

A meeting of the **CABINET** will be held in **CABINET ROOM, PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON** on **THURSDAY, 4 MARCH 2004** at **11:30 AM** and you are requested to attend for the transaction of the following business:-

**Contact
(01480)**

APOLOGIES

1. MINUTES (Pages 1 - 6)

To approve as a correct record the Minutes of the meeting held on 12th February 2004.

**Mrs H J Taylor
388008**

**2. MEDIUM TERM PLAN: REQUESTS FOR RELEASE OF FUNDING
(Pages 7 - 44)**

By way of a report by the Head of Financial Services to consider the release of funds for MTP schemes referred to.

**S Couper
388103**

3. DISTRICT AUDITOR'S ANNUAL AUDIT LETTER 2002/03 (Pages 45 - 56)

To consider the District Auditor's Annual Audit Letter for 2002/03 (a copy of the Auditor's Annual Audit Letter has been circulated previously to all Members of the Council). Members are asked to bring their copy to the meeting. A copy has also been placed on the District Council's website and can be found at <http://www.huntsdc.gov.uk>.

**P Watkins
388002**

4. HOUSING MIX - SUPPLEMENTARY PLANNING GUIDANCE (Pages 57 - 100)

Further to Minute No. 02/210 and with the assistance of a report by the Head of Planning Services, to consider the outcome of consultations on the draft Supplementary Planning Guidance – "Market Housing Mix".

**Ms C Bond
388435**

5. ADOPTION OF PUBLIC OPEN SPACE, PLAY AREAS, BALANCING AREAS, LANDSCAPED AREAS AND WOODLAND (Pages 101 - 102)

Further to Minute No. 02/156, to consider a report by the Head of Community Services regarding the level of multiply used to generate commuted sums in respect of the maintenance of open space.

**P Jones
388202**

6. WATER COURSES - STANDARD OF PROTECTION STUDIES GENERAL AND HILTON (Pages 103 - 106)

To consider a joint report by the Heads of Environment and Transport and of Planning Services on progress of the Environment Agency's

**C Allen
388380**

Standard of Protection Studies and the Strategic Flood Risk assessment.

M Bingham
388431

7. EMERGENCY PLAN (Pages 107 - 110)

To consider a report by the Head of Environment and Transport regarding the deliberations of the Overview and Scrutiny Panels on the content of the Council's Emergency Plan.

R Preston
388340

8. TREASURY MANAGEMENT: INVESTMENT PERFORMANCE
(Pages 111 - 114)

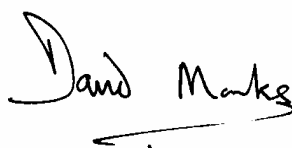
To consider a report by the Head of Financial Services on levels of performance achieved by the External Fund Managers during the quarter ended 31st December 2003.

S Couper
388103

9. OXMOOR ACTION PLAN - CALIFORNIA ROAD HUNTINGDON: GARAGE SITE (Pages 115 - 118)

To consider a joint report by the Heads of Legal & Estates and of Housing Services)

Dated this 26th day of February 2004



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 Group.

Agenda Item 1

HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the CABINET held in the Cabinet Room, Pathfinder House, St. Mary's Street, Huntingdon, Cambs, PE29 3TN on Thursday, 12 February 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

159. MINUTES

The Minutes of the meeting of the Cabinet held on 29th January 2004 were approved as a correct record and signed by the Chairman.

160. OXMOOR ACTION PLAN - INTERIM PLANNING GUIDANCE

Further to Minute No. 03/158, the Cabinet received and noted a report by the Head of Planning Services (a copy of which is appended in the Minute Book) outlining progress achieved to-date in implementing the Oxmoor Action Plan, including the redevelopment of the Sapley Square area, the commencement of environmental improvements and the identification of proposed development sites at California Road, Moorhouse Drive, Buttsgrove Way and Sapley Square.

161. WASTE PFI

Further to Minute No. 03/107, consideration was given to a report by the Director of Operational Services (a copy of which is appended in the Minute Book) outlining progress of a Private Finance Initiative (PFI) bid by Peterborough City Council and Cambridgeshire principal authorities to fund investment in a new disposal and, potentially, collection infrastructure to divert more waste from landfill.

Members were advised that in order to benefit from the external funding a decision on the Council's involvement in any future joint procurement would need to be made once the outcome of the PFI bid was known. Having considered the governance and other issues associated with the delivery of a project of this nature, the development of a core project team to manage the procurement process and in discussing the potential options available to the District Council, the Cabinet

RESOLVED

- (a) that the powers proposed for the Member Board, as summarised in Annex A to the report now submitted, and the overall governance proposals for the period prior to a final decision on procurement be approved;

- (b) that the existing provision for waste procurement in the MTP of £50,000 and £20,000 in 2004/05 and 2005/06 respectively be approved for the purposes referred to in paragraph 4.9 of the report now submitted;
- (c) that the governance options for the management of any joint contract and the service delivery implications for the District Council be noted;
- (d) that the Director of Operational Services be requested to report to a future meeting of the Cabinet on the governance options and service delivery implications of the proposals;
- (e) that a progress report on the matter be submitted to the Overview and Scrutiny Panels in April 2004; and
- (f) that the Director of Operational Services, after consultation with the Executive Councillor for the Environment and/or the Deputy Leader, be authorised to determine the content of the Members' Seminar on the subject to be held on 2nd March 2004.

162. WASTE STRATEGY

Further to Minute No. 03/106 and by way of a report by the Head of Environment and Transport (a copy of which is appended in the Minute Book), the Cabinet were advised of the Council's success in its bid for funding from the Government recycling challenge fund towards the capital cost of –

- ◆ the District-wide roll out of the green waste collection service;
- ◆ providing a third wheeled bin in the garden waste trial area for the collection of dry recyclables; and
- ◆ trialing the use of underground neighbourhood recycling bins.

Having discussed financial and other issues associated with securing a new arrangement for the disposal of dry recyclables with a Materials Recycling Facility (MRF) operated by Northampton Borough Council, the Cabinet

RESOLVED

- (a) that the securing of £1.8 m of grant funding from the Government's Recycling Challenge Fund be noted;
- (b) that the introduction of wheeled bins for dry recyclables in the garden waste trial area be noted and the cost met from the 2003/04 Government grant provision;
- (c) that the revenue implications for the MTP summarised in Section 4 of the report now submitted be noted;

- (d) that the relevant funding for Garden Waste referred to in MTP Scheme ref. 04/522 be released; and
- (e) that the reduced gate fees associated with the disposal of dry recyclables at the Northampton MRF be noted.

163. LGA - CONSULTATION PAPER - BALANCE OF FUNDING

A report by the Corporate Director, Commerce and Technology was submitted (a copy of which is appended in the Minute Book) summarising the contents of the Local Government Association's (LGA) consultation paper – "The Balance of Funding: A Combination Option".

Members were reminded of the key principles postulated in the paper which had been produced to initiate a debate on proposals for a more sustainable, buoyant and accountable system of resourcing local government.

In discussing the basis for a District Council's response to the paper Members' attention was drawn to the conclusions reached by the Overview and Scrutiny Panel (Planning and Finance) on the matter. In that respect, Members concurred with the Panel that the current system of local government finance required amendment and that, while a property-imposed taxation system remained the most preferable form of local taxation, consideration should be given to improving the benefits system to reflect the investment value (ie. income from investments) rather than the capital value of investments particularly for those with fixed incomes. However, Members were of the opinion that there would be no benefit in the relocation of business rates and did not feel inclined to support local income tax because it would be difficult and expensive to administer and collect and would require significant and costly restructuring of the Inland Revenue's existing arrangements.

With regard to a range of other new forms of taxes and charges, the Cabinet felt that these would raise insufficient revenue to justify the administration involved in their collection.

Prior to any review of the funding process, Members also were of the opinion that a review of the duties, functions and powers of local government should be undertaken.

Having emphasised that any new system of local government should be fair, open and understandable and in thanking the Overview and Scrutiny Panel for their comments, the Cabinet

RESOLVED

that the report be received and the Executive Director of Central Services authorised to respond to the Local Government Association reflecting the sentiments expressed in the foregoing preamble.

164. REVIEW OF CONSTITUTION

Consideration was given to a report by the Head of Administration (a copy of which is appended in the Minute Book) outlining the timetable for the review of the Council's Constitution by the Standards Committee and seeking comments on the present constitutional arrangements.

Having been advised of the views expressed by the Overview and Scrutiny Panels and otherwise, the Cabinet

RESOLVED

that, in their forthcoming annual review of the Constitution the Standards Committee be invited to consider the following issues and comments:-

- ◆ substitution arrangements – if recommended Substitute Members should be named and nominated prior to the meeting, absences should continue to be recorded and a proportionate approach adopted;
- ◆ public forum at full Council meetings – the Cabinet neither recognises the need for nor supports the proposal for a forum to enable members of the public to ask questions or to speak at Council meetings;
- ◆ amendments: right of reply – the Cabinet would not object in principle to amendments to Council Procurement Rules which would give a right of reply to the mover of an amendment in debate;
- ◆ public speaking at Overview and Scrutiny Panels – the Cabinet's view is that the facility for members of the public to be invited to speak at meetings of Overview and Scrutiny Panels is covered adequately by paragraph 13 of the Overview and Scrutiny Procedure Rules;
- ◆ introduction of a third Overview and Scrutiny Panel – the Cabinet neither recognises the need for nor supports the proposal for an additional Panel;
- ◆ Policy changes – given the arrangements for publication of the forward plan the Cabinet does not recognise the need to make additional provision in the constitution requiring policy changes to be submitted to the Overview and Scrutiny Panels prior to their consideration by the Cabinet; and
- ◆ State of the District Debate – the Cabinet neither recognises the need for nor supports the suggestion in relation to the need for additional publicity for the annual debate on the State of the District.

165. 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 proposed for the supply of goods or services.

166. DISTRICT COUNCIL HEADQUARTERS AND OTHER ACCOMMODATION MEMBERS ADVISORY GROUP

The Cabinet received a report of the meeting of the District Council Headquarters and Other Office Accommodation Members' Advisory Group together with details of an office accommodation and depot brief for a feasibility study (copies of which are appended in the Annex to the Minute Book).

Having considered issues regarding the appointment of Consultants to undertake an urban design framework for Pathfinder House, the Cabinet

RESOLVED

- (a) that the specification for the option appraisal work as set out in the office accommodation and depot brief be approved and a further report submitted to a future meeting of the Cabinet following the tendering process;
- (b) that consideration of an option to relocate to an edge-of-town location be deferred pending the outcomes of the option appraisals for the refurbishment of Pathfinder House/Castle Hill House or redevelopment of either Pathfinder House or the bus station site in Huntingdon Town Centre; and
- (c) that the appointment of CPMG Consultants to prepare an urban design framework for the Pathfinder House site, at a cost of £20,000 be approved.

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CABINET

4 MARCH 2004

MEDIUM TERM PLAN REQUESTS FOR RELEASE OF FUNDS

(Report by the Head of Financial Services)

1 PURPOSE

- 1.1 The purpose of this report is to allow Cabinet to decide whether to release funds for the MTP schemes detailed in the attached annexes.

2 BACKGROUND

- 2.1 The Council considered the draft budget and MTP report at its December meeting and agreed *that, having regard to the implications for future spending and Council Tax levels, Directors review with appropriate Executive Councillors the need for schemes/projects included in the MTP but not yet started and that specific prior approval be sought and obtained from the Cabinet before such schemes/projects are implemented.*

- 2.2 Officers have considered which schemes have wholly or partly started with reference to the following definitions:

STARTED

- The staff have been appointed and/or a legally binding contract is in place for all aspects.
- Some of the staff have been appointed or a legally binding contract is in place for **part** of the scheme **and there is no sensible option to avoid or defer those elements that are not yet legally committed.**
- The scheme is based on a partnership and **all** constituent projects have been agreed with those partners and they have reserved funding for them in the current year.

PARTIAL START

- Some of the staff have been appointed or a legally binding contract is in place for part of the expenditure and there is a practical cost-effective option to not carry out the full scheme at this time.
- The scheme is based on a partnership and **some** individual projects have been agreed with those partners and they have reserved funding for them in the current year.

- 2.3 Officers have subsequently identified which schemes that they wish Cabinet to consider releasing further funding for and have discussed them with the relevant Executive Councillor.

- 2.4 Annex A summarises and Annexes B to AC detail the schemes where release of funds is now requested. There are also schemes where subsidiary detailed approval is proposed or required.

3. RECOMMENDATION

3.1 The Cabinet is recommended to release the funds shown in Annex A.

ACCESS TO INFORMATION ACT 1985

None

Contact Officer:

Steve Couper

Head of Financial Services ☎ **01480 388103**

Annex	SUMMARY											
	Net Revenue Impact £000						Net Capital £000					
	2003/ 2004	2004/ 2005	2005/ 2006	2006/ 2007	2007/ 2008	2008/ 2009	2003/ 2004	2004/ 2005	2005/ 2006	2006/ 2007	2007/ 2008	2008/ 2009
B	1	2	3	3	3	3	20	31				
C		2	5	5	5	5		103				
D		2	5	5	5	5		94				
E		2	5	5	5	5		105				
F		2	4	4	4	4		72				
G		1	3	3	3	3		70				
H		2	3	3	3	3		50				
I		1	2	2	2	2		30				
J		2	5	5	5	5		100				
K		1	2	2	2	2		50				
L		2	3	3	3	3		62				
M		6	13	13	13	13		250				
N		1	1	1	1	1		21				
O		1	1	1	1	1		15				
P		2	3	3	3	3		33				
Q		1	6	6	6	6		25				
R			1	1	1	1		15				
S		2	3	3	3	3		60				
T		34	31	31	31	31						
U		20	40	40	40	40		803				
V	2	11	29	12	4	4	46	444				
W		2	-11	-11	-11	-11		100				
X		12	-3	-3	-3	-3		100				
Y		14										
Z		6	12	12	12	12		247				
AA		3	6	6	6	6		126				
AB		2	3	3	3	3		22				
AC		8	36	72	85	85		402				
		11	172	247	243	235	66	3,430				
		Total amount for which release now requested										235

014 Car Parks – Environmental Improvements Phase 5

Chris Allen – Project and Assets Manager

Financial Impact	Net Revenue Impact						Net Capital					
	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000
Approved Budget	3	4	6	6	6	6	30	21	21			
Already Committed	2	2	3	3	3	3	2					
Amount for which release now requested	1	2	3	3	3	3	20	31				

Justification

Scheme is to improve the visual and safety aspect of car parks. The work includes paving, surfacing, signing, bins, notice boards and entrance improvements.

The scheme proposed for 2003/04 is Post Street Car Park in Godmanchester which urgently needs works to bring it up to an comparable standard.

The scheme proposed for 2004/05 is Mews Close, Ramsey. This site has not been improved for some time and work is required this year to raise its standard.

Early approval is required so that the Post Street work can be carried out now and so that design can be started and contracts sought in the new financial year for Mews Close.

231/386/431 AJC Small Scale Schemes – District Wide
Chris Allen

Financial Impact

	Net Revenue Impact						Net Capital					
	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000
Approved Budget	5	10	15	20	25	31	103	103	103	103	103	103
Already Committed	5	8	8	8	8	8	103	0	0	0	0	0
Amount for which release now requested		2	5	5	5	5		103				

Justification

This scheme is made up of several different projects throughout the district. These are partnership schemes with County, Town or Parish Councils. An joint assessment of schemes has been made by the County and District Members and Officers and a report is to be submitted to the next AJC meeting in February 2004 recommending schemes for completion in 2004 /05.

Early approval is sought as agreement for joint funding has been reached with the County, Town and Parish councils and these commitments need to be confirmed.

095/a and 389 Local Transport Plan 2004/05
Chris Allen / Stuart Bell

Financial Impact

	Net Revenue Impact							Net Capital						
	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000		2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000	
	5	9	13	18	23	28		85	85	85	100	100	100	
Approved Budget														
Already Committed	5	6	6	6	6	6	76	0	0	0	0	0	0	
Amount for which release now requested		2	5	5	5	5		94						

Justification

This scheme is made up of several different projects throughout the district. These are partnership schemes with County, Town or Parish Councils. Applications have been received from town and parish councils for schemes for next financial year (2004/05) for these joint funded schemes and a decision needs to be made shortly as to whether these can be accepted.

Therefore, early approval is sought as agreement for joint funding needs to be reached with the town and parish councils and commitments will be made to local users.

152 / 390 / 474 Safe Cycle Routes – creation of new routes to schools
Chris Allen

Financial Impact	Net Revenue Impact								Net Capital							
	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000				
Approved Budget	8	13	19	24	29	35	100	105	105	105	110	110				
Already Committed	8	11	11	11	11	11	100	0	0	0	0	0				
Amount for which release now requested		2	5	5	5	5		105								

Justification

This scheme is a jointly funded scheme with the County Council and has been successful at producing safe cycle routes to schools. These have included Huntingdon to Hinchingsbrooke, Brampton to Hinchingsbrooke and Oxmoor to St Peters. In order that County can commit to this years programme, a decision is needed to spend this years money so that the design can be completed before the autumn. There is a priority list of schemes agreed with the County.

Early approval is sought as agreement for joint funding has been reached with the County Council and this commitment needs to be confirmed.

250/B St Neots Transport Strategy
Chris Allen / Stuart Bell

Financial Impact	Net Revenue Impact							Net Capital						
	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000		2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000	
Approved Budget	6	12	14	14	14	14		72	72					
Already Committed	6	10	10	10	10	10		72						
Amount for which release now requested		2	4	4	4	4			72					

Justification

This scheme is a jointly funded scheme with the County Council to enable the St Neots Transport Strategy schemes to be completed to the agreed programme. This programme has been widely publicised to the public and partners.

361 Huntingdon Transport Strategy
Chris Allen / Stuart Bell

Financial Impact	Net Revenue Impact							Net Capital						
	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000		
Approved Budget	2	5	9	12	14	14	70	70	70	70				
Already Committed	2	4	4	4	4	4	70							
Amount for which release now requested		1	3	3	3	3		70						

Justification

This scheme is a jointly funded scheme with the County Council to enable the Huntingdon Transport Strategy schemes to be completed to the agreed programme. This programme has been widely publicised to the public and partners.

366 Views Common – Cycle Route
Chris Allen / Stuart Bell

Financial Impact	Net Revenue Impact						Net Capital					
	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000
Approved Budget	1	3	3	3	3	3	55					
Already Committed	0	0	0	0	0	0	5					
Amount for which release now requested		2	3	3	3	3		50				

Justification

This scheme is a jointly funded scheme with the County Council to provide a cycle link between Stukeley Meadows and Hinchingsbrooke. There has been a delay to the scheme due to the problems with Great Crested Newts in the area. The problems should be resolved and release of monies is needed to continue the scheme.

49 Huntingdon Town Centre Environmental Improvements Phase 2

Chris Allen

Financial Impact

	Net Revenue Impact						Net Capital					
	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000
Approved Budget	1	9	34	55	55	55	30	189	841			
Already Committed	1	1	1	1	1	1	10					
Amount for which release now requested		1	2	2	2	2		30				

Justification

This environmental improvement scheme is planned to commence on site in January 2005. Initial discussions have been held through the Huntingdon Advisory Group on the scheme to date. In order to progress the scheme, design work and further consultation needs to be carried over the summer to meet the target date.

The monies requested are just for design work to be spent over the summer/autumn. The release of this design monies does not commit the Council to spend capital monies as a further request will be made to commence works on site.

104 Oxmoor Environmental Schemes

Chris Allen / Richard Probyn

Financial Impact

	Net Revenue Impact						Net Capital					
	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000
Approved Budget	5	9	12	13	13	13	87	63	63			
Already Committed	4	5	5	5	5	5	50					
Amount for which release now requested		2	5	5	5	5		100				

Justification

Oxmoor environmental schemes provides minor improvements throughout Oxmoor to footways, providing parking areas, open spaces, etc.. a planning application for further parking for the Buttsgrove way area has been submitted which is to be funded from this scheme.

Release of funding is requested to enable this work to continue and the car parking provided as the planning application.

