
Cabinet

Report of the meetings held on 22nd October and 19th November 2015.

Matters for Decision

26. TREASURY MANAGEMENT 6-MONTH PERFORMANCE REVIEW

By way of a report from the Head of Resources (a copy of which is reproduced as Appendix A hereto), **and having considered the comments of the Overview and Scrutiny Panel (Economic Well-Being) (Item No.27 of their Report refers)** the Cabinet has been updated on the Council's treasury management activity for the first 6 months of the year, including investment and borrowing activity and treasury performance.

With the forthcoming Commercial Investment Strategy Business Plan it is anticipated that the Treasury Management report will evolve into a more substantial document. Best practice and prescribed treasury management guidance requires that Members are informed in respect of treasury management activity. As a result the Cabinet has noted the report and

RECOMMENDS

that the Council consider the Treasury Management 6-Month Performance Review report.

Matters for Information

27. REPLACEMENT FINANCIAL MANAGEMENT SYSTEM

The Cabinet has approved the Council's involvement in the procurement and implementation of a new Financial Management System (FMS) in partnership with its strategic partners, Cambridge City Council (CCC) and South Cambridgeshire District Council (SCDC).

The FMS that the Council currently uses has been in operation for a number of years with little improvements or modification to the system. Although the system continues to meet basic accounting requirements a new system will provide better financial reporting, improved financial management and support the sharing of finance resources.

Both CCC and SCDC recently gained approval from their Members for the joint procurement of a new FMS and it is considered that there are

distinct advantages for the Council to enter into a joint procurement exercise.

Until the formal procurement has concluded, the exact costs of a new FMS are unknown and the financial figures contained within the Officer's report are indicative figures. However, CCC undertook some preliminary soft market testing earlier in 2015 and the initial costing exercise has indicated a range of possible costs, which ultimately depend on the system eventually procured. As both CCC and SCDC are statutory landlords and this service is financially resource intensive, it is assumed that the Council's implementation and subscription costs will be less as the Council does not operate a Housing Revenue Account.

The Cabinet has agreed that although the matter has progressed quicker than expected, it is an opportune time to enter into a joint procurement exercise with CCC and SCDC.

In response to questions, the Cabinet has been assured that the replacement FMS would meet the required International Financial Reporting Standards. The savings identified are from the licence fee of the current FMS and other efficiency savings that the replacement system will deliver.

The Cabinet has agreed to release up to £258,667 to finance the £192,000 capital acquisition and implementation costs and £66,667 first year revenue costs from the Special Earmarked Reserve.

The Cabinet has also delegated final approval, subject to a 10% contingency, to the Head of Resources in consultation with the Executive Councillor for Resources, for the release of the reserve to finance this project.

28. URGENT REPAIRS TO THE OCTAGON BUILDING, ST IVES

The Cabinet has approved a capital allocation of £50,000 to repair and preserve the historic Octagon building in St Ives.

The Octagon building is owned by the Council and is located within the Cattle Market Car Park in St Ives. The building is not listed but does have protection against demolition as it is in the Conservation Area.

The condition of the building is such that repairs are now required to ensure that the structure is made safe, is able to be secured and to improve the use of the internal space.

The repairs identified in the visible condition survey were estimated at £40,629. However, as the estimate does not include a contingent for others works that may be necessary, a budget of £50,000 is considered more appropriate.

The budget of £50,000 is able to be accommodated from the 2015/16 capital programme underspend.

Prior to the meeting the Cabinet received written representations from the two Local Ward Members, Councillors J W Davies and Mrs A Dickinson, who both supported the recommendation contained within the Officer's report.

Councillor R Fuller, as a Ward Member for St Ives, expressed support of the recommendation whilst addressing the Cabinet.

There has been little maintenance on the building since the Council carried out a significant amount of work a number of years ago and it is therefore important that the building is maintained in the future.

In discussing the potential uses of the building the Cabinet has suggested that the building is more appropriate to community use than commercial, and community groups will be encouraged to approach the Council.

The Cabinet hopes that the local District Ward Members will engage with the local Town Councillors regarding potential future uses of the building.

29. PRESENTATION ON EMPLOYEE OPINION SURVEY RESULTS 2015

The Cabinet has received a presentation on the results of the Employee Opinion Survey results for 2015.

For comparison purposes and to measure progress, the questions contained in the Survey are largely based on those questions previously asked in 2014. The Council is committed to asking the same questions again on an annual basis to establish whether the actions introduced are making a difference.

