

A meeting of the **CABINET** will be held in **CABINET ROOM, PATHFINDER HOUSE, ST. MARY'S STREET, HUNTINGDON, CAMBS, PE29 3TN** on **THURSDAY, 12 FEBRUARY 2004** at **11:30 AM** and you are requested to attend for the transaction of the following business:-


Contact
(01480)

1. MINUTES

To approve as a correct record the Minutes of the meeting held on 29th January 2004.

Mrs H J Taylor
388008

2. OXMOOR ACTION PLAN -INTERIM PLANNING GUIDANCE
(Pages 1 - 6)

To consider a report by the Head of Planning Services on progress of the Oxmoor Action Plan.

R Probyn
388430

3. WASTE PFI (Pages 7 - 14)

To consider a report by the Director of Operational Services regarding the progress of the Private Finance Initiative Bid to fund investment in new waste management infrastructure.

R Preston
388340

4. WASTE STRATEGY (Pages 15 - 18)

With the assistance of a report by the Head of Environment and Transport to note the award of capital funding in the latest round of DEFRA recycling challenge fund and the service improvements that will be delivered with this funding.

R Preston
388340

5. LGA - CONSULTATION PAPER - BALANCE OF FUNDING

To consider a report by the Head of Financial Services on the Governments proposals to change the current system of local finance – to follow.

S Couper
388103

6. REVIEW OF CONSTITUTION (Pages 19 - 20)

To consider a report by the Head of Administration inviting Members to comment on the annual review of the Council's Constitution.

Mrs C Deller
388007

7. EXCLUSION OF THE PRESS AND PUBLIC

To resolve:-

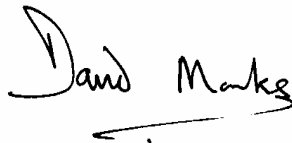
that the public be excluded from the meeting because the business to be transacted contains exempt information relating to terms proposed for the supply of goods or services.

8. DISTRICT COUNCIL HEADQUARTERS AND OTHER ACCOMMODATION MEMBERS ADVISORY GROUP (Pages 21 - 22)

To receive a report of the meeting of the District Council Headquarters and Other Accommodation Members Advisory Group held on 22nd January 2004.

**A Roberts
388009**

Dated this 4 day of February 2004

A handwritten signature in black ink that reads "David Marks". The signature is written in a cursive style with a long horizontal stroke at the end.

Chief Executive

Please contact Mrs H Taylor, Democratic Services Officer, Tel No. 01480 388008 or if you have a general query on any Agenda Item, wish to tender your apologies for absence from the meeting, or would like information on any decision taken by the Cabinet.

Specific enquiries with regard to items on the Agenda should be directed towards the Contact Officer.

Members of the public are welcome to attend this meeting as observers except during consideration of confidential or exempt items of business.

[Agenda and enclosures can be viewed on the District Council's website – www.huntsdc.gov.uk.](http://www.huntsdc.gov.uk)

HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the CABINET held at Cabinet Room on Thursday, 29 January 2004

PRESENT: Councillor D P Holley - Chairman
Councillors I C Bates, Mrs J Chandler,
R L Clarke, Mrs K P Gregory, N J Guyatt,
T V Rogers and L M Simpson

144. MINUTES

The Minutes of the meeting of the Cabinet held on 8th January 2004 were approved as a correct record and signed by the Chairman.

145. BUDGET AND 2004 - 2009 MEDIUM TERM PLAN

Further to Minute No. 03/123 and by way of a report by the Corporate Director, Commerce and Technology (a copy of which is appended in the Minute Book) the Cabinet were acquainted with a number of variations to assumptions made previously for the purpose of preparing the draft budget and Medium Term Plan (MTP) for the period 2004 – 2009 and consequently the level of Council Tax for 2004/05.

Reference having been made to an amended Annex F to the report, incorporating prudential indicators in accordance with the CIPFA Prudential Code for Capital Finance and to the outcome of consultation with the business community on expenditure proposals, the Cabinet

RECOMMENDED

- (a) that no further variations be made to the Medium Term Plan as appended to the report;
- (b) that, for the financial year commencing 1st April 2004, the existing level of Council Tax for a Band D property be increased from £82.54 to £94.54; and
- (c) that the prudential indicators for 2004/05, as shown in the revised Annex F, but amended to reflect the changes referred to in the report now submitted, be approved.

146. MEDIUM TERM PLAN: REQUESTS FOR RELEASE OF FUNDS

Further to Minute No. 03/123 consideration was given to a report by the Head of Financial Services requesting the release of funding for various schemes to be included or identified for inclusion in the Medium Term Plan. Copies of the report and associated justifications are appended in the Minute Book.

In that respect, having requested additional information on a number of schemes, the Cabinet

RESOLVED

(a) that the relevant funding be released for the following schemes and projects within the Council's MTP –

- ◆ Capital Contingency:
- ◆ Sawtry Leisure Centre Fitness Studio;
- ◆ Leisure Centres: Future Maintenance;
- ◆ Ramsey Leisure Centre: multi-activity area;
- ◆ Licensing Act 2003: new temporary posts;
- ◆ Introduction of new payroll/personnel and Operations Division business systems;
- ◆ Introduction of ICT "out of hours" support service;
- ◆ Pathfinder House: access arrangements;
- ◆ St. Ives Bus Station: repairs and improvements;
- ◆ Huntingdon Bus Station: repairs and improvements;
- ◆ Small scale environmental improvements;
- ◆ Upgrade of existing disabled toilet and access at Little Paxton Visitors Centre;
- ◆ Local Transport Plan;
- ◆ Provision of extra bus shelters;
- ◆ Additional caretaker, Pathfinder House/Castle Hill House;
- ◆ Discretionary repair grants; and
- ◆ Disabled facilities grants.

(b) that the release of funding for the following schemes and projects be deferred pending the submission and consideration of further information:-

- ◆ Additional Homelessness Officer;
- ◆ Additional Council Tax Clerk;
- ◆ Upgrade of computer "server room";
- ◆ Customer First: contact centre and transactional website; and
- ◆ Pathfinder House/Castle Hill House: Cleaning costs.

