

# GENERAL PURPOSES COMMITTEE



**Date: Tuesday, 20 September 2016**

**Democratic and Members' Services**

Quentin Baker

LGSS Director: Law and Governance

**10:00hr**

Shire Hall  
Castle Hill  
Cambridge  
CB3 0AP

**Kreis Viersen Room  
Shire Hall, Castle Hill, Cambridge, CB3 0AP**

## AGENDA

Open to Public and Press

### CONSTITUTIONAL MATTERS

- 1 Apologies for absence and declarations of interest**  
*Guidance on declaring interests is available at*  
<http://tinyurl.com/cccd-dec-of-interests>
- 2 Minutes-26th July 2016 and Action Log** **5 - 28**
- 3 Petitions**

### KEY DECISIONS

- 4 Transformation Fund Bids**
  - a) Assistive Technology in Older People's Care & Assessments** **29 - 36**

<b>b) Renegotiation of the Waste PFI Contract</b>	<b>37 - 42</b>
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## **OTHER DECISIONS**

<b>5</b>	<b>Finance and Performance Report - July 2016</b>	<b>43 - 70</b>
<b>6</b>	<b>Integrated Resources and Performance Report for the period ending 31st July 2016</b>	<b>71 - 94</b>
<b>7</b>	<b>Community Resilience and Cambridgeshire County Council's Innovation Fund</b>	<b>95 - 106</b>
<b>8</b>	<b>Demography Update</b>	<b>107 - 110</b>
<b>9</b>	<b>Service Committee Review of the Draft 2017-18 Capital Programme</b>	<b>111 - 124</b>
<b>10</b>	<b>Treasury Management Quarter 1</b>	<b>125 - 144</b>
<b>11</b>	<b>Corporate Risk Register Update</b>	<b>145 - 166</b>
<b>12</b>	<b>General Purposes Committee Agenda Plan, Training Plan and Appointments to Outside Bodies, Partnership Liaison and Advisory Groups, and Internal Advisory Groups and Panels</b>	<b>167 - 176</b>

The General Purposes Committee comprises the following members:

Councillor Steve Count (Chairman) Councillor Roger Hickford (Vice-Chairman)

Councillor Anna Bailey Councillor Ian Bates Councillor David Brown Councillor Paul Bullen  
Councillor Edward Cearnis Councillor John Hipkin Councillor David Jenkins Councillor  
Maurice Leeke Councillor Mac McGuire Councillor Lucy Nethsingha Councillor Tony Orgee  
Councillor Peter Reeve Councillor Michael Tew Councillor Ashley Walsh and Councillor  
Joan Whitehead

*For more information about this meeting, including access arrangements and facilities for people with disabilities, please contact*

Clerk Name: Michelle Rowe

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**GENERAL PURPOSES COMMITTEE: MINUTES**

**Date:** Tuesday, 26th July 2016

**Time:** 10.00a.m. – 1.50p.m.

**Present:** Councillors Bailey, Bates, D Brown, Bullen, Cearns, Count (Chairman), Hickford, Jenkins, Leeke, McGuire, Nethsingha, Orgee, Reeve, Tew, Walsh and Whitehead

**235. DECLARATIONS OF INTEREST**

There were no declarations of interest.

**236. MINUTES – 31ST MAY 2016 AND ACTION LOG**

The minutes of the meeting held on 31st May 2016 were agreed as a correct record and signed by the Chairman. The Action Log was noted.

**237. PETITIONS**

No petitions were received.

*With the agreement of the Committee, Agenda Items No.14 and 15 were considered at this stage to avoid duplication with Items No 4 and 5.*

**238. FINANCE AND PERFORMANCE REPORT – OUTTURN 2015-16**

The Committee was presented with the Outturn Finance and Performance report for Corporate Services and LGSS Cambridge Office for 2015-16. Attention was drawn to the main issues, which included a change in Minimum Revenue Provision Policy to create the Transformation Fund.

One Member queried the level of underspend which appeared to be a theme throughout the whole agenda. The Chief Finance Officer (CFO) reminded the Committee that there was likely to be some variation on a total budget of £550m. He was minimising variations via a number of controls but it was challenging when some budgets were demand led. The Committee requested that information be included in future reports to clarify the “Virement from LGSS Cambridge Office to CFA and ETE” which was an accounting issue to reflect the fact that LGSS could not hold overheads.

It was resolved unanimously to review, note and comment upon the report.

**239. FINANCE AND PERFORMANCE REPORT – MAY 2016**

The Committee was presented with the May 2016 Finance and Performance report for Corporate Services and LGSS Cambridge Office. Attention was drawn to the Corporate Capacity Review where an overspend of £1,501k was being forecast. The CFO reported that the Review would require significant consultation with staff across a

different range of services, which would take time. It was not yet clear how quickly the Review savings would be delivered in the current financial year but the projected overspend, which had been overstated, was expected to reduce. It was clarified that new structures should be in place by 1 January 2017. The Chairman highlighted the fact that the savings should not be taken from service delivery. In response to a request from the Chairman, the CFO agreed to provide an update on progress at the next meeting detailing the timeline, changes and other areas to minimise the overspend. **Action Required.**

One Member expressed concern about the increase costs in the Renewable Energy Soham scheme due to currency changes regarding solar panels. It was queried why the Council had not purchased in advance. The CFO acknowledged that in hindsight the Council could have fixed the price before the Referendum. However, the actual draw down had only recently taken place when the exchange rate had gone up so the Council had achieved in excess of what had been planned. The Chairman queried why the supplier had not taken the risk and the need to manage risk by hedging for example. The CFO agreed to provide the Committee with a briefing note on this issue. **Action Required.**

The Chairman also drew attention to slippage in the Renewable Energy Scheme and asked that all slippage should not be reflected as an underspend in future reports, a better description was needed as it gave a false impression of the Council's finances.

It was resolved unanimously to review, note and comment upon the report.

## **240. INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR THE PERIOD ENDING 31ST MARCH 2016**

The Committee received the operational report detailing the resources and performance position for the financial year 2015/16. It was noted that this management report preceded the production of the Council's formal Statement of Accounts on which the audit opinion would be formed. As a result of balance sheet activities being reviewed, a number of Year End Adjustments had been identified for approval. Attention was drawn to the level of underspend, which had been used to fund the zero percentage increase in Council Tax. During discussion, Members raised the following:

- queried whether £1.6m of Section 106 funding had been paid back after it had been identified that secondary school funding had been applied to a primary school scheme. The CFO agreed to investigate and provide the Committee with a briefing note. **Action Required.** The Chairman reported that this issue was part of recommendation c), he therefore proposed, with the agreement of the Committee, that this recommendation should be delegated to the CFO, in consultation with the Chairman, to enable a decision to be taken once clarification of the reasons for the reduction in Section 106 funding had been established. The Committee was informed of the procedures which could be taken if a mistake was identified. The Chairman queried whether a pilot report on employee performance management would be helpful to the Council, he asked the Chief Executive to raise it directly with the Chairman of Staffing and Appeals Committee. **Action Required.**

- welcomed the action being taken to reduce the level of inequalities across the Council as detailed on page 23 of the report. It was noted that the outcome was a key performance indicator.
- requested more information on the underspend for IT Managed. The CFO reported that as part of the Transformation Review, he had conducted a review of reserves on the balance sheet. He explained that if Services were unable to justify a use for the underspend then it was returned to corporate reserves. The funding could be reinstated if the Service presented a robust programme for its use.
- highlighted the fact that the level of school reserves had been raised at Schools' Forum as it was important that the funding was spent on pupils. Unfortunately, Academy Schools had not provided the Council with this information. One Member suggested that the Committee should write to the Regional Schools' Commissioner to ask about balances as the Council needed this information as part of its budget setting process. It was possible that some secondary schools might have the funding to support projects relating, for example, to the mental health of young people. The Chairwoman of Children and Young People Committee reported that the Commissioner would be attending the September meeting of the Committee. A letter would be sent to the Commissioner in advance alerting him of the questions to be asked so that he could have the answers ready for committee.
- highlighted the need to reflect the different funding streams for Looked After Children (LAC), as one group was funded by the Council, and the other relating to unaccompanied asylum LAC directly by the Government. The Committee asked for these figures to be split in future particularly as they had different performance indicators and impacts.
- expressed disappointment at the Government announcement to delay the introduction of a new Schools' Funding Formula. The Chairman reported that he had asked the Chief Executive to write to Government expressing the Council's disappointment and the need for some interim funding. He proposed that the letter should be co-signed by the County's MPs. **Action Required.** It was noted that although the interim funding received last year was now in the base budget, Cambridgeshire was still in the bottom quartile for schools funding.
- reported that an increase in Adult Social Care precept although ring fenced was still an increase in Council Tax. One Member reminded the Committee of the events which had taken place at Council and suggested that the Council was subsidising revenue out of capital. The Chairman explained that the underspend had informed decision making at full Council. However, it was important to note that there was no cross subsidising of revenue with capital funding.

It was resolved unanimously to:

- a) Note the Council's year-end resources and performance position for 2015/16.
- b) Approve the adjustments for year-end provisions, as set out in paragraph 3.2.5.
- c) Delegate to the Chief Finance Officer, in consultation with the Chairman of General Purposes Committee, the approval of the changes to the Prudential Borrowing

requirement in 2015/16, as set out in section 11.5, following clarification of the reasons for the reduction in Section 106 funding available.

## **241. INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR THE PERIOD ENDING 31ST MAY 2016**

The Committee received a report detailing the financial and performance information to assess progress in delivering the Council's Business Plan. The CFO reported that the projected overspend was within parameters and was significantly less than the same time last year. During discussion, Members raised the following:

- queried why the Committee was being asked to note remedial action when there was no remedial action detailed in the report in relation to the overspends in Children, Families and Adults. The Chairwoman of Children and Young People Committee reported that action was already being taken to address the overspends and it would be included in the next report to General Purposes Committee. **Action Required.** The Chairman of Adults Committee outlined some of the remedial action taking place in his area. One Member raised the need to consider requests from committees if the budget for a certain service, such as LAC, was considered unrealistic to manage demand. Another Member suggested that this highlighted the need for an outcome focused approach to budgeting.
- queried what percentage of the total scheme budget had been allocated to Fulbourn, Melbourn and Wyton primaries as detailed in Section 6.6.2. The CFO reported that these costs reflected the variation in the 2016/17 programme; costs beyond the financial year would be picked up via the Business Plan programme. He agreed to reflect future information in a table form. Another Member raised the need to put overspends such as the Wyton Primary scheme in context in order to understand whether these were significant figures in proportion. There was also concern about any future financial impact on the Council because of the delay in housing development. The CFO agreed to provide a written response in relation to this issue. **Action Required.**
- queried why the Council was revised phasing Highways Maintenance. The CFO agreed to provide a briefing note on this issue. **Action Required.**
- requested information on action to address credit control as detailed in section 8.1. The CFO reported that he had already commissioned a report on this issue and would report back to Committee. **Action Required.**
- requested up to date information in relation to performance indicators for "Additional jobs created" and "Out of work benefits claimants". It was noted that the number of looked after children per 10,000 children should be 40 and not 40%.
- queried why there was a performance indicator for "The proportion pupils attending Cambridgeshire Secondary schools judged good or outstanding by Ofsted" when the Council had no control over academy schools. The Chief Executive reported that the Council retained responsibility for school attainment. Although it was a challenge, the Council's communities expected it to influence attainment. The Chairwoman of Children and Young People Committee agreed to raise this issue



with the Regional Schools' Commissioner. In contrast, the Committee drew attention to the fantastic performance of Cambridgeshire Special Schools.

- noted a request from one Member for a briefing on unaccompanied asylum LAC in relation to the number of years of funding provided by the Government, the number coming into the service and whether they were contributing to the Council's overspend.

It was resolved unanimously to:

- a) Analyse resources and performance information and note the remedial action currently being taken and consider if any further remedial action was required.
- b) Approve the changes to capital funding requirements as set out in section 6.9.
- c) Approve the allocation of the Staying Put Implementation Grant and the Special Educational Needs and Disability (SEND) Implementation Grant as set out in section 7.1.
- d) Consider and approve the proposals for the use of service reserves, as set out in Appendix 4.
- e) Consider and approve the virements within CFA, as set out in Appendix 5.

## **242. DETAILED BUSINESS CASE FOR THE DEVELOPMENT OF AN AGENCY COMPANY WITH CAMBRIDGESHIRE COUNTY COUNCIL**

The Committee considered a report setting out the business case for working with Suffolk County Council (via Opus People Solutions) on the future arrangements for the supply of agency resources. Attention was drawn to the main issues which as well as the business case also included the potential for further savings through expanding this arrangement to other partners such as Peterborough, Northamptonshire and Milton Keynes. A two stage process was therefore proposed, which would involve working with Opus as part of stage one, and negotiating a wider "success in growth" partnership model with Opus as part of stage two.

With the agreement of the Committee, the Chairman proposed an amendment to change the date in recommendation a) to 9 January 2017 and recommendation c) to 8 January 2017 in order to reflect the impact of the public holiday season.

In welcoming the report, Members made the following comments:

- queried the need to also consider the recruitment of non-social care agency staff. It was noted that the contract was about wider agency usage and not just social care.
- queried how the performance of the contract with Opus would be monitored. The LGSS Director of People, Transformation and Transactions (Director) reported that a meeting had taken place with Opus on the possibility of establishing a Joint Venture Company (JVC) of which the County Council would be a shareholder. It

was noted that the Heads of Terms needed to be drafted. It was proposed that the JVC should monitor the contract.

- highlighted the need to recruit permanent staff as this would provide another set of savings. The Director reported that it was cheaper to rely on a stable and able workforce. It was noted that her service was currently supporting a priority work stream which would make the Council a more attractive employer of choice in relation to social care. Members were advised that if demand for agency workers reduced the risk would be less for the Council and its partners.
- queried the rationale of moving from Guidant to Opus. The Director explained that Opus did not generate a surplus as it was a Teckal Company rather than a private company. It was proposed to set up Opus as a JVC in order to enable it to trade. It was noted that this was reflected in recommendation b). Members were also informed that by focusing directly on the supply chain i.e. Opus, the Council was effectively removing a layer. Attention was drawn to the further savings identified as part of stage 2 as detailed in Section 2.3 and Appendix 2 detailing Business Case Assumptions.
- requested some clarity as to how this process would link with the current workforce. The Director stressed the importance of a core stable workforce. However, there would be occasions when it might need to be supplemented by agency workers as and when appropriate. She reported that this process did not reflect the introduction of a commissioning model.
- highlighted the need to investigate why people chose to work for agencies and whether in-house social worker academies would make a difference. The Director reported that Northamptonshire County Council had introduced its own social worker academy. Agency workers did sometimes choose to become an employee of the Council, it was therefore important that the Council sold the benefits of this option.

It was resolved unanimously to:

- a) Authorise the LGSS Managing Director, in consultation with the Chairman of the General Purposes Committee and Section 151 Officer, to enter into an agreement with Suffolk County Council (Via Opus People Solutions) to supply Agency Workers to Cambridgeshire County Council (CCC) from the 9th of January 2017;
- b) Authorise the LGSS Managing Director, in consultation with the Chairman of the General Purposes Committee and Section 151 Officer, to also negotiate a longer term agreement with Suffolk County Council (Via Opus People Solutions) whereby CCC and other potential strategic partners agree a “sharing in success” business model which would result in future increased savings to CCC and the wider partners;
- c) Approve the extension of the current Agency Worker contract with Guidant until 8th January 2017 to enable the implementation of the arrangements with Opus People Solutions; and
- d) Authorise the LGSS Managing Director, in consultation with Chairman of General Purposes Committee and Section 151 Officer, to negotiate and execute all the

necessary documents to extend the existing contract with Guidant and set up all the joint arrangements and appropriate company structures with Opus People Solutions including those with the extended supply chain.

*With the agreement of the Committee, Agenda Item No. 9 was considered before Item No.8 as it set the scene for that item.*

## **243. TRANSFORMATION PROGRAMME**

The Committee considered a report setting out the Council's approach to developing and managing a corporate transformation programme. Attention was drawn to the programme which covered eleven themes, and the progress made to date. The CFO advised of the need to ensure that the Council had the right skills and capacity to deliver the programme. As a result, it had been appropriate to bring in a specialist efficiency and skills company on a temporary basis to bolster scarce resource. The company had then transferred skills and expertise into the Council's own workforce. Good progress had been made and it was proposed to move away from calling it a Transformation Programme as it became part of the Council's Business Plan. The CFO stressed the importance the programme maintaining the momentum it had so far achieved.

In welcoming the report, Members made the following comments:

- highlighted the importance of the acceleration of transformation and the delivery of various projects on the future of the Council. The Chairman drew attention to Appendix A and raised the need to build in a sense check with Members after the initial challenge by Strategic Management Team and before the production of a detailed business case. The CFO reported that it was proposed to use Group Leaders who were the Spokes for the Committee. It was noted that any property related matters would then need to go to Assets and Investment Committee.
- queried the level of buy in from Services. The Chief Executive explained that transformation could not occur in isolation as it was a function of the whole Council. She reported that she would expect Executive Directors and Directors to talk to Committee Chairs and Spokes about any prospective proposal. Discussions were currently taking place regarding how Committees could be involved. The CFO reported that 90% of proposals had come from the Services.
- queried how the process would be monitored. The CFO reported that he would present the Committee with quarterly monitoring reports.
- highlighted the difficulty of judging or quantifying some proposals as Invest to Save Schemes. The CFO acknowledged that it was impossible to determine criteria on some difficult to judge proposals. These proposals would therefore need to be funded from other sources. This programme focussed on proposals which would drive down the Council's operational costs.
- highlighted the importance of some early wins in order to achieve a balanced budget for 2017/18.

It was resolved unanimously to

- a) Note the progress on developing the Council's corporate transformation programme;
- b) Endorse the process for agreeing investment proposals from the Transformation Fund as set out in paragraph 5.2;
- c) Note the approach adopted for engaging external support to assist in developing the programme; and
- d) Note the mechanism for integrating the Transformation Programme within the business planning process.

#### **244. CITIZEN FIRST, DIGITAL FIRST – OUTLINE BUSINESS CASE**

The Committee received a report setting out the Outline Business Case for investment in technology to enable the Council to deliver its refreshed Customer Services' strategy. It was being asked to commit to an investment of £1,995,200 from the Transformation Fund over the next five years to support a suite of technologies to deliver the project. The investment comprised the revenue costs of the project and the revenue cost of the capital required for the project. The majority of the required investment would be capital.

One Member queried what was being done to address the digital divide. Members were informed that the Council was refreshing its Customer Strategy which would cover Community Hubs and Children's Centres to provide access for vulnerable groups of people. Another Member queried whether the Council was doing anything to address the need for disabled badge holders to keep filling in basic information when reapplying. It was noted that there was a pilot in progress with IT to simplify this process. Members asked to be kept up to date.

One Member highlighted the need for all services to have software to enable them to charge for professional services. The Corporate Director reported that this would be addressed as part of the Corporate Capacity Review. Another Member raised the need to clarify terms as to whether it was return on or of investments. In response to a query regarding monitoring, it was noted that information would be presented as part of the monitoring information for the Transformation Programme.

It was resolved unanimously to:

- a) Agree the approach set out in the Outline Business Case;
- b) Approve the investment of £1,995.2K revenue from the Transformation Fund to enable the approach set out in the Outline Business Case; and
- c) Agree that tranches of finance to support each element of the Outline Business Case would only be drawn down following agreement with the Section 151 Officer in consultation with the Chairman of General Purposes Committee.

## **245. MEDIUM TERM FINANCIAL STRATEGY**

The Committee received a report setting out the Council's Medium Term Financial Strategy for the next five years. This strategy was updated annually at the commencement of the business planning process. Its core purpose was to provide a financial framework within which individual service proposals could be developed before Council approved the budget and the Business Plan in February. The CFO drew attention to the uncertain financial future. The Strategy was therefore based on current information. A planning assumption had been made on a zero increase in Council Tax and a 2% increase in Adult Social Care.

Members made the following comments in relation to the report:

- noted that the report had been written before the Referendum so a significant number of assumptions had been made. Given that the level of growth was uncertain, it was suggested that the amount written in the Strategy should be reduced.
- expressed disappointment at the continuation of cash limits rather than outcomes. One Member expressed further concern that a 2% Council Tax increase was not being proposed as it would have significant implications for the savings Services were having to make. Councillor Nethsingha proposed an amendment to the Medium Term Financial Strategy, seconded by Councillor Jenkins, to reflect an increase in Council Tax of 1.99% and 2% for Adult Social Care. On being put to the vote the amendment was lost.
- highlighted the need to make clearer that the Council was experiencing a like-for-like reduction of 7.8% in Government funding but was being asked to take on new responsibilities.
- suggested that the section on the Fees and Charges Policy should come nearer the front of the document. The Committee agreed that the uplift should reflect the Consumer Price Index at 3%.
- noted that one Member expressed concern that the last sentence in Section 2.9 of the report was a political statement. The Council would still have to make very difficult decisions over service levels, income generation and asset utilisation but the case had still to be proven as to whether this was a direct consequence of inadequate funding. The Council needed to review its overall structure in order to achieve radical ways of delivering services.
- expressed support for Option 2: allocated savings arising from service pressures and investments corporately. It was important to reflect the Council's outcome based approach but to not disincentivise different services. The Chairman proposed, seconded by Councillor Bailey, to ask the Committee to vote on Option 2 as part of the recommendations.
- highlighted the need to add a paragraph to the Executive Summary to reflect the fact that the Business Rates Retention Scheme would drive revenue to deliver services

and achieve economic growth, and it would give the Council revenue for future years.

It was resolved to:

- a) Acknowledge the indicative departmental cash limits and the move towards transformation;
- b) Confirm, in light of the move towards a more corporate approach to Business Planning, the policy for 2016-21 on whether any additional savings requirement arising from service pressures and investments be:
  - allocated corporately and redistributed on the basis of services' budget size; and
- c) Recommend the Draft Medium Term Financial Strategy to Council for approval subject to the above recommendations.

## **246. CAPITAL STRATEGY**

The Committee considered the Council's Capital Strategy detailing all aspects of the Council's capital expenditure programme: planning; prioritisation; management; and funding. The Strategy had been revised as part of the 2017-18 business planning process, with respect to the Transformation Delivery Model. Attention was drawn to an error in the table at section 3.3. – the restated advisory limit was incorrect. Section 3.5 reflected the correct situation.

One Member queried whether the Council could choose to use the Community Infrastructure Levy (CIL) over Section 106 funding. The CFO explained that Section 106 funding was used for larger schemes. It was noted that the use of CIL was the responsibility of District Councils.

It was resolved unanimously to review and recommend to Council:

- a) Revisions to the Capital Strategy to align it with the Transformation Delivery Model and reflect the introduction of a Capital Programme Board.
- b) Whether the advisory limit on the level of debt charges (and therefore prudential borrowing) should be kept at existing levels, which are higher than the level of debt charges approved in the 2016-21 Business Plan.
- c) That borrowing related to Invest to Save/Earn schemes should continue to be excluded from the advisory debt charges limit.

## **247. COUNTY COUNCIL CONSULTATION STRATEGY (INCLUDING THE APPROACH TO BUSINESS PLAN 2017/18 CONSULTATION)**

The Committee received a report seeking approval for the approach to be taken to the business plan consultation for 2016/17. Members were reminded that there would be a video to accompany the consultation to explain the context.

The Chairman, acting at the suggestion of and with agreement from the Committee, proposed a new question eight as follows:

- 8a “Although not possible at present, if in the future the government gives the County Council the option of increasing council tax by a total amount of over 3.99%. Would you support us implementing this?”
- 8b “If yes, by how much over 3.99% would you personally support?”

The Chairman welcomed the addition of question 5 relating to the payment of Council Tax. One Member requested consistency of presentation in relation to page 242. Another Member highlighted the need to reflect the scale of any savings in the second paragraph on page 240. It was suggested that a pie chart should be included detailing the spend per Policy and Service Committee. One Member raised the need to give examples of services in question 9, as what constituted Education Support Services was not necessarily clear to the public. Finally a Member highlighted the need to stress that the Council was not just cutting services. The Chairman acknowledged the need to raise the fact that the Council’s priority was to first achieve transformation, efficiency savings and to sweat assets in order to increase revenue streams.

It was resolved to:

- a) approve the approach to Business Plan 2017/18 consultation as laid out in this paper; and approve the consultation questions as laid out in Appendix One.

## **248. COUNTY COUNCIL ELECTIONS 2017**

The Committee was asked to note the timetable of activity required to prepare for the County Council elections in 2017 and approve funding in order to carry the elections out.

Members expressed concern about the size of the budget shortfall and in particular the 50% increase in the cost estimates for the 2017 election provided by the District Councils. The Chairman queried how one District Council could charge more than 50% than another Council. It was therefore proposed that the report should be deferred to a future meeting to enable further investigation to take place.

Members also queried the cost for software to administer the election. It was noted that Astech (the company who owned the Council’s Committee Management Information System) had estimated the total cost for partners of developing the elections module to be £30,000. Astech was proposing to have six partners who would need to pay £5,000 each. The Council could therefore be involved in the development of the module so that it met its needs. Once the package had been developed it would be put out to market with a premium.

It was resolved unanimously to defer the report to a future meeting.

**249. GENERAL PURPOSES COMMITTEE AGENDA PLAN, TRAINING PLAN  
APPOINTMENTS TO OUTSIDE BODIES, PARTNERSHIP LIAISON AND ADVISORY  
GROUPS AND INTERNAL ADVISORY GROUPS AND PANELS**

The Committee considered its agenda plan, and training plan.

It was resolved unanimously to:

- a) review its Agenda Plan; and
- b) review and agree its Training Plan.

**250. EXCLUSION OF PRESS AND PUBLIC**

It was resolved:

That the press and public be excluded from the meeting during the consideration of the following report on the grounds that it was likely to involve the disclosure of exempt information under paragraph 3 of Schedule 12A of the Local Government Act 1972 as it referred to information relating to the financial or business affairs of any particular person (including the authority holding that information).

**251. TOTAL TRANSPORT PROPOSAL**

The Committee was asked to consider the revised proposals arising from the Total Transport pilot project in the northern half of East Cambridgeshire. The original model which was discussed on 15 March 2016 had been reviewed in light of public consultation, a formal procurement exercise, and further discussions with both the Total Transport Member Steering Group and Group Leaders. Attention was drawn to the two phase implementation, with an initial focus on fixed bus routes including Primary and Secondary School runs from September 2016. The second phase would cover the flexible minibuss service and Adult Social Care (ASC) and Special Education Needs (SEN) transport from January 2017.

In welcoming the report, the Committee acknowledged the significant amount of work which had taken place in this complex area and thanked the Transport Policy and Operational Projects Manager in particular for all his efforts.

It was resolved to:

- a) note that revised school bus networks would be introduced in the pilot area from September 2016, along with smartcard technology, and instructs officers to continue to maximise the efficiency of these networks based on the principles set out in this report;
- b) support the implementation of a new Flexible Minibus Service in the pilot area from January 2017, replacing existing contracts/grants for day centre minibuses, dial-a-ride and once-a-week local bus services;
- c) approve the award of the contract(s) necessary to achieve recommendation (b);



- d) agree that discounts for concessionary pass holders on the Flexible Minibus Service should be the same as the discounts funded by the County Council on community transport services; and
- e) require a report to be presented to this Committee (and shared with Adults Committee and Children and Young People Committee, for information) by the end of 2016, setting out the results of a detailed assessment of the costs and benefits of altering day care session times to allow transport provision to be integrated with special needs school transport.

Chairman



## GENERAL PURPOSES COMMITTEE

### Minutes-Action Log



#### Introduction:

This log captures the actions arising from the General Purposes Committee on 26th July 2016 and updates members on the progress on compliance in delivering the necessary actions.

This is the updated action log as at 8th September 2016.

