

A meeting of **HUNTINGDONSHIRE DISTRICT COUNCIL** will be held in the **CIVIC SUITE, PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON PE29 3TN** on **WEDNESDAY, 30TH JULY 2014** at **7:00 PM** and you are requested to attend for the transaction of the following business:-

## A G E N D A

	<b>Time Allocation</b>
<b>PRAYER</b>	<b>2 minutes</b>
The Venerable Hugh McCurdy, Archdeacon of Huntingdon and Wisbech will open the meeting with Prayer.	
<b>APOLOGIES</b>	<b>2 minutes</b>
<b>CHAIRMAN'S ANNOUNCEMENTS</b>	<b>5 minutes</b>
<b>1. MINUTES</b> (Pages 1 - 8)	<b>2 minutes</b>
To approve as a correct record the Minutes of the meeting held on 4th June 2014.	
<b>2. MEMBERS' INTERESTS</b>	<b>2 minutes</b>
To receive from Members, declarations as to disclosable pecuniary or other interests in relation to any Agenda item. See Notes below.	
<b>3. EXECUTIVE COUNCILLOR PRESENTATIONS</b>	<b>30 minutes</b>
(i) Councillor R B Howe, Executive Councillor for Commercial Activities.	
(ii) Councillor J A Gray, Executive Councillor for Resources.	
<i>(Presentations - 10 minutes; Questions to the presenting Executive Councillors – 10 minutes; Questions to other Members of the Cabinet – 10 minutes.)</i>	
<b>4. STRATEGIC SHARED SERVICES PARTNERSHIP WITH SOUTH CAMBRIDGESHIRE</b>	<b>15 minutes</b>
The Executive Leader/Deputy Executive Leader to make a statement to the Council on the recent decision by the Cabinet to form a strategic shared service partnership with South Cambridgeshire District Council.	
<b>The meeting shall adjourn for a short break on conclusion of this item.</b>	
<b>5. CABINET PROCEDURE RULES - DELEGATION BY THE EXECUTIVE LEADER</b> (Pages 9 - 14)	<b>10 minutes</b>

In accordance with the Cabinet Procedure Rules (paragraph 1.2) the Executive Leader, Councillor J D Ablewhite, will present information about executive functions for the ensuing year.

**6. APPOINTMENT OF MONITORING AND SECTION 151 OFFICERS 5 minutes**

Report by the Managing Director on the appointment of new Section 151 and Monitoring Officers with effect from 1st August 2014.

**7. FOOD SAFETY SERVICE PLAN 2014/15 (Pages 15 - 24) 10 minutes**

The Chairman of the Licensing and Protection Panel, Councillor J W Davies, to present a report by Head of Environmental and Community Health Services proposing the adoption by the Council of the Food Safety Service Plan for 2014/15.

**8. REPORTS OF THE CABINET, PANELS AND COMMITTEES 30 minutes**

(a) Cabinet (Pages 25 - 46)

(b) Employment Panel (Pages 47 - 78)

(c) Licensing and Protection Panel (Pages 79 - 80)

(d) Corporate Governance Panel

Report of the meeting to be held on 23rd July 2014 – To Follow.

**FOR INFORMATION REPORTS**

(e) Development Management Panel (Pages 81 - 84)

(f) Overview & Scrutiny Panel (Social Well-Being) (Pages 85 - 90)

(g) Overview & Scrutiny Panel (Environmental Well-Being) (Pages 91 - 98)

(h) Overview & Scrutiny Panel (Economic Well-Being) (Pages 99 - 104)

(i) Standards Committee (Pages 105 - 106)

Reports (a) – (d) contain recommendations to the Council and shall be presented by their respective Chairmen from the body of the meeting.

Reports (e) – (h) are presented for information only. The Chairman of the Council shall invite questions to the Chairman of the latter.

9. **VARIATION TO THE MEMBERSHIP OF THE COMMITTEES AND PANELS, ETC** **2 minutes**

Group Leaders to report, if necessary.

**[Please note that the Council photograph will be taken at 6.30pm adjacent to the Civic Suite building.]**

Dated this 22nd day of July 2014



Head of Paid Service

**Notes**

**1. Disclosable Pecuniary Interests**

- (1) *Members are required to declare any disclosable pecuniary interests and unless you have obtained dispensation, cannot discuss or vote on the matter at the meeting and must also leave the room whilst the matter is being debated or voted on.*
- (2) *A Member has a disclosable pecuniary interest if it -*
  - (a) *relates to you, or*
  - (b) *is an interest of -*
    - (i) *your spouse or civil partner; or*
    - (ii) *a person with whom you are living as husband and wife; or*
    - (iii) *a person with whom you are living as if you were civil partners*

*and you are aware that the other person has the interest.*
- (3) *Disclosable pecuniary interests includes -*
  - (a) *any employment or profession carried out for profit or gain;*
  - (b) *any financial benefit received by the Member in respect of expenses incurred carrying out his or her duties as a Member (except from the Council);*
  - (c) *any current contracts with the Council;*
  - (d) *any beneficial interest in land/property within the Council's area;*
  - (e) *any licence for a month or longer to occupy land in the Council's area;*
  - (f) *any tenancy where the Council is landlord and the Member (or person in (2)(b) above) has a beneficial interest; or*
  - (g) *a beneficial interest (above the specified level) in the shares of any body which has a place of business or land in the Council's area.*

**Non-Statutory Disclosable Interests**

- (4) *If a Member has a non-statutory disclosable interest then you are required to declare that interest, but may remain to discuss and vote providing you do not breach the overall Nolan principles.*

(5) A Member has a non-statutory disclosable interest where -

- (a) a decision in relation to the business being considered might reasonably be regarded as affecting the well-being or financial standing of you or a member of your family or a person with whom you have a close association to a greater extent than it would affect the majority of the council tax payers, rate payers or inhabitants of the ward or electoral area for which you have been elected or otherwise of the authority's administrative area, or
- (b) it relates to or is likely to affect a disclosable pecuniary interest, but in respect of a member of your family (other than specified in (2)(b) above) or a person with whom you have a close association, or
- (c) it relates to or is likely to affect any body –
  - (i) exercising functions of a public nature; or
  - (ii) directed to charitable purposes; or
  - (iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union) of which you are a Member or in a position of control or management.

and that interest is not a disclosable pecuniary interest.

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***Jeśli chcieliby Państwo otrzymać tłumaczenie tego dokumentu, wersję dużym drukiem lub wersję audio, prosimy skontaktować się z nami pod numerem 01480 388388, a my postaramy się uwzględnić Państwa potrzeby.***

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# Agenda Item 1

## HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the COUNCIL held in the Civic Suite, Pathfinder House, St Mary's Street, Huntingdon PE29 3TN on Wednesday, 4 June 2014.

PRESENT: Councillor Mrs B E Boddington – Chairman.

Councillors J D Ablewhite, M G Baker,  
I C Bates, P L E Bucknell, G J Bull,  
E R Butler, R C Carter, S Cawley,  
B S Chapman, K J Churchill, Mrs S Conboy,  
S J Criswell, J W Davies, D B Dew, Mrs A  
Dickinson, Mrs L A Duffy, R S Farrer,  
M Francis, R Fuller, D A Giles, J A Gray,  
A Hansard, A J Hardy, G J Harlock,  
R Harrison, D Harty, T Hayward, R B Howe,  
B Hyland, P Kadewere, Ms L Kadic,  
S M Van De Kerkhove, A J Mackender-  
Lawrence, Mrs R E Mathews, P G Mitchell,  
M C Oliver, P D Reeve, Mrs D C Reynolds,  
T D Sanderson, M F Shellens, R G Tuplin,  
D M Tysoe and R J West.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors K M Baker, I J Curtis, Mrs P A Jordan, Mrs P J Longford, J P Morris and P K Ursell.

### 1. PRAYER

The Reverend A Milton, Rector of All Saints and St. Mary's, Huntingdon opened the meeting with Prayer.

### 2. CHAIRMAN'S ANNOUNCEMENTS

To bring her term of office to a close, Councillor Mrs Boddington described to Members the events she had attended on behalf of the Council since the last meeting.

The Chairman also advised the Council that she had received an apology from former Councillor C R Hyams in respect of his conduct at the last meeting and letters from her nominated charities expressing their thanks for her contributions over the past two years.

Councillor Mrs Boddington also read to the Council the content of a letter of appreciation received from the widow of Tom Calcott, the former caretaker.

### 3. ELECTION OF CHAIRMAN

It was proposed by Councillor B S Chapman, seconded by Councillor T D Sanderson and

RESOLVED

that Councillor A J MacKender Lawrence be elected Chairman of the Council for the ensuing Municipal Year.

Councillor MacKender Lawrence made the Statutory Declaration of Acceptance of Office and thanked Members for their support and the honour which the Council had bestowed upon him. Councillor MacKender Lawrence underlined his commitment to the community and his willingness to give help and assist as best as he could from his office as Chairman.

**Councillor MacKender Lawrence in the Chair.**

#### **4. VOTE OF THANKS TO RETIRING CHAIRMAN**

The Chairman paid tribute to the way in which Councillor Mrs Boddington had performed her duties as Chairman of the District Council and having proposed a vote of thanks to her, presented Councillor Mrs Boddington with her past Chairman's badge and a photograph album capturing the memories of her term of office. He added that Councillor Mrs Boddington had been very supportive to him as Vice-Chairman and had laid firm foundations for his term of office to follow. Having wished the new Chairman every success in his new role, the Executive Leader, Councillor J D Ablewhite paid tribute to the devoted service that Councillor Mrs Boddington had given both as Chairman and Vice-Chairman, the way that she had represented the Council when visiting schools and businesses and the funds that she had raised for her chosen charities. The Council gave Councillor Mrs Boddington a round of applause.

As Leader of the Principal Opposition, Councillor K J Churchill concurred with the sentiments of Councillor Ablewhite and particularly paid tribute to the way in which Councillor Mrs Boddington had represented the authority suggesting that she would be a hard act to follow and that he wished her well for the future.

In offering his best wishes to her for the future, Councillor M G Baker, as Leader of the Liberal Democrat Group concluded by commending Councillor Mrs Boddington on the excellent manner in which she had chaired the Council meeting and her inclusive and fair approach to all Members.

In response, Councillor Mrs Boddington announced that she had raised £7,000 for her nominated charities, that she had many wonderful memories of her term of office and had particularly enjoyed her visits to schools and hosting visits to Pathfinder House by Members of Town and Parish Councils. However, the highlight of her term had been the award of the Freeman of the District of Huntingdonshire to local RAF bases. To conclude, Councillor Mrs Boddington thanked all Members for their support and Lorraine Riseley, Chairman's Secretary and Christine Deller, Democratic Services Manager for their particular support and assistance.



**5. MINUTES**

The Minutes of the meeting of the Council held on 30th April 2014 were approved as a correct record and signed by the Chairman.

**6. MEMBERS' INTERESTS**

No interests were declared by the Members present.

**7. APPOINTMENT OF VICE-CHAIRMAN**

It was proposed by Councillor I C Bates, seconded by Councillor R Carter and

RESOLVED

that Councillor P L E Bucknell be appointed Vice-Chairman of the District Council for the ensuing Municipal Year.

Councillor Bucknell made the Statutory Declaration of Acceptance of Office and expressed his appreciation to his proposer, Councillor Bates for his kind words and expressed his wish to represent Huntingdonshire to the best of his ability.

**8. LOCAL GOVERNMENT ACT 1972: SECTION 87 - WARBOYS & BURY WARD**

The Returning Officer reported that Notice had been given of the vacancy resulting from the recent death of Councillor J W G Pethard and that a by-election would be held in the Warboys and Bury Ward in due course.

**9. LOCAL ELECTIONS: 22ND MAY 2014**

The report of the Returning Officer with regard to the District Council elections held on 22nd May 2014 was received and noted (a copy of which is appended in the Minute Book).

The Executive Leader, Councillor J D Ablewhite and Councillors K J Churchill and M F Shellens extended their appreciation to the Returning Officer and all those who had been engaged in election duties over the period for their hard work, dedication and commitment towards ensuring that the process ran smoothly.

**10. REPORT OF PANELS**

**(a) Senior Officers' Panel**

Councillor J D Ablewhite presented the Report of the meetings of the Senior Officers' Panel held on 14th, 16th, 19th, 20th and 21st May 2014.

.....

Whereupon, it was

RESOLVED

that the Report of the meetings of the Senior Officers' Panel held on 14th, 16th, 19th, 20th and 21st May 2014 be received and adopted.

**(b) Corporate Governance Panel**

Councillor E R Butler presented the Report of the meeting of the Corporate Governance Panel held on 14th May 2014.

.....  
After discussion and having been put to a vote, the recommendations contained in Item No 45 were declared to be CARRIED.

.....  
Whereupon, it was

RESOLVED

that, subject to the foregoing paragraphs, the Report of the meeting of the Corporate Governance Panel held on 14th May 2014 be received and adopted.

**11. REPRESENTATION OF POLITICAL GROUPS ON DISTRICT COUNCIL PANELS, ETC**

A report was submitted by the Head of Legal and Democratic Services (a copy of which is appended in the Minute Book) relating to the principles of proportionality to be applied to the appointment of Panels and Committees in accordance with Section 15 of the Local Government and Housing Act 1989 and Part II of the Local Government Act 2000. Whereupon, it was

RESOLVED

that the allocation of seats on Panels to political groups be determined as set out in the report now submitted.

**12. APPOINTMENT OF CABINET**

The Executive Leader announced that he had appointed Councillors B S Chapman, D B Dew, J A Gray, R B Howe, T D Sanderson and D M Tysoe to join him as Members of the Cabinet for the ensuing Municipal Year. He also announced that Councillor R B Howe would be Deputy Executive Leader and Vice-Chairman of the Cabinet.

### 13. OVERVIEW AND SCRUTINY PANELS

RESOLVED

that the following Members be appointed to the Overview and Scrutiny Panels for the ensuing Municipal Year -

<b>Overview &amp; Scrutiny Panel (Social Well-Being)</b>	<b>Overview &amp; Scrutiny Panel (Environmental Well-Being)</b>	<b>Overview &amp; Scrutiny Panel (Economic Well-Being)</b>
K M Baker	M G Baker	P L E Bucknell
R Carter	I C Bates	G J Bull
S J Criswell	Mr B E Boddington	E R Butler
R S Farrer	G J Bull	S Cawley
M Francis	J W Davies	I J Curtis
R Fuller	D A Giles	Mrs A Dickinson
A J Hardy	G J Harlock	R Harrison
Mrs P A Jordan	B Hyland	D Harty
P Kadewere	Mrs L Kadic	T F Hayward
Mrs R Mathews	M Oliver	P G Mitchell
Mrs D C Reynolds	R J West	P D Reeve
S M Van De Kerkhove	Vacancy	M F Shellens

### 14. COMMITTEE AND PANELS

RESOLVED

- (a) that Members be appointed to serve on the Standards and Licensing Committees and Employment, Development Management, Licensing and Protection, Corporate Governance and Senior Officers' Panels for the ensuing Municipal Year as follows:-

#### **Corporate Governance Panel (8)**

Councillors M G Baker, E R Butler, K J Churchill, G J Harlock, R Harrison, P Kadewere, P G Mitchell and R J West.

#### **Development Management Panel (16)**

Councillors Mrs B E Boddington, P L E Bucknell, G J Bull, E R Butler, R Carter, Mrs S Conboy, D B Dew, Mrs A Dickinson, R S Farrer, Mrs P J Longford, A J MacKender-Lawrence, J P Morris, P D Reeve, R G Tuplin, R J West and one vacancy (including one Member of the Cabinet in an ex officio capacity with appropriate portfolio responsibilities).

#### **Employment Panel (8)**

Councillors J D Ablewhite, S Akthar, S Cawley, Mrs L Duffy, J A Gray, Mrs P A Jordan, R G Tuplin and R J West (including one member of the Cabinet in an ex

officio capacity with appropriate portfolio responsibilities).

**Licensing and Protection Panel (12)**

Councillors K M Baker, I J Curtis, J W Davies, R S Farrer, R Fuller, G J Harlock, Mrs L Kadic, J Morris, M Oliver, T D Sanderson, S M Van De Kerkhove and R J West (including one Member of the Cabinet in an ex-officio capacity with appropriate portfolio responsibilities).

**Licensing Committee (12)**

Councillors K M Baker, I J Curtis, J W Davies, R D Farrer, R Fuller, G J Harlock, Mrs L Kadic, J Morris, M Oliver, T D Sanderson, S M Van De Kerkhove and R J West (including one Member of the Cabinet in an ex-officio capacity with appropriate portfolio responsibilities).

**Senior Officers' Panel (4+1)**

Councillors J D Ablewhite, S Cawley, K J Churchill and R J West together with the relevant Executive Councillor in relation to the post(s) under consideration.

**Standards Committee (8)**

Councillors K M Baker, Mrs B E Boddington, Mrs L A Duffy, G J Harlock, A Hansard, T D Sanderson and S M Van De Kerkhove.

- (b) that the following Members be nominated from which the Head of Legal and Democratic Services be authorised, when necessary, to convene a meeting of the Appeals Sub-Group to include up to five Members (excluding Members of the Employment Panel) to determine appeals under the Council's disciplinary and appeals procedures –

Councillors I C Bates, Mrs B E Boddington, J W Davies, D B Dew, R Fuller, P G Mitchell, M Oliver and Mrs D C Reynolds.

The meeting concluded at 7.30pm.

Chairman



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Public  
Key Decision - No

## HUNTINGDONSHIRE DISTRICT COUNCIL

**Title/Subject Matter:** Cabinet Procedure Rules

**Meeting/Date:** Council – 30th July 2014

**Executive Portfolio:** Executive Leader, Councillor J D Ablewhite

**Report by:** Head of Legal & Democratic Services

**Ward(s) affected:** All

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### Executive Summary:

- 1.1 The Cabinet Procedure Rules in the Council's Constitution set out arrangements for the operation and conduct of the Cabinet and its meetings. The Rules provide for the Executive Leader to present to the Annual Meeting of the Council or within 21 days thereafter to the Head of Paid Service a written record containing information about executive functions in relation to the following year.
- 1.2 Although, the Executive Leader announced changes to portfolios at the Annual Council meeting, precise details were not finalised to allow their presentation to the meeting. Therefore, the Head of Paid Service is required to report the information to the next ordinary meeting of the Council.

### Recommendation:

**The Council is requested to note the information presented by the Executive Leader on executive functions for the ensuing Municipal Year.**

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## 1. WHAT IS THIS REPORT ABOUT/PURPOSE?

- 1.1 The Cabinet Procedure Rules in the Council's Constitution require the Executive Leader to present to the Council a written record of the executive councillors he has appointed and their responsibilities in relation to the following year.
- 1.2 In accordance with the Constitution, the written record must contain the following information:-
- (i) the collation of relevant executive functions into related groups to be known as "portfolios";
  - (ii) the names and wards of the Members of the Cabinet appointed by the Executive Leader to be responsible for individual portfolios;
  - (iii) the extent of any authority delegated by the Executive Leader to a Member of the Cabinet individually (including himself), including details of the limitation (if any) on their authority;
  - (iv) the nature and extent of any delegation of executive functions proposed to any other authority or under any joint arrangements and the names of those Cabinet Members and/or other Members appointed to any joint Committee under Article 11 of the Constitution for the coming year; and
  - (v) the nature and extent of any delegation to Officers with details of any limitation (if any) on that delegation, and the title of the Officer to whom the delegation is made.

## 2. DELEGATION BY THE LEADER

- 2.1 In accordance with the above requirements, the Executive Leader has given notice of the following appointments:-

**Portfolio for Strategic and Delivery Partnerships - Councillor J D Ablewhite (St. Ives East Ward)**

To work with partners in the public and private sectors across the District and County to achieve a long term vision for Huntingdonshire as a place where current and future generations can enjoy a good quality of life and enjoy economic success.

**Portfolio for Strategic Planning and Housing - Councillor D B Dew (The Hemingfords Ward)**

To promote good sustainable development within Huntingdonshire to achieve the District Council's housing, employment, transport, green and leisure infrastructure objectives.

**Portfolio for Commercial Activities - Councillor R B Howe (Upwood & The Raveleys Ward)**

To promote and oversee the operation and management of One Leisure and the Council's other commercial activities including CCTV and the Document Centre.