There has been an increased response rate to the 2015 survey and the response rate of 55% is considered to be good for a local authority. 82% of responses have indicated which of the seven service areas they work in, compared to 64% last year, which demonstrates that more people feel able to share the details of where they work.

The Cabinet has been acquainted with the broad findings under each of the subject areas in the questionnaire. While there is an overall improvement in nearly all results since the 2014 Survey, with many results appearing to show that the actions taken in response to last year's survey are making a difference, more action is required to make the Council a better place to work.

In response to questions, the Cabinet has been informed that although the Operations Service has the lowest response rate to the Survey, it is only by 1% compared to the next lowest responding service area, and that the Corporate Management Team are most disappointed with the results in relation to questions on communication, harassment and bullying.

The Cabinet has agreed that the results of the Survey are positive and moving in the right direction, which is expected given the significant changes that occurred last year with the appointment of the new Senior Management Team now in place. However, there is still room for improvement which will be made difficult by the financial pressures that the Council continues to experience. The Cabinet anticipates that the results of the Survey next year will improve further.

30. CORPORATE PLAN AND FINANCE – INTEGRATED PERFORMANCE REPORT (QUARTER 2)

Having considered the comments of the Overview and Scrutiny Panel (Economic Well-Being) (Item No.28 and of their Report refers) the Cabinet has received progress against the Key Activities and Corporate Indicators listed in the Council's Corporate Plan for 2015/16 for the period 1st July to 30th September 2015 and updates on current projects.

Progress against the Corporate Plan objectives is reported quarterly and performance data has been provided in the form of a narrative of achievement accompanied with a Red/Amber/Green status against each Key Action in the Corporate Plan.

To enable the Capita software system to be upgraded, the Cabinet has approved the inclusion of this supplementary capital bid to the 2015/16 capital programme. The system enables the processing of payments received by the Council via credit and debit cards using on-line payments on the Council's website, automated phone payments and payments at the Call Centre. The system will be upgraded to a cloud based system with an additional interface to the Leisure Centres as currently these are inputted manually.

The Cabinet expressed appreciation to Officers and Members at the progress the Council continues to make. Capital spend is being well controlled and there is consideration about project costs and how projects are financed. There is now better governance of projects and discipline of the information being input into the system on progress with projects.

As a result of planning permissions not being implemented, the Cabinet were frustrated that the New Home Bonus was not achieving as forecast. It was noted that the Council has granted ample planning permissions. However, developers were choosing to 'land bank' and not progress planning permissions which was a national issue that Government needs to address. The New Homes Bonus is calculated on the annual average completion rate over 25 years and work is underway to provide a more accurate forecast in light of the current situation.

31. REVIEW OF THE COUNCIL'S LETTINGS POLICY

The Cabinet has approved the revised Council's Lettings Policy following necessary changes in light of new legislation and statutory guidance.

The Council is required by law to have an allocations scheme for determining priorities in the allocation of social rented housing, which is the Lettings Policy. Following changes to legislation, the Council is required to review its allocation schemes to provide for social tenants who need to move to be closer to work, or accept an offer of work, where failure to meet that need would cause hardship to themselves or others. The Council's Policy already provides for those people that are in work within the District, providing them with a local connection to the area. However, it does not specifically provide for those that have a genuine offer of employment in the District and may suffer hardship if they are unable to take up that offer.

The Council's Lettings Policy has been amended to include new local connection criteria so that households that meet this criterion and need to move between local authorities are not disadvantaged.

The Council is required to reserve a proportion of its lettings to households within this 'Right to Move' category, which the Secretary of State recommends is at least 1%. This equates to four to six lettings per year in this District and this quota system and percentage has been included within the Lettings Policy.

It has been noted that references in the footer of the document to 'Territorial Army' should be replaced with 'Regular Army Reserve' to ensure the correct use of terminology.¹

32. ESTABLISHMENT OF A PROCESS FOLLOWING THE RECEIPT OF AN EXAMINER'S REPORT INTO A NEIGHBOURHOOD PLAN

Having considered the comments of the Overview and Scrutiny Panel (Environmental Well-Being) (Item No. 23 of their Report refers) the Cabinet has agreed the process in determining whether a Neighbourhood Plan progresses to Referendum and notes the requirements of the Regulations in relation to Referendums.

St Neots Neighbourhood Plan is at the Referendum stage and the Council is receiving more expressions of interest from other Town AND Parish Councils regarding developing Neighbourhood Plans. Therefore a process is required.