### Minutes of 26th July 2016

Item No.	Item	Action to be taken by	Action	Comments	Completed
239	<b>FINANCE AND PERFORMANCE REPORT – MAY 2016</b>	C Malyon	In response to a request from the Chairman, the CFO agreed to provide an update on progress at the next meeting detailing the timeline, changes and other areas to minimise the overspend.	This has been incorporated into the subsequent report.	Completed
		C Malyon	The CFO to provide a briefing note on the Renewable Energy Soham scheme contract	The Committee received a paper on the Solar Farm in May 2015. Within that report (para 2.5.3) the following statement was made: <i>"In addition, Savills have advised,</i>	Completed

				<p><i>and Bouygues have agreed, that some elements of the contract agreed in the next few months should be on an “open book” basis as there is a possibility that, towards the end of 2015, import tariffs on Chinese made panels will be removed possibly leading to a drop in unit costs.”, and within the confidential appendix (also attached) at para 1.5: “Analysis of the DTA highlighted that further potential cost savings could be made within operating costs, the cost of the grid connection and some materials because of the reduction in import tariffs identified at paragraph 2.5.3 above. We anticipate that these will be brought forward within the IGP and that the IGP will be on an open book basis to take advantage of any further savings that may be made between completing the construction contract and the work commencing in 2016.”</i></p> <p>Open Book items are, by definition, open to change until they are ordered formally and there is therefore a risk that they could go up and down – although the judgement of the advisors was that there was a greater likelihood that the price would decrease for the reasons set out at 2.5.3 in our original GPC report.</p> <p>The impact of a Brexit vote could not have been foreseen in either the original May 2015 GPC paper, nor the subsequent paper in November as, at that time, the prospect</p>	
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				<p>of an EU referendum was that it would be “before the end of 2017”, as stated in the Government’s election manifesto. The longstop date for the Contract for Difference is September 2017 – ie it was a reasonable supposition that the scheme would have been up and running before the referendum took place.</p> <p>At the time indicative hedging costs were sought. At the time these costs were estimated to be in the region of £80k-£100k. Against the backcloth of potentially and falling tariff prices, a significant additional cost associated with hedging, it would have been a little illogical to recommend to GPC to move from an open book approach to one of a fixed price.</p>	
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240	<b>INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR THE PERIOD ENDING 31ST MARCH 2016</b>	C Malyon	The CFO to provide a briefing note on the application of Section 106 secondary school funding to a primary school scheme.	<p>As part of planning permission, S106 obligations are set out to mitigate the impact of the development. The obligations for education are set out specifically into Primary, Secondary and Education General headings. In 2012/13 and 2013/14 during the Roundhouse Primary build, S106 funding for Loves Farm development in St Neots was incorrectly applied to the Primary School capital scheme instead of the Secondary obligations.</p> <p>In 2015/16, as part of a Section 106 pooling reconciliation process the error was identified, which has now been corrected. The S106 master spreadsheet now shows the Secondary allocation as available to be applied for future scheme to increase the capacity of Secondary provision in St Neots although this error results in an additional borrowing requirement for this scheme the Council has effectively deferred what should have been the borrowing requirement.</p>	Completed
		G Beasley	The Chief Executive to raise directly with the Chairman of Staffing and Appeals Committee whether a pilot report on staff performance management would be helpful to the Committee.		Ongoing

		G Beasley	Letter to Government regarding Schools' Funding Formula to be co-signed by the County's MPs	Awaiting two signatures before letter can be sent.	Ongoing
		C Malyon	Delegate to the CFO, in consultation with the Chairman of General Purposes Committee, the approval of the changes to the Prudential Borrowing requirement in 2015/16, as set out in section 11.5, following clarification of the reasons for the reduction in Section 106 funding available.	<p>This delegation needs to be published to meet the requirements of the Openness Regulations. A copy to be sent to all members of the Committee.</p> <p>This relates to the borrowing for Loves Farm development above. Background has now been clarified, CFO to liaise with Chairman to approve changes.</p>	Ongoing

241	<b>INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR THE PERIOD ENDING 31ST MAY 2016</b>	C Malyon	Remedial action to address overspends to be included in future reports.	Same as first action, 239.	Completed
		C Malyon	The CFO to provide a written explanation regarding the reasons for the delay in Wyton Primary and any possible financial impact on the Council.	<p>Wyton Primary was identified some time ago as a school that required significant work to ensure that the building was of a suitable standard for primary education. The school was constructed over 40 years ago and is beyond its economic repair life and requires replacement within the next two years.</p> <p>There are plans for significant housing development at Wyton to provide approx. 4500 new homes, two new primary schools and a secondary school. Delivery of a 3 form replacement school was planned into the capital plan and discussions with the developer took place on the possibility of offering additional school places at one of the new schools; however this was not possible due to:</p> <p>a) Timing of the Wyton housing development; as this has not progressed as quickly as anticipated and commencement date remains uncertain, it is therefore uncertain as to when the new places would be available.</p> <p>b) The developer is reluctant to offer a larger site for additional primary places</p>	Completed



		C Malyon	<p>The CFO agreed to provide a briefing note detailing why the Council was revising phasing Highways Maintenance.</p>	<p>without financial compensation for the resulting housing loss.</p> <p>Due to these challenges the decision was made to split out the scheme in the capital plan to construct a new 1 form replacement school on the existing site and rephase the 2 form new school.</p> <p>An estimated budget of £14.5m was programmed into the Business Plan for the original school plans. This has now been revised to £6.5m and £10m for the replacement and new schools respectively. Therefore an increase of £2m. These schemes are in the early stages and costs are an estimate.</p> <p>Historically the County Council has had to spend Local Transport Plan money in year and were not permitted to carry it forward, therefore LTP spend has generally always been prioritised. In addition the Highways Service has struggled to recruit to key posts involved in scheme delivery. This lack of resource, coupled with the general challenges of delivering a large number of relatively low value local schemes alongside local communities, has had a knock-on effect in the Service's ability to deliver schemes and therefore spend the 2015/16 budget allocation.</p> <p>In all £1.5million has been carried forward from 2015/16, however again due to</p>	Completed
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		C Malyon	The CFO to provide a report on action to address credit control as detailed in section 8.1	<p>resource pressure it is not practical to add this carry forward in its entirety to 2016/17. If this were to be the case there would be a high likelihood that we would be in the same position as 2015/16. Therefore it was felt more realistic to spread the £1.5million across the remaining years associated with the terms and conditions of the prudential borrowing. The Highways service is proactively seeking to increase its resource, through a combination of wider recruitment, apprenticeships and in partnership with our Highways Service provider, Skanska and therefore will review the programme in light of resource capacity on an ongoing basis.</p> <p>Report to be provided for October GPC.</p>	Ongoing
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<b>251</b>	<b>TOTAL TRANSPORT PROPOSAL</b>	T Parsons	Report to a future meeting detailing dates for moving forward if the pilot was felt to be working or pulling out.	A report will be presented to GPC on adult social care and special education needs integration at the November meeting, as requested at the July meeting. The decision GPC takes on that and the experience of bringing in the Flexible Minibus Service in January 2017 will mean that a full report would realistically be possible in March 2017.	Completed
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### Minutes of 31st May 2016

<b>224</b>	<b>MINUTES – 15TH MARCH 2016 AND ACTION LOG</b>	C Malyon T Parsons M Miller	The Chief Finance Officer agreed to provide a written update on the progress of Communications Strategy to promote the rationale behind the Total Transport Pilot Scheme project.	Communications Strategy sent to GPC via e-mail on 9 September 2016.	Completed
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**TRANSFORMATION FUND BID – ASSISTIVE TECHNOLOGY IN OLDER PEOPLE’S CARE AND ASSESSMENTS**

**To:** General Purposes Committee

**Meeting Date:** 20 September 2016

**From:** Charlotte Black, Service Director: Older People & Mental Health

**Electoral division(s):** All

**Forward Plan ref:** 2016/047      **Key decision:** Yes

**Purpose:** To seek approval from General Purposes Committee for investment in the expansion of the use of assistive technology in the care and assessment of older people

**Recommendation:** General Purposes Committee is asked:

- a) To approve the business case for phase 1 and the investment from the Strategic Transformation Fund to support the wider use of assistive technology. A finance summary is included in Section 6.1.
- b) To comment on the phase 2 concept and the wider work programme.

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## **1. BACKGROUND**

- 1.1 We want to maximise the potential of assistive technology to help meet people's needs and to help them to remain as independent as possible for as long as possible. We are working to embed the use of assistive technology into our thinking and ways of working at every stage of the care journey. We are building on the existing arrangements and working to reach the point where every care plan for every person has technology embedded. We also want to ensure that technology is used preventatively as widely as possible for people well before they reach the point of requiring formal care.
- 1.2 As part of that ambition the forthcoming paper is to seek approval from General Purposes Committee for investment in the expansion of the use of assistive technology in the care and assessment of older people – to support the delivery of significant savings as part of business planning.
- 1.3 The investment initially being sought for equipment and roll-out represents phase 1 of the proposal, with the intention to bring forward a subsequent linked business case for the establishment of an enhanced response service at a later date.

## **2. PHASE 1 PROPOSAL – EXPANDING THE USE OF MONITORING EQUIPMENT**

- 2.1 The proposal is to invest in and expand the use of Just Checking (or similar) equipment to reduce care spend in older people's services. As part of a social care assessment the equipment gives us a full report of a person's movements during a given period allowing us to test whether they are able to go about daily life (eating, washing, dressing, going to the toilet) unaided and to check that overnight they are safe at home.
- 2.2 This full picture of a person's daily patterns and movements allows us to say with significantly more accuracy and confidence whether they can or cannot cope independently at home and this additional information and confidence would allow older people, their families and social workers to only make the decision to recommend a move into residential or nursing care where it is absolutely essential. In this way we can reduce care spending overall whilst ensuring we do make provision for those who cannot be independent in their own homes.
- 2.3 For Older People's Services it is suggested that there is potential to achieve new savings by preventing or delaying the need for people to transition into residential care. The use of technology will also help ensure we reduce the expenditure on forms of overnight support in people's homes (e.g. sleep in or on-call support)
- 2.4 We also intend to link the expanded use of Just Checking equipment to the discharge process - it could potentially help us by supporting complex discharges, avoiding delays and reducing the cost of post-hospital care packages.
- 2.5 To achieve benefits from the use of just checking equipment (phase 1) we will;
  - Purchase an increased number of sets of equipment - proposed 30 units at cost circa £2000 per unit (60,000)
  - Invest in additional staffing capacity to support the wider use of assistive technology in OPMH services, undertaking assessments, analysing the reports, liaising with locality teams and similar (2FTE staff required at cost of 40k= £80k)

- Deliver a significant workforce development/training programme across OPMH teams to promote the potential of just checking equipment and other assistive technology to meet needs at lower cost – this would be led in partnership with the equipment provider (£40k)
  - Embed consideration of the just checking equipment and other assistive technology in the pathways and working practices across teams – in particular within the reablement service. This element includes strong links to the MOSAIC project which needs to ensure our IT systems support and encourage the deployment of equipment as part of standard practice.
- 2.6 In total this therefore represents a one-off investment of £260k from the Transformation fund. There is no ongoing financial liability from this investment - the equipment purchased would normally have a lifetime use of 10 years and is recycled amongst service users after deployment for a number of weeks. Similarly the additional staffing would be recruited on a fixed term basis for 2 years with the intention for the ongoing monitoring element of the workload to be delivered by the equipment provider – allowing us to deliver service within existing staffing resources after the 2-year project period.
- 2.7 The expanded use of this equipment has the potential to deliver savings by avoiding or delaying the move of older people's service users into residential or nursing care.
- 2.8 The potential saving deliverable from this scheme has been modelled as follows;
- 288 older people moved from domiciliary care to residential or nursing care during the 2015/16 financial year and we are assuming that in future years the same number would make this transition under a do nothing scenario.
  - On average the cost to the local authority of residential/nursing compared to domiciliary care was an additional £308 per week per service user
  - On average an older person would normally spend between 18 months and 2 years in residential care/nursing care at the end of their life.
  - We are assuming that the use of assistive technology might delay this entry to residential care by 9 months (39 weeks) rather than avoiding it altogether.
  - It is assumed that in 15% of these potential transition the deployment of the assistive technology allows us to support someone at home for longer and delay the move into residential care
- 2.9 With these assumptions the predicted annual saving is £518,918 (288 clients x £308 x 39 weeks x 0.15 = £518,918). This saving would be achieved in the 2017/18 financial year.
- 2.10 Across the 5 years of the business plan the cumulative saving is therefore £2,594,590. Compared to the total investment of £260k, the financial business case is clear.
- 2.11 It is also important to emphasise that helping older people to retain their independence and links to their communities for as long as possible has a major impact on quality of life and wellbeing. These savings are therefore achieved whilst improving outcomes and care experiences for older people.

### **3. PHASE 2 - A PARTNERSHIP PROJECT TO ESTABLISH AN ENHANCED RESPONSE SERVICE**

- 3.1 Phase 2 of the proposal is for a partnership project to establish an enhanced response service to incidents where social care service users get into difficulties (often falls) at night.
- 3.2 At present the absence of a response service is resulting in several unnecessary costs to public services
- Calls to the ambulance service for people who need attention but do not actually need to go to hospital
  - Hospital admissions (and associated disabling effect) for older people who do not really need acute treatment
  - The deployment of very costly overnight support (sleep ins / waking nights) for people with learning disabilities – in case something happens
  - Decisions to recommend costly residential / nursing care for older people because they are considered to be too much at risk overnight without quick response support being on-hand
- 3.3 The response service we would like to develop would ensure that someone could respond to an incident quickly – go to the home, check them over, see that they were not seriously injured, and literally stand them back up and stay with them until they are confident to be left.
- 3.4 This out of hours response would also link to the implementation of preventative measures, fitting equipment in the home and consideration of whether the person's social care needs have changed or whether intermediate tier health services might need to be engaged. In this way an overnight call out begins a preventative / intermediate tier pathway of support rather than an acute response or no help at all.
- 3.5 If such a service existed across Cambridgeshire it would allow us to reduce the number of unnecessary ambulance call outs and hospital admissions occurring at night – with an immediate efficiency saving to the NHS both in the Ambulance Trust and for Acute hospitals. If linked to intermediate tier health and social care support, the response service would also have a preventative effect, ensuring that when a person has difficulties at night then their situation is quickly reviewed and action is taken to avoid it happening again – with the associated savings to health and social care budgets from early intervention.
- 3.6 More immediately it would allow the local authority to have further confidence in avoiding or delaying the needs for forms of residential, nursing or 24 hour care – with teams, service users and families having greater confidence in someone remaining in their own home if they know that a high quality emergency response will be available if needed. An initial estimate of this effect is that a further 10% of annual moves into residential and nursing care would be delayed - which would deliver an additional £346k saving from phase 2.
- 3.7 In some local authority areas links have been made to local fire services who can provide this out of hours service. Initial contact has been made with the Fire Service in Cambridgeshire who have expressed an interest in working with us in this way with us. They have spare on-call capacity which could be brought in quickly – with the local authority



(and potentially health partners) paying a small call out fee (circa £35) for a responder who would be trained to work as part of a preventative and emergency pathway. In Gloucestershire this model is in place with a simple service level agreement setting out the offer and remunerations.

- 3.8 Ideally we would need to establish an offer which can respond at all times of day and across all of the County (and perhaps Peterborough). Rather than being a single solution the best approach is likely to be to network the various elements of capacity held within different organisations – including intermediate health provision, housing association and district council teams , County Council roles and any agreed Fire Service offer.
- 3.9 To develop a potential enhanced out of hours response service we are;
- Working with the Fire Service to finalise the business case for their involvement – this is being considered by the Fire Authority in August
  - Working with the Ambulance Trust and CCG on the potential benefits to health partners of establishing such an offer and whether they would be interested in co-investing in it with the local authority. This is being explored through the Better care Fund and Sustainability Transformation Plan
  - Developing the links from any new out of hours first response to the wider social care and intermediate tier health offer – including in particular the JET and neighbourhood teams
  - Working with the District Councils, housing associations, providers and other partners to map the current response offer – in terms of call centres receiving the out of hours alerts and any existing capacity to send a responder
- 3.10 The initial discussions we have had with partners have been very positive. The next step is to test and finalise a business case for investing in the enhanced out of hours service, set against savings to care and health services.

#### **4. WIDER ASSISTIVE TECHNOLOGY WORK PROGRAMME**

- 4.1 This specific proposal forms part of a cross directorate work programme on the use of assistive technology. Colleagues from LGSS and corporate services are supporting Children, Families and Adult (CFA) leads exploring a range of other areas for development, including;
- Exploring the approach to identifying the latest equipment and buying it most cost-effectively – it's a very dynamic market so finding and getting the best kit at the best price is a complex task
  - Exploring how we can embed the deployment of assistive technology in children's services – especially for families with children with disabilities – helping managing demand for the Learning Disability Partnership adult care budget
  - Embedding assistive technology and telehealth in the Proactive Care and Prevention Pathway of the joint Sustainability and Transformation Plan with health partners
  - Embedding the use of Assistive Technology in Discharge Planning – how can we use AT to help us support people to leave hospital promptly and safely – especially for complex cases

- Link with Peterborough City Council's '100 homes' pilot of Alcove technology being piloted in an extra-care setting, and identify other opportunities to explore benefits (e.g. to support assessment process, replace homecare etc)
- Promoting self-help - Identify and promote opportunities for self-help and support, for example, Apple offer free training sessions to support and promote the use of their accessibility features:
- Exploring whether we might want to offer some pump-priming funding and capacity to companies looking to develop new ATT – helping them bring products to the market and potentially giving us a return on the investment
- Reviewing how the potential of assistive technology is threaded into all of our processes at every stage of people's involvement with the local authority – it should be an integral part of thinking from early help through to high cost care. The new IT systems being implemented through the MOSAIC project represent an opportunity to get this right and we should also think about embedding it in our QA framework and reviews programmes
- Exploring the case for using mainstream devices to help support people living with various disabilities such as: Sensory: sight/hearing and dual, Alzheimer's/Dementia; Autistic Spectrum disorders, Physical, mobility, communication difficulties. People who are using mainstream devices such as Apple/Android technology often find it useful to have much of their supports loaded on the one device and many people prefer to use mainstream "normal" devices avoiding the need to use dedicated pieces of equipment which are often very pricey. Many of the Apps are free and very low cost.

## **5. ALIGNMENT WITH CORPORATE PRIORITIES**

### **5.1 Developing the local economy for the benefit of all**

There are no significant implications for this priority.

### **5.2 Helping people live healthy and independent lives**

The intention of this proposal is to support people to live independently. The report above sets out the implications at paragraphs 2.1 and 2.2.

### **5.3 Supporting and protecting vulnerable people**

The use of assistive technology can be a key part of supporting and protecting vulnerable people. The part 1 proposal described in section 2 of this paper describes the impact of the technology is supporting vulnerable older people to live in their own homes. The part 2 proposal in section 3 could make a significant contribution to protecting vulnerable people, by providing a response which ensure people get help quickly but avoid the need for hospital admission wherever possible.

## 6. SIGNIFICANT IMPLICATIONS

### 6.1 Resource Implications

The resource implications are summarised at paragraphs 2.6 and 2.8 and an overview of the finance table is below.

FINANCE (Year 0 is the current financial year)		£'000					Year 0
		Year 1	Year 2	Year 3	Year 4	Year 5	
Investment	Staff	80	-30	-50	0	0	30
	Non-staff	30	-30	0	0	0	70
	Resources	30	-30	0	0	0	10
	IT/Digital	0	0	0	0	0	60
	Assets/Property	0	0	0	0	0	0
	Other	0	0	0	0	0	0
	Revenue impact of capital	0	0	0	0	0	0
	<b>TOTAL</b>	<b>110</b>	<b>-60</b>	<b>-50</b>	<b>0</b>	<b>0</b>	<b>100</b>
Saving / income total		-519	-346	0	0	0	
Net saving / income		-409	-406	-50	0	0	

### 6.2 Statutory, Legal and Risk

There are no significant implications.

### 6.3 Equality and Diversity

There are no significant implications.

### 6.4 Engagement and Communications

There are no significant implications.

### 6.5 Localism and Local Member Involvement

There are no significant implications.

### 6.6 Public Health

The use of assistive technology and in particular the equipment deployed as part of this proposal will support people to live more independently, stay connected to their communities and in their own homes and stay mobile – all of which will have significant public health benefits. The Public Health service are engaged as part of the working group and are helping to identify priority areas, needs and health conditions where technology could make a difference as the work programme develops.

<b>Implications</b>	<b>Officer Clearance</b>
Have the resource implications been cleared by Finance?	Yes Name of Officer: Chris Malyon
Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?	No Name of Officer: Not applicable
Are there any Equality and Diversity implications?	No Name of Officer: Not applicable
Have any engagement and communication implications been cleared by Communications?	No Name of Officer: Not applicable
Are there any Localism and Local Member involvement issues?	No Name of Officer: Not applicable
Have any Public Health implications been cleared by Public Health	See 6.6 for Public Health involvement Name of Officer: Liz Robin

<b>Source Documents</b>	<b>Location</b>
None	Not applicable

**RENEGOTIATION OF THE WASTE PFI CONTRACT**

*To:* **General Purposes Committee**

*Meeting Date:* **20 September 2016**

*From:* **Executive Director: Economy, Transport and Environment**

*Electoral division(s):* **All**

*Forward Plan ref:* **2016/047** *Key decision:* **Yes**

*Purpose:* **To consider proposals for renegotiating the Council's waste disposal contract.**

*Recommendation:* **To approve the outline business case and savings proposals from renegotiation of the Council's waste disposal contract.**

<b><i>Officer contact:</i></b>	
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## **1. BACKGROUND**

- 1.1 The Waste PFI contract is costing the Council a significant amount of money and this is increasing so the intention is to renegotiate this to remove some of this cost. As this is the largest contract within Economy, Transport and Environment (ETE), it is potentially the area which can generate the most savings. The current contract is working and does mean that Cambridgeshire is recycling waste, but there are areas where the contract can be improved.

## **2. OPTIONS**

- 2.1 This contract is on a 27-year PFI so there are limited options:
  - 2.1.1 Option 1: Do nothing. This would result in continually escalating costs, due to changes in waste legislation, the continual increase of landfill tax as well as population growth and economic growth increasing the quantity of waste collected.
  - 2.1.2 Option 2: Seek minor changes to the methods of process in the contract to increase the diversion of waste from landfill. This is already done through routine contract management but the financial rewards are minimal.
  - 2.1.3 Option 3: As a minimum from year 1, Cambridgeshire County Council (CCC) can reduce the cost of disposing the products of the Mechanical Biological Treatment (MBT). This option can be carried out without a major re-negotiation of the contract and is already being explored.
  - 2.1.4 Option 4: Fundamental change to the contract. This would include reducing the operating cost or removal of the MBT and refinancing and is the option that is likely to deliver the greatest savings.
  - 2.1.5 Option 5: Major change option - withdrawing from the contract completely and procuring alternative arrangements for treating waste and operating Household Recycling Centres (HRCs). There would be huge financial repercussions and minimal advantages to this.

## **3. SCOPE**

- 3.1 Everything in terms of the contract is in scope, including re-financing, changes to processing methods, all types of waste, reducing the services provided under the contract and the nature of the relationship with Amey. A high-level negotiating group has been set up with senior representatives from both organisations, including the Cambridgeshire County Council (CCC) Chief Finance Officer. The negotiating group will be responsible for identifying the changes required to deliver the savings required and confirming the scope in future.

## **4. APPROACH**

- 4.1 The Chief Executives of both Amey and CCC are both committed to making savings from the contract. Terms of Reference have already been agreed for the negotiating group to freely share information, to be open minded and investigate all options, to work in partnership to fairly evaluate all options available in a timely manner, to be mindful of the

original commitments to investors and Department for Environment, Food and Rural Affairs (DEFRA) and seek their approval for the changes proposed. The negotiating group will meet periodically to identify changes that will deliver the savings required and report back to the Chief Executives of each organisation. Key decisions required by CCC, will be taken by the General Purposes Committee (GPC).

- 4.2 In parallel to this, technical trials are also taking place to identify the level of savings achievable in year one through reducing the cost of dealing with the MBT products, as well as technical work to improve the performance of the In Vessel Composting (IVC) operation and increase the quantity of compost and mulch material for beneficial use.

## 5. KEY MILESTONES

1	By end of 16/17- arrangements concluded for new working procedures for IVC.
2	By end of 16/17- conclusion of negotiations on the Refuse Derived Fuel (RDF) contract although there will be a run-in time.
3	Start of 17/18- commence sale of RDF product
4	16/17 to 17/18 negotiation of new working practices.
5	18/19 – expected changes to the operation of the Waterbeach processing plant as necessary

## 6. LINKS AND DEPENDENCIES

- 6.1 CCC receives financial support from DEFRA in the form of a PFI credits. Any changes to the contract will require the submission of a business case to DEFRA to seek their approval. If DEFRA's approval is not obtained for a change, the PFI credit could be reduced or withdrawn completely.
- 6.2 Amey will need to seek the consent of their senior lenders for any changes to the contract.
- 6.3 There are links to District and City Council partners as the Waste Collection Authorities that deliver waste to the contracted facilities and through the RECAP partnership that delivers recycling, education and promotions regarding waste reduction and recycling. When district and city councils change their collection arrangements this can impact on CCC. All district and city councils are looking at ways to reduce their costs and increase income that are likely to result in changes to the way they collect waste and recyclables.
- 6.4 There is also a financial balance between the benefits of refinancing and the cost of borrowing at today's rates when compared to the borrowing cost when the contract was signed.

## 7 ASSUMPTIONS AND RISKS

- 7.1 Assumptions:
- Amey are willing to consider and negotiate, and look at everything in the contract.
  - That there is a market for the waste products.
  - That the current regulatory environment will stay the same for the remaining term of the contract.

## 7.2 Risks:

- Changes in regulatory environment.
- Financing risk.
- Inertia risk- for example if Amey are not co-operative.
- There are a number of parties behind the PFI, such as lenders and DEFRA, so there is a risk that they will not agree.
- Reputational risk.
- Changes in the exchange rate, following the EU referendum.

## 8. PROPOSAL APPRAISAL

8.1 There is a good degree of confidence that we can make significant savings, particularly the £1m in year one. CCC have a strong and positive relationship with Amey.

## 9. CONSULTATION

9.1 A formal consultation may not be necessary unless significant changes are proposed to the HRC service or council policy. We will need to work with district partners through the Recap partnership to assess and quantify any impacts of contract changes on their services and costs.

## 10. FINANCE – SAVINGS AND INVESTMENT

FINANCE		£'000					
(Year 0 is the <b>current</b> financial year)		Year 1	Year 2	Year 3	Year 4	Year 5	Year 0
Investment	Staff	0	0	0	0	0	0
	Non-staff	80	240	80	0	0	0
	Resources	0	0	0	0	0	0
	IT/Digital	0	0	0	0	0	0
	Assets/Property	0	0	0	0	0	0
	Other	80	240	80	0	0	0
	Revenue impact of capital	0	0	0	0	0	0
	<b>TOTAL</b>	<b>80</b>	<b>240</b>	<b>80</b>	<b>0</b>	<b>0</b>	<b>0</b>
Saving / income total		-1000	-3000	-1000	0	0	
Net saving / income		-920	-2,760	-920	0	0	

## 11. ALIGNMENT WITH CORPORATE PRIORITIES

### 11.1 Developing the local economy for the benefit of all

There are no significant implications under this heading although it is the case that an effective and efficient waste collection and disposal system is vital if the economy is to function well.

### 11.2 Helping people live healthy and independent lives

There are no significant implications under this heading.



### **11.3 Supporting and protecting vulnerable people**

There are no significant implications under this heading.

## **12. SIGNIFICANT IMPLICATIONS**

### **12.1 Resource Implications**

Defra advisers to allow this renegotiation are being funded partly through reserves and partly through a top slice of savings made. Although unlikely, if no savings are eventually made, then there will have been a net cost to the authority to undertake this work. The top slice from Defra will also be on an ongoing basis and taken from the PFI credits.

### **12.2 Statutory, Risk and Legal Implications**

A revised form of contract will be required to deliver the larger elements of these savings proposals and an agreement with Amey will need to be drawn up to deliver the year one savings. There is a risk that these contract amendments will not be agreed and the savings will therefore not be unlocked, although at this stage this is considered unlikely given the commitment given by Amey to work with the Council to secure savings.

### **12.3 Equality and Diversity Implications**

There are no significant implications within this category.

### **12.4 Engagement and Consultation Implications**

There are no significant implications within this category at this stage, although it should be noted that extra communications and engagement may be needed to ensure that residents keep recycling. Formal consultation may not be needed but it will be important to work with district partners through the RECAP partnership.

### **12.5 Localism and Local Member Involvement**

There are no significant implications within this category at this stage although as the negotiations develop and clear changes are proposed, local member involvement and briefing will be required.

### **12.6 Public Health Implications**

There are no significant implications within this category.

<b>Implications</b>	<b>Officer Clearance</b>
<b>Have the resource implications been cleared by Finance?</b>	Yes Name of Officer: Chris Malyon
<b>Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?</b>	Yes Name of Legal Officer: Marcus Tapley-Peabody
<b>Are there any Equality and Diversity implications?</b>	No issues Name of Officer: Dan Thorp
<b>Have any engagement and communication implications been cleared by Communications?</b>	Yes Name of Officer: Mark Miller
<b>Are there any Localism and Local Member involvement issues?</b>	No issues Name of Officer: Paul Tadd
<b>Have any Public Health implications been cleared by Public Health</b>	Yes Name of Officer: Iain Green

<b>Source Documents</b>	<b>Location</b>
General Purposes Committee – 24 November 2016 (confidential item)	<a href="https://cmis.cambridgeshire.gov.uk/ccclive/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/43/Committee/2/Default.aspx">https://cmis.cambridgeshire.gov.uk/ccclive/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/43/Committee/2/Default.aspx</a>

**FINANCE AND PERFORMANCE REPORT – JULY 2016**

*To:* **General Purposes Committee**

*Meeting Date:* **20 September 2016**

*From:* **Director of Customer Service and Transformation  
Chief Finance Officer**

*Electoral division(s):* **All**

*Forward Plan ref:* **Not applicable**      *Key decision:* **No**

*Purpose:* **To present to General Purposes Committee (GPC) the July 2016 Finance and Performance Report for Corporate Services and LGSS Cambridge Office.**

**The report is presented to provide GPC with an opportunity to comment on the projected financial and performance outturn position, as at the end of July 2016.**

*Recommendation:* **The Committee is asked to review, note and comment upon the report.**

<b><i>Officer contact:</i></b>	
Name:	Chris Malyon
Post:	Chief Finance Officer
Email:	<a href="mailto:Chris.malyon@cambridgeshire.gov.uk">Chris.malyon@cambridgeshire.gov.uk</a>
Tel:	01223 699796

## 1. BACKGROUND

- 1.1 General Purposes Committee receives the Corporate Services and LGSS Cambridge Office Finance and Performance Report at all of its meetings, where it is asked to both comment on the report and potentially approve recommendations, to ensure that the budgets and performance indicators for which the Committee has responsibility, remain on target.