77 & 401 Huntingdon Town Centre Development
Richard Probyn / Chris Allen

Financial Impact

	Net Revenue Impact							Net Capital						
	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000		
Approved Budget	7	20	45	59	59	59	77	480	522					
Already Committed	7	8	8	8	8	8	77							
Amount for which release now requested		1	2	2	2	2		50						

Justification

Major developments are progressing in Huntingdon with the Princes Street area, Chequers Court, Guided Bus and the Market Town Strategy. This scheme provides money for design work and accommodation works related to these developments.

Release of funds is requested to enable design work and appraisals to be carried out in 2004

224 Town Centre Developments
Richard Probyn

Financial Impact

	Net Revenue Impact										Net Capital					
	2003/ 2004	2004/ 2005	2005/ 2006	2006/ 2007	2007/ 2008	2008/ 2009	2003/ 2004	2004/ 2005	2005/ 2006	2006/ 2007	2007/ 2008	2008/ 2009				
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000				
Approved Budget	1	2	6	11	13	13	31	31	103	103						
Already Committed	0	0	0	0	0	0										
Amount for which release now requested		2	3	3	3	3		62								

Justification

This scheme provides funding for the appraisal and monitoring of developments in the Market Towns and for the build of strategies for these towns. Monies are used to fund design work for these developments.

Because of the many changes that are happening in the Market Towns, funds need to be released for 2004 for this work to continue. Release of funding is required to enable this work to continue in 2004 as it is required.

241/B Heart of Oxmoor
Richard Probyn / Chris Allen

Financial Impact

	Net Revenue Impact						Net Capital					
	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000
Approved Budget	3	15	34	41	41	41	50	450	300			
Already Committed	0	0	0	0	0	0	5					
Amount for which release now requested		6	13	13	13	13		250				

Justification

There are multiple schemes happening on the Oxmoor, including Buttsgrove Way housing, Sapley Square development, Acorn Centre, Coneygeare open space, etc..

This scheme provides the funding for the appraisal work for these schemes and the capital monies for others. The developments are progressing rapidly and release of funding is required to ensure that these continue to programme. There are many partners involved in the works who have committed monies and need their programmes met.

36, 387, 469 Crime and Disorder - Lighting Improvements
Sonia Hansen / Chris Allen

Financial Impact

	Net Revenue Impact						Net Capital					
	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000
Approved Budget	2	3	4	5	6	7	17	21	21	21	21	21
Already Committed	2	2	2	2	2	2	17					
Amount for which release now requested		1	1	1	1	1		21				

Justification

This provides for improved lighting in areas which have been identified as having a Crime and Disorder problem. Discussions have been already held with partners over these proposals and sites agreed.

Early release of funding is sought so that the lighting can be designed and ordered over the summer, and installed before next winter.

37 Safe Cycle Storage Racks

Sonia Hansen/ Chris Allen

Financial Impact

	Net Revenue Impact										Net Capital					
	2003/ 2004	2004/ 2005	2005/ 2006	2006/ 2007	2007/ 2008	2008/ 2009	2003/ 2004	2004/ 2005	2005/ 2006	2006/ 2007	2007/ 2008	2008/ 2009				
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000				
Approved Budget	1	2	2	3	3	3	9	15	15	15						
Already Committed	1	1	1	1	1	1	9									
Amount for which release now requested		1	1	1	1	1		15								

Justification

The scheme is to provide cycle racks in towns and villages to encourage the use of cycles, and a modal shift from motors, in line with green travel plans.

Discussions have been held with town Councils regarding the provision of these and a programme set out.

Release of funding is required to start this work over the summer to get the greatest benefit.

400 Bus Shelters – extra provision
Sonia Hansen/ Chris Allen

Financial Impact

	Net Revenue Impact						Net Capital					
	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000
Approved Budget	4	8	13	18	23	27	33	33	33	33	33	33
Already Committed	4	6	6	6	6	6	33					
Amount for which release now requested		2	3	3	3	3		33				

Justification

The scheme is to provide new bus shelters as part of the Prime Site advertising bus shelter contract. This money will erect shelters in locations that could not be funded from the advertising fund but are needed due to their use. Discussions have already taken place with town and parish councils over possible locations.

Release of funding is required to start this work which our partners have been consulted on.

483 Rural Bus Stop Provision
Sonia Hansen/ Chris Allen

Financial Impact

	Net Revenue Impact						Net Capital					
	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000
Approved Budget	0	1	6	6	6	6	0	25				
Already Committed	0	0	0	0	0	0						
Amount for which release now requested		1	6	6	6	6		25				

Justification

The scheme is to provide better bus stops, signage, hard standing, and timetables in the rural locations on our bus routes. Since it is a priority to get as many people using public transport, early release of funding is required to start this work over this summer period.

132 Railway Stations – Improvements – Partnership with Rail
Sonia Hansen/ Chris Allen

Financial Impact

	Net Revenue Impact								Net Capital							
	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000				
Approved Budget	0	0	1	2	2	2	0	15	15							
Already Committed	0	0	0	0	0	0										
Amount for which release now requested		0	1	1	1	1		15								

Justification

The scheme is to provide improvements at the railway stations to give a better connection between the different transport modes. This will include the floorscape, access, signing and information.

Significant progress has been made in discussions with the rail operators and it is felt that this must continue to get the best results.

Release of funding is required to so that the other parties see our commitment to this scheme.

3/323/385/472 Accessibility Improvements / Signage
Chris Allen

Financial Impact	Net Revenue Impact						Net Capital					
	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000
Approved Budget	4	6	8	9	10	12	60	30	30	30	30	30
Already Committed	2	3	3	3	3	3	30					
Amount for which release now requested		2	3	3	3	3		60				

Justification

The scheme is to carry out works on the highway and car parks to improve access to and from public transport areas to public places, especially for the disabled. This includes surfacing, signage, dropped crossings etc.

Release of funding is required to start this work over the summer to get the greatest benefit.

326 Homelessness Officer
Jon Collen

Financial Impact

	Net Revenue Impact						Net Capital					
	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000
Approved Budget		34		31		31						
Already Committed												
Amount for which release now requested		34		31		31						

Justification

The Housing Needs & Resources team has 3 officers responsible for a housing advice and homelessness caseload. An MTP bid was made last year for an additional officer to be appointed from April 2004 due to the increasing level of homelessness casework. This was made on the basis that the number of homeless households applying to the Council for help with rehousing had significant increased between 1999/2000 and 2001/02, from 202 applications to 304 (a 50% increase). The table overleaf shows the number of homelessness applications involved over a four-year period. The emphasis of the officers' work saw a shift from one of advice, preventative work and homelessness casework, to dealing predominately with homelessness crisis situations due to the increased number of applications. It was anticipated that the rate of homelessness within the District would continue to rise, and this has been the case with a further increase of 21% seen in 2002/03 over the previous year's figures (304 applications increasing to 367). Homelessness has increased at these rates due to the buoyancy of the private housing sector, with many households on lower incomes unable to resolve their own housing difficulties due to the cost of privately renting and home ownership.

An additional officer is requested for two reasons: firstly, to deal with the higher number of homelessness applications requiring investigation, and secondly, to shift the balance of the team's workload back to one where an increase of preventative work is possible. If successful, this in turn will have an impact on the incidents of actual homelessness and may result in a reduction in the number of actual applications.

Total Number of Households Applying/Accepted as Homeless:

	1999/2000	2000/01	2001/02	2002/03
Total Applied	202	241	304	367
Of which Accepted	85	149	192	251

Both the national and local trends show increases in the instances of homelessness. In 1999/2000 246,649 households claimed homelessness within England and Wales, with 101,510 of these being accepted under the terms of the legislation. In 2001/02 the number of applications increased to 263,636 households (a 7% increase) with 116,021 of these being accepted (a 14% increase).

Cambridgeshire as a whole has seen an increase over this same period. In 1999/2000 the Councils in Cambridgeshire accepted 682 households as homeless. This had increased to 857 households (an increase of 26%) in 2001/02. Huntingdonshire and South Cambridgeshire Districts showed the largest increases over this period.

The Audit Commission previously monitored councils' success at investigating and reaching a decision on homelessness through a performance indicator (PI), although this is no longer collected nationally. Our previous performance was in the lower half of all councils in terms how quickly we made decisions on applications. We now record this as a local PI and benchmark against a group of other Councils. Our performance remains in the lower half of this group and an additional officer would allow us to improve against this PI and aim for top quartile performance.

The main causes of homelessness within the District, which mirror regional and national trends, are households being evicted by family members or friends, and landlords in the private sector not renewing tenancies when they come to an end. There are a number of examples of good practice, as highlighted by Beacon councils that have started to demonstrate that certain initiatives may help in the prevention of homelessness and encourage households to consider other housing options. This includes closer working with households that may face eviction by family or friends, in order to negotiate a managed move rather than a homelessness crisis situation. A further example is the improved links that may be made with private sector landlords, to try to prevent evictions, for example if these are related to Housing Benefit issues, and to improve access to private tenancies for households that may have otherwise relied on the council for assistance with housing through its Housing Register.

134B Leisure Centres - Future Maintenance

Simon Bell

Financial Impact

	Net Revenue Impact						Net Capital					
	2003/ 2004	2004/ 2005	2005/ 2006	2006/ 2007	2007/ 2008	2008/ 2009	2003/ 2004	2004/ 2005	2005/ 2006	2006/ 2007	2007/ 2008	2008/ 2009
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Approved Budget		20	40	40	40	40		803				
Already Committed								0				
Amount for which release now requested		20	40	40	40	40		803				

Justification

The Leisure Centres Condition Survey commenced in June 2003 and is a 5-year programme of essential maintenance and upgrades to facilities all of which will benefit the public. Year 1 (03/04) addressed the most urgent items and Year 2 (04/05) builds upon this work to tackle the less immediate, but no less important, building and structural requirements. All Centres will be part of the programme. Notable works include roof work at 3 sites, lighting improvements, lift motor room replacement (SILC), alarm systems, creation of a lobby area for the Burgess Hall and Ramsey LC, and plant room repairs to Drama Studio (SILC). In all instances, where building work enables us to meet the requirements of the DDA (Disabled Discrimination Act) this will be included. The total budget for the work for 2004/05 is 803K. It is intended to let the work as 5 separate tenders, to go out in April, allowing programming of work which involves closure to take place at the least disruptive time of year. Consideration to requesting only partial release of the funding has been given. However, this would almost certainly require subsequent re-tendering and it is predicted that the most economical and cost-effective method of delivering the improvements will be to accumulate each Centres requirements into a single tender and, therefore, attract a greater number of interested bidders.

With recent building tenders for other work at the Centres attracting little in the way of response and, inevitably, tenders over budget it is proposed to include, within the Condition Survey tender for Ramsey LC, 2 other schemes (338 and 424). By doing this it is hoped that economies of scale can be accrued.

262 Sawtry Leisure Centre - Extension to Facilities
Simon Bell

Financial Impact

	Net Revenue Impact						Net Capital					
	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000
Approved Budget	5	17	35	18	10	10	150	444				
Already Committed	3	6	6	6	6	6	104					
Amount for which release now requested	2	11	29	12	4	4	46	444				

Justification

Tenders for the project will be returned in May 2004 at which point Sport England will decide upon our Lottery application success (grant application of 208K). If approved it is hoped to start work in the early Summer with a view to completion in February/March 2005. Failure to release the capital at this stage could jeopardise the Lottery bid and would mean the extension could not be completed until much later in 2005.

338 Ramsey LC - Impressions Expansion

Simon Bell

Financial Impact

	Net Revenue Impact						Net Capital					
	2003/ 2004	2004/ 2005	2005/ 2006	2006/ 2007	2007/ 2008	2008/ 2009	2003/ 2004	2004/ 2005	2005/ 2006	2006/ 2007	2007/ 2008	2008/ 2009
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Approved Budget		2	-11	-11	-11	-11		100				
Already Committed								0				
Amount for which release now requested		2	-11	-11	-11	-11		100				

Justification

Impressions at Ramsey LC has been extremely successful in its 5 years of operation and has contributed substantially to the Centres increase in revenue (target of 140K 2003/04) and decreased net expenditure. Undoubtedly, the performance of the Studio has exceeded all expectations (income in the first year of opening was budgeted as 50K) and the size of the Studio is no longer commensurate with the business generated. The scheme seeks to increase the area of the Studio from 100m² by 30-35 sq. m. and therefore the capacity by 6-8 additional pieces of equipment. As a rough guide we would expect the newly extended studio to generate approximately 30K per annum.

It is hoped that work can be completed as early as possible in the year (expectations at present would be late Summer). Separate budget for this project is 100K. From advance discussions with architects and design companies there would appear to be financial benefits in incorporating this work with the Ramsey LC Condition Survey to make a bigger project that would be of greater interest to would-be tenderers.

424 Ramsey LC - Creche/Storage/Office Extension
Simon Bell

Financial Impact

	Net Revenue Impact						Net Capital					
	2003/ 2004	2004/ 2005	2005/ 2006	2006/ 2007	2007/ 2008	2008/ 2009	2003/ 2004	2004/ 2005	2005/ 2006	2006/ 2007	2007/ 2008	2008/ 2009
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Approved Budget		12	-3	-3	-3	-3		100				
Already Committed								0				
Amount for which release now requested		12	-3	-3	-3	-3		100				

Justification

The success of the Centre has necessitated a growth in staff and existing office and storage provision is inadequate for the Centres needs. Furthermore, the growth of the Studio (past and future) has meant that creche provision is also insufficient, using as it does, a shared meeting room which is available only at selected times. The proposed new development will create a purpose built creche and supplement office accommodation and storage. Again by incorporating this project into an overall bid (incorporating Condition Survey and possibly the extension to the Fitness Studio) better value for the individual budget of 100K will be achieved. Once again, it is hoped the required work can be commenced at the earliest opportunity.

Council Tax Clerk – growth in number of houses

Julia Barber

Financial Impact	Net Revenue Impact						Net Capital					
	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000
Approved Budget		14	14	14	14	14						
Already Committed												
Amount for which release now requested		14										

Justification

Members were asked to approve the release of funds to allow the continued employment of our temporary Council Tax clerk from 1.4.04. Members approved the MTP bid at the Council meeting in February 2003.

The basis of the bid was that another Council Tax clerk was required to deal with the administration of properties due to the continued growth in the number of houses in the district. As the staffing requirement in Council Tax may change due to Customer First, this release of funds is requested to fund the post initially for one year only as a temporary contract.

At the inception of Council Tax in 1993, staffing resources were geared so that there were around 3,600 properties per person. With the growth that has been experienced so far, each member of staff now handles around 4,100 properties. Another clerk would reduce the number of properties per person to 3,900 – still not as low as the original level, but we have made efficiency savings through improved ICT over time, and that is reflected in this request for only one additional member of staff.

The administration of Council Tax is quite involved and includes administration of the database for occupations, vacations, refunds, billing, reminders, summonses, court work and enforcement. The continued growth in the number of houses leads to continued pressure on staff to maintain records and collect the debt. The team currently collects around £60m per year in Council Tax that supports District, parish, County and Police expenditure. Although we collect 98.2% of the tax, this is not top quartile performance. Each 0.1% of additional collection amounts to increased revenue of £60,000. The approval of the additional member of staff will assist in improved collection.

381A Discretionary repair grants

Jo Barrett

Financial Impact

	Net Revenue Impact						Net Capital					
	2003/ 2004	2004/ 2005	2005/ 2006	2006/ 2007	2007/ 2008	2008/ 2009	2003/ 2004	2004/ 2005	2005/ 2006	2006/ 2007	2007/ 2008	2008/ 2009
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Approved Budget	21	34	48	62	76	90	227*	277	277	277	277	277
Already Committed	21	28	29	29	29	29	227	30**				
Amount for which release now requested		6	12	12	12	12	0	247				

35

Justification

House repair grants are discretionary but it the expectation of government that authorities will work to address private sector unfitness and disrepair. The recently published guidance from the ODPM states "The government would consider an authority to be failing in its duty as a housing enabler and in its responsibility to consider the condition of the local private sector stock if it did not make some provision for assistance".

Repair grants are made according to a tightly-defined criteria based on the seriousness and urgency of the repair and the ability of the owner to finance. All repair grants may therefore be assumed to be to finance work that would otherwise not have been carried out, and if not carried out would have led to a deterioration in the built environment and, in some cases, would have led to a decline in the health of the owner. The impact on MTO-04 may roughly be measured by the number of repair grants made. But the number of grants should not be seen as the only measure of performance as it is conceivable that fewer, larger value grants may be awarded as building costs rise and the application of repair grant policy focuses attention on the most serious of cases.

* Net of virement of £50k from discretionary grant budget to DFG budget previously approved in 2003/04.

** Previously approved by Cabinet on 29 January 2004.

39/B, 309 & 442 Disabled Facilities Grants

Jo Barrett

Financial Impact

	Net Revenue Impact						Net Capital					
	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000
Approved Budget	22	38	54	70	86	102	370*	320	320	320	320	320
Already Committed	22	32	35	35	35	35	370					
Amount for which release now requested		3	6	6	6	6	0	126				

Justification

The Council must award a disabled facilities grant (DFG) for work to achieve one or more of a set of purposes defined by statute, provided that the Council is satisfied that the work is necessary and appropriate and that to carry it out is reasonable and practicable. This injunction applies up to the mandatory grant limit of £25,000 per case, but there is a general expectation that authorities will not prevent disabled people from achieving the fullest possible degree of independence by a too-rigid application of this limit. So some grants may exceed £25,000 if a good case is made.

The Council is, therefore, expected and required to set a budget that can cope with the likely level of demand placed upon it, and this level has been increasing steadily due to demographic factors and government and community expectations that disabled people should continue to live at home for as long as they want to.

In previous years, the Government has reimbursed 60% of the total expenditure on mandatory DFGs. In 2004/05 the Government have capped their 60% match funding to £332,000. The Cabinet are therefore requested to release £126,000 forming the Council's 40% contribution.

A full report will be brought to Cabinet in due course detailing the impact of the Government's decision to cap their DFG contribution to £332,000. This report will consider the financial and service based implications.

* Includes virement of £50k from discretionary grant budget to DFG budget previously approved in 2003/04.

** Previously approved by Cabinet on 29 January 2004.

014 Fenstanton Car Park
Chris Allen

Financial Impact

	Net Revenue Impact						Net Capital					
	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000	2003/ 2004 £000	2004/ 2005 £000	2005/ 2006 £000	2006/ 2007 £000	2007/ 2008 £000	2008/ 2009 £000
	Approved Budget	2	3	3	3	3	3	22				
Already Committed												
Amount for which release now requested		2	3	3	3	3		22				

Justification

Scheme is to provide a car park at Church Lane Fenstanton and is part funded by a Section 106 contribution from the adjacent development. The car parking will be used for access to the school and the church. The scheme is about to receive planning permission and work can start soon after.

Early approval is therefore required so that the work can be carried out as soon as planning permission is received.