147. THE COUNCIL'S PRIORITIES

By way of a report by the Chief Officers' Management Team (a copy of which is appended in the Minute Book) the Cabinet were acquainted with work in progress on a vision and a set of priorities, which had been developed following a review of the Council's Corporate Plan. The review had been undertaken in order to support the Community Strategy, to clarify the Council's ambitions and objectives and to prioritise the Council's medium term objectives in response to feedback from the Comprehensive Performance Assessment Peer Challenge.

In considering the content of the report, Members noted the steps being taken to support the delivery of the Council's priorities by way of a performance management framework which would embrace a balanced scorecard methodology. Having been advised that this would reflect member, public and customer perspectives, internal business processes and learning and growth within the Council and that it was proposed to submit the final plan and framework to Cabinet on the 25th March 2004, Members

RESOLVED

that the contents of the report now submitted be noted and the work undertaken to-date to produce a revised corporate plan and "balanced score card" as part of the Comprehensive Performance Management Framework endorsed.

148. COMPREHENSIVE PERFORMANCE ASSESSMENT: PEER CHALLENGE AND SELF ASSESSMENT

Consideration was given to a report by the Head of Policy to which was appended the report of the Comprehensive Performance Assessment (CPA) Peer Challenge Team, the latest draft of the Council's CPA self assessment documents and a note of the deliberations of the Council's Overview and Scrutiny Panels on the approach adopted for the self-scoring exercise.

RESOLVED

- (a) that the contents of the Council's self-assessment documents, as appended to the report now submitted, be endorsed; and
- (b) that the Chief Executive, after consultation with the Leader of the Council, be authorised to make such minor drafting and other amendments to the documents as he considers appropriate prior to their submission to the Audit Commission.

149. THE FUTURE OF AIR TRANSPORT & LOCAL IMPLICATIONS

The Cabinet considered a report by the Director of Operational Services (a copy of which is appended in the Minute Book) regarding the content of the Government's white paper – "The Future of Air Transport in the UK".

The report advised that –

- ◆ the development of Alconbury Airfield for passenger or freight services was no longer supported, but that in the Government's view potential remained for the relocation there of aircraft maintenance operations from Cambridge;

and in noting a report on decisions by the First Secretary of State to allow appeals against the District Council's decisions to refuse planning applications for development at Alconbury Airfield had been submitted to the Development Control Panel, the Cabinet

RESOLVED

that the content of the report now submitted be noted.

**150. LOCAL TRANSPORT PLAN: ANNUAL PROGRESS REPORT 2003
- SETTLEMENT NOTE AND NEW LOCAL TRANSPORT PLAN
2004 - 2011**

(Councillors I C Bates and R L Clarke declared their respective personal interests as Members of Cambridgeshire County Council in the following item of business)

The Cabinet considered a report by the Head of Environment and Transport (a copy of which is appended in the Minute Book) on the financial settlement for the Cambridgeshire Local Transport Plan (LTP). The Plan outlined proposed developments in transport to 2011 and the key target of outputs expected to be delivered at a local level over that period.

Having been advised that the new LTP for 2004-2011 would be reassessed to take into account future guidance from the Government and the developing Regional Transport Strategy and adopted local plans, the Cabinet

RESOLVED

that the outcomes of the LTP settlement and the Government's comments on the new plan for 2004 – 2011 be noted.

151. GUIDED BUS FOR CAMBRIDGESHIRE

(Councillors I C Bates and R L Clarke declared their respective personal interests as Members of Cambridgeshire County Council in the following item of business)

Further to Minute No. 03/49, consideration was given to a report by the Head of Environment and Transport (a copy of which is appended in the Minute Book) outlining the County Council's proposals for development of the Cambridgeshire Guided Bus Scheme formerly the Cambridge to Huntingdon Rapid Transit Transport Scheme.

It was reported that the proposed scheme envisaged the use of high quality conventional buses operating both on public roads and on sections of dedicated guideways, the longest section of guideway being between St. Ives to Histon.

Members were advised that the County Council would be making an application under the Transport and Works Act 1992 in February 2004 where, if approved would provide deemed planning consent and authority to acquire the necessary land. In that respect, Members expressed concern that the District Council had been given only a short period of time to consider the County Council's final proposals.

With regard to the overall scheme, Members raised potential concern associated with the commercial viability and environmental impact of

the proposals. In that respect, it was reported that the period for formal objections to the TWA submission would remain open until the end of March 2004, and that the opportunity thus would be available to consider the matter further at a future meeting of the Cabinet,

Whereupon, it was

RESOLVED

- (a) that the County Council's intention to make TWA submission for the guided bus scheme be noted;
- (b) that the Director of Operational Services be authorised to seek to resolve any outstanding matters of concern with Cambridgeshire County Council; and
- (c) that the matter be reviewed further at the meeting of the Cabinet on 25th March 2004 to determine whether any outstanding matters need to be pursued as a formal objection.

152. RESPONSE TO DRAFT PPS12: LOCAL DEVELOPMENT FRAMEWORK AND RELATED DOCUMENTS

By means of a report by the Head of Planning Services (a copy of which is appended in the Minute Book) the Cabinet were acquainted with the content of the Council's response to the Government's proposals to introduce a new planning framework and for producing local planning documents. Whereupon, it was

RESOLVED

that the contents of the report be noted and the Council's response to the Government's proposals endorsed.

153. EMERGENCY PLAN

Further to Minute No. 02/201 and by means of a report by the Head of Environment and Transport (a copy of which is appended in the Minute Book) the Cabinet considered a draft Emergency Plan which documented the Council's emergency planning arrangements.

Having been advised of the recommendations of the Flooding Advisory Group in respect of the deployment of sandbags, the Cabinet

RESOLVED

- (a) that the inclusion of the Flooding Advisory Group's recommendations regarding the deployment of sandbags within the Emergency Plan be endorsed;
- (b) that, subject to the inclusion of a requirement for appropriate Executive Councillors to be notified when a rest centre is opened, the draft emergency plan appended to the report now submitted be approved for preparation;

- (c) that the Director of Operational Services, after consultation with the Executive Councillor for Resources, Welfare and Information Technology, be authorised to update the emergency plan as required.

154. ICT STRATEGY

With the assistance of a report prepared by the ICT Services Manager, IMD (a copy of which is appended in the Minute Book) the Cabinet considered a IS/ICT strategy which described the underlying principles for the development of the Council's ICT services. Whereupon, it was

RESOLVED

that, subject to the release of Medium Term Plan funding, the ICT strategy as appended to the report now submitted be approved.

