.

**232. DELEGATION FROM CABINET TO CABINET MEMBERS / OFFICERS**

Cabinet received the latest update report.

**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) That on item 2 'Northstowe Trust Update' this should also have included the words "action ongoing" or similar wording to be consistent with other delegation updates.

Chairman  
28<sup>th</sup> September 2010

**APPENDIX A**

## **RESPONSE TO SCRUTINY OF THE COUNCIL'S RESPONSE TO THE COALITION MANIFESTO AND EMERGENCY BUDGET**

### **RECOMMENDATION 1 - REVIEWING PAY ARRANGEMENTS FOR HIGHER PAID STAFF**

**The Cabinet should investigate the viability of introducing pay cuts for higher paid staff to ensure that public sector pay reflects the local labour market and economic conditions.**

#### **Cabinet Response**

The Cabinet welcomed the opportunity to review the issues involved in determining the pay for higher graded employees within the authority and has given this careful consideration.

In responding to this recommendation, it is considered important that the response is placed within the correct context. Within Cambridgeshire County Council, unlike the majority of local government employers, pay increases for higher graded employees are already determined locally rather than being set nationally through the National Joint Council for Local Government Services. In addition, Cambridgeshire County Council was one of the early adopters and implementers of a harmonised approach to pay and grading structures for both former manual workers and former administrative, professional, technical and clerical employees. This arrangement forms the basis of the 'single status' agreement within the authority, which has enabled the Council to manage its workforce without having to suffer the consequences of costly equal pay claims. When first implementing the current pay structure that the Council applies, in 2003, as a part of the 'single status' agreement the Council's pay line was set below that of the 'market median'. Because the Council introduced new pay policies for these higher graded employees as a part of single status implementation, it has not increased pay levels for these workers at the same rate as those set by national bargaining arrangements. The annual increase, or cost of living award, the Council has applied for these groups of employees has been consistently below that agreed nationally for the past 7 years. This difference has been on the basis of the Council's local pay arrangements which require that the cost of pay progression, i.e. movement through a pay grade, as well as an annual uplift or cost of living award, have come from within the same cost envelope. This differs significantly to the approach in other Councils where these elements represent two separate sets of costs, i.e. cost of living increase and the cost of pay progression.

In considering the local labour market and economic conditions within Cambridgeshire, it is the view of the Cabinet that the current arrangements enable the authority to effectively balance the costs of employment with the requirements to be a good employer. This has enabled the Council to recruit and retain skilled and capable employees, who have proven essential for the delivery of services to the public and the effective management of the Council. Given that the local labour market across Cambridgeshire and particularly within Cambridge City and South Cambridgeshire is relatively buoyant, the Council needs to be able to continue to recruit and retain high quality employees. In doing so the Council has to compete against a range of other employers across the public, private and voluntary sectors. Seeking to have Council pay arrangements reflect the local labour market equally brings with it the issue of potentially having pay differences across the geographic county, e.g. paying more for employees located in Cambridge City and paying less for people undertaking work of the same value if based in a less expensive parts of the local labour market. Such action immediately raises the threat of extremely costly equal pay claims being raised. In addition to this risk, if the Council were to seek to align pay levels to the local economy, this would mean that if the Cambridgeshire levels of pay were to increase above the broader economic position in the UK, then the Council would be placed in the invidious position of paying more than other employers.

Finally, pay and the consideration of pay awards and the basis upon which pay grades are set all form explicit elements of the contract of employment between the County Council and individual employees. Attempting to change the contract of employment unilaterally and impose pay cuts would essentially be considered a fundamental breach of the contract of employment or could easily lead to a significant range of constructive dismissal claims, or another form of legal action via the employment tribunal or through other civil means.

Such actions are not considered by the Cabinet to be consistent with the approach to people management and development that this Council has sought to develop as an employer over a number of years. Instead, it is the view of the Cabinet that issues of affordability are already sufficiently incorporated into the pay determination decisions made by the Council for these higher graded employees. For example, the Corporate Leadership Team pay levels were frozen during the 2009/10 financial year and Heads of Service and Management Band employees received no cost of living award; and, the Chief Executive's pay remains as negotiated in 2007.