Customer First
David Oliver / Chris Hall

Financial Impact

	Net Revenue Impact								Net Capital									
	03/04	04/05	05/06	06/07	07/08	08/09	03/04	04/05	05/06	06/07	07/08	08/09	03/04	04/05	05/06	06/07	07/08	08/09
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Approved Budget	38	442	729	764	826	827	546	1,180	814	206	65	0						
Less:																		
Total committed expenditure	29	180	181	153	153	153	498	70	0	0	0	0						
Funding not yet required	1	226	476	526	587	589	48	708	814	206	65	0						
Funding release requested*	8	36	72	85	85	85	0	402	0	0	0	0						

- the capital costs of £48k in 2003/4 for which approval is not yet required will be carried forward to 2004/5
- details of the breakdown of each of the above lines are shown later

Justification

Cabinet approved the Customer First Programme on 26th June 2003. There were 3 main drivers for it:

- Our customers have told us that they want better access to our services – longer hours, more locations and more joined-up provision
- Government has set local authorities a target of being able to deliver all suitable services electronically by 2005
- CPA / peer pressure – some other local authorities have demonstrably better levels of customer service than we do, and we are aiming to be amongst the best

We submitted our IEG¹ statement to the ODPM² in December, following approval by Council. The ODPM has rated it “satisfactory”, and we will be receiving a £200k capital grant later this year as a result. The ODPM’s analysis of the IEGs submitted by local authorities shows that:

¹ IEG – Implementing Electronic Government

² ODPM – Office of the Deputy Prime Minister

- Over 90% of authorities plan to have a contact centre by 2005 – 13% have one already, a further 59% are implementing one
- 90% of authorities plan to have at least one customer service centre / one-stop shop by 2005 – 20% have them already, a further 51% are implementing them
- 98% of authorities plan to have a transactional website by 2005 – 29% have one already, a further 66% are implementing one

Developments since June 2003

Since 26th June the Customer First programme has progressed significantly:

- We have identified those services whose transaction types are most suited to being delivered through a contact centre / customer service centre. Work is in hand to carry out the detailed transaction analysis needed to evaluate exactly what should transfer when, and the level of resource needed to manage it.
- A draft Staffing and Recruitment Strategy has been prepared. This includes draft organisation charts and job roles for contact centre and customer service centre staff. Work is in hand to identify those posts in the existing structure most likely to be affected by Customer First, so that discussions with those employees can begin. Negotiations are in hand with County over the lease of Speke House, St Ives, and with County and SX3 (their system supplier) over the terms of our sharing County's contact centre infrastructure.
- Some back office systems have been implemented and / or developed further, including the LLPG³, for which we won a national Exemplar Award, EDM⁴ (successfully piloted in Benefits), and GIS⁵. These are essential prerequisites to implementing an efficient, effective, integrated contact centre / customer service centres / transactional website.
- We are implementing a Content Management System for the website. This will ensure that information is clearly and easily accessible by our customers and will also enable us to ensure that it remains current and relevant. This is a precursor to our making the website transactional, probably by the end of the year.

However, the development of the Customer Service Centre in Huntingdon is on hold pending a decision on the future of Pathfinder House. We may well need to go live with this at around the same time as the contact centre, though, to avoid staff who currently deal with customers both face-to-face and over the phone becoming under-utilised when parts of their roles transfer to the contact centre. We will be looking at the options for this over the next month or two.

³ LLPG – Local Land and Property Gazetteer, containing records of every property in the District, each with a unique reference number to avoid duplication and enhance accuracy.

⁴ EDM – Electronic Document Management, whereby documents are scanned into a system, indexed and cross-referenced as appropriate. This avoids documents being lost and enables the work which flows from them, for example processing a benefit claim, to be tracked, ensuring they are dealt with in a timely manner.

⁵ GIS – Geographic Information System – this enables us to link data such as planning records, the location of abandoned cars, noise complaints, etc., to the LLPG, providing valuable cross-referenced information.

Funding request

This request is for the release of funding to allow the development of the **Contact Centre & Transactional website** to proceed for the next few months, and for the **GIS** and **LLPG** system implementations to be continued over the next year. We envisage that there will be 5 more requests for funding over the next 6-9 months:

- Revenue funding for the lease of part of Speke House, St Ives, from County. We will not be incurring these costs until close to when the contact centre goes live (we are currently aiming for around Feb / March 2005), but the request will need to be made prior to our signing the lease, which is likely to be in the next 3 months.
- Capital funding for the hardware and software required for us to link to Cambridgeshire Direct's existing infrastructure. We are currently negotiating a Statement of Work with SX3, County's supplier, and, providing certain legal issues can be satisfactorily resolved, we anticipate making this request in about 3 months also.
- Appointment of the contact centre manager and, possibly, one or two key support staff. We will make this request in April or May when we present the Staffing and Recruitment Strategy to Cabinet. The People and Facilities Project Board is also considering whether we should give some training prior to the recruitment process to existing staff who show an interest in working in the contact centre. If the Board concludes that this is a good idea, we will probably ask for some release of funds for training at this point too.
- Appointment of the contact centre agents. If we are to go live early next year we will want to recruit people round about November this year to allow time for training. We will therefore probably be making this request in about August or September.
- Implementation of the Huntingdon Customer Service Centre. This will follow member decisions on the future of Pathfinder House.

Cost assumptions

Despite the complexities of the programme, we are confident that our cost estimates are reasonably robust. However, we have said all along that we have only incorporated relatively modest efficiency savings into the equation. We therefore consider the net budget, which Council approved last February as part of the MTP, to be on the prudent side.

The biggest element of the additional revenue cost is the net increase in staff numbers because of the introduction of the contact centre. This is because, while we can be fairly confident of the resource needed there to handle the expected number and nature of calls it will be dealing with, we are far less sure of the number of posts in the existing structure which will no longer be required once the contact centre is up and running. Anecdotally, some other councils have implemented a contact centre with no net increase in headcount. We do not believe that this can be done at the outset without compromising service quality, although it may be achievable over time.

Over the next few months the Customer First team will be assessing what efficiency savings can be made from implementing Customer First. When we make the bid for funding for the contact centre agents, this will include a detailed assessment of those savings.

COMMITTED	Net Revenue Impact												Net Capital					
	03/04	04/05	05/06	06/07	07/08	08/09	03/04	04/05	05/06	06/07	07/08	08/09	03/04	04/05	05/06	06/07	07/08	08/09
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
HELP	12	23	23				10	5										
St Ives Tourist Information Kiosk (STIK)		10	10	10	10	10	35	15										
GIS	50	50	50	50	50	50	80											
LLPG	30	30	30	30	30	30	28											
EDM							189											
Content Management System Programme Support Activities	-84	26	26	21	21	21	171	50										
Recruitment and Training	-5						55											
Project management and business analysis (HDC staff costs)							69											
Staff input from services							2											
Consultancy and change management (external costs)							46											
Telephony audit							8											
IEG grant							-200											
Revenue impact of capital expenditure	26	41	42	42	42	42	42	42	153	153	42	42	153	153	70	0	0	0
Total	29	180	181	153	153	153	498	70	0	0	0	498	70	0	0	0	0	0

Additional staff numbers

2 2 2 2 2 2 2 2 2 2 2 2

NOT YET REQUIRED	Net Revenue Impact								Net Capital							
	03/ 04 £000	04/ 05 £000	05/ 06 £000	06/ 07 £000	07/ 08 £000	08/ 09 £000	03/ 04 £000	04/ 05 £000	05/ 06 £000	06/ 07 £000	07/ 08 £000	08/ 09 £000				
Contact Centre																
Management and Agents		127	282	282	282	282										
Accommodation		39	39	39	39	39										
Other Running Costs (Phones, Data Communications)		27	27	22	22	22										
IT Support		0	40	48	48	48										
Recruitment and Training		13	30	30	30	30		51	31							
Project management and business analysis (HDC staff costs)												19				
Staff input from services												21				
Consultancy and change management (external costs)												59				
GIS												151				
LLPG												30				
IT software and integration												200				
IT Hardware (servers, telephony)							31	538				25				
Fixtures & Fittings (workstations etc)							17	73				125				
								46				10				
	0	206	418	421	421	421	48	708	716	79	0	0				
Customer service centre																
Content Management System				21	76	76				82		20				
Programme Support Activities												45				
Internal audit												8				
Revenue impact of capital expenditure	1	20	58	84	90	92										
Total	1	226	476	526	587	589	48	708	814	206	65	0				

RELEASE REQUESTED	Net Revenue Impact						Net Capital					
	03/ 04 £000	04/ 05 £000	05/ 06 £000	06/ 07 £000	07/ 08 £000	08/ 09 £000	03/ 04 £000	04/ 05 £000	05/ 06 £000	06/ 07 £000	07/ 08 £000	08/ 09 £000
Project management and business analysis (HDC staff costs)								89				
Staff input from services								221				
Consultancy and change management (external costs)								59				
Online Payments	0	0	0	0	0	0	0	369	0	0	0	0
Network connection	8	17	43	56	56	56						
GIS		9	9	9	9	9						
LLPG								170				
Programme Support Activities								30				
IEG grant								25				
Internal audit								-200				
Revenue impact of capital expenditure	0	10	20	20	20	20						
Total	8	36	72	85	85	85	0	402	0	0	0	0

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Audit and Inspection Annual Letter

Huntingdonshire District Council

INSIDE THIS LETTER

PAGE 2-3

- Key messages
- The purpose of this Letter
- Background to the audit and inspection programme

PAGES 3-8

- Objectives of audit and inspection
- Performance and inspection
- Financial aspects of corporate governance
- Audit assurance work
- Audit and inspection fees

PAGES 8-9

- Future audit and inspection work
- Status of our Audit and Inspection Annual Letter
- Closing remarks

PAGES 10-11

Appendix 1

- Auditor's Statutory Report on the Best Value Performance Plan

Reference:	STE01HU007-03AALFinal
Authors:	M West – District Auditor D Welsh – Relationship Manager R Acreman - Audit Manager
Date:	December 2003

Key messages

Our audit work for 2002/03 has been substantially completed and the following summarises the key outcomes from our work which are described in more detail within the Letter.

Performance

The Council will be undergoing its Comprehensive Performance Assessment (CPA) in early 2004. Our programme of performance work has completed a review of performance management arrangements and identified areas for improvement.

Financial aspects of corporate governance

Financial standing

The Council continues to maintain healthy levels of reserves. Medium term plans identify how reserves will be utilised and indicate an appreciation of the need for a significant increase in council tax by 2008/09 in order to sustain service developments and maintain standards. Budgetary control remains sound.

Systems of internal financial controls

The Council's main financial systems are well established. There were no matters arising from our work on the arrangements for ensuring proper systems of internal financial control are in place that need to be reported to Members.

Internal Audit plays a key role in ensuring effective systems are in place. Where Internal Audit has undertaken work on the Council's systems of internal financial control for 2002/03 we found that we could place reliance on it.

A risk management strategy is being developed. Arrangements are being developed to integrate the strategy into the service planning, resource allocation and budgeting procedures of the Council as soon as possible.

The Council has complied with the requirement to publish a Statement of Internal Control.

Standards of financial conduct & prevention and detection of fraud and corruption

Overall we are satisfied that the Council does have proper arrangements in place to ensure standards of financial conduct and the prevention and detection of fraud and corruption. The Council has recently adopted a comprehensive Code of Corporate Governance and intends to monitor how effectively the Code is implemented.

Legality of transactions

We are satisfied with the Council's arrangements for ensuring the legality of transactions with significant financial consequences

Accounts

We are in the process of auditing the accounts and will issue an opinion before 31 December

Best Value Performance Plan audit

The Council's 2003/04 Best Value Performance Plan (BVPP) complied in all significant respects with statutory requirements. The necessary Best Value Performance Indicators (BVPIs) are included accurately in the BVPP.

The purpose of this Letter

This is our first joint audit and inspection 'Annual Letter' for Members which incorporates our Annual Audit Letter, and is presented by the Council's Relationship Manager and District Auditor. The Letter summarises the conclusions and significant issues arising from our 2002/03 audit and inspection programme and comments on other current issues. These are underpinned by separate reports issued and discussed during the year.

Auditors' responsibilities are summarised in the Audit Commission's statement of key responsibilities of auditors. The responsibilities of Audit Commission Inspectors are detailed in section 10 of the Local Government Act 1999. What we say in this Letter should be viewed in the context of that more formal background.

Background to the audit and inspection programme

Audit Commission changes

To ensure that Councils receive a tailored seamless service, integrated with the work of other inspectorates, the Audit Commission has appointed a Relationship Manager for each Council. The Relationship Manager is normally the Commission's primary point of contact with you and is also the interface between the Commission and the other inspectorates, Government Office and other key stakeholders. Dorothy Welsh is the Council's Relationship Manager.

Significant developments at Huntingdonshire District Council

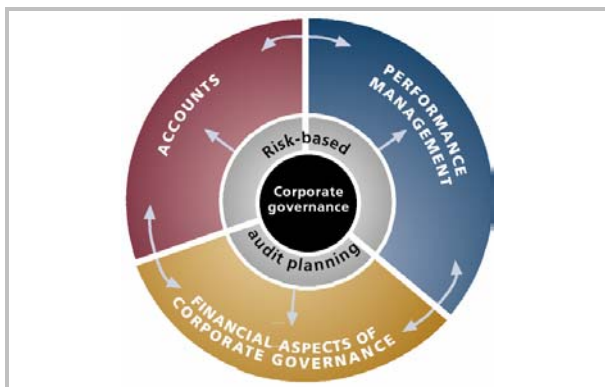
Throughout the year Members and officers have continued the drive to implement government initiatives such as the 'electronic government' programme, where it is a 'beacon' Council and preparations for comprehensive performance assessment (CPA). Also the Council has continued to develop its partnership working relationships, particularly the Huntingdonshire Strategic Partnership. It is also pushing ahead with its 'Customer First' initiative with the aim of making services more accessible and delivering improved seamless services to the public.

Objectives of audit and inspection

Audit

Our main objective as your appointed auditor is to plan and carry out an audit that meets the requirements of the Code of Audit Practice. We adopt a risk-based approach to planning our audit, and our audit work has focused on your significant financial and operational risks that are relevant to our audit responsibilities.

Central to our audit are your corporate governance arrangements. Our audit is then structured around the three elements of our responsibilities as set out in the Code and shown in Exhibit 1.

EXHIBIT 1**The three main elements of our audit objectives****Accounts**

- Opinion

Financial aspects of corporate governance

- Financial standing
- Systems of internal financial control
- Standards of financial conduct & the prevention and detection of fraud and corruption
- Legality of transactions

Performance management

- Use of resources
- Performance information
- Best Value Performance Plan

Inspection

Inspection work is based around section 10 of the Local Government Act 1999, which requires us to carry out inspections and deliver reports that will:

- enable the Council and the public to judge whether best value is being delivered
- enable the Council to assess how well it is doing
- enable the Government to assess how well its policies are being implemented
- identify failing services where remedial action may be necessary.

Performance and inspection

The Council will be undergoing its Comprehensive Performance Assessment (CPA) in early 2004. Our programme of performance work has completed a review of performance management arrangements and identified areas for improvement.

Comprehensive performance assessment

The Audit Commission is to carry out a comprehensive performance assessment of your Council. The assessment team will visit the Council in March 2004 and the results will be published by the Commission in July 2004.

Future of CPA

Comprehensive Performance Assessment (CPA) is about helping councils deliver better services to local people as part of the wider improvement agenda set out in the Local Government White Paper *Strong Local Leadership – Quality Public Services*. CPA has been developed to encompass the role of district councils in developing and contributing to sustainable social and economic environments for their communities and local area.

The main elements of the district council CPA approach are:

- council self assessment
- accredited peer challenge to inform the self assessment
- a corporate assessment
- diagnostic assessments of the council's
 - management of public space and
 - contribution to the management of the local housing market
- Benefit Fraud Inspectorate's assessment of benefit services
- appointed auditor assessments of performance on each of the main elements of the Code of Audit Practice
- audited performance indicators, inspection reports and plan assessments.

We will be asked to contribute through Auditor Scored Judgements, our view of the Council's position on the elements that we cover during our audit, as shown in Exhibit 1 above. We will be doing this work early in 2004 and will discuss our proposed assessment with your officers before it is finalised.

Performance management

To support the Council's initiative to assess and improve its performance management, we have completed a complementary review of its arrangements. This sought to identify strengths and weaknesses and to consider the roles and responsibility of Members, senior officers, service managers and staff within the performance management framework.

Three focus groups were used covering front line staff, service managers and heads of service to ascertain the level of understanding and application of current performance management arrangements. Each group also assessed priorities for improvement and a way forward. Three interviews were also carried out with the Executive Member responsible for driving performance management forward and with two of the corporate directors.

The clarity of the corporate direction pursued by the Council may be obscured by the wide range of priorities and medium term objectives and because there is no overall review of performance at either Management Board or Cabinet. The Council has recognized the need to focus on fewer priorities and is undertaking a review currently. Although service delivery was seen as sound, some of the staff participating in the focus groups felt that the Council could be more in touch with its customers.

Current performance information is focused on inputs and is not seen to drive improvement. Although performance measures are in place some are not seen as being meaningful. Both front line staff and service managers were unclear about aspects of the performance management system for example how performance is managed corporately. Managers acknowledged the need to develop and improve performance management systems. The current work being undertaken on a balanced scorecard is seen as a positive development.

The following key areas for improvement have been identified:

- setting corporate priorities with clear success criteria
- ensuring performance is reviewed and managed corporately at both Management Board and Cabinet and that the new performance management systems being developed reinforce corporate focus
- developing management competencies for performance management and providing training and development for managers to meet these competencies.
- establishing effective baseline information against which to compare improvement
- engaging both the staff and the public in setting priorities and performance targets
- demonstrating to both staff and the public how performance information is used to improve services. Reinforcing and rewarding good performance.
- increasing the engagement of non executive Members in performance management.

Audit Commission inspections

During the period covered by this Letter there were no inspection reports issued by the Audit Commission for this Council.

Financial aspects of corporate governance

Financial standing

The Council continues to maintain healthy levels of reserve. Medium term plans identify how reserves will be utilised and indicates an appreciation of the need for a significant increase in council tax by 2008/09 in order to sustain service developments and maintain standards. Budgetary control remains sound.

Financial reserves 2002/03

The Council maintained a healthy financial position during 2002/03. Procedures for closing the housing revenue account were completed on 31 March 2002 which allowed the balance to be transferred to the general fund. This boosted the general fund balance by £2.4m. Revenue spending in 2002/03 was generally in line with the original budget, although investment income was greater than anticipated. The budget included provision to increase revenue reserves by £800k. As a result the overall general fund balance increased from £17.7m to £21.5m.

At the year end the Council also held £34.7m of useable capital receipts resulting mainly from council house disposals.

The Council has recently considered its medium and longer term financial strategy and has taken account of these relatively healthy balances. The combined programme of revenue and capital spending is focussed on Council priorities and identifies how the reserves will be utilised whilst maintaining modest increases in council tax. The strategy acknowledges that use of reserves cannot be sustained indefinitely and there is an appreciation that by 2008/09, under the current local government financing regime, there will be a need for significant increases in council tax levels to maintain service standards. Members must continue to address this crucial issue.

Systems of internal financial controls

The Council's main financial systems are well established. There were no matters arising from our work on the arrangements for ensuring proper systems of internal financial control are in place that need to be reported to Members.

Internal Audit plays a key role in ensuring effective systems are in place. Where Internal Audit has undertaken work on the Council's systems of internal financial control for 2002/03 we found that we could place reliance on it.

A risk management strategy is being developed. Arrangements are being developed to integrate the strategy into the service planning, resource allocation and budgeting procedures of the Council as soon as possible.

The Council has complied with the requirement to publish a Statement of Internal Control.

The Council has responsibility for developing and implementing systems of internal control, including systems of internal financial control and ensuring that it has proper arrangements in place to monitor their adequacy and effectiveness in practice. We reviewed the arrangements that the Council has put in place.

The Council's main financial systems are well established and there were no major changes to these in 2002/03. No issues have arisen from our work that need the attention of Members.

We work closely with Internal Audit to prevent duplication of audit coverage. We assess the quality of its work compared to standards set out in CIPFA's Code of Practice. We concluded that we could rely on the Internal Audit work and gain assurance from it in the areas relevant to our audit.

Internal Audit has already developed a wider ranging audit plan based on risk analysis. It is likely that, as the Council develops its corporate risk assessment processes, there will be a need for further re-assessment of how Internal Audit is deployed.

We have noted that the Council is continuing to develop a risk management strategy and has appointed a risk management officer as part of this process.

As risk management is developed it needs to be fully integrated into the service planning, resource allocation and budgeting processes.

Statement of Internal Control

There is a new requirement in 2002/03 to include within the statement of accounts approved by the Council a Statement of Internal Control. This sets out the framework that comprises the system of internal financial control, and the work undertaken by Internal Audit, other managers and external audit in reviewing the effectiveness of the system of internal financial control. In addition the Statement comments on the adoption of the local Code of Corporate Governance and affords the opportunity to disclose any weakness in control when compared with the CIPFA/SOLACE framework and how these are to be addressed.

Our audit work has not identified any reason to challenge the correctness of the disclosures in the Council's Statement.

Standards of financial conduct & prevention and detection of fraud and corruption

Overall we are satisfied that the Council does have proper arrangements in place to ensure standards of financial conduct and the prevention and detection of fraud and corruption. The Council has recently adopted a comprehensive Code of Corporate Governance and intend to monitor how effectively the Code is implemented.