Following examination of a Neighbourhood Plan, the Examiner issues a report to the Local Planning Authority and the respective Town/Parish Council preparing the Neighbourhood Plan. The Examiner is required to recommend one of three options:

- i. That the Neighbourhood Plan proceeds to Referendum as submitted;

¹ Following the request of the Cabinet, the definitions in the footer of the Lettings Policy relate to definitions within the 2006 Armed Forces Act, which the Council is required to comply with. The Armed Forces Act has been amended and 'Army Reserve' is now 'Regular Reserve' and the 'Territorial Army' is now the 'Army Reserve'. These amendments will be reflected in the Policy.

- ii. That the Neighbourhood Plan is modified by the Local Planning Authority to meet the basic conditions and the modified version proceeds to Referendum; or
- iii. That the Neighbourhood Plan does not proceed to Referendum as it fails to meet the basic conditions or legislative requirements and cannot be modified to do so.

Following the examination and receipt of the Examiner's Report the Local Planning Authority has limited options. It can:

- a. Where the Examiner recommends that the Plan meets the basic conditions or can meet the basic conditions, subject to modifications, act upon the Examiner's Report and progress the Neighbourhood Plan to Referendum;
- b. Propose to take a decision substantially different from the Examiner's recommendation which is wholly or partly as a result of new evidence or a different view taken by the Local Planning Authority on a particular fact. In this instance the Local Planning Authority must notify all those identified in the consultation statement and invite representations on the alternative decision. Where necessary as a result of the representations the Local Planning Authority must reopen the examination;
- c. Decide not to progress the Neighbourhood Plan to Referendum if the Examiner's report states that it fails to meet the basic conditions or legislative requirements and cannot be modified to do so.

If a Neighbourhood Plan is successful at Referendum it will form part of the Statutory Development Plan for Huntingdonshire.

Once the Examiner's Report on a Neighbourhood Plan has been received the Cabinet will be presented with a report to determine which of the options is appropriate and, if necessary, a draft Decision Statement with modifications that the Examiner considers are required to the Plan to meet the required basic conditions.

Concern has been expressed by the Cabinet that should a Neighbourhood Plan, once adopted, be challenged that the Council will be at financial risk. It is therefore important to ensure that any Plan accords with the Council's policies and that the motivator of devising a Plan is to support local needs and not for supposed financial gain from Community Infrastructure Levy funds. The Cabinet were informed that unless there is general conformity with the Council's Local Plan the Examiner will not recommend that the Plan proceeds to a Referendum.

It has been noted that promotion regarding a Neighbourhood Plan and a Referendum is the responsibility of the respective Town/Parish Council and that there is considerable implications for resources both in terms of staff time and costs for providing assistance to a Town/Parish Council undertaking a Neighbourhood Plan, examination and Referendum. The Department for Communities and Local Government has made grants of up to £30,000 available to local planning authorities for each Neighbourhood Plan which is expected,

by Government, to cover the costs of the Examination and Referendum.

33. ST NEOTS NEIGHBOURHOOD PLAN EXAMINATION OUTCOME AND PROGRESSION TO REFERENDUM

Having considered the comments of the Overview and Scrutiny Panel (Environmental Well-Being) (Item No.24 of their Report refers) the Cabinet has agreed that the District Council should act upon the Examiner's Report and recommended modifications and that St Neots Neighbourhood Plan should proceed to a Referendum.

The process for determining whether a Neighbourhood Plan progresses to Referendum following the receipt of an Examiner's report has been agreed by the Cabinet separately in Item No.32 ante.

St Neots Neighbourhood Plan is the first in Huntingdonshire to progress through Examination. The Examiner has accepted that, with appropriate modifications, the Neighbourhood Plan will meet the basic conditions against which it is required to be tested to be able to progress to Referendum.

The Examination of the St Neots Neighbourhood Plan took place during January to February 2015 with the final report being issued in February 2015. The Examiner proposed a substantial number of modifications which were discussed with St Neots Town Council. The Examiner presented options for the Town Council to consider and has agreed with their preferred modifications which includes deleting the chapter on Entertainment and Leisure in order to designate Riverside Park and Regatta Meadow as local green spaces.

The Cabinet were referred to the copy of the Neighbourhood Plan submitted for Examination and the document detailing the modifications required by the Examiner, as appended to the Officer's report. It has been noted that it is the responsibility of St Neots Town Council to incorporate these amendments into a finalised copy of the Neighbourhood Plan.

It is considered that the modifications as now proposed will enable the St Neots Neighbourhood Plan to meet the basic conditions required and that there is no new evidence or a different view by the Local Planning Authority to require those identified in the consultation statement to be notified or for the Examination to be reopened.