155. SMALL SCALE ENVIRONMENTAL IMPROVEMENTS

The Cabinet considered a report by the Head of Environment and Transport (a copy of which is appended in the Minute Book) outlining progress on small scale environmental improvement schemes and proposing a programme of schemes for 2004/05.

Having noted the explanations for a number of variations in the 2003/04 programme, the Cabinet

RESOLVED

- (a) that the contents of the report now submitted be noted; and
- (b) that, subject to the release of medium term plan funding, the programme of schemes for 2004/05, as set out in paragraph 4.1 of the report now submitted be approved.

156. QUARTERLY SUMMARY OF DEBTS WRITTEN-OFF

The Cabinet received and noted a report by the Head of Revenue Services (a copy of which is appended in the Minute Book) summarising debts which had been written off during the period October – December 2003 as irrecoverable.

157. EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED

that the public be excluded from the meeting because the business to be transacted contains exempt information relating to terms for the acquisition and disposal of land and property.

158. OXMOOR ACTION PLAN - PROPERTY UPDATE

Further to Minute No. 03/44, the Cabinet considered a report by the Head of Legal and Estates (a copy of which is appended in the Annex to the Minute Book) regarding terms proposed for the sale, acquisition and disposal of areas of land at Oxmoor, Huntingdon.

Having been reminded of the objectives of planning guidance for that area, the Cabinet

RESOLVED

- (a) that the Executive Director of Central Services, after consultation with the Leader of the Council and the Executive Councillors for Resources, Welfare and IT and for Finance, be authorised to approve detailed terms for;
 - ◆ the sale of land required for the Acorn Community Health Centre;
 - ◆ the acquisition of land from the BRJ Club and its disposal to the Commissioners of the Acorn Community Health Centre; and
 - ◆ the overall funding of the redevelopment of Sapley Square as outlined in paragraphs 4.1 – 4.4 of the report now submitted;
- (b) that the terms for the acquisition of properties in Sapley Square from Huntingdonshire Housing Partnership be approved;
- (c) that the terms for the disposal of land at Buttsgrove Way outlined in paragraph 5.1 of the report now submitted be approved; and
- (d) that the Director of Operational Services be authorised to appoint a Project Manager for Oxmoor for a temporary period of 2 years.

Chairman

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CABINET

12th FEBRUARY 2004

Oxmoor Action Plan – Interim Planning Guidance – Progress Report

(Report by Head of Planning Services)

1. INTRODUCTION

- 1.1 This report is to brief Members on the progress to date in implementing the Oxmoor Action Plan from a land use planning perspective. At the last Cabinet meeting on 29th January Members received and acted on a report concerning property matters in connection with the Oxmoor Action Plan.
- 1.2 It is understood that Cabinet wish to receive a report on planning matters even though there is of necessity some overlap in the information being given.

2. SUPPORTING/BACKGROUND INFORMATION

- 2.1 The Oxmoor Action Plan was adopted as Interim Planning Guidance by the Cabinet on 9th January 2003. This followed an extensive programme of community involvement including a 'Planning for Real' exercise funded as part of the wider SRB project for the area. The resulting action plan, dealing with the land use planning aspects of the Oxmoor regeneration initiative, itself was subject to specific public participation between 4th November 2002 and 31st December 2002.
- 2.2 There was general widespread support for the plan including the statutory partners including the Primary Care Trust, the County Council and the Town Council.
- 2.3 The essential components of the Action Plan are: -
- A neighbourhood centre with new facilities;
 - A better mix of housing
 - Additional and better play and recreational facilities;
 - Environmental Improvements and
 - Safer routes.

The purpose of the Plan is to create a means by which the social and economic life and physical environment of Oxmoor can be improved through the planning process. It's aim is to be a vehicle through which to deliver these improvements from a variety of funding sources including the re-investment of the proceeds from the sale of land for housing and investment in community infrastructure through planning gain. The implementation of each project to achieve the

above outcomes is by necessity interlinked with each other due to the various ownerships and values associated with the land and in order to maximise the benefits accruing from development to pay for the total improvement package identified in the Plan.

2.4 Five development sites were identified at:-

- Land at California Road,
- Land at Moorhouse Drive,
- Land at Butts Grove Way,
- Land at Sapley Square west
- Land at Sapley Square east,
see copy of Masterplan – Annex A.

These were generally proposed for housing. Sapley Square west was also proposed as the site for the new neighbourhood centre.

2.5 Additionally, the Plan shows: -

- a new park on the open space at Coneygear Road;
- a remodelled open space corridor along Oxmoor Lane;
- new neighbourhood and doorstep greens;
- priority routes for pedestrian and cycle improvements;
- traffic calming schemes.

All of the sites are in the ownership of the District Council, County Council (CCC), Huntingdonshire Housing Partnership (HHP) and Huntingdonshire Regional College. There is potential for 170 market houses and 80 'affordable' houses. Indicative plans in the Plan show layouts of housing on these sites based on a basic and optimum density of development.

3. Progress

3.1 Neighbourhood Centre – Sapley Square

An application for planning permission has been approved for the development of the new Health Centre and car parking at Sapley Square and work is due to commence in May this year. A planning application will shortly be made to replace the shopping and community facilities at Sapley Square (including a new bridge across Coneygear Road), which together with the Health Centre will create the new Neighbourhood Centre. The Sapley Square shops are currently owned by HHP. The early development of the site at Butts Grove Way for housing is necessary to compensate for the loss of units at Sapley Square to allow the Neighbourhood Centre to proceed. A gap-funding bid of £2.3 million has been achieved from the Government's Sustainable Communities Growth Area money linked to an additional £1 million for the housing at Butts Grove Way. Some of this joint funding is allocated in the current financial year.

3.2 Housing Site Butts Grove Way

HHP have made an application for the development of this site with 30 units which is due to be considered by the Development Control

Panel on 12th February and if they are minded to approve by the Full Council on 18th February. As a potential Departure to the (albeit out of date) Local Plan the decision must then be referred to GO East before it is issued. The development of this site would also include other elements towards the Action Plan including a new play area and additional landscaping along American Lane. A separate application is being made to extend off road car parking facilities in the vicinity of this development.