Our work has shown that the Council has in place adequate arrangements to ensure financial conduct and for the prevention and detection of fraud and corruption

We are aware that the Council has recently adopted a comprehensive Code of Corporate Governance. It is important that requirements of the Code are built into the operational procedures of the Council, where this is not already the case, as soon as possible.

Members should consider how they will monitor compliance and the success of the implementation of the Code.

We have also noted that the Council has recently adopted an employee's Code of Conduct and an anti-fraud and corruption policy both of which we have recommended in the past.

The Council continues to contribute towards the National Fraud Initiative (NFI), the Audit Commission's data matching exercise. Its main aim is to help identify and reduce housing benefit fraud, occupational pension fraud, tenancy fraud and payroll fraud.

Legality of transactions

We are satisfied with the Council's arrangements for ensuring the legality of transactions with significant financial consequences.

We reviewed the Council's overall arrangements and there are no issues to report to Members.

Audit assurance work

Accounts

We are in the process of auditing the accounts and will issue an opinion before 31 December.

Members approved the Council's financial statements on 24 September 2003 and our audit is in progress.

Our work on the Council's core financial systems indicates that, for 2002/03, they provide a sound base for the preparation of accurate financial statements.

There is a new auditing standard which applies to our audit of your accounts - Statement of Auditing Standard (SAS) 610 'Reporting to those charged with governance'. This requires us to report issues arising from our audit, to Members before we give our audit opinion on your financial statements.

In previous years we have discussed such issues with officers rather than Members, but the SAS encourages openness and accountability by ensuring that Members take responsibility for the Council's accounts.

No issue is identified in the report which requires the attention of Members.

Best Value Performance Plan audit

The Council's 2003/04 Best Value Performance Plan (BVPP) complied in all significant respects with statutory requirements. The necessary Best Value Performance Indicators (BVPIs) are included accurately in the BVPP.

The Best Value Performance Plan and Performance Indicators

The Best Value Performance Plan (BVPP) contained the key elements required by the statutory guidance. The BVPP communicates clearly the Council's approach to Best Value, including performance management, service and financial planning and consultation. An unqualified audit opinion is attached at Appendix 1 as confirmation of our audit findings.

The extent to which all BVPIs have been included in the BVPP, and the accuracy of that information, continues to be a major element of the Best Value audit. This year the Audit Commission has permitted amendments to be made by way of addendum to the BVPP to rectify any omissions or errors before audit work is concluded.

Working closely with your officers we have reached a position where there are no BVPI omissions in the up-dated BVPP and a number of amendments have been agreed and made to the original published data. We expressed reservations about the accuracy of four BVPIs where procedures being followed were not sufficient to provide data to calculate the defined BVPI.

Audit and inspection fees

The proposed fees for our work for 2002/04 were set out in our audit and inspection plan and are summarised in Exhibit 2. We do not envisage any significant changes to the fee that was agreed with the Management Team.

Members should note that in order to bring the Audit Commission financial year in line with the local authorities, the current plan covers the period from November 2002 to March 2004. In this time we will deliver two statutory audits and two Audit and Inspection Annual Letters.

EXHIBIT 2

Audit and inspection fees

	2002/03 £	2003/04 £
Accounts	36,500	32,600
Performance	14,300	52,100
Financial aspects of corporate governance	13,700	12,300
Sub-total for statutory Code audit	64,500	97,000
Inspection	N/A	15,800
Grant certification	26,000	26,000
Non audit work	0	0
Total Fee	90,500	138,800

Future audit and inspection work

For the first time we have brought together all our planned work and that of the other key inspectorates. These co-ordinated and proportionate plans are available on the Audit Commission website.

Our audit and inspection programme for 2003/04 is included in the Audit & Inspection Plan 2002/04 which was issued in May 2003.

We will discuss the timetable for planning the 2004/05 audit and inspection programme, linked to your improvement priorities, with officers early in 2004. Our future programmes will be structured across the following themes that help to clarify the purpose of our work:

- assessment
- improvement
- assurance.

Status of our Audit and Inspection Annual Letter

Our Annual Letter is prepared in the context of the Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission. The Letter is prepared by the Relationship Manager and appointed auditor and is addressed to Members and officers. It is prepared for the sole use of the audited body, and no responsibility is taken by auditors to any Member or officer in their individual capacity, or to any third party.


Closing remarks

This Letter will be submitted to the Council early in 2004.

Finally, I would like to take this opportunity to express my appreciation for the assistance and co-operation provided during the course of the work. Our aim is to deliver a high standard of audit and inspection which makes a positive and practical contribution which supports the Council's improvement agenda. We recognise the value of your co-operation and support.



Mick West
District Auditor



Dorothy Welsh
Relationship Manager

18 December 2003

Auditor's Statutory Report on the Best Value Performance Plan

Auditor's Report to Huntingdonshire District Council on its Best Value Performance Plan for the 2003/04

Certificate

I certify that I have audited Huntingdonshire District Council's best value performance plan in accordance with section 7 of the Local Government Act 1999 and the Audit Commission's Code of Audit Practice. I also had regard to supplementary guidance issued by the Audit Commission.

Respective Responsibilities of the Council and the Auditor

Under the Local Government Act 1999 (the Act) the Council is required to prepare and publish a best value performance plan summarising the Council's assessments of its performance and position in relation to its statutory duty to make arrangements to secure continuous improvement to the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

The Council is responsible for the preparation of the plan and for the information and assessments set out within it. The Council is also responsible for establishing appropriate performance management and internal control systems from which the information and assessments in its plan are derived. The form and content of the best value performance plan are prescribed in section 6 of the Act and statutory guidance issued by the Government.

As the Council's auditor, I am required under section 7 of the Act to carry out an audit of the best value performance plan, to certify that I have done so, and:

- to report whether I believe that the plan has been prepared and published in accordance with statutory requirements set out in section 6 of the Act and statutory guidance and, where appropriate, recommending how the plan should be amended so as to accord with statutory requirements;
- to recommend:
 - where appropriate, procedures to be followed in relation to the plan;
 - whether the Audit Commission should carry out a best value inspection of the Council under section 10 of the Local Government Act 1999;
 - whether the Secretary of State should give a direction under section 15 of the Local Government Act 1999.

Opinion

Basis of this opinion

For the purpose of forming my opinion whether the plan was prepared and published in accordance with the legislation and with regard to statutory guidance, I conducted my audit in accordance with the Audit Commission's Code of Audit Practice. In carrying out my audit work, I also had regard to supplementary guidance issued by the Audit Commission.

I planned and performed my work so as to obtain all the information and explanations, which I considered necessary in order to provide an opinion on whether the plan has been prepared and published in accordance with statutory requirements.

In giving my opinion I am not required to form a view on the completeness or accuracy of the information or the realism and achievability of the assessments published by the Council. My work therefore comprised a review and assessment of the plan and, where appropriate, examination on a test basis of relevant evidence, sufficient to satisfy me that the plan includes those matters prescribed in legislation and statutory guidance and that the arrangements for publishing the plan complied with the requirements of the legislation and statutory guidance.

Where I have qualified my audit opinion on the plan I am required to recommend how the plan should be amended so as to comply in all significant respects with the legislation and statutory guidance.

Opinion

Unqualified opinion

In my opinion, Huntingdonshire District Council has prepared and published its best value performance plan in all significant respects in accordance with section 6 of the Local Government Act 1999 and statutory guidance issued by the Government.

Recommendations on referral to the Audit Commission/ Secretary of State

I am required each year to recommend whether, on the basis of my audit work, the Audit Commission should carry out a best value inspection of the Council or whether the Secretary of State should give a direction.

On the basis of my work:

- I do not recommend that the Audit Commission should carry out a best value inspection of Huntingdonshire District Council under section 10 of the Local Government Act 1999;
- I do not recommend that the Secretary of State should give a direction under section 15 of the Local Government Act 1999.

Signature  Date **18 December 2003.**

Mick West
District Auditor, Audit Commission

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CABINET

4 MARCH 2004

**MARKET HOUSING MIX:
RESPONSE TO CONSULTATION ON DRAFT SPG
(Report by Head of Planning Services)**

1 INTRODUCTION

- 1.1 The purpose of this report is to advise Cabinet of the response to draft supplementary planning guidance (SPG) on this subject, and to consider the Council's response. A revised document is recommended for formal adoption as SPG.

2 BACKGROUND

- 2.1 At its meeting on 17 April last year Cabinet approved draft SPG on market housing mix for the purpose of public consultation. The guidance is intended to assist the interpretation of policies HL5 and HL10 of the Huntingdonshire Local Plan Alteration, which require an appropriate mix of dwellings in accordance with the local community's needs.
- 2.2 Specifically, it requires developers to incorporate a proportion of smaller dwellings in new schemes, in response to evidence that the requirement for such properties is not being met at present. The guidance applies only to market dwellings; the mix of affordable units will continue to be negotiated on a site by site basis, according to the requirements of the specific location.
- 2.3 For SPG to carry full weight in the development control process it must be subject to an appropriate form of consultation. The draft was circulated to parish and town councils in Huntingdonshire, planning agents, developers, housebuilders, civic and environmental interest groups. The consultation period lasted from 9 May to 27 June 2003, and was supplemented by a 'round table' debate with the key respondents (see below).

3 THE CONSULTATION RESPONSE

- 3.1 Over 40 responses were received, predominantly from parish and town councils and development interests. Comments split into two broad categories: it was generally supported by parish and town councils and the CPRE, whereas developers, housebuilders and planning agents objected in varying degrees to both the principle and the content of the draft. A full summary of the comments received is attached to the agenda separately (annex 1).
- 3.2 The draft SPG was one of the first in the country on this subject since national guidance (in the form of PPG3, issued in 2000) first encouraged local authorities to address housing mix. The issues involved are complex as well as controversial, and several consultation responses made a number of points that merited careful consideration.

- 3.3 In view of this an independently facilitated 'round table' discussion was arranged, with the agreement of the Executive Councillor for Planning Strategy. This brought together key respondents with the aim of promoting a better understanding of the objectives and potential impacts of the SPG, and to explore possible changes which might reconcile the aims of both the Council and objectors. This took place in December, and the facilitator's report is attached at Annex 2.

4 CHANGES PROPOSED TO THE DRAFT SPG

- 4.1 In the light of the representations and the detailed consideration of issues afforded by the facilitation process, a number of changes are recommended to the draft guidance. A revised document, incorporating these changes, is attached at Annex 3. The key changes and the reasons for them are outlined in Annex 4. In summary they entail:

- Greater emphasis on providing 'guidance' rather than rigid requirements
- A slight reduction in the recommended targets for smaller units
- Increased flexibility to take site specific material considerations into account
- Not pursuing the blanket removal of permitted development rights on new one and two-bed dwellings
- Case studies to illustrate good practice

- 4.2 The changes are being recommended to overcome the main concerns about the implications of the SPG, in particular the perceived inflexibility of the advice and its potential impact on the viability and marketability of development sites. The amendments that have been made are considered to strike an appropriate balance between the need for a step-change in the provision of small units, and the need for the guidance to be capable of successful implementation.

- 4.3 The preparation of a new Local Development Document towards the end of this year (replacing the Local Plan) will provide an opportunity to revisit the issue in the light of further experience with the SPG's implementation, and will enable robust policies to be written into the Development Plan.

5 RECOMMENDATION

- 5.1 That the revised supplementary planning guidance on Market Housing Mix, as contained in Annex 3 to this report, be adopted.

Background Papers:

DETR (2000) *Planning Policy Guidance Note 3: Housing*

HDC (2002) *Huntingdonshire Local Plan Alteration*

HDC (2003) *Huntingdonshire Housing Needs Survey 2002*

Report to Cabinet, 17 April 2003, and Minutes: *Draft Supplementary Planning Guidance: Market Housing Mix*

CONTACT OFFICER - enquiries about this report should be made to Clare Bond, Planning Officer, on 01480 388435.

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**Report of facilitation into
Huntingdonshire District
Council's draft
Supplementary Planning
Guidance
'Market Housing Mix'**

Held on Monday 15 December 2003,
at the Priory Centre, St Neots

Facilitator:
BJ Pearce BSc DipTP MA PhD
MRTPI

6 January 2004

Report of facilitation into Huntingdonshire District Council's draft Supplementary Planning Guidance, 'Market Housing Mix'.

A INTRODUCTION

1 The draft Supplementary Planning Guidance

1.1 Draft Supplementary Planning Guidance on 'Market Housing Mix' has been prepared by Huntingdonshire District Council. This elaborates on policies HL5 and HL10 of the Huntingdonshire 'Local Plan Alteration', which was adopted in 2002.

1.2 The SPG¹ aims to establish an appropriate mix of dwelling sizes for new market housing and explain how future market housing provision can reflect the full range of the local community's housing needs. A draft document was widely circulated for consultation from 9 May 2003 until 27 June 2003. A total of 45 responses were received. Responses fell into two discrete categories: mainly support from town and parish councils and civic groups, mainly objection from planning consultants, house builders and developers.

2 A facilitated discussion: purposes

2.1 To help make progress the District Council considered it potentially helpful to bring interested parties together to explore a number of key issues arising from the representations, at a meeting chaired by an independent facilitator. The primary purposes of the discussion were to:

- facilitate better understanding of the objectives of the SPG
- facilitate better understanding of the potential impacts of the SPG, and
- identify potential changes to the SPG which might reconcile the Council's aspirations with the need for developers to produce viable, marketable developments.

2.2 It is noteworthy that this was to be a novel and innovative approach to the production of SPG. Formally, although consultation with the general public should be undertaken, there is no requirement to conduct a hearing or inquiry into a proposed SPG. The approach used would be akin to a subject specific EIP session or a local plan round table hearing, though by using a facilitated process, conducted by an independent neutral, the hearing was to stress a more constructive, rather than the conventional adversarial, approach. Round table sessions of this kind are likely to become the norm under the new planning system currently being considered by Parliament.

2.3 This report has been prepared by the independent facilitator used for the discussion. In accordance with the brief provided to the facilitator, the report aims to:

- "summarise the discussion
- identify areas where a degree of consensus might be achieved

¹ Referred to hereinafter just as the SPG: the word 'draft' is dropped for simplicity.

- draw general conclusions about the types of change to the SPG that might prove helpful in this respect (the report would not seek to make detailed ‘recommendations’ as such)”.

2.4 For each of a range of ‘topics’ discussed at the meeting, the principle elements of the discussion are outlined and a number of ‘findings’ are provided, together with some suggestions of a general nature for changes to the SPG which might attract a good level of consensus.

2.5 It is important to note that the summary and suggestions can only relate to those groups and individuals represented at the meeting; doubtless others will have different views. However, given the number and mix of participants who attended the meeting a passable level of representation may be inferred.

3 The facilitation

3.1 The facilitated meeting took place on Monday 15 December 2003, at the Priory Centre, St Neots. Eighteen people in all took part and in addition there were a number of observers (a list of participants is provided in Appendix 1). Prior to the discussion a list of questions which would be addressed had been circulated (enclosed at Appendix 2). The questions were used as the basis for the discussion.

3.2 The discussion was divided into four main sessions, focussing on:

- i. the proportion of unmet need for market dwellings, for each of the different dwelling size categories (and especially for smaller dwellings).
- ii. the need for the SPG – and particularly if smaller dwellings would be provided without the SPG.
- iii. whether house builders could viably provide sufficient small dwellings with the SPG in place - and if not, how might the SPG be amended to ensure they could
- iv. whether the SPG would give house builders sufficient flexibility – and if not, how might the SPG be amended to allow them greater flexibility – and other likely impacts of the SPG.

B THE DISCUSSION

4 Objectives of the SPG

4.1 It was apparent at the discussion that there was some confusion, or at least puzzlement, over the Council's aims and objectives for the SPG.

4.2 The Council's officers were able to make clear that the SPG is principally intended to increase the proportion of *one and two bedroom* market priced dwellings being built in the District. It is felt that builders are producing too few of these relative to need and demand (see below, para. 5.1 etc.). Officers also made it clear that it is *not* an objective to produce smaller dwellings as measured in terms of floorspace; nor is it an objective to reduce the average price of dwellings being built and thus increase housing affordability or provide cheaper housing.

4.3 Although the explanations enabled greater clarity there was still some disagreement that these objectives were necessarily the most appropriate in the circumstances. One (at least) of the consultants made the point that the SPG *should* in fact address affordability issues, though it is difficult to tell if this was a view that was widely held. More notably, some argued that 'number of bedrooms' is not a robust measure of dwelling size - and that, for developers, 'floorspace' is actually more relevant.

Findings/suggestions:

4.4 The objectives as stated in the draft SPG refer (para 4.2) to increasing "the proportion of smaller properties coming forward through new development" and providing "a broad range of housing capable of supporting the economic and social needs of the district". It is reasonably clear that the document is using number of bedrooms as the measure of dwelling size. Yet the term "smaller properties" could also be interpreted as properties that have a smaller floor space as well as smaller number of bedrooms. And dwellings with smaller floorspace do *tend* to be cheaper, as a number of the discussants made clear. In order to avoid any possible ambiguity, and subject to the Council's response on later points, it would help understanding if para. 4.2 were amended to make clear that "smaller properties" refers to properties with a smaller number of bedrooms (i.e. one and two bedrooms). The Council, it appears, wants to shift the size distribution more in favour of smaller dwellings as defined in these terms.

4.5 Having said this, and although Council Officers took great pains to explain that the SPG is meant to have the effect of increasing the proportion of smaller dwellings as measured by number of bedrooms, the Council really needs to be absolutely clear if this is really what it wants – or whether smaller dwellings measured by floorspace would, after all, be appropriate.

4.6 A number of developers and consultants argued that if the aim is really to produce smaller dwellings then floorspace would actually be a better indicator and measure, for in practice house builders tend to use floorspace as the benchmark. In reality the situation in the British housing market is more complicated. Most of the developers agreed that *consumers* tend to relate house size with number of bedrooms. On the other hand, from the developer's perspective, house size tends to be a combination of both measures – a two bed house for example, tends to be within a

particular floorspace range, that range is smaller than for a three bed house, and so on. As one participant put it, “house builders sell properties by the number of bedrooms but cost them according to floorspace”. They aim to achieve a balance between the two which is appropriate to market conditions as they perceive them.

4.7 With the current SPG in place, some of the house builders explained that there is a risk that house builders will simply rearrange the internal layout of the dwellings they are now producing, to provide a smaller number of bedrooms from exactly the same sized dwellings. Certainly, this risk is likely to be high in the short term – builders will have made substantial progress with their plans and designs and so they will try as far as they can to make only marginal adjustments to these, rather than the more fundamental amendments they will need to consider in the longer term. As time goes by, however, as a number of developers acknowledged, this risk is likely to diminish. The demand for large dwellings with a smaller number of larger bedrooms is likely to be different from the demand for smaller dwellings with the same number of bedrooms. This will impact on price and hence profitability and so house builders will start to adjust their building designs. But this may take some time to occur.

4.8 Given all this, it does seem appropriate and practicable to use one or other or even both measures. Using just one at least has the merits of simplicity. However, if it *is* the case, *after all*, that the Council does want to see a higher proportion of smaller dwellings as measured by floorspace as well as number of bedrooms, then amendments to the SPG would be needed. The SPG would need to use floorspace, either in addition to, or instead of, the number of bedrooms, as a measure of dwelling size.

5 Evidence of unmet need/demand for one and two bedroom market houses

5.1 In assessing the level of unmet demand for smaller market dwellings, the Council relies on evidence provided in the Housing Needs Study produced by Fordham Research and, in addition, on some less formal evidence.

5.2 The HNS estimated that the need for different sizes of market housing up until 2007 was as follows (included as Table 4 in the SPG):

No. of bedrooms	Numbers of dwellings needed	% of needed dwellings	Cumulative %
One	2330	39.5	39.5
Two	2312	39.2	78.7
Three	270	4.6	83.3
Four or more	984	16.7	100
All	5896	100	100

5.3 The general picture drawn from this table was supported by a survey of estate agents, conducted as part of the HNS, which had revealed that agents had thought there was a shortage of smaller dwellings, and that it was always the smaller dwellings that were sold more quickly and readily. In fact the HNS figures suggest a

higher proportion of small dwelling units is required than that sought by the SPG. The Council's officers argued that this underscores the essential reasonableness of what the Council is trying to achieve.