It is through these arrangements and decisions that the Council is able to more accurately reflect the local economic climate and affordability issues in a manner that is considered to be proportionate and appropriate, rather than seeking to reduce the pay for employees on an arbitrary basis. **Based upon all of these points, the Cabinet has decided not to support this issue from the Corporate Issues Scrutiny Committee and will not be seeking to progress this recommendation**

## **RECOMMENDATION 2 - REVIEWING PAY ARRANGEMENTS FOR NON SCHOOLS BASED LOCAL GOVERNMENT EMPLOYEES**

**The Cabinet should investigate the implications of opting out of the National Employers' Organisation for Local Government negotiation process for non-schools based Local Government Employees.**

### **Cabinet Response**

For Local Government Employees, i.e. the majority of directly employed Council workers, whose pay and conditions of service are the subject of national collective bargaining, the recommendation that the Council consider opting out of the national bargaining arrangements is noted. Whilst noting that there are potential benefits to local pay bargaining, including a greater ability to undertake more effective medium term financial planning, the Cabinet has taken a number of key factors into account in arriving at its decision. Some of these factors are summarised as follows:

- National bargaining arrangements are considered to be the most economic and efficient means with which to achieve negotiated settlements for the large proportion of our employees. The economies of scale afforded by having this led via Local Government Employers' (LGE) nationally means that the Council does not have to invest in developing the necessary capacity and expertise to undertake local pay bargaining.
- There is strong evidence to indicate that those Councils that have chosen to opt out of the national collective bargaining arrangements have had to pay higher levels of pay awards than those that have been achieved via national pay bargaining. Equally, where Councils have chosen to opt-out of national pay bargaining arrangements they have essentially been required to 'buy out' or otherwise incentivise employees to move away from the nationally agreed pay and conditions arrangements. Such investment or incentive is not considered appropriate or affordable at this time, particularly in the context of some 5,500 employees.

- Were the Council to implement local bargaining and subsequently failed to reach a negotiated settlement upon a pay award this could lead to local industrial action which could be extremely damaging to the reputation of the Council. Whilst this risk exists within the current negotiating framework, any dispute arising through national bargaining is not solely as a consequence of the actions of this Council, but is, instead, as a consequence of the collective action of employers'. The reputational impact is therefore mitigated by being part of the national pay bargaining arrangements.
- Cambridgeshire County Council was one of the early adopters and implementers of a harmonised approach to pay and grading structures for both former manual and former administrative, professional, technical and clerical employees. This harmonisation formed the basis of the 'single status' agreement within the authority, which has enabled the Council to manage its workforce without having to suffer the consequences of costly equal pay claims. Seeking to move away from the 'single status' agreement, which is aligned to the national collective bargaining arrangements, may lead to such claims being submitted in the future.
- The Council has already embarked upon an ambitious transformation agenda as set out in the Integrated Plan for 2010. This transformation will require fundamental change to the workforce of the authority and will lead to reductions in the number of people that the Council employs. Such change and the continued delivery of high quality, value for money, services can only be achieved if the Council seeks to take its workforce with it. Seeking to fundamentally change or otherwise move away from the national pay and conditions of service whilst at the same time as reducing and reforming the workforce is considered to be too high a risk to progress. The impact upon morale, productivity and retention of the high performing employees that the Council will need into the future could potentially suffer as a consequence of seeking to adopt such change.

**Cabinet has considered the recommendation made, but does not judge it appropriate to accept or implementation this recommendation at this time. The Cabinet does however remain open-minded to this issue and would be willing to re-assess this recommendation in the future.**

### **RECOMMENDATION 3 - TRANSFORMATION AND COMMUNICATION**

**Cabinet should proactively communicate and sell the process for achieving service changes to both local authority employees, partner organisations and the public.**

#### **Cabinet Response**

**This recommendation is supported.** The Council's Corporate Communications team has recently revitalised the employee suggestion scheme (Efficiency Bright Ideas), where employees can make suggestions which will save money. Employees will be encouraged to put forward ideas relating to all services as the majority of suggestions to date relate to corporate activities. Consultation with the public as part of the Integrated Plan process will highlight the need to transform services. Work with partners, including Northamptonshire CC as part of Local Government Shared Services, continues to progress with the aim of making service changes which will both make savings and change ways of working. Each service transformation project/programme will identify the communications required to effect and embed the changes required to realise the benefits (financial and non-financial) of the project. Further work is in hand to define a consistent approach to service transformation to ensure effective communication underpins those programmes of work.