3.3 Housing Site California Road

Pre application discussions have taken place with the owners (CCC and the Regional College). It is anticipated that an application will be lodged shortly for housing and an application for a new training centre on adjacent college land.

3.4 Other Housing sites

These include Moorhouse Drive and east and west of Sapley Square. Their development is likely to follow the sites identified above and in the case of Sapley Square not until after the completion of the neighbourhood centre as its implementation will depend on the relocation of the existing Sapley Square shops.

3.5 Coneygear Park

The open space at Coneygear is to be improved in quality terms to provide a more useful recreational area. Proposals are currently being discussed with the community to arrive at a consensus of opinion as to the preferred scheme. Proper crossing points of Coneygear Road and Butts Grove way will enable safe access from various parts of Oxmoor.

3.6 Other open space

The implementation of the neighbourhood gardens and doorstep greens will require considerable resources to engage with the local community and a programme will be considered following the implementation of the new park at Coneygear.

3.7 Environmental Improvements

These are being carried as part of the development of the housing sites and in conjunction with the improvements to the cycle and footpath links below. Small environmental schemes such as the extension of parking areas onto open space are being considered.

3.8 Safer Routes

Improved cycle and footpath links to various parts of Oxmoor are proposed making them safer and more useable. As part of this programme the route from the new Health Centre to Ambury Road is being designed now and work will be completed next financial year.

4. RECOMMENDATION(S)

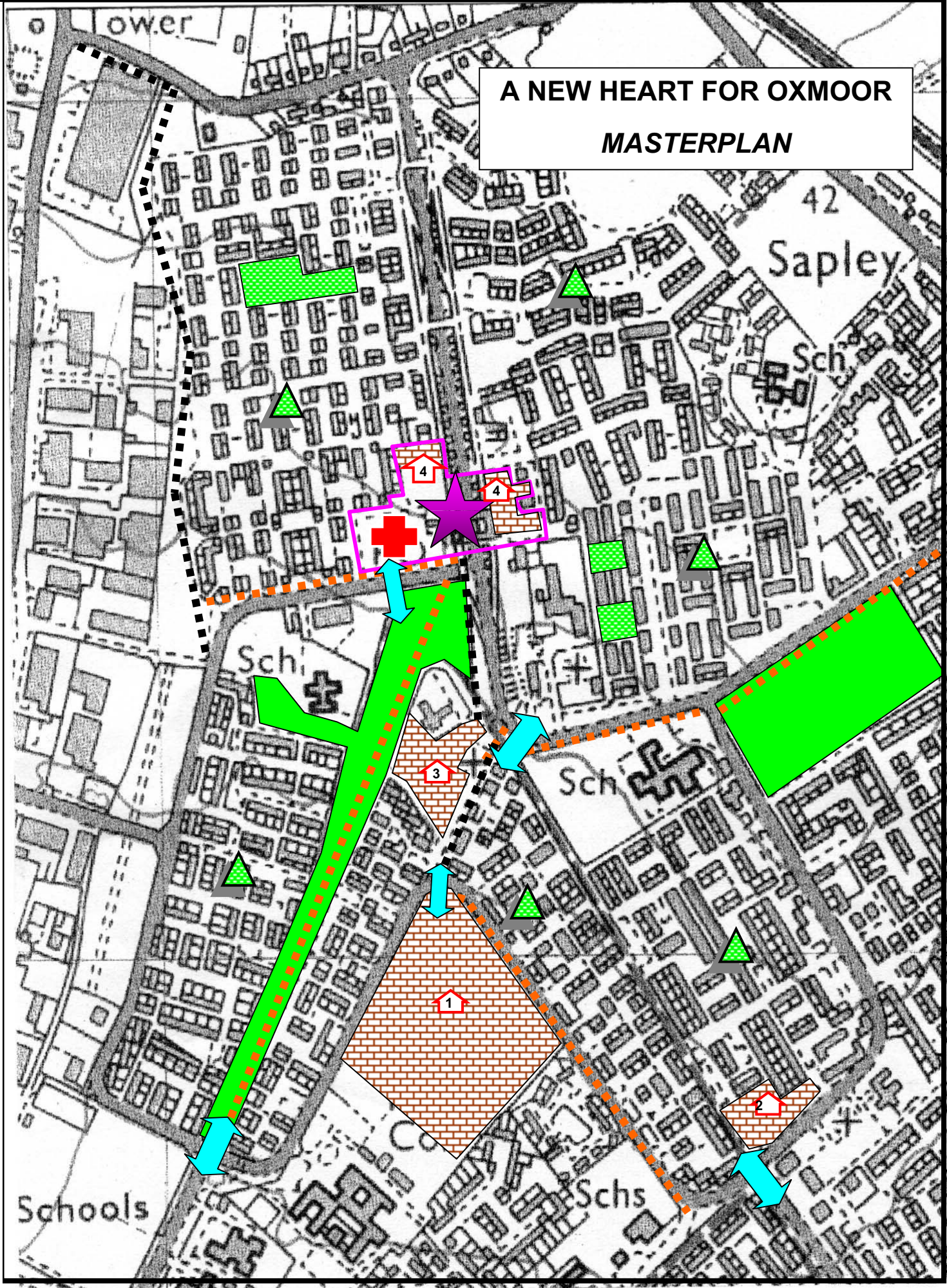
4.1 The report be noted

BACKGROUND INFORMATION

Oxmoor Action Plan

Contact Officer: Malcolm Sharp
☎ 01480388402

A NEW HEART FOR OXMOOR
MASTERPLAN

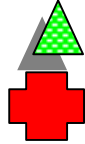


A NEW HEART FOR OXMOOR

MASTERPLAN



NEIGHBOURHOOD GARDEN -- LANDSCAPED



DOORSTEP GREENS PILOT SCHEMES

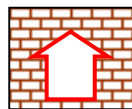
NEW HEALTH CENTRE



SAPLEY SQUARE REMODELLING - OPTIONS



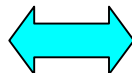
OXMIRE MEADOWS PARKLAND LANDSCAPING
CONEYGEAR PARK - REMODELLED
OXMOOR LANE PLAY AREAS & TREE PLANTING



HOUSING DEVELOPMENTS
1-4 PROPOSED SITES



MAIN CYCLEWAY/FOOTPATHS
PRIORITY ACTION SECTIONS



TRAFFIC CALMING SCHEMES

CABINET

12 FEBRUARY 2004

WASTE PFI (Report by Director of Operational Services)

1. INTRODUCTION

- 1.1 The District Council is jointly with Cambridgeshire County Council and other districts seeking £40 millions in PFI credits to support waste collection and disposal costs for a 25-year period. Following the Government's decision on the award of PFI credits the District Council will have to decide whether it wishes to be associated with joint arrangements to procure waste services in order to benefit from the external funding.
- 1.2 This report, which is the first of number of reports to be presented to Cabinet over the next few months addressing this issue, outlines the progress on the PFI bid and identifies issues for future consideration.