5.4 In addition, anecdotal evidence was offered by the Council's officers of various schemes that have been built recently, which, they argued, show how schemes with a high proportion of one and two bed properties are popular among consumers and can be provided viably by house builders. These provide accommodation not only for first time buyers but also for those home movers (for example the elderly wishing to release some equity) who are looking to 'downsize' and/ or wish to remain in the locality.

5.5 This evidence base was disputed by many of the developers and consultants. They argued that actually demand in the Huntingdonshire District is skewed more towards larger dwellings than the figures in Table 4 indicate. Larger dwellings, they suggested, provide better accommodation for the expansion needs of local families as they evolve and mature over time (e.g. as they have more children and then their children grow up). They also provide occupiers with greater flexibility over the use of available space (e.g. rooms that can be used for other purposes - live-work, study, hobbies). In addition, the builders and consultants made the point that there is no single housing market in the District and that the size of dwellings demanded varies according to the local area and particular sites. In some parts of the District – and at some sites – demand is for higher levels of larger dwellings than in other parts.

5.6 A few consultants made the point that, even if projections are accurate that a large proportion of the newly formed households will be one or two person households, only a proportion of these will be looking for *new* housing; conditions in the market for existing dwellings will be a factor and should be assessed. In addition, they suggested that we should not be surprised if estate agents feel that smaller dwellings are more saleable or marketable since it is widespread experience that, on new estates, early sales do tend to be of the smaller dwellings since they go to first time buyers who do not have the constraint of selling an existing house. As a result larger houses do tend to take longer to sell².

5.7 On the other hand, some house builders and consultants argued that over time there has been a decrease in the size of new dwellings anyway, especially since the introduction of PPG3 (the increasing densities required by PPG3 having produced more smaller dwellings). Builders have been more innovative in the use of the space inside dwellings, such that, for example, by using the roof space it is now possible to get a 3-bedroom house from a property where previously only a two bedroom home had been achieved. Moreover, past construction of larger dwellings (and at lower densities) had even been positively encouraged by the District Council, often against the wishes of developers to provide smaller dwellings. Currently, the developers argued, strict requirements for the provision of Affordable Housing were forcing them to provide larger dwellings in order to pay for what was being asked of them (with AH requirements dependent on the number rather than size of dwelling units being

² The District Council's officers countered that some house builders have arrangements whereby they purchase a customer's existing property, so buyers of larger houses aren't necessarily less able to move than purchasers of smaller ones.

built)³. For these reasons, a number of the discussion participants made the point that the SPG was an overreaction, addressing the wrong causes of the problem.

5.8 There was evidently some confusion of terminology. There was some bemusement that the Council could be saying that the market wasn't meeting demand, for surely, some developers argued, meeting demand is exactly what a market is supposed to do, and what it does. The Council's officers explained that, in their judgment, the market was failing to meet all the community's demands (its needs) for *market* housing. The Council use need and demand, in this context, almost interchangeably. Yet, as some developers pointed out, need has a popular connotation with affordable, special needs and key worker (or social) housing – whilst demand relates to housing only bought and sold in the market.

5.9 On the other hand, the term demand is not used consistently by developers and consultants either. To some builders and developers the term demand means an aspiration or preference for housing of a particular kind (so that the demand for larger housing would refer to a preference for larger housing *over the long term*, as people become wealthier). To others it is more circumscribed, and refers to what economists call 'effective demand', which means willingness to pay for housing backed up by current (or at least foreseeable) ability to pay. This may seem a rather academic point, but it is actually rather important. At times in the discussion the participants were seemingly talking at cross purposes, when really they were attributing different meanings to the same words. This has led to some misunderstanding of what the Council is trying to achieve.

Findings/suggestions:

5.10 The only reasonably sound evidential base has been provided by the HNS. The developers and consultants certainly regarded the survey as having been primarily designed to establish the need for non-market housing across the District, though this rather overstates the case since there is much material in the survey that distinguishes market priced from affordable housing and other categories of social housing. There is also some material which looks at the geographic pattern of unmet need/ demand.

5.11 The survey was criticised on methodological grounds. There was tacit agreement that if different questions had been asked the research results would have been different (e.g. different questions on the floorspace 'size' of dwellings required by households, and not just the requirement for dwellings of different numbers of bedrooms; on the demand for rooms for other, non-bedroom, purposes; on whether those demanding smaller homes have a particular locational preference or a preference for new rather than existing dwellings). On the other hand, developers could only provide anecdotal evidence themselves and had little to offer by way of an alternative distribution of effective demand across the different dwelling size categories; except that it would not be as skewed as the District Council's figures towards the smaller properties.

³ Payments for public open space are, in contrast, calculated on the basis of the expected number of residents, which increases on a scale according to the number of bedrooms. Since they vary with the size of dwellings they will therefore have less of a distortive effect on the size of dwellings being built.

5.12 Arguments that smaller dwellings were being provided by house builders anyway, especially since PPG3 was revised, are also rather vulnerable, at least at anywhere near the kinds of levels suggested as being required by the District Council. Some data were alluded to as apparently revealing that house builders have been building smaller dwellings, but these were from national rather than local statistics, were largely about smaller dwellings as defined by floorspace, and referred to a much longer time frame than is being addressed by the Council. Local examples were quoted but these were largely anecdotal. Although the latest figures provided by the Council at the discussion, on the proportion of all houses that are one and two bed dwellings refer to dwelling *completions* since PPG3, rather than *permissions*⁴, the figures do seem to indicate that while densities have increased there has not been the marked change being sought in the proportion of smaller dwellings coming forward. We were, moreover, told by Go-East that the ODPM is convinced that the market is not meeting all of the communities needs for market housing. All this adds support to the Council's position that, however one looks at the housing requirement, there is a significant shortfall or deficit of smaller sized market dwellings.

5.13 Nevertheless, the evidential base relied upon by the District in the SPG could be more robust than it is and is somewhat exposed. It is unlikely, for example, that there is no variation in the demand for homes from one part of the District to another. There could, moreover, be better figures on trends subsequent to PPG3⁵. If the District Council was able to give a better indication in the SPG document of the nature and variation of unmet need for market housing across the District its approach would attract greater support. Similarly, where the evidence is less strong, the Council might wish to consider setting out to collect more rigorous data, perhaps using a survey designed specifically to assess aspects of the need for market housing which have not been addressed to date. Such an approach would certainly give greater confidence in the evidential basis of the SPG.

5.14 Issues about which participants at the discussion wished to be more satisfied and confident, and thus which could helpfully be the subject of further research and data collection, include:

- the impact of PPG3 (on densities and thus on house sizes)
- the 'announcement effects' of using the draft SPG prior to its formal adoption
- any geographical variation in the unmet need for market housing
- the extent to which the lack of market housing currently means people have to live further away, and
- the role played by the existing housing sector.

5.15 Some misunderstanding has clearly been caused by the fact that different meanings are assigned to the same words by different groups and individuals. Some

⁴ Such that although built after PPG3 was introduced, they were given permission under the previous policy regime.

⁵ In addition, para. 2.3 of the SPG, for example, indicates that the occupancy levels of new homes built recently is low (drawing on a sample of homes built during 1996-2001). It is noted that 66% of all the properties are occupied by just 1 or 2 people. The suggestion by the Council seems to be that this represents an inefficient use of land. However, the figure of 66% misrepresents the situation, being skewed by the low occupancy of small dwellings. A smaller figure, 45%, of properties in the 4 bed range are occupied by just 1 or 2 people – and for the 5 bed range the figure is just 20%. The text could helpfully be amended to more properly reflect this.

words simply defy exact interpretation. This is an unfortunate fact of life but an attempt should be made to limit ambiguity wherever possible. The interchangeable use of the terms ‘need’ and ‘demand’, is not, in a planning context, inappropriate, where it is a lack or shortfall of market housing that is being referred to. The SPG is clearly concerned with *market* housing, not affordable or other more ‘social’ housing. It is concerned with changing the size mix of that market priced housing. In addition, it is concerned with aspirations *backed up by expectations of what consumers might realistically achieve over the next few years*. To that extent the Council’s assessment of unmet need for market housing is more in line with the concept of ‘effective demand’. However, it might reduce the potential for confusion if the two terms are not used together. Use of the word ‘demand’ might usefully be avoided, and the expression *need for market housing* used throughout instead. Alternatively, the word ‘shortfall’ might be better understood by developers, though perhaps this is not widely used in the planning world and could add to the confusion.

6 Local Plan vs. SPG

6.1 Go-East and others argued that, whilst the draft SPG is generally consistent with National, Regional and County planning policies (e.g. PPG3 para. 11, RPG6 policy 10, Structure Plan policy P5/4), the content of the SPG should have been dealt with in a Local Plan. This would have enabled proper consideration and ‘testing’ of the findings of the HNS. It would also permit further policy, plans and information (e.g. from the Census, other surveys) to be taken into account. PPG 12 says that “SPG must not be used to avoid subjecting to public scrutiny, in accordance with the statutory procedures, policies and proposals which should be included in the plan. Plan policies should not attempt to delegate the criteria for decisions on planning applications to SPG” (para. 3.17). A few participants suggested that, in addition, the ‘guidance’ should be made more site specific (e.g. via planning briefs) in order to ensure site specific issues are taken into account.

6.2 The District Council’s officers argued, on the other hand, that it would not be reasonable or prudent to wait. PPG3, RPG 6 and the Structure Plan each says the issue should be addressed now and the current Local Plan needs to be operationalised. They said that PPG3 has been in place for 2-3 years and states that this is a matter which should be addressed. In uncovering evidence of a considerable imbalance in the provision of smaller dwellings they argued that the issue needs to be tackled sooner rather than later, for otherwise the problem will only get worse. Waiting until the next local plan cycle (or even altering the existing Local Plan) would likely mean very considerable delay, especially given the requirements of the new LDF framework, and if the Council is right about the magnitude of the level of unmet need this would mean allowing an already bad situation to get worse. Finally, they argued that site-specific guidance might be appropriate for large sites but for most sites it would not represent an efficient use of planning resources – and more general guidance would be necessary. And an advantage of using SPG is that it can be revised more quickly than a development plan if it is found to be having adverse consequences on the market.

6.3 There was some disquiet expressed by a few of the participants that the Council’s Development Control team were already using the draft SPG in negotiations with housing developers, and were doing so in a very prescriptive way.

The Council Officers agreed that it was being used, but only as one amongst a number of considerations (see further below, para. 7.3).

Findings/suggestions:

6.4 An important issue is whether the Council has made new policy here – or more simply supplemented and elaborated existing plan policies and proposals. Crucial to this is whether the SPG is genuinely ‘guidance’. There was widespread agreement, especially among developers and consultants, that the SPG is far too prescriptive given that the document is labelled “Supplementary Planning *Guidance*” – and indeed some recognition of this by the District Council’s officers.

6.5 In order to ensure the SPG keeps firmly within the boundaries of guidance and does not stray over into the territory of policy, and in particular, to the making of policy, there was strong agreement that the language used in the SPG could helpfully be reviewed, and revised where necessary to stress that it is guidance rather than a list of requirements. This is especially important in sections 9 and 10, and Appendix 3. Given that this was probably the single most important issue for developers and consultants at the discussion, there is little doubt that if the District Council could achieve this it would smooth the path of the SPG. Words and phrases like ‘require’, ‘requirement’, ‘should’, ‘to ensure’, all signify policy rather than guidance and it may be helpful if they were substituted with other words more consistent with guidance (e.g. ‘encourage’). This is not to say that guidance cannot be firm but the requirements of certainty need to be balanced with those of flexibility.

6.6 The Council have had legal advice which indicates that they can proceed as they are doing. Interestingly, policy HL5 of the Local Plan was inserted by the Local Plan Inquiry inspector, which suggests that achieving greater clarification of the policy by means of an SPG would be appropriate. It is difficult to see how else is it to be accomplished.

6.7 There was broad recognition at the discussion that the Local Plan alone does not provide an adequate basis for determining planning applications, as far as the size mix of dwellings is concerned. The level of robustness of the evidential basis for the SPG (see above, paras. 5.8-5.10) means that the Council’s arguments on the undesirability of leaving a void in the guidance to developers, are plausible, though did not gain widespread agreement. Prudence suggests therefore that if the SPG is to be adopted it might best be treated as interim guidance until it can more formally be incorporated in a Local Plan. This would provide an opportunity for monitoring of the results and impacts of the SPG in the mean time, and would help provide a more robust statistical base for the LP process.

6.8 For wide-ranging use, the efficiency advantages of general, rather than site-specific, guidance are transparent, as made clear by the Government in its advice published on the use of SPG and planning briefs in PPG 12 (paras. 3,15-3.18) and ‘Planning and Development Briefs: A Guide to Better Practice’ (DETR, 1998). Site specific planning briefs cost time and money and are unlikely to prove cost effective for anything but the largest sites. Even for large sites, if the LPA has no other firm requirements for a site, which developers would be unlikely to meet without persuasion, then a planning brief may not be necessary. However, where planning briefs are prepared their guidance should take precedence.

7 Impacts of the SPG - and the particular issue of flexibility

7.1 A number of developers and consultants argued that the SPG could backfire. By making many housing schemes unviable it would have the effect of reducing the rate of building of new dwellings. This would mean lower housing availability and higher house prices (including for smaller houses). According to the developers, other unintended side effects would mean the impacts of the SPG would be different from what the Council had intended:

- little or no reduction in the floorspace size (and thus price) of dwellings since builders would continue to build the type of dwellings they are building now, and simply change the internal arrangement to reduce the number of bedrooms (see above, para. 5.6)
- reduced ability to attract the workforce needed for local industry and employers, and therefore harm to the local economy (see below, section 8)
- the provision of a greater proportion of apartments and flats, since this would be the only way in which house builders could provide a higher proportion of 1 and 2 bed dwellings in viable schemes, and
- (related to the last point) especially for very small sites (sites of 4 or fewer dwellings), rather odd and unsatisfactory developments in urban design terms.

7.2 A particular issue for many developers and consultants with respect to the impact of the SPG was the related one of flexibility. They argued that the SPG is far too rigid and that in order for the Council to be able to meet its aspirations a much higher degree of flexibility is required. Without flexibility, some (and maybe many) schemes will not be viable. Moreover, without flexibility, if and when planning or market conditions change, as is likely, the SPG will become quickly out of date and thus unworkable.

7.3 The Council's officers argued, in support of the SPG, that the SPG would be a material consideration but likely only one material consideration in most planning applications where it is relevant. No one statement of policy or guidance is to be treated as an absolute constraint and there is no fixed percentage sought of smaller housing (just a minima) in the SPG. The Council's officers argued that the way the planning system works is to ensure that *other* material considerations would be taken into account in instances where the SPG is relevant to a particular planning application, though with primacy given to planning policy. What is important is to provide a clear starting point, before such other material considerations may be taken on board. This, the Council's officers suggested, provides a sufficient level of flexibility which would reduce the risk of developments being made unviable and the risk of other side effects. They made the point that ever since the draft SPG has been used in negotiations there has been no evidence that housing sites are coming forward more slowly than before.

7.4 One or two developers argued that a 'range' should be permissible. The Council propose a minima, and of course this in fact suggests a range (from the minimum point to the upper limit). What the developers were really asking for was a wider range, with particular sections of the range perhaps related to different site and market conditions.

Findings/suggestions:

7.5 It is clear that, in general terms, developers and consultants are interested in having a freer hand to provide more larger dwellings because this is where they perceive they will earn greatest profits (though participants at the discussion were keen to point out that this is not always the case and there are exceptions). This is supported, in general, by the recent Barker report on housing supply⁶. Whilst schemes with a higher proportion of smaller dwellings may well be less profitable, however – and profitability will no doubt vary with the nature of the site, the detail of the scheme being designed and local market conditions - this is a long way from providing a convincing argument that they will not be viable. There is anecdotal evidence to suggest that schemes with a relatively high proportion of small dwellings are being built in the local area⁷. The Council mentioned largish schemes at Yaxley, Little Paxton (urban extension sites), St Ives (an infill site) and Holywell (a rural site).

7.6 The key issue is not so much whether an *increased* proportion of smaller dwellings (compared to that pertaining at present) could be viable but rather at what proportion schemes would become unviable locally? But this is complicated by the fact that there can be little doubt that viability will vary across sites and in different parts of the District. Taking at face value the arguments of some of the developers, for some sites the minimum requirement for smaller dwellings currently laid down by the SPG is likely to prove excessive. However, this will not be the case for all sites. In addition, there is the important issue – recognised by virtually everyone - of the impact of the SPG thresholds on the ability of the developer to provide an attractive scheme in design terms. Interestingly, one of the examples the Council's officers gave during the discussion of an acceptable scheme - in terms of size distribution and design - (at Yaxley) would not have passed the SPG's size thresholds.

7.7 Central government policy on the use of SPG makes it clear that “the Secretary of State will give *substantial weight* in making decisions on matters that come before him to SPG which derives out of and is consistent with the development plan and has been prepared in the proper manner” (PPG 12, para. 3.16, my italics). As a result, the exact wording used in the SPG is of some significance, a point that was picked up by a number of the discussion participants. There was widespread agreement among the developers and consultants that at present the SPG is worded far too prescriptively. There is little doubt that if the Council can use a less prescriptive language in the document and provide some examples of site specific considerations that are likely to be important (i.e. upon which they are likely to adopt a more flexible approach) then it would attract a much greater level of support. The Council's fears, that this would open up a floodgate of negotiation and weaken the effect of the policy, could be alleviated if:

- the list is circumscribed (e.g. the examples should be relevant to the issue of dwelling size only, for instance quality of urban design, an identified local

⁶ Barker K, Preview of housing supply: securing our future housing needs (interim report), ODPM/ Stationery Office, 2003.

⁷ Examples were mentioned of other local authorities which have an even higher 'target' for the provision of smaller dwellings (e.g. Waverley, where 80% of dwellings are to have less than four bedrooms, and Basingstoke and Dean, with a target of 50%, apparently now reduced to 40%). However, there was general agreement that different local housing circumstances will apply in those other locations and it would not be appropriate to apply the same figures to Huntingdonshire.

need for ‘live-work’ units) and the Council makes clear that the list is not a conclusive one, and

- some carefully selected examples are given of the kinds of best practice which the Council is seeking.

7.8 It almost goes without saying that it is important that the Council gets this right – and more thought needs to be given to it. As the Go-East representative said, it is important that the District Council is able to ‘deliver’ the housing numbers required of it by the Structure Plan. Whilst this term may put it rather too strongly (local authorities don’t actually deliver private housing – that is for private developers), there is a housing requirement and this - together with high quality housing schemes - has to be an important influence on the local authority’s planning decisions.

8 Other issues, further impacts – e.g. SPG and the economy

8.1 Although the impact of the SPG on the local economy did not feature large in the discussion there was concern expressed by some developers and consultants that the SPG might damage the ability of the local area to attract the workforce and entrepreneurs needed for local employers and industry. This, in turn, they argued, could harm the local economy (e.g. by producing less executive style housing and less live-work units than required). There was some discussion about the need for sufficient flexibility for house builders to respond to economic circumstances as they change and for a range and mix of housing, but no one was able to spell out in detail what the appropriate mix should be to cater for economic needs.

8.2 The District Council’s officers explained that the priority was to reduce out-commuting to the Cambridge area, and so provide improved employment and housing opportunities for the existing population, rather than encourage in-movers. The SPG notes that 56% of households moving into recently built homes come from outside the District. The Council wish to meet the local demand for housing and argue that the profile of provision of larger dwellings cannot do this. The Council’s officers also pointed out that computer based work is often done at home, in a bedroom, but that people would have taken this need into account when answering the HNS questionnaire about the number of bedrooms they would like.

Findings/suggestions:

8.3 Given the lack of reliable evidence that was able to emerge during the discussion on the characteristics of new housing that are likely to provide greatest economic advantage, this is another issue which may benefit from some monitoring. This could help to ensure that application of the SPG does not make matters worse (e.g. on levels of out-commuting and home-working among households moving into newly built dwellings).