### **APPENDIX B**

## **CABINET RESPONSE TO : MEMBER LED REVIEW OF THE IMPLEMENTATION OF THE CLIMATE CHANGE AND ENVIRONMENT STRATEGY**

### **RECOMMENDATION 1 - LEADERSHIP**

The Chief Executive should identify a member of SMT to lead the implementation of the Climate Change and Environment Strategy across the Council. Cabinet should regularly assess the impact of this leadership on the implementation of the strategy.

**WHO: Chief Executive**

**WHEN: September 2010 (identification of SMT member) and ongoing assessment of progress.**

#### **Agreed Response**

The work of the Climate Change Programme Board in pulling together climate change projects from across the council and in challenging performance of the projects reporting to the programme is recognised. The Corporate Director of Customer Service and Transformation is both a member of the Board and a member of SMT and therefore would fulfill this role of leading implementation and is agreed to be the appropriate officer.

### **RECOMMENDATION 2 – MERGING PLANS**

The Local Authority Carbon Management Plan (CMP) and the Climate Change and Environment Action Plan should be brought together to focus on reducing the Council's CO2 emissions and reduce its carbon permit trading liabilities.

**WHO: CCES Member and Officer Champions**

**WHEN: September 2010**

It is understood that Local Carbon Management Plan (LCMP) encompasses some of the objectives of the Climate Change and Environment Strategy. However, the focus of the two documents is different. The LCMP now concentrates solely on the emissions that relate to the Carbon Reduction Commitment Energy Efficiency Scheme (CRCEES): school and non school building, street lighting and traffic signal emissions. It is necessary to maintain a separate LCMP to ensure a focussed effort on meeting the requirements of the CRCEES and minimising the revenue effect of this new tax on the Council.

The Climate Change and Environment Strategy Action Plan has a broader remit that looks at the wider sustainability of Council activity, including biodiversity, heritage, water, pollution in addition to all areas of carbon emissions produced by the Council. It enables effective monitoring of identified activity aimed at reducing the Council's environmental footprint across the County as well as tackling a wide range of climate change issues over and above that created by the emission set covered by the CRCEES. The Action Plan will be reviewed and updated in 2010/11. As with many Council strategies, whilst there is a lead Service and Director, all Services carry responsibility for meeting the challenge of delivery.

Progress of both the LCMP and the Climate Change and Environment Strategy will be reported to the Climate Change Programme Board.

**The difference of purpose of the two plans means that they are best kept separate and therefore Cabinet did not accept the recommendation.**

### **RECOMMENDATION 3 – MANAGEMENT OF ENERGY EFFICIENCY FUND**

The £2m energy efficiency capital fund should be managed by the lead officer responsible for delivering the CCES.

**WHO: Chief Executive / lead SMT Member responsible for CCES**

**WHEN: September 2010**

The £2 million energy efficiency fund is a capital budget spread over 3 years and is not a delegated fund. It was set up with the specific intention of reducing the Council's commitment under the CRCEES to be managed by the Corporate Director of Finance, Property and Performance. The Head of Business Support & Facilities Management and the Head of Finance and Performance are responsible for assessing and putting forward projects. Strong links have been developed with the Head of Infrastructure: Education Planning, ensuring that applications from schools are submitted as part of their normal building infrastructure process. Cabinet will approve all the projects to be funded.

The reason why no schools have accessed the funding to date results from the need to align the application and loan process with that now established for schools seeking capital funding from the Children and Young People's capital programme to address condition needs such as boiler replacement. The means of securing this alignment have now been agreed.

**On this basis, it is felt that the current arrangement remains the most appropriate one for the management of the fund and Cabinet did not accept this recommendation.**