2. BACKGROUND

- 2.1 Government is committed to improving the environment and as part of that commitment has created a legislative framework for waste management (that includes European Union requirements) with the intention of reducing the volume of household waste and the UK's reliance on land-fill for waste disposal.
- 2.2 Within Cambridgeshire all of the waste collection authorities (WCA – the district and city councils) and the waste disposal authorities (WDA – the County Council and Peterborough City Council) have, through the auspices of the Cambridgeshire Councils' Association's Waste Forum, agreed a joint waste management strategy which:
- identifies the separation of recyclable materials by WCA, through their collection arrangements, as the key vehicle for reducing household waste going for ultimate disposal; and
 - has established a hierarchy of preferred technologies for the treatment of waste, which can replace/reduce the reliance on land-fill.
- 2.3 The cost of waste management during the period covered by the joint strategy will increase significantly as a result of:
- the need for WCA to invest in innovative collection arrangements to achieve recycling rates in excess of 55%;
 - increases above inflation in land-fill tax already announced by Government; and
 - the cost of waste disposal technologies – incineration being the cheapest, but generally unacceptable to the public.
- 2.4 Preliminary estimates suggest that an additional £183 millions will need to be invested collectively by WCA and WDA in Cambridgeshire to achieve the Government's targets to 2032.

- 2.5 The District Council already has invested substantially in its waste and recycling services. Assuming that all the projects currently identified in the MTP are approved and implemented it is likely that a recycling performance in the order of 47% will be achieved. This will deliver a level of performance equivalent to the council's 2010 recycling target.
- 2.6 The challenges facing the council are, firstly, to maintain this level of recycling performance in an affluent area where annual growth in waste is already above the national average, 3% per household, and the number of homes also is planned to increase significantly. Secondly, the need, in the medium term, to invest in additional recycling services to achieve a 55%+ recycling performance.
- 2.7 Currently the District Council's recycling performance is subject only to statutory BVPI targets set for 2005/06 and the voluntary longer-term commitments given in the joint waste strategy. A more prescriptive framework is likely in the future.
- 2.8 The Waste and Emissions Trading Act 2003 provides the legislative framework by which Government will impose targets on WDA restricting the use of land-fill for the final disposal of household waste. It also provides to WDA a power of direction to WCA as to the separation of waste prior to delivery for disposal. The potential exists, therefore, for the County Council to influence both the manner and required performance of the recycling services undertaken by the District Council.

3. WHAT DOES PFI OFFER

- 3.1 At its simplest PFI can be viewed as a process for securing the capital investment required to deliver a large scale project. Because of the budget available to the Government departments in any year there is a limit to the maximum amount any project will attract. Initial indications are that some £40 millions could be secured for waste services in Cambridgeshire, compared to the £124 millions required. The £124 millions is the *net present value*, when discounted at 7%, of the £183 millions referred to in paragraph 2.4 above.
- 3.2 The balance of the capital cost would be funded by the private sector contractor responsible for providing the new infrastructure and the day-to-day delivery of the service. This is translated by the contractor into an annual 'unitary charge' payable by the employing authority/authorities.
- 3.3 The benefits to the employing authority/authorities are as follows:
- a substantial part of the capital requirement is secured through Government credit approval which is supported by increased Revenue Support Grant, i.e. at no cost to the authority/authorities;
 - a long term contract with a contractor committed to making the necessary capital investment and meeting predetermined performance targets i.e. maximum risk transfer; and

- an annual 'unitary charge' (revenue) for the service determined at its outset i.e. long-term financial certainty and stability
- 3.4 The County Council are committed to securing waste disposal arrangements through a PFI arrangement to overcome a substantial funding shortfall that would otherwise exist. WCA, including the District Council, who are signatories to the joint waste strategy have all associated themselves with the initial application for PFI credits.
- 3.5 None of the WCA have committed themselves to the eventual procurement process and they, like the District Council, will make their final decision after the Government's decision on the PFI credit application is known.
- 3.6 In order to manage the decision making process it is imperative that appropriate governance structures are in place and these are discussed in the next two sections. These address;
- the process up to and including a decision to take part in a joint PFI procurement exercise; and
 - arrangements for managing a joint PFI contract.

4. PROCESS LEADING TO A DECISION ON JOINT PROCUREMENT

- 4.1 All key decisions, up to and including the decision to appoint a contractor to deliver the services of more than one council, will be taken by the individual councils i.e. the Cabinet in the case of the District Council.
- 4.2 It is proposed that the CCA Waste Forum be reconstituted as a 'Member Board'. Its purpose will be to advise and make recommendations to the individual councils' cabinets on all key decisions. It will have limited powers to determine issues such as the wording of OJEC notices, contractor selection criteria, recommendations (to individual councils) of contractors to be included on short lists etc. These powers are further detailed at Annex A.
- 4.3 Currently the CCA Waste Forum has one Member from each of the seven councils. The intention is for the County Council and Peterborough City Council, as the WCA, each to have a second seat under its new constitution. The proposed governance structure is indicated by the diagram at Annex B the elements below the Member Board are described in the following paragraph.
- 4.4 An officer 'Project Steering Group', substantially the existing Joint Waste Officer Group supplemented by a director from each of the WCA and a finance representative, will steer the project. This group will consider the impact of the project on other local services, provide problem solving capacity, seek to resolve inter-authority conflicts and take responsibility for any matters delegated to it.
- 4.5 A 'Core Project Team' comprising a Project Manager, Project Officer and Project Administrator will manage the procurement process, including project planning, communications with stakeholders, risk management and communications with potential bidders.