## 2. MAIN ISSUES

- 2.1 Attached as **Appendix A**, is the July 2016 Finance and Performance report.
- 2.2 At the end of July, Corporate Services (including the LGSS Managed and Financing Costs) is forecasting a year-end overspend on revenue of £192k.
- 2.3 The LGSS Operational budget is forecasting a year-end overspend on revenue of £98k. This element of the budget is monitored by the LGSS Joint Committee and is not the responsibility of General Purposes Committee.
- 2.4 Budgets to the value of £2.7m relating to Assets and Investments Committee have been disaggregated from this report. There are no new significant forecast outturn variances by value (over £100,000) to report for Corporate Services / LGSS Managed.
- 2.5 Within Corporate Services the forecast year-end overspend on the Corporate Capacity Review (CCR) has reduced from £1.2m to £0.4m, partly as a result of further work to refine the projection for savings from the CCR, which has identified in-year savings are likely to be in the region of £875k (previously reported as £500k).

In addition, it has been agreed to bring forward some of the early proposals for the second phase of the CCR, which are anticipated to deliver £300k of savings in 2016/17.

Two other savings are helping to mitigate the slippage on delivering the CCR:

- It has been agreed to reduce a provision in relation to Capita/Mouchel latent defect corrections by £322k.
  - The 2015/16 year end position for council tax and business rates collection has resulted in a revision of the projection for this in 2016/17; it is anticipated that CCC will receive approximately £100k above what was budgeted.
- 2.6 Financing Costs are predicted to underspend by £250k at year-end. This reflects the fall in the forecast for net interest payable, following falls in interest rates across all parts of the yield curve. The impact of lower borrowing on the Debt Charges budget would normally result in a favourable forecast variance (due to lower interest payments). However the Debt Charges budget was reduced in anticipation of capital expenditure slippage during the budget setting process, so the magnitude of the variance reported is muted.
- 2.7 At the end of July, Corporate and LGSS Managed are forecasting that the capital budget will be fully spent in 2016-17.

Capital schemes with a total budget of £12.1m, relating to Assets and Investments Committee, have been disaggregated from this report. There are no exceptions to report for July.

- 2.8 At the end of July, LGSS Operational is forecasting that the capital budget will be fully spent in 2016-17.
- 2.9 Corporate Services / LGSS have nine performance indicators for which data is available. Seven indicators are currently at green status, and one at amber and one red.

### **3. ALIGNMENT WITH CORPORATE PRIORITIES**

#### **3.1 Developing the local economy for the benefit of all**

There are no significant implications for this priority.

#### **3.2 Helping people live healthy and independent lives**

There are no significant implications for this priority.

#### **3.3 Supporting and protecting vulnerable people**

There are no significant implications for this priority.

### **4. SIGNIFICANT IMPLICATIONS**

#### **4.1 Resource Implications**

This report sets out details of the overall financial position for Corporate Services / LGSS and this Committee.

#### **4.2 Statutory, Risk and Legal Implications**

There are no significant implications within this category.

#### **4.3 Equality and Diversity Implications**

There are no significant implications within this category.

#### **4.4 Engagement and Consultation Implications**

There are no significant implications within this category.

#### **4.5 Localism and Local Member Involvement**

There are no significant implications within this category.

#### **4.6 Public Health Implications**

There are no significant implications within this category.

<b>Implications</b>	<b>Officer Clearance</b>
<b>Have the resource implications been cleared by Finance?</b>	Yes Name of Financial Officer: Chris Malyon
<b>Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?</b>	No Name of Legal Officer: Not applicable
<b>Are there any Equality and Diversity implications?</b>	No Name of Officer: Not applicable
<b>Have any engagement and communication implications been cleared by Communications?</b>	No Name of Officer: Not applicable
<b>Are there any Localism and Local Member involvement issues?</b>	No Name of Officer: Not applicable
<b>Have any Public Health implications been cleared by Public Health</b>	No Name of Officer: Not applicable

<b>Source Documents</b>	<b>Location</b>
CS and LGSS Cambridge Office Finance & Performance Report (July 16)	1 <sup>st</sup> Floor, Octagon, Shire Hall, Cambridge

## Corporate Services and LGSS Cambridge Office

### Finance and Performance Report – July 2016

#### 1. SUMMARY

##### 1.1 Finance

Previous Status	Category	Target	Current Status	Section Ref.
N/A	Income and Expenditure	Balanced year end position	Amber	2.1 – 2.4
N/A	Capital Programme	Remain within overall resources	Green	3.2

##### 1.2 Performance Indicators – Current status: (see section 4)

Monthly Indicators	Red	Amber	Green	Total
July (Number of indicators)	1	1	7	9

#### 2. INCOME AND EXPENDITURE

##### 2.1 Overall Position

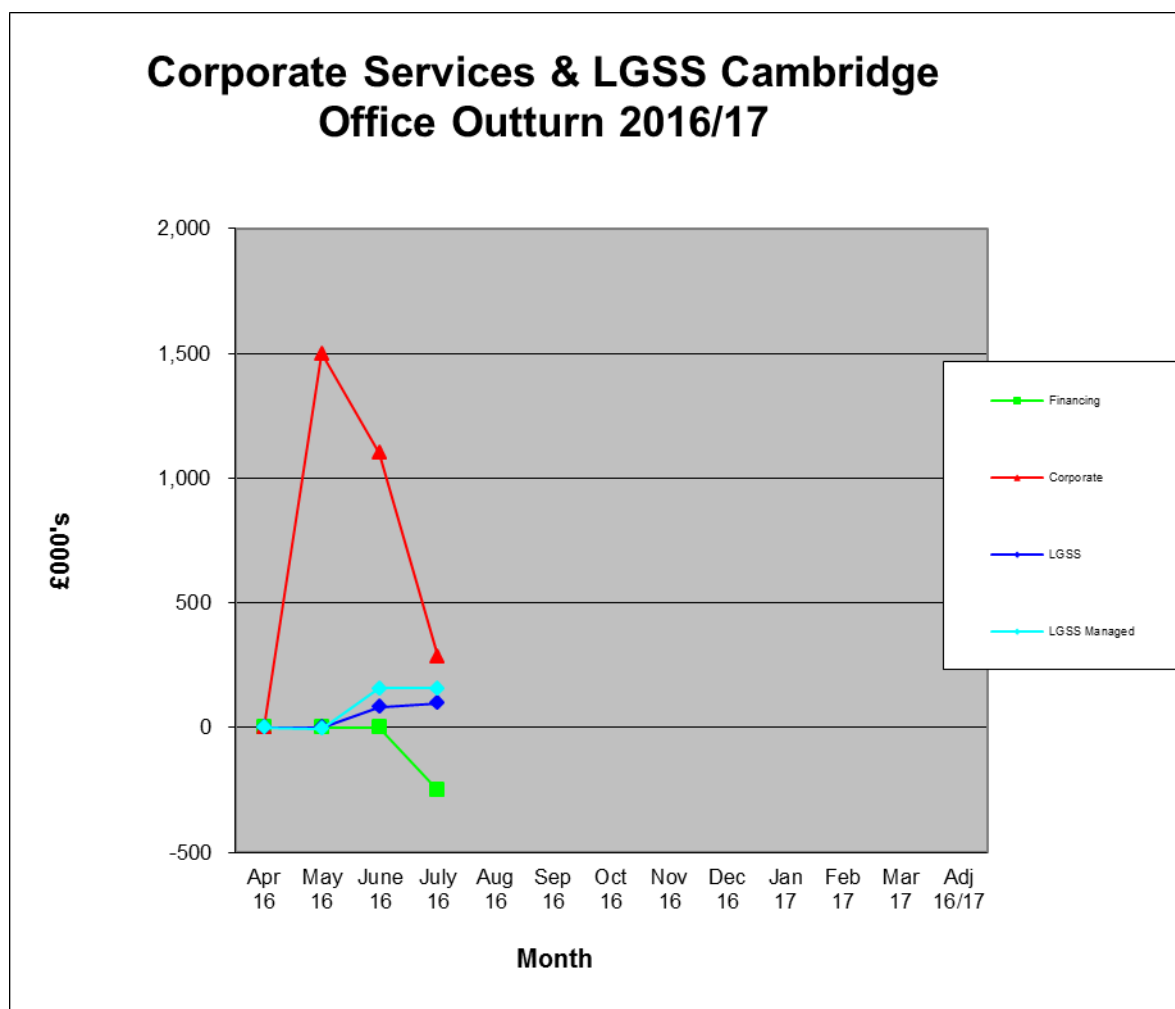
The budget figures in this table are net, with the 'Original Budget as per BP' representing the Net Budget column in Table 1 of the Business Plan for each respective Service. Budgets relating to Assets and Investments Committee have been disaggregated from these figures.

Original Budget as per BP <sup>(1)</sup>	Directorate	Current Budget	Forecast Variance - Outturn (June)	Forecast Variance - Outturn (July)	Forecast Variance - Outturn (July)	Current Status	DoT
£000		£000	£000	£000	%		
4,674	Corporate Services	4,830	1,102	285	6	Amber	↑
6,010	LGSS Managed	6,010	159	157	3	Amber	↑
34,206	Financing Costs	34,206	0	-250	-1	Green	↑
<b>44,890</b>	<b>Sub Total</b>	<b>45,046</b>	<b>1,261</b>	<b>192</b>			
9,589	LGSS Cambridge Office	9,682	83	98	1	Amber	↓
<b>54,479</b>	<b>Total</b>	<b>54,728</b>	<b>1,344</b>	<b>290</b>			

The service level budgetary control report for Corporate Services, LGSS Managed and Financing Costs for July 2016 can be found in [CS appendix 1](#).

The service level budgetary control report for LGSS Cambridge Office for July 2016 can be found in [LGSS appendix 1](#)

Further analysis of the results can be found in [CS appendix 2](#) and [LGSS appendix 2](#)



### 2.2.1 Significant Issues – Corporate Services

- Corporate Services is currently predicting a year-end overspend of £285k.
- The forecast year-end overspend on the Corporate Capacity Review has reduced from £1.2m to £0.4m, partly as a result of further work to refine the projection for savings from the CCR, which has identified in-year savings are likely to be in the region of £875k (previously reported as £500k).

In addition, it has been agreed to bring forward some of the early proposals for the second phase of the CCR, which are anticipated to deliver £300k of savings in 2016/17.

Two other savings are helping to mitigate the slippage on delivering the CCR:

- It has been agreed to reduce a provision in relation to Capita/Mouchel latent defect corrections by £322k.



- The 2015/16 year end position for council tax and business rates collection has resulted in a revision of the projection for this in 2016/17; it is anticipated that CCC will receive approximately £100k above what was budgeted.

### **2.2.2 Significant Issues – LGSS Managed**

- LGSS Managed is currently predicting a year-end overspend of £157k.
- Budgets to the value of £2.7m relating to Assets and Investments Committee have been disaggregated from this report.
- There are no exceptions to report this month.

### **2.2.3 Significant Issues – Financing Costs**

- Financing costs are currently predicting an underspend of £250k for the year.
- A £250k underspend is currently forecast for Debt Charges. This reflects the fall in the forecast for net interest payable following falls in interest rates across all parts of the yield curve. The impact of lower borrowing on the Debt Charges budget would normally result in a favourable forecast variance (due to lower interest payments). However the Debt Charges budget was reduced in anticipation of capital expenditure slippage during the budget setting process, so the magnitude of the variance reported is muted.

### **2.2.4 Significant Issues – LGSS Cambridge Office**

- LGSS Cambridge Office is currently predicting an overspend of £98k. Any year-end deficit / surplus is subject to a sharing arrangement with Northamptonshire County Council and Milton Keynes Council and will therefore be split between partner authorities on the basis of net budget, with an equalisation adjustment processed accordingly at year-end. This will be incorporated into the report as outturn figures become available during the course of the year.
- There is a forecast deficit of £187k on the consolidated trading activities in place prior to April 2016. This will be ring-fenced and met, if necessary, from the LGSS Smoothing Reserve at year end.

## **2.3 Additional Income and Grant Budgeted this Period (De minimis reporting limit = £30,000)**

There were no items above the de minimis reporting limit recorded in June.

A full list of additional grant income for Corporate Services and LGSS Managed can be found in [CS appendix 3](#).

A full list of additional grant income for LGSS Cambridge Office can be found in [LGSS appendix 3](#).

## 2.4 Virements and Transfers to / from Reserves (including Operational Savings Reserve) (De minimis reporting limit = £30,000)

The following virements have been made this month to reflect changes in responsibilities:

### Corporate Services:

	£	Notes
Non material virements (+/- £30k)	0	

### LGSS Managed:

	£	Notes
Disaggregation of Assets and Investments budgets	-2,714	
Non material virements (+/- £30k)	0	

### LGSS Cambridge Office:

	£	Notes
Non material virements (+/- £30k)	0	

A full list of virements made in the year to date for Corporate Services, LGSS Managed and Financing Costs can be found in [CS appendix 4](#).

A full list of virements made in the year to date for LGSS Cambridge Office can be found in [LGSS appendix 4](#).

## 3. **BALANCE SHEET**

### 3.1 Reserves

A schedule of the Corporate Services and LGSS Managed reserves can be found in [CS appendix 5](#).

A schedule of the LGSS Cambridge Office Reserves can be found in [LGSS appendix 5](#).

### 3.2 Capital Expenditure and Funding

#### Expenditure

- Corporate Services has a capital budget of £48k in 2016/17 and there is £20k spend to date. It is currently expected that the programme will be fully spent at year-end and the total scheme variances will amount to £0k across the programme.

There are no exceptions to report for July.

- LGSS Managed has a capital budget of £4m in 2016/17 and there is spend to date of £296k. It is currently expected that the programme will be fully spent at year-end and the total scheme variances will amount to £0k across the programme.
- Capital budgets of £12.1m relating to Assets and Investments Committee have been disaggregated from this report.

There are no exceptions to report for July.

- LGSS Cambridge Office has a capital budget of £618k in 2016/17 and there is spend to date of £0k. It is currently expected that the programme will be fully spent at year-end and the total scheme variances will amount to £0k across the programme.

There are no new exceptions to report for July.

#### Funding

- Corporate Services has capital funding of £48k in 2016/17 with the current expectation being that this continues to be required in line with the original budget proposals. There are no key funding changes to report.
- LGSS Managed has capital funding of £4m in 2016/17 with the current expectation being that this continues to be required in line with the original budget proposals. Capital funding of £12.4 m relating to Assets and Investments Committee has been disaggregated from this report.
- LGSS Cambridge Office has capital funding of £618k in 2016/17 with the current expectation being that this continues to be required in line with the original budget proposals.

A detailed explanation of the position for Corporate Services and LGSS Managed can be found in [CS appendix 6](#).

A detailed explanation of the position for LGSS Cambridge Office can be found in [LGSS appendix 6](#).

## **4. PERFORMANCE**

- 4.1** The table below outlines key performance indicators for Customer Services and Transformation and LGSS Managed Services.

Measure	Reporting frequency	What is good	Unit	Data last entered	Target	Actual	RAG status	Direction of travel	Comments
<b>Customer Service &amp; Transformation</b>									
Proportion of FOI requests responded to within timescales	Monthly	High	%	03/08/16	90.0%	90.0%	Green	↓	
For context only - number of FOI requests received annually	Annually	Low	Num	05/07/16	N/A*	311	N/A	N/A	Running total will be collected quarterly. Data to be next reported on in October 2015 for Q2 2015/16.
Proportion of customer complaints received in the month before last that were responded to within minimum response times	Monthly	High	%	03/08/16	90.0%	92.0%	Green	↑	
For context only - number of complaints received annually per thousand population	Annually	Low	Num	12/07/16	N/A*	2.2**	N/A	N/A	Data to be next reported on in May 2016 for 2015/16
Proportion of all transformed transaction types to be completed online by 31 March 2015***	Annually	High	%	15/07/16	75.0%	70.4%	Amber	↓	To be next reported on in October 2015 for Q2 2015/16
Deprivation measure - Number of physically active adults (narrowing the gap between Fenland and others)	Annually	High	%	24.03.16 (change to target and 2014 actual)	53.1% (2015) 54.1% (2016)	52.1% (2014)	TBC	N/A	Data reported retrospectively for 2014
<b>LGSS Managed Services</b>									
IT – availability of Universal Business System****	Half-yearly	High	%	28/07/16	95.0%	95.0%	Green	↑	Data to be next reported on in October 2015 for Q2
IT – incidents resolved within Service Level Agreement	Half-yearly	High	%	28/07/16	90.0%	92.0%	Green	↓	Data reported retrospectively for year-end 2014/15

The full scorecard for Customer Services and Transformation and LGSS Managed Services can be found at [CS appendix 7](#).

## 4.2 The table below outlines key performance indicators for LGSS Cambridge Office

Measure	Reporting frequency	What is good	Unit	Data last entered	Target	Actual	RAG status	Direction of travel	Comments
<b>LGSS Cambridge Office</b>									
Percentage of invoices paid within term for month	Monthly	High	%	01/08/16	97.5%	99.6%	Green	↔	99.6% last period
Percentage of invoices paid within term cumulative for year to date	Monthly	High	%	01/08/16	97.5%	99.7%	Green	↑	99.6% last period
Total debt as a percentage of turnover	Monthly	Low	%	01/08/16	10.0%	11.8%	Red	↑	14.9% last period
Percentage of debt over 90 days old	Monthly	Low	%	01/08/16	20.0%	19.2%	Green	↓	16.5 last period

## CS APPENDIX 1 – Corporate Service Level Budgetary Control Report

The variances to the end of July 2016 for Corporate Services, LGSS Managed and Financing Costs are as follows:

Original Budget as per BP £000	Service	Current Budget for 2016/17 £000	Forecast Variance - Outturn (June) £000	Forecast Variance - Outturn (July) £000	%
<u>Corporate Services</u>					
-846	Director, Policy & Business Support	-820	1,178	403	49
198	Chief Executive	198	-65	-65	-33
449	Corporate Information Management	449	0	0	0
1,305	Customer Services	1,382	0	0	0
381	Digital Strategy	381	0	0	0
237	Research	330	0	-30	-9
0	Service Transformation	0	0	0	0
-1	Smarter Business	0	0	0	0
545	Strategic Marketing, Communications & Engagement	545	0	-10	-2
165	Elections	165	0	0	0
908	Redundancy, Pensions & Injury	908	-11	-13	-1
1,434	City Deal	1,434	0	0	0
-101	Grant Income	-141	0	0	0
<b>4,674</b>		<b>4,830</b>	<b>1,102</b>	<b>285</b>	<b>6</b>
<u>LGSS Managed</u>					
141	External Audit	141	0	0	0
1,894	Insurance	1,894	0	0	0
1,869	IT Managed	1,869	165	175	9
1,020	Members' Allowances	1,020	-6	-6	-1
131	OWD Managed	131	0	-12	-9
108	Subscriptions	108	0	0	0
1,000	Transformation Fund	1,000	0	0	0
-53	Authority-wide Miscellaneous	-53	0	0	0
-100	Grant Income	-100	0	0	0
<b>6,010</b>		<b>6,010</b>	<b>159</b>	<b>157</b>	<b>3</b>
<u>Financing Costs</u>					
34,206	Debt Charges and Interest	34,206	0	-250	-1
<b>44,890</b>	<b>CORPORATE SERVICES TOTAL</b>	<b>45,046</b>	<b>1,261</b>	<b>192</b>	<b>0</b>
<u>MEMORANDUM - Grant Income</u>					
-165	Public Health Grant - Corporate Services	-101	0	0	0
-100	Public Health Grant - LGSS Managed	-100	0	0	0
0	Other Corporate Services Grants	-40	0	0	0
<b>-265</b>		<b>-241</b>	<b>0</b>	<b>0</b>	<b>0</b>

## CS APPENDIX 2 – Commentary on Forecast Outturn Position

Number of budgets measured at service level that have an adverse/positive variance greater than 2% of annual budget or £100,000 whichever is greater.

Service	Current Budget £'000	Forecast Variance - Outturn	
		£'000	%
<b>Director, Policy &amp; Business Support</b>	-820	403	49%
<p>It is predicted that the Corporate Capacity Review will be unable to achieve the full year savings that were anticipated in Business Planning in the current year as a result of the unforeseen complexity and the capacity of the Council to manage a cross organisation, multi discipline, restructure of this nature without a central resource to call upon to support its delivery, which led to a delay in the timing of the consultation process and thus the implementation of the restructure.</p> <p>Since last month the position has moved by -£0.8m.</p> <p>A recruitment freeze has been in place since the consultation process commenced and although the position will improve slightly over the coming months as some staff that are at risk take the opportunity to leave the organisation it is likely that directly attributable savings from CCR will be in the region of £875k.</p> <p>In addition to the refining of the projection as set out above there are two opportunities to further reduce this pressure:</p> <ul style="list-style-type: none"> <li>• A larger more in depth review of the whole organisation looking at spans of control and tiers of management was planned to be implemented on a phased basis over 2017/18 and 2018/19. Given the scale of these potential changes, and the slippage in delivering the CCR, it has been agreed to approach the review on a more tactical basis and therefore bring forward some early proposals.</li> </ul> <p>It is anticipated that this will lead to a significant reduction in the numbers of management within the Council, the potential for some jointly funded posts with other organisations, leading to substantial savings in management costs. This will provide some protection to the services that we provide to our communities whilst potentially leading to a more integrated service offer that could provide improved outcomes for the population. The details of these proposals are still being refined but it is anticipated that savings in the region of £300k could be achieved in the current financial year.</p> <ul style="list-style-type: none"> <li>• The Council has held a contractual provision in relation to Capita/Mouchel latent defect corrections. Given the passage of time it is believed that it is reasonable to release £322k of this provision.</li> <li>• During the budget setting process the Council is provided with revised projections of both in-year council tax and business rate collections and future years. The</li> </ul>			

Service	Current Budget £'000	Forecast Variance - Outturn £'000	%
<p>2015/16 year end position for business rates has resulted in an improvement of the sums that were assumed. Additional revenue in the sum of £100k will therefore be received that will negate the impact of slippage in delivery of the CCR.</p> <p>The overall net position of these adjustments will therefore leave a shortfall of around £400k. Officers will continue to work on reducing this shortfall further throughout the year.</p>			
<b>IT Managed</b>	1,869	175	9%
<p>An overspend of £175k is predicted for IT Managed budgets, made up primarily of £100k costs of WAN upgrades in libraries and community hubs, and £65k revenue costs of new tablets.</p>			



### CS APPENDIX 3 – Grant Income Analysis

The table below outlines the additional grant income, which was not built into base budgets.

Grant	Awarding Body	Expected Amount £000
<b>Grants as per Business Plan</b>	Public Health	201
LGA Digital Transformation		40
Non-material grants (+/- £30k)		
<b>Total Grants 2016/17</b>		<b>241</b>

## CS APPENDIX 4 – Virements and Budget Reconciliation

### Corporate Services:

	£000	Notes
<b>Budget as per Business Plan</b>	<b>4,674</b>	
Transfer of SLA budget from CFA to Contact Centre	77	
Transfer of SLA budget from CFA to Research Team	52	
Non-material virements (+/- £30k)	27	
<b>Current Budget 2016/17</b>	<b>4,830</b>	

### LGSS Managed:

	£000	Notes
<b>Budget as per Business Plan</b>	<b>8,720</b>	
Disaggregation of Assets and Investments budgets	-2,714	
Non-material virements (+/- £30k)	4	
<b>Current Budget 2016/17</b>	<b>6,010</b>	

### Financing Costs:

	£000	Notes
<b>Budget as per Business Plan</b>	<b>34,206</b>	
Non-material virements (+/- £30k)	0	
<b>Current Budget 2016/17</b>	<b>34,206</b>	

## CS APPENDIX 5 – Reserve Schedule

### 1. Corporate Services Reserves

Fund Description	Balance at 31 March 2016	Movements in 2016-17	Balance at 30/07/16	Forecast Balance at 31 March 2017	Notes
	£'000	£'000	£'000	£'000	
<b>General Reserve</b>					
Corporate Services Carry-forward	1,218	0	1,218	108	1
subtotal	1,218	0	1,218	108	
<b>Equipment Reserves</b>					
Postal Service	57	0	57	57	
subtotal	57	0	57	57	
<b>Other Earmarked Funds</b>					
Shape Your Place - Fenland Grant	18	0	18	18	2
Election Processes	325	0	325	490	
EDRM Project	232	0	232	0	
City Deal - NHB funding	699	0	699	699	
subtotal	1,274	0	1,274	1,207	
<b>Short Term Provisions</b>					
Transforming Cambridgeshire	962	0	962	962	
Overarching Transformation Programme	0	250	250	250	
Community Resilience	100	0	100	100	
subtotal	1,312	0	1,312	1,312	
<b>TOTAL</b>	<b>3,862</b>	<b>0</b>	<b>3,862</b>	<b>2,685</b>	

#### Notes

- 1 The year-end position reflects the Corporate Services overspend of £285k and expected use of reserves to fund Transformation services as previously approved. Due to vacant posts, it is currently estimated that a reduced amount of £825k will be required to fund Transformation services in 2016-17; this compares to an original estimate of £907k.
- 2 The underspend on the Elections budget will be transferred to the earmarked reserve. This is to ensure that sufficient funding is available for the four-yearly County Council election.
- 3 Provision for consultancy costs in respect of Transformation Fund work.
- 4 Provision in respect of Community Resilience.

## 2. LGSS Managed Reserves

Fund Description	Balance at 31 March 2016	Movements in 2016-17	Balance at 30/07/16	Forecast Balance at 31 March 2017	Notes
	£'000	£'000	£'000	£'000	
<b>Other Earmarked Funds</b>					
CPSN Partnership Funds	149	0	149	149	1
subtotal	149	0	149	149	
<b>Short Term Provisions</b>					
Insurance Short-term Provision	2,324	0	2,324	2,324	
External Audit Costs	89	0	89	89	
Insurance MMI Provision	1,182	0	1,182	1,182	
Back-scanning Reserve	56	0	56	56	
Contracts General Reserve	893	0	893	893	
Operating Model Reserve	1,000	0	1,000	1,000	
subtotal	5,545	0	5,545	5,545	
<b>Long Term Provisions</b>					
Insurance Long-term Provision	3,613	0	3,613	3,613	
subtotal	3,613	0	3,613	3,613	
<b>SUBTOTAL</b>	<b>9,306</b>	<b>0</b>	<b>9,306</b>	<b>9,306</b>	
<b>Capital Reserves</b>					
P&P Commissioning (Property)	422	-322	100	100	2
subtotal	422	-322	100	100	
<b>TOTAL</b>	<b>9,728</b>	<b>-322</b>	<b>9,406</b>	<b>9,406</b>	

### Notes

- 1 Funds ring-fenced for CPSN partnership to be used for procurement of replacement contract.
- 2 Reserves totalling £322k have been written back to revenue - this relates to Capita/Mouchel latent defect corrections for which no further costs are expected.

## CS APPENDIX 6 – Capital Expenditure and Funding

### Capital Expenditure

Corporate Services & LGSS Managed Capital Programme 2016/17						TOTAL SCHEME	
Original 2016/17 Budget as per BP £000	Scheme	Revised Budget for 2016/17 £000	Actual Spend 2016/17 £000	Forecast Spend - Outturn (July) £000	Forecast Variance - Outturn (July) £000	Total Scheme Revised Budget £000	Total Scheme Forecast Variance £000
	<b>Corporate Services</b>						
33	Essential CCC Business Systems Upgrade	60	20	60	-	300	-
-	- Other Schemes	-	-	-	-	-	-
-	- Capital Programme Variations	(12)	-	(12)	-	-	-
33	<b>LGSS Managed</b>	48	20	48	-	300	-
1,105	Sawston Community Hub	1,105	2	1,105	-	1,309	-
1,150	Optimising IT for Smarter Business Working	1,638	238	1,638	-	3,863	-
900	IT Infrastructure Investment	912	17	912	-	2,400	(0)
-	- Cambridgeshire Public Sector Network	33	28	33	-	5,554	-
1,000	Microsoft Enterprise Agreement	1,000	-	1,000	-	1,902	-
250	Implementing IT Resilience Strategy for Data Centres	250	4	250	-	500	-
-	- Other Schemes	87	7	87	-	100	-
-	- Capital Programme Variations	(1,029)	-	(1,029)	-	-	-
4,405		3,996	296	3,996	-	15,628	(0)
4,438	<b>TOTAL</b>	4,044	316	4,044	-	15,928	(0)

### Previously Reported Exceptions

As reported in 2015/16 the works planned under the Carbon Reduction scheme were reviewed in 2014/15 and a new schedule was agreed. The agreed work plan is expected to deliver a total scheme underspend of £0.65m. This work is expected to be completed in 2016/17.