<p><b>Portfolio for Operations and the Environment - Councillor D M Tysoe (Sawtry Ward)</b></p>	<p>To develop the Council's environmental services, including the collection of waste and recycling, promote good environmental practices to the public and throughout the Council and to maintain and encourage use of green space and the countryside.</p>
<p><b>Portfolio for Resources - Councillor J A Gray (Kimbolton and Staughton Ward)</b></p>	<p>To protect the Council taxpayer and Council's financial interests and develop medium term financial plans for the Council. To ensure that adequate financial and human resources and estates are available to undertake the Council's plans, to maximise return from corporate estates and to oversee the Council's Capital Programme.</p>
<p><b>Portfolio for Customer Services - Councillor B S Chapman (St. Neots, Priory Park Ward)</b></p>	<p>To oversee the process by which the Council serves its customers, in particular those relating to benefits and housing services.</p> <p>To improve the Council's efficiency and effectiveness and achieve savings through the development and proper use of IT.</p> <p>To oversee car parking provision in the District both operational and policy.</p>

**Portfolio for Strategic Economic Development and Legal –  
Councillor T D Sanderson  
(Huntingdon West Ward)**

To promote the economic development of the District and support appropriate growth.

To oversee the Council's licensing function, to ensure that the Council acts lawfully and that the relevant services are provided efficiently and effectively.

To promote healthy lifestyle practices to the community and to facilitate the Council's relationship with the voluntary sector in Huntingdonshire.

**Delegations to Officers**

2.2 Delegations to Members or Officers are listed in the current Constitution.

**3. REASONS FOR THE RECOMMENDED DECISION**

This report and the information presented to Council complies with the requirements of Section 1.2 of the Cabinet Procedure Rules contained in Part 4 of the Council's Constitution.

**BACKGROUND PAPERS**

District Council's Constitution.

**CONTACT OFFICER**

Christine Deller, Democratic Services Manager  
(01480) 388007

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**Public**  
**Key Decision - No**

## HUNTINGDONSHIRE DISTRICT COUNCIL

**Title/Subject Matter:** The Service Plan for Food Law Enforcement 2014-15

**Meeting/Date:** Licensing and Protection Panel 24 June 2014  
Council – 30th July 2014

**Executive Portfolio:** Executive Councillor for Strategic Economic Development & Legal

**Report by:** Senior Environmental Health Officer, Commercial Team,  
Environmental and Community Health Services

**Ward(s) affected:** All

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### **Executive Summary:**

Huntingdonshire District Council has responsibility for most food safety and hygiene enforcement functions within the district. The Food Standards Agency (FSA) is the Competent Authority and National Regulator for food safety and hygiene issues within England and it requires every local authority (food authority) to outline how it will fulfil its duty to deliver official food controls, national priorities and standards within the district. The arrangements detailing how and at what level the official controls will be delivered must be laid down in the form of a service plan. The requirement to do so is specified within the FSA's 'Framework Agreement on Official Controls by Local Authorities', which was developed in consultation with local authorities, the LGA and other professional organisations.

The food safety and hygiene enforcement function within the Council is delivered by the Commercial Team within Environmental and Community Health Services and the purpose of the Food Safety Service Plan entitled 'Service Plan for Food Law Enforcement' is to explain how that enforcement function will be delivered. It also details the resources required to deliver it, together with a review of the previous year's performance.

Financial implications – see Section 10

### **Recommendation(s):**

As the submission of the Service Plan is a statutory duty, the Council is recommended to adopt the Food Safety Service Plan for 2014-15.

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## **1. WHAT IS THE PURPOSE OF THIS REPORT?**

- 1.1 The report formally presents the Food Safety Service Plan to the members of the Licensing and Protection Panel and seeks their approval of that plan. This enables the Council to discharge its duty as an enforcing authority for food safety and hygiene.

## **2. WHY IS THIS REPORT NECESSARY?**

- 2.1 Huntingdonshire District Council has responsibility for most food safety and hygiene enforcement within the district. The Food Standards Agency (FSA), as the Competent Authority and National Regulator for food safety and hygiene issues within England, requires every local authority to outline how it will fulfil its duty to deliver official food controls, national priorities and standards within the district. The FSA requires local authorities to lay down details of the arrangements in the form of a service plan, specifying how and at what level the official controls will be delivered. This requirement is formalised within the FSA's 'Framework Agreement on Official Controls by Local Authorities', which was developed in consultation with local authorities, the LGA and other professional organisations.
- 2.2 The food safety and hygiene function within the Council is delivered by the Commercial Team within Environmental and Community Services and the purpose of the Food Safety Service Plan is to explain how that service will be delivered. It also details the resources required to deliver the service, together with a review of the previous year's performance.

## **3. OPTIONS CONSIDERED/ANALYSIS**

Not applicable

## **4. COMMENTS OF OVERVIEW & SCRUTINY PANEL**

Not applicable

## **5. KEY IMPACTS/RISKS**

- 5.1 The failure to produce an appropriate food safety service plan outlining how the Council intends to fulfil its duty to deliver official food controls, national priorities and standards within the district is likely to invite criticism from the Food Standards Agency which, as the Central Competent Authority, oversees local authorities undertaking official food controls. This in turn may lead to contact from the FSA's Local Authority Audit team.

## **6. TIMETABLE FOR IMPLEMENTATION**

- 6.1 The work identified within the service plan will be delivered during the financial year 2014-2015. The food safety and hygiene service will be delivered alongside the Commercial Team's other core regulatory functions, including health and safety, food-related infectious disease control, smoking in public places and private water supplies.

## **7. LINK TO THE LEADERSHIP DIRECTION**

- 7.1 The delivery of an effective, risk-based, proportionate, consistent and transparent food safety and hygiene service will contribute to the Leadership Direction. In particular it will contribute to a strong economy and will help to

improve the quality of life within Huntingdonshire by working with businesses and communities and by being part of a customer-focused and service-led council.

## **8. CONSULTATION**

8.1 Presentation to Chief Officer Management Team on 2 June 2014.

## **9. LEGAL IMPLICATIONS**

9.1 See 5.1

## **10. RESOURCE IMPLICATIONS**

10.1 The overall budget for 2014-15 is £448,830 which represents an increase of 1.7% on the previous financial year. Despite the overall staffing resources within the Commercial Team decreasing, with a net saving of 0.4 full time equivalent staff (FTE), there has been a slight increase in FTE staff doing food safety and hygiene. This is due to an adjustment in the balance of work load between food safety and health and safety because of a change in staff and changes in National Agenda priorities. It is anticipated that the budget will be sufficient to meet the demands of the service but in the event of a complex investigation or legal case, or the introduction of central sampling charges, additional funds may have to be sought.

## **11. OTHER IMPLICATIONS**

11.1 The Food Standards Agency expects local authorities to carry out our official controls in an effective, risk-based, proportionate and consistent way. It also expects local authorities to comply with the requirements of good regulation, which in addition to the above, expects accountability and transparency. The production, publication and delivery of the Food Safety Service Plan will meet these expectations.

## **12 REASONS FOR THE RECOMMENDED DECISIONS**

12.1 See 2.1, 5.1, 7.1 and 11.1.

## **13. LIST OF APPENDICES INCLUDED**

13.1 Appendix 1 – Executive Summary of the full Service Plan for Food Law Enforcement 2014-15

## **BACKGROUND PAPERS**

The Food Safety Service Plan 2014-15

## **CONTACT OFFICER**

Ms Suzanne Christie  
Senior Environmental Health Officer, Commercial Team  
Tel 01480 388294

A full copy of the Food Safety Service Plan for 2014-15 is available in the Members' Room. If you wish to have an individual copy, please contact the Environmental Health Admin Section on 01480 388302.



## **Appendix 1**

### **EXECUTIVE SUMMARY 2014/15**

#### **AIMS AND OBJECTIVES**

The overall objective of the Food Safety Service is to work with businesses and consumers to endeavour to make sure that food intended to be placed on the market for human consumption which is produced, stored, distributed, handled and purchased within Huntingdonshire is without risk to public health or the safety of the consumer. The aim is to achieve this by delivering an effective, risk-based, proportionate, consistent and transparent Food Safety Service.

The service is linked to the Huntingdonshire District Council's Corporate Plan 2014-2016 and Sustainable Community Strategy 2008-2028, the FSA's Strategy to 2015 and Cambridgeshire's Health and Wellbeing Strategy.

The following key activities are identified within the performance management system and will be measured to determine the effectiveness of the listed activities and actions.

- Planned and reactive inspections of registered and approved food establishments
- Percentage of food premises assessed as being broadly compliant
- Number of new food businesses starting up
- Investigation of service requests relating to foods and food premises
- Investigation of cases and outbreaks of food-borne and food poisoning illnesses.

The service will seek to achieve this through a number of key actions that are identified within this service plan.

**Table One: Changes in resources from 2013/14 to 2014/15**

<b>STAFF (Full Time Equivalent (FTE))</b>	<b>2013/14</b>	<b>2014/15</b>
Environmental Health Officers (EHO)	2.0	1.7
Environmental Health Protection Officers (EHPO)	1.2	2.0
Senior Environmental Health Officer	0.8	0.8
Commercial Team Leader	0.5	0.5
Health Protection Manager	0.2	0.0
	<b>4.7</b>	<b>5.0*</b>
Admin Support Staff	1.3	1.3
	<b>Total</b>	<b>6.0</b>
		<b>6.3*</b>
<b>FINANCIAL</b>	<b>2013/14</b>	<b>2014/15</b>
Direct Costs (Employees)	£275,440	£281,520
Overheads (FLARE, Printing, Admin Support Central Support)	£157,850	£162,010
Other Direct costs (specialist equipment, laboratory services and sampling)	£10,070	£10,300
	<b>Total</b>	<b>£443,360</b>
		<b>£453,830</b>
	Income (Primary Authority Partnership, health certificates)	<u>-£2,000</u>
		<u>-£5,000</u>
	<b>NET EXPENDITURE</b>	<b><u>£441,360</u></b>
		<b><u>£448,830**</u></b>

\* Overall the resources within the Commercial Team have decreased and there is a net saving of 0.4 full time equivalent staff (FTE), however the increase in FTE staff doing food safety is due to an adjustment in the balance of workload between food safety and health and safety. This is due to a change in staff and changes in National Agenda priorities.

\*\* The overall budget for 2014/15 represents an increase of 1.7% on the previous financial year.

**Table Two: Actions and Time Allocations**

*All calculations assume 1 x FTE = 1290 hours per year (215 working days x 6 productive hours per working day). Time does not include administrative support.*

Proactive Tasks	Level of activity		Hours	FTE
	Actual 2013/14	Estimate 2014/15	Estimate 2014/15	Actual 2014/15
Planned food hygiene inspections (risk group A-D, in addition to those below)	474	392	2748	2.13
Alternative Enforcement Strategy (AES) (cake makers child-minders)	25	130		
Unrated food business interventions (during the course of the year)	37	52		
Revisits	149	129		
Inspection of new food businesses (occurring during course of year)	125	150		
Inspection of temporary food businesses	16**	30		
Inspection of Approved Establishments*	4	5		
Primary Authority Partnership			65	0.05
Other proactive visits (food, water and environmental samples/advisory)	240	250		
Overdue inspections from previous year	241#	67		
<b>TOTAL</b>				
Prosecutions	4			
Formal action (service of notices)	61			
Food safety and public health promotion	Project work linked to delivery of corporate aims; targeted food business support visits following inspections; advice given at the time of each inspection and the delivery of the targeted interventions; National Food Hygiene Rating Scheme (FHRS); Alternative Interventions to specific business groups including newsletters; development of targeted advice, newsletters, leaflets, website; promoting food safety initiatives; and leaflets providing information on preventing the spread of infectious diseases.		697	0.54
Liaison with other organisations	Maintenance and development of			

and agencies	existing links and initiatives, both internal and external.	194	0.15
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\*includes meat cutting, gelatine re-wrapping, egg packing establishments and establishments producing meat products.

\*\*did not inspect as many temporary market stalls and food vendors at temporary events as have done in previous years.

# includes 192 risk group E businesses and 33 new businesses not yet inspected

Reactive Tasks	Level of activity		Hours	FTE
	Actual 2013/14	Estimated 2014/15	Estimated 2014/15	Estimated 2014/15
Food-related service requests/complaints and service requests/complaints re: food businesses	645	600	1303	1.01
Food, water and environmental sampling (reactive)	19*	20	90	0.07
Infectious disease control - notifications of food-borne/food poisoning illnesses	168##	200	65	0.05
FSA food alerts for action	22	15	39	0.03
Advice to business, enquiries/response to business and consumer queries	Estimated 450+ service requests including support to new and existing businesses; responding to requests from colleagues in other organisations, including other local authorities and central government; and enquiries from the public and businesses on food safety matters, including individuals, voluntary organisations and event organisers.		568	0.44
Staff development and training	Internal and external training courses, peer review exercises, update events, research		168**	0.13
Service management	Overall supervision and management of service, policy and procedural development. Responding to central government consultations and audits.		516#	0.4
<b>Total</b>			<b>6453</b>	<b>5.0</b>

\* reduction in sampling due to other commitments and sampling officer leaving

\*\*In addition to usual research, training etc., one member of team doing higher certificate in food control.

# 2 new members of staff; and support for recently qualified officer taking first prosecution case

## The number of infectious diseases positively linked to businesses within Huntingdonshire in 2013/14 was only one although this was later confirmed to be a 'Norovirus' outbreak introduced by a guest.

The overall budget for 2014/15 represents an increase of 1.7% on the previous financial year. It is anticipated that the budget will be sufficient to meet the demands of the service but in the event of a complex investigation or legal case, or the introduction of central sampling charges, then additional funds may have to be sought.

The administrative support workload includes producing post-inspection letters; data entries to Flare and Anite; taking and recording enquiries and service requests; collating data on infectious diseases; and collating information for the Food Standards Agency.

A balanced workload has been proposed for 2014/15 which incorporates a full range of enforcement actions including food safety interventions, advice and assistance. Due to the nature of the service some interventions are carried out during evenings and weekends. The plan has been based upon the service being fully staffed. If staffing levels are not maintained, then the service will be under-resourced to meet the requirements of the service plan. This is likely to have an impact on completing inspection targets (particularly lower-risk ones) and the delivery of the development plan as outlined below. The occurrence of any major incidents, a food poisoning outbreak or any large investigations, legally or technically complex cases or enforcement action, would also have a significant impact on the delivery of the service plan.

The impact of large scale events such as the Secret Garden Party (SGP) and other major organised events also needs to be recognised. In 2013 the SGP resulted in approximately 121 hours of officer time including staff involvement in food hygiene, water provision and health and safety issues both before and during the event.

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## Cabinet

### Report of the meetings held on 21st May, 4th and 19th June, 10th and 17th July 2014

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#### Matter for Decision

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#### 1. TREASURY MANAGEMENT ANNUAL REPORT 2013/2014

By way of a report by the Head of Resources (reproduced as an Appendix), the Cabinet has been acquainted with the Council's treasury management activities for the year ending 31st March 2014.

The Council has continued to carry out its treasury management activities with due regard to minimising risk, and in accordance with the relevant legislation. Funds have performed well, significantly exceeding both the benchmark and the budgeted investment interest.

Having been acquainted with the deliberations of the Overview and Scrutiny (Economic Well-Being) Panel on this matter, as described in Item No.5 of their Report, the Cabinet

#### RECOMMEND

**that the Council receives the Treasury Management Annual Report 2013/14.**

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#### Matters for Information

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#### 2. THE FUTURE OF MEMBERS IT

Further to Item No. 48 of their Report to the meeting of the Council held on 30th April 2014, the Cabinet has been advised of the deliberations of the **Overview and Scrutiny Panel (Economic Well-Being) in relation to their call-in of the Cabinet's decision (Item No.1 of their Report refers).**

The Panel had recognised the need to remove Members' connectivity to the Council's network for security purposes and had noted that the Authority had secured two domain names which could be used for Members' email addresses to create a consistent and professional approach.

With regard to the Cabinet's decision to withdraw printed agendas and reports for Members meetings, where possible, the Panel had expressed its concern over the increased costs which Members might

incur when printing documents at home and sought clarification that printed agendas and reports will be provided on request. In response, the Cabinet has stressed that the arrangements were flexible and those wishing to have a printed agenda will be able to do so.

With regard to the Panel's view that the Cabinet's decision should refer to the offer of financial assistance to enable the purchase of an iPad, the Cabinet has reiterated that the minimum requirement for Members to participate in the arrangement was the ownership of a desk based PC.

The Cabinet has concluded that the recommendations of the Panel were too prescriptive and did not offer the flexibility of the approved scheme.

### **3. SENIOR OFFICERS' PANEL – CABINET NOTIFICATION**

In accordance with the requirement of paragraph 4 (e) of the Officer Employment Procedure Rules, the Cabinet has confirmed that there were no material or well founded objections to the Panel's proposals with regard to the offer of appointments to the following positions:

- Corporate Director (Services)
- Corporate Director (Delivery)
- Head of Community
- Head of Leisure & Health
- Head of Resources
- Head of Development; and
- Head of Customer Services.

### **4. APPOINTMENT OF EXECUTIVE COUNCILLORS**

Executive responsibilities for the Municipal Year 2014/15 have been allocated by the Executive Leader of the Council as follows:-

- ◆ Strategic and Delivery Partnerships - Councillor J D Ablewhite
- ◆ Strategic Planning and Housing - Councillor D B Dew
- ◆ Commercial Activities (to include Leisure Centre, CCTV, Document Centre) - Councillor R B Howe
- ◆ Resources (to include Corporate Estates and Capital Projects) - Councillor J A Gray
- ◆ Operations and Environment - Councillor D M Tysoe
- ◆ Customer Services (to include IT, Car Parking (Operational & Policy)) - Councillor B S Chapman
- ◆ Strategic Economic Development and Legal (to include Licensing &



Protection, Communities and  
Voluntary Groups)

Executive Councillors have been appointed to serve as ex-officio  
Members of Panels as follows –

<b>Executive Councillor for</b>	<b>Ex-Officio for</b>
Strategic Planning & Housing Strategic Economic Development & Legal	Development Management Panel Licensing and Protection Panel/ Licensing Committee

The Executive Leader has been appointed ex-officio member of the  
Employment Panel.

#### **5. PROVISIONAL OUTTURN 2013/14 (REVENUE & CAPITAL)**

The Cabinet has noted the provisional outturn and spending variations for the Revenue and Capital Budgets for 2013/14. Members were advised that as a result of underspending the Council had been successful in saving an additional £2.2m. Given the service transformation that the Council is facing over the medium term and the proposal to provide additional investment in “revenue generating” capital projects, the Cabinet has agreed to increase the Special Reserve to £2.2m (a contribution of £0.9m) and to establish a new “Capital Investment” Earmarked Reserve with a balance of £1.5m. The Head of Resources has been given delegated authority to adjust these revenue contributions, after consultation with the Executive Councillor for Resources, in the event that the actual outturn varies by more than 2.5%.

In order to strengthen the robustness of financial monitoring, the Cabinet has also authorised the Head of Resources to commence a Zero Based Budgeting review programme across the Council, to be funded from the Special Reserve, and to update Executive Councillors on a quarterly basis.

#### **6. CORPORATE CONSULTATION AND ENGAGEMENT STRATEGY**

**Having regard to the views of the Overview and Scrutiny Panel (Social Well-Being) (Item No.3 of their Report refers),** the Cabinet has approved the content of a revised Corporate Consultation and Engagement Strategy for 2014-17 together with an associated action plan and guidance appendices. The Strategy aims to provide a realistic and proportionate approach to consultation and engagement whilst ensuring that the views and needs of residents and stakeholders are used to inform and shape the delivery of services.

#### **7. WIND ENERGY DEVELOPMENT IN HUNTINGDONSHIRE 2014 SUPPLEMENTARY PLANNING DOCUMENT**

**In conjunction with the Overview and Scrutiny Panel (Environmental Well-Being) and Development Management**

**Panel (Items No.4 and No. 1 of their Reports refer)**, the Cabinet has been acquainted with the outcomes of the consultation exercise undertaken on the draft Supplementary Planning Document (SPD) – “Wind Energy Development in Huntingdonshire”.

The new SPD has been prepared to update, clarify and replace the existing SPD document adopted by the Council in 2006. The document reflects the publication of the National Policy Framework and Planning Practice Guidance on Renewable and Low Carbon Energy.

In recognising its importance when determining forthcoming wind energy planning applications within the district, the Cabinet has agreed to adopt the document as Supplementary Planning Guidance and has authorised the Head of Development to approve any minor consequential amendments to the text and illustrations prior to publication.