- 4.6 The Core Project Team will receive input from a joint-council's 'Finance Panel' which will also provide the financial representative to the Project Steering Group. The District Council currently is exploring with other councils the need for similar groups to represent legal and operational interests.
- 4.7 These governance arrangements will be documented in a Procurement Protocol that will record the matters delegated to the various groups. They will be reported to the meeting of the CCA Waste Forum on 6 February 2004 and the outcome will be available to Cabinet at its meeting.
- 4.8 The County Council have so far met the cost of preparing the Outline Business Case (i.e. the application to Government for PFI credits available as a background paper to this report) which they estimate to be £100k. They have identified the costs associated with the next stage (see Section 5 below) of the process as £600k over the two years 04/05 and 05/06 and are seeking a contribution of £20k in each year from the District Council if it decides to join the procurement process.
- 4.9 These costs relate to securing external legal, financial and technical input and to financing the Core Team. It is considered that the District Council, either independently or in association with other WCA, may need to secure its own professional advice separately from the County Council in advance of a decision on procurement. The MTP (Project 02/279/B) currently includes £50k in 04/05 and £70k in 05/06 for waste procurement. Cabinet will be requested to release the full £50k in 04/05 and to commit to releasing £20k in 05/06. This will allow a positive response to be sent to the County Council, conditional upon a decision to join the procurement, and to engage appropriate independent professional advice in 04/05, up to the value of £30k.

5. MANAGING A JOINT PFI CONTRACT

- 5.1 If a decision is taken to jointly procure waste collection and disposal services an appropriate governance arrangement will need to be put in place. A contract can only be entered into with a single legal entity and unless a new body is formed this will be the County Council.
- 5.2 A preliminary consideration of this matter has focused on five possible models:
- A 'Joint Committee' of participating councils with a lead council (the County Council) entering into the contractual arrangement for the service. Management would be delivered by a joint officer team.
 - A 'Lead Authority' (the County Council) responsible for the contract with the service provider and all management responsibilities. The relation between the Lead Authority and the other councils would be governed by a contractual arrangement. This is similar to our highways agency, but in reverse.
 - A 'Local Authority Company' which would be a legal entity in its own right. Participating councils would have a seat(s) on the board of the company.

- A 'Waste Management Authority' to which the participating councils would delegate their waste functions and the management of their existing operations.
 - Two 'Linked Contracts' with a single contractor but enabling Peterborough City to have a separate contract from a second joint County Council/District Council contract.
- 5.3 The Outline Business Case indicates a preference for either the Lead Authority model or a Local Authority Company. In the former this would involve a tri-partite agreement between the County Council, Peterborough City Council and the contractor; with separate subsidiary, legally binding agreements between the County Council and the districts.
- 5.4 Further work is required on these options and it is proposed, as part of the professional advice to be sought (see paragraph 4.9 above), to obtain a legal opinion on the options. The potential, in either arrangement, for the District Council to retain direct delivery of its waste collection services may be a key consideration.

6. IMPLICATION FOR DIRECT SERVICE DELIVERY

- 6.1 The Outline Business Case (OBC) has gone forward to Government on the basis that both waste disposal and waste collection services will be delivered through the PFI arrangement. It is considered by the County Council that this is more likely to be favoured by Government, who are keen to promote partnership between WCA and WDA, and will be more attractive to prospective tenderers.
- 6.2 Although all WCA, including the District Council, have supported this approach at this time none are fully committed to joint procurement and have reserved their position. Each has indicated that they will seek to finalise their position during July 2004 in the light of the outcome of the application for PFI credits and a review of the financial case included in the OBC.
- 6.3 The potential options available to the District Council are:
- a) to enter fully into the PFI procurement with its waste collection service wholly delivered by the contractor;
 - b) to enter into the PFI procurement on the basis that it wishes to retain operational responsibility for its waste services, albeit on a sub-contract basis to the main contractor; or
 - c) not to enter into the PFI procurement for waste collection services
- 6.4 The capacity to secure option (b) may be influenced by the governance arrangement eventually adopted for the PFI procurement, hence the comment in paragraph 5.4 above.
- 6.5 Further work is continuing on the options available to the District Council and the outcome will be reported to a future meeting of Cabinet.

7. CONCLUSIONS

- 7.1 The District Council has the opportunity to be associated with the PFI procurement and this has the potential to provide, through the unitary charge, considerable financial certainty. It would, for example, provide for the capital cost of replacing the refuse collections vehicles (three times) and wheeled bins (once) during the life of the contract.
- 7.3 However, it has yet to be shown that it is more economic than the District Council funding both the revenue and capital costs associated with the service in future years.
- 7.4 In order to keep open all options available to it the District Council must be able to engage fully with the processes leading to a final decision on procurement. It is considered that the governance arrangements detailed in Section 4 of this report provides for that. Considerable further work is required before an informed decision can be taken on the governance of any PFI contract should the District Council decide to be included.
- 7.5 The future of waste and recycling services in the district is a major issue and to ensure that Members are fully informed it is proposed to submit a progress report to the Overview and Scrutiny Panels in April and to hold a seminar for Members in that month. In addition developments will be routinely reported to Cabinet.

8. RECOMMENDATIONS

- 8.1 It is recommended that Cabinet;
- (a) approve the powers proposed for the Member Board (Section 4/Annex A) and the overall governance proposals for the period prior to a final decision on procurement;
 - (b) authorise expenditure from MTP 02/279/B of £50k and £20k in 2004/05 and 2005/06 respectively for the purposes detailed in paragraph 4.9;
 - (c) note the governance options (Section 5) for the management of any joint contract and authorise the Director of Operational Services to investigate them further and report on them to a future meeting;
 - (d) note the service delivery implications for the District Council (Section 6) and authorise the Director of Operational Services to investigate them further and report on them to a future meeting; and
 - (e) approve the communications arrangements proposed in paragraph 7.5 and authorise the Director of Operational Services in consultation with the Executive Councillor for the Environment and/or Deputy Leader to determine the content of the Members' seminar.