The Implementing IT Resilience Strategy for Data Centres scheme has been rephased, resulting in an increase of £500k in the budget for 2016/17. This will not affect the overall scheme cost.

## Capital Funding

Corporate Services & LGSS Managed Capital Programme 2016/17					
Original 2016/17 Funding Allocation as per BP £000	Source of Funding		Revised Funding for 2016/17 £000	Forecast Spend Outturn (July) £000	Forecast Funding Variance Outturn (July) £000
	<b>Corporate Services</b>				
33	Prudential Borrowing	CS	48	48	-
<b>33</b>			<b>48</b>	<b>48</b>	-
	<b>LGSS Managed</b>				
4,405	Prudential Borrowing	Mgd	3,996	3,996	-
<b>4,405</b>			<b>3,996</b>	<b>3,996</b>	-
<b>4,438</b>	<b>TOTAL</b>		<b>4,044</b>	<b>4,044</b>	-

## Previously Reported Exceptions

As previously reported, the Capital Programme Board recommended that services include a variation budget to account for likely slippage in the capital programme, as it is sometimes difficult to predict this against individual schemes in advance. As forecast underspends start to be reported, these are offset with a forecast outturn for the variation budget, leading to a balanced outturn overall up to the point when slippage exceeds this budget.

## CS Appendix 7 – Performance Scorecard

Measure	Reporting frequency	What is good	Unit	Data last entered	Time period covered	Target	Actual	RAG status	Direction of travel	Comments
<b>Customer Service and Transformation</b>										
Proportion of FOI requests responded to within timescales	Monthly	High	%	03/08/16	1 - 31 July 2016	90%	90%	Green	↓	101 Requests due in July, 91 responded to on time. Team has experienced a resource shortage this month. Imminent recruitment of agency staff should increase response rate.
<i>For context only - number of FOI requests received annually</i>	<i>Annually</i>	<i>Low</i>	<i>Num</i>	05/07/16	1 April - 30 June 2016	N/A*	311	N/A	N/A	<p>* No target or RAG status for this indicator. Purpose is to set the context.</p> <p>2015/16 - 1228 2014/15 - 1177 2013/14 - 1153 2012/13 - 899 2011/12 - 917 2010/11 - 834</p> <p>Running total will be collected quarterly. Data to be next reported on in October 2016 for Q2 2016/17.</p>
Proportion of customer complaints received in the month before last that were responded to within minimum response times	Monthly	High	%	03/08/16	1 - 31 May 2016	90%	92.0%	Green	↑	<p>Number of customer complaints for May 2016 = 113</p> <p><u>Breakdown of May 2016 figures</u></p> <p>35 complaints were received for CFA in May and 33 were responded to in time. This was a pass rate of 94.3%</p> <p>69 complaints were received for ETE in May and 62 were responded to in time. This was a pass rate of 89.9%.</p> <p>9 complaints were received for CS&amp;T in May. All were responded to on time which meant a pass rate of 100%.</p>
<i>For context only - number of complaints received annually per thousand population</i>	<i>Annually</i>	<i>Low</i>	<i>Num</i>	12/07/16	1 April 2015 - 31 March 2016	N/A*	2.2**	N/A	N/A	<p>2014/15 was 1.68.</p> <p>* No target or RAG status for this indicator. Purpose is to set the context.</p> <p>Data to be next reported on in May 2017 for period of 1 April 2016 - 31 March 2017</p>
Proportion of all transformed transaction types to be completed online by 31 March 2015***	Annually	High	%	15/07/16	1 April - 30 June 2016	75%	70.4%	Amber	↓	To be next reported on in October 2016 for Q2 2016/17.
Deprivation measure - Number of physically active adults (narrowing the gap between Fenland and others)	Annually	High	%	24.03.16 (change to target and 2014 actual)	1 April 2015 - 31 March 2016	53.1% (2015) 54.1% (2016)	52.1% (2014)	TBC	N/A	<p>New indicator identified by GPC in response to the deprivation motion passed by Council in July 2014. Indicator shared with Public Health.</p> <p>Update 24.03.16 - actual for 2014 and therefore target for 2015 and 2016 amended to reflect updates to data.</p> <p>Data to be reported on in May 2017 for year end.</p>

LGSS Managed Services										
IT – availability of Universal Business System****	Half-yearly	High	%	28/07/16	1 January - 31 March 2016 (Q4)	95%	95.0%	Green	↑	Q3 2015/16 - 94% Q2 2015/16 - 100.0% Q1 2015/16 - 100.0%  <i>To next be reported on in November 2016 for Q1 and Q2 2016/17.</i>
IT – incidents resolved within Service Level Agreement	Half-yearly	High	%	28/07/16	1 January - 31 March 2016 (Q4)	90%	92.0%	Green	↓	Q3 2015/16 - 97% Q2 2015/16 - 83% Q1 2015/16 - 98%  <i>To next be reported on in November 2016 for Q1 and Q2 2016/17.</i>



## LGSS APPENDIX 1 – Service Level Budgetary Control Report

The variances to the end of July 2016 for LGSS Cambridge Office are as follows:

Original Budget as per BP £000	Service	Current Budget for 2016/17 £000	Forecast Variance - Outturn (June) £000	Forecast Variance - Outturn (July) £000	%
<b><u>LGSS Cambridge Office</u></b>					
<b><u>Central Management</u></b>					
62	Service Assurance	2	0	0	0
-8,787	Trading	-8,634	-94	0	0
587	LGSS Equalisation	359	0	0	0
-410	Grant Income	-220	0	0	0
<b>-8,548</b>		<b>-8,492</b>	<b>-94</b>	<b>0</b>	<b>0</b>
<b><u>Finance &amp; Property</u></b>					
1,019	Chief Finance Officer	1,049	0	0	0
1,955	Professional Finance	1,985	0	-2	0
571	Property Operations & Delivery	708	0	0	0
823	Strategic Assets	823	0	0	0
0	Pensions Service	0	0	0	0
<b>4,368</b>		<b>4,565</b>	<b>0</b>	<b>-2</b>	<b>0</b>
<b><u>Milton Keynes Council</u></b>					
740	Audit	448	0	0	0
213	Procurement	319	0	0	0
0	MKC	0	0	12	0
<b>954</b>		<b>767</b>	<b>0</b>	<b>12</b>	<b>0</b>
<b><u>People, Transformation &amp; Transactional</u></b>					
1,312	HR Business Partners	1,328	0	0	0
322	HR Policy & Strategy	334	0	0	0
1,852	LGSS Programme Team	1,853	50	50	3
291	Organisational & Workforce Development	300	0	0	0
2,327	Revenues and Benefits	2,382	0	0	0
1,277	Transactional Services	1,240	0	0	0
<b>7,381</b>		<b>7,436</b>	<b>50</b>	<b>50</b>	<b>1</b>
<b><u>Law &amp; Governance</u></b>					
425	Democratic & Scrutiny Services	425	-3	0	0
-174	LGSS Law Ltd	-219	0	-12	-5
<b>250</b>		<b>205</b>	<b>-3</b>	<b>-12</b>	<b>-6</b>
5,184	<u>IT Services</u>	5,201	129	50	1
<b>9,589</b>	<b>Total LGSS Cambridge Office</b>	<b>9,682</b>	<b>83</b>	<b>98</b>	<b>1</b>
<b><u>MEMORANDUM - Grant Income</u></b>					
-220	Public Health Grant	-220	0	0	0
0	Counter Fraud Initiative Grant	0	0	0	0
<b>-220</b>		<b>-220</b>	<b>0</b>	<b>0</b>	<b>0</b>

## LGSS APPENDIX 2 – Commentary on Forecast Outturn Position

Number of budgets measured at service level that have an adverse/positive variance greater than 2% of annual budget or £100,000 whichever is greater.

Service	Current Budget £'000	Forecast Variance - Outturn	
		£'000	%
IT Services	5,201	50	1
IT Services is currently predicting an overspend of £50k at yearend due to a decision to recruit to a Head of IT in Norwich, in order to expand the LGSS offering in this geographical area. The previously reported pressure of £104k relating to the unlikely delivery of savings has now been removed following discussion with the CFO at CCC and this saving has been reassigned to the IT Managed budget.			

### LGSS APPENDIX 3 – Grant Income Analysis

The table below outlines the additional grant income, which is not built into base budgets.

	<b>Awarding Body</b>	<b>Expected Amount £'000</b>
<b>Grants as per Business Plan</b>	Various	220
Non-material grants (+/- £30k)		0
<b>Total Grants 2014/15</b>		<b>220</b>

## LGSS APPENDIX 4 – Virements and Budget Reconciliation

	£'000	Notes
<b>Budget as per Business Plan</b>	9,589	
Transfer of Reablement budget from CFA to LGSS Finance	113	
Non-material virements (+/- £30k)	-20	
<b>Current Budget 2015-16</b>	<b>9,682</b>	

## LGSS APPENDIX 5 – Reserve Schedule

Fund Description	Balance at 31 March 2016	Movements in 2016-17	Balance at 30/07/16	Forecast Balance at 31 March 2017	Notes
	£'000	£'000	£'000	£'000	
<b><u>General Reserve</u></b>					
LGSS Cambridge Office Carry-forward	1,013	0	1,013	0	
subtotal	1,013	0	1,013	0	
<b><u>Other Earmarked Funds</u></b>					
Counter Fraud Initiative	130	0	130	130	
subtotal	130	0	130	130	
<b>SUBTOTAL</b>	<b>1,143</b>	<b>0</b>	<b>1,143</b>	<b>130</b>	
<b>TOTAL</b>	<b>1,143</b>	<b>0</b>	<b>1,143</b>	<b>130</b>	

## LGSS APPENDIX 6 – Capital Expenditure and Funding

### Capital Expenditure

Original 2016/17 Budget as per BP £000	Scheme	Revised Budget for 2016/17 £000	Actual Spend 2016/17 £000	Forecast Spend - Outturn (July) £000	Forecast Variance - Outturn (July) £000	Total Scheme Revised Budget £000	Total Scheme Forecast Variance £000
-	R12 Convergence*	-	-	-	-	416	-
1,104	Next Generation ERP	773	-	773	-	1,288	-
-	Capital Programme Variations	(155)	-	(155)	-	-	-
<b>1,104</b>	<b>TOTAL</b>	<b>618</b>	<b>-</b>	<b>618</b>	<b>-</b>	<b>1,704</b>	<b>-</b>

### Previously Reported Exceptions

There are no previous exceptions to report.

### Capital Funding

LGSS Cambridge Office Capital Programme 2016/17					
Original 2016/17 Funding Allocation as per BP £000	Source of Funding		Revised Funding for 2016/17 £000	Forecast Spend Outturn (July) £000	Forecast Funding Variance Outturn (July) £000
1,104	Prudential Borrowing	LGSS	618	618	-
<b>1,104</b>	<b>TOTAL</b>		<b>618</b>	<b>618</b>	<b>-</b>

### Previously Reported Exceptions

There are no previous exceptions to report.

**INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR THE PERIOD  
ENDING 31ST JULY 2016**

*To:* **General Purposes Committee**

*Date:* **20th September 2016**

*From:* **Chief Finance Officer**

*Electoral  
division(s):* **All**

*Forward Plan ref:* **N/A**

*Key decision:* **No**

*Purpose:* **To present financial and performance information to assess progress in delivering the Council's Business Plan.**

*Recommendations:* **General Purposes Committee (GPC) is recommended to:**

- a) Analyse resources and performance information and note any remedial action currently being taken and consider if any further remedial action is required.**

<b><i>Officer contact:</i></b>
Name: Chris Malyon Post: Chief Finance Officer Email: <a href="mailto:Chris.Malyon@cambridgeshire.gov.uk">Chris.Malyon@cambridgeshire.gov.uk</a> Tel: 01223 699796

## 1. PURPOSE

- 1.1 To present financial and performance information to assess progress in delivering the Council's Business Plan.

## 2. OVERVIEW

- 2.1 The following table provides a snapshot of the Authority's forecast performance at year-end by value, RAG (Red, Amber, Green) status and direction of travel (DoT).

Area	Measure	Forecast Year End Position (June)	Forecast Year End Position (July)	Current Status	DoT (up is improving)
Revenue Budget	Variance (£m)	+£1.8m	+£0.5m	Amber	↑
Basket Key Performance Indicators	Number at target (%)	44% (7 of 16) <sup>1</sup>	38% (6 of 16) <sup>1</sup>	Amber	↓
Capital Programme	Variance (£m)	+£0.03m	+£0.2m	Green	↓
Balance Sheet Health	Net borrowing activity (£m)	£432m	£415m	Green	↔

<sup>1</sup> The number of performance indicators on target reflects the current position.

- 2.2 The key issues included in the summary analysis are:

- The overall revenue budget position is showing a forecast year-end overspend of £0.5m, which is a decrease of £1.3m on the position reported last month. The change in position is largely due to a net reduction in CS and CFA overspends and an underspend emerging in CS Financing. See section 3 for details.
- Key Performance Indicators; the corporate performance indicator set has been refreshed for 2016/17. There are 18 indicators in the Council's new basket, with data currently being available for 16 of these. Of these 16 indicators, 6 are on target. However, 7 indicators are currently rated amber, with 5 of these being within 5% of their target values. See section 5 for details.
- The Capital Programme is showing a forecast year-end overspend of £0.2m (0.2%); this is within A&I. Although CFA and ETE are reporting £3.7m and £2.8m (respectively) in-year slippage on their capital programmes, this is within their allocated budgets for capital programme variations, giving them a balanced outturn overall. See section 6 for details.



- Balance Sheet Health; The original forecast net borrowing position for 31st March 2017, as set out in the Treasury Management Strategy Statement (TMSS) is £479m. This projection has now fallen to £415m, which is £17m lower than reported last month. This decrease is due to the forecast for prudential borrowing in 2016/17 falling from £87m to £70m. See section 7 for details.

### 3. REVENUE BUDGET

3.1 A more detailed analysis of financial performance is included below:

#### Key to abbreviations

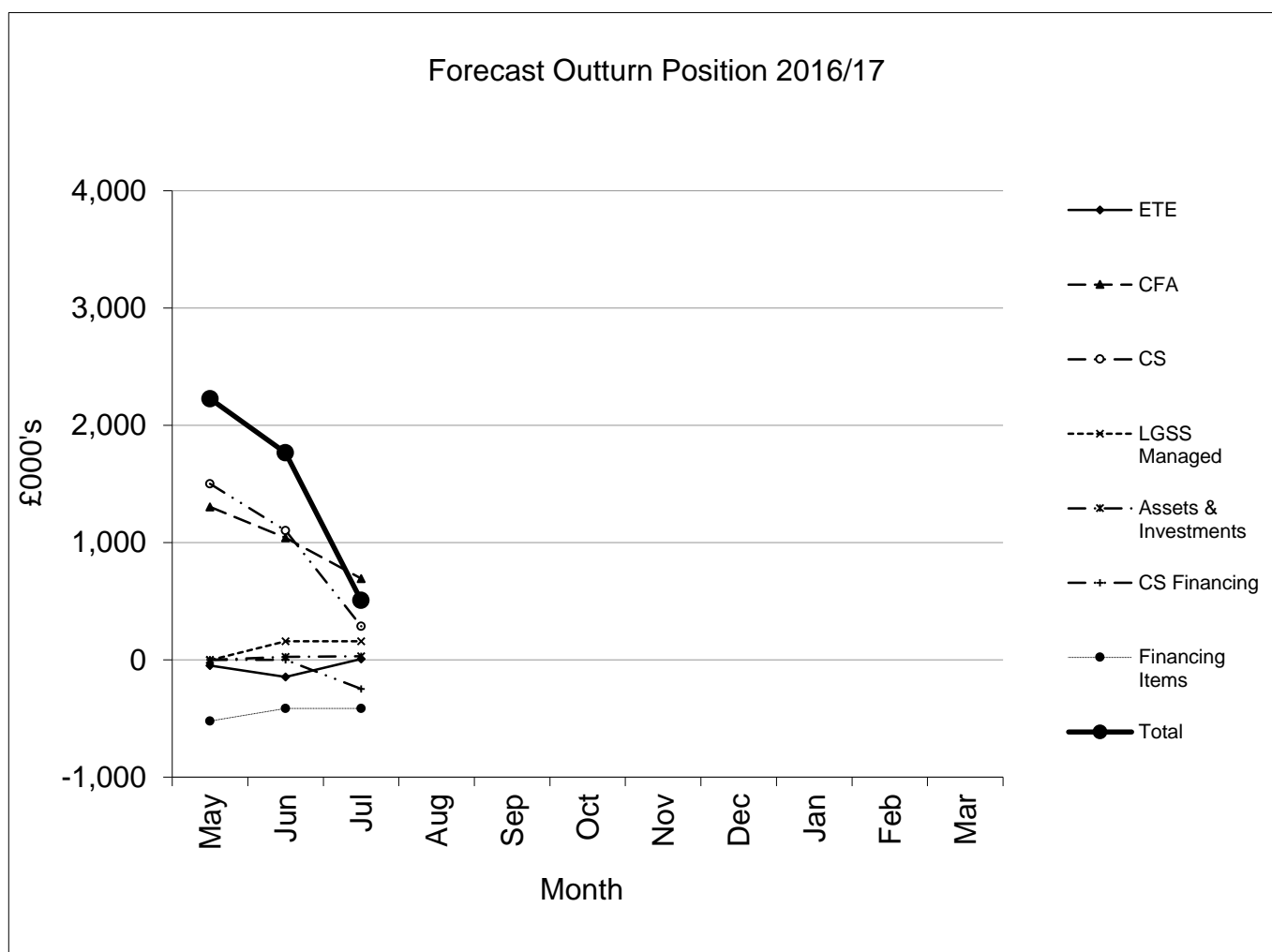
ETE	– Economy, Transport and Environment
CFA	– Children, Families and Adults
CS Financing	– Corporate Services Financing
DoT	– Direction of Travel (up arrow means the position has improved since last month)

Original Budget as per BP £000	Service	Current Budget for 2016/17 £000	Forecast Variance - Outturn (June) £000	Forecast Variance - Outturn (July) £000	Forecast Variance - Outturn (July) %	Overall Status	DoT
59,952	ETE	61,967	-147	7	0.0%	Green	↓
242,563	CFA	242,310	1,041	693	0.3%	Amber	↑
182	Public Health	182	0	0	0.0%	Green	↔
4,674	Corporate Services	4,830	1,102	285	5.9%	Amber	↑
6,010	LGSS Managed	6,010	159	157	2.6%	Amber	↑
2,711	Assets & Investments	2,714	25	31	1.1%	Green	↓
34,206	CS Financing	34,206	0	-250	-0.7%	Green	↑
<b>350,298</b>	<b>Service Net Spending</b>	<b>352,219</b>	<b>2,180</b>	<b>923</b>	<b>0.3%</b>	<b>Amber</b>	<b>↑</b>
4,677	Financing Items	1,900	-415	-415	-21.8%	Green	↓
<b>354,975</b>	<b>Total Net Spending</b>	<b>354,119</b>	<b>1,765</b>	<b>508</b>	<b>0.1%</b>	<b>Amber</b>	<b>↑</b>
	<b>Memorandum items:</b>						
9,589	LGSS Operational	9,682	83	98	1.0%	Amber	↓
222,808	Schools	222,808					
<b>587,372</b>	<b>Total Spending 2016/17</b>	<b>586,610</b>					

<sup>1</sup> The budget figures in this table are net, with the 'Original Budget as per BP' representing the Net Budget column in Table 1 of the Business Plan for each respective Service.

<sup>2</sup> The forecast variance outturn does not include the £9.3m budget saving in 2016/17 following the change in Minimum Revenue Provision (MPR) policy, which was approved by Council on 16 February 2016.

<sup>3</sup> For budget virements between Services throughout the year, please see [Appendix 1](#).



3.2 Key exceptions this month are identified below.

3.2.1 **Economy, Transport and Environment:** +£0.007m (0.0%) overspend is forecast at year-end. There are no new exceptions to report; for full and previously reported details see the [ETE Finance & Performance Report](#).

3.2.2 **Children, Families and Adults:** +£0.693m (0.3%) overspend is forecast at year-end.

	£m	%
<ul style="list-style-type: none"> <li> <b>Learning Disability Head of Services</b> – The Head of Service policy line is currently forecasting an underspend of £759k. This is a movement of -£292k from last month. The movement is the result of holding back additional expenditure on vacant posts and contracts to offset against pressures elsewhere in the pool totalling -£120k, and increasing the forecast Clinical Commissioning Group contribution to the LDP overspend by -£172k, due to the risk share on the pooled budget. </li> </ul>	-0.759	(-48%)
<ul style="list-style-type: none"> <li> <b>Learning Disability Young Adults – City, South and East Localities</b> – An overspend of £825k is forecast for year-end. This is an increase of £311k on the forecast reported last month. In South Locality costs have increased by £106k as a result of </li> </ul>	+0.825	(+3%)

changes in service user need. The remainder of the increase is due to the updating of spending commitments after loading packages onto an automated payments and recording system, and updated expectations for the delivery of savings in the remainder of the year.

- Learning Disability – Hunts & Fenland Localities** – An overspend of £748k is forecast for year-end. This is an increase of £490k on the forecast reported last month. £280k of this increase is within Hunts Locality and is mainly as a result of a service user's previous placement breaking down. Further pressures have been caused through revised estimates of future transport and variable package costs. The remainder of the increase is due to an updated estimate of savings achievable in the remainder of the year.
 

+0.748	(+4%)
--------	-------
- Mental Health – Adults & OP** – An underspend of £676k is forecast at year-end. This is a movement of -£450k from the position reported last month.

£200k of the overall underspend reflects the level and amount of care provided being lower than anticipated at this stage of the year. This accounts for £100k of the increase in the underspend reported last month.

The remaining £350k of increase in underspend is due to scrutiny of care and funding arrangements for service users identifying that the County Council is funding health responsibilities for some placements made through Section 41 of the Mental Health Act. Discussions are ongoing with the Clinical Commissioning Group (CCG) to address the provision of appropriate health funding and it is anticipated this could yield additional savings of £350k.

-0.676	(-5%)
--------	-------

The remaining £126k forecast underspend is due to successful price negotiations on contracts.

- Other areas in CFA account for the additional -£406k movement in the overall position of CFA since last month, but none meet the exception threshold of £250k for reporting.
- For full and previously reported details see the [CFA Finance & Performance Report](#).

3.2.3 **Public Health:** a balanced budget is forecast at year-end. There are no exceptions to report this month; for full and previously reported details see the [PH Finance & Performance Report](#).

3.2.4 **Corporate Services:** +£0.282m (+5.8%) overspend is forecast at year-end.

£m	%
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**Director, Policy & Business Support** – an overspend of £403k is forecast at year-end. This is a movement of -£775k on the previously reported position.

The last report to this Committee identified an underachievement of the in-year saving in respect of the Corporate Capacity Review. As explained this was caused by a delay in the implementation of the restructure rather than a reduction in the quantum of the saving. This was as a result of the unforeseen complexity and capacity of the Council to manage a cross organisation, multi discipline restructure of this nature without a central resource to call upon to support its delivery. In addition a robust engagement process has been undertaken in order to ensure successful delivery of the proposals. Even with this engagement there has been some resistance within the organisation as change of this level and complexity is unprecedented within the Council. Whilst the overall quantum of the saving will be delivered the aforementioned factors have resulted in a delay in implementation.

The level of the in-year pressure identified in the last report period was highlighted as being the worst case scenario and further work has been undertaken to refine this position. A recruitment freeze has been in place since the consultation process commenced and although the position will improve slightly over the coming months as some staff that are at risk take the opportunity to leave the organisation it is likely that directly attributable savings from CCR will be in the region of £875k.

+0.403 (49%)

At the last meeting the Committee asked for officers to consider ways to bridge this in-year budget pressure. In addition to the refining of the projection as set out above there are two opportunities to further reduce this pressure:

- As highlighted in previous GPC Workshops the CCR was the first phase of a review of the Council's overall staffing resources and structures. A larger more in depth review of the whole organisation looking at spans of control and tiers of management was planned to be implemented on a phased basis over 2017/18 and 2018/19. Given the scale of these potential changes, and the slippage in delivering the CCR, it has been agreed to approach the review on a more tactical basis and therefore bring forward some early proposals.
- It is anticipated that this will lead to a significant reduction in the numbers of management within the Council, the potential for some jointly funded posts with other organisations, leading to substantial savings in management costs. This will provide some protection to the services that we provide to our communities whilst potentially leading to a more integrated service offer that could provide improved outcomes for the population. The details

of these proposals are still being refined but it is anticipated that savings in the region of £300k could be achieved in the current financial year.

- The Council has held a contractual provision in relation to Capita/Mouchel latent defect corrections. Given the passage of time it is believed that it is reasonable to release £322k of this provision.
- During the budget setting process the Council is provided with revised projections of both in-year council tax and business rate collections and future years. The 2015/16 year end position for business rates has resulted in an improvement of the sums that were assumed. Additional revenue in the sum of £100k will therefore be received that will negate the impact of slippage in delivery of the CCR.

The overall net position of these adjustments will therefore leave a shortfall of around £400k. Officers will continue to work on reducing this shortfall further throughout the year.

For full and previously reported details see the [CS & LGSS Finance & Performance Report](#).

- 3.2.5 **LGSS Managed:** +£0.157m (+2.6%) overspend is forecast at year-end. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).
- 3.2.6 **CS Financing:** -£0.250m (-0.7%) underspend is currently forecast for Debt Charges. This reflects the fall in the forecast for net interest payable following falls in interest rates across all parts of the yield curve. For full and previously reported details see the [CS & LGSS Finance & Performance Report](#).
- 3.2.7 **LGSS Operational:** +£0.098m (+1.0%) overspend is forecast at year-end. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).
- 3.2.8 **Assets & Investments:** +£0.031m (+1.1%) overspend is forecast at year-end. There are no new exceptions to report this month; for full and previously reported details see the [A&I Finance & Performance Report](#).

***Note:** exceptions relate to Forecast Outturns that are considered to be in excess of +/- £250k.*

#### **4. KEY ACTIVITY DATA**

- 4.1 The latest key activity data for: Looked After Children (LAC); Special Educational Needs (SEN) Placements; Adult Social Care (ASC); Adult Mental Health; Older People (OP); and Older People Mental Health (OPMH) can be found in the latest [CFA Finance & Performance Report](#) (section 2.5).

## 5. PERFORMANCE TARGETS

Corporate priority	Indicator	Service	What is good? High (good) or low	Date	Unit	Actual	Target	Status (Green, Amber or Red)	Direction of travel (up is good, down is bad)
Developing our economy	Percentage of Cambridgeshire residents aged 16 - 64 in employment: 12-month rolling average	ETE	High	At-31-Dec-2015	%	80.4%	80.3% (2015/16 target)	Green	↔
	Additional jobs created	ETE	High	To 30-Sep-2014	Number	+14,000	+ 3,500 (2015/16 target)	Green	↑
	'Out of work' benefits claimants – narrowing the gap between the most deprived areas (top 10%) and others	ETE	Low	At-30-Nov-2015	%	Gap of 6.4 percentage points  Most deprived areas (Top 10%) = 11.4% Others = 5%	Most deprived areas (Top 10%) ≤12%  Gap of <7.2 percentage points (2015/16 target)	Green	↑
	The proportion of children in year 12 taking up a place in learning	CFA (E&P)	High	June 16	%	94.5%	96.5%	Amber	↓
	Percentage of 16-19 year olds not in education, employment or training (NEET)	CFA	Low	June 16	%	3.4%	3.3%	Amber	↓
	The proportion pupils attending Cambridgeshire Primary schools judged good or outstanding by Ofsted	CFA (Learning)	High	June 16	%	80.8%	82.0%	Amber	↑
	The proportion pupils attending Cambridgeshire Secondary schools judged good or outstanding by Ofsted	CFA (Learning)	High	June 16	%	55.5%	75.0%	Red	↑
	The proportion pupils attending Cambridgeshire Special schools judged good or outstanding by Ofsted	CFA (Learning)	High	June 16	%	94.8%	100%	Amber	↔

Corporate priority	Indicator	Service	What is good? High (good) or low	Date	Unit	Actual	Target	Status (Green, Amber or Red)	Direction of travel (up is good, down is bad)
Helping people live independent and healthy lives	The proportion of Adult Social Care and Older People's Service users requiring no further service at end of re-ablement phase	CFA	High	June 16	%	52.8%	57%	Amber	↓
	Reduced proportion of Delayed Transfers of care from hospital, per 100,000 of population (aged 18+)	CFA	Low	May 16	Number	556	429 per month (4874.5 per year)	Red	↓
	Number of ASC attributable bed-day delays per 100,000 population (aged 18+)	CFA	Low	May 16	Number	124	114	Amber	↑
	Healthy life expectancy at birth (males)	Public Health	High	2012 – 2014	Years	66.1	N/A – contextual indicator	Green (compared with England)	↓ (compared with previous year)
	Healthy life expectancy at birth (females)	Public Health	High	2012 – 2014	Years	67.6	N/A – contextual indicator	Green (compared with England)	↑ (compared with previous year)
	Absolute gap in life expectancy between the most deprived 20% of Cambridgeshire's population and the least deprived 80% (all persons)	Public Health	Low	2013-2015 (Q4 2015)	Years	2.6	N/A – contextual indicator	N/A – contextual indicator	↔
Supporting and protecting vulnerable people	The number of looked after children per 10,000 children	CFA (CSC)	Low	June 16	Rate per 10,000	46.7	40	Red	↑
	No/ % of families who have not required statutory services within six months of have a Think Family involvement.	CFA (E&P)	TBC	TBC	TBC	TBC	TBC new measure for 2016/17	TBC	TBC

Corporate priority	Indicator	Service	What is good? High (good) or low	Date	Unit	Actual	Target	Status (Green, Amber or Red)	Direction of travel (up is good, down is bad)
An efficient and effective organisation	The percentage of all transformed transaction types to be completed online	CS&T	High	1 Apr– 30 June 2016	%	70.4%	75%	Amber	↓
	The average number of days lost to sickness per full-time equivalent staff member	LGSS HR	Low	July 16	Days (12 month rolling average)	6.49	7.8	Green	↓

\* 'Out of work' benefits claimants - narrowing the gap between the most deprived areas (top 10%) and others – the target of ≤12% is for the most deprived areas (top 10%). At 6.7 percentage points the gap is the same as last quarter, but is narrower than the baseline (in May 2014) of 7.2 percentage points.