**8. A14 CAMBRIDGE TO HUNTINGDON – RESPONSE TO HIGHWAYS AGENCY DEVELOPMENT CONSENT ORDER PRE-APPLICATION STATUTORY CONSULTATION**

**Having regard to the views of the Overview and Scrutiny Panel (Environmental Well-Being) (Item No.5 of their Report refers)**, the Cabinet has approved the content of a suggested response to the pre-application statutory consultation exercise being undertaken by the Highways Agency on the A14 improvement project.

It was reported that the project has changed slightly since it was first reported to Cabinet on 17th October 2013, with the previously suggested tolling element of the scheme being dropped and a significant change in the proposed alignment of the route in the Brampton area. However, the remainder of the proposal contains many features for which the Council has been lobbying including the proposed off-line A14 route to the south of Huntingdon and Godmanchester, the upgrading of the A1 between Alconbury and the A14 and the removal of the Huntingdon Viaduct.

Councillor Hayward has drawn the Cabinet’s attention to the objections raised by Buckden Parish Council to the proposed removal of the Huntingdon Viaduct. He pointed out that there were no supporting figures for the anticipated future traffic movements and the possible pollution levels and that in his opinion the advantages of retaining the viaduct outweighed the three reasons given for its removal. Councillor Hayward urged the Cabinet to reconsider its support for the demolition of the viaduct. The Cabinet also were apprised of the views of the Overview and Scrutiny Panel and the contents of written representations by Councillor Bates. In that respect, Executive Councillors have concurred with them that the Council’s response should be strengthened so that the District Council reserves its position on matters of detail, such as the mitigation of the impact of the development on affected villages thus protecting areas of the District affected by the development. With this

proviso and given that the retention of the viaduct would result in the reclassification of the existing road as a local road for which the County Council has confirmed they would not be prepared to fund the maintenance of, the Cabinet has authorised the Head of Development to respond to the Highways Agency reiterating that the District Council's financial contribution to the scheme remains dependant on the removal of the Huntingdon Viaduct, the creation of an improved new local road network for the town and the construction work commencing by 2016.

## **9. SERVICE DELIVERY OPTIONS FOR LEGAL AND IMD**

The outcome of discussions with LGSS on opportunities to develop a shared service arrangement for selected services, initially Legal and ICT services, have been reported to the Cabinet and **the Overview and Scrutiny Panel (Economic Well-Being) (Item No.3 of their Report refers)**. Members were advised that following the Council's announcement on 10th April 2014 of the intention to explore a new strategic framework with South Cambridgeshire District Council, discussions have commenced between the two authorities on a shared service model and the LGSS option is no longer being pursued. The Cabinet has supported this approach.

**Subsequently and having regard to the views of the Overview and Scrutiny Panel (Economic Well-Being) (Item No.7 of their Report refers)**, the Cabinet has agreed to form a strategic shared services partnership with South Cambridgeshire District Council, whilst continuing to work with other councils including Cambridge City on services where there is a business case and a shared commitment to work together. At the same time, the Cabinet has approved the establishment of a joint informal steering group with the Leaders and/or relevant Portfolio Holders of Huntingdonshire District and South Cambridgeshire District Councils and where appropriate Cambridge City Council. This group will oversee progress of the project and will report back to the respective Cabinets and decision making bodies.

With regard to potential services to be included in phase 1 of the programme, the Cabinet has identified Legal, ICT and Building Control. Initial funding of up to £50,000 for project management costs has been approved to be funded from the Transformation Budget.

## **10. SHARED SERVICES BUILDING CONTROL**

**Having regard to the views of the Overview and Scrutiny Panel (Environmental Well-Being) (Item No.10 of their Report refers)**, the Cabinet has endorsed the development of a business case for a shared Local Authority Building Control Service with South Cambridgeshire District Council.

Executive Councillors were advised that South Norfolk District Council have secured DCLG funding to establish a regional building control network, including an approved inspector partnership, and are

developing an integrated IT solution including mobile working and shared marketing material. The Cabinet has agreed that a viability assessment of their IT solution be included in the business case.

In considering the development of a wider building control cluster, the Cabinet has authorised the Head of Development to work with interested local authorities from Cambridgeshire and Bedfordshire to develop a proposal for such a cluster to operate within a regional network supported by South Norfolk District Council. At the same time, Officers will work with South Norfolk and other interested authorities to develop a proposal for an Eastern Region Approved Inspector Company that will interact with the Cambridgeshire and Bedfordshire Local Authority Building Control cluster.

## **11. WASTE POLICIES**

**In conjunction with the Overview and Scrutiny Panel (Environmental Well-Being) (Item No.3 of their Report refers),** the Cabinet has considered proposed revisions to the Council's Waste Collection Policies in relation to the collection points for wheeled bins/sacks and for remote properties (farms and lodges) and additional green bins.

Having noted that a number of enquires have been received from residents wishing to purchase more than one additional green bin, the Cabinet has agreed an amendment to the existing policy to allow householders to purchase two additional bins. At the same time, approval has been given to two related policies addressing the Council's requirement to display a collection sticker on the lid of the bin and the procedure for missed collections.

With regard to the proposed changes to collection points, Members concurred with the Executive Councillor for Operations and Environment that further work was required on the matter including a survey of affected properties to identify a full range of options. In supporting the reconvening of the Waste Collections Policy Working Group to assist the Portfolio Holder and Head of Operations with this, the Cabinet has agreed to defer a decision on this matter to await the outcome of the Group's findings.

## **12. POTENTIAL SALE OF HDC LAND AT HERMIRAGE ROAD, EARITH.**

**Having regard to the views of the Overview and Scrutiny Panel (Economic Well-Being) (Item No.2 of their Report refers),** the Cabinet has approved the sale of Council owned land at Hermitage Road, Earith to BPHA for the provision of affordable housing.

## **13. RECYCLING CONTRACT AWARD**

The Cabinet has been updated on the procurement process and evaluation of the tender submissions received for the bulking, transportation, sorting and onward sale for the reprocessing of

recyclable materials for authorities from the RECAP partnership. Particular mention was made of the financial benefits of the new contract for the Council and the possibility that the range of items collected may increase.

#### **14. BUDGET MONITORING 2014/15 REVENUE AND CAPITAL**

**In conjunction with the Overview and Scrutiny Panel (Economic Well-Being) (Item No.9 of their Report refers)** the Cabinet has been acquainted with variations to the approved 2014/15 Revenue and Capital Budgets. It was reported that the New Homes Bonus for 2015/16 will be based on the increase in houses in the year ending September 2014. Executive Councillors were encouraged to note that the Council was currently ahead of its profiled new-homes target which would equate to a gain on 2015/16 NHB receipts of £168,000.

In discussing variations in the Capital Budget, Members were advised that a further report on the outcome of an audit review into the Huntingdon Multi-Storey Car Park and the One Leisure St Ives Redevelopment would be presented to a future meeting.

#### **15. CAMBRIDGESHIRE HOME IMPROVEMENT AGENCY – 2 YEAR REVIEW**

**In conjunction with the Overview and Scrutiny Panel (Social Well-Being) (Item No.7 of their Report refers),** the Cabinet has been acquainted with the outcome of a review of the Home Improvement Agency (HIA) Service with Cambridge City and South Cambridgeshire District Councils following its second year of operation.

Members were reminded that a major part of the service was the administration of Disabled Facilities Grants. In acknowledging the role these grants have in helping people live independently, Executive Councillors have stressed that the cost of these improvements should be monitored with a view to keeping costs to a minimum whilst delivering an efficient and effective service. Members also agreed with the Overview and Scrutiny Panel that smaller local firms should be encouraged to tender for such work.

Executive Councillors have been advised that there is an opportunity to broaden the shared service to include the other districts within Cambridgeshire. Having recognised the further efficiencies and benefits this would provide for both commissioners and customers, the Cabinet has supported the development of an outline business case for the expansion by Officers subject to the final agreement being submitted to Cabinet for approval.

Given that the current three year service agreement expires in March 2015 and will need to be extended whilst the countywide service is being developed, the Cabinet has endorsed its extension for a further twelve months. At this stage a further report on the schemes operation will be submitted to the Cabinet.

**16. CAMBRIDGESHIRE LONG TERM TRANSPORT STRATEGY & LOCAL TRANSPORT PLAN 3 REFRESH**

**In conjunction with the Overview and Scrutiny Panel (Environmental Well-Being) (Item No.8 of their Report refers),** the Cabinet has been acquainted with progress being made with the development of a Long Term Transport Strategy (LLTS) for Cambridgeshire and the delivery of the key elements of the Cambridgeshire Local Transport Plan (LTP3).

The draft LLTS seeks to provide an integrated network enabling efficient and reliable travel across Cambridgeshire and beyond. The Strategy has been developed to support project growth in all emerging Local Plans and includes Action Plans for setting out key infrastructure requirements.

Particular attention was drawn to schemes planned for public sector delivery in the period 2014 to 2021 which includes proposals for Huntingdon, St Ives and St Neots together with proposed rail service improvements for Cambridgeshire. It was reported that the modelling undertaken to date had been based on the delivery of a new A14 and the dualling of the A428 between Caxton Gibbet and the A1 Black Cat. Whilst appreciative of the work done to produce the Plan, Executive Councillors were of the view that reference should be made to the required improvements to the A1, particularly at the Buckden roundabout and the need to improve accessibility to Cambridge. Mention also was made to the need to improve the two track section surrounding the Welwyn Viaduct given its impact on the local rail network.

Executive Councillors have been advised that the County Council intends to refresh the Local Transport Plan to reflect current environmental issues, ongoing funding concerns, delivery and progress of schemes, as well as issues arising from the growth agenda. The Implementation Plan is out of date and the opportunity will be taken to update this also.

**17. DRAFT HUNTINGDON & GODMANCHESTER MARKET TOWN TRANSPORT STRATEGY**

**Along with the Overview and Scrutiny Panel (Environmental Well-Being) (Item No.9 of their Report refers),** the Cabinet has considered the content of the draft Huntingdon & Godmanchester Market Town Transport Strategy which sets out a transport vision for both towns up to 2026. The Strategy has been subject of a public consultation exercise alongside the Local Transport Plan and the emerging Long Term Transport Strategy for Cambridgeshire.

The Strategy covers all Huntingdon wards and Godmanchester as well as the Parishes of Alconbury & the Stukeleys and Brampton and has been developed under the guidance of a Member Steering Group

made up of representatives from interested parties. In supporting the contents of the Strategy, the Cabinet has suggested that greater emphasis be placed on the need of the motorist given the rural nature of the district and to traffic calming measures. Having requested that these sentiments be reported back to the County Council as part of the consultation process, the Cabinet has authorised the Head of Development, after consultation with the Executive Councillor for Strategic Planning and Housing, to agree any minor changes to the draft strategy prior to its formal adoption.

#### **18. REVIEW OF RISK MANAGEMENT STRATEGY**

The annual review of the Risk Management Strategy has concluded that the authority has robust risk management policies in place which are performing efficiently and support the Council's annual governance and statutory reporting processes. The Cabinet has expressed its satisfaction with the conclusion that there should be no change to the Council's risk appetite either in general terms or specifically for health and safety. The risk appetite is the amount and type of risk that the Council is prepared to seek, accept or tolerate.

At the same time, Councillor R Harrison has been appointed Risk Management Champion.

#### **19. A TREE STRATEGY FOR HUNTINGDONSHIRE**

**Having regard to the views of the Overview and Scrutiny Panel (Environmental Well-Being) (Item No.7 of their Report refers),** the Cabinet has approved the content of a Tree Strategy for Huntingdonshire. The document set out the Council's approach to tree care management, risk management and statutory planning requirements and will be implemented over the next five years via a supporting action plan.

In so doing, Executive Councillors have agreed that the document be made available electronically and that officers engage with Parish Councils to promote its content and the appointment of Tree Officers.

#### **20. LOVES FARM COMMUNITY BUILDING – COMMITMENT TO CONTRACT**

**Having regard to the views of the Overview and Scrutiny Panel (Economic Well-Being) (Item No.8 of their Report refers),** the Cabinet has authorised the Head of Resources, after consultation with the Executive Councillor for Strategic Economic Development and Legal, to enter into a contract with Cambridgeshire County Council for the construction phase of a scheme to provide a community building at Loves Farm, St Neots, subject to the final tender figure being within budget. The building will be built on land owned by the District Council and will be sub-let to a local community group and to a pre-school. The Head of Resources has been authorised to agree the content of a 30 year full repair lease to the Community Group and a 9 year lease with the County Council who will govern the pre-school.

Although the Cabinet were fully supportive of the scheme, concerns were raised that the final tender figure for the scheme may be significantly higher than that budgeted. In that respect, the Cabinet confirmed that no additional funding would be made available.

**21. REPRESENTATION ON ORGANISATIONS 2014/15**

The Cabinet has made appointments/nominations in relation to representation on a variety of organisations/partnerships and has authorised the Corporate Team Manager, after consultation with the Deputy Executive Leader of the Council, to make any changes that may be required throughout the year.

J D Ablewhite  
Chairman



Public  
Key Decision – No

HUNTINGDONSHIRE DISTRICT COUNCIL

**Title:** 2013/14 Treasury Management Annual Report

**Meeting/Date:** Cabinet  
17 July 2014

**Executive Portfolio:** Resources: Councillor J A Gray

**Report by:** Head of Resources

**Ward(s) affected:** All Wards

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**Executive Summary:**

The Council's Treasury Management processes are underpinned by CIPFA's Code of Practice on Treasury Management, the Code requires the Council to produce an annual Treasury Management Strategy, for 2013/14 this was approved by Council on the 20th February 2013. The code of practice also recommends that members are informed of treasury management activity at least twice a year; the first report, the 2013/14 mid-year report was reported to Cabinet on the 12th December 2013 and this is the second of the two reports.

The Council will during the course of its normal business borrow and invest substantial sums of money, and as a consequence is exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates.

The identification and monitoring of these risks are central to the Council's Treasury Management Strategy. The main points of the Treasury Management Strategy are;

- Ensuring the Council has sufficient cash to meet its day to day obligations.
- Borrowing when necessary to fund capital expenditure, including borrowing in anticipation of need when rates are considered to be low.
- Investing surplus funds in a manner that balances low risk of default by the borrower with a fair rate of interest.

Throughout 2013/14 there has been a moderate reduction in the credit rating of financial institutions, in order to mitigate the risk from this the Council has mainly invested on a short-term basis, with significant use made of call accounts, where access to funds is instant. Borrowing has also been made mainly on a short-term basis.

The Council's banker, NatWest was downgraded in March 2014 and as a consequence was removed from the counterparty list. NatWest will not be used for investments but will continue to be used for operational banking requirements.

The average interest rate paid for borrowing was 2.94%, and the average interest rate received for investing was 2.29%.

**Recommendation(s):**

That the Council receives the Treasury Management Annual Report 2013/14.

## 1. INTRODUCTION

1.1 Council approves the Treasury Management Strategy for the coming year when it approves the budget and MTP each February. It also receives a mid-year report and an annual report after the end of the financial year. The Strategy is scrutinised by the Economic Well-being Panel.

1.2 The key points in the 2013/14 Strategy were:

- Ensuring the Council has sufficient cash to meet its day to day obligations.
- Borrowing when necessary to fund capital expenditure, including borrowing in anticipation of need when rates are considered to be low.
- Investing surplus funds in a manner that balances low risk of default by the borrower with a fair rate of interest.

## 2. ECONOMIC REVIEW

2.1 An economic review of the year provided by our Treasury Management advisors, Arlingclose, is attached as Annex A.

## 3. PERFORMANCE OF FUNDS

3.1 The following table summarises the treasury management transactions undertaken during the 2013/14 financial year and the details of the investments and loans held as at 31st March 2014 are shown in detail in Annex B.

3.2

	<b>Principal Amount £m</b>	<b>Interest Rate %</b>
<b>Investments</b>		
at 31 <sup>st</sup> March 2013	6.4	3.93
<b>less</b> matured in year	-188.0	
<b>plus</b> arranged in year	+185.1	
at 31 <sup>st</sup> March 2014	3.5	1.74
<b>Average Investments</b>	<b>10.6</b>	<b>2.29</b>
<b>Borrowing</b>		
at 31 <sup>st</sup> March 2013	16.0	2.56
<b>less</b> repaid in year	-31.6	
<b>plus</b> arranged in year	+33.0	
at 31 <sup>st</sup> March 2014	17.4	2.55
<b>Average Borrowing</b>	<b>14.4</b>	<b>2.94</b>

- 3.3 The average rate of interest on all investments was 2.29%, 1.96% above the 7-day benchmark rate of 0.33%. This good performance was due to £5m of the investments being locked into higher rates before the year started together with the use of liquidity accounts with major banks and building societies and Money Market Funds which gave the added safety of instant access together with interest rates in excess of the benchmark.
- 3.4 If only short-term cash flow investment activity is considered, the rate of interest on investments was 0.94%, which is still more than double the 7-day benchmark rate of 0.33%.
- 3.5 The Council's exposure to interest rate risk at the end of the year was:
- £11.4m long term borrowing from the PWLB, at a weighted average rate of 3.70%.
  - £6.0m short term borrowing for 1 month at a weighted average rate of 0.37%.

This gave an overall weighted average borrowing rate of 2.55%.

- 3.6 The actual net investment interest payable (after deduction of interest receivable on loans) was £182,000 which is £57,000 (24%) less than the original budget. This is mainly due to higher than expected reserves reducing the need to borrow externally.

#### **4. STRATEGY – BORROWING**

- 4.1 **Long-term borrowing.** The strategy allowed for 'must borrow' to finance that part of the capital programme that could not be met from internal funds. There was also a provision for 'may borrow' which allowed borrowing in anticipation of need, based on whether longer term rates seemed low compared with future likely levels. Long-term borrowing of £1.5m was obtained from PWLB to fund a loan to Huntingdonshire Regional College. Short-term borrowing rates were very low, as a result short-term borrowing and internal borrowing was used for funding.
- 4.2 **Short-term borrowing.** The Authority needed to borrow short-term during the year to manage its cash flow; it averaged £3.4m per day.

#### **5. STRATEGY - INVESTMENTS**

- 5.1 The Council's strategy for 2013/14 was based on all investments being managed in-house. The investments were of three types:
- time deposits,
  - liquidity (call) accounts (with banks with a high credit rating and the top 25 building societies by asset value), and
  - money market funds
- 5.2 In March 2014 the long-term rating of both the Royal Bank of Scotland and

NatWest Bank were downgraded to Baa1. This rating is below the Council's minimum investment credit criterion of AA-, as a consequence the bank was withdrawn from the Council's counterparty list for investment purposes. The NatWest will continue to be used for operational banking purposes (cash flow and day-to-day banking) but not for investments. All bank accounts held by NatWest are maintained at or near to zero.

- 5.3 The strategy includes limits on the size of investments with each organisation and country limits. The limits are shown in Annex C.
- 5.4 The strategy was reviewed during the course of the year and the mid-year report was reported to Cabinet on the 12th December 2013.

## 6. RISK MANAGEMENT

- 6.1 The Council's primary objectives for the management of its investments are to give priority to the security and liquidity of its funds before seeking the best rate of return.
- 6.2 **Security** is managed by investing short-term with highly-rated banks, building societies and local authorities in the UK. The Authority received regular updates from its advisors, Arlingclose, sometimes daily, on changes to the credit rating of counterparties. This allowed the Council to amend its counterparty list and not invest where there is concern about the credit rating.
- 6.3 **Liquidity.** The majority of the Council's invested funds have been held in liquidity accounts or Money Market Funds, which have a rate of interest above base rate and provide instant access to funds.
- 6.4 Overall, liquidity was managed by producing daily cash flow forecasts that help set the limit on the duration of the investments in time deposits. The projections turned out to be cautious which sometimes resulted in funds being available before they were needed with any surplus being invested on a temporary basis.
- 6.5 **Return on investments.** Security and liquidity took precedence over the return on investments, which resulted in investments during 2013/14 generally being of short duration due to the benefit of good rates on liquidity and growing concerns over the credit rating of counterparties. With the Bank of England base rate being set at historically low levels, the rates of return available from the market are consequently also low.

## 7. COMPLIANCE WITH REGULATIONS AND CODES

- 7.1 All the treasury management activity undertaken during the financial year complied with the approved strategy, the CIPFA Code of Practice, and relevant legislation.
- 7.2 The Code requires the Council to approve both Treasury Management and Prudential Indicators. Those for 2013/14 were approved at the Council meeting on 20<sup>th</sup> February 2013. Annex D shows the relevant indicators and the actual results.