Background papers

Outline Business Case: Integrated Waste Management Project – Cambridgeshire and Peterborough Waste Partnership (January 2004)

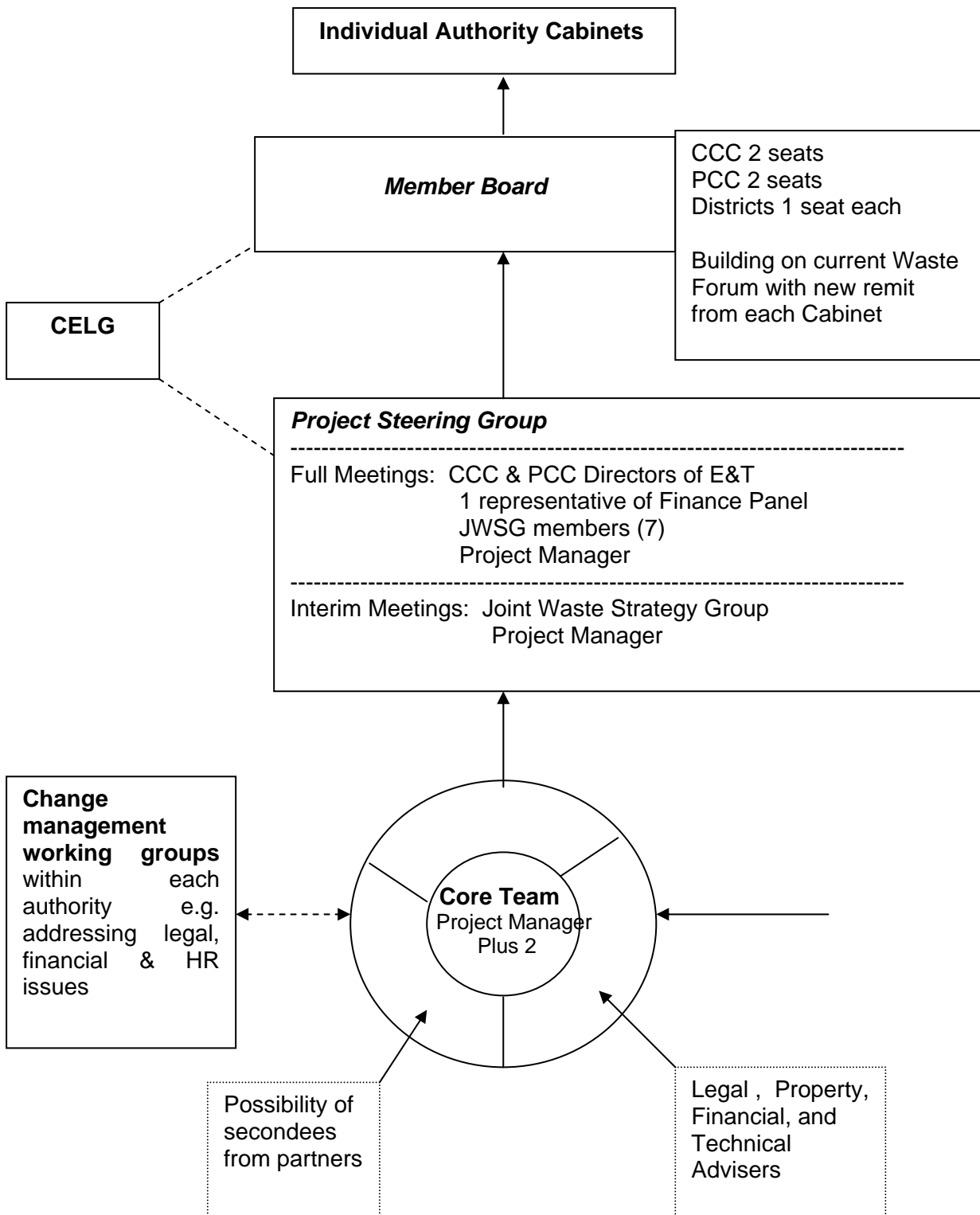
Contact Officer: Richard Preston, Head of Environment & Transport
☎ 01480 388340

ANNEX A

POWERS DELEGATED TO MEMBER BOARD

1.	Agree final version of Information Memorandum and Pre-Qualification Questionnaire.	Documentation required to be provided to prospective contractors who respond to the Prior Indicative Notice published in the Official Journal of the European Commission.
2.	Agree Selection Criteria	The issues that will be considered in deciding whether or not a contractor will be included on the final shortlist.
3.	Consult on Shortlist	Engage with all relevant stakeholders on the proposed shortlist.
4.	Consult on Invitation to Negotiate	Engage with all relevant stakeholders on the proposed on the ITN
5.	Selection of preferred and reserved Bidders	Engage with WCA on Bidders to be recommended to individual councils.
6.	Reference back during negotiations (on a confidential basis)	Clarification of issues raised in negotiations of issues between WCA and Bidders.
7.	Final assessment of options	Agree recommendation on final procurement option to be proposed to individual councils for approval.

ANNEX B: GOVERNANCE STRUCTURE PRIOR TO DECISION ON PROCUREMENT



CABINET

12 FEBRUARY 2004

WASTE STRATEGY: DEFRA GRANTS (Report by Head of Environment & Transport)

1. INTRODUCTION

1.1 At its meeting on 13 November 2003 Cabinet authorised the Director of Operational Services to seek capital funding from the latest round of DEFRA recycling challenge fund.

1.2 The council has been successful in securing a total of £1.6 millions over the two years 2004/05 and 2005/06. This report details the service improvements that will be delivered with this funding. In addition the council has secured a further capital grant of £169k in the current year to deliver improved service arrangements for the collection of dry recyclables in the existing garden waste trial area.

2. SERVICE IMPROVEMENTS

2.1 In summary the grant awarded for future years provides the following capital funding:

- £963,300 to support the council's commitment to roll-out the garden waste service to all households;
- £525,500 to enhance the current dry recyclables service by offering wheeled bins in lieu of the existing green boxes to up to 15,000 households; and
- £60,000 to trial the use of underground neighbourhood recycling bins

2.2 The first year revenue cost of the enhanced dry recyclables collections and the underground bins is also supported with grant amounting to £102k.

2.3 The benefits of the garden waste service have been well demonstrated by the on-going trial that recently received national recognitions. It was included as a case study in a report on best value published by the ODPM and was specifically mentioned in the Rt. Hon. Nick Raynsford's associated media releases. The award of the whole capital cost of the garden waste bins reflects the importance placed on this scheme by the government.