5.2 Key exceptions: there are no exceptions to report this month; for full and previously reported details go to the respective Service Finance & Performance Report:

- [ETE Finance & Performance Report](#)
- [CFA Finance & Performance Report](#)
- [PH Finance & Performance Report](#)
- [CS & LGSS Finance & Performance Report](#)
- [A&I Finance & Performance Report](#)

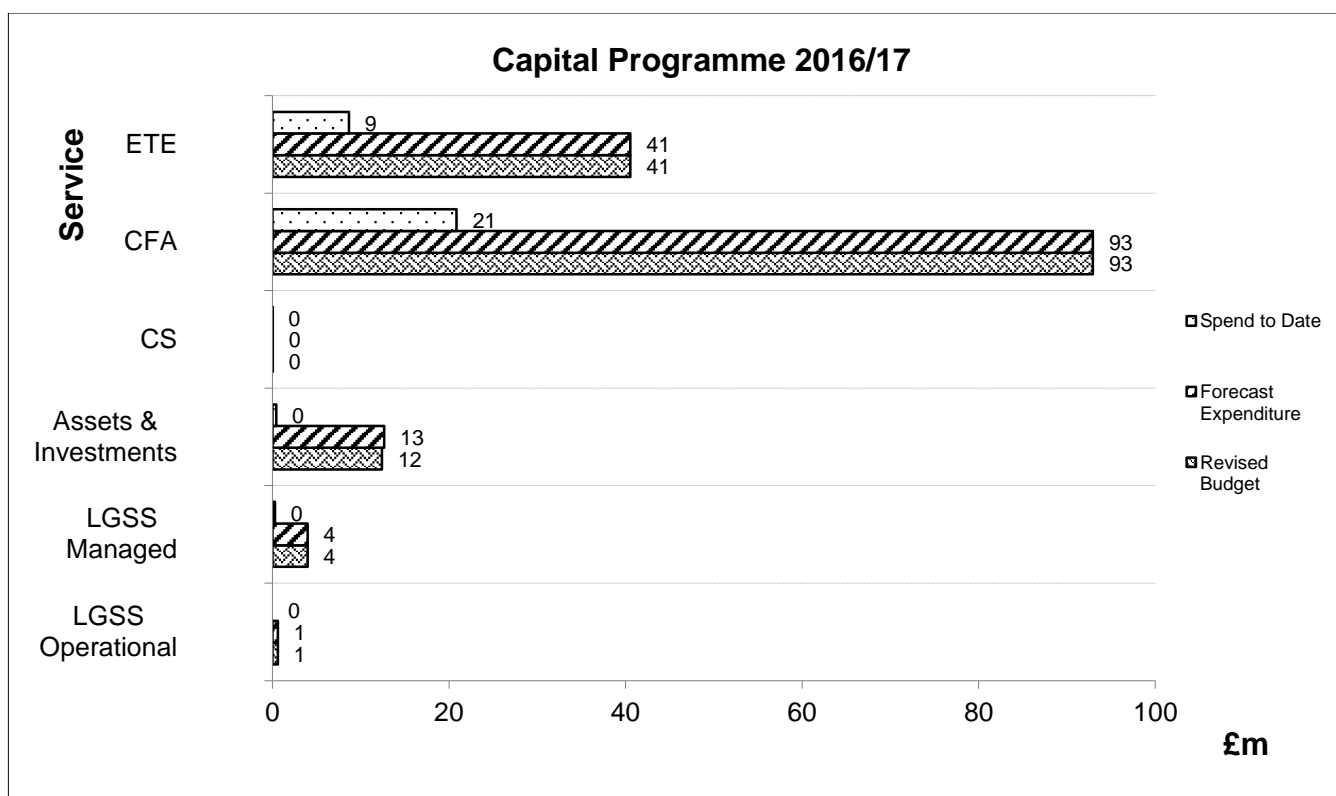
## 6. CAPITAL PROGRAMME

6.1 A summary of capital financial performance by service is shown below:

2016/17						TOTAL SCHEME	
Original 2016/17 Budget as per BP  £000	Service	Revised Budget for 2016/17  £000	Forecast Variance - Outturn (June)  £000	Forecast Variance - Outturn (July)  £000	Forecast Variance - Outturn (July)  %	Total Scheme Revised Budget (July)  £000	Total Scheme Forecast Variance (July)  £000
71,699	ETE	40,548	-	-	0.0%	415,047	-
97,156	CFA	92,921	0	0	0.0%	543,222	13,984
33	Corporate Services	48	-	-	0.0%	300	-
4,405	LGSS Managed	3,996	-	-	0.0%	15,628	-0
11,397	Assets & Investments	12,412	29	232	1.9%	240,324	-1,730
1,104	LGSS Operational	618	-	-	0.0%	1,704	-
<b>185,794</b>	<b>Total Spending</b>	<b>150,543</b>	<b>29</b>	<b>232</b>	<b>0.2%</b>	<b>1,216,225</b>	<b>12,253</b>

### Notes:

1. The 'Revised Budget' incorporates any changes in the funding available to what was originally budgeted, including the capital programme variations budget allocated to each service. A breakdown of the use of the capital programme variations budget by service is shown in section 6.2.
2. The reported ETE capital figures do not include City Deal, which has a budget for 2016/17 of £7.4m and is currently forecasting an in-year underspend of £0.15m.



**Note:** The 'Revised Budget' incorporates any changes in the funding available to what was originally budgeted.

- 6.2 A summary of the use of capital programme variations budgets by services is shown below. As forecast underspends start to be reported, these are offset with a forecast outturn for the variation budget, leading to a balanced outturn overall up to the point when slippage exceeds this budget.

2016/17					
Service	Capital Programme Variations Budget	Forecast Variance - Outturn (July)	Capital Programme Variations Budget Used	Capital Programme Variations Budget Used	Revised Forecast Variance - Outturn (July)
	£000	£000	£000	%	£000
ETE	-10,500	-2,827	2,827	26.92%	0
CFA	-10,282	-3,739	3,739	36.36%	0
Corporate Services	-12	0	0	0.00%	0
LGSS Managed	-1,029	0	0	0.00%	0
Assets & Investments	-2,850	232	0	0.00%	232
LGSS Operational	-155	0	0	0.00%	0
<b>Total Spending</b>	<b>-24,828</b>	<b>-6,334</b>	<b>6,566</b>	<b>26.45%</b>	<b>232</b>

6.3 A more detailed analysis of current year key exceptions this month by programme for individual schemes of £0.5m or greater are identified below.

6.3.1 **Economy, Transport and Environment:** a balanced budget is forecast at year end.

	£m	%
<ul style="list-style-type: none"> <li><b>Kings Dyke:</b> planning permission has been granted and the tender package prepared. However, problems in agreeing access to private land for ground investigation surveys has delayed the completion of the works information and thus the start of the project; it is anticipated that this will be resolved in September and the works package is expected to be awarded in early 2017.</li> </ul>	-2.6	(-77%)
<ul style="list-style-type: none"> <li><b>ETE Capital Variation</b> – as agreed by the Capital Programme Board, any forecast underspend in the capital programme is offset against the capital programme variations budget, leading to a balanced outturn overall.</li> </ul>	+2.8	(+27%)
<ul style="list-style-type: none"> <li>For full and previously reported details see the <a href="#">ETE Finance &amp; Performance Report</a>.</li> </ul>		

6.3.2 **Children, Families and Adults:** a balanced budget is forecast at year end.

	£m	%
<ul style="list-style-type: none"> <li><b>Basic Need – Primary</b> - a number of schemes have experienced in-year cost movements since the Business Plan was approved and Basic Need – Primary is now forecasting a £2.99m underspend, which is a movement of -£1.12m on the position reported last month, as explained below.</li> </ul>		
<ul style="list-style-type: none"> <li>Northstowe First Primary; -£346k (-14%). Slippage is due to furniture, equipment and part of the ICT requirement not being needed in 2016/17, as the school is not due to open until September 2017.</li> </ul>	-3.0	(-7%)
<ul style="list-style-type: none"> <li>Bearcroft Primary School; -£690k (-12%). The start date for works on site has slipped by a month and works are now not expected to commence until September 2016.</li> </ul>		
<ul style="list-style-type: none"> <li>Meldreth Primary, nil variance. Works have now moved back in line with the original timescale; last month they were progressing ahead of schedule and a +£140k in-year variance was forecast.</li> </ul>		
<ul style="list-style-type: none"> <li><b>CFA Capital Variation</b> – as agreed by the Capital Programme Board, any forecast underspend in the capital programme is offset against the capital programme variations budget, leading to a balanced outturn overall. There has been a movement of +£1.17m in the outturn for CFA capital variation since last month.</li> </ul>	+3.7	(+36%)

- For full and previously reported details see the [CFA Finance & Performance Report](#).

- 6.3.3 **Corporate Services:** a balanced budget is forecast at year end. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).
- 6.3.4 **LGSS Managed:** a balanced budget is forecast at year end. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).
- 6.3.5 **LGSS Operational:** a balanced budget is forecast at year end. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).
- 6.3.6 **Assets & Investments:** +£0.232m (1.9%) overspend is forecast at year-end. There are no exceptions to report this month; for full and previously reported details see the [A&I Finance & Performance Report](#).
- 6.4 A more detailed analysis of total scheme key exceptions this month by programme for individual schemes of £0.5m or greater are identified below:
- 6.4.1 **Economy, Transport and Environment:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details see the [ETE Finance & Performance Report](#).
- 6.4.2 **Children, Families and Adults:** +£14.0m (3%) total scheme overspend is forecast. This is an increase of £8.2m on the position reported last month.

£m %

- **Basic Need – Primary**

Previously reported exceptions remain. Since June the overall position has moved by +£7.8m. This is mainly due to changes in the outturn of the following schemes:

- Loves Farm Primary: +£2,320k (27%). The scope of the project has been extended to a two form entry school.
- Barrington Primary: +£1,890k (126%). Costs have increased after the option appraisal has been completed and costs have been inflated to meet a September 2020 delivery. 12.6 (6%)
- Clay Farm, Cambridge: +£1,543k (14%). The scope of the project has been extended to a two form entry school to accommodate further anticipated housing development.
- Ramnoth, Wisbech: +£740k (11%) due to increased build cost identified at the design stage.
- Hatton Park, Longstanton: +£530k (11%) due to an increased build cost identified at the planning stage and the cost of

transporting children to school in Northstowe to minimise disruption while building works are ongoing.

As the changes relate to future years, funding for these schemes will be addressed through the 2017/18 Business Planning process.

- For full and previously reported details see the [CFA Finance & Performance Report](#).

6.4.3 **Corporate Services:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).

6.4.4 **LGSS Managed:** a total scheme balanced budget is forecast. The schemes in LGSS Managed that were reporting total scheme underspends have now transferred to Assets & Investments. There are no new exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).

6.4.5 **LGSS Operational:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details see the [CS & LGSS Finance & Performance Report](#).

6.4.6 **Assets & Investments:** -£1.7m (-0.7%) total scheme underspend is forecast. The schemes affected were previously reported as exceptions under LGSS Managed. There are no new exceptions to report this month; for full and previously reported details see the [A&I Finance & Performance Report](#).

6.5 A breakdown of the changes to funding has been identified in the table below:

Funding Source	B'ness Plan Budget £m	Rolled Forward Funding <sup>1</sup> £m	Revised Phasing £m	Additional/ Reduction in Funding £m	Revised Budget £m	Outturn Funding £m	Funding Variance £m
DfT Grant	20.5	0.2	-1.7	1.0	20.0	20.0	-
Basic Need Grant	3.8	-	-	-	3.8	3.8	-0.0
Capital Maintenance Grant	4.6	-	-	0.1	4.7	4.7	-
Devolved Formula Capital	1.1	0.9	-	-0.0	1.9	1.9	-0.0
Specific Grants	21.1	3.6	-12.7	1.6	13.7	10.9	-2.8
S106 Contributions & CIL	30.3	1.1	-3.7	0.0	27.7	27.7	-0.0
Capital Receipts	10.3	-	-	-4.0	6.2	6.2	-0.0
Other Contributions	10.7	0.2	-8.8	0.2	2.3	2.2	-0.0
Revenue Contributions	-	-	-	-	-	-	-
Prudential Borrowing	83.4	10.2	-29.3	5.9	70.2	73.3	3.1
<b>TOTAL</b>	<b>185.8</b>	<b>16.3</b>	<b>-56.1</b>	<b>4.6</b>	<b>150.5</b>	<b>150.8</b>	<b>0.2</b>

<sup>1</sup> Reflects the difference between the anticipated 2015/16 year end position, as incorporated within the 2016/17 Business Plan, and the actual 2015/16 year end position.

6.6 Key funding changes (of greater than £0.5m or requiring approval):

Funding	Service	Amount (£m)	Reason for Change
Rolled forward funding (Prudential Borrowing)	A&I	£0.5	£455k of the 2015/16 underspend on building maintenance schemes at Shire Hall and other County Council sites was identified as slippage due to unavoidable delays in completing condition surveys, meaning works planned for 2015/16 could not be completed. The funding is still required to complete the works in 2016/17 and a schedule of spend for the full amount of the 2016-17 budget has now also been identified; therefore the roll forward of 2015-16 budget is required.

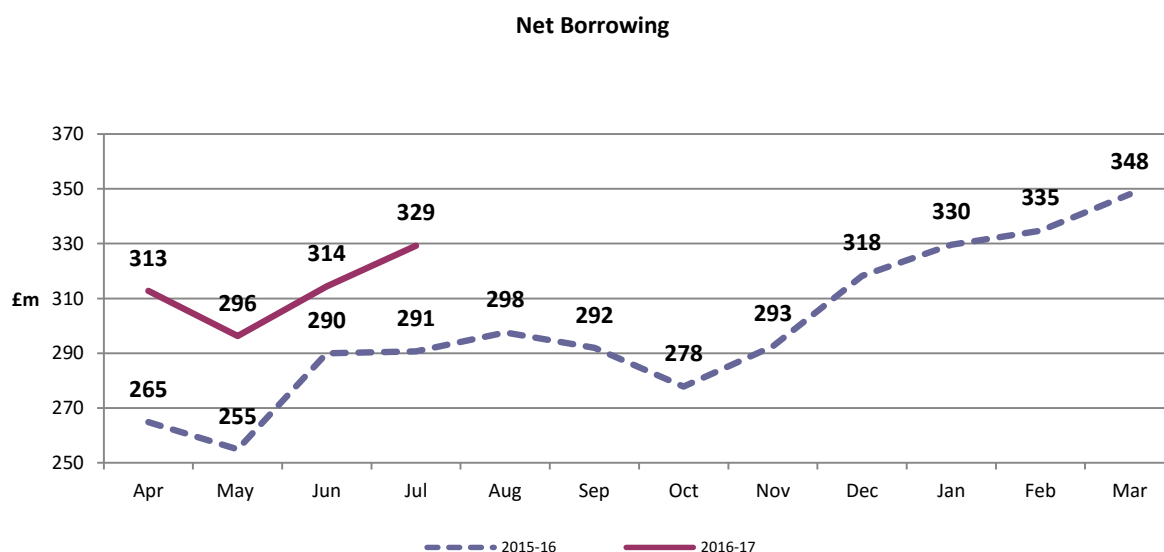
			General Purposes Committee is asked to note the recommendation made to Assets & Investments Committee to approve the carry forward of £455k of funding to 2016/17 for this scheme.
Additional funding (Prudential Borrowing)	A&I	£0.7	<p>The Soham Eastern Gateway project requires additional funding of £700k in 2016/17 for additional works including reconfiguration of parking, alteration to a listed wall and relocation of a heat pump.</p> <p>General Purposes Committee is asked to note the recommendation made to Assets &amp; Investments Committee to approve additional Prudential Borrowing of £700k in 2016/17 to support this scheme.</p>

## 7. BALANCE SHEET

7.1 A more detailed analysis of balance sheet health issues is included below:

Measure	Year End Target	Actual as at the end of July
Level of debt outstanding (owed to the council) – 4-6 months, £m	£0.4m	£0.9m
Level of debt outstanding (owed to the council) – >6 months, £m	£1.0m	£2.2m
Invoices paid by due date (or sooner)	97.5%	99.7%

7.2 The graph below shows net borrowing (investments less borrowings) on a month by month basis and compares the position with the previous financial year. The levels of investments at the end of July were £32.9m (excluding 3rd party loans) and gross borrowing was £362.1m.



### 7.3 Key exceptions are identified below:

Key exceptions	Impacts and actions
Less borrowing activity than planned –original net borrowing forecast was £479m. Actual net borrowing at 31st July was £329m.	<p>A £250k underspend is currently forecast for Debt Charges. This reflects the fall in the forecast for net interest payable following falls in interest rates across all parts of the yield curve.</p> <p>The impact of lower borrowing on the Debt Charges budget would normally result in a favourable forecast variance (due to lower interest payments). However the Debt Charges budget was reduced in anticipation of capital expenditure slippage during the budget setting process, so the magnitude of the variance reported is muted.</p> <p>The Council is continually reviewing options as to the timing of any potential borrowing and also the alternative approaches around further utilising cash balances (where possible) and undertaking shorter term borrowing which could potentially generate savings next year, subject to an assessment of the interest rate risks involved.</p>

7.4 Further detail around the Treasury Management activities can be found in the latest [Treasury Management Report](#).

7.5 A schedule of the Council's reserves and provisions can be found in [appendix 2](#).

## 8. ALIGNMENT WITH CORPORATE PRIORITIES

### 8.1 Developing the local economy for the benefit of all

There are no significant implications for this priority.



## 8.2 **Helping people live healthy and independent lives**

There are no significant implications for this priority.

## 8.3 **Supporting and protecting vulnerable people**

There are no significant implications for this priority.

# 9. **SIGNIFICANT IMPLICATIONS**

## 9.1 **Resource Implications**

This report provides the latest resources and performance information for the Council and so has a direct impact.

## 9.2 **Statutory, Risk and Legal Implications**

There are no significant implications within this category.

## 9.3 **Equality and Diversity Implications**

There are no significant implications within this category.

## 9.4 **Engagement and Consultation Implications**

No public engagement or consultation is required for the purpose of this report.

## 9.5 **Localism and Local Member Involvement**

There are no significant implications within this category.

## 9.6 **Public Health Implications**

There are no significant implications within this category.

<b>Implications</b>	<b>Officer Clearance</b>
<b>Have the resource implications been cleared by Finance?</b>	Yes Name of Financial Officer: Chris Malyon
<b>Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?</b>	No Name of Legal Officer: Not applicable
<b>Are there any Equality and Diversity implications?</b>	No Name of Officer: Not applicable

<b>Have any engagement and communication implications been cleared by Communications?</b>	No Name of Officer: Not applicable
<b>Are there any Localism and Local Member involvement issues?</b>	No Name of Officer: Not applicable
<b>Have any Public Health implications been cleared by Public Health</b>	No Name of Officer: Not applicable

<b>Source Documents</b>	<b>Location</b>
ETE Finance & Performance Report (July 16) CFA Finance & Performance Report (July 16) PH Finance & Performance Report (July 16) CS and LGSS Cambridge Office Finance & Performance Report (July 16) A&I Finance & Performance Report (July 16) Performance Management Report & Corporate Scorecard (July 16) Capital Monitoring Report (July 16) Report on Debt Outstanding (July 16) Payment Performance Report (July 16)	1 <sup>st</sup> Floor, Octagon, Shire Hall, Cambridge

**APPENDIX 1 – transfers between Services throughout the year** (only virements of £1k and above (total value) are shown below)

	CFA	Public Health	ETE	CS Financing	Corporate Services	LGSS Managed	Assets & Investments	LGSS Operational	Financing Items
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Opening Cash Limits as per Business Plan	242,563	182	59,952	34,206	4,674	8,720	0	9,589	3,915
Adjustment LGSS Managed and Operational						10		-10	
LGSS property virement					10			-10	
Licenses budget from LGSS Op. to CS					17	-17			
Contact Centre budget from CFA to CS	-77				77				
CPFT NHS accommodation budget from CFA to LGSS Man.	-10					10			
Reablement budget from CFA to LGSS Op.	-113							113	
Pupil forecasting/demography budget to research group	-53				53				
ETE use of service reserves			2,015						-2,015
Disaggregation of Assets and Investments budgets						-2,714	2,714		
<b>Current budget</b>	<b>242,310</b>	<b>182</b>	<b>61,967</b>	<b>34,206</b>	<b>4,831</b>	<b>6,010</b>	<b>2,714</b>	<b>9,682</b>	<b>1,900</b>
Rounding	0	0	0	0	0	0	0	0	0

## APPENDIX 2 – Reserves and Provisions

Fund Description	Balance at 31 March 2016	2016-17		Forecast Balance 31 March 2017	Notes
		Movements in 2016-17	Balance at 31 July 16		
	£000s	£000s	£000s	£000s	
<b><u>General Reserves</u></b>					
- County Fund Balance	18,921	0	18,921	19,501	
- Services					
1 CFA	1,623	-1,062	561	-132	
2 PH	1,138	0	1,138	638	
3 ETE	3,386	-2,015	1,371	0	
4 CS	1,218	0	1,218	-989	
5 LGSS Operational	1,013	0	1,013	0	
subtotal	27,299	-3,077	24,222	19,018	
<b><u>Earmarked</u></b>					
- Specific Reserves					
6 Insurance	2,864	0	2,864	-	
subtotal	2,864	0	2,864	0	
- Equipment Reserves					
7 CFA	782	0	782	168	
8 ETE	218	0	218	250	
9 CS	57	0	57	57	
subtotal	1,057	0	1,057	475	
<b><u>Other Earmarked Funds</u></b>					
10 CFA	4,097	-2,122	1,975	636	Includes liquidated damages in respect of the Guided Busway - current balance £2.7m.
11 PH	2,020	0	2,020	1,445	
12 ETE	6,631	-80	6,551	4,919	
13 CS	1,274	0	1,274	1,207	
14 LGSS Managed	149	0	149	149	
15 Assets & Investments	233	47	280	327	Savings realised through change in MRP policy
16 LGSS Operational	130	0	130	130	
17 Transformation Fund	9,891	0	9,891	19,142	
subtotal	24,425	-2,155	22,270	27,955	
<b>SUB TOTAL</b>	<b>55,645</b>	<b>-5,232</b>	<b>50,413</b>	<b>47,448</b>	
<b><u>Capital Reserves<sup>1</sup></u></b>					
- Services					
18 CFA	2,428	6,308	8,736	425	Section 106 and Community Infrastructure Levy balances.
19 ETE	11,703	13,633	25,336	10,200	
20 LGSS Managed	422	-322	100	100	
21 Assets & Investments	230	85	315	230	
22 Corporate	39,388	1,335	40,723	21,283	
subtotal	54,171	21,039	75,210	32,238	
<b>GRAND TOTAL</b>	<b>109,815</b>	<b>15,807</b>	<b>125,622</b>	<b>79,685</b>	

**Notes:**

1. The figures do not include City Deal reserves, which have a current balance of £37.8m and are anticipated to have a year-end balance of £30.4m.

In addition to the above reserves, specific provisions have been made that set aside sums to meet both current and long term liabilities that are likely or certain to be incurred, but where the amount or timing of the payments are not known. These are:

Fund Description	Balance at 31 March 2016	2016-17		Forecast Balance 31 March 2017	Notes
		Movements in 2016-17	Balance at 31 July 16		
	£000s	£000s	£000s	£000s	
<b>- Short Term Provisions</b>					
1 ETE	712	0	712	0	
2 CS	1,312	0	1,312	1,312	
3 LGSS Managed	5,545	0	5,545	5,545	
4 Assets & Investments	50	0	50	50	
subtotal	7,619	0	7,619	6,907	
<b>- Long Term Provisions</b>					
5 LGSS Managed	3,613	0	3,613	3,613	
subtotal	3,613	0	3,613	3,613	
<b>GRAND TOTAL</b>	<b>11,232</b>	<b>0</b>	<b>11,232</b>	<b>10,520</b>	



**COMMUNITY RESILIENCE AND CAMBRIDGESHIRE COUNTY COUNCIL'S  
INNOVATION FUND**

**To:** General Purposes Committee

**Meeting Date:** 20 September 2016

**From:** Sarah Ferguson, Service Director Enhanced and Preventative Services

**Electoral division(s):** All

**Forward Plan ref:** N/A **Key decision:** No

**Purpose:** To present the Delivery Plan for “Stronger Together – Cambridgeshire County Council’s strategy for building resilient communities” as requested by Full Council.

**Recommendation:** General Purposes Committee is asked to:

- a) agree the Delivery Plan for ‘Stronger Together’ as a reflection of the Council’s ambitions to support community resilience;
- b) as requested by Full Council, note the development of the Innovation Fund as an “*appropriate investment in community initiatives to deliver the outcomes of the Strategy, that will have a social and financial value that will enhance peoples’ lives*”;  
*and*
- c) note the establishment of a governance structure to oversee this investment.

<b>Officer contact:</b>	
Name:	Sarah Ferguson
Post:	Service Director – Enhanced and Preventative Services
Email:	Sarah.ferguson@cambridgeshire.gov.uk
Tel:	01223 729099

## 1.0 BACKGROUND

1.1 *Stronger Together* – our strategy for building resilient communities was endorsed by General Purposes Committee (GPC) in October 2015. The full strategy can be accessed [here](#). Subsequently, at Full Council in February 2016, the council called upon the Chief Executive to:

- *“Submit a Delivery Plan for ‘Stronger Together’ ... (to) identify how we will deliver the outcomes of this strategy...*
- *To include as part of the Delivery Plan an Invest to Save bid to the Transformation Reserve to secure appropriate investment in community initiatives to deliver the outcomes of the Strategy that will have a social and financial value that will enhance peoples’ lives.*
- *To determine a governance structure to oversee this investment, and the initiatives it supports, that includes partner organisations with a view to sharing the outcomes, costs and benefits of ‘invest to save’ initiatives across the whole public sector, thereby helping to mitigate the impact on our communities and each other.”*

1.2 This report and the accompanying delivery plan outline the activity arising from *Stronger Together*, and identify the means by which the Council will secure investment in community initiatives which will have both social and financial impacts.

## 2.0 DELIVERING THE STRATEGY

2.1 The business case for *Stronger Together* outlines an ambitious and transformative programme. Some activity will focus on the Council's core business, which will support the delivery of savings targets within the existing business plan. This includes:

- The Councillors as Connectors programme
- Workforce strategy and workforce development elements
- Systematic revision of operational policies and processes to facilitate staff linking people with sources of support from within their communities
- Communications planning
- The development of a toolkit to help staff and Members to access the information they need to support community capacity building through everyday work and activity

2.2 There is substantial transformation happening at service level to align our public services more closely with sources of local community support. For example, Transforming Lives within Adult Social Care, Early Help within Older People's Services, or social prescribing pilots through the Better Care Fund. In addition, the Council is prioritising the delivery of some specific transformational activity through the delivery of *Stronger Together*. This activity, outlined in the Delivery Plan at **Appendix A**, is designed to shift the focus from delivering services and interventions towards building the willingness and capacity of local people to help others and to input to their local area. In doing this, we reposition the Council as part of the wider community, providing only those services that local people cannot do for themselves, and facilitating the capacity of local people to meet local needs for themselves. The underpinning aim is to enhance people's lives through creating opportunities for more connected communities and people who will require less support from high cost Council services.