Preparations will be made for a Referendum to be held on the St Neots Neighbourhood Plan in accordance with the Regulations and using the guidance provided by the Planning Advisory Service and Local Government Association. A tentative date of 4th February 2016 has been reserved for the Referendum.

The Examiner is required to recommend the area to be covered by the Referendum. In this instance it is recommended that the Referendum

encompass the St Neots Neighbourhood Plan area, as approved on 17th October 2013.

At the Referendum the electorate will be asked to vote on the question: 'Do you want Huntingdonshire District Council to use the Neighbourhood Plan for St Neots to help it decide planning applications in the neighbourhood area?'

If the results are a majority 'yes' vote Full Council will be asked to adopt the Neighbourhood Plan at its next available meeting. The Plan will then form part of the Statutory Development Plan for the area.

The Cabinet has been advised that it is the responsibility of the respective Town/Parish Council to promote the Referendum and that the Extra Burden Grant should meet the costs of the Referendum.

In discussing the tentative date of the Referendum, the Cabinet suggested that due to adverse weather, Winter is not the optimal time to hold a Referendum. In order to enable better community engagement in the process through a larger turnout, the Cabinet has requested that St Neots Town Council be approached to consider holding the Referendum in May 2016 alongside the scheduled elections.

The Cabinet has agreed that St Neots Town Council has been successful to progress the Neighbourhood Plan to this stage.

34. FINDINGS AND RECOMMENDATIONS OF AFFORDABLE HOUSING WORKING GROUP

At the request of the Overview and Scrutiny Panel (Social Well-being) (Item No. 21 of their Report refers), the Cabinet has been asked to consider and respond to the findings and final recommendations of the Affordable Housing Working Group.

The Working Group was originally established in March 2014 by the Overview and Scrutiny (Social Well-being) Panel to investigate the policies and procedures of Registered Providers. In July/August 2014 the Group's remit was amended to undertake a study on affordable housing.

The Cabinet has endorsed the following recommendations made by the Affordable Housing Working Group, that during the development of the Housing Strategy for 2016-19 and the Local Plan to 2036:

- the Council should actively promote the provision of affordable housing on exceptions sites to Town and Parish Councils;
- where a Parish Council does not support an exceptions site, the Council should continue to fulfil its duty to meet identified affordable housing need;
- a systematic assessment should be carried out of all land to identify potential sites for affordable housing to then be matched to needs (strategic housing land availability assessment); and

- the threshold for developments on which on-site affordable housing can be sought should be lowered from 15 to 10 dwellings.

There have been incidences where a Town and Parish Council have not supported an affordable development on an exceptions site that has resulted in the non-delivery of affordable housing. The Cabinet has agreed that early engagement with Town and Parish Councils is essential to prevent misinformation, to gain their support and to prevent pressure groups forming. It is hoped that Ward Members will assist in this role. However, in the event that a Town or Parish Council does not support a viable exceptions site, the Cabinet endorses the view that the Council should take decisions that are in the best interests of the area and should fulfil its duty to meet identified affordable housing need.

The Working Group has considered Government initiatives and their impact on the supply of new affordable housing. The policy target of 40% affordable housing still applies to all developments but there is the availability of negotiation where this is not viable. The Cabinet has noted that the 40% affordable housing is being achieved on smaller developments.

The Working Group has been informed that the Council can seek affordable housing contributions where there is a clear case of disaggregation of the site where a developer intends to build on separate parts of a larger site over a long period. The Council's current threshold is 15 homes on urban sites due to previous Government policy.

Whilst referring to Community Land Trusts, it has been noted that the Working Group has been acquainted with examples of Community Land Trusts in various areas, including in East Cambridgeshire. However, the Group does not consider that Huntingdonshire should devote the same level of resources to encouraging Community Land Trusts but considers that they should be recognised amongst the potential tools available to local communities for delivering affordable housing.

It has been noted that there is a need to prevent and to allay fears that affordable housing on rural exception sites developed on charitable land can be purchased by a person without a local connection.

The Cabinet accepts that there is a will and appetite to deliver affordable housing but land owners will not offer land for minimal financial gain. Therefore the Council needs to consider what it can do to enable the development of dwellings that are affordable to allow local people of all ages to remain living where they want to. As a result of these discussions the Cabinet resolved that the Council will:

- take legal advice to explore options to protect local houses for local people on rural development schemes through, amongst other things, covenants, joint ventures and charitable mechanisms.