## **8 CONCLUSION**

- 8.1 Considering that interest rates for the year remained exceptionally low, the Council's performance on the investment of funds significantly exceeds the benchmark and the budgeted investment interest.
- 8.2 In a year of uncertainty in the financial markets all of the Council's investments were repaid in full and on time.
- 8.3 The Authority has carried out its treasury management activities with due regard to minimising risk, and in accordance with legislation. During the year it reviewed its strategy in the light of external events in the markets.

## **9. COMMENTS OF OVERVIEW & SCRUTINY PANEL**

- 9.1 The Overview & Scrutiny Panel (Economic Well-Being) considered the Council's treasury management performance at their meeting on 12 June 2014. The Panel noted the report and associated annexes.

## **10 RECOMMENDATION**

- 10.1 It is recommended that Cabinet note this report.

## **BACKGROUND INFORMATION**

2013/14 cash management files and working papers  
Reports to the Cabinet and Treasury Management Advisory Group  
CIPFA Code on Treasury Management

## **CONTACT OFFICER**

Mr Clive Mason      Head of Resources      Tel. 01480 388157

## ECONOMIC REVIEW OF 2013/14

- 1.1** At the beginning of the 2013-14 financial year markets were concerned about lacklustre growth in the Eurozone, the UK and Japan. Lack of growth in the UK economy, the threat of a ‘triple-dip’ alongside falling real wages (i.e. after inflation) and the paucity of business investment were a concern for the Bank of England’s Monetary Policy Committee. Only two major economies – the US and Germany – had growth above pre financial crisis levels, albeit these were still below trend. The Eurozone had navigated through a turbulent period for its disparate sovereigns and the likelihood of a near-term disorderly collapse had significantly diminished. The US government had just managed to avoid the fiscal cliff and a technical default in early 2013, only for the problem to re-emerge later in the year.
- 1.2** With new Governor Mark Carney at the helm, the Bank of England unveiled forward guidance in August pledging to not consider raising interest rates until the ILO unemployment rate fell below the 7% threshold. In the Bank’s initial forecast, this level was only expected to be reached in 2016. Although the Bank stressed that this level was a threshold for consideration of rate increase rather an automatic trigger, markets began pricing in a much earlier rise than was warranted and, as a result, gilt yields rose aggressively.
- 1.3** The recovery in the UK surprised with strong economic activity and growth. Q4 2014 GDP showed year-on-year growth of 2.7%. Much of the improvement was down to the dominant service sector, and an increase in household consumption buoyed by the pick-up in housing transactions which were driven by higher consumer confidence, greater availability of credit and strengthening house prices which were partly boosted by government initiatives such as Help-to-Buy. However, business investment had yet to recover convincingly and the recovery was not accompanied by meaningful productivity growth. Worries of a housing bubble were tempered by evidence that net mortgage lending was up by only around 1% annually.
- 1.4** CPI fell from 2.8% in March 2013 to 1.7% in February 2014, the lowest rate since October 2009, helped largely by the easing commodity prices and discounting by retailers, reducing the pressure on the Bank to raise rates. Although the fall in unemployment (down from 7.8% in March 2013 to 7.2% in January 2014) was faster than the Bank of England or indeed many analysts had forecast, it hid a stubbornly high level of underemployment. Importantly, average earnings growth remained muted and real wage growth (i.e. after inflation) was negative. In February the Bank stepped back from forward guidance relying on a single indicator – the unemployment rate – to more complex measures which included spare capacity within the economy. The Bank also implied that when official interest rates were raised, the increases would be gradual – this helped underpin the ‘low for longer’ interest rate outlook despite the momentum in the economy.
- 1.5** The Office of Budget Responsibility’s 2.7% forecast for economic growth in 2014 forecast a quicker fall in public borrowing over the next few years.

However, the Chancellor resisted the temptation to spend some of the proceeds of higher economic growth. In his 2013 Autumn Statement and the 2014 Budget, apart from the rise in the personal tax allowance and pension changes, there were no significant giveaways and the coalition's austerity measures remained on track.

- 1.6** The Federal Reserve's then Chairman Ben Bernanke's announcement in May that the Fed's quantitative easing (QE) programme may be 'tapered' caught markets by surprise. Investors began to factor in not just an end to QE but also rapid rises in interest rates. 'Tapering' (a slowing in the rate of QE) began in December 2013. By March 2014, asset purchases had been cut from \$75bn to \$55bn per month with expectation that QE would end by October 2014. This had particular implications for global markets which had hitherto benefited from, and got very accustomed to, the high levels of global liquidity afforded by QE. The impact went further than a rise in the dollar and higher US Treasury bond yields. Gilt yields also rose as a consequence and emerging markets, which had previously benefited as investors searched for yield through riskier asset, suffered large capital outflows in December and January.
- 1.7** With the Eurozone struggling to show sustainable growth, the European Central Bank cut main policy interest rates by 0.25% to 0.25% and the deposit rate to zero. Markets were disappointed by the lack of action by the ECB despite CPI inflation below 1% and a looming threat of deflation. Data pointed to an economic slowdown in China which, alongside a weakening property market and a highly leveraged shadow banking sector, could prove challenging for its authorities.
- 1.8** Russia's annexation of the Ukraine in March heightened geopolitical tensions and risk. The response from the West which began with sanctions against Russia which is the second largest gas producer in the world and which supplies nearly 30% of European natural gas needs and is also a significant supplier of crude oil – any major disruption to their supply would have serious ramifications for energy prices.
- 1.9** Gilt Yields and Money Market Rates: Gilt yields ended the year higher than the start in April. The peak in yields was during autumn 2013. The biggest increase was in 5-year gilt yields which increased by nearly 1.3% from 0.70% to 1.97%. 10-year gilt yields rose by nearly 1% ending the year at 2.73%. The increase was less pronounced for longer dated gilts; 20-year yields rose from 2.74% to 3.37% and 50-year yields rose from 3.23% to 3.44%. 3-month, 6-month and 12-month Libid rates remained at levels below 1% through the year.

## ANNEX B

## BORROWING AND INVESTMENTS AT 31 MARCH 2014

	Short-term Rating		Date Invested/ Borrowed	Amount		Interest Rate	Year of Maturity
	Fitch	Moody's		£m	£m		
<b>BORROWING</b>							
<b>Short-term</b>							
Portsmouth City Council	Not rated		14/03/14	4.000		0.40%	2014/15
South Lanarkshire Council	Not rated		18/03/14	2.000		0.32%	2014/15
					<b>6.000</b>		
<b>Long-term</b>							
PWLB			07/08/13	1.433		2.24%	2023/24
PWLB			19/12/08	5.000		3.91%	2057/58
PWLB			19/12/08	5.000		3.90%	2058/59
					<b>11.433</b>		
<b>Total Borrowing</b>					<b>17.433</b>		
<b>INVESTMENTS IN-HOUSE</b>							
<b>Investments</b>							
NatWest Liquidity	F1	P2		0.034m		0.50%	On-call
Cambridge Building Society	Not rated			0.100m		0.50%	On-call
Santander	F1	P1		1.150m		0.50%	On-call
Public Sector Deposit Fund	AAAmmf			0.650m		0.33%	On-call
					<b>1.934</b>		
<b>Loans</b>							
Alconbury Parish Council	Not rated			0.010m		0.50%	2016/17
Huntingdonshire Regional College	Not rated			1.436m		3.34%	2023/24
Huntingdon Gym	Not rated			0.072m		5.13%	2023/24
					<b>1.518</b>		
<b>Total Investments</b>					<b>3.452</b>		
<b>Net Borrowing</b>					<b>13.981</b>		



## IN-HOUSE FUND MANAGEMENT (IF NO FURTHER ADVANCE BORROWING)

<b>Duration of investments</b>	No investment shall be longer than 5 years. Maximum duration for a Building Society with no rating is 1 month.	
<b>Types of investments</b>	Fixed term Deposits Deposits at call, two or seven day notice Corporate bonds Money market funds UK Government bonds and Supranational Bank bonds Loans to organisations	
<b>Credit Ratings</b>	<p><b>Building Societies</b> All Building Societies with ratings of BBB or above. Building Societies with no ratings.</p> <p><b>Money Market Funds</b> AAA credit rating</p> <p><b>Local Authorities or UK Government</b> No rating required</p> <p><b>Non-Building Societies</b> Short term rating F1 by Fitch or equivalent. Long-term rating of AA- by Fitch or equivalent if the investment is longer than 1 year.</p> <p><b>Loans to Organisations</b> These will not require a specific credit rating but will be subject to individual approval by Cabinet.</p>	
<b>Maximum limits per counterparty (group), country or non-specified category</b>	<p>F1+ or have a legal position that guarantees repayment for the period of the investment £5M</p> <p>F1 £4M</p> <p>Building Society with assets over £2bn in top 25 (Currently 10) £5M</p> <p>Building Society with assets over £1bn if in top 25 (Currently 3) £4M</p> <p>Building Society with assets under £1bn in top 25 £3M</p> <p>Liquidity (Call) Account with a credit rating of F1+ or with a legal position that guarantees repayment or a Building Society. £5M</p> <p>BUT total invested with counterparty/group shall not exceed</p> <p>£8M</p> <p>Money market fund AAA Credit rating £4m</p> <p><b>Limit for Non-specified investments</b></p> <ul style="list-style-type: none"> <li>- £10M in time deposits more than one year</li> <li>- £5M in corporate bonds</li> <li>- £10M in any other types.</li> <li>- £15M in total</li> </ul> <p><b>Country limits</b></p> <ul style="list-style-type: none"> <li>- UK - unlimited</li> <li>- £5M in a country outside the EU</li> <li>- £10M in a country within the EU (excluding UK)</li> <li>- £20M in EU countries combined (excluding UK)</li> <li>- Country of Domicile for Money Market Funds – unlimited, providing the fund is AAA.</li> </ul> <p>No investment will be made in country with a sovereign rating of less than AA.</p> <p>These limits will be applied when considering any new investment from 23 February 2012. Lower limits may be set during the course of the year or for later years to avoid too high a proportion of the Council's funds being with any counterparty.</p> <p><b>Loans to Organisations</b> No limit in value or period.</p>	
<b>Benchmark</b>	LGC 7 day rate	

**CIPFA Prudential Indicators for Capital Finance in Local Authorities  
Prudential Indications and Treasury Management Indications for 2013/14  
Comparison of actual results with limits**

**PRUDENTIAL MANAGEMENT INDICATORS**

**1. Actual and Estimated Capital Expenditure.**

	<b>2013/14 Estimate £000</b>	<b>2013/14 Actual £000</b>
<b>Gross</b>	<b>17.9</b>	<b>15.5</b>
<b>Net</b>	<b>8.7</b>	<b>10.1</b>

**2. The proportion of the budget financed from government grants and council tax that is spent on interest and the provision for debt repayment.**

<b>2013/14 Estimate</b>	<b>2013/14 Actual</b>
<b>7%</b>	<b>6%</b>

**3. The impact of schemes with capital expenditure on the level of council tax.**  
This item is only provided to demonstrate affordability at budget setting and has already been superseded by the equivalent figure in the 2014/15 Treasury Management Strategy indicators.

**4. The capital financing requirement.**

This represents the estimated need for the Authority to borrow to finance capital expenditure less the estimated provision for redemption of debt (the MRP) with no allowance for funding in advance.

<b>2013/14 Estimate £m</b>	<b>2013/14 Actual £m</b>
<b>35.6</b>	<b>34.7</b>

**5. Net borrowing and the capital financing requirement.**

Net external borrowing as at the 31<sup>st</sup> March 2014, was £14.0m, this is £20.7m less than the capital financing requirement. Thereby confirming that the council has not borrowed for revenue purposes other than in the short-term for cash flow purposes.

**6. The actual external long-term borrowing at 31 March 2014**

£11.4m

**7. Adoption of the CIPFA Code**

The Council has adopted the 2011 edition of the CIPFA Treasury Management Code of Practice.

**TREASURY MANAGEMENT INDICATORS**

**8. The authorised limit for external debt.**

This is the maximum limit for borrowing and is based on a worst-case scenario.

	<b>2013/14 Limit £m</b>	<b>2013/14 Actual £m</b>
Short-Term	20.0	6.0
Long Term assuming maximum borrowing in advance	48.0	11.4
Other long-term liabilities (leases)	5.0	0.5
<b>Total</b>	<b>73.0</b>	<b>20.0</b>

**9. The operational boundary for external debt.**

This reflects a less extreme position. Although the figure can be exceeded without further approval, it represents an early warning monitoring device to ensure that the authorised limit (above) is not exceeded.

	<b>2013/14 Limit £m</b>	<b>2013/14 Actual £m</b>
Short-Term	15.0	6.0
Long Term	48.0	11.4
Other long-term liabilities (leases)	5.0	0.5
<b>Total</b>	<b>68.0</b>	<b>20.0</b>

Both of these actual results reflect the fact that long term rates were not considered low enough to borrow in anticipation of need

**10. Exposure to investments with fixed interest and variable interest.**

These limits are given as a percentage of total investments. Investments of less than 12 months count as variable rate.

		Limits		Actual
		Max.	Min.	As at 31.3.14
<b>Borrowing:</b> longer than 1 year	Fixed	100%	75%	100%
	Variable	25%	0%	0%
<b>Investments:</b> longer than 1 year	Fixed	100%	100%	100%
	Variable	0%	0%	0%

**11. Borrowing Repayment Profile**

The proportion of 2013/14 borrowing that matured in successive periods.

Borrowing	Upper limit	Lower limit	Actual As at 31.3.14
Under 12 months	86%	0%	34%
12 months and within 24 months	86%	0%	0%
24 months and within 5 years	86%	0%	0%
5 years and within 10 years	86%	0%	0%
10 years and above	100%	14%	66%

**12. Investment Repayment Profile**

Limit on the value of investments that cannot be redeemed within 364 days.

	Limit £m	Actual £m
Limit on principal invested beyond year end (31 March 2014)	32.6	0

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## **Employment Panel**

**Report of the meeting held on 1st July 2014**

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### **Matters for Determination**

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#### **1. PENSIONS POLICY AND LOCAL DISCRETIONS**

The Panel has considered the content of a revised Pensions Policy and Local Discretions Policy for the Authority (a copy of which is reproduced as an Appendix hereto). It has been necessary to review the policies following recent changes to the Local Government Pension Scheme in 2014 and it is proposed to consider the Policy and the local discretions on an annual basis as part of the budget preparation process so that the most affordable policy is approved prior to the new financial year.

As the Local Government Pension Scheme requires formal approval by the Council of its Pensions and Local Discretions Policies, the Panel

#### **RECOMMEND**

- (a) that the draft Pension Policy and local discretions be approved; and**
- (b) that the Policy be reviewed on an annual basis to ensure its continued affordability.**

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### **Matters for Information**

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#### **2. RECRUITMENT AND SELECTION POLICY**

The Panel has reviewed and endorsed the contents of a new Recruitment and Selection Policy for the organisation. The Policy has been developed to give managers greater flexibility to manage recruitment and selection in a way that meets their service needs and does not constrain managers with a one size fits all approach. The Policy will be supplemented by a Recruitment Toolkit which will provide a practical guide to support managers in recruitment activities. Training will also be provided.

#### **3. WORKFORCE DEVELOPMENT STRATEGY**

The Panel has endorsed the suggested approach to development of a Workforce Development Strategy for the District Council and a detailed project plan for its preparation. The Strategy will set out how managing and developing the workforce can achieve corporate objectives and

ambitions and help to drive forward the authority's strategic aims and business plan.

Having noted that the development of the Strategy is included within the contract offer to the District Council and is likely to take three months to complete, Members are of the view that work should commence in September 2014 and that the views of the Staff Council should be sought as part of the focus group arrangements. The Panel has requested an update on progress to their November meeting.

#### **4. WORKFORCE REPORT (QUARTER 4)**

The Panel has received the quarterly report on Human Resource matters impacting on the performance of the organisation during the period 1st January to 31st March 2014. On this occasion, the report has included the latest position and trends relating to:-

- ◆ employee numbers;
- ◆ salary costs;
- ◆ sickness absence reporting; and
- ◆ the Human Resources caseload.

In terms of tackling sickness absence, the Panel have been pleased to note that the average days sickness per FTE had reduced again in the last quarter to 7.6 days per annum and that this was now lower than the CIPD Public Sector Average and the EELGA Authority Average. HR Advisors will continue to work closely with Managers to identify and tackle emerging issues particularly in services where there were high levels of absence. 'Stress, depression, mental health and fatigue' continued to be the highest cause of sickness absence within the quarter, although this had fallen in comparison to the same period last year.

Having noted that the number of full-time equivalent (FTE) posts has continued to decrease over the last quarter, the Panel has sought clarification as to whether the corresponding reduction in salary costs is in line with the reduction in posts.

Finally, the Panel has placed on record its recognition of, and gratitude for the excellent contributions made by Mr D Hinks, Ms J Parsons, Ms M Reeve, Mr M Roberts and Mr R Bays during their employment in the local government service and has conveyed its best wishes to them for a long and happy retirement.

#### **5. LGSS PERFORMANCE**

The Panel has considered the performance of LGSS Human Resources, Payroll and Organisational Workforce Development services across the key service measures agreed under the current contract during the period 1st January to 31st March 2014 and over the course of the year. LGSS performance is measured in four areas namely:

- ◆ General Service Standards;
- ◆ HR Strategic and Advisory;

- ◆ Recruitment and Payroll; and
- ◆ Organisational workforce development.

Members have been pleased to note that the majority of service standards have either been delivered or exceeded in 2014, which is particularly pleasing given that the last quarter had been a challenging time for human resources and payroll services during the pay review process. Members have discussed the two areas where performance targets had not been achieved and have been informed that work was ongoing to develop a more appropriate measure for the delivery of training courses.

To assist the Panel in monitoring performance levels and to create a balanced and impartial report, feedback from the LGSS Contract Manager and the views of District Council staff on each of these services areas also has been provided.

With regard to the recruitment element of the contract, Members have been informed that the e-recruitment system had gone live in December 2013 and LGSS have undertaken a number of system improvements to address the issues which have been raised subsequently. In addition, user guides and checklists have now all been updated, together with an online training package to guide managers through each step of the recruitment process.

In more general terms, Members have welcomed the introduction of a new feedback form to enable District Council officers to formally submit their issues with the service to the appropriate LGSS Managers and receive a direct response. Work is also underway to improve the quality of the quarterly performance reports. The Panel has been pleased to note that the District Council's relationship with LGSS was now operating significantly better for both parties and will continue to monitor the service issues raised by staff at their future meetings.

## **6. EMPLOYEE HANDBOOK**

At the request of the Corporate Governance Panel, the Panel has reviewed the contents of a proposed Employee Handbook for the District Council. The Handbook had been designed to replace and strengthen the existing Employees' Code of Conduct. In commenting upon the Handbook, the Panel has reiterated its desire to play an active role in its future development.

## **7. POOL CAR REVIEW**

The Panel has noted the outcome of a review of the Council's policy of providing pool vehicles for use by District Council employees when conducting their duties on behalf of the Council. This indicates that running costs should be fully met from charges to service users and that at current usage levels, for the number of vehicles provided, it was financially worthwhile for the Council to continue to run the pool vehicle scheme.

## **8. USE OF CONSULTANTS, HIRED AND TEMPORARY STAFF**

The Panel has been provided with details of the Council's expenditure on consultants, hired and temporary staff during the period 2013/14, in comparison with the previous year. Members noted that expenditure on consultants and temporary staff has reduced, but that expenditure on hired staff had increased by £71,000 compared to the previous year.

The Panel has welcomed the preparation of a guide for managers on the use of consultancy, hired and temporary staff which will assist Managers to identify and use the correct type of additional support. The Panel has approved the guidance for issue to all Managers.

S Cawley  
Chairman



Public  
Key Decision – No

HUNTINGDONSHIRE DISTRICT COUNCIL

**Title:** Pensions Policy + Discretions

**Meeting/Date:** Employment Panel  
01 July 2014

**Executive Portfolio:** Resources: Cllr Jonathan Gray,

**Report by:** Head of Resources

**Ward(s) affected:** All Wards

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**Executive Summary:**

Due to a fundamental change in the Local Government Pension Scheme, in that from 1<sup>st</sup> April 2014 the basis of the scheme is required to be based on “career average”, it is essential that the Council’s Pensions Policy and local Discretions Policy are reviewed and agreed.