9 SUMMARY OF KEY CONCLUSIONS/ SUGGESTIONS

9.1 The discussion was wide-ranging, with a frank exchange of views and opinions. Judging by their reactions, and as far as one can tell, the participants found it informative and constructive. Given the limited time available and the broad range of topics considered, it was possible to test agreement on just a few matters only. However, there were a number of indications of the kinds of ways forward which would likely attract a good measure of agreement and support. The following suggestions are offered in this spirit:

- i. Although Council Officers made it clear that the SPG is meant to have the effect of increasing the proportion of smaller dwellings as measured by number of bedrooms, the Council really needs to be absolutely clear if this is really what it wants – or whether smaller dwellings measured by floorspace would, after all, be appropriate.
- ii. The robustness of the evidential base for the SPG – and particularly on the unmet need for smaller (1 and 2 bed) dwellings - could be improved. Although new data may not lead to a revision of the District’s current understanding of the nature and scale of the unmet need for market housing, such an exercise would give greater confidence in the planning process in Huntingdonshire.
- iii. However, this is not sufficient reason for not having the SPG – as long as it is regarded as an interim document, to be monitored. The adopted Structure Plan urges local planning authorities to provide for a higher proportion of one and two bedroom properties to help meet the locally assessed need. The adopted Huntingdonshire Local Plan makes clear that housing provision in Hunts. should reflect the *full* range of the local community’s needs by ensuring a choice in new housing (policy HL 10).
- iv. Further data collection on the unmet need for market housing and monitoring of the effects of the SPG should be considered; and will enable a proper testing of the SPG at the next review of the Local Plan (or whatever replaces it). The SPG could usefully be revised to reveal the way in which the Council will monitor effects and success (e.g. on numbers of dwellings built, by size category; on levels of out-commuting and home-working among households moving into newly built dwellings; on numbers of first time buyers buying existing dwellings and new dwellings).
- v. The Council should carefully amend the language of the SPG so that it reflects better its purpose of offering *guidance*, rather than new policy. It is important that regard is seen to be given to local context and local market conditions. This would attract a strong level of support from interested stakeholders.
- vi. The Council might like to refer to and include more examples in the SPG of what it regards as good practice. This would help illustrate the points it is trying to make and also offer prospective housing developers more practical and helpful guidance. Whilst rules and regulations are necessary to curb poor developments, the best quality developments are more likely to be promoted by specific encouragement of what is best.

Appendix One: List of participants

Facilitator: BJ Pearce

Huntingdonshire District Council: Michael Bingham, Clare Bond

Arup: Mark Smith

DH Barford: Martin Page

Bloor Homes: David Joseph

CPRE: Gareth Ridewood

Fordham Research: Phillip Weitzman, Chris Broughton

Go-East: Colin Campbell, Mike Harris

House Builders Federation: Paul Cronk

John Martin Associates: Mark Flood

Kem Mehmed Town Planning Consultancy: Kem Mehmed

McCann Homes: Peter Steel

Stamford Homes: Martin Bagshaw

Twigden Homes: Kate Reid

Woods Hardwick: Bryn Jones

Observers:

Huntingdonshire District Council: Julia Wilkinson, Jenny Thomas

East Cambridgeshire District Council: Katie Child

Peterborough City Council: Richard Mapletoft

South Cambridgeshire District Council: Caroline Hunt

Appendix Two: Questions used in the discussion

Housing needs and demands

How robust are the HNS findings on the need for market dwellings?

- what level of unmet need is there for smaller market dwellings (see table 4)?

Trends and need for the SPG

To what extent have PPG3 and other influences led to increased densities and smaller dwellings anyway?

To what extent are policies HL5 and HL10 in the Local Plan sufficient and to what extent does the content of the SPG accord with the Local Plan?

Viability

To what extent *can* housebuilders provide the mix of housing stipulated in the SPG?:

- what level of need can they meet (vis. table 4)?
- to what extent is the market demand for more larger dwellings (as opposed to both lower cost and luxury smaller homes)?:
- to what degree are customers looking for additional rooms to give flexible/ adaptable space (enabling changes in lifestyle without having to move)
- what proportion of larger dwellings is needed in the first phase of a development to make it viable?
- to what extent will land owners not release land (in good time) at the land prices they will receive?

What proportion of market dwellings of ‘no more than 2 bedrooms’ would be viable on sites for

- a) 2/3 market dwellings
- b) 4 or more market dwellings – see para 9.3?

And what proportion of market dwellings of ‘no more than 3 bedrooms’ would be viable on sites for

- a) 3 market dwellings
- b) 4 or more market dwellings – see para 9.3?

In relation to developments which incorporate affordable housing what proportions of market housing would be viable?

To what degree will the SPG mean less support for economic growth of the Cambridge sub-region, or make little difference?

Flexibility, and other impacts:

To what degree will the SPG give housebuilders sufficient *flexibility* to:

- respond to (changes in) local market conditions?
- respond to the environmental or locational characteristics of the individual site?
- provide and market housing in varied, attractive and integrated designs?
- achieve balanced communities?
- achieve infill housing?
- achieve live-work units/ enable home working?

How can the SPG be give adequate flexibility to respond to the above?

To what extent is the approach taken in the SPG reasonable with regard to extensions on new smaller properties?

Supplementary Planning Guidance

Market Housing Mix

February 2004

Huntingdonshire
district council

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This document has been adopted by Huntingdonshire District Council as supplementary planning guidance to the adopted development plan for the area. A draft was issued for public consultation in May 2003, and this revised version was formally adopted by the Council's Cabinet at its meeting on 4 March 2004. Further details of the consultation process are contained in Appendix 1 of this document.

CONTENTS

Part A Introduction

1.	Purpose of this document	1
2.	Recent trends	1
3.	Housing Needs Survey	2
4.	Key objectives	4

Part B Policy context

5.	National and regional guidance	5
6.	The development plan	5

Part C Planning guidance

7.	How to use this guidance	6
8.	Overall approach	6
9.	Appropriate mix of dwelling sizes	7
10.	Assessment of development proposals	8

Part D Case Studies

11.	Mill View, St Neots	9
12.	Manor Farm, Yaxley	11
13.	Great Northern Street, Huntingdon	13

Appendices

1.	Consultation on the draft SPG	14
2.	Policy sources	15
3.	Quick reference chart	17
4.	References and further reading	18

PART A INTRODUCTION

1. Purpose of this document

- 1.1 Supplementary planning guidance (or 'SPG') is published by the District Council from time to time. Its purpose is to expand upon the guidance contained in the adopted development plan for the area. This SPG deals with the mix of dwelling sizes in new market housing developments. It contains important information for anyone contemplating residential development, and will be taken into account as a 'material consideration' when such proposals come to be assessed by the Council. The appropriate mix of affordable housing will continue to be determined on a site by site basis.
- 1.2 Supplementary planning guidance on this subject has been produced for two reasons:
- to address the requirement for more variety in the mix of property sizes in new developments, in accordance with the needs of the area.
 - to guide potential developers on how policies HL5 and HL10 of the Huntingdonshire Local Plan Alteration may be interpreted and applied; these state that new housing should reflect the full range of the local community's needs and provide an appropriate mix of dwelling sizes and types.
- 1.3 The document is split into three parts. This introduction – Part A – continues with a brief overview of **recent trends** in dwelling completions, followed by a summary of the findings of the Huntingdonshire Housing Needs Survey 2003. It then identifies the **key objectives** that the SPG is seeking to achieve. Part B summarises the national, strategic and local **planning policies** that provide the context for the more specific guidance in this SPG. Part C then sets out the **planning guidance** for including an appropriate mix of housing in new developments. Part D provides **case studies** illustrating successful residential mix.

2. Recent trends

- 2.1 Table 1 below shows the proportion of properties completed in Huntingdonshire with one or two bedrooms since mid-1991. Although the proportion of one and two bedroom properties completed has fluctuated slightly from year to year, this tends not to be at the expense of properties with four or more bedrooms, which represent a fairly consistent 50% of Huntingdonshire's overall housing completions since mid-1991. In addition to market housing the figures include affordable housing completions which typically involve an above average proportion of smaller properties. The low proportion of smaller properties being built contrasts with a general trend towards decreasing average household size.

Table 1 One and two bedroom dwellings as a proportion of all completions

1991/92	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/01	2001/02	2002/03
33%	29%	24%	21%	25%	13%	21%	18%	24%	28%	25%

Source: Cambridgeshire County Council

2.2 The proportion of properties completed with one or two bedrooms in Huntingdonshire has consistently been at a low level compared with other authorities in the county. There has been a marked difference between Huntingdonshire (average 23% 1991-2001) and the other rural districts of Fenland (47%), East Cambridgeshire (32%) and South Cambridgeshire (32%).



A recent successful scheme incorporating a mixture of dwelling sizes and types (Octavian Park, Papworth Everard).

2.3 The composition of the district's housing stock has changed significantly in the last 30 years. Although base populations and definitions vary slightly between censuses the increasing trend towards large properties is clear. The 1971 census gave 7% of the stock with 7 or more habitable rooms and by the 2001 census this had increased to 32%. This compares to 23% for the East of England and 26% for Cambridgeshire at the same date. These figures provide further evidence of the shift towards larger properties in Huntingdonshire.

2.4 The introduction of revised PPG3 in 2000 has resulted in significant increases in the density of development completed. However, this has most commonly been achieved by increasing the height and number of storeys of properties rather than through provision of a greater number of smaller properties.

3. Housing Needs Survey

3.1 A new Housing Needs Survey was conducted by Fordham Research for Huntingdonshire District Council in 2002. This provides a picture of the numbers and types of households who expected to move by 2007. Nearly 80% of respondents were existing owner occupiers whose future housing needs would predominantly be expected to be met within the private housing market.

3.2 The Housing Needs Survey considered the likely requirements for market priced housing and affordable housing for the period 2002 to 2007. The survey assessed both people's aspirations for housing and their expectations of what they might realistically obtain to indicate the level of effective demand. The results are aggregated to produce an indication of the level of housing sought. Table 2 below only reflects respondents whose intention is to move within or into private market housing, and indicates the balance of properties sought after existing supplies (of second-hand properties) have been taken into account. Respondents were asked to assess for themselves how many bedrooms they would need.

Table 2 Housing sought by sub-region (2002 to 2007)

Number of bedrooms	Quantity of market housing sought	% sought by dwelling size	Cumulative % sought by dwelling size
North and West Huntingdonshire			
One	794	34.2	34.2
Two	1300	56.0	90.2
Three	115	5.0	95.2
Four or more	112	4.8	100.0
Cambridge sub-region			
One	1536	43.0	43.0
Two	1012	28.3	71.3
Three	155	4.3	75.6
Four or more	872	24.4	100.0

Source: Housing Needs Survey

3.3 In North and West Huntingdonshire some 90% of the requirement which could not be met within the existing housing stock was for properties with one or two bedrooms. In the Cambridge sub-region over 70% of the requirement was for one and two bedroom properties. However, in this area nearly 25% of the requirement was for properties with four or more bedrooms.

3.4 Fordham also conducted a survey of local estate agents to gain a picture of the local housing market. This resulted in almost universal agreement that demand for housing outweighed supply throughout the district, and that there were particular shortages of homes for first time buyers. It is important to note that the present guidance is not targeted at the provision of entry level housing in particular. New build properties comprise only a small fraction of the housing market, and are generally much higher priced than the second hand one when dwellings of similar size are compared.



Huntingdonshire's towns and villages have traditionally contained a mix of large and small properties.

3.5 The intention of the SPG is, rather, to help increase the overall diversity of housing stock in the district, so that the range of properties built corresponds more closely to local housing requirements. It is over the long term that this approach is most likely to help meet the needs of first time buyers, once the initial premium value of new-build smaller properties has diminished.

4. Key Objectives

- 4.1 The promotion of more sustainable forms of development now lies at the heart of both national and local planning policies. A key aspect of this entails providing a mix of homes to meet the needs of the local community. The guidance contained in this SPG, and the development plan and government policies upon which it is based, reflect this overall aim.
- 4.2 In more specific terms this guidance seeks to promote a number of objectives:
- To increase the proportion of smaller properties coming forward through new development;
 - To provide a broad range of housing reflecting the economic and social needs of the district;
 - To make better and more efficient use of housing land.
- 4.3 This last point reflects the fact that incorporating a proportion of smaller units in new developments can also help to increase the density of new development, which is also a central aim of national and local policies.
- 4.4 The planning guidance set out in Part C indicates how these objectives will be pursued in relation to proposals for the development of new market dwellings throughout the district. The case studies in Part D provide some illustrations of how schemes can achieve a good mix of housing, efficient use of land and produce a high quality residential environment.

PART B POLICY CONTEXT

5. National and regional guidance

- 5.1 National planning policy guidance in relation to housing is set out in PPG3 *Housing* (March 2000). This makes clear that local planning authorities should plan to meet the housing requirements of the whole community. It states in paragraph 11 that they should plan to:

“...secure an appropriate mix of dwelling size, type and affordability in both new developments and conversions to meet the changing composition of households in their area in light of the likely assessed need”

- 5.2 It stresses that a community’s need for a mix of housing types is a material consideration in deciding planning applications. The guidance emphasises the importance of having up to date assessments of local housing needs, and the role that a suitable mix of new dwellings plays in promoting balanced communities and limiting social exclusion.
- 5.3 Regional planning guidance is contained in RPG6 *Regional Planning Guidance for East Anglia to 2016* (November 2000). This notes that much of the additional housing developed in recent years has comprised larger detached properties, and makes clear that future housing development should contribute towards creating a better balance between housing supply and needs. It advises that development plans should include policies that enable an appropriate mix of dwelling types and sizes to be secured. The key policy (Policy 10) is reproduced in full in Appendix 2 of this SPG.

6. The development plan

- 6.1 The Cambridgeshire and Peterborough Joint Structure Plan (2003) recognises the need for housing to meet locally identified needs. Policy P5/4 specifically identifies the need for provision of one and two bedroom homes. The Structure Plan acknowledges that a large proportion of newly formed households up to 2016 will comprise one or two people. It states that Local Planning Authorities will make every effort to provide for a higher proportion of one and two bedroom properties which will contribute to securing a better mix and choice of housing types and more varied urban forms at higher densities.
- 6.2 The Huntingdonshire Local Plan Alteration (December 2002) focuses on meeting housing needs in the district up to 2006. It emphasises the importance of good design and layout in all new housing developments and contains an explicit requirement to provide an appropriate mix of dwelling sizes, types and affordability. Policies HL5 and HL10 are set out in Appendix 2. This SPG intended to elaborate upon these policies.

PART C PLANNING GUIDANCE

7. How to use this guidance

- 7.1 This part of the guidance explains how developers of new housing can contribute towards achieving the District Council's policies of providing an appropriate mix of dwelling sizes and types which reflect the full range of the local community's needs. The first section below summarises the overall approach which the guidance employs. This is followed, in Section 9, by the criteria that can be used to implement this approach on specific sites. Finally, Section 10 provides additional advice on how individual development proposals will be assessed.
- 7.2 The guidance does not apply to proposals for affordable housing. However, where a development comprises a mixture of market priced and affordable housing the guidance will apply to the market priced element of the scheme. Affordable housing requirements on specific sites will be negotiated in relation to identified need in the settlement concerned.
- 7.3 If you are in any doubt about how these provisions should be interpreted on a particular site, you should contact one of our planning officers at the earliest stage possible. The telephone number and e-mail address can be found inside the front cover.

8. Overall approach

- 8.1 The Housing Needs Survey indicated that the area's housing requirement to 2007 would be dominated by households seeking one and two bedroom properties. Accordingly, this guidance seeks the provision of a significant proportion of one or two bed dwellings on new housing sites. New development can make an important contribution to meeting the unsatisfied requirement for smaller properties by starting to introduce a greater supply into the housing market. This will help to create wider choice in the market over time.
- 8.2 Bedroom numbers are used in this guidance as the easiest, most widely understood measure of dwelling size. Individual properties may vary considerably in terms of total floorspace, despite having the same number of bedrooms, according to the particular specification. This variation is welcomed as it is likely to contribute to increasing the choice of properties available. However, it is important that the scale and design of individual properties is appropriate to the character of the proposed site and its surroundings.
- 8.3 This guidance seeks to aid interpretation of what policy HL5 of the Huntingdonshire Local Plan Alteration (2002) terms "an appropriate mix of dwelling sizes". New residential developments should aim to provide at least 40% of private market dwellings with one or two bedrooms. The provision of properties with four bedrooms or more should be limited, with at most 40% being considered appropriate for the needs of the district, and preferably less. It is not thought fitting to impose a more restrictive approach in North and West Huntingdonshire than the Cambridge sub-region as this could contribute to widening the variations in housing markets within the district and have an adverse impact on the viability of development in North and West Huntingdonshire.

8.4 During consultation on the draft version of this guidance concern was expressed by developers about the feasibility of integrating one and two bedroom properties onto small sites (less than 9 dwellings), especially in villages. Since 1991 typically 70% of dwellings completed on small sites in villages have had four or more bedrooms. However, the consultation also revealed strong support from parish councils for a high proportion of smaller properties to be built, even on infill sites for one and two dwellings. Examples of need cited included elderly people wishing to downsize into more manageable properties but retain their existing social networks, as well as young people wishing to establish separate households. Hence developers are urged to develop as high a proportion of small sites in villages with one and two bedroom properties as possible, in accordance with the guidance in Section 9.

8.5 When determining the number of dwelling units a site is capable of accommodating a minimum net density of at least 30 dwellings/hectare should be assumed unless there are site-specific material considerations which justify a lower density. The preferred dwelling mixes given in Section 9 are expressed as percentages of the total number of market dwellings on the site. Due to the obvious need to build complete dwelling units some flexibility will be necessary in designing schemes which achieve the preferred mix, particularly for infill and group scale housing sites. Other material considerations, for instance the impact on the appearance of a conservation area and site specific constraints, may justify some flexibility in the precise mix of dwellings appropriate to an individual site.

9. Appropriate mix of dwelling sizes

Infill sites

9.1 Infill development is defined in policy STR2 of the Huntingdonshire Local Plan Alteration (2002) as the filling of an undeveloped plot in an otherwise built-up frontage by no more than two dwellings. It is recognised that percentage targets for housing mix are not appropriate on such sites due to the limited number of units involved and the importance of securing cohesive development proposals that respond to the character and context of the site.



A rare example of a small scheme containing a mix of types and sizes of new homes, and contributing to the need for smaller properties (Oriel Court, St.Ives).

9.2 However, developers are strongly encouraged to consider building as high a proportion of one or two bedroom properties as can be successfully integrated into the local environment. Where two or more dwellings are proposed every effort should be made to incorporate at least one dwelling with only one or two bedrooms, or at the very least a three bedroom home.

Housing groups and estates

9.1 Housing groups are defined in policy STR2 as a development of up to eight dwellings; exceptionally up to 15 dwellings may be permitted. Housing estates are the largest scale of development defined in policy STR2. Other than in exceptional circumstances their development is limited to Huntingdon, St Neots, St Ives, Ramsey/Bury, Godmanchester and Yaxley.

9.2 Any proposal for residential development in these categories should contribute to the supply of smaller dwellings by:

- Providing not less than 40% of all properties with one or two bedrooms
- Providing not less than 60% of all properties with one, two or three bedrooms

Appendix 3 contains a 'quick reference chart' showing the implications of this approach for sites of different sizes.

9.3 The Council encourages the provision of higher proportions of smaller homes than listed above and developers are recommended to aspire to schemes incorporating around 70% of properties with one, two or three bedrooms. This applies especially to housing estates which, because of their size, have the potential to contribute significantly to the community's need for a wider range of dwelling sizes and types.

10. Assessment of development proposals

10.1 The Council is keen to encourage innovative design and adaptable dwellings, which may mean alternatives to traditional layouts and built form. Clear annotation of bedroom numbers and proposed dwelling mix on planning applications will greatly assist the assessment of proposals. A schedule of the mix of unit sizes should be provided either on the plans or in an accompanying statement. Floor plans for properties indicating two or three bedrooms with three or more reception rooms will be carefully considered to see if they could reasonably be marketed as three or four bedroom dwellings respectively.



Innovative design can contribute to a diverse mix of dwellings and interesting, attractive places.

10.2 Since the revised PPG3 was issued in 2000 there has been a significant increase in the use of loft accommodation for habitable rooms to facilitate increased development density. For the avoidance of doubt loft accommodation which is made habitable by the incorporation of natural lighting and ventilation will be considered as a potential bedroom where two reception rooms are already provided.