- 2.3 This activity will help to deliver new savings over and above those already outlined in the business plan:
- Rationalising property and staffing in local areas in order to provide a network of community hubs, bringing together our face-to-face information and advice provision, providing local access to early help and preventative activities for all ages, improving opportunities for local staff to network, and brokering support from local community providers.
  - Developing work with parish councils, district councils, and with Cambridge City Council to build local conversations about joint public sector service planning.
  - The establishment of an Innovation Fund, in partnership with a local philanthropic organisation, Cambridgeshire Community Foundation. This will be a fund for voluntary sector and non-profit making organisations with big ideas for transformative preventative work which will make a positive impact on Council expenditure. The Council will encourage bids for funds which will demonstrably make an impact on its priority outcomes – particularly in relation to working with vulnerable people, and thereby diverting children and adults from needing high-cost council services.
- 2.4 The Council is currently undertaking a structural review of staff roles. One of the aims of this review is to ensure we make the most of the collective resource and expertise within the Council to provide some focused staff capacity to drive and deliver our community resilience ambitions for the future.
- 2.5 The outline delivery plan for *Stronger Together* is attached at **Appendix A**.

### **3.0 THE INNOVATION FUND**

- 3.1 Cambridgeshire Community Foundation manages grants for a range of organisations across the county, from public sector bodies, national and local businesses, and sole benefactors. They distribute grants within the following programmes, which fit well with the aims of our Innovation Fund:
- Children, young people and families
  - Adults facing life crisis
  - Health
  - The Natural Environment
  - Community Development/Engagement
- 3.2 Working with this organisation brings the added benefit of being able to link other sources of funding to the Council's desired outcomes. It also provides the means to generate additional community capacity building funds and input from community partners (e.g. businesses, other statutory agencies, charities, sole benefactors). Cambridgeshire Community Foundation is able to evaluate bids, distribute the funding and monitor impact on behalf of the Council. It is proposed that the governance and decision-making process should follow the following three steps:
1. Initial scrutiny of bids will be done by Cambridgeshire Community Foundation, including undertaking any checks and judging the capacity of the bidder to deliver against the stated outcomes.

2. Those that progress through this process will be considered by a

panel, with identified roles for specified County Council officers and a specified County Council Member, members of the business community, and representation from Cambridgeshire Community Foundation. This panel aims also to corral additional sources of support for projects through input from businesses and sole benefactors, in terms of additional or match funding, manpower or resources that might bring added value to the project and increase its impact.

3. It is anticipated that some bids will be very small and local (for example, £2,000 for a very specific piece of work in a local area), whilst some will be larger. It is proposed that for bids under £50,000 delegated authority is granted to the Community Resilience lead officer to agree the bid, in consultation with the panel. GPC will receive a summary report on bids agreed. For bids of over £50,000, GPC will receive a report on each bid and recommendation from the panel for ratification by GPC.

3.3 It is expected that the majority of bids will be based upon evidence-based projects and pilots. These could include:

- developing local Older People's Coordinators, based upon learning from Histon and Impington Parish Council where the parish council now employs two Older People's Coordinators to organise activity and support for isolated or vulnerable older people;
- developing time banks, based upon learning from the existing time banks in Cambridgeshire and focussing on exchanges which support vulnerable people; and
- developing peer support, especially around user-led organisations which help groups of people who receive community-provided services (funded by the Council) to plan jointly.

3.4 The Council also wishes to encourage innovation and new ideas, so all bids would be considered if they can demonstrate that they will be able to:

- build capacity within the community to help others, thus helping the community to become more resilient;
- achieve savings for the Council, in particular on high-cost areas such as care budgets; and
- demonstrate the social value of the actions they undertake, and the impact on outcomes for the most vulnerable people in our communities.

3.5 It is recognised that simply making funding available for projects will not be enough. Local communities will need specific targeted support in order to develop a successful bid. In particular, bids are less likely to come from areas where there are lower levels of social capital or existing voluntary sector capacity to draw upon. Members have previously queried how we will target our community resilience work in areas which lack community capacity or need more intensive support to unlock that capacity, and it is therefore proposed to refocus some staff resources through the Corporate Capacity Review to work in targeted areas and with existing organisations, for example, parish councils, to support the development of successful bids.

3.6 Bids will be funded directly from the Council's Transformation Fund, and

hence will need to meet the same criteria as internal transformation proposals in order to be successful, including the need to demonstrate a significant cashable return on investment for the local authority within a timeframe of 1 – 4 years. Most bids will need to demonstrate how they can become self-sustaining over time. Exceptions may be made in cases where it is clear that the activity is achieving savings for the Council on a year-on-year basis, and so would merit core funding to continue. Most bids should also be scalable, so that small-scale testing can take place which if successful can lead to wider-scale delivery.

3.7 It is proposed to launch the Innovation Fund in October/November 2016.

#### **4.0 ALIGNMENT WITH CORPORATE PRIORITIES**

##### **4.1 Developing the local economy for the benefit of all**

The following bullet points set out details of implications identified by officers:

- The Bank of England estimates that around 15 million people volunteer regularly on a formal basis, and that the same amount of time is spent on informal volunteering, which might be running a neighbour to a doctor's appointment or taking an elderly relative to do their shopping. They calculate that the economic value of volunteering could exceed £50bn a year.
- Individuals benefit from doing things for others, though the balance of benefits differs across individuals. For example, younger people highlight the importance of acquiring new skills and enhancing employment prospects, while older people benefit from increased social interaction and improved health. Enjoyment and satisfaction rank high across all volunteer types, and it is clear that there are economic benefits for the individual. The Bank of England estimates that the gains to the individual in terms of wellbeing, improved health and increased employability might exceed the £50bn-plus benefit to the recipients of volunteering.
- It is therefore reasonable to suggest that building and supporting increased volunteering – on a formal or informal basis - across the county will have benefits for the local economy.

##### **4.2 Helping people live healthy and independent lives**

The following bullet points set out details of implications identified by officers:

- There is evidence that community engagement and resilience supports the adoption of a healthy lifestyle as a community norm and builds engagement in health improving initiatives.
- The benefits to those supported by volunteers include improvement in health, wellbeing and independence.
- Supporting community resilience builds increased social capital, cohesion, empowerment, and improved relationships between organisations.

##### **4.3 Supporting and protecting vulnerable people**

The following bullet point sets out details of implications identified by officers:

- The Council's activity to build community capacity, and to invest in places and communities which are safe and good places to live is a cornerstone of our early help strategies for vulnerable people.

## **5.0 SIGNIFICANT IMPLICATIONS**

### **5.1 Resource Implications**

The following bullet points set out details of significant implications identified by officers:

- There are no identified significant costs incurred in the delivery of our community resilience plans. The Innovation Fund will require some investment on the part of the Council, but with the aim to provide significant return on that investment. So the Innovation Fund is planned to bring savings to the Council over time.
- The strategy helps to establish how we best use our property assets to achieve the most value for Cambridgeshire residents.

### **5.2 Statutory, Risk and Legal Implications**

The following bullet points set out details of significant implications identified by officers:

- These delivery plans are designed to mitigate the impact of reductions in local government funding. As such this should help to guard against the risks identified in the corporate risk register around failure to deliver our five year business plan.
- There will be a continuing legal duty on local authorities to ensure that vulnerable people are not exposed to additional or unreasonable levels of risk as a result of the implementation of these strategic objectives.
- The establishment and delivery of the Innovation Fund will involve ongoing consultation with our LGSS Law Ltd to ensure that any relevant legal implications have been addressed.

### **5.3 Equality and Diversity Implications**

The following bullet points set out details of significant implications identified by officers:

- Evidence indicates that some services delivered by local people within local communities can be more successful than statutory services at reaching people who may need support. Building capacity within local community to help each other should therefore support more equal and diverse accessible provision locally.
- Some of our services will become increasingly more localised, less uniform and more bespoke, so that we can meet local and individual need within each specific community context.
- Additional support to access the Innovation Fund will be provided in disadvantaged areas or those with less social capital.

### **5.4 Engagement and Communications**

The following bullet point sets out details of significant implications identified by officers:

- Successful delivery of all aspects of the delivery plan will only be possible with significant community engagement, with our Partners and with engagement with County Council staff.
- Community hubs will be co-produced alongside local communities and local partners, including the voluntary and community sector. This engagement will result in a formal public consultation period on the emerging plans.

## 5.5 **Localism and Local Member Involvement**

The following bullet points set out details of significant implications identified by officers:

- The role of Members is critical to the success of the Council's community resilience ambitions – in engaging communities and in acting as community advocates.
- A number of councillors have volunteered to become early adopters of this work, piloting this new and critical way of working. They have formed a "Councillors as Community Connectors" group, meeting as an action learning set, and the learning from their experience will inform our direction going forward.

## 5.6 **Public Health**

The following bullet points set out details of significant implications identified by officers:

- Building Community Resilience supports individuals and communities to take responsibility for their health. It can engage them in taking steps to adopt a healthy lifestyle and other health improving activities.
- Targeting efforts to build community resilience on communities with greater health needs and fewer community assets would have a larger impact on health.
- Building community resilience will impact on many of the needs identified in different Joint Strategic Needs Assessments (JSNAs), including the following:
  - Long Term Conditions
  - New Communities
  - Homelessness and at risk of homelessness
  - Vulnerable children and adults
  - Carers
  - Older People's Mental Health

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Name of Financial Officer: Sarah Heywood
Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?	Yes Name of Legal Officer: Virginia Moggridge
Are there any Equality and Diversity implications?	Yes Name of Officer: Sarah Ferguson
Have any engagement and communication implications been cleared by Communications?	Yes Name of Officer: Simon Cobby
Are there any Localism and Local Member involvement issues?	Yes Name of Member: Cllr Criswell
Have any Public Health implications been cleared by Public Health	Yes Name of Officer: Val Thomas

Source Documents	Location
<u>Stronger Together – Cambridgeshire County Council's strategy for building resilient communities</u>	<a href="http://www.cambridgeshire.gov.uk/info/20076/children_and_families_practitioners_and_providers_information/370/providing_children_and_families_services/5">http://www.cambridgeshire.gov.uk/info/20076/children_and_families_practitioners_and_providers_information/370/providing_children_and_families_services/5</a>
<u>In giving, how much do we receive? The social value of volunteering.</u> Andrew G Haldane, Chief Economist, Bank of England	<a href="http://www.bankofengland.co.uk/publications/Pages/speeches/default.aspx">www.bankofengland.co.uk/publications/Pages/speeches/default.aspx</a>
<u>NICE Guidelines PH 9 Community Engagement</u>	<a href="https://www.nice.org.uk/guidance/ph9/chapter/Appendix-C-the-evidence#evidence-statements">https://www.nice.org.uk/guidance/ph9/chapter/Appendix-C-the-evidence#evidence-statements</a>
<u>JSNAs</u>	<a href="http://www.cambridgeshireinsight.org.uk/jsna">http://www.cambridgeshireinsight.org.uk/jsna</a>
<u>Community Resilience Business Case v15</u>	Room OCT1210 Shire Hall Cambridge

## **Appendix A**

### **Stronger Together – Cambridgeshire County Council’s Strategy for Building Resilient Communities**

#### **Delivery Plan 2016-2018**

<b>REF</b>	<b>Action</b>	<b>Timescales</b>
<b>A. Communication</b> Aim: An honest conversation between the Council and local communities, so that local citizens step up to become active co-deliverers and co-designers of provision in their local community. Lead officer: Mark Miller		
A1	Delivery of an internal Communications Plan	April 2016 - ongoing
A2	Delivery of an external Communications Plan	September 2016 – ongoing (tbc)
A2	Development of case studies and sharing of good practice within the organisation.	June-September 2016 then updated regularly
A3	A menu of ideas and support offers, case studies and online resources to help parish councils to develop their own local activity that will mitigate the impact of our budget and service reductions.	June-July 2016
<b>B. People helping people</b> Aim: An increase in people helping other people within their communities. Lead officer: Charlotte Black		
B1	Develop a toolkit to help our staff and Members access the information that they need to support community capacity building.	July-December 2016
B2	Peer support: <ul style="list-style-type: none"><li>• Undertake a research review to determine the evidence base for peer support delivery</li><li>• Plan and implement peer support programmes for carers of people with dementia, for teenage parents and for parents of teenagers</li><li>• Roll out a system-wide means of developing and supporting peer supporters through community hubs</li></ul>	April 2016 - ongoing
B3	Identify and address situations where our staff experience barriers in supporting people helping people.	April 2016 - ongoing
B4	Revise our voluntary sector contracts to support our ambitions around community resilience.	April-September 2016
B5	Develop three pilot learning sites to take an asset-based community development approach to local communities, and explore how to roll out the learning from this across the county.	January-December 2016

<b>C. Council Members</b> Aim: Members play a proactive role in community engagement and as a community advocate. Lead officer/member: Wendy Lansdown and Steve Criswell		
C1	Deliver the Councillors as Connectors programme: Cohort 1	August – January 2016
C2	Deliver the Councillors as Connectors programme: Cohort 2	March – July 2016
C3	Develop the Cultivating Communities small grants pilot to support Members in their work alongside local communities.	November 2015 – December 2016
C4	Deliver Members seminar sessions to share learning as the Councillors as Connectors work progresses.	September 2016 - ongoing
<b>D. Our workforce</b> Aim: Our workforce is equipped with the skills needed for new ways of working in the future. Lead officer: Martin Cox		
D1	Develop a revised workforce strategy to meet the requirements of the community resilience strategy.	July 2016 – December 2016
D2	Plan and deliver a programme of workforce development to equip staff with the skills they will need to work more closely alongside local communities and other local service providers.	June 2016 – June 2017
D3	Consider the fundamental way that we develop job roles so that we recruit staff with the key skills to work differently.	June 2016 – June 2017
D4	Development of a set of tools to help our staff and Members to support community capacity building.	July 2016 - December 2016
<b>E. Community spaces</b> Aim: We will work from buildings that are shared spaces used by our own teams alongside Partners, voluntary sector organisations and community groups. We will network with local communities and where possible deliver our services in buildings that are already well used by local people. Lead officer: Chris Malyon		
E1	Develop a network of community hubs across the county, bringing together our libraries and children's centres, and working with Partners to provide local centres of information, advice and preventative activities for local people.	Jan 2016 – Apr 2019
<b>F. Partnerships</b> Aim: We will build our partnerships with the statutory sector, voluntary sector and private sector in order to define and deliver our joint ambitions for resilient communities. Lead officer: Sarah Ferguson		
F1	Develop our work with parish councils so that parish councils understand and are well placed to play a greater part in supporting their local communities as Council services reduce.	April 2016 - ongoing
F2	Work with Cambridge City Council to identify the right forum for local conversations about joint public/community sector service planning.	June – December 2016
F3	Establish an Innovation Fund for community groups and businesses	June 2016 - January



	with ideas for transformative preventative work which can enhance people's lives and impact upon our areas of highest spend.	2017
F4	Develop a shared narrative across the public sector – a shared communications plan or an agreed set of principles.	May 2016 – December 2016
F5	Develop a joint approach around buildings and services focussing on the development of community hubs.	June 2016 – March 2017
F6	Work with Cambridgeshire's Public Services Board to consider how we could develop our workforce better together.	September 2016 – ongoing
F7	Develop a systematic business engagement strategy, building on the developments arising from the Innovation Fund, and on opportunities within the implementation of a strengthened and revised Council corporate centre.	April 2017 – April 2018
F8	Alongside health partners, scope and develop a system of social prescribing and deliver resulting plan.	June 2016 – April 2018



**DEMOGRAPHY UPDATE**

*To:* **General Purposes Committee**

*Meeting Date:* **20th September 2016**

*From:* **Chief Finance Officer**

*Electoral division(s):* **All**

*Forward Plan ref:* **Not applicable**      *Key decision:* **No**

*Purpose:* **This report sets out the changes to the approach to demography in the Business Planning process.**

*Recommendation:* **It is recommended that General Purposes Committee:**

- a) considers whether the Business Plan should be developed with demography being budgeted for corporately;**
- b) considers whether if the response to recommendation a) is positive that any service committee requests for funding from this central allocation be delegated to the Chief Finance Officer in consultation with the Chair of this Committee; and**
- c) subject to recommendation a) approves the revised presentation of demographic pressures and demand management savings**

<b><i>Officer contact:</i></b>	
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## **1. BACKGROUND**

- 1.1 Demography is a term used to describe all demand changes arising from increased numbers (for example, clients served, and road kilometres) and/or increased complexity (for example, more intensive packages of care as client's age).
- 1.2 In order to improve the transparency of both the allocation and presentation, a number of key principles have been developed and will be implemented as part of this year's Business Planning process.

## **2. MAIN ISSUES**

- 2.1 The key principles below have been developed in response to feedback during previous Business Planning cycles:
  - Our demography and inflation processes should make sense strategically, and be easily understood.
  - Business Plan demography proposals should be proportionate, applying only to those service areas where the growth in demand is most pressing.
  - Business Plan demography proposals should be specific.
  - Business Plan inflation and demography proposals should be transparent and challengeable.
- 2.2 The first principle was developed acknowledging that the presentation of demand management savings as 'negative demography' was misleading. It is therefore proposed that demand management savings are displayed in the savings section of Table 3 going forward.
- 2.3 The second principle is a response to research across other Local Authorities who, in the main, calculate demography on a more corporate basis, rather than service specific. It is therefore proposed that the financial impact of general population growth is absorbed by all services, thereby reducing the number of demography proposals in Cambridgeshire. This means demography funding will only be given to services who experience growth greater than the general population rate (for example, Looked After Children), increased cost due to increased complexity of service requirements (for example, Learning Disability), or a combination of the two. For transparency, the narrative in Table 3 will clearly identify the pressure of absorbing general population growth.
- 2.4 The forecast general population growth for 2017-18 is 1.4%. There is a risk that services will not be able to manage the financial impact of this growth. To mitigate against this, a corporate budget has been created to the value of the total demographic pressure of general population growth. Services will be able to make evidence based Business Cases from this provision. It is proposed that these will be submitted by the respective service committees to the Chief Finance Officer during the financial year. Were General Purposes Committee to agree to this approach they will need to consider whether the approval of any virement from this central provision could be delegated to the Chief Finance Officer in consultation with the Chair of the Committee or whether they would wish to agree all such requests?
- 2.5 In the 2016-17 Business Plan, a large number of demography proposals were accompanied by demand management savings. In order to prevent services having to manage the 1.4%

growth twice, it has been proposed that demand management savings should be amended to reflect the reduced demography ask.

- 2.6 All demography proposals have been reviewed by Strategic Management Team, and performance against the demand management savings will form part of the annual in-year monitoring process.

### 3. ALIGNMENT WITH CORPORATE PRIORITIES

#### 3.1 Developing the local economy for the benefit of all

There are no significant implications for this priority.

#### 3.2 Helping people live healthy and independent lives

There are no significant implications for this priority.

#### 3.3 Supporting and protecting vulnerable people

There are no significant implications for this priority.

### 4. SIGNIFICANT IMPLICATIONS

#### 4.1

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Name of Financial Officer: Chris Malyon
Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?	There are no significant implications within this category.
Are there any Equality and Diversity implications?	There are no significant implications within this category.
Have any engagement and communication implications been cleared by Communications?	There are no significant implications within this category.
Are there any Localism and Local Member involvement issues?	There are no significant implications within this category.
Have any Public Health implications been cleared by Public Health	There are no significant implications within this category.

Source Documents	Location
None	1st Floor Octagon Shire Hall Cambridge

**SERVICE COMMITTEE REVIEW OF THE DRAFT 2017-18 CAPITAL PROGRAMME**

*To:* **General Purposes Committee**

*Meeting Date:* **20 September 2016**

*From:* **Director of Customer Service and Transformation  
Chief Finance Officer**

*Electoral division(s):* **All**

*Forward Plan ref:* **Not applicable**      *Key decision:* **No**

*Purpose:* **This report provides the Committee with an overview of the draft Business Plan Capital Programme for Corporate and Managed Services.**

*Recommendation:* **It is requested that the Committee:**

- a) note the overview and context provided for the 2017-18 Capital Programme for Corporate and Managed Services; and**
- b) comment on the draft proposals for Corporate and Managed Services' 2017-18 Capital Programme and endorse their development.**

<b><i>Officer contact:</i></b>	
<b>Name:</b>	<b>Chris Malyon</b>
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## **1. CAPITAL STRATEGY**

- 1.1 The Council strives to achieve its vision through delivery of its Business Plan. To assist in delivering the Plan the Council needs to provide, maintain and update long term assets (often referred to as 'fixed assets'), which are defined as those that have an economic life of more than one year. Expenditure on these long term assets is categorised as capital expenditure, and is detailed within the Capital Programme for the Authority.
- 1.2 Each year the Council adopts a ten year rolling capital programme as part of the Business Plan. The very nature of capital planning necessitates alteration and refinement to proposals and funding during the planning period; therefore whilst the early years of the Business Plan provide robust, detailed estimates of schemes, the later years only provide indicative forecasts of the likely infrastructure needs and revenue streams for the Council.
- 1.3 This report forms part of the process set out in the Capital Strategy whereby the Council updates, alters and refines its capital planning over an extended planning period. New schemes are developed by Services and all existing schemes are reviewed and updated as required before being presented to the Capital Programme Board and subsequently Service Committees for further review and development.
- 1.4 An Investment Appraisal of each capital scheme (excluding committed schemes and schemes with 100% ring-fenced funding) is undertaken / revised, which allows schemes within and across all Services to be ranked and prioritised against each other, in light of the finite resources available to fund the overall Programme and in order to ensure the schemes included within the Programme are aligned to assist the Council with achieving its outcomes.

## **2. DEVELOPMENT OF THE 2017-18 CAPITAL PROGRAMME**

- 2.1 Prioritisation of schemes (where applicable) is included within this report to be reviewed individually by Service Committees alongside the addition, revision and update of schemes. Prioritisation of schemes across the whole programme will be reviewed by General Purposes Committee (GPC) in October, before firm spending plans are considered by Service Committees in November. GPC will review the final overall programme in November/December, in particular regarding the overall levels of borrowing and financing costs, before recommending the programme in January as part of the overarching Business Plan for Full Council to consider in February.
- 2.2 The introduction of the Transformation Fund for the 2017-18 planning process has not impacted on the funding sources available to the Capital Programme as any Invest to Save or Earn schemes will continue to be funded over time by the revenue payback they produce via savings or increased income. This is the most financially sensible option for the Council due to the ability to borrow money for capital schemes and defray the cost of that expenditure to the Council over the life of the asset. However, if a scheme is transformational, then it should also move through the governance process agreed for the Transformation Delivery Model, in line with all other transformational schemes, but without any funding request to the Transformation Fund.



2.3 There are several schemes in progress where work is underway to develop the scheme, however they are either not sufficiently far enough forward to be able to include any capital estimate within the Business Plan, or a draft set of figures have been included but they are, at this stage, highly indicative. The following are the three main schemes that this applies to:

- The Adult's Committee considered the Older People's Accommodation Strategy earlier in 2016. As discussed at that time, the Council has identified that there is a shortfall in the availability of affordable care home beds within Cambridgeshire and this is likely to have a growing impact on price levels and care provision over the medium and longer term. As part of a range of responses to the needs identified within the Strategy, the Council has been exploring where greater intervention by the local authority in the supply of care home beds may be economic in the years ahead.

After preliminary work and investigations, the Council has engaged independent consultants to prepare a Business Case outlining and appraising options and sensitivities for the Council in securing increased delivery of affordable care home beds. The options considered include utilisation of the Council's assets (principally land) and could lead onto significant requests for capital funding.

Both the Adults and Assets & Investment Committees are due to consider the full proposal for next steps, after the consultants review has reported in October 2016. At this point, it is too early to include a capital funding request for the immediate future, however this will be kept in review until the Business Plan is agreed in February, and as options are selected and the next stages are scheduled.

- Developing a single multi-skilled service offer that is based in communities continues to be a key plank of both the library and children centres transformation programmes. This is also believed to be an appropriate vehicle for supporting the Council's approach to community resilience. A significant amount of work has been undertaken to date in assessing potential demand for services and considering how these initial core services could be integrated. There has however been a slight delay in the programme in order to provide the opportunity for the new Director of Children's Social Care to undertake a service review of the strengths and development needs of that Department. Given the critical nature of this service, on the most vulnerable in our communities, it was important that the approach to community hubs aligned to the outcomes of that service review.

The Service Director has undertaken this review and is now setting out the future vision for that service that includes an assessment of the universal service offer that can be provided from within the community hubs. This proposal will be coming to Members in the Autumn and the implementation programme of this service transformation and the community hubs programme will brought together to create a single delivery plan.

- The Council is in the fortunate position of continuing to be a major landowner in Cambridgeshire and this provides an asset capable of generating both revenue and capital returns. This will, however, require the Council to move from being a seller of sites to being a developer of

sites, through a Housing Company. In the future, the Council will operate to make best use of sites with development potential in a co-ordinated and planned manner to develop them for a range of development options. This will generate capital receipts to support site development and create significant revenue and capital income to support services and communities.

The Assets & Investment Committee have agreed to the creation of a Special Purpose Vehicle, which has now been established, and work is ongoing regarding the workstreams associated with this. Previously approved projects are being progressed by the Council, ahead of the Company becoming fully operational. A comprehensive 10-year pipeline of development projects has now been identified and a capital funding request has therefore been included in the Draft Business Plan, although the figures are still being refined with the initial projections expected to be confirmed by September 2016.

### **3. REVENUE IMPLICATIONS**

- 3.1 All capital schemes can have a potential two-fold impact on the revenue position, relating to the cost of borrowing through interest payments and repayment of principal and the ongoing revenue costs or benefits of the scheme. Conversely, not undertaking schemes can also have an impact via needing to provide alternative solutions, such as Home to School Transport (e.g. transporting children to schools with capacity rather than investing in capacity in oversubscribed areas).
- 3.2 The Council is required by the Chartered Institute of Public Finance and Accountancy's (CIPFA's) Prudential Code for Capital Finance in Local Authorities 2011 to ensure that it undertakes borrowing in an affordable and sustainable manner. In order to ensure that it achieves this, General Purposes Committee (GPC) recommends an advisory limit on the annual financing costs of borrowing (debt charges) over the life of the Plan. In order to afford a degree of flexibility from year to year, changes to the phasing of the limit is allowed within any three-year block (starting from 2015-16), so long as the aggregate limit remains unchanged.
- 3.3 For the 2017-18 Business Plan, GPC has agreed that this should equate to the level of revenue debt charges as set out in the 2014-15 Business Plan for the next five years (restated to take into account the change to the MRP Policy agreed by GPC in January 2016), and limited to around £39m annually from 2019-20 onwards.

## 4. SUMMARY OF THE DRAFT CAPITAL PROGRAMME

4.1 The revised draft Capital Programme is as follows:

Service Block	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000	Later Yrs £'000
Children, Families and Adults	75,473	70,103	65,149	66,188	30,308	121,305
Economy, Transport and Environment	63,986	27,243	26,112	20,928	21,660	31,901
Public Health	-	-	-	-	-	-
Assets and Investment Committee	94,564	32,474	-3,340	3,158	5,983	-118,176
Corporate and Managed Services	1,541	4,491	460	460	460	-
LGSS Operational	-	-	-	-	-	-
<b>Total</b>	<b>235,564</b>	<b>134,311</b>	<b>88,381</b>	<b>90,734</b>	<b>58,411</b>	<b>35,030</b>

4.2 This is anticipated to be funded by the following resources:

Funding Source	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000	Later Yrs £'000
Grants	80,564	55,017	35,122	35,619	33,140	83,699
Contributions	43,905	24,811	30,225	24,645	5,700	46,750
Capital Receipts	2,225	2,534	2,727	7,113	6,122	6,936
Borrowing	9,164	17,149	29,257	18,460	16,495	64,130
Borrowing (Repayable)*	99,706	34,800	-8,950	4,897	-3,046	-166,485
<b>Total</b>	<b>235,564</b>	<b>134,311</b>	<b>88,381</b>	<b>90,734</b>	<b>58,411</b>	<b>35,030</b>

\* Repayable borrowing nets off to zero over the life of each scheme and is used to bridge timing gaps between delivery of a scheme and receiving other funding to pay for it.

4.3 The following table shows how each Service's borrowing position has changed since the 2016-17 Capital Programme was set:

Service Block	2016-17 £'000	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000	Later Yrs £'000
Children, Families and Adults	3,643	-2,495	-2,937	10,647	21,568	-1,588	1,494
Economy, Transport and Environment	-6,557	-11,397	-362	80	-2,895	-6,588	-895
Public Health	-	-	-	-	-	-	-
Corporate and Managed Services / Assets and Investments Committee*	-11,190	64,057	-17,131	-45,472	-15,261	-5,347	-16,437
LGSS Operational	-1,104	-	-	-	-	-	-
Corporate and Managed Services – relating to general capital receipts	-	-	-	-	-	-	-
<b>Total</b>	<b>-15,208</b>	<b>50,165</b>	<b>-20,430</b>	<b>-34,745</b>	<b>3,412</b>	<b>-13,523</b>	<b>-15,838</b>

\* Assets and Investments Committee schemes were previously contained within Corporate and Managed Services and therefore in order to calculate the change, these two areas have been amalgamated in the above table.