**Recommendation(s):**

That the Employment Panel agree:

- the Councils Pension Policy and the local discretions, attached at Annex 1.
- that the Policy should be reviewed on an annual basis to ensure affordability.

## **1. INTRODUCTION**

- 1.1 Employees working within local government have access to the Local Government Pension Scheme (LGPS). Prior to this financial year the pension scheme was based on final salary; however from the 1<sup>st</sup> April 2014 the scheme is now a defined benefit scheme based on career average. To ensure compliance with the regulations, it is strongly recommended that the Council is required to have in place a Pensions Policy. In the main, this was set prior to April 2014 however what is now required is the approval of a local Discretions policy.

## **2. BACKGROUND**

- 2.1 On a periodic basis the Council reviews its Pension Policy, which includes relevant local discretions. Most of the requirements of the policy have already been set, however the new LGPS requires formal approval of the Councils local Discretions Policy.

## **3. CHANGE TO THE PENSION SCHEME**

- 3.1 The change from a defined benefits “final salary” to “career average” scheme is a fundamental change in the LGPS. As well as the change in the type of scheme, there are some other changes that Members should be aware of:

### **Significant Changes in the Pension Policy**

- 3.2 The revised Pensions Policy is attached at Annex 1. Significant elements of the Policy are tied into the assumptions that underpin the Triennial Valuation (such as the contribution rates) and are set for 3 years. However, members should also note the other significant changes affecting the Policy, there are shown below:

#### Pension Policy: Non-contractual overtime

Non-contractual overtime is now pensionable as it is a benefit that an employee receives in the conduct of their duties and “adds” to their average pay. Under a final salary scheme non-contractual overtime would add no benefit as the scheme was literally based on contractual benefits (see para 2.3 of Annex 1)

#### Pensions Policy: 50/50 Section

This allows members (existing and new) who can't afford the full scheme to contribute to a pension on 50% benefit / 50% contribution basis (except for death in service or ill health retirement where they benefit from 100% of benefit). This change could be used as a recruitment and retention tool.  
(see section 3.1 of Annex 1)

#### Regulatory Change: Refund of contributions

Under the previous scheme, contribution could be refunded from 3 months, this is now 2 years.

### **Changes in Local Discretions**

- 3.3 Section 8 of the Pension Policy is in respect of Local Discretions, these are detailed at Appendix 2 of Annex 1, a summary of each and the justification for the recommendation is shown below:

Discretion	The Discretion	Recommendation	Justification for Recommendation
1.	<b>Granting additional pension</b> to an active scheme member or to a leaver within 6 months of termination.	No additional pension to be awarded.	Additional cost.
2.	<b>Funding of voluntary additional pension</b> contributions by making Shared Cost Additional Pension Contributions.	No additional pension to be awarded.	Additional cost.
3.	<b>Flexible Retirement</b> i.e. where a person reduced their working hours and elects to take their benefits early	<ol style="list-style-type: none"> <li>1. On a temporary basis, not to consent if there is an “net” additional cost to the Council.</li> <li>2. Consideration to be given to the development of a formal “flexible retirement policy” in the interests of balancing reducing costs/retaining skills and knowledge.</li> </ol>	<ol style="list-style-type: none"> <li>1. Additional cost.</li> <li>2. To develop a single purpose policy reflecting the potentially new mix of the Councils workforce.</li> </ol>
4.	<b>“Switching on” 85 Year Rule Protection</b>	<ol style="list-style-type: none"> <li>1. Each case will be considered on its merits.</li> <li>2. By the Council having the option to “switching on” the 85 year rule gives the Council an avenue to manage staff retention.</li> </ol>	Allowing the Council flexibility in its decision in each case to enable it to maximise business advantage to allowing “switch on”.

Discretion	The Discretion	Recommendation	Justification for Recommendation
5A	<p><b>Waiving all or part of an actuarial reduction, where:</b></p> <p>Active members voluntarily retiring on or after age 55 but before their normal pension age who elect to immediately draw benefits, and for deferred members and suspended tier 3 ill health pensioners who elect to draw benefits (other than on ill health grounds) on or after age 55 but before their normal pension age</p>	<p>This is dependent on the grounds of “compassion”. If consideration is given:</p> <ol style="list-style-type: none"> <li>1. Each case will be considered on its merits.</li> <li>2. A review of such applications takes place each year to assess the financial impact and sustainability of this discretion going forward.</li> </ol>	<p>Allowing the Council flexibility in its decision in each case to enable it to maximise business advantage to allowing “waiving of actuarial reduction”.</p>
5B	<p>Similar to 5A above but technical difference in relation to those employees who have 85 year protection but who at the point of voluntarily retiring have not satisfied the 85 year rule</p>	<p>As 5A, but reflecting the impact of the 85 rule.</p>	<p>As 5A, but reflecting the impact of the 85 rule.</p>
6	<p><b>Whether, how much, and in what circumstances to contribute to a shared-cost Additional Voluntary Contribution (SCAVC) arrangement</b></p>	<p>The Council does not contribute to any shared cost AVC.</p>	<p>Additional cost.</p>

Discretion	The Discretion	Recommendation	Justification for Recommendation
7	<p><b>Whether, with the agreement of the Pension Fund administering authority, to permit a Scheme member to elect to transfer other pension rights into the LGPS if he / she has not made such an election within 12 months of joining the LGPS</b></p>	<ol style="list-style-type: none"> <li>1. The new Pensions policy (section 6) requires employees to make an election within 12 months. No reason foreseen to publish otherwise as systems and policy in place to advise employees of time limit and accepting a late application could result in additional cost to the Council.</li> <li>2. However, late applications will be considered on a case-by-case basis providing there is no additional cost to the Council and that the Pension Fund is in agreement.</li> </ol>	<p>Elections within 12 months acceptable</p> <p>And elections after 12 months acceptable providing no additional cost to the Council</p>
8	<p><b>Whether to extend the 12 month time limit within which a Scheme member who has a deferred LGPS benefits in England or Wales following the cessation of employment.</b></p>	<ol style="list-style-type: none"> <li>1. The new Pensions policy (section 6) requires employees to make an election within 12 months. No reason foreseen to publish otherwise as systems and policy in place to advise employees of time limit and accepting a late application could result in additional cost to the Council.</li> <li>2. However, late applications will be considered on a case-by-case basis providing there is no additional cost to the Council.</li> </ol>	<p>Elections within 12 months acceptable</p> <p>And elections after 12 months acceptable providing no additional cost to the Council</p>

Discretion	The Discretion	Recommendation	Justification for Recommendation
9	<p><b>How the pension contribution band to which an employee is to be allocated on joining the Scheme, and at each subsequent April, will be determined and the circumstances in which the employer will, in addition to the review each April, review the pension contribution band to which an employee has been allocated following a material change which affects the member's pensionable pay in the course of a Scheme year</b></p>	<p>The Pensions policy (section 2) explains how employee's contribution bands are assessed.</p>	<p>Rates are set by statute to give an average contribution rate of 6.5%.</p> <ul style="list-style-type: none"> <li>• Employees will be assigned based on: <ul style="list-style-type: none"> <li>○ Base salary for the forthcoming year.</li> <li>○ Fixed allowances and payments</li> <li>○ Pro-rata salary.</li> </ul> </li> <li>• One off payments will be excluded.</li> <li>• Where an employee's mid-year commences/ceases undertaking work, the employee's banding will be reassessed.</li> <li>• Contractual changes will trigger banding reassessment.</li> <li>• Where an employee has multiple employments, each one will be assessed separately.</li> </ul>

Discretion	The Discretion	Recommendation	Justification for Recommendation
10	<p><b>Whether or not, when calculating assumed pensionable pay when a member is:</b></p> <ul style="list-style-type: none"> <li>- on reduced contractual pay or no pay on due to sickness or injury, or</li> <li>- absent during ordinary maternity, paternity or adoption leave or during paid additional maternity, paternity or adoption leave, or</li> <li>- absent on reserve forces service leave, or</li> <li>- retires with a Tier 1 or Tier 2 ill health pension, or</li> <li>- dies in service</li> </ul> <p>to include in the calculation the amount of any 'regular lump sum payment' received by the member in the 12 months preceding the date the absence began or the ill health retirement or death occurred. A 'regular lump sum payment' is a payment for which the member's employer determines there is a reasonable expectation that such a payment would be paid on a regular basis.</p>	<p>Does not include lump sum payment for periods of absence.</p> <p>Gives consideration to including regular lump sum payments for ill health retirement and death in service, with the primary criteria being whether it could reasonably be expected that the member would have been likely to receive that regular payment for the foreseeable future.</p> <p>It is recommended that all decisions are approved by the Head of Resources and guidance is taken from LGSS Pensions.</p>	<p>Any decision as to whether or not to include in the calculation of a scheme member's assumed pensionable pay the amount of any 'regular lump sum payment' received by the member in the 12 months preceding the date the absence began or the ill health retirement or death occurred would need to be fair, equitable and justifiable.</p>

<b>Discretion</b>	<b>The Discretion</b>	<b>Recommendation</b>	<b>Justification for Recommendation</b>
<b>Existing Employer Discretions, to be included in the Revised Local Discretions Policy</b>			
	<b>Forfeiture of Pension Rights</b> ....committed an offence that was gravely injurious to the State etc.	The Council will consider each case on its merits.	Equitable consideration.
	<b>Recovery or retention where former member has misconduct obligation</b> ....seeking monetary obligation out of the pension fund due to criminal, negligent or fraudulent acts.	The Council will consider each case on its merits.	Equitable consideration.
	<b>Tier 3 Ill Health Retirement (1)</b> ....if a person commences employment after being in receipt of Tier 3 ill health pension [regulation 37 (3) & (4)]	Assumption should be that recovery will be made in each case as the member is required to notify the Council of any employment, however cases will be considered on their merits.	Equitable consideration.
<b>Existing Employer Discretions Removed</b>			
	<b>Power of employer to increase total membership – Augmentation</b>	The facility for employers to grant extra 'augmented' membership of the Pension Scheme ceased after 31 March 2014.	Statutory removal.
	<b>Early Voluntary Retirement before 60</b>	This discretion has been superseded.	See earlier early retirement discretions.





3.4 The Pensions Policy will be reviewed on an annual basis to ensure affordability.

**4. LEGAL IMPLICATIONS**

There are no direct legal implications.

**5. RESOURCE IMPLICATIONS**

The implications in respect of the new Pension Scheme are built into the 2014/15 budget. With the recommendation to review the local discretions on an annual basis, this review will take place during the budget preparation process so the most affordable policy is approved prior to the new financial year.

**BACKGROUND INFORMATION**

LGSS Policy Team

**CONTACT OFFICER**

Mr Clive Mason	Head of Resources	Tel. 01480 388157
Mrs Lynsey Fulcher	HR Business Advisor	Tel: 01480 388314



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## PENSIONS POLICY (Local Government Pension Scheme)

### 1.0 Policy Statement

- 1.1 From 1 April 2014 the Local Government Pension Scheme (LGPS) is a statutory career average (defined benefit) pension scheme. The pension scheme forms a valuable part of Huntingdonshire District Council's (the Council) employment package.
- 1.2 The Council is an Employing Authority for the Cambridgeshire County Council Pension Fund, which is managed by LGSS Pensions. The LGSS Pensions website <http://pensions.cambridgeshire.gov.uk> gives comprehensive information on the LGPS including details of:
- the benefits of the pension scheme
  - the process for opting in and opting out of the pension scheme
  - transferring benefits into the LGPS
  - normal retirement age
  - how to report changes in personal circumstances
- 1.3 Details of the scheme membership and the Council's auto enrolment requirements are given in Appendix 1.
- 1.4 There are a number of areas where the Council may exercise discretion under the legislation governing the LGPS. Appendix 2 details the Council's policy position in relation to these discretions.

### 2.0 Assessing Employee Contribution Rates

- 2.1 Employee contribution rate is the percentage of pay, which an employee pays into the LGPS - this is deducted from pay each month. From 1 April 2014 pension contributions will be payable on all non-contractual overtime and additional hours payments. Pension contributions are not payable on travel and subsistence payments, pay in lieu of notice or payment in relation to reserve forces leave.
- 2.2 There are 9 employee contribution bands. The contribution bands that apply from 1 April 2014 are:

Band	Actual pay	Contribution rate
1	£0 - £13,500	5.5%
2	£13,501 and up to £21,000	5.8%
3	£21,001 and up to £34,000	6.5%
4	£34,001 and up to £43,000	6.8%
5	£43,001 and up to £60,000	8.5%
6	£60,001 and up to £85,000	9.9%
7	£85,001 and up to £100,000	10.5%
8	£100,001 and up to £150,000	11.4%
9	More than £150,000	12.5%

The bands will be reviewed every 3 years to maintain an average employee contribution rate of 6.5%.

- 2.3 On the 1 April each year, the Council will assess which contribution band an employee will be assigned to. Employees will be assigned to a contribution band based on a total sum, made up of:
- their base salary for the forthcoming year; plus
  - any fixed allowances and additional payments (Examples of these include overtime, shift allowance, performance bonus, standby payments) that have been received during the previous year. Where an employee has joined partway through a year, the sum will be adjusted to reflect a “years worth” of allowances.
- 2.4 One-off payments (e.g. honoraria and acting-up payments) that have been paid during a year (April to March) will not be considered when assessing the employee contribution band.
- 2.5 Where an employee mid year commences/ceases undertaking work that results in a significant amount of additional payments, then the Council reserves the right to include these and reassess the employee’s contribution rate mid year.
- 2.6 The contribution band for part time employees will be assessed based on their pro rata salary, for example:

Full time employee salary £30,000 pa	6.5%
Part time salary of £15,000 pa (working half time)	5.8%

- 2.7 All employees who have a zero hours contract will be assigned to the contribution band based on their average hours.
- 2.8 Employees who join the scheme part way through a year will be assigned to the appropriate contribution band based on an assumed salary for a whole year (basic plus any fixed allowances but excluding variable payments such as overtime).
- 2.9 An employee’s contribution band will normally remain constant throughout the scheme year. However if there are contractual changes to their grade (via a re-evaluation or change in position) and or change in hours worked (excluding temporary changes of 6 months or less), the Council will recalculate an employee’s contribution band when the change occurs. An employee will be notified if this has taken place.
- 2.10 Where an employee has multiple pensionable employments, each one will be assessed separately; it is possible that different jobs could fall into different contribution bands. If the Council determines that a single employment relationship exists then the pay from each job will be combined to determine a single contribution rate.

### **3.0 Contribution Flexibility**

- 3.1 Employees have an option to opt to join the 50/50 section of the LGPS. During a period in the 50/50 section an employee will pay half the normal contribution rate and build up half the normal pension (the employee will still get full life and ill health benefits). See the LGSS Pensions website for further information and to obtain the required form.
- 3.2 Applications to move to the 50/50 section should be sent to payroll by the end of the calendar month. These will be processed for the next pay period. Applications received after this date will not be processed until the following month. (E.g. a form received by the deadline on 31<sup>st</sup> May, will be processed to take effect on 1st June and the changes will show on the June payslip).
- 3.3 The Council is required to re-enrol employees back into the main section at certain points to comply with the automatic enrolment provisions of the Pensions Act 2008. Employees will be required to make another election to remain in the 50/50 section.
- 3.4 There are a number of ways employees can improve their retirement benefits, LGSS Pensions have further details.

### **4.0 Employer Contributions**

- 4.1 The Council makes significant employer contributions for each LGPS scheme member. The employer continues to pay the full employer contribution rate for employees in the 50/50 section. Every three years, an independent actuary calculates how much the Council should contribute to the scheme. The rate of employer contributions will vary, but generally employees contribute approximately one third of the scheme's costs and the employer contributes the rest.

### **5.0 Authorised Unpaid Leave & Pension Contributions**

- 5.1 All policies that relate to authorised unpaid leave (e.g. unpaid maternity, paternity, adoption leave, unpaid sick leave) give full details of the impact on pension contributions.

### **6.0 Transferring benefits into the LGPS and combining previous LGPS benefits Leave**

- 6.1 Employees have the option of transferring benefits into LGPS and combining previous LGPS. Employees who wish to do this should contact LGSS Pensions directly within one year of commencement.

### **7.0 Internal dispute resolution procedures**

- 7.1 An internal appeals procedure exists where individuals can raise their concerns over any employer decisions made (or not made) in respect of their pension rights. For example, this could include concerns regarding the;

- Assessment of employee contribution rate (have they been allocated to the right contribution band)
- Have the rules been applied correctly

7.2 The procedure to be followed for raising concerns is:

Informal Stage	Individuals should raise their concerns via their line manager/supervisor e.g. to establish how the employee contribution band has been assessed
Formal Stage 1	Individuals should contact the Head of Resources to discuss their concern and their particular circumstances.
Formal Stage 2	Where individuals are still not satisfied that the rules have been applied correctly, they should put their appeal in writing to the Corporate Director (Services) or their nominated deputy.

On receipt of an appeal, the relevant person will consider the individual's appeal and seek the advice and involvement of others as appropriate.

7.3 If the Pensions Fund makes a decision, employees will always be given details of the appeals process that is applicable.

## 8.0 Employing Authority Discretions

8.1 Within the pension regulations, the Council is the Employing Authority and has to make decisions in respect of certain discretions available.

8.2 The discretions and how they will be applied are detailed in appendix 2.

## 9.0 Review and Policy Monitoring

9.1 This policy will be monitored and reviewed from time to time and its effectiveness evaluated periodically. The Council retains the discretion to review it at any time and consult as appropriate.

## 10.0 Contact Information

10.1 You can contact LGSS Pension Service at telephone: 01604 366537 or email [pensions@cambridgeshire.gov.uk](mailto:pensions@cambridgeshire.gov.uk) or LGSS Pensions, PO Box 202, John Dryden House, 8-10 The Lakes, Northamptonshire, NN4 7YD.

10.2 Changes to the Scheme will be notified to members by the Administering Authority.

Name of Policy	Pensions Policy
Person/posts responsible	HR Business Partner (LGSS) Policy
Date approved/adopted	DRAFT v1 @ 13.6.14
Approved by	Employment Panel (due to be considered July 2014)



## Appendix 1 – Membership of the LGPS and auto enrolment

The LGPS is available to all eligible local government employees under the age of 75. Employees who are eligible to join another statutory scheme are not eligible to join the LGPS (this includes fire fighters and most teachers).

The Council is required by law to enrol certain into a pension scheme automatically – this is known as auto enrolment. The action taken depends on the category an individual falls into, the categories are:

Category	Definition	Action
Entitled workers	Aged 16-74 earning below the National Insurance contributions lower earnings limit	Can opt in (will not be automatically enrolled).
Eligible jobholders	Aged 22 - state pension age earning above the PAYE threshold.	Will be automatically enrolled
Non-eligible jobholders	Aged 16-21 or state pension age 74 and earning above the PAYE threshold OR, aged 16-74 earning above the National Insurance contributions lower earnings limit but below the national insurance contributions lower earnings limit.	Can opt in (will not be automatically enrolled).

Employees with contracts for less than 3 months may join the pension scheme by “opting in”. Employees with contracts for 3 months or more will be brought into the scheme automatically from commencement.

If an employee has more than one job with the Council, each job is treated separately and they can choose for which jobs they wish to be a member of the scheme.

Members can choose to leave the scheme at any time by opting out, and have the right to opt to re-join from the beginning of the next available pay period after electing to re-join (subject to the normal eligibility requirements). There are no restrictions on the number of times this right can be exercised.

Employees that choose to opt out of the pension scheme will be automatically re-enrolled into the scheme on the Council’s ‘re-enrolment date’ unless they had opted out within the previous 12 months. Re-enrolment will next take place in October 2016 and every three years thereafter.

## Appendix 2 – Discretions (LGPS)

Within the pension regulations, Huntingdonshire District Council (the Council), as the Employing Authority has to make decisions in respect of certain discretions available.

The following details the discretions and the policies on how they will be exercised as decided by the Council.

*(To follow when discretions agreed)*

DRAFT

## LGPS EMPLOYER DISCRETIONS (REQUIRED)

## Appendix 2

Regulation 60 (2) of The Local Government Pension Scheme Regulations 2013 requires Huntingdonshire District Council (the "Council") to publish a written statement on the following decisions no later than 30 June 2014.

The regulations require the Council to keep its statement under review.