10.3 A selection of case studies follows, illustrating schemes that successfully incorporate an appropriate dwelling mix within an acceptable urban design solution for their locations.

PART D CASE STUDIES

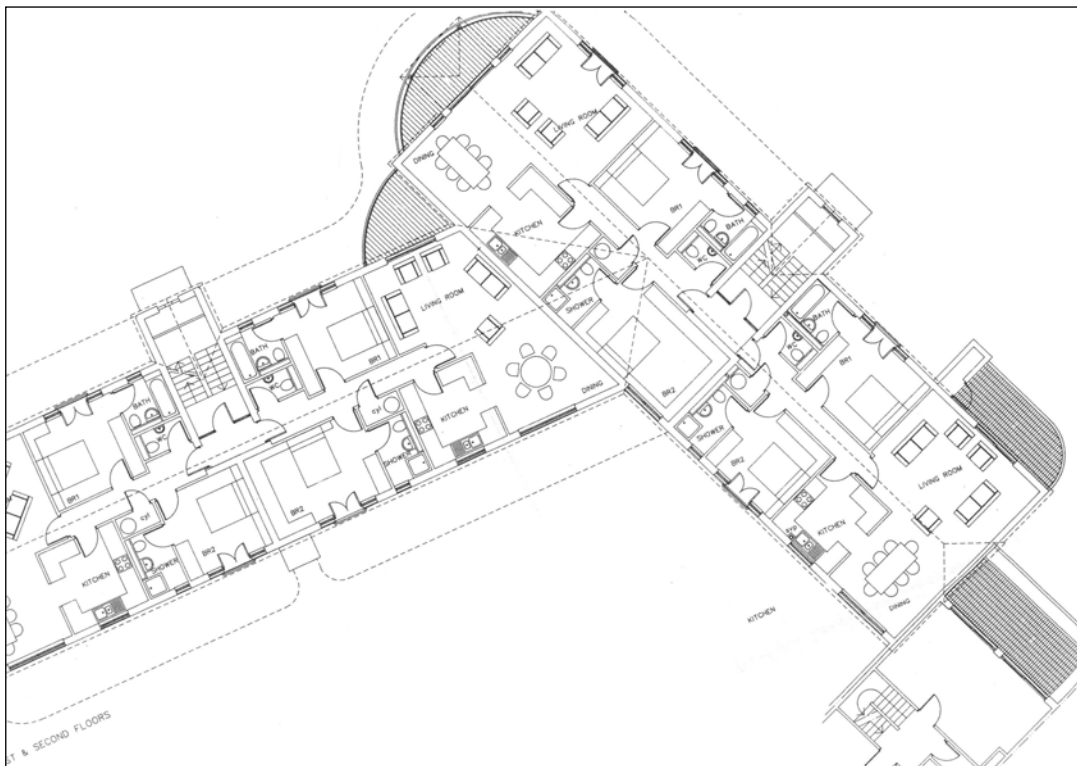
11. Mill View, Eaton Socon, St Neots

11.1 The Mill View development lies in a riverside setting by the lock at Eaton Socon next to the 19th century Rivermill. On land last occupied by a garden centre, Archstone Developments built five linked villas, seven townhouses and 11 apartments. The homes have large room sizes, home network cabling, and outdoor living areas in the form of balconies and patio areas and are designed to make the best of the views. The design of the new homes is sympathetic to the historic watermill, but not deferential, having very contemporary styling.

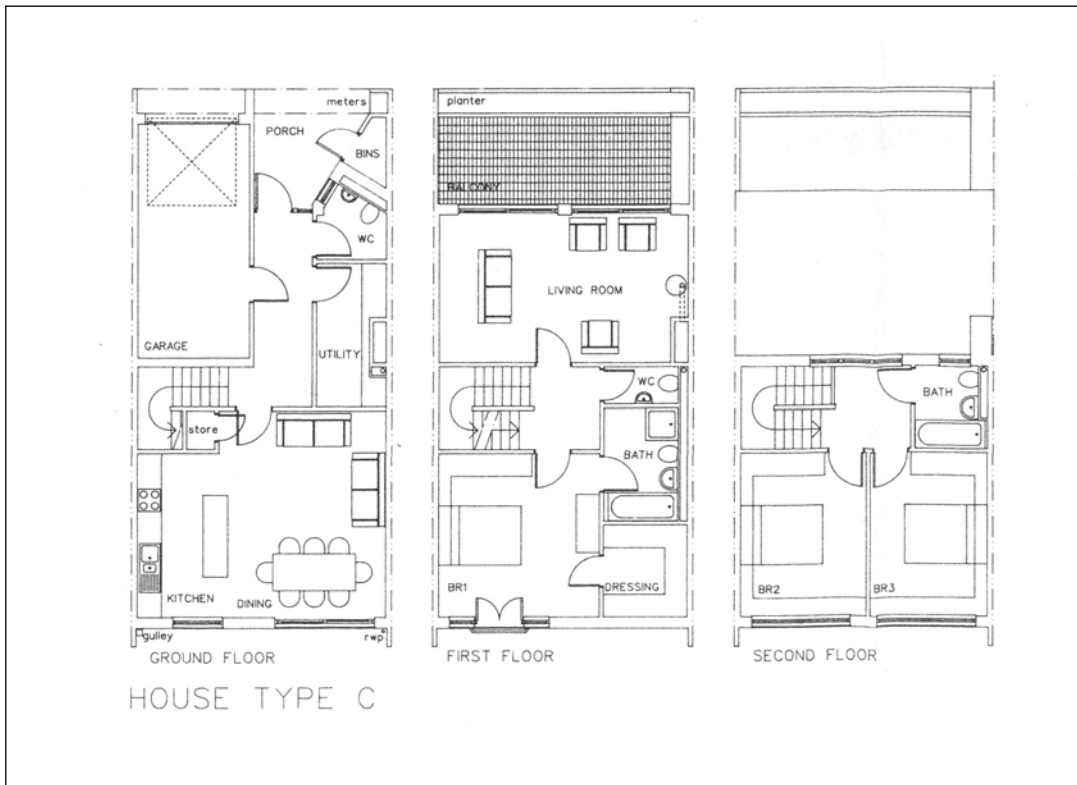
11.2 The development comprises:

- 11 x two bedroom apartments = 48%
- 7 x three bedroom houses = 30%
- 5 x four bedroom houses = 22%
- Total of 23 dwellings on 0.62 ha, the equivalent of 37 d/ha.

11.3 The floor plans below show how two bedroom properties can be incorporated into a high quality development providing a choice of two, three and four bedroom units. Either a garage or car port is provided for each property. The scheme was awarded 'Housing Development of the Year' by the Mail on Sunday.



First and second floor layout plans showing arrangement of two bedroom apartments



Layout plan showing arrangement of three bedroom, three storey town houses



Part of the award winning block of two bedroom apartments

12. Manor Farm, Yaxley

12.1 The proposed scheme comprises 161 dwellings of which 115 are private market properties and 46 are affordable homes. The 5.8ha site is former agricultural land enclosed on all sides by residential development. A significant area in the west of the site is of known archaeological importance on which development is not to take place resulting in a net developable area of 4.0 ha. This portion is to be used as a village green providing a useful community facility and contributing to the visual setting of Yaxley parish church. The scheme provides a mix of housing to complement that recently constructed at the Co-op farm site to the north of the Broadway in Yaxley.

12.2 The market element of the proposed development comprises:

- 49 x two bedroom houses/ maisonettes = 43%
- 27 x three bedroom houses = 24%
- 35 x four bedroom houses = 30%
- 4 x five bedroom houses = 3%

12.3 In addition there are 46 two and three bedroom affordable homes incorporated into the overall scheme. Thus, there is a total of 161 dwellings on 4.0 ha, the equivalent of 40 d/ha.



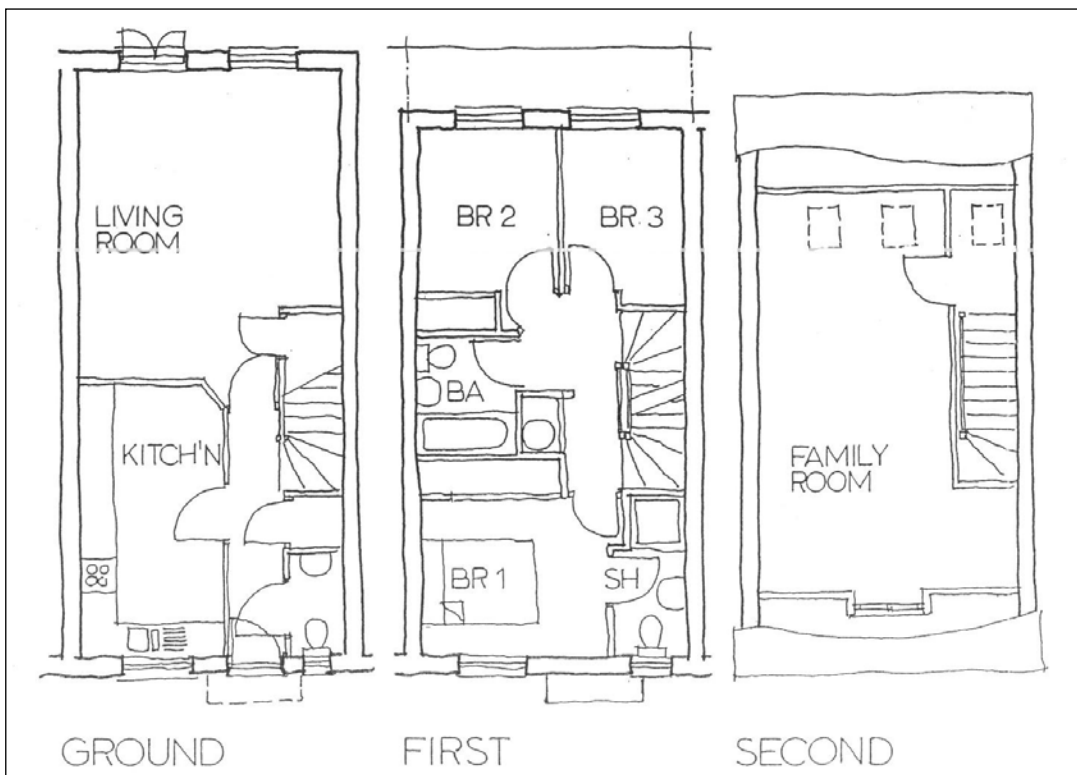
The above plan shows the overall layout of the proposed scheme incorporating 67% 1, 2 or 3 bedroom properties within the market housing area and clusters of 2 and 3 bedroom affordable housing spread through the development. A large home zone area is incorporated to create a safe, pleasant residential environment.



Manor Farm: Front elevations of house type D, a simple two bedroom home

Right: front and rear elevation of house type K, a 2 1/2 storey three bedroom property

Below: the family room in the upper storey provides a second reception room and helps to make efficient use of the land.



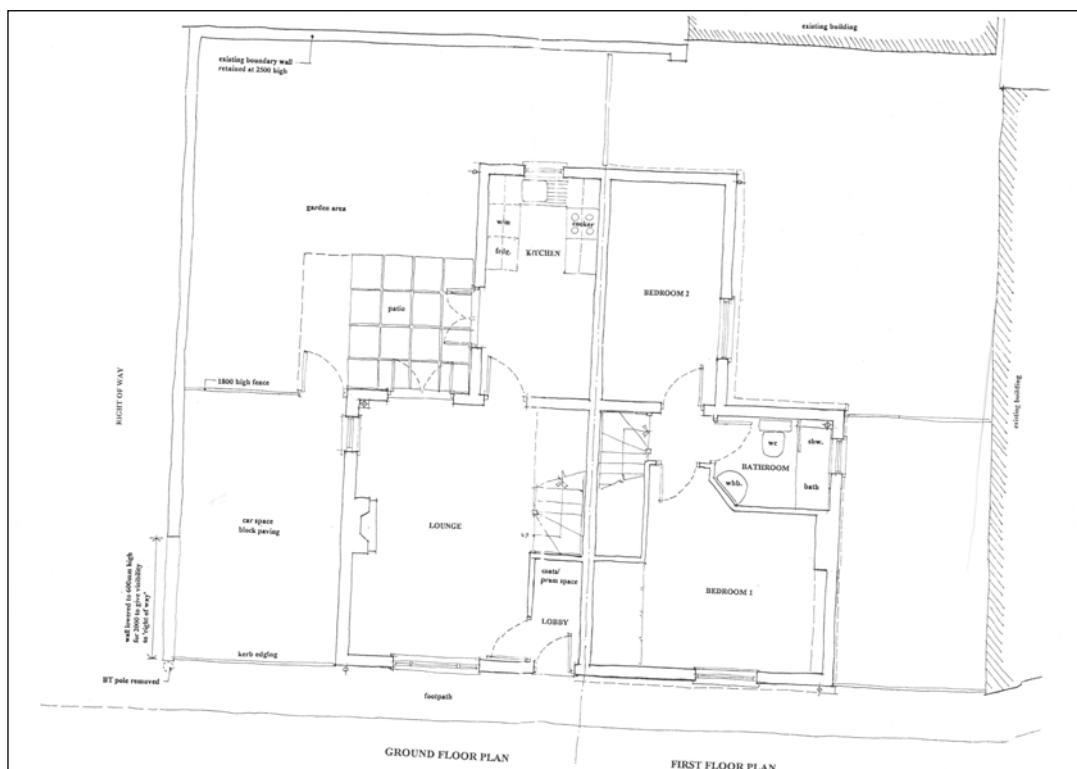
13. Great Northern Street, Huntingdon

13.1 This case study illustrates an infill site within a conservation area. The site is quite tight in terms of space but the erection of two small semi-detached houses has helped to reinforce the small-scale character of built development in the area which is predominantly residential. The scheme involves two relatively modest houses using good quality materials to reflect the traditional characteristics of the locality. A previous application for two dwellings on the site had been refused for being out of keeping with the character and appearance of the area and having an adverse impact on the amenity of neighbouring properties. Re-orientation of the layout and form of the dwellings, and improvements to the proposed materials and detailing, made the scheme acceptable and it has now been completed. One car parking space is provided for each dwelling which has high pedestrian accessibility to Huntingdon town centre.



13.2 The development comprises:

- 2 x two bedroom houses = 100%
- Total of 2 dwellings on 0.02 ha, the equivalent of 100 d/ha.



Plan showing internal arrangement of two bedroom houses and general site layout

APPENDIX 1 CONSULTATION ON THE DRAFT SPG

The Council's Cabinet considered the draft supplementary guidance at its meeting on 17 April 2003 when the document was approved for public consultation. Extensive invitations to comment were issued including parish and town councils in Huntingdonshire, planning agents, developers, housebuilders, civic and environmental interest groups. The public consultation period lasted from 9 May to 27 June 2003.

Over 40 responses were received predominantly from parish and town councils and development interests. Responses to the draft SPG split into two broad categories. It was generally supported by parish and town councils and the CPRE. Developers, housebuilders and planning agents objected in varying degrees to both the principle and the content of the draft document.

As a result of the detailed and extensive representations received from some of the development interests an independently facilitated round table discussion was arranged by the Council. This aimed to promote better understanding of the objectives and potential impacts of the SPG and to identify possible changes to the SPG which might reconcile the Council's aspirations with the need for developers to produce viable, marketable developments. This took place on 15 December 2003 with a report on the findings received on 12 January 2004. Both the outcomes of this and the original representations have been considered and revisions made to the document.

The revised SPG was approved by the Council's Cabinet at its meeting on 4 March 2004. A schedule summarising the representations received and the Council's response to them is available free of charge from our offices (*Market Housing Mix: Response to Draft SPG*), as is the report or the independent facilitator (*Report of facilitation into Huntingdonshire District Council's Draft Supplementary Planning Guidance 'Market Housing Mix'*).

APPENDIX 2 POLICY SOURCES

Planning Policy Guidance Notes (PPGs)

The Government publishes a series of Planning Policy Guidance Notes (PPGs) which set out its policies on various planning subjects. Like the supplementary planning guidance produced by local authorities, the guidance in PPGs can be a 'material consideration' in assessing particular development proposals. PPGs are revised by the Government from time to time. A full list of current PPGs can be found at <http://www.planning.odpm.gov.uk/ppg/index.htm>, from which the documents can also be viewed and downloaded. PPG3 Housing (2000) is most relevant to the issue of securing a suitable housing mix.

Regional Planning Guidance

RPG6 *Regional Planning Guidance for East Anglia to 2016* (2000) provides a regional context for local planning policies, and is also a material planning consideration. Policy 10 of RPG6 states:

Policy 10: Affordable housing and mix of dwelling types

To ensure that everyone has the opportunity of a decent home and that land and buildings are used efficiently, local and strategic planning authorities should monitor housing needs in co-operation with the regional planning body, Housing Corporation, National Housing Federation, registered social landlords, private housing developers and other regional partners. Development plans should:

- make provision for a range of dwelling types and sizes to meet the assessed needs of all sectors of the community, including the elderly and disabled;
- ensure that affordable housing is provided where it is needed in both rural and urban areas and located, wherever possible, where there are good public transport services to employment and services;
- set out clearly the mix of dwelling types that would be expected in different parts of the plan area against which development proposals can be assessed;
- include policies for securing an adequate supply of affordable housing based on local housing strategies which in turn should be based on robust local assessments of need;
- explain how the powers in Circular 6/98 (*Planning and Affordable Housing*) will be used to contribute towards meeting the need for affordable housing, including setting indicative targets for the proportion of affordable housing on specific sites;
- consider, in the Cambridge sub-region, whether there is evidence to justify the application of lower thresholds as set out in Circular 6/98 (i.e. down to developments of 15 dwellings or 0.5 hectares) and, if so, set out this justification; and
- in rural areas set appropriate thresholds for settlements with a population of 3,000 or less. Measures such as agricultural occupancy conditions and rural exceptions policy will continue to be appropriate in some circumstances.

Cambridgeshire & Peterborough Joint Structure Plan (2003)

Policy P5/4 is the key policy on meeting specific housing needs:

Policy P5/4 Meeting locally identified housing needs

Local plans should make provision to meet the locally assessed need for:

- Affordable housing, including key worker housing;
- One and two bedroom homes;
- Housing suitable for the elderly and those with mobility problems;
- Other specific groups, including students, the homeless, travellers and gypsies.

Huntingdonshire Local Plan Alteration (2002)

The following policies are particularly relevant to this SPG:

Policy HL5

Good design and layout will be required in all new housing development including conversions and changes of use. Planning permission will only be granted for development if it:

- i) achieves an efficient use of the land;
- ii) respects the townscape and landscape of the wider locality, including the local pattern of streets and spaces, building traditions and materials, and maintains open spaces, important gaps in development, mature trees and other vegetation that contributes to the quality of the local environment;
- iii) provides an appropriate mix of dwelling sizes, types and affordability;
- iv) incorporates landscaping as an integral part of the design;
- v) creates attractive, distinctive and safe places and spaces which focus on the needs of pedestrians and cyclists rather than the movement and parking of vehicles; and
- vi) promotes energy efficiency.

Policy HL6

Housing development will be at densities of between 30 and 50 dwellings per hectare. High densities will be required on sites in or close to town centres or close to public transport nodes.

Policy HL10

Housing provision in Huntingdonshire should reflect the full range of the local community's needs by ensuring a choice in new housing.

APPENDIX 3 QUICK REFERENCE CHART

The chart below is intended to give a quick indication of the mix of dwellings preferred on different sizes of site. The broad proportions are as given in paragraph 9.4:

- Providing not less than 40% of all properties with one or two bedrooms
- Providing not less than 60% of all properties with one, two or three bedrooms

Some flexibility will be needed in interpreting the guidelines, particularly where small numbers of units are involved, as obviously not all site sizes are neatly divisible into the above proportions. However, for housing estates the preferred mix for a site of 10 dwellings can be multiplied and then an appropriate mix of dwellings incorporated for the remainder. The chart below gives examples of the mix arrived at.