#### 4.4 The table below categorises the reasons for these changes:

Reasons for change in borrowing	2016-17 £'000	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000	Later Yrs £'000
New	592	3,196	2,275	2,125	2,225	3,125	12,300
Removed/Ended	-9,308	1,044	85	-85	-85	-	-
Minor Changes/Rephasing*	-1,365	-512	2,736	2,143	250	250	604
Increased Cost (includes rephasing)	-3,747	-210	-1,239	16,895	10,344	-6,239	1,314
Reduced Cost (includes rephasing)**	-2,208	90,471	-8,181	-47,267	-15,432	-4,811	-45,981
Change to other funding (includes rephasing)	828	-3,846	3,567	-50	16,063	2,274	1,479
Variation Budget	-	-39,978	-19,673	-8,506	-9,953	-8,122	14,446
<b>Total</b>	<b>-15,208</b>	<b>50,165</b>	<b>-20,430</b>	<b>-34,745</b>	<b>3,412</b>	<b>-13,523</b>	<b>-15,838</b>

\*This does not off-set to zero across the years because the rephasing also relates to pre-2016-17.

\*\*This includes rephasing of the Housing schemes

#### 4.5 The revised levels of borrowing result in the following levels of financing costs:

Financing Costs	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000
2016-17 agreed BP	38.0	40.5	42.1	42.1	-
2016-17 agreed BP RESTATE	29.3	32.4	34.6	35.3	-
2017-18 draft BP	28.4	32.3	33.1	33.1	33.1
<b>CHANGE (+) increase / (-) decrease</b>	<b>-0.9</b>	<b>-0.2</b>	<b>-1.5</b>	<b>-2.2</b>	<b>33.1</b>

4.6 Invest to Save / Earn schemes are excluded from the advisory financing costs limit – the following table therefore compares revised financing costs excluding these schemes. In order to afford a degree of flexibility from year to year, the limit is reviewed over a three-year period – based on the revised programme, the advisory limit is not exceeded for either of these 3 year blocks.

Financing Costs	2015-16 £m	2016-17 £m	2017-18 £m	2018-19 £m	2019-20 £m0	2020-21 £m
2017-18 draft BP (excluding Invest to Save / Earn schemes)	34.1	32.8	28.3	29.3	30.3	31.6
Recommend limit	30.3	35.3	36.8	37.9	38.6	39.2
<b>HEADROOM</b>	<b>3.8</b>	<b>-2.5</b>	<b>-8.5</b>	<b>-8.6</b>	<b>-8.3</b>	<b>-7.6</b>
Recommend limit (3 years)	102.4			115.7		
<b>HEADROOM (3 years)</b>	<b>-7.2</b>			<b>-24.5</b>		

4.7 Although the limit hasn't been exceeded, the Business Plan is still under review and as such adjustments to schemes and phasing will continue over the next two to three months. However, as there is significant headroom

available, it is not expected that any further revisions will cause a breach of the advisory limit.

## 5. OVERVIEW OF CORPORATE & MANAGED SERVICE'S DRAFT CAPITAL PROGRAMME

5.1 The revised draft Capital Programme for the Council's Corporate and Managed Services is as follows:

Capital Expenditure	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000	Later Yrs £'000
Corporate and Managed Services	1,541	4,491	460	460	460	-
LGSS Operational	-	-	-	-	-	-

5.2 This is anticipated to be funded by the following resources:

Funding Source	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000	Later Yrs £'000
Capital Receipts	2,225	2,534	2,727	6,513	1,922	6,936
Borrowing	-684	1,957	-2,267	-6,053	-1,462	-6,936
<b>Total</b>	<b>1,541</b>	<b>4,491</b>	<b>460</b>	<b>460</b>	<b>460</b>	<b>-</b>

5.3 The full list of Corporate and Managed Services capital schemes are shown in the draft capital programme at **appendix one**. Table 4 lists the schemes with a description and with funding shown against years. Table 5 shows the breakdown of the total funding of the schemes, for example whether schemes are funded by capital receipts or prudential borrowing.

5.4 The following changes have been made to existing schemes in the 2017-18 Business Plan:

- Assets and Investment schemes  
The majority of the property related schemes previously within this area, now come under the responsibility of the Assets and Investment Committee and have been removed from the tables.
- C/C.1.001 Essential CCC Business Systems Upgrade  
This scheme has now been rephased and will now be completed in 2018-19.

5.5 The following new scheme has been added to the 2017-18 Business Plan:

- C/C.2.007 Citizen First, Digital First  
The investment in this scheme is expected to bring in savings over the next 5 years in the region of £3.7m to £6.6m. The Outline Business Case was agreed by the General Purposes Committee on 26th July 2016.

## 6. ALIGNMENT WITH CORPORATE PRIORITIES

### 6.1 Developing the local economy for the benefit of all

The Services discussed in this report play a significant role in enabling the Council to achieve this priority.

## **6.2 Helping people live healthy and independent lives**

The Services discussed in this report play a significant role in enabling the Council to achieve this priority.

## **6.3 Supporting and protecting vulnerable people**

The Services discussed in this report play a significant role in enabling the Council to achieve this priority.

# **7. SIGNIFICANT IMPLICATIONS**

## **7.1 Resource Implications**

The Committee is asked to consider the resource implications outlined in the overview and context provided for the 2016-17 Capital Programme for Corporate and LGSS Managed Services and the resource implications of the draft proposals for the Corporate and LGSS Managed Services' 2016-17 Capital Programme.

## **7.2 Statutory, Risk and Legal Implications**

As in 7.1 the Committee is asked to consider issues which could have statutory, risk and legal implications.

## **7.3 Equality and Diversity Implications**

As in 7.1 the Committee is asked to consider issues which could have equality and diversity implications.

## **7.4 Engagement and Consultation Implications**

On 12 March GPC agreed the formation of a Member 'Consultation Working Group'. This Group has worked with officers to develop and implement the consultation activity that will support this year's business planning process. Specific proposals will continue to be subject to focused engagement and consultation, which GPC will consider alongside any specific decisions required to implement that proposal.

## **7.5 Localism and Local Member Involvement**

The Services discussed in this report contribute to localism and local Member involvement.

## **7.6 Public Health Implications**

The Services discussed in this report contribute to Public Health Outcomes

<b>Implications</b>	<b>Officer Clearance</b>
<b>Have the resource implications been cleared by Finance?</b>	Sarah Heywood Yes
<b>Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?</b>	No response received
<b>Are there any Equality and Diversity implications?</b>	No response received
<b>Have any engagement and communication implications been cleared by Communications?</b>	No response received
<b>Are there any Localism and Local Member involvement issues?</b>	No response received
<b>Have any Public Health implications been cleared by Public Health</b>	No response received

<b>Source Documents</b>	<b>Location</b>
The 2016/17 Business Plan, including the Capital Strategy	<a href="http://www.cambridgeshire.gov.uk/info/20043/finance_and_budget/90/business_plan_2016_to_2017">http://www.cambridgeshire.gov.uk/info/20043/finance_and_budget/90/business_plan_2016_to_2017</a>
Capital Planning and Forecast: financial models	c/o Group Accountants 1st Floor Octagon Shire Hall Cambridge





## Section 4 - C: Corporate and Managed Services

**Table 4: Capital Programme**

Budget Period: 2017-18 to 2026-27

Summary of Schemes by Start Date	Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000
Ongoing	-1,853	-	-385	-1,123	-115	-115	-115	-
Committed Schemes	1,609	1,390	180	39	-	-	-	-
2017-2018 Starts	9,046	-	1,746	5,575	575	575	575	-
<b>TOTAL BUDGET</b>	<b>8,802</b>	<b>1,390</b>	<b>1,541</b>	<b>4,491</b>	<b>460</b>	<b>460</b>	<b>460</b>	<b>-</b>

Ref	Scheme	Description	Linked Revenue Proposal	Scheme Start	Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000	Committee
<b>C/C.01</b>	<b>Corporate Services</b>												
C/C.1.001	Essential CCC Business Systems Upgrade	Windows 2003 servers come to the end of their life in July 2015. The majority of all organisation wide customer / digital systems currently sit on these servers, which will require upgrading.		Committed	300	111	150	39	-	-	-	-	GPC
C/C.2.007	Citizen First, Digital First	Significant improvements could be made to our website; to system integration to take out multiple re-keying from one system into another; and in other areas through investment in a suite of technologies that will improve our efficiency such as a more robust e-payments system.		2017-18	3,546	-	1,246	575	575	575	575	-	GPC
	<b>Total - Corporate Services</b>				<b>3,846</b>	<b>111</b>	<b>1,396</b>	<b>614</b>	<b>575</b>	<b>575</b>	<b>575</b>	<b>-</b>	
<b>C/C.02</b>	<b>Managed Services</b>												
C/C.2.006	CPSN Replacement	This is for the procurement of a replacement Wide Area Network solution. The current contracted service is due to end in June 2018. This proposal is for funding for the 2017-18 and 2018-19 financial years to allow for the procurement and transition to a new service.		2017-18	5,500	-	500	5,000	-	-	-	-	GPC
C/C.2.108	Community Hubs - Sawston	To develop a community hub in Sawston combining the library, children's centre, locality team and flexible community meeting facilities, in close association with Sawston Village College.		Committed	1,309	1,279	30	-	-	-	-	-	GPC
	<b>Total - Managed Services</b>				<b>6,809</b>	<b>1,279</b>	<b>530</b>	<b>5,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

## Section 4 - C: Corporate and Managed Services

**Table 4: Capital Programme**

Budget Period: 2017-18 to 2026-27

Ref	Scheme	Description	Linked Revenue Proposal	Scheme Start	Total Cost £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000
C/C.10 C/C.3.001	Capital Programme Variation Variation Budget	The Council has decided to include a service allowance for likely Capital Programme slippage, as it can sometimes be difficult to allocate this to individual schemes due to unforeseen circumstances. This budget is continuously under review, taking into account recent trends on slippage on a service by service basis.		Ongoing	-1,853	-	-385	-1,123	-115	-115	-115	-
	Total - Capital Programme Variation				-1,853	-	-385	-1,123	-115	-115	-115	-
	TOTAL BUDGET				8,802	1,390	1,541	4,491	460	460	460	-

GPC

Funding	Total Funding £000	Previous Years £000	2017-18 £000	2018-19 £000	2019-20 £000	2020-21 £000	2021-22 £000	Later Years £000
Government Approved Funding								
Total - Government Approved Funding	-	-	-	-	-	-	-	-
Locally Generated Funding								
Capital Receipts	36,621	13,764	2,225	2,534	2,727	6,513	1,922	6,936
Prudential Borrowing	-27,819	-12,374	-684	1,957	-2,267	-6,053	-1,462	-6,936
Total - Locally Generated Funding	8,802	1,390	1,541	4,491	460	460	460	-
TOTAL FUNDING	8,802	1,390	1,541	4,491	460	460	460	-

## Section 4 - C: Corporate and Managed Services

**Table 5: Capital Programme - Funding**

Budget Period: 2017-18 to 2026-27

Summary of Schemes by Start Date					Total Funding £000	Grants £000	Develop. Contr. £000	Other Contr. £000	Capital Receipts £000	Prud. Borr. £000	Committee
Ongoing					-1,853	-	-	-	36,582	-38,435	
Committed Schemes					1,609	-	-	-	39	1,570	
2017-2018 Starts					9,046	-	-	-	-	9,046	
<b>TOTAL BUDGET</b>					<b>8,802</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36,621</b>	<b>-27,819</b>	
Ref	Scheme	Linked Revenue Proposal	Net Revenue Impact	Scheme Start	Total Funding £000	Grants £000	Develop. Contr. £000	Other Contr. £000	Capital Receipts £000	Prud. Borr. £000	Committee
<b>C/C.01</b>	<b>Corporate Services</b>										
C/C.1.001	Essential CCC Business Systems Upgrade		-	Committed	300	-	-	-	-	300	
C/C.2.007	Citizen First, Digital First		-2,455	2017-18	3,546	-	-	-	-	3,546	
	<b>Total - Corporate Services</b>		<b>-2,455</b>		<b>3,846</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,846</b>	
<b>C/C.02</b>	<b>Managed Services</b>										GPC
C/C.2.006	CPSN Replacement		-	2017-18	5,500	-	-	-	-	5,500	
C/C.2.108	Community Hubs - Sawston		-	Committed	1,309	-	-	-	39	1,270	
	<b>Total - Managed Services</b>		<b>-</b>		<b>6,809</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39</b>	<b>6,770</b>	
<b>C/C.10</b>	<b>Capital Programme Variation</b>										
C/C.3.001	Variation Budget		-	Ongoing	-1,853	-	-	-	-	-1,853	GPC
	<b>Total - Capital Programme Variation</b>		<b>-</b>		<b>-1,853</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-1,853</b>	
C/C.9.001	Excess Corporate Services capital receipts used to reduce total prudential borrowing			Ongoing	-	-	-	-	36,582	-36,582	GPC
	<b>TOTAL BUDGET</b>				<b>8,802</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36,621</b>	<b>-27,819</b>	

## Capital Investment Appraisals

### Prioritised List of Schemes

Priority Score (/100)	Class	Service Area	Ref	Title	Total Scheme Cost £000	Total Prudential Borrowing £000	Flexibility in Phasing	Alternative Methods of Delivery
<b>F</b>	Fully Funded	CS	C/C.3.001	Variation Budget	-1,853	-1,853		-
<b>C</b>	Committed	CS	C/C.1.001	Essential CCC Business Systems Upgrade	300	300	No flexibility	-
<b>C</b>	Committed	CS	C/C.2.108	Community Hubs - Sawston	1,309	1,270		-
<b>30</b>	Other	CS	C/C.2.006	CPSN Replacement	5,500	5,500	No flexibility	-
<b>26</b>	Invest to Save	CS	C/C.2.007	Citizen First, Digital First	3,546	3,546		-

**TREASURY MANAGEMENT QUARTER ONE**

*To:* **General Purposes Committee**

*Meeting Date:* **20th September 2016**

*From:* **Chief Finance Officer**

*Electoral division(s):* **All**

*Forward Plan ref:* **N/A** *Key decision:* **No**

*Purpose:* **To provide the first quarterly update on the Treasury Management Strategy 2016-17, approved by Council in February 2016.**

*Recommendation:* **The General Purposes Committee is recommended to note the Treasury Management Report.**

<b><i>Officer contact:</i></b>	
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## **1. BACKGROUND**

- 1.1 Treasury Management is governed by the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management (the Code). The Code has been developed to meet the needs of Local Authorities and its recommendations provide a basis to form clear treasury management objectives and to structure and maintain sound treasury management policies and practices.
- 1.2 The Code was adopted via the Treasury Management Strategy Statement (TMSS), which was approved by Council in February 2016. It requires the Council to produce an annual treasury report and a half yearly report. Alongside these, General Purposes Committee are also provided with quarterly updates on progress against the Strategy.
- 1.3 This report has been developed in consultation with the Council's external investment manager and treasury adviser, Capita Asset Services (CAS) who provide an update for the first quarter to 30<sup>th</sup> June 2016.
- 1.4 The report is based on forecasts and estimates which may change once the accounts are closed.

## **2. SUMMARY OF KEY HEADLINES**

- 2.1 The main highlights for the quarter are:
- Investment returns received on cash balances, compares favourably to the benchmarks. A return of 0.50% was achieved compared to the 3 month and 6 month London Interbank Bid Rate (LIBID) benchmark (0.36%, 0.46% respectively). (see section 6).
  - A £250k underspend is currently reported. This is largely due to falling interest rates across the yield curve resulting in lower net interest payment projections. Careful management of the Council's balance sheet and a strategy of internal borrowing will continue throughout the course of the year to optimise the treasury position and maximise savings where possible. For further information please see Section 9.

## **3. THE ECONOMIC ENVIRONMENT**

- 3.1 A detailed economic commentary is provided in **Appendix 1**. This information has been provided by Capita Asset Services – Treasury Solutions (CAS Treasury Solutions), the Council's treasury management advisors.
- 3.2 During the quarter ended 30<sup>th</sup> June 2016, the significant UK headlines of this analysis were:
- The UK voted to leave the EU;
  - The economic recovery lost some momentum ahead of the vote;
  - Growth remained highly dependent on consumer spending;
  - The jobs recovery slowed, but wage growth picked up;

- Inflation remained stuck at very low levels;
- Sharp fall in sterling following the referendum result;
- Post-referendum uncertainty brought the prospect of a near-term rate cut onto the agenda;
- Both the European Central Bank (ECB) and the Federal Reserve kept policy unchanged.

#### 4. SUMMARY PORTFOLIO POSITION

- 4.1 A snapshot of the Council's debt and investment position is shown in the table below:

	TMSS Forecast February 2016 (as agreed by Council)		Actual as at 31 March 2016		Actual as at 30 June 2016		Revised Forecast to March 2017	
	£m	Rate %	£m	Rate %	£m	Rate %	£m	Rate %
<b>Long term borrowing</b>								
PWLB	405.0	4.3	278.6	4.3	278.6	4.3	278.6	4.3
PWLB (3 <sup>rd</sup> Party Loans)	-		0		4.0	2.3	4.0	2.3
Market	-		0		45.0	4.0	45.0	4.0
LOBO	79.5	3.7	79.5	3.7	34.5	3.3	34.5	3.3
<b>Total long term</b>	<b>484.5</b>	<b>4.2</b>	<b>358.1</b>	<b>4.2</b>	<b>362.1</b>	<b>4.2</b>	<b>362.1</b>	<b>4.2</b>
<b>Short term borrowing</b>	-	-	-	-	-	-	67.4	0.5
<b>Total borrowing</b>	<b>484.5</b>	<b>4.2</b>	<b>358.1</b>	<b>4.2</b>	<b>362.1</b>	<b>4.2</b>	<b>429.5</b>	<b>4.2</b>
<b>Investments</b>	<b>5.6</b>	<b>0.5</b>	<b>10.1</b>	<b>0.5</b>	<b>47.8</b>	<b>0.5</b>	<b>10.0</b>	<b>0.4</b>
<b>Total Net Debt / Borrowing</b>	<b>478.9</b>	-	<b>348</b>	-	<b>314.3</b>	-	<b>419.5</b>	-
<b>3<sup>rd</sup> Party Loans &amp; Share Capital</b>	-	-	<b>0.4</b>	-	<b>4.4</b>	-	<b>4.4</b>	-

- 4.2 The revised forecast reflects the current prudential borrowing projections in the capital programme, which is likely to fluctuate through the course of the year. This currently shows that net borrowing is likely to be significantly lower than originally forecast. The change is largely due to a stronger than anticipated working capital surplus driven by increases in capital grants received in advance (particularly City Deal and LEP). A balance sheet review is currently be carried out and will be included in the next quarterly update report.
- 4.3 Further analysis of borrowing and investments is covered in the following two

sections.

## 5. BORROWING

- 5.1 The Council can take out loans in order to fund spending for its Capital Programme. The amount of new borrowing required is determined by capital expenditure plans and projections of the Capital Financing Requirement, forecast reserves and current and projected economic conditions.

### New loans and repayment of loans:

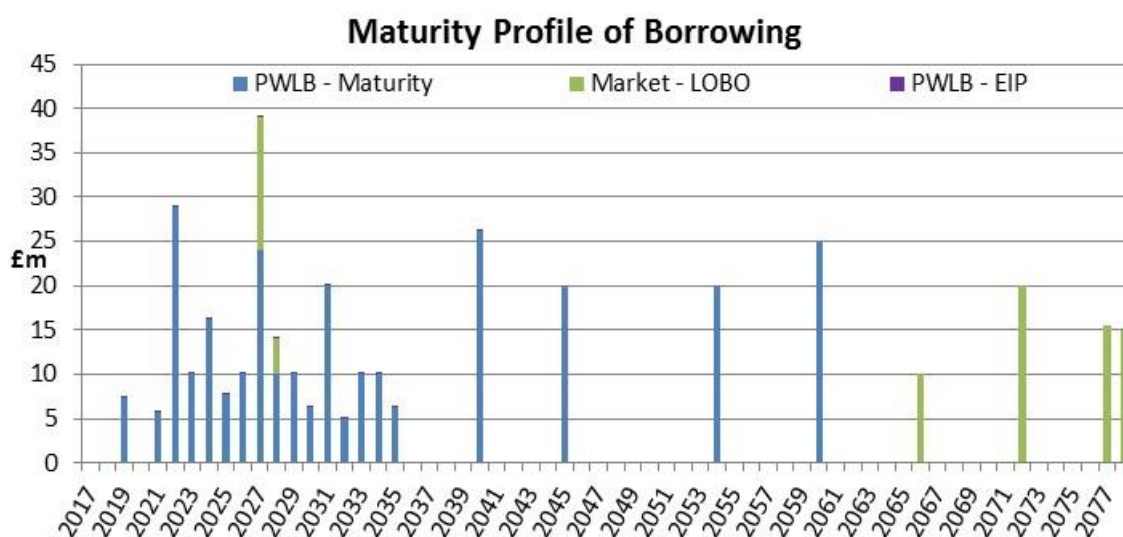
- 5.2 The table below shows details of new long term (>1yr) loans raised and loans repaid during 2016-17. No loans were repaid during this year to date.

The £4m PWLB loan below was raised to on-lend to the Arthur Rank Hospice Charity.

Lender	Raised / Repaid	Start Date	Maturity Date	£m	Interest Rate %	Duration (yrs)
PWLB	Raised	16/06/2016	16/06/2041	4.00	2.34%	25

### Maturity profile of borrowing:

- 5.3 The following graph shows the maturity profile of the Council's loans. The majority of loans have a fixed interest rate and are long term which limits the Council's exposure to interest rate fluctuations. The weighted average years to maturity of the portfolio (assuming Lender Option, Borrower Option (LOBO) Loans run to maturity) is 23.9 years.
- 5.4 The presentation below differs from that in **Appendix 2** paragraph 4, in that LOBO loans are included at their final maturity rather than their next call date. In the current low interest rate environment the likelihood of the interest rates on these loans being raised and the loans requiring repayment at the break period is extremely low.



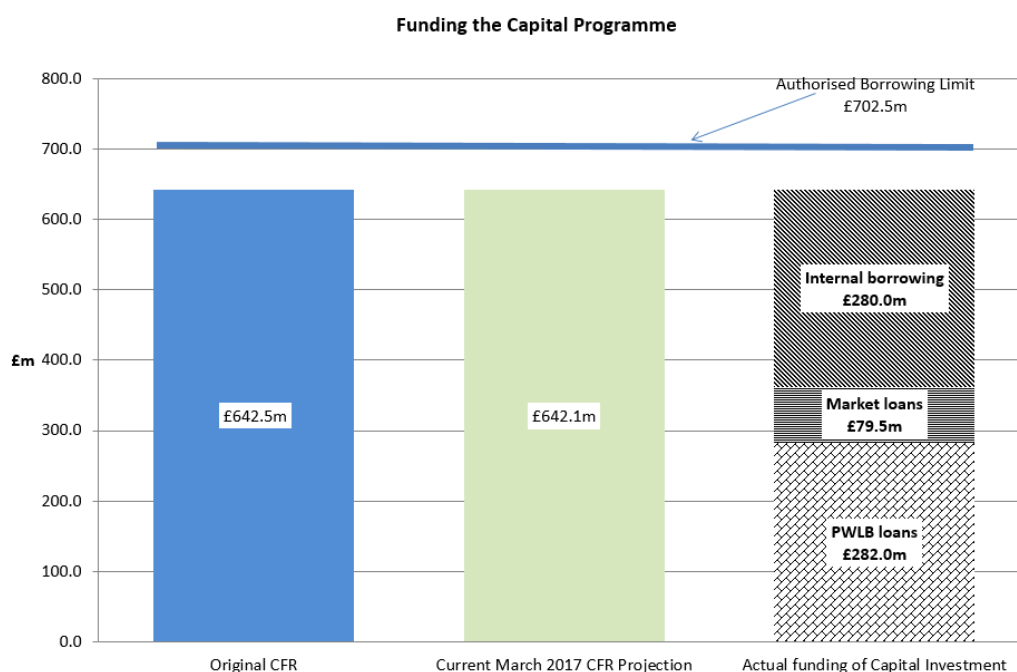


## Loan restructuring:

- 5.5 When market conditions are favourable long term loans can be restructured to:
- to generate cash savings
  - to reduce the average interest rate
  - to enhance the balance of the portfolio by amending the maturity profile and/or the level of volatility. (Volatility is determined by the fixed/variable interest rate mix.)
- 5.6 During the quarter there were no opportunities for the Council to restructure its borrowing due to the position of the Council's borrowing portfolio compared to market conditions. Debt rescheduling will be considered subject to conditions being favourable but it is unlikely that opportunities will present themselves during this year. The position will be kept under review, and when opportunities for savings do arise, debt rescheduling will be undertaken to meet business needs.
- 5.7 In June Barclays decided to waive their option to change the applicable interest rate of the Council's LOBO loans in future. As a result three of the LOBO loans (from a total portfolio of £79.5m) held with Barclays, totalling £45m, effectively became fixed rate maturity loans continuing at the current rates of interest. The waiver gives the Council greater certainty in respect of the interest rate arrangements.

## Funding the Capital Programme:

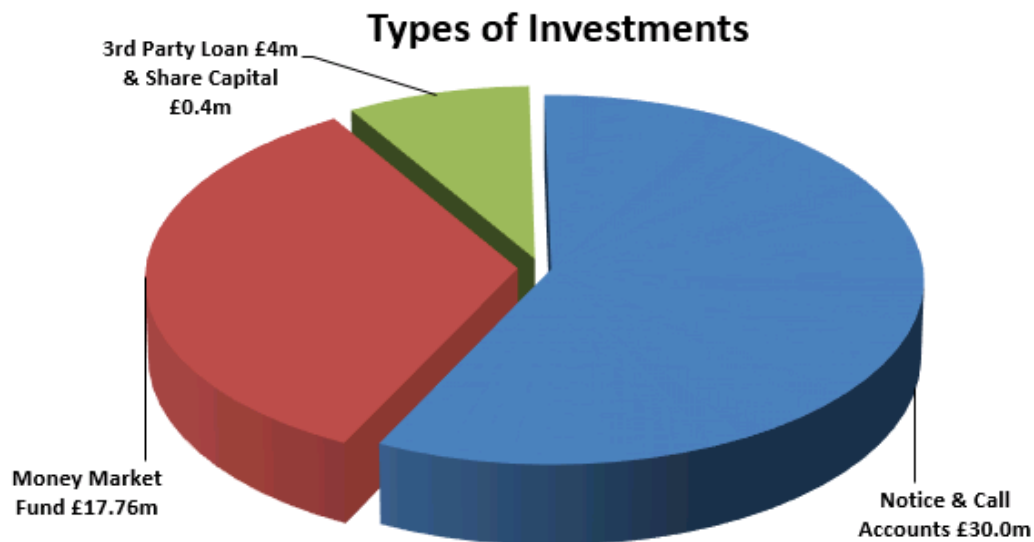
- 5.8 The Treasury Management Strategy Statement (TMSS) sets out the plan for treasury management activities over the next year. It identifies where the authority expects to be in terms of borrowing and investment levels. When the 2016-17 TMSS was set, it was anticipated that the Capital Financing Requirement (CFR), the Council's liability for financing the agreed Capital Programme, would be £642.5m. This figure is naturally subject to change as a result of changes to the approved capital programme.