### DISCRETION 1 - GRANTING ADDITIONAL PENSION

Regulation 31 of the LGPS Regulations 2013
<b>Whether, and in what circumstances, the Council would grant additional annual pension (at whole cost to themselves as the Employer) of up to £6,500 (figure as at 1 April 2014) to an active Scheme member or to a member who had within the preceding 6 months had their employment terminated on the grounds of redundancy or business efficiency.</b>
<b>Recommendation 2014:</b> Not to award additional pension. Reason cost.
<b>Change from previous discretion:</b> Existing discretion, but previously not published.

### DISCRETION 2 – FUNDING OF ADDITIONAL PENSION

Regulation 16(2) (e) and 16 (4)(d) of the LGPS Regulations 2013
<b>Whether, and in what circumstances, the Council would agree to fund in whole or part the purchase of additional annual pension of up to £6,500 (figure at 1 April 2014) for an active member by making Shared Cost Additional Pension Contributions (SCAPCs) either by regular payments (16(2)(e)) or lump sum (16(4)) on a voluntary basis, i.e. other than as required by regulation 15(5) of The LGPS Regulations 2013.</b>
<b>Recommendation 2014:</b> Not to make such voluntary contributions. Reason additional cost.
<b>Note:</b> This discretion does not apply where a member has a period of authorised unpaid leave of absence and elects within 30 days of return to work to pay a SCAPC to cover the amount of pension 'lost' during that period of absence. That is because, in those cases, the employer must contribute 2/3rds of the cost to a SCAPC; there is no discretion [regulation 15(5) of the LGPS Regulations 2013].
<b>Change from previous discretion:</b>

New discretion, as a result of the LGPS 2014 changes.

### DISCRETION 3 – FLEXIBLE RETIREMENT

Regulation 30 (6) of the LGPS Regulations 2013

**Whether, and in what circumstances, to consent to the immediate payment of retirement benefits for active members aged 55 or over who reduce their working hours and/or grade and elect for such immediate payment of benefits under Regulation 30(6) ; this is known as flexible retirement.**

**Whether, in addition to the benefits the member has accrued prior to 1 April 2008 (which the member must draw), to permit the member to choose to draw**

- all, part or none of the pension benefits they accrued after 31 March 2008 and before 1 April 2014, and / or

- all, part or none of the pension benefits they accrued after 31 March 2014

**Note:** If flexible retirement is agreed for a Scheme member aged 55 or over but under 60 who is subject to the 85 year rule protections and who, at the date of flexible retirement, has either met the 85 year rule or would have met the rule before age 60, there would be a strain on fund cost to be met by, and paid to the Pension Fund by, the Council in respect of the pension benefits covered by the protections that are paid following flexible retirement.

#### Recommendation 2014

On a temporary basis, not to consent to this discretion where there will be an additional cost to the Council.

Further consideration to be given to the development of a formal “flexible retirement policy” in the interests of retaining skills/knowledge. However, any such policy would be on case-by-case basis.

#### Change from previous discretion:

Existing discretion, but previously not published.

### DISCRETION 4 – ‘Switching on’ 85 Year Rule Protection

Paragraph 1(1)(c) of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014

**Whether to ‘switch on’ 85 year rule protection for those members electing to take payment of benefits before age 60 other than on flexible retirement.**

This discretion is required as a result of the scheme changes whereby a member may now retire from age 55 without requiring employer consent for payment of benefits; it is a way for the Council to manage whether they are to be subject to strain costs when a member chooses to retire earlier than age 60, i.e. if the decision were to be to ‘switch on’ the protection, a strain cost for the Council would result. It does not apply in cases of flexible retirement since that type of retirement already includes a requirement for employer consent.

#### Recommendation 2014:

Each case will be considered on its merits.

By the Council having the option to “switching on” the 85 year rule gives the Council an avenue to manage staff retention.

#### Change from previous discretion:

New discretion, as a result of the LGPS 2014 changes (i.e. employees can retire from age 55).

## DISCRETION 5 WAIVING ALL OR PART OF AN ACTUARIAL REDUCTION

A: Regulation 30(8) of the LGPS Regulations 2013

**Whether to waive on any grounds, in whole or in part, an actuarial reduction for active members voluntarily retiring on or after age 55 but before their normal pension age who elect to immediately draw benefits, and for deferred members and suspended tier 3 ill health pensioners who elect to draw benefits (other than on ill health grounds) on or after age 55 but before their normal pension age.**

### Consideration:

The Council needs to make decisions in respect of

1. Whether to agree to waiving of reductions, and if so in full or part, and in what circumstances
2. Subject to the decision on (1), if the recommended compassionate grounds basis (see note below) is sufficiently robust.

Subject to the above decision, in the longer term, the Council may need to think about sustainability of agreeing early retirement from age 55 (i.e. given the increasing gap between aged 55 and future normal pension ages).

### “Compassionate Grounds” Definition:

There is no definition in the regulations of “compassionate grounds” hence it is for the Council to determine a reasonable and workable definition.

Recommended Definition: *“Compassionate grounds are defined as where an active employee or deferred beneficiary needs to care full time for a close relative, spouse, partner or other dependant who, through illness, requires full time care for the rest of their life expectancy which is anticipated to be in excess of 12 months from the date of the agreed medical advice.”*

### Recommendation 2014:

It is recommended that if the decision is made to waive reductions on compassionate grounds, that:

- Each case will be considered on its merits.
- A review of such applications takes place each year to assess the financial impact and sustainability of this discretion going forward.

B: Paragraph 2(1) of the LGPS (TPS&A) Regulations 2014 (similar discretion)

**Whether to waive on compassionate grounds the full amount of an actuarial reduction for those who have 85 year rule protection, but have not satisfied the 85 year rule upon voluntarily retiring from active membership, electing for payment of deferred benefits or suspended tier 3 ill health pensions where the election to draw benefits (other than on ill health grounds) is effective on or after age 55 but before the member’s normal pension age.**

Discretion to be agreed in line with 5A.

### Recommendation 2014:

Where a member of the LGPS 2014 who is

- voluntarily retiring from active membership,
- electing for payment of deferred benefits or
- electing for payment of suspended tier 3 ill health pensions, where the election to draw benefits is other than on ill health grounds

has 85 year rule protection but has not satisfied the 85 year rule at the date of their retirement, the early

payment reductions will be waived:

- each case will be considered on its merits.

and

- if the request satisfies the Council's compassionate grounds definition.

Compassionate grounds are defined as where an active employee or deferred beneficiary needs to care full time for a close relative, spouse, partner or other dependant who, through illness, requires full time care for the rest of their life expectancy which is anticipated to be in excess of 12 months from the date of the agreed medical advice.

**Change from previous discretion:**

Partly new and partly amended.

## EMPLOYER DISCRETIONS (RECOMMENDED)

The LGPS Regulations 2013 also state a whole list of minor discretions that an Employer may need to exercise. Notably there are five additional discretions which the national discretions guidance suggests would be appropriate to have a written policy on. These are listed below.

### DISCRETION 6

Whether, how much, and in what circumstances to contribute to a shared-cost Additional Voluntary Contribution (SCAVC) arrangement entered into on or after 1 April 2014 [regulation 17 of the LGPS Regulations 2013] and whether, how much, and in what circumstances to continue to contribute to any shared cost Additional Voluntary Contribution (SCAVC) arrangement that the employer had entered into before 1 April 2014.

[Regulation 15(1)(d) of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014, regulation 25(3) of the LGPS (Administration) Regulations 2008 and regulation 15(3) of the LGPS (Benefits, Membership and Contributions) Regulations 2007].

**Recommendation Pre 1.4.2014:**

The Council did not contribute to any shared cost AVC. Confirm this as a discretion decision.

**Recommendation 2014:**

The Council do not contribute to any shared cost AVC.

**Change from previous discretion:**

Updating of previous discretion.

## DISCRETION 7

Whether, with the agreement of the Pension Fund administering authority, to permit a Scheme member to elect to transfer other pension rights into the LGPS if he / she has not made such an election within 12 months of joining the LGPS [regulation 100(6) of the LGPS Regulations 2013]

### Recommendation 2014:

The new Pensions policy (section 6) requires employees to make an election within 12 months. No reason foreseen to publish otherwise as systems and policy in place to advise employees of time limit and accepting a late application could result in additional cost to the Council.

However, late applications will be considered on a case-by-case basis providing there is no additional cost to the Council.

**Note** Unlike under the 2008 Scheme, where the discretion to allow a late election rested solely with the employer, under the 2014 Scheme both the employer and the Pension Fund administering authority (CCC) have to agree to the acceptance of a late election. If one agrees, and the other does not, the late election cannot be accepted.

### Change from previous discretion:

Updating of previous discretion.

## DISCRETION 8

Whether to extend the 12 month time limit within which a Scheme member who has a deferred LGPS benefit in England or Wales following the cessation of employment (or cessation of a concurrent employment) may elect not to have the deferred benefits aggregated with their new LGPS employment (or ongoing concurrent LGPS employment) if the member has not made an election to retain separate benefits within 12 months of commencing membership of the LGPS in the new employment (or within 12 months of ceasing the concurrent membership) [regulations 22(7) and (8) of the LGPS Regulations 2013].

### Recommendation 2014:

The Pensions policy (section 6) requires employees to make election within 12 months. No reason foreseen to publish otherwise as systems and policy in place to advise employees of time limit.

However, late applications will be considered on a case-by-case basis providing there is no additional cost to the Council.

### Change from previous discretion:

Updating of previous discretion.

## DISCRETION 9

How the pension contribution band to which an employee is to be allocated on joining the Scheme, and at each subsequent April, will be determined and the circumstances in which the employer will, in addition to the review each April, review the pension contribution band to which an employee has been allocated following a material change which affects the member's pensionable pay in the course of a Scheme year (1 April to 31 March) [regulations 9 and 10 of the LGPS Regulations 2013].

### Recommendation 2014:

The Pensions policy (section 2) explains how employee's contribution bands are assessed.

### Change from previous discretion:

New discretion, as prior to 1<sup>st</sup> April 2014 this was set by "full time equivalent" banding.

## DISCRETION 10

Whether or not, when calculating assumed pensionable pay when a member is:

- on reduced contractual pay or no pay on due to sickness or injury, or
- absent during ordinary maternity, paternity or adoption leave or during paid additional maternity, paternity or adoption leave, or
- absent on reserve forces service leave, or
- retires with a Tier 1 or Tier 2 ill health pension, or
- dies in service

to include in the calculation the amount of any 'regular lump sum payment' received by the member in the 12 months preceding the date the absence began or the ill health retirement or death occurred. A 'regular lump sum payment' is a payment for which the member's employer determines there is a reasonable expectation that such a payment would be paid on a regular basis.

[Regulations 21(4)(a)(iv), 21(4)(b)(iv) and 21(5) of the LGPS Regulations 2013].

### Explanation of Impact:

#### Example 1 (Absence – all reasons stated above)

Member on reduced or no pay. Member can finish up with a bigger pension accrual than if the member had not been absent and had, instead, been at work.

Member receives a £1,200 annual performance payment in May 2014 and goes onto reduced contractual pay for the period 1 November 2014 to 31 December 2014, returning to full pay from 1 January 2015.

The £1,200 has already been included in the member's pensionable pay cumulatives for 2014/15. If it was included in assumed pensionable pay for November and December 2014, 2/12 of £1,200 (i.e. £200) would be added into the cumulative pensionable pay. If the member had not been sick, that £200 would not have been included in pensionable pay (as the member was not next due to get a lump sum annual performance payment until May 2015)

#### Example 2 (Ill Health Retirement/Death in Service)

It might seem reasonable to add back any 'regular lump sum payment' received by the member in the 12 months preceding ill health retirement or death in service into the assumed pensionable pay to be used to work out the amount of enhanced pension for a member who retires with a Tier 1 or Tier 2 ill health pension, or used to work out the survivor pension and / or death grant for a member who dies in service.



However, what if the member is, say, only 40 at the time of the ill health retirement / death in service? Is it likely that the employer would have paid such a lump sum to the member every year between age 40 and the member's Normal pension Age? That, in essence, would be implied as being the case if the employer were to add the lump sum back into the assumed pensionable pay figure to be used to calculate the amount of ill health enhanced pension and / or survivor pension.

**Recommendation 2014:**

Any decision as to whether or not to include in the calculation of a scheme member's assumed pensionable pay the amount of any 'regular lump sum payment' received by the member in the 12 months preceding the date the absence began or the ill health retirement or death occurred would need to be fair, equitable and justifiable.

It is recommended that the Council

1. Does not include lump sum payment for periods of absence.
2. Gives consideration to including regular lump sum payments for ill health retirement and death in service, with the primary criteria being whether it could reasonably be expected that the member would have been likely to receive that regular payment for the foreseeable future.
3. recommended that all decisions are approved by the Head of Resources and guidance is taken from LGSS Pensions.

**Change from previous discretion:**

Updating of previous discretion, but assumed pensionable pay is a LGPS 2014 issue.

## EXISTING EMPLOYER DISCRETIONS

(RECOMMENDED for inclusion by LGSS Pensions)

### Forfeiture of Pension Rights

Where an employee has committed an offence that was gravely injurious the State or liable to lead to serious loss of confidence in the public service, the employer (or former employer) may request a forfeiture certificate directing former pension rights to be forfeited.

**Recommendation:** The Council will consider each case on its merits.

### Recovery or retention where former member has misconduct obligation

Where an individual leaves their employment in consequence of a criminal, negligent or fraudulent act or omission and a monetary obligation is due to the employer, that employer may seek to recover or retain the monetary obligation out of the pension fund.

**Recommendation:** The Council will consider each case on its merits.

### Tier 3 Ill Health Retirement

Determine whether person in receipt of Tier 3 ill health pension has started gainful employment R37 (3) & (4)

Whether to recover any overpaid Tier 3 pension following commencement of gainful employment R 37 (3)

Determine whether person in receipt of Tier 3 ill health pension has started gainful employment (Regulation 37(3) and (4)

**Recommendation:**

The Council will consider each case on its merits.

Whether to recover any overpaid Tier 3 pension following commencement of gainful employment (regulation 37(3)

**Recommendation:**

Assumption should be that recovery will be made in each case as the member is required to notify the Council of any employment, however cases will be considered on their merits.

**Change from previous discretion:**

As previously.

## EXISTING EMPLOYER DISCRETIONS REMOVED - For Information Only

### **Removal - Power of employer to increase total membership – Augmentation**

To increase the total membership of an active member by up to 10 years extra service (Augmented Service). The Council's existing decision was not to augment.

In cases of early retirement through redundancy, the Council has determined to increase statutory redundancy benefits. The amount of this benefit will be based on an actual weeks pay and will be enhanced by a factor of 1.5

The facility for employers to grant extra 'augmented' membership of the Pension Scheme ceased after 31 March 2014.

### **Removal- Early Voluntary Retirement before 60**

To allow individuals to retire between 55 and 60 with their employer's consent (protection existed until 31<sup>st</sup> March 2010 for those individuals in the Scheme at 31<sup>st</sup> March 2008 to retire from age 50 onwards). This discretion refers to the "85 year rule" where an individual could retire between 55 (50 if protected) and 60, with their employer's consent.

This discretion has been superseded.

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## **Licensing and Protection Panel**

**Report of the meeting held on 24th June 2014**

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### **Matter for Decision**

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**1. FOOD SAFETY SERVICE PLAN 2014/15**

The Panel has considered an executive summary of the proposed Service Plan for Food Law Enforcement for 2014/5. The Plan has been developed to comply with the requirements of the Food Standards Agency and incorporates the aims and objectives of the service, the resources available and a review of work undertaken during the previous year.

Approval of the Plan is reserved to Council and appears elsewhere on the Council Agenda.

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### **Matters for Information**

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**2. HEALTH AND SAFETY ENFORCEMENT PLAN 2014/15**

The Panel has endorsed the content of the Service Plan for Health and Safety Enforcement for 2014/15. The Plan has been developed in accordance with guidance issued by the Health and Safety Executive and outlines the aims and objectives of the service, resources available and a review of the work undertaken in the previous year.

The Plan has been prepared against a background of staffing changes within the Environmental and Community Services Division and changes to the national health and safety agenda. The current Plan varies from previous plans in that it includes a reduction in unannounced premises inspections and an increased commitment to education and advisory work. There is also increased pressure to generate income for the service. The Panel has been assured that providing staffing remains at the current level it would be sufficient to meet the demands of the service.

**3. LICENSING COMMITTEE – REVIEW OF EFFECTIVENESS**

The Panel has considered a report reviewing the effectiveness of the Licensing and Protection Panel/Licensing Committee.

The review, which was undertaken at the request of the Corporate Governance Panel, was carried out by a working group which comprised the Chairman and Vice Chairman of the Panel and Councillors R J West and I J Curtis, together with Officers who regularly support the Panel/Committee in its various forms.

Although concluding that the Panel/Committee is effectively discharging its responsibilities, the Panel has been recommended to consider whether some existing practices could be amended to increase the involvement of Panel members in Sub-Groups and Sub-Committees.

Mindful of the Special Responsibility Allowances received by the Chairman and Vice-Chairman, the Panel concluded that there should be no change to the existing arrangements provided this does not impede the involvement of other Members of the Panel should they wish to become more involved.

The Panel requested further clarification with regard to the requirement for political balance on Sub-Groups and Sub-Committees and has subsequently been informed of the legal requirements.

#### **4. FEES AND CHARGES**

The Panel has noted a revised schedule of fees and charges for licences administered by the Council for the period 1st April 2014 to 31st March 2015. With the exception of taxi licensing, which has been frozen, the charges will increase by 2.5% in order to cover the costs of the service.

#### **5. DELEGATIONS**

In the interests of cost, speed and efficiency the Panel has authorised the Head of Legal and Democratic Services to determine unopposed applications for the grant renewal, variation or transfer of licenses for sex shops, sex cinemas and Sexual Entertainment Venues. The Panel will continue to determine applications where objections are received.

#### **6. REPRESENTATION ON EXTERNAL ORGANISATIONS**

The Panel has appointed a number of representatives to outside organisations for the ensuing Municipal Year.

#### **7. LICENSING AND PROTECTION APPLICATIONS SUB-GROUP**

The Panel has noted details of the four meetings of the Applications Sub-Group that took place between 27th January and 20th May 2014.

J W Davies  
Chairman

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## **Development Management Panel**

**Report of the meetings held on 19th May, 16th June  
and 21st July 2014**

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### **Matters for Information**

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**1. WIND ENERGY DEVELOPMENT IN HUNTINGDONSHIRE  
SUPPLEMENTARY PLANNING DOCUMENT 2014**

As a consultee, the Panel has considered the content of an updated supplementary planning document (SPD) relating to 'Wind Energy Development in Huntingdonshire'. The new SPD will ultimately consist of two parts. The first part will replace that adopted in 2006 and better reflect the National Planning Policy Framework (NDDF) and recent Planning Practice Guidance on renewable and low carbon energy. It will also acknowledge the development of a methodical approach to landscape sensitivity, seek to overcome inconsistencies in the previous SPD and recognise the need for guidance on the siting and design of small turbines. Part 2 will respond to concerns in respect of cumulative impacts of wind turbine development. Both the NPPF and Planning Practice Guidance have confirmed that cumulative landscape and visual impact needs to be addressed as part of a Planning Authority's renewables strategy.

Having recognised that the updated SPD will provide more robust evidence and stronger support for the Council's position on wind energy development at public inquiries and during the development management process and having expressed satisfaction with responses made to representations received from a local Action Group, the Panel recommended that the Cabinet adopt the SPD as Council policy.

**2. DEVELOPMENT MANAGEMENT PROGRESS REPORT: 1ST  
JANUARY TO 31ST MARCH 2014**

The Panel has undertaken its regular review of the activities and performance of the Development Management Service over the period 1st January to 31st March 2014 in comparison with the preceding quarter and the corresponding period in 2013.

Referring to the percentage of applications determined and although these were marginally below the figures achieved in 2013, the Panel paid tribute to the Development Management Team for achieving a result close to the targets to which they would normally aspire when

fully resourced. The Panel also was pleased to note that the Service had met the annual revised budget for fee income.

### **3. DEVELOPMENT MANAGEMENT SERVICE – STAFF TURNOVER ISSUES**

At the meeting of the Council in February, the Panel reported on impending vacancies in the Development Management Service and the impact less dedicated Officer time would have on preparatory work for Panel meetings (Item No 13 refers). At that time, the Council was advised of the action which had been taken to ensure continued delivery of the Service in the period pending appointment to the four posts due to become vacant before March 2014.