Size of site (private dwelling numbers)	Number of properties sought with no more than 2 bedrooms	Total number of properties sought with no more than 3 bedrooms	Number of properties with no restriction on size
3	1	1	1
5	2	3	2
8	3	5	3
10	4	6	4
13	5	8	5
15	6	9	6
18	7	11	7
20	8	12	8
25	10	15	10

APPENDIX 4 REFERENCES AND FURTHER READING

Cambridgeshire County Council and Peterborough City Council. 2003. *Cambridgeshire & Peterborough Structure Plan 2003*. Cambridge: Cambridgeshire County Council.

Government Office for the East of England. 2000. *RPG 6: Regional Planning Guidance for East Anglia to 2016*. London: The Stationery Office.

Huntingdonshire District Council. 1995. *Huntingdonshire Local Plan*. Huntingdon: HDC.

Huntingdonshire District Council. 2002. *Huntingdonshire Local Plan Alteration*. Huntingdon: HDC.

Fordham Research/ Huntingdonshire District Council. 2003. *2002 Housing Needs Survey – Main Report*. Huntingdon: HDC

Huntingdonshire District Council. 2003. *Huntingdonshire Design Guide*. Huntingdon: HDC.

KEY CHANGES PROPOSED TO DRAFT SPG ON MARKET HOUSING MIX

1. **Greater emphasis on providing 'guidance' rather than rigid requirements**

Concern was expressed by Go-East (and others) that the document went too far towards introducing new policy requirements that ought properly to be contained within the development plan itself. Whilst legal opinion on this point has been obtained and suggests that the approach in the draft is lawful, some revision of the text is considered prudent against the background of potential legal challenges. Accordingly, the wording has been changed to make clear that the document provides guidance on the way in which policies HL5 and HL10 can be implemented on specific sites.

2. **Reduction in the recommended targets for smaller units**

From the representations received, the round table discussion and monitoring of development proposals since the draft SPG was issued, it is evident that aiming for a minimum of 40% smaller units (one or two bed) is a more achievable goal across the majority of sites than the 50% target in the draft. This assessment takes into account the economics of site development, particularly on small sites. Small unit provision at 40% or above will still represent a considerable step-change in supply compared with recent trends. Moreover, the guidance urges a higher level of small unit provision where possible.

3. **Increased flexibility to take site specific material considerations into account**

Feedback on the draft, and experience with its implementation, have also pointed to the difficulty of securing a balanced mix on some infill sites: in some situations one large and one small dwelling may sit uncomfortably together, be at odds with their surroundings, or pose difficulties in terms of development economics and marketing. Changing the percentage sought from 50% to 40% also makes it difficult to apply a target to such sites, where the total number of units is usually no more than two. The revised text does however state that every effort should be made to incorporate a smaller unit on such sites (or, at the very least, a three bed property).

4. **Not pursuing the blanket removal of permitted development rights on new one and two-bed dwellings**

Further consideration of this issue during the consultation process has indicated that this provision would in practice achieve relatively little (the minimum density requirements applying to new-build properties limit the scope to extend small units in any case). At the same time, objectors were concerned that removing permitted development rights in this way would affect the marketability of properties. On balance, therefore, it is recommended that this element of the draft is removed.

5. Incorporation of case studies to illustrate good practice

Three case studies of recent development proposals in Huntingdonshire have been included to give a practical demonstration of schemes that have achieved a good mix, as well as displaying a high quality of design. These comprise an infill site, a small estate scale development and a larger housing estate.

CABINET

4 MARCH 2004

**ADOPTION OF PUBLIC OPEN SPACE, PLAY AREAS, BALANCING AREAS, LANDSCAPED AREAS AND WOODLAND
(Report by Head of Community Services)**

1 SUMMARY

In January last year, Cabinet approved policy changes in respect of the adoption of public open space, play areas, balancing areas, landscaped areas and woodland arising from new built development. In considering these changes, Cabinet was asked to give consideration to the “multiplier” used to calculate contributions from developers to maintain these areas of open space. Cabinet determined that it would postpone a decision pending the determination of further information from other local authorities concerning the level of multiplier.

2 BACKGROUND INFORMATION

2.1 Members will recall that commuted sums for maintenance are normally a multiple of the expected annual maintenance costs. This Council has applied a fifteen year multiplier that, at current rates of interest and inflation, would cover the maintenance costs for approximately eighteen years. The effect of different multipliers can be seen in the table below.

Multiplier	Number of years maintenance costs*
10	11
15	18
20	26
25	36

* Assumes a difference between interest and inflation rates of 2.25%

2.2 Officers sought information from all English and Welsh local authorities to establish levels of multiplier. Responses were received from 87 local authorities. Of those, 19 had no fixed multiplier in operation. The remainder had multipliers varying from five to twenty five years. These results are summarised in the table below.

Multiplier Range (Years)	Number of Local Authorities
5 – 9	10
10	30
11 –14	2
15	10
16 – 19	3
20	10
25	3

- 2.3 Members will note that the most common multiplier is ten years, but that an equal number of Councils have multipliers of five to nine, fifteen and twenty years. Clearly, there are significant variations in policy throughout the country.

3 IMPLICATIONS

- 3.1 Members will recognise that the Council's existing multiplier of fifteen years provides eighteen years of maintenance resource before the Council or the Town or Parish Council concerned has to resource future maintenance requirements. The main implication of reducing the multiplier would be to reduce the period before which the appropriate Council needs to resource maintenance, clearly an additional financial burden on the Council concerned. There would be financial benefits in increasing the multiplier, and thus the period before which Maintenance needs to be funded, but developers may be reluctant to comply with an increased requirement for commuted sums in respect of maintenance.
- 3.2 On balance, given that the District Council's existing fifteen year multiplier has been acceptable to most developers and the lack of a coherent national approach, it is considered that there should be no change at present.

4 CONCLUSION

The Council's officers have surveyed other local authorities that apply multipliers to annual maintenance costs to determine commuted sums for the maintenance of open space associated with new built development. In the light of this information, which shows a wide range of approaches to multipliers, it is considered that the council's existing policy should not change.


5 RECOMMENDATION

That Cabinet confirms the Council policy to apply a multiplier of fifteen years to the annual maintenance costs associated with open space and associated areas provided through new built development and destined for adoption by the Council or the appropriate Town or Parish Council.

BACKGROUND INFORMATION

Adoption Of Public Open Space, Play Areas, Balancing Areas, Landscaped Areas And Woodland. Report to Cabinet, 30 January 2003.

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CABINET

4 MARCH 2004

**WATERCOURSES – STANDARD OF PROTECTION STUDIES
GENERAL AND HILTON
(Report by Head of Environment & Transport and Head of Planning
Services)**

1. INTRODUCTION

- 1.1 Following the floods in the District in 1998, various studies have been initiated by the Environment Agency on their Main Rivers. These are called Standard of Protection Studies and are pre-feasibility studies to look at the frequency that flooding is likely to affect properties.
- 1.2 The District Council has permissive land drainage powers on non-Main rivers and has maintenance responsibilities on its riparian watercourses and its Awarded Watercourses. A joint study was commissioned by the Environment Agency and this Council for the Hilton catchment following the flooding in October 2001.
- 1.3 The Council has also engaged consultants, Mott MacDonald, to carry out an overarching Strategic Flood Risk Assessment (SFRA) for the district. This assessment will identify areas that are at risk of flooding (in a more accurate manner than the existing indicative flood plain maps), and detail these factors that are relevant to current and future flood risks. This is a requirement for, and will inform the emerging Local Development Document that will replace the Local Plan.
- 1.4 Also included in the consultants brief is for them to assess the Standard of Protection on HDC watercourses and key locations.

2. PROGRESS TO DATE:

- 2.1 The Environment Agency has produced studies for:

Alconbury & Alconbury Weston	-	SoP complete and detailed appraisal now being undertaken.
Ellington Brook	-	SoP complete and design work is progressing on minor bank improvements.
River Great Ouse	-	Hydraulic Model produced for Earith to St Neots. Standard of Protection Study being carried out.
West Brook/Hall Green-Brook, Fenstanton		SoP report complete – shows several houses at risk from under 1 in 25 year floods. Detailed appraisal being undertaken.
Parsons Drove, St Ives	-	SoP report nearing completion.

- 2.2 The Hilton Standard of Protection report has now been received from the consultants.
- 2.3 The Stage 1 of the Strategic Flood Risk Assessment has been received from Mott MacDonald.

3. HILTON STANDARD OF PROTECTION REPORT

- 3.1 Hilton was affected by flooding due to the heavy storms of October 2001. There were eight houses flooded due to this storm. These were not flooded in the 1998 floods and there is no record of these flooding on other occasions in the recent past.
- 3.2 The flood event in October 2001 at the West Brook at Hilton has been estimated at a 1 in 100 year return period.
- 3.3 It is estimated that the Standard of Protection offered to Hilton is judged to be in excess of 25 years and towards 1 in 100 years and only a small number of properties are at risk. Therefore the benefits of any improvements would be low and it would be highly unlikely that works could be justified under DEFRA grant aided criteria.
- 3.4 The DEFRA guidelines placed Hilton in land use band B, based on the number of indicative housing units at risk of flooding, and this infers an indicative standard for flood defence of 1 in 25 to 100 years.
- 3.5 The report considered what improvements could be carried out.
- 1) The watercourse upstream of Graveley Way could have the right bank raised by depositing dredgings on it. This would only work in low return period events of up to 1 in 10 year events and therefore not be very effective. A more substantial engineered embankment would be required to provide protection against more severe flood events. This would not be cost effective and may cause local problems to the farmers in draining their land in normal conditions.
 - 2) The Environment Agency maintain West Brook downstream of Hilton already. No improvements were identified to this watercourse but it is important to ensure that regular maintenance continues.

4. STRATEGIC FLOOD RISK ASSESSMENT

- 4.1 The completed Stage 1 of the Strategic Flood Risk Assessment report has identified all the information available throughout the district. This includes river catchment assessments, ground level data and flooding information.
- 4.2 Stage 2 will prepare plans which give a more accurate 1 in 100 year flood plain assessment for use with local plans and planning applications. The Environment Agency fully supports this work.
- 4.3 Stage 2 will also complete Standard of Protection studies on ordinary watercourses. It has been agreed that 22 locations shall be checked with a total length of 20 Km included.

4.4 This report is expected in April 2004 and will identify properties which may be liable to flooding and at what return period. The Council will then have to consider if it wishes to investigate solutions to these problems or not. The report will also inform the Council in respect of proposed land use allocations.

5. CONCLUSIONS

5.1 The Hilton report shows that no flooding to properties should occur within the DEFRA guidelines of 1 in 25 years. It also states that there are no cost effective improvements which could be carried out.

5.2 The Strategic Flood Risk Assessment is progressing well with the final report due in April 2004. A further report will be submitted to Cabinet once the study is complete.

6. RECOMMENDATION

6.1 It is recommended that Cabinet:

- i) note the progress the Environment Agency have made with regard to their various investigations**
- ii) note the Hilton Standard of Protection Report**
- iii) agree that no further investigation work is carried out at Hilton to raise the level of flood protection;**

BACKGROUND INFORMATION:

Hilton Village Flood Defence Standard of Protection Study.
Huntingdon Strategic Flood Risk Assessment Inception Report - Final

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CABINET

29 JANUARY 2004

EMERGENCY PLAN (Report by Head of Environment & Transport)

1. INTRODUCTION

- 1.1 Cabinet at their meeting on 29 January 2004 approved draft emergency plan prepared following the deliberations of the Flooding Advisory Group.
- 1.2 The plan was considered by the Overview and Scrutiny Panel (Planning and Finance) and Overview and Scrutiny Panel (Service Delivery and Resources) at their meetings on 10 February 2004 and 2 March 2004 respectively. This report outlines for Cabinet how it is proposed to address the issues raised by the Panels.
- 1.3 An addendum to the report detailing any further issues raised by the Overview and Scrutiny Panel (Service Delivery and Resources) will be circulated at the meeting, as they had not met at the time this report was prepared.

2. FURTHER ISSUES

- 2.1 Good communications and the provision of accurate and timely information is recognised as a key element of successful incident management. The emergency plan addresses media relations (Section 3.5), the use of the communications technology within the emergency incident room (Section 4.2) and arrangements for notifying employees and Executive Councillors with responsibility for responding to any emergency.
- 2.2 Inter-agency communications arrangements are detailed in the county-wide generic and specific plans listed in the emergency plan and these are known from experience of previous incidents to work well.
- 2.3 The plan currently does not address the community leadership role that ward councillors could undertake during an emergency and this is considered to be a weakness. It is proposed, therefore, to develop a protocol to cover this and a draft is included at Annex A.
- 2.4 The Flood Forum provides Parish Councils with an opportunity to discuss issues specifically relating to flooding incidents. However, the absence of a more structured approach to engagement with and the involvement of Parish Councils in emergency planning issues has been commented upon.
- 2.5 It is proposed that Parish Councils be consulted to establish how their role in an emergency can best be developed and supported and to develop appropriate procedures and include these in the emergency plan.

3. RECOMMENDATIONS

3.1 The Cabinet are recommended to:

1. note the concerns raised by the Overview and scrutiny Panels;
2. approve the Protocol For Notifying and Supporting Ward Councillors;
3. authorise the Director of Operational Services to consult with the Parish Councils on their role in any emergency and to report on this to a future meeting of the Cabinet.

**Contact
Officer:**

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ANNEX A

Protocol For Notifying and Supporting District Councillors

1. District Councillors are prominent within their communities and may be approached at any time for information and advice with regard to an incident that is having an impact on that community.
2. It is imperative, therefore, that at the earliest possible time all relevant ward councillors are advised of the nature of any incident affecting their communities. The Duty Officer will be responsible for notifying ward councillors by telephone at such time as this can be achieved without interrupting adversely the control and co-ordination of the response to the emergency.
3. The initial notification to a ward councillor will include –
 - the nature of the incident
 - a brief assessment of how the incident might develop
 - current response arrangements
 - current District Council control and co-ordination arrangements
 - contact arrangements for the Duty Officer
 - any arrangements in place for the public to obtain information
4. Subsequent updating of information will be at the discretion of the Duty Officer having regard to the demands of managing the incident.
5. District Councillors in their dealing with the public should seek to limit their interactions to providing and receiving information. Where they obtain information that they consider may be of use in managing the response to the incident this should be relayed to the Duty Officer, using the contact arrangements previously notified.
6. **Councillors should not give any undertaking to the public that the District Council will provide a specific local response unless the Duty Officer has confirmed this.**
7. Members should maintain records of their interactions with the public and any other agencies and surrender these to the Head of Environment and Transport when the incident has ended. These will be secured with other records relating to the incident and may be produced as evidence at any public inquiry, Police investigation, or Coroner's Court.
8. Councillors will be provided with training opportunities relating to their potential role in any emergency.

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CABINET

4th MARCH 2004

TREASURY MANAGEMENT INVESTMENT PERFORMANCE (Report by the Head of Financial Services)

1. INTRODUCTION

1.1. This report comments on the performance of the fund from April to December 2003. At 31 December 2003 the Fund Managers were managing £78m of the Council's funds: £29m with Investec, £29m with Alliance Capital and £20m with CDCM plus the interest that had accumulated in the year to December 2003.

2. PERFORMANCE SUMMARY

2.1. The quarter ending December 2003 was a difficult period for the Fund Managers that invest in gilts. However, Alliance Capital's strategy of investing in a variety of bonds (corporate and Government), proved to be the right one and they made a satisfactory return for the quarter. Investec, on the other hand, continued their run of disappointing results, because their strategy was based on a view of the gilt market that proved to be wrong.

2.2. CDCM continued their excellent performance in the third quarter. They made decisions, especially about forward deals (where they agree an investment to take place on a specific date in the future), that locked in returns of over 5%.

2.3. As a result of the October meeting of the Capital Receipts Advisory Group it was decided that Alliance Capital and Investec should each transfer £5m of their portfolio to CDCM. This transfer took place in November 2003 and CDCM were thus able to invest at a time when longer-term rates were at their peak.

2.4. The Council appointed Fund Managers with new mandates in July 2000. By 30 June 2003, after three years, Investec had produced the best cumulative performance of the three Managers. Six months later Alliance Capital has taken the prime position for performance since the start of the new arrangements.

PERFORMANCE FOR THE QUARTER OCTOBER 2003 – DECEMBER 2003					
	Performance %	HDC Benchmark %	Industry Average %	Variation from	
				HDC Benchmark %	Industry average %
Investec	0.51	0.68*	0.67	-0.17	-0.16
Alliance	0.84	0.68*	0.67	+0.16	+0.17
CDCM	1.07	0.96**	0.67	+0.11	+0.40

CUMULATIVE PERFORMANCE SINCE APRIL 2003					
	Performance %	HDC Benchmark %	Industry Average %	Variation from	
				HDC Benchmark %	Industry average %
Investec	1.89	2.12*	2.11	-0.23	-0.22
Alliance	2.45	2.12*	2.11	+0.33	+0.34
CDCM	3.13	2.69**	2.11	+0.44	+1.02

CUMULATIVE PERFORMANCE SINCE JULY 2000					
	Performance %	HDC Benchmark %	Industry Average %	Variation from	
				HDC Benchmark %	Industry average %
Investec	18.85	18.73	17.38	+0.11	+1.46
Alliance #	19.00	18.18	16.79	+0.82	+2.21
CDCM	18.81	16.61	17.38	+2.19	+1.42

The mandate with Alliance Capital started in August 2000

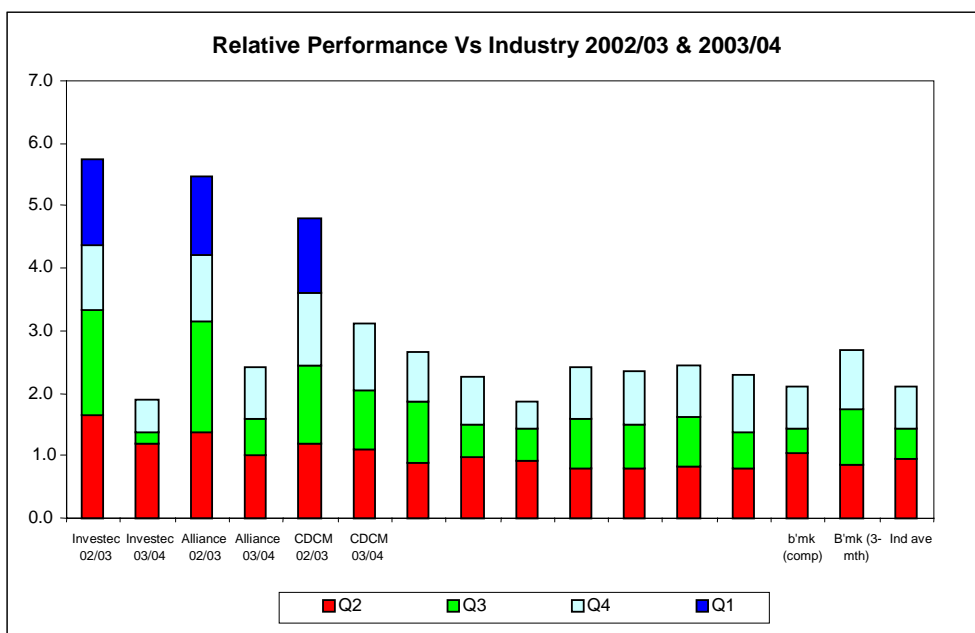
* Composite of 60% Merrill Lynch 3 month LIBID (London Inter-Bank Bid Rate) and 40% ML 0-5yr Gilt Index.

** 3 month LIBID

3. PERFORMANCE V. INDUSTRY

3.1 The graph below shows that CDCM were the best performing Fund Manager for the nine months to December 2003, whilst Investec were trailing with the worst results.

3.2 The performance for 2002/3 is also shown to highlight two aspects; firstly that returns were considerably better last year, and secondly that the relative performance of the Fund Managers has changed between 2002/3 and this year.



4. PERFORMANCE AGAINST BUDGET

- 4.1 The transfer of funds to CDCM has improved their return, but the overall position is affected to a greater degree by the continuing poor performance of Investec. It is expected that the shortfall on the budget for investment interest will be £280k. This is an increase of £50k on the £230k shortfall reported to Cabinet in December 2003.

5. RECOMMENDATIONS

- 5.1 It is recommended that Cabinet note this report.

BACKGROUND PAPERS

Working papers in Financial Services

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