The Cabinet has expressed congratulations to the Working Group for the comprehensive report.

35. HUNTINGDONSHIRE LOCAL PLAN TO 2036

Having considered the comments of the Overview and Scrutiny Panel (Environmental Well-Being) (Item No. 22 of their Report refers) the Cabinet has noted the Government's new timescales for the plan preparation process and the progress on the preparation of the Huntingdonshire Local Plan to 2036.

Government has announced that it expects new Local Plans '*... to be written ...*' by early 2017. By the end of March 2017 Local Plans need to be at least at the second statutory stage of the Local Plan Examination process – known as the Submission stage. This is the point at which the Local Plan can be deemed to have been 'written' by the Local Planning Authority, although it will still be subject to an Examination in Public by an independent Planning Inspector. Where Local Planning Authorities are not making sufficient progress in preparing new Local Plans the Government has indicated that it will use sanctions if required to intervene.

The Local Plan is being prepared in the format of a single Local Plan document containing Huntingdonshire's Planning Strategy, Development Management Policies and Site Allocations. When adopted the Local Plan will be the District Council's most up to date Statement of Planning Policy and will form the statutory Development Plan for Huntingdonshire, along with any Neighbourhood Plans that are formally 'made' following a local Referendum, the Cambridgeshire County Council's Minerals and Waste Core Strategy (2011) and Site Specific Proposals Plan (2012). It will be compliant with national planning policy and will replace the existing Huntingdonshire Development Plan Documents which are the Huntingdonshire Local Plan 1995, the Huntingdonshire Local Plan Alteration 2002, the Huntingdonshire Core Strategy (2009) and the Huntingdon West Area Action Plan (2011).

Over the years a series of Supplementary Planning Documents (SPDs) have been prepared to complement and provide relevant detail on the current Development Plan policies. It is permissible to maintain a suite of SPDs to complement Local Plan policies and there will need to be a process and programme for considering which SPDs should be removed or updated and whether new SPDs are required.

The next stage in the process is the formal statutory stages, known as the Proposed Submission, Submission, Examination, and Adoption stages. The Examination stage is where the finalised and detailed Local Plan and its supporting evidence base are tested by an independent Planning Inspector. If it is found to be 'sound', the Plan can be adopted as part of the Development Plan for Huntingdonshire.

There are key pieces of supporting evidence for the Local Plan that need to be completed, such as the traffic modelling and an updated Strategic Flood Risk assessment. In order to complete the Supporting

Evidence, the Cabinet has been advised that the Council will need to commission Consultants and that the Planning Policy budget includes provision for this.

The Cabinet has been advised that the National Planning Policy Framework requirement is to identify a supply of sites for years 1-10 and, where possible, for years 11-15. The District Council has been progressing the Local Plan with the intention of identifying a supply of specific, developable sites for years 1-15. The traffic modelling work, still to be completed, is in part required to consider whether and how the proposed allocation at Wyton Airfield could be delivered.

The Cabinet has endorsed the proposed way forward that, alongside the evidence referred to in paragraphs 3.5 and 3.6 of the Officer's report, the District Council explores the identification of a supply of sites for years 1-10 from the date of adoption only if it appears that identifying sites for years 11-15 will unduly delay the submission of the Local Plan.

The Cabinet has instructed that as a priority, infrastructure requirements for Wyton Airfield are further scoped with a view they can be identified and fully costed.

The Cabinet will receive quarterly update reports on progress with the Local Plan.

36. SAFETY ADVISORY GROUP

The Cabinet has received the report of the Safety Advisory Group meeting held on 9th September 2015.

37. HINCHINGBROOKE COUNTRY PARK JOINT GROUP

The Cabinet has received the notes of Hinchingsbrooke Country Park Joint Group meeting held on 16th October 2015.

38. ONE LEISURE NEGOTIATIONS

(The following item was considered as a confidential item under paragraphs 3 and 4 of Part 1 of Schedule 12A of the Local Government Act 1972).

The Cabinet has approved delegated authority to the Corporate Director (Delivery) after consultation with the Executive Member for Commercial Activities, regarding negotiations relating to One Leisure, as contained within the confidential report.

Having considered the comments of the Overview and Scrutiny Panel (Economic Well-Being) (Item No.30 of their Report refers), the Cabinet were assured that there would be no financial risk to the Council.

The Cabinet considered the additional recommendation from the Overview and Scrutiny Panel (Economic Well-Being) and concluded

that it is more appropriate for the Panel to receive a report once negotiations have concluded.

J D Ablewhite
Chairman