As part of the arrangements made, the Panel agreed to extend its Scheme of Delegation for a temporary period until 31st July 2014 to enable Development Management Officers to determine, within prescribed criteria, certain types of applications (such as householder developments, change of use, advertisements and listed building consents) in circumstances where the decision was in accordance with any objections or letters of support received.

Since then, some 130 applications have been determined by Development Management Officers without any subsequent concerns. As this arrangement has proved successful, as the Head of Development intends to review the Panel's scheme of delegation at the end of the year and given the post of Planning Service Manager (Development Management) remains vacant for the time being, the Panel considers that it would be reasonable and expedient to extend the temporary period of operation of the amended scheme until 31st December 2014.

As before, the Chairman and the Executive Councillor for Planning and Housing Strategy will continue to keep the situation under review.

### **4. DEVELOPMENT APPLICATIONS**

The Panel has determined twenty seven development applications over three meetings of which nineteen were approved, five refused and three deferred, principally for further information on issues which had arisen at the meeting. Several significant applications were determined by the Panel over these meetings and these included –

- Erection of 14 new flats on Pathfinder House car park;
- Residential development of 120 dwellings at Station Road Warboys with affordable housing, open space, public rights of way and wheeled bins provided via a Section 106 contribution;
- the principles of development for Phase 2 – Loves Farm as part of the proposed St Neots Eastern Expansion and issues proposed to be included as part of a Section 106 Agreement; and
- approval of an outline application for development of the former RAF base at Brampton which will provide 402 dwellings, a



community building, retail and business space and necessary highway improvements. A series of proposed obligations designed to make the development acceptable in planning terms will be secured through a Section 106 Agreement.

It also has been agreed to waive an existing S106 Agreement at Ullswater and Handcrofts Land, Huntingdon to allow an undertaking to be put in place with Administrators which will enable remedial works to proceed to tidy up the site which had been left unfinished due to the bankruptcy of the original developer. The Panel was pleased to be able to congratulate Officers on finding a satisfactory solution to the difficult and long outstanding problem which now has been resolved at this location.

Mrs B E Boddington  
Chairman

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## **Overview and Scrutiny Panel (Social Well-Being)**

**Report of the meetings held on 10th June and 8th July  
2014**

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### **Matters for Information**

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**1. 2013/14 REVIEW OF VOLUNTARY ORGANISATIONS IN RECEIPT  
OF THREE YEAR FUNDING AWARDS**

The Panel has reviewed the performance of voluntary organisations that have three year funding arrangements with the Council. With the exception of Rural Cambs CAB, all organisations have achieved their agreed performance targets. Rural Cambs CAB's performance has been affected by delays with the opening of its St Neots office. This had been expected in June 2013 but owing to service failures with a number of facility providers it opened at the end of November 2013.

Uncertainties exist over ongoing funding from Cambridgeshire County Council, which will have an impact on the sustainability of the organisations, in particular, Shopmobility. Work is underway to produce the new monitoring requirements for awards of funding from April 2015 onwards. This is expected to be completed by July 2014.

The Panel has discussed the impact of Rural Cambs CAB's reported loss of income, the location of Disability Information Services Huntingdonshire's offices, whether Rural Cambs CAB has engaged with Hunts Forum of Voluntary Organisations with a view to establishing some form of presence at The Maple Centre and the opportunity which exists to amalgamate some of the voluntary organisations to generate efficiencies. Preliminary investigations have already been undertaken on the latter and updates will continue to be provided to the Panel in the future.

**2. MENTAL HEALTH SERVICE USER GROUPS**

Representatives of Mind in Cambridgeshire and of the Mental Health Service User Network have addressed the Panel on the implications of Cambridgeshire and Peterborough Foundation Trust's (CPFT) decision to redesign mental health services on Huntingdonshire service users. A further consultation has been launched seeking views on the future of community personality disorder services across the Cambridgeshire and Peterborough area.

Since the redesign of mental health services came into effect, pressures for acute beds continue to exist in Huntingdonshire. There

has been a noticeable shift in the availability of community services offered by the Crisis Resolution Home Treatment Team and plans are underway to introduce further changes to improve service delivery. The voluntary sector will be facing budget cuts which are likely to take effect from 2015/16 and service users have been made aware of the financial constraints.

Whilst one of the principles of the redesign is to deliver equity of service across the Cambridgeshire and Peterborough area, there is a perception that Huntingdonshire in some respects is disadvantaged but this view is more valid in relation to Fenland where there is less service provision. Huntingdonshire generally has a good range of services and their location means they are readily accessible to service users.

The Advice and Referral Centre does not provide patients with direct access to services but acts as a referral system for the Cambridgeshire and Peterborough Primary Care Trust. There are some concerns over the increasing levels of demand for mental health services, with some patients waiting as long as six months in some cases. Further areas of concern are the absence of a transition process for patients transferring from adult and young people's services to older people's services, the lack of awareness of the CPFT's Transportation Fund and the potential amalgamation of voluntary services. There also is a need to bridge any identified gaps in accessibility and in referral routes to services. The Panel's attention has been drawn to a national campaign entitled "Combat Stress", which trains staff on assisting members of Armed Forces returning to the community who have been diagnosed with mental health problems.

The Mental Health Service User Network has agreed to share with Members comments made by service users on the current Clinical Commissioning Group consultation on proposals to improve older peoples healthcare and adult community services. The organisation is confident it will establish good working relationships with the successful provider in the future.

Other matters discussed include the range of methods utilised by both organisations to publicise their services and the reasons for the increased level of demand. A copy of the current consultation being undertaken by the CPFT on personality disorder services has been circulated to Members and has been considered at the July 2014 meeting (Item No. 8 of the Panel's Report below refers).

### **3. CORPORATE CONSULTATION AND ENGAGEMENT STRATEGY**

The Panel has endorsed the content of an updated Corporate Consultation and Engagement Strategy, action plan and supporting appendices subject to the inclusion of a statement that the Council will consult with public sector partners on matters which can potentially have an impact on their services. The Strategy has been subject to prior review by the Panel's Consultation Processes

Working Group which has expressed its satisfaction with the document.

The Strategy enhances the role Members will have in the consultation process and introduces pre and post consultation checklists. An annual consultation evaluation report, which summarises the Council's consultation and engagement activities, will be submitted to the Panel in the future.

**4. HOUSING BENEFIT AND COUNCIL TAX SUPPORT CHANGES AND THE IMPACT ON HUNTINGDONSHIRE**

The Panel has been acquainted with the effects of the Government's Welfare Reform programme and how it impacts upon households in Huntingdonshire in relation to Housing Benefits, Council Tax Support and homelessness. Members have examined the changes that are taking place in respect of local housing allowance, social sector size criteria rules, Council Tax Support, benefit cap and discretionary housing payments.

The Panel has paid close attention to the steps taken by Registered Providers when dealing with households in rent arrears and the interventions undertaken by the District Council as a means of preventing them from becoming homeless. Members have asked questions and received answers on the effective utilisation of the discretionary housing payments fund and on how the Council encourages households that are financially struggling to seek advice from the Council.

A further update will be provided to the Panel in six months' time.

**5. PROPOSALS TO IMPROVE OLDER PEOPLES HEALTHCARE AND ADULT COMMUNITY SERVICES – CONSULTATION RESPONSE**

The Panel has endorsed the content of a response to the current consultation being undertaken by Cambridgeshire and Peterborough Clinical Commissioning Group on proposals to improve older people's healthcare and adult community services. Emphasis will be placed on the Panel's previous concerns over the lack of elected Member involvement in the procurement exercise.

**6. HUNTINGDONSHIRE SPORT AND ACTIVE LIFESTYLES TEAM ANNUAL REPORT 2013/14**

The Panel has been informed of the performance, work programmes and highlights of the Sport and Active Lifestyles Team (SALT) during 2013/14. Members' attention has been drawn to the latest position with regard to public health funding and Lottery grant. These are likely to end in March 2015 and November 2016 respectively.

The cost of physical inactivity in Huntingdonshire has been reported as being £2.5 million in 2011/12. Attempts are being made to impress this message on various professional health bodies, in particular the

Cambridgeshire and Peterborough Clinical Commissioning Group, with a view to securing future funding. It is, however, proving difficult to attract external funding owing to the financial pressures on these organisations.

The Panel has acknowledged the benefits the Team's work programmes bring to local communities, the extent of publicity work undertaken and the increasing levels of demand from service users. A discussion has taken place on the Healthy Walks programme and whether the Council should transfer this service to local communities. There is a concern that the service will not be sustained by communities as there are a number of obligations, such as health and safety considerations, which will deter volunteers from managing the scheme. The point has been made that given the service's uncertain funding position, a strategy should be developed for the continuation of the activities that take place through the programme via alternative ways.

**7. CAMBRIDGESHIRE HOME IMPROVEMENT AGENCY SHARED SERVICE REVIEW AND DISABLED FACILITIES GRANT BUDGET**

The Panel has considered the outcome of a review of the Cambridgeshire Home Improvement Agency (HIA) shared service following two years of operation together with an assessment of the impact of the Better Care Fund and of the ongoing demand for Disabled Facilities Grants (DFGs).

The Panel has been reminded of the reasons for the establishment of the Cambridgeshire HIA, which was the first shared service to be introduced by the Council. Whilst some problems were experienced in the first year of operation, the service is now operating as intended and has achieved each of its three key objectives; namely to deliver cost savings for both District and County Commissioners, to improve operational resilience and create opportunities for cross boundary working and to provide a platform for improved performance and efficiency over time.

Details of the Government's Better Care Fund (BCF) have been received. The Government's contribution to Disabled Facilities Grant (DFG) capital funding will be transferred into the BCF and ring fenced for DFG expenditure.

An opportunity exists to broaden the shared service. There is a risk that not all Cambridgeshire authorities will sign up to the proposals. This could have an impact upon Huntingdonshire as the County Council might withdraw revenue funding from the HIA if a County-wide service is not achieved.

The Panel has noted the reductions in waiting times for Occupational Therapy (OT) assessments for Priority 1 and Priority 2 cases. Priority 3 cases can sometimes have to wait for up to 25 weeks, but interim aids can be provided to help applicants to cope during this period. The introduction of a "fast track" grant system for smaller works is being investigated. It will reduce waiting times as smaller adaptations

will be undertaken outside of the DFG process thereby eliminating the need for an OT assessment.

The Panel has welcomed the report currently being produced by the Housing Strategy Manager on the lessons learnt from the establishment of the Cambridgeshire HIA shared service. This will inform the Council of matters to take into account as future shared service proposals emerge.

Finally, the Panel has discussed the tender process for contractors undertaking works on behalf of the HIA. It has been suggested that market testing should be undertaken to determine whether smaller local firms are able to compete for works with a view to reducing costs and enabling the DFG budget to achieve more benefits.

**8. CAMBRIDGESHIRE AND PETERBOROUGH NHS FOUNDATION TRUST: PERSONALITY DISORDER COMMUNITY SERVICE / COMPLEX CASES SERVICE, INCLUDING LIFEWORKS CONSULTATION**

The Panel has agreed to submit a response to the consultation by Cambridgeshire and Peterborough NHS Foundation Trust on Personality Disorder Community Service/Complex Cases Service, including Lifeworks. Members have welcomed the proposals to strengthen the personality disorder service across the County and, in particular, specific improvements in Huntingdonshire. However, comment has been made that if community support within discharge planning is to be recovery focused as stated and also to facilitate social inclusion, there will be a need for service providers to be fully integrated with local partners and networks. This will enable and encourage referrals to community groups and activities based on the knowledge of what is available and appropriate.

Clarification has also been sought on where services currently exist together with specific details of what is being proposed within Huntingdonshire.

**9. HEALTH SCRUTINY**

**(a) Cambridgeshire Adults, Wellbeing and Health Overview and Scrutiny Committee**

The Panel has been advised of matters considered at the last two meetings of the Cambridgeshire Adults, Wellbeing and Health Overview and Scrutiny Committee.

**(b) Cambridgeshire Health Committee**

A brief update has been received on meetings of the Cambridgeshire Health Committee held on 29th May and 19th June 2014.

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## **Other Matters of Interest**

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### **10. OVERVIEW AND SCRUTINY PANEL (SOCIAL WELL-BEING) – PROGRESS**

The Panel has reviewed its work programme at each of its meetings and made changes to the Memberships of its various Working Groups. The Registered Social Landlords Working Group will meet on 22nd July 2014 to plan its work. An invitation has been extended to the Cambridgeshire Police and Crime Commissioner's Office for a representative to attend a future meeting but this has been declined. The Panel has requested that Councillor J D Ablewhite, as the Council's representative on the Police and Crime Panel, ensures a robust approach is adopted to the concerns previously raised by Members.

Representatives of the Cambridgeshire and Peterborough Clinical Commissioning Group (CCG) will attend the Panel's September 2014 meeting. The performance of the CCG as a whole will be considered at this meeting. Members' attention has been drawn to issues surrounding GP funding and the impact this will have on the financial viability of GP surgeries. This matter will be discussed further in September.

The Chairman has requested Officers to obtain evidence from Healthwatch Cambridgeshire and Hinchingsbrooke Patient Advice and Liaison Service (PALS) to enable a decision to be taken on whether there are grounds to continue with the study into elderly patient care at Hinchingsbrooke Hospital.

### **11. WORK PLAN STUDIES**

The Panel has received details of studies being undertaken by the other Overview and Scrutiny Panels.

### **12. NOTICE OF KEY EXECUTIVE DECISIONS**

The Panel has been acquainted with the Notice of Key Executive Decisions at each of its meetings.

### **13. SCRUTINY**

The Panel has considered the latest editions of the Decision Digest and discussed matters contained therein. Owing to problems with accessing and receiving emails and confusion over the arrangements for purchasing electronic devices and the Council's associated loan scheme, an update on Members' IT has been received.

S J Criswell  
Chairman



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## **Overview & Scrutiny Panel (Environmental Well-Being)**

**Report of the meetings held on 17th June and 15th July 2014**

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### **Matters for Information**

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**1. FLOOD RISK IN HUNTINGDONSHIRE – PRESENTATION FROM MIDDLE LEVEL COMMISSIONERS**

The Panel has received a presentation from the Clerk and Chief Executive of the Middle Level Commissioners on the Commissioners' work, its relationship with the nine Internal Drainage Boards within the District, how funding is apportioned across the Middle Level area, the significance of the St Germans pumping station, planned works at Bevills Leam Pumping Station and Salters Lode Lock and the extent of work undertaken with Partners on water management, which includes the Great Fen. As the Council's representative on the Middle Level Commissioners, Councillor P G Mitchell has drawn Members' attention to the Internal Drainage Board and Middle Level Commissioners' cost to the District.

The St Germans Pumping Station has a budget life of around 75 years. A replacement is expected before this period expires as there has already been some expenditure on renewing the pumps. The Middle Level also has a bank raising policy to prevent land shrinkage. This is a costly process and attempts are being made to secure grant aid for this work in the future.

Internal Drainage Boards are responsible for looking after arterial water courses to ensure the free flow of water across the Middle Level area. The Panel has noted the difficulties that encouraging riparian landowners to maintain their water courses present and the extent of maintenance work undertaken to clear silt, weed and blockages from rivers.

The Panel has enquired whether new housing developments have an impact upon the Middle Level area. Water from these developments does find its way into Internal Drainage Board systems. All planning applications are subject to a robust flood risk assessment as part of the planning process.

The information provided to the Panel will greatly assist the Working Group with its investigations. Owing to changes with the Panel's Membership, Councillor R J West has been appointed on to the Working Group.

## **2. ACTION ON ENERGY SCHEME**

The Panel has been acquainted with the progress that has been made towards the delivery of the Action on Energy scheme within the District. Cambridgeshire has been awarded £7.8 million of grant funding from the Government's Green Deal for Communities Fund awarded. The money will be allocated on a first come first served basis to eligible households across the Cambridgeshire area.

The Scheme had been launched in November 2013 and is designed to provide residents with a trusted local authority backed route to obtaining home energy efficiency improvements. The funding will help residents primarily to meet the costs of the installation of solid wall insulation and to incentivise major energy efficiency improvements within the private rented sector. Members' attention has been drawn to the terms of the Government's Green Deal Home Improvement Fund, which offers residents a "cashback" incentive to improve the energy efficiency of their homes. The Council also has been allocated £26,000 of revenue funding to assist with the cost of Officer time spent distributing the funding and a further £10,000 for the St Ives Green House to showcase new products and technologies for green deal measures. It has also been confirmed that the Council will have disposed of the two Green House properties by the end of the financial year.

The Panel has discussed various aspects of the scheme. Publicity for it has been designed to target qualifying households. The Panel has also noted that a scheme to insulate park homes is also currently being trialled in St Neots. To date, 18 companies have achieved green deal accreditation with more in the pipeline. Any works undertaken by an accredited installer is guaranteed for 25 years. In the event that companies go into liquidation in that period responsibility remains with the Government who will seek an alternative accredited provider to undertake remedial works. It has been confirmed that there is no financial liability placed upon the Council.

## **3. WASTE POLICIES**

The Panel has considered proposed revisions to the Council's Waste Collection Policies in relation to the collection points for wheeled bins/sacks from more remote properties (farms and lodges) and to additional green bins. Members have agreed with the Executive Member for Environment that the proposed policy on collection points for wheeled bins/sacks from more remote properties (farms and lodges) should be deferred for more detailed consideration pending completion of further work. A survey will be undertaken of all affected properties with a view to identifying a full range of options before any final decisions are made. Health and safety rules associated with refuse collections and their impact upon collection crews, vehicles and additional costs to the Council have been highlighted to the Panel.

The Panel is disappointed that Members have not been provided with prior communication about the proposals in advance of letters being sent out to affected residents. Assurances have been received from the Executive Member for Operations and the Environment that the terms of a protocol for communications with Members on these and other future changes will form part of the further investigations.

Strong views have been expressed over the potential impact of the proposals on those residing on private roads and unadopted roads and on new housing developments. The Panel has stressed the need to ensure that the circumstances of those in these positions are taken into account. Members have also suggested that more robust data should be obtained on the number of properties that might be affected by the proposed changes as, for example, RAF Wyton contains 600 houses on unadopted estate roads.

The Waste Collections Policy Working Group comprises Councillors M G Baker, G J Bull, D A Giles and G J Harlock. It has met with the Executive Member for Operations and the Environment and the Head of Operations to devise a plan to review the policy in respect of collection points.

The Panel has expressed support for the policy amendments proposed for additional green bins.

**4. WIND ENERGY DEVELOPMENT IN HUNTINGDONSHIRE 2014 SUPPLEMENTARY PLANNING DOCUMENT**

The Panel has expressed support for the contents of the revised Supplementary Planning Document (SPD) for Wind Energy Development in Huntingdonshire 2014. The new SPD takes into account major changes in national and local planning policy as well as the granting of various permissions and the related construction of a number of turbines of all sizes throughout the District. The revised document will strengthen the Council's case at Public Inquiries and in the general course of the planning process.

The matter of separation distances is addressed within the SPD. This has previously been raised by Members and has been the subject of a study undertaken by consultants. Recent cases have established that the Council should not specify absolute numbers but that it can identify where cumulative effects are likely to occur. The Panel has been advised that the SPD is sufficiently robust to withstand an appeal.

**5. A14 CAMBRIDGE TO HUNTINGDON – RESPONSE TO HIGHWAYS AGENCY DEVELOPMENT CONSENT ORDER PRE-APPLICATION STATUTORY CONSULTATION**

The Panel has endorsed the Council's response to the statutory pre-application consultation being undertaken by the Highways Agency on the Development Consent Order for the A14 Cambridge to Huntingdon development on the proviso that paragraph 4 (g) of Annex C is strengthened to include the words "The District Council

reserves its position on matters of detail, such as the mitigation of the impact of the development on affected villages, on which it will negotiate with the Highways Agency”.

The Panel has discussed various aspects of the scheme. Two changes have been made to it; namely the alteration to the realignment of the A1/A14 corridor west of Brampton and that tolling will no longer form part of the scheme. The Highways Agency plans to commence construction works in 2016 and this work is likely to take up to three years to complete. A number of mitigation measures are included within the Council’s response to protect villages affected by the development. The removal of the Huntingdon viaduct is likely to take around 18 months to complete and will commence after the construction works for the new A14 have ended.

Strengthening the mitigation measures proposed within the Council’s response will explicitly state the Council’s ongoing role as a Tier 1 partner in protecting areas of the District affected by the development. This role includes applying expertise on local circumstances to the plans such as traffic projections, for example, for Thrapston Road, Brampton.