2.4 Households committed to recycling easily fill their 55 litre green box in a two week period. Many such households, particularly in the garden waste trial area, have requested a wheeled bin for their dry recyclables. Such households will view the offer of a wheeled bin as a major service improvement. The grant will allow the service to be made available to up to 15,000 households during 2004/05 on an 'opt-in' basis. Arrangements for this will be tested in the garden waste trial area with the grant secured for 2003/04 which provides for some 9,000 wheeled bins.

2.5 Providing underground recycling banks is an effective way of countering concerns over noise and visual amenity. The grant will

allow a small number of sites to be developed, either replacing existing mini recycling centres that have been controversial or to create new sites in more densely populated areas to enhance access for users.

3. DISPOSAL OF DRY RECYCLABLES

- 3.1 Reference was made in the report to Cabinet in November 2003 of the increase in cost for the disposal of dry recyclables at Peterborough MRF. At the end of November the facility at Peterborough was closed to the local authorities, excepting Peterborough City Council, that had been using it.
- 3.2 The council has been successful in securing a new arrangement with a MRF operated by Northampton Borough Council that came into operation on 1 December 2003. In negotiating this arrangement the council has also benefited from a reduction in the £37 per tonne gate fee last reported to cabinet. The twelve-month contract with Northampton MRF is based on a £29 per tonne gate fee.
- 3.3 Although the revised gate fee now has been incorporated within the MTP the operational efficiency of taking waste to Bucked, for onward transfer to Northampton, compared with Peterborough has not been quantified.

4. FINANCIAL IMPLICATIONS

- 3.1 The impact of the successful bids on the MTP is shown in the tables below.

Net Capital	03/04	04/05	05/06	06/07	07/08	08/09
Garden Waste		-963				
Dry Recyclables						
U'ground Banks						
Total		-963				

Revenue	03/04	04/05	05/06	06/07	07/08	08/09
Garden Waste		-48	-48	-48	-48	-48
Dry Recyclables			92	92	92	92
U'ground Banks			6	6	6	6
Total		-	50	50	50	50

- 3.2 The provision of wheeled bins for the collection of dry recyclables will encourage householders to participate in the Council's recycling collection services. It will be possible, therefore to scale down promotional activity planned for future years and £16k annually will be released from the recycling policy budget from 2005/06. This will reduce the annual revenue cost to £34k.

4. CONCLUSIONS

- 4.1 The council has secured nearly £1.8 millions of challenge fund grant that meets a significant part of its cost in extending the garden waste service to all homes. It also provides an opportunity to further

develop recycling services in ways that will be supported by the public.

- 4.2 These significant service improvements will result in an ongoing revenue expenditure of only £34k annually after other budget reductions are accounted for.
- 4.3 To start to realise the service improvements in 2004/05 the council must commit itself to expenditure on the garden waste service already identified in the MTP. This will allow the purchase of vehicles and wheeled bins to be initiated.
- 4.4 The Cabinet are recommended to:-
- (a) note the £1.8 million of grant funding that has been secured;
 - (b) note the introduction of wheeled bins for dry recyclables in the garden waste trial area funded wholly from the grant received in 2003/04;
 - (c) note and approve the changes to the MTP at 3.1 and 3.2 above which are consequent upon proceeding with the grant supported services;
 - (d) approve the release of funds from April 2004 in respect of the Garden Waste – District Wide scheme (MTP Ref 04/522); and
 - (e) note the reduced gate fee associated with the disposal of dry recyclables.

Background Papers

DEFRA Recycling Challenge Fund award notification

Contact Officer: Mr R Preston, Head of Environment and Transport
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CABINET

12TH FEBRUARY 2004

REVIEW OF CONSTITUTION (Report by the Head of Administration)

1. INTRODUCTION

- 1.1 At their meeting held on 24th April 2002 and in acknowledging that the Council's Constitution would continue to evolve, the Council requested the Standards Committee to undertake an annual review of the Constitution. Under their terms of reference, oversight of the constitutional arrangements of the Council is the responsibility of the Standards Committee.
- 1.2 Members may recall that the Committee reviewed the operation and content of the Constitution in Spring 2003 and that a number of changes were made as a result. Most notable of these was the introduction of procedures to allow "Questions by Members" to Executive Councillors and Chairmen of Panels at the Council meeting, the establishment of an Elections Panel and the refinement of the procedure rules for the operation of the Overview and Scrutiny Panels.
- 1.3 The Council may amend their Constitution at any time, subject to regard being paid to formal guidance issued by the Secretary of State. Any change will require reference to the Secretary of State only if the Council proposed to change significantly the present form of Executive and Scrutiny arrangements.
- 1.4 Any changes recommended by the Standards Committee as part of their annual review will be considered by the Council for adoption with effect from the Annual Meeting to be held on 23rd June 2004.
- 1.5 All Members of the Council have been supplied with a copy of the Constitution. This can also be found electronically on the Council's website and intranet. A paper copy is available in the Members' Room.

2. REVIEW

- 2.1 The requirements of the Local Government Act 2000 were implemented fully in the Constitution with effect from the Annual Meeting in May 2002. Before commencing their 2003 review, the Standards Committee had acknowledged that whilst some adjustment to the Constitution would be desirable they did not envisage that fundamental change would be necessary.
- 2.2 Arguably, as the Constitution has now been operating satisfactorily for nearly two years, the need for substantial variation to its content should

not be necessary. Although only minor amendments are anticipated under the 2004 review, there may still be occasions when changes will be necessary as a result of updates in legislation and practice.

2.3 The timetable for the review is as follows:-

- ◆ the Cabinet and all Panels will be provided with an opportunity to comment collectively on those aspects of the Constitution which affect their terms of reference during February;
- ◆ Members have been invited to submit comments individually by the end of January;
- ◆ comments raised, plus any forthcoming from Officers will be considered at the Standards Committee meeting to be held on 24th March;
- ◆ Group Leaders will be invited to attend, if necessary, to represent views of their Groups to the Standards Committee meeting;
- ◆ revisions to the Constitution recommended by the Standards Committee will be considered by the Council at their meeting to be held on 7th April;
- ◆ revisions to the Constitution adopted by the Council will be implemented with effect from the Annual Meeting on 23rd June 2004.

3. CONCLUSION

3.1 The Cabinet are invited to submit any comments which they may wish to make on the present Constitutional arrangements for consideration by the Standards Committee.

BACKGROUND PAPERS

Council Constitution.

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Agenda Item 8

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