**6. CAMBRIDGESHIRE FUTURE TRANSPORT INITIATIVE**

Councillor Mrs L Kadic has been appointed as the Panel’s representative on the Cambridgeshire Future Transport Initiative.

**7. A TREE STRATEGY FOR HUNTINGDONSHIRE**

The Panel has endorsed the content of A Tree Strategy for Huntingdonshire and has commended Officers on the production of the document. The Strategy has been subject to prior review by the Panel’s Tree Strategy Working Group the Members of which are satisfied with its content. It seeks to provide a solid framework for the protection, maintenance and enhancement of trees within the District and introduces a coordinated approach to tree management. It is a lengthy document but is intended for use as an electronic resource for interested stakeholders. The Panel welcomes the inclusion of the associated policies and guidance notes on tree care and, in particular, the note referring to trees and development, which will form the basis of a forthcoming supplementary planning document. The policies and guidance have been compiled in accordance with national best practice and Government guidance and have been peer reviewed.

Issues often arise relating to the ownership of trees so, as the Action Plan identifies, an attempt will be made to map the Council’s tree stock on a computerised tree management system. The Panel recommends that a further mechanism is introduced to identify responsibility for trees that are perceived to be in public ownership. The Panel recognises the importance of Local Tree Warden Coordinators. They are regarded as a significant local resource. It will be beneficial to promote their role and to seek to establish a Warden in every Parish. The Panel has discussed the need to maintain the

level of resources required to deliver the Strategy and made a suggestion the level of resources dedicated to the tree service is increased when the Council's financial position allows. The Strategy also reduces the risk to the Council in terms of claims made against the authority and will help to control the Council's future insurance costs.

The Panel has made a further recommendation that the commercial opportunities that the Strategy presents should be explored.

## **8. CAMBRIDGESHIRE LONG-TERM TRANSPORT STRATEGY**

The Panel has endorsed the Cambridgeshire Long Term Transport Strategy and the refresh of Local Transport Plan 3 on the grounds that they are essential to the growth agenda. The Strategy has been developed in conjunction with neighbouring authorities to ensure a coordinated and collaborative approach to transport planning arrangements is adopted.

Members' attention has been drawn to the schemes planned for delivery in the period from 2014 to 2021, which includes proposals for Huntingdon, St Ives and St Neots together with details of planned and potential rail service improvements in the Cambridgeshire area. These plans are essential to the delivery of the growth agenda and are critical in terms of the Local Plan. Improvements to the A428 are assumed at this stage and its position will be confirmed when the Highways Agency releases its "Route Based Strategy" in March 2015. A new rail station is proposed at Alconbury Weald, which has been welcomed by the Panel.

The Strategy represents a radical change in approach to achieving transport based solutions across the Cambridgeshire area which, the Panel has been advised, has political support. It has been stressed that developments should be planned in the context of the transport system as a whole rather than individual project. The point also has been made that transport infrastructure improvements will be needed before housing growth takes place. Importantly, if the Council is to deliver such growth, Government funding will be required to meet the cost of the works.

The Panel has discussed the risks associated with the Strategy and its underlying links with the planning process. Reference has been made to the Northstowe development, where a planning condition prevents the second phase of development from proceeding until the new A14 has been completed. This has had an unexpected effect on the local planning policy position. The general point is that all steps should be taken to prevent such unintended consequences from arising in Huntingdonshire.

## **9. DRAFT HUNTINGDON AND GODMANCHESTER MARKET TOWN TRANSPORT STRATEGY**

The Panel has been advised that a new Market Town Transport Strategy (MTTS) for Huntingdon and Godmanchester has been

produced and has expressed its support for its publication. The Strategy contains up to date detailed projects that will enable funding opportunities from a number of sources including Section 106 and Community Infrastructure Levy funding to be taken advantage of.

The Panel welcomes the key proposals outlined in the MTTs and acknowledges that difficult decisions will need to be taken because the challenges identified cannot be avoided. Solutions will have to be found whether or not they are the preferred option. The example referred to at the meeting is the Hartford and Godmanchester link road.

The Panel has paid tribute to Councillor Mrs L Kadic for the way she has chaired the MTTs meetings.

**10. SHARED SERVICES BUILDING CONTROL PROJECT – SOUTH CAMBRIDGESHIRE AND HUNTINGDONSHIRE**

The Panel has supported proposals for the Council to explore four options for establishing a Building Control shared service. The proposals will seek to maximise the potential to generate income, increase resilience to drive competitiveness and enhance the customer experience, create efficiencies by maximising other shared infrastructure including IT and maximise staff development opportunities.

A Project Team and Project Board have already been established with relevant individuals from both authorities. The Panel has been assured that staff are being engaged with from the outset and that career and development opportunities will emerge. The Panel does not wish local knowledge and expertise to be lost as a result of the shared service. To prevent this from happening, it is likely that local teams will be established within the shared service.

The Panel is of the view that there is a need to develop the business case for shared services as soon as possible as the Building Control Service is in direct competition with the private sector. The Panel has encouraged the Cabinet to give some priority to completing the investigations into those Options that cannot be completed immediately as a matter of urgency.

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**Other Matters of Interest**

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**11. OVERVIEW AND SCRUTINY PANEL (ENVIRONMENTAL WELL-BEING) - PROGRESS**

The Panel has reviewed its programme of studies at each of its meetings. In doing so, the Chairman has requested Officers to arrange a site visit to the Great Fen and to extend an invitation to the Overview and Scrutiny Panel (Economic Well-Being) to attend. Similarly, a request has made that the Panel's site visit to the

Alconbury Transfer Station and Waterbeach Waste Management Plant is rearranged.

At the Chairman's request, an item entitled Litter Policies and Practices, to include graffiti removal, has been included in the Panel's work programme.

**12. WORK PLAN STUDIES**

The Panel has received details of the studies being undertaken by the other Overview and Scrutiny Panels.

**13. NOTICE OF KEY EXECUTIVE DECISIONS**

The Panel has been acquainted with the Notice of Key Executive Decisions at its meetings. It is likely the items entitled Huntingdon West Master Plan, Civil Parking Enforcements and Carbon Management Plan will be submitted to the Panel's September and October 2014 meetings.

The Head of Operations has informed the Panel of the outcome of the tender process for the Recycling Contract, which was considered by the Cabinet at its meeting on 19<sup>th</sup> June 2014.

The Panel also has received presentations from the Executive Members for Operations and Environment and for Strategic Planning and Housing on the areas of responsibility falling within their respective portfolios.

**14. SCRUTINY**

The Panel has considered the latest editions of the Decision Digest and discussed matters contained therein.

G J Bull  
Chairman

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## **Overview & Scrutiny Panel (Economic Well-Being)**

**Report of the meetings held on 6th May, 12th June  
and 10th July 2014**

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### **Matters for Information**

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#### **1. THE FUTURE OF MEMBERS IT – CALL IN**

Pursuant to Item No. 38 of its Report to the meeting of the Council held on 30th April 2014 and following publication of the Cabinet's decisions on 10th April 2014 regarding the future of Members IT, the Panel called-in this matter for further consideration.

The Panel decided to request the Cabinet to reconsider some of its decisions on this matter:-

- ∇ so that printed agendas and reports will be provided on request;
- ∇ to clarify that all newly elected Members will not be required to purchase an iPad, though all Councillors would be required to use the new ways of working from a date to be determined; and
- ∇ to make reference to the offer of financial assistance from the Council to enable Members to purchase an iPad.

The Panel has also asked the Cabinet to verify whether the terms of the Constitution, particularly the Members Allowances Scheme (and the associated guidelines), meet the requirements of the new arrangements. If changes are required, the Panel has indicated that a review should be undertaken and any changes implemented in the usual way through the Corporate Governance Panel.

The Cabinet's response to the recommendations made through the call-in is set out in its Report to this meeting (Item No.1 refers).

#### **2. POTENTIAL SALE OF DISTRICT COUNCIL LAND AT HERMITAGE ROAD, EARITH**

*(The following item was considered as a confidential item under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972).*

The Panel has considered a proposal to sell Council owned land at Hermitage Road, Earith for affordable housing development. Having

regard to the alternative use value of the site and the views of the Executive Councillor who has suggested that the proposal strikes a good balance between addressing the need for social housing and generating a capital receipt for the Authority, the Panel has recommended that the Cabinet should dispose of the site on the terms set out in the report.

### **3. SERVICE DELIVERY OPTIONS FOR LEGAL AND IMD**

The outcome of discussions with LGSS on opportunities to develop a shared service arrangement for selected services, initially Legal and ICT services, have been reported to the Panel. Members have been advised that concerns remain over the influence and control the Council might have over any partnership arrangement with LGSS. Following the Council's announcement on 10th April of the intention to explore a new strategic framework with South Cambridgeshire District Council, Members have noted that the LGSS option is no longer being pursued and have endorsed the continuation of discussions with South Cambridgeshire District Council.

### **4. PROVISIONAL 2013/14 OUTTURN (REVENUE AND CAPITAL)**

The Panel has reviewed the provisional revenue and capital Outturn for 2013/14. Members have been pleased to note that the provisional revenue outturn reveals expenditure was £2.2m below the expected level. They have been acquainted with the likely reasons for this and have welcomed the presentation of financial information in the new format.

Members have also welcomed the intention to commence a programme of Zero Based Budgeting in preparation for the formulation of the draft Budget in December 2014. They have been advised of the likely methodology for the review and have noted that updates on progress are to be received on a regular basis.

In terms of the variations in revenue spending from the 2013/14 Budget and the Provisional Revenue Outturn, the Panel has enquired about the income profile for One Leisure, St Ives and will invite the Executive Councillor for Commercial Activities to attend a future meeting to discuss this further. With reference to a forthcoming matter for discussion on the Agenda for the Development Management Panel, Members have stressed the need to ensure the arrangements for entering into Section 106 Agreements are robust.

Given the service transformation that the Council is facing over the medium term and the intention to invest in additional revenue generating capital projects, the Panel has endorsed a proposal to increase the Special Reserve and to establish a new "Capital Investment" Earmarked Reserve.

### **5. 2013/14 TREASURY MANAGEMENT ANNUAL REPORT**

In accordance with the requirements of the CIPFA Code of Best Practice and the Council's Treasury Management Strategy, the Panel

has reviewed the Council's treasury management performance for the year ending 31 March 2014. Members have discussed the Council's borrowing and investment activity during the year, the counterparty lists and the risk to the Council. Having noted that the downgrading of the long term rating of the NatWest Bank has resulted in its removal from the Council's counterparty list for investment purposes, the Panel has been informed that NatWest will continue to be used for operational banking purposes. In response to a question whether this will have an impact on the charges incurred by the Council, Members have been advised that it is not expected that the budget will be exceeded.

## **6. OUR ROLE IN SUPPORTING THE PROSPERITY AND VITALITY OF THE MARKET TOWNS**

Following a suggestion by the Council Programme Meeting that the content of the Council debate on 'the prosperity and vitality of the Market Towns', could be used to take forward a potential overview and scrutiny study, the Panel has agreed to invite Mr William Grimsey to a future meeting to give his views on the future of the High Street. In light of the content of the presentation, the Panel will then develop and scope its study.

## **7. SHARED SERVICES**

Prior to its consideration by the Cabinet, the Panel has endorsed a proposal formally to enter into a strategic shared services partnership with South Cambridgeshire District Council. Members have been informed that the Council has to meet significant budget challenges and reductions in Government Grant are likely to continue well beyond the next General Election. Therefore, whilst the Council has already begun to make good progress on delivering efficiencies and developing a shared approach to a limited range of services, it is imperative that the Council takes all opportunities to minimise costs whilst protecting and enhancing services. As part of the proposal, the Council will also continue to work with Cambridge City Council and other appropriate partners where the opportunity exists to pursue a shared commitment to the delivery of other services.

Having welcomed the establishment of a shared services partnership as the first step in the process, the Panel has sought clarification as to the extent and scope of the proposals, the impact on the Council's working practices and on employees and the arrangements for managing and monitoring risk in the partnership. As part of the discussion, requests have been made for details on how democratic control of the strategic partnership will be exercised, the reasons for deciding not to pursue an agreement with Local Government Shared Services for the provision of Legal and IT Services, the geography of potential partners, the use of any surplus funds if the Council is to succeed in its objective to become more commercial and the arrangements to terminate the partnership should this be necessary. The Executive Leader and the Managing Director have responded to these points in turn and they have informed the Cabinet deliberations

on this matter. There will be an opportunity for the Panel to have further involvement in it as the partnership develops.

The Panel has drawn attention to the danger that the Council might lose control of its services as it diversifies and enters into a number of partnership arrangements. However, the Executive Leader has reiterated that the development of a shared services approach has no bearing on the sovereignty of services, which will remain under the control of the District Council. Continuing with the current approach is no longer viable and is considered to be riskier than the proposed arrangements.

In response to Members' concerns regarding the perceived challenges the Council faces in recruiting and retaining employees in the current environment, the Panel has been advised that there has not been a significant increase in staff turnover and that the calibre of candidates recently interviewed for the new Head of Services roles had been extremely high. Sickness levels within the Authority are now below the public sector average and it is envisaged that a shared approach to service delivery will improve staffing resilience.

In response to a suggestion by a Member that opportunities for joint working in relation to the collection of refuse should be investigated, the Panel has been reminded that the RECAP partnership is looking at such collaboration arrangements and that developments between South Cambridgeshire and Cambridge City Council might be used as a platform which could be developed by the District Council at the appropriate time. However, in the first instance, it is intended to concentrate on back office services.

## **8. LOVES FARM COMMUNITY BUILDING – COMMITMENT TO CONTRACT**

Further to Item No. 35 of its Report to the Council on 30th April 2014, the Panel has reviewed progress of the development of the joint community building and pre-school playgroup in Loves Farm, St Neots. The design for the building is nearly complete and the tender from the County Council's approved contractor is expected by the end of July 2014. Members have been provided with an illustration of the final design.

Having noted that the building will be owned by the District Council and sub-let in two distinct parts, Members have reiterated their previous recommendation that the Council should seek to minimise the risk that might arise if the local community group is unsuccessful in generating sufficient income from the facility.

In terms of the construction of the facility, the Panel has discussed the procurement process and procedures that have resulted in the situation whereby a single tender is awaited for approval. However, Members have been assured that this is in accordance with the County Council's usual procedures for construction projects. The Panel has also noted that the District Council will be working with the Community Group to finalise the external works and that the

Community Group has applied for grant funding to augment the current plans.

The Panel has endorsed terms for the continuation of the project.

#### **9. BUDGET MONITORING 2014 (REVENUE AND CAPITAL)**

The Panel has reviewed the emerging variations to the 2014/15 approved revenue and capital budgets at its meeting in July. Members have been pleased to note that the variations in the net revenue budget thus far represent a saving of £0.355m. In terms of capital, Members have discussed the overspend of £0.050m on the Huntingdon Multi-Storey Car Park, which has arisen as a result of a change to the specification as the build progressed. Having noted that this is the subject of a separate review, the Panel has requested that the outcome is presented to a future meeting.

#### **10. REVIEW OF RISK MANAGEMENT STRATEGY**

The Panel has been acquainted with the outcome of the annual review of the Council's Risk Management Strategy. In previous years the review has been submitted to the Corporate Governance Panel; however, this responsibility has recently transferred to the Cabinet. The Strategy has been developed to ensure the Council manages the threats that may hinder the delivery of its priorities and so that opportunities for continuous improvement are maximised.

In considering the draft Strategy and in recognising their responsibilities for scrutinising the Council's finances, Members have questioned the way in which financial risks are monitored and controlled. Their attention has been drawn to the financial values which form part of the Council's risk scales. Having noted that the Council's Risk Register currently contains 155 risks, the Panel has discussed the nine 'red' risks, which are the most serious ones, and the number of risks within each risk category.

Having been informed that the Corporate Governance Panel reviews the Authority's 'total risk' every six months, the Chairman has undertaken to speak with the Chairman of the Corporate Governance Panel to determine whether there is a role for the Economic Well-Being Panel further to review this area without duplicating the work which is already undertaken.

Following a discussion on the Council's corporate approach to risk, Members are of the opinion that risks should be incorporated into the Register to reflect the move to shared services and the outsourcing of services.

In recognition of the financial pressures facing the Authority and the need to be innovative, explore alternative methods of service delivery and to reduce the Council's reliance on Government Grant, the Panel is content to support the risk appetite levels within the Strategy.

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## **Other Matters of Interest**

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### **7. NOTICE OF KEY EXECUTIVE DECISIONS**

The Panel has received current Notices of forthcoming Key Executive Decisions, which have been prepared by the Executive Leader.

### **8. OVERVIEW & SCRUTINY PANEL (ECONOMIC WELL-BEING) – PROGRESS**

The Panel has reviewed its programme of studies. In so doing, Members have asked for sight of the post project appraisals for the development of the Huntingdon multi-storey car park and One Leisure, St Ives. In addition, Councillor M F Shellens has requested further details of the occupancy rates of the multi-storey car park compared to the forecast projections within the Business Plan.

Given the absence of any response from the Local Enterprise Partnership to the Panel's request for a presentation on its Business Plan, the Chairman has undertaken to raise this matter directly with the Executive Leader. It is anticipated that the first performance monitoring report against the new Corporate Plan will be available for the Panel's September meeting.

The Chairman has suggested that a briefing should be provided to the next meeting on the work which is already being undertaken to improve the project management arrangements within the Authority.

### **9. SCRUTINY**

The Panel has received the latest editions of the Decision Digest at each of its meetings.

R Harrison  
Chairman

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## **Standards Committee**

### **Report of the meeting held on 26th June 2014**

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#### **Matters for Information**

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#### **1. STANDARDS UPDATE**

The Committee was informed of the response of the Council and the Corporate Governance Panel to the series of recommendations made at the last meeting in respect of changes to the Code of Conduct, membership of the Committee and its terms of reference. The Committee also has been apprised of the nature and action taken in response to complaints recently received by the Monitoring Officer and, although very early in the process, the position thus far in respect of the adoption of the new HDC Code by Parish Councils and the return of Disposable Pecuniary Interests forms made necessary by the adoption of a new Code.

Since adoption of a new Code by the Council, the Committee noted that the Monitoring Officer had –

- issued a new Code of Conduct and advised all Parish Councils who previously had adopted the HDC Code to adopt the new Code of Conduct at its first available meeting in the new municipal year;
- revised the declaration of interests form to include the new category of 'Non-Statutory Disclosable Interests' relating to bodies exercising functions of a public nature, those directed towards charitable purposes and those whose principal purposes included the influence of public opinion or policy;
- issued revised forms to all District and relevant Parish Councillors to complete; and
- updated the Briefing Note for Members and Frequently Asked Questions advice and included this on the updated 'Standards & Conduct' pages on the District Council's website.

Given the value of continuity, Members were pleased to note that the Independent Members and Parish Council representatives would continue to serve on the Committee until 30th April 2016. The Committee also looked forward to managing its extended workload which now would include complaints and matters relating to elections.

Having been made aware that Colin Meadowcroft, the Council's Monitoring Officer was to retire on 31st July, Members extended their

appreciation to him for his hard work in helping the Committee maintain and monitor ethical standards over the years.

## **2. REQUEST FOR DISPENSATION**

Section 33(1) of the Localism Act 2011 states that 'a relevant authority may, on a written request made to the proper officer of the authority by a member or co opted member of the authority, grant a dispensation relieving the member or co opted member from either or both of the restrictions in section 31(4) in cases described in the dispensation'. Section 31(4) of the Act indicates that a Member with a DPI may not participate in discussion nor vote on a matter at a meeting unless a dispensation has been granted to enable that Member to do so.

The Committee considered a request for a dispensation from District Councillor Mrs P A Jordan. Councillor Mrs Jordan is required to declare a Disclosable Pecuniary Interest by virtue of her employment with the National Health Service and is precluded from taking part in discussion when business relating to her employer arises at meetings of the Overview & Scrutiny Panel (Social Well Being).

After careful consideration, the Committee agreed to grant Councillor Mrs Jordan a dispensation to speak and vote on matters coming before the Scrutiny Panel connected with NHS issues other than those affecting her own personal terms and conditions of employment and matters associated with NHS Community Services which impact upon her directly as an employee. The dispensation will expire on 30th April 2015, at the end of Councillor Mrs Jordan's term of office.

## **3. STANDARDS CASES**

For information and partly for training purposes, the Committee has noted the outcome and methodology used in three cases involving alleged breaches of the Code of Conduct which had occurred in various authorities nationwide.

A Hansard  
Chairman