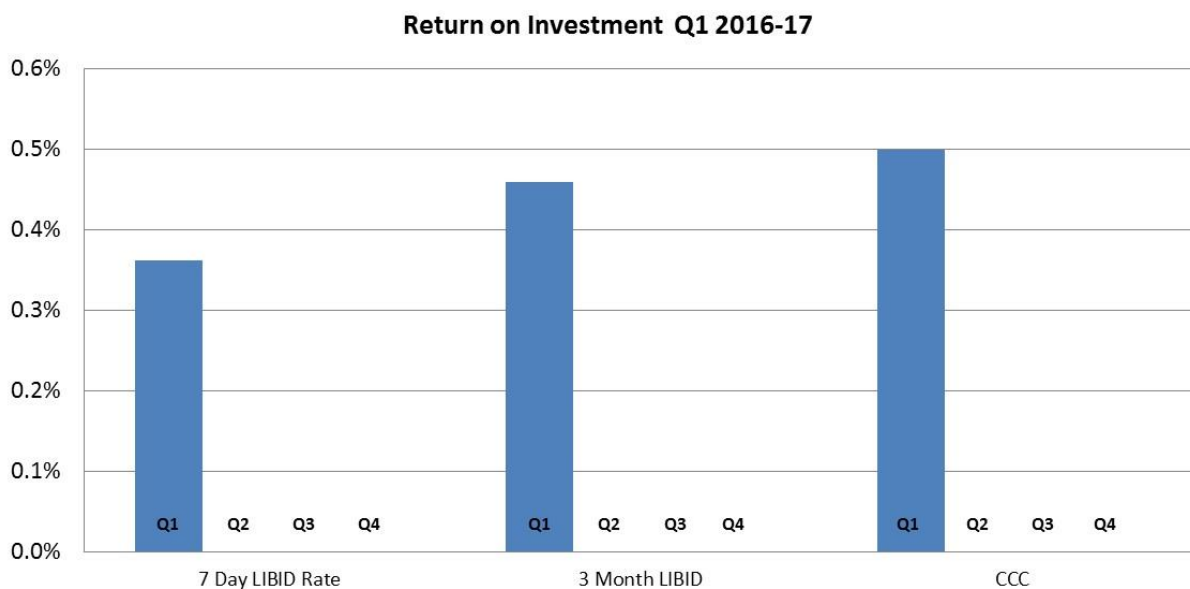
- 5.9 The graph above compares the maximum the Council could borrow in 2016-17 with the forecast CFR at 31st March 2017 and the actual position of how this is being financed at 30th June 2016.
- 5.10 The graph shows the projection for the Capital Financing Requirement (CFR) is significantly below the statutory Authorised Borrowing Limit set for the Council at the start of the year.
- 5.11 In addition, the graph shows how the Council is currently funding its borrowing requirement, through internal and external resources. As at 30th June internal borrowing is forecast to be £280.0m at the end of the year. Internal borrowing is the use of the Council's surplus cash to finance the borrowing liability instead of borrowing externally. The strategy of internally borrowing, by careful management of Councils balance sheet, is currently the most appropriate strategy, given the current interest rate environment. This strategy enables savings to be generated and reduces the level of cash invested and credit risk associated with investing. However the projected level of internal borrowing may not be sustainable in the future, so short term loans from the PWLB and other sources are currently being considered and will be raised as required.

## 6. INVESTMENTS

- 6.1 Investment activity is carried out within the Council's counterparty policies and criteria, and with a clear strategy of risk management in line with the Council's treasury strategy for 2016-17. This ensures that the principle of considering security, liquidity and yield, in that order (SLY), is consistently applied. The Council will therefore aim to achieve the optimum return on investments commensurate with proper levels of security and liquidity. Any variations to agreed policies and practices are reported to GPC and Council.
- 6.2 As described in paragraph 5.12, the strategy currently employed by the Council of internal borrowing also has the affect of limiting the Council's investment exposure to the financial markets, thereby reducing credit risk.
- 6.3 As at 30<sup>th</sup> June the level of investment totalled £47.8m, excluding 3<sup>rd</sup> party loans and share capital which are classed as capital expenditure. The level of cash available for investment is as a result of reserves, balances and working capital the Council holds. These funds can be invested in money market deposits, placed in funds or used to reduce external borrowings.
- 6.4 A breakdown of investments by type are shown in the graph below, with detail at **Appendix 3**. The majority of investments are in notice and call accounts and money market funds to meet the liquidity demands of the Council. The weighted average time to maturity of investments at 30th June is 7 days. Where possible deposits are placed for longer durations with appropriate counterparties to obtain enhanced rates of return in an environment of falling interest rates.



6.5 The graph below compares the returns on investments with the relevant benchmarks for the first quarter this year.



6.6 It can be seen from the graph that investments returned 0.50% during the quarter which is more than both the 7 day LIBID (0.36%), 3 month LIBID (0.46%) benchmarks.

6.7 Using credit ratings, the investment portfolio's historic risk of default stands at 0.003%. This simply provides a calculation of the possibility of average default against the historical default rates. The Council is also a member of a benchmarking group run by CAS which shows that, for the value of risk undertaken and duration of investments, the returns generated are above the Model Band.

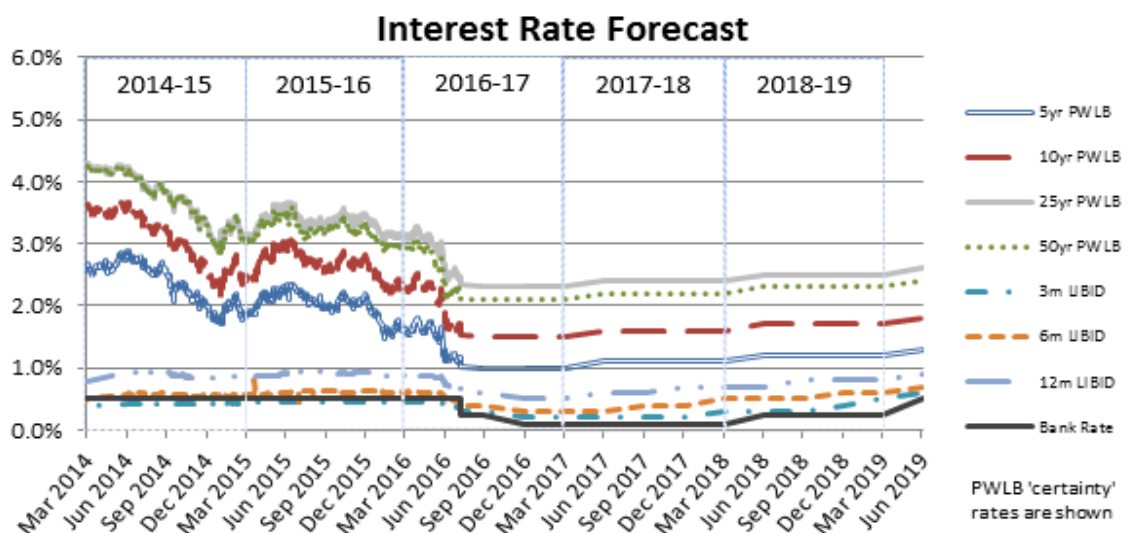
6.8 In August the Bank of England eased monetary policy by cutting Bank Rate from 0.5% to 0.25% and expanded the programme of quantitative easing to combat

slowing economic growth expectations. Bank Rate may be cut further later this year if the economy does not perform as expected. This action will result in falling returns on the Council's investment portfolio during the course of the year. However interest rates have fallen across all parts of the yield curve right out to 50 years, so the revenue pressure resulting from falling interest rates is more than offset by lower borrowing costs.

- 6.9 Leaving market conditions to one side, the Council's return on investment is influenced by a number of factors, the largest contributors being the duration of investments and the credit quality of the institution or instrument. Credit risk is a measure of the likelihood of default and is controlled through the creditworthiness policy approved by Council. The duration of an investment introduces liquidity risk; the risk that funds cannot be accessed when required, and interest rate risk; the risk that arises from fluctuating market interest rates. These factors and associated risks are actively managed by the LGSS Treasury team together with the Council's Treasury Advisors (CAS).

## 7. OUTLOOK

- 7.1 The current interest rate forecast, updated following the referendum result to take account of the Monetary Policy Committee meeting of the 4th August which cut Bank Rate from 0.5% to 0.25%, is shown in the graph below. Forward guidance suggests that a further cut in Bank Rate to near zero is likely, but depends on the performance of the economy over the coming months. The forecast is now for increases in Bank Rate in May 2018 to 0.25% and then to 0.5% in May 2019, but these will very much depend on how strongly and how soon the economy makes a gradual recovery, and so start a process of very gradual increases in Bank Rate over a prolonged period.
- 7.2 Geopolitical events, sovereign debt crisis developments and slowing emerging market economies make forecasting PWLB rates highly unpredictable in the shorter term. The general expectation for an eventual trend of gently rising gilt yields and PWLB rates is expected to remain unchanged. An eventual world economic recovery may also see investors switching from the safe haven of bonds to equities.



- 7.3 From a strategic perspective, the Council is continually reviewing options as to the timing of any potential borrowing and also the alternative approaches around further utilising cash balances and undertaking shorter term borrowing which could potentially generate savings subject to an assessment of the interest rate risks involved. Cash flows in the last couple of years have been sufficiently robust for the Council to use its balance sheet strength to limit the amount of new borrowing undertaken. However during 2016-17 it is anticipated that some new additional borrowing will be required as the Council experiences an increasing Capital Financing Requirement.

## 8. THIRD PARTY LOANS

- 8.1 A loan to Arthur Rank Hospice Charity of £4m was approved in 2015-16 and advanced in the form of a secured loan in June 2016 to enable the charity to build a 24 bedded hospice.
- 8.2 Interest and principle repayments for this loan, will be paid in accordance with the loan agreements.

## 9. DEBT FINANCING BUDGET

- 9.1 Overall an under spend of £250k is currently forecast and reported for Debt Charges. The variance is largely due to the continuation of the "Internal Borrowing" strategy resulting in lower than budgeted interest net interest payable.
- Interest rates across the yield curve have softened since the referendum result in June and the Bank of England Bank Rate cut to 0.25% in August. This has impacted the Council's investment returns, however the adverse variance is more than offset by falling borrowing rates resulting in lower interest payable.

	Budget	Estimated Outturn	Variance
	£m	£m	£m
Interest payable	16.363	16.053	-0.310
Interest receivable	-0.459	-0.319	0.140
Internal recharges & Other	0.568	0.468	-0.100
Technical	-0.085	-0.065	0.020
MRP	8.560	8.560	0.000
<b>Total</b>	<b>24.947</b>	<b>24.697</b>	<b>-0.250</b>

- 9.2 Although there is link between the capital programme, net borrowing and the revenue budget, the Debt Charges budget is impacted by the timing of long term borrowing decisions. These decisions are made in the context of other factors including, interest rate forecasts, forecast levels of cash reserves and the borrowing requirement for the Council over the life of the Business Plan and beyond.

## **10. MUNICIPAL BONDS AGENCY**

- 10.1 The timescales for issuance of the first bond are now dependent on the timescales of local authorities' approval processes and demand for borrowing from local authorities. It is still anticipated that the first bond will be issued in the Autumn.

## **11. TREASURY MANAGEMENT ADVISORY CONTRACT**

- 11.1 The Council's Treasury Management Advisory Contract is currently being retendered in a joint formal procurement process with LGSS partners and customers (Northamptonshire County Council, Northampton Borough Council and Norwich City Council), which should be concluded at the beginning of October. A further update on the outcome will be provided in the next quarterly update report.

## **12. COMPLIANCE WITH TREASURY LIMITS AND PRUDENTIAL INDICATORS**

- 12.1 With effect from 1st April 2004 The Prudential Code became statute as part of the Local Government Act 2003 and was revised in 2011.
- 12.2 The key objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of the Council are affordable, prudent and sustainable. To ensure compliance with this the Council is required to set and monitor a number of Prudential Indicators.
- 12.3 During the financial year to date the Council has operated within the treasury limits and Prudential Indicators set out in the Council's Treasury Management Strategy Statement (TMSS) and in compliance with the Council's Treasury Management Practices. The Prudential and Treasury Indicators are shown in Appendix 2.

## **13. ALIGNMENT WITH CORPORATE PRIORITIES**

### **13.1 Developing the local economy for the benefit of all**

There are no significant implications for this priority.

### **13.2 Helping people live healthy and independent lives**

There are no significant implications for this priority.

### **13.3 Supporting and protecting vulnerable people**

There are no significant implications for this priority.

## **14. SIGNIFICANT IMPLICATIONS**

### **14.1 Resource Implications**

This report provides information on performance against the Treasury Management Strategy. Section 9 shows the impact of treasury decisions

impacting the Debt Charges Budget, which are driven by the capital programme and the Council's overall financial position.

#### 14.2 **Statutory, Risk and Legal Implications**

The Council continues to operate within the statutory requirements for borrowing and investments. Further details can be found within the Prudential Indicators in Appendix 2.

#### 14.3 **Equality and Diversity Implications**

There are no significant implications in this category.

#### 14.4 **Engagement and Consultation Implications**

There are no significant implications in this category.

#### 14.5 **Localism and Local Member Involvement**

There are no significant implications in this category.

#### 14.6 **Public Health Implications**

There are no significant implications in this category.

<b>Implications</b>	<b>Officer Clearance</b>
<b>Have the resource implications been cleared by Finance?</b>	Yes Name of Financial Officer: Chris Malyon
<b>Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?</b>	Yes Name of Legal Officer: Lynne Owen
<b>Are there any Equality and Diversity implications?</b>	No Name of Officer: Dan Thorp
<b>Have any engagement and communication implications been cleared by Communications?</b>	No Name of Officer: Mark Miller
<b>Are there any Localism and Local Member involvement issues?</b>	No Name of Officer: n/a
<b>Have any Public Health implications been cleared by Public Health</b>	No Name of Officer: n/a

**List of Appendices**

**Appendix 1:** Economic Update (provided by Capita Asset Services Treasury Solutions)

**Appendix 2:** Capital and Treasury Prudential Indicators

**Appendix 3:** Investment Portfolio

Source Documents	Location
None	N/A



**Economic Update (provided by CAS Treasury Solutions)****Quarter ending 30<sup>th</sup> June 2016**

1. The economic recovery lost a little momentum in Q1 2016, with real GDP growth slowing from 0.7% q/q in Q4 to 0.4% – an annual rate of 2.0%. The recovery remained highly unbalanced too, with net trade subtracting from GDP growth for the second time in three quarters. And the current account deficit stood at 6.9% of GDP in Q1, only a little off the record 7.2% of GDP seen in Q4 2015. Business surveys suggest that activity slowed further in Q2 ahead of the EU referendum. Indeed, the Markit/CIPS composite PMI for May is consistent with quarterly growth slowing to 0.2% or so in Q2.
2. However, the official output data for Q2 so far have been a little more upbeat. Industrial production rose by a monthly 2% in April – which suggests that the sector may have pulled out of recession in the second quarter – and construction output rose by a monthly 2.5%. Beyond the referendum, the first PMI survey conducted after the vote – released on August 1st – will provide an initial indication of the extent to which the vote to leave has affected activity. The first post-referendum official activity data are for industrial production, due to be released on August 9th.
3. Consumers generally appear to have taken pre-referendum uncertainty in their stride, with household spending still the principal driver of economic growth. The pace of retail sales volumes growth has picked up, rising to a healthy annual rate of 6% in May. Aaway from the high street, the Bank of England's Agent's scores of consumer services turnover growth rose too. Admittedly, GfK/NOP consumer confidence has slipped back from its 2015 highs in the run-up to the referendum but remained elevated prior to the vote. Indeed, the balance for major purchases stayed at +9 in June, well above its long-run average of -6, pointing to solid growth in durable goods spending. However, consumer confidence is likely to weaken following the referendum result: the extent of any immediate impact on confidence will be evident in the next GfK/NOP data, due on July 29th.
4. The labour market performed fairly well prior to the EU referendum too, with employment rising by 55,000 in the three months to April. Admittedly, this is below the strong rises seen last year, but some easing in the pace of the jobs recovery was always to be expected given how much slack has already been eroded. Indeed, the ILO unemployment rate fell to 5.0% in the three months to April, it's lowest in over a decade. The timelier claimant count measure held at 2.2% in May. Pay growth also picked up in April – annual growth in regular pay (ex. bonuses), jumped from 1.9% to 2.5%.
5. However, the labour market story hasn't been entirely positive. At least some of April's rise in pay growth was probably down to the imposition of the National Living Wage, so may not entirely be a reflection of a tighter labour market. And much of the rise in employment in the three months to April was driven by self-employment, which may reflect people struggling to find employee roles. In any case, employment growth may slow markedly in the next few months due to the disruption associated with the vote to leave the EU.

6. Away from the labour market, inflation has been very subdued in the months preceding the EU referendum. CPI inflation has stood at just 0.3% every month so far this year, with the exception of March when Easter timing effects distorted the figures. But price pressures are likely to pick up in the months ahead. Around 80% of the difference between headline inflation and the Bank of England's 2% target is due to low food and energy price inflation. But the dampening influence of food and energy prices is set to wane as last year's sharp falls drop out of the annual comparison. What's more, sterling dropped by more than 8% following the UK's decision to leave the EU, leaving it around 14% below its mid-November peak. This should eventually feed through to higher inflation, which we expect to rise above the Bank of England's 2% target in the first half of next year.
7. This leaves the MPC with an awkward trade-off between minimising the short-term hit to the economy and overshooting its inflation target. However, given how low inflation currently is, the MPC has some room for manoeuvre. We expect interest rates to be cut from 0.5% to 0.25%, probably at the MPC's next meeting on July 14th. Indeed, in a speech on 30 June, Governor Carney stated that "some monetary easing will likely be required over the summer", and markets are pricing in a rate cut at the MPC's next meeting. A ramp-up in the Bank's asset purchase programme is also a possibility, depending on the scale of the short-term economic damage.
8. Like the Bank of England, both the Federal Reserve and the ECB kept rates on hold during Q2. However, despite leaving its economic projections largely unchanged, the FOMC nonetheless cut its interest rate projections quite sharply. Six of the 17 officials anticipate just one hike in the US this year, and median interest rate forecasts for end-2017 and 2018 were revised down too. What's more, this was before the financial market turmoil which followed the results of the UK's EU referendum. At the margin, this could delay hikes even further. Meanwhile, we expect the ECB to respond to the economic damage generated by the UK's vote to leave the EU by accelerating the pace of its asset purchases and possibly with another small cut in interest rates.
9. Turning to the public finances, the data released since March's Budget will only have added to the Chancellor's worries. Public sector net borrowing (excluding public sector banks) was only slightly down on a year earlier at £9.7bn in May, indicating that borrowing was already on course to overshoot the OBR's forecast of a 25% fall in FY 2016/17 as a whole before the effects of any post-referendum disruption are accounted for.
10. The plans laid out in the March Budget stated that fiscal tightening would intensify this year – and Chancellor Osborne has warned that he would impose an austere emergency budget following a vote to leave the EU. However, Mr Osborne has already rowed back on this threat. What's more, if the OBR projects that the four-quarter average of annual GDP growth will fall below 1%, this activates a get-out clause in the government's fiscal rules. This could lead to some of the near-term tightening described in the Budget being deferred to help reduce the damage caused by the referendum result.
11. Finally, the FTSE 100 has now recovered the ground it lost following the UK's vote to leave the EU, and stands around 3% higher than at the start of Q2. But the multinational-heavy FTSE 100 has benefitted from sterling's collapse, which boosts the value of firms' overseas earnings. The FTSE 250, which better reflects the

domestic economy, is down 5% since the start of the quarter. Meanwhile, 10-year bond yields have sunk to new record lows of just under 1% on the back of safe-haven demand.

Prudential and Treasury Indicators at 30<sup>th</sup> June 2016**Monitoring of Prudential and Treasury Indicators: approved by Council in February 2015.****1. Has the Council adopted CIPFA Code of Practice for Treasury Management in the Public Services?**

The Council has adopted CIPFA's Treasury Management in the Public Services: Code of Practice and Cross Sectoral Guidance Notes. This is a key element of the Treasury Strategy 2016-17 which was approved by Council in February 2016.

**2. Limits for exposure to fixed and variable rate net borrowing (Borrowing less investments)**

	Limits	Actual
Fixed rate	150%	100.72%
Variable rate	65%	-0.72%
Total		100%

The Interest rate exposure is calculated as a percentage of net debt. Due to the mathematical calculation exposures could be greater than 100% or negative depending upon the component parts of the formula. The formula is shown below:

$$\frac{\text{Total Fixed (or Variable) rate exposure}}{\text{Total borrowing} - \text{total investments}}$$

Fixed Rate calculation:

$$\frac{(\text{Fixed rate borrowing } £316.6m^* - \text{Fixed rate investments } £0m^*)}{\text{Total borrowing } £362.1m - \text{Total investments } £47.76m} = 100.72\%$$

\*Defined as greater than 1 year to run

Variable Rate calculation:

$$\frac{(\text{Variable rate borrowing } £45.5m^{**} - \text{Variable rate investments } £47.76m^{**})}{\text{Total borrowing } £362.1m - \text{Total investments } £47.76m} = -0.72\%$$

\*\* Defined as less than 1 year to run or in the case of LOBO borrowing the call date falling within the next 12 months.

**3. Total principal sums invested for periods longer than 364 days**

	<b>2016-17 Limit £m</b>	<b>Actual £m</b>
Investment longer than 364 days to run	7.0	0.0

Notes: This indicator is calculated by adding together all investments that have greater than 364 days to run to maturity at the reporting date.

4. **Limits for maturity structure of borrowing**

	<b>Upper Limit</b>	<b>Actual</b>
under 12 months	80%	8%
12 months and within 24 months	50%	1%
24 months and within 5 years	50%	4%
5 years and within 10 years	50%	20%
10 years and above	100%	67%

**Note:** The guidance for this indicator requires that LOBO loans are shown as maturing at the next possible call date rather than at final maturity.

**Affordability**

5. **Ratio of financing costs to net revenue stream**

<b>2016-17 Original Estimate %</b>	<b>2016-17 Revised Estimate %</b>	<b>Difference %</b>
10.53	6.9	-3.6

6. **Estimated incremental impact of capital investment decisions on band D council tax**

<b>2016-17 Original Estimate £</b>	<b>2016-17 Revised Estimate £</b>	<b>Difference £</b>
21.27	-37.36	-58.63

This indicator has fallen significantly as a result of changes to the Debt Charges budget during approval.

## **Prudence:**

### **7. Gross borrowing and the Capital Financing Requirement (estimated borrowing liability excluding PFI)**

<b>Original 2016-17 Capital Financing Requirement (CFR) £m</b>	<b>2016-17 CFR (based on latest capital information) £m</b>	<b>Actual Gross Borrowing £m</b>	<b>Difference between actual borrowing and original CFR £m</b>	<b>Difference between actual borrowing and latest CFR £m</b>
642.5	642.1	362.1	280.4	280

## **Capital Expenditure**

### **8. Estimates of capital expenditure**

For details of capital expenditure and funding please refer to the monthly capital report.

## **External Debt**

### **9. Authorised limit for external debt**

<b>2016-17 Authorised Limit £m</b>	<b>Actual Borrowing £m</b>	<b>Headroom £m</b>
702.5	362.1	340.4

The Authorised limit is the statutory limit on the Council's level of debt and must not be breached. This is the absolute maximum amount of debt the Council may have in the year.

### **10. Operational boundary for external debt**

<b>2016-17 Operational Boundary £m</b>	<b>Actual Borrowing £m</b>	<b>Headroom £m</b>
672.5	362.1	310.4

The operational boundary is set as a warning signal that debt has reached a level nearing the Authorised limit and must be monitored carefully.

### Investment Portfolio as at 30<sup>th</sup> June 2016

Class	Type	Deal Ref	Start / Purchase Date	Maturity Date	Counterparty	Profile	Rate	Principal O/S (£)
Share Capital	Share Capital	CCC/59			The UK Municipal Bonds Agency	-	-	400,000.00
3 <sup>rd</sup> Party Loan	Fixed	CCC/88	16/06/16	16/06/41	Arthur Rank Hospice Charity	EIP	3.3400%	4,000,000.00
<b>3<sup>rd</sup> Party Loans &amp; Share Capital Total</b>							<b>3.3400%</b>	<b>4,400,000.00</b>
Deposit	Call	CCC/CE/6			Barclays Bank plc	Maturity	0.5000%	20,000,000.00
Deposit	Call	CCC/84 (60 DAY)	20/10/15		Santander UK plc	Maturity	0.7500%	5,000,000.00
Deposit	95 Day Notice	CCC/85 (95DAY)	20/10/15		Santander UK plc	Maturity	0.9000%	5,000,000.00
<b>Call Total</b>							<b>0.6083%</b>	<b>30,000,000.00</b>
Deposit	Money Market Fund	CCC/ST/3	31/03/14		SLI Sterling Liquidity/CI 2	Maturity	0.5221%	17,759,000.00
<b>MMF Total</b>							<b>0.5221%</b>	<b>17,759,000.00</b>
<b>Deposit Total</b>							<b>0.7838%</b>	<b>52,159,000.00</b>





**CORPORATE RISK REGISTER UPDATE**

*To:* **General Purposes Committee**

*Meeting Date:* **20th September 2016**

*From:* **Director of Customer Services & Transformation**

*Electoral division(s):* **All**

*Forward Plan ref:* **Not applicable**      *Key decision:* **No**

*Purpose:* **To provide the General Purposes Committee with details of the current status of corporate risk.**

*Recommendation:* **It is recommended that the General Purposes Committee notes the position in respect of corporate risk.**

<b><i>Officer contact:</i></b>	
Name:	Duncan Wilkinson
Post:	LGSS Head of Internal Audit
Email:	<a href="mailto:Duncan.Wilkinson@Milton-keynes.gov.uk">Duncan.Wilkinson@Milton-keynes.gov.uk</a>
Tel:	01908 252089

## **1. BACKGROUND**

1.1 In accordance with best practice the Council operates a risk management approach at corporate and directorate levels across the Council seeking to identify any key risks which might prevent the Council's priorities, as stated in the Business Plan, from being successfully achieved.

1.2 The risk management approach is encapsulated in 2 key documents:

- Risk Management Policy

This document sets out the Council's Policy on the management of risk, including the Council's approach to the level of risk it is prepared to countenance as expressed as a maximum risk appetite. The Risk Management Policy is owned by the General Purposes Committee.

- Risk Management Procedures

This document details the procedures through which the Council will identify, assess, monitor and report key risks. Risk Management Procedures are owned by Strategic Management Team (SMT).

1.3 The respective roles of the General Purposes Committee and the Audit and Accounts Committee in the management of risk are:

- The General Purposes Committee has an executive role in the management of risk across the Council in its role of ensuring the delivery of priorities.
- The Audit and Accounts Committee provides independent assurance of the adequacy of the Council's risk management framework and the associated control environment.

1.4 The Corporate Risk Register was reviewed by SMT on 12 August 2016.

1.5 This report is supported by:

- The Corporate Risk Profile (Appendix 1)
- Corporate Risk Register (Appendix 2)

## **2. CHANGES TO THE CRR FOR GPC TO REVIEW**

2.1 Following the review of corporate risk by SMT on 12 August, SMT is confident that the Corporate Risk Register is a comprehensive expression of the main risks faced by the Council and that mitigation is either in place, or in the process of being developed, to ensure that each risk is appropriately managed.

This meeting of SMT, informed by the work of the Council's Corporate Risk Group, discussed and agreed a number of updates to the Corporate Risk Register:

**Risk 22: The Cambridgeshire Future Transport programme fails to meet its objectives within the available budget**

The risk description has been changed to 'The Cambridgeshire Total Transport programme fails to meet its objectives within the available budget'.

**Risk 30: Failure to deliver Waste savings / opportunities and achieve a balanced budget**

The trigger has been updated from failure to:

- 1) deliver Household Recycling Service savings,
- 2) realise savings opportunities from waste contracts
- 3) manage operational risk of unforeseen contractual events

To:

1. Failure to realise Waste PFI contract opportunities (eg. Reduce cost of CLO and increase income from TPI) and manage operational risk of unforeseen contractual events (eg. Wet IVC waste) leading to significant budget pressures.

- 2.2 **Appendix 1** shows the profile of Corporate Risk against the Council's risk scoring matrix and illustrates that there are three red residual risks. Risk 1a '*Failure to produce a robust and secure Business Plan over the next five years*', Risk 1b '*Failure to deliver the current 5 year Business Plan*', and Risk 9 '*Failure to secure funding for infrastructure*' remains unchanged from the previous report to the Committee.

**3. SIGNIFICANT DEVELOPMENTS PROPOSED FOR 2016/17 FOR GPC TO NOTE**

- 3.1 A significant development for 2016/17 will be the implementation of an online risk management system 'Grace' (Governance, Risk and Control Evaluation) across the Council. This will ensure that the Council continues to receive effective support in the facilitation and co-ordination of risk management, and that it is better aligned with best practice from Northamptonshire County Council and Milton Keynes Council (reflecting that our risk management is led and coordinated through LGSS). Both SMT and Audit & Accounts Committee have been fully supportive of this new planned approach to risk management, which is also in line with the principles of more streamlined 'corporate' services.

Advantages of the system:

- It will assist us to fulfil our statutory and organisational risk management obligations
- Provides access to clear management information
- It quickly and easily records risk reviews
- There is a clear audit trail and has a secure version control
- Provides real-time view of all the organisation's risk registers
- Increased awareness of risks
- It encourages sharing of best practice
- It provides a corporate view of the risks in the organisation
- It will reflect the Council structure
- It will be tailored to our language and approach
- It has a suite of reports that are user friendly

- Ad hoc reports can be produced with user defined parameters
- It produces overdue risk review reminders

#### **4. ALIGNMENT WITH CORPORATE PRIORITIES**

4.1 Risk management seeks to identify and to manage any risks which might prevent the Council from achieving its three priorities of:

- Developing the local economy for the benefit of all
- Helping people live healthy and independent lives
- Supporting and protecting vulnerable people

#### **5. SIGNIFICANT IMPLICATIONS**

##### **5.1 Resource Implications**

There are no significant implications within this category.

##### **5.2 Statutory, Risk and Legal Implications**

There are no significant implications within this category.

##### **5.3 Equality and Diversity Implications**

There are no significant implications within this category.

##### **5.4 Engagement and Consultation Implications**

There are no significant implications within this category.

##### **5.5 Localism and Local Member Involvement**

There are no significant implications within this category.



##### **5.6 Public Health Implications**




There are no significant implications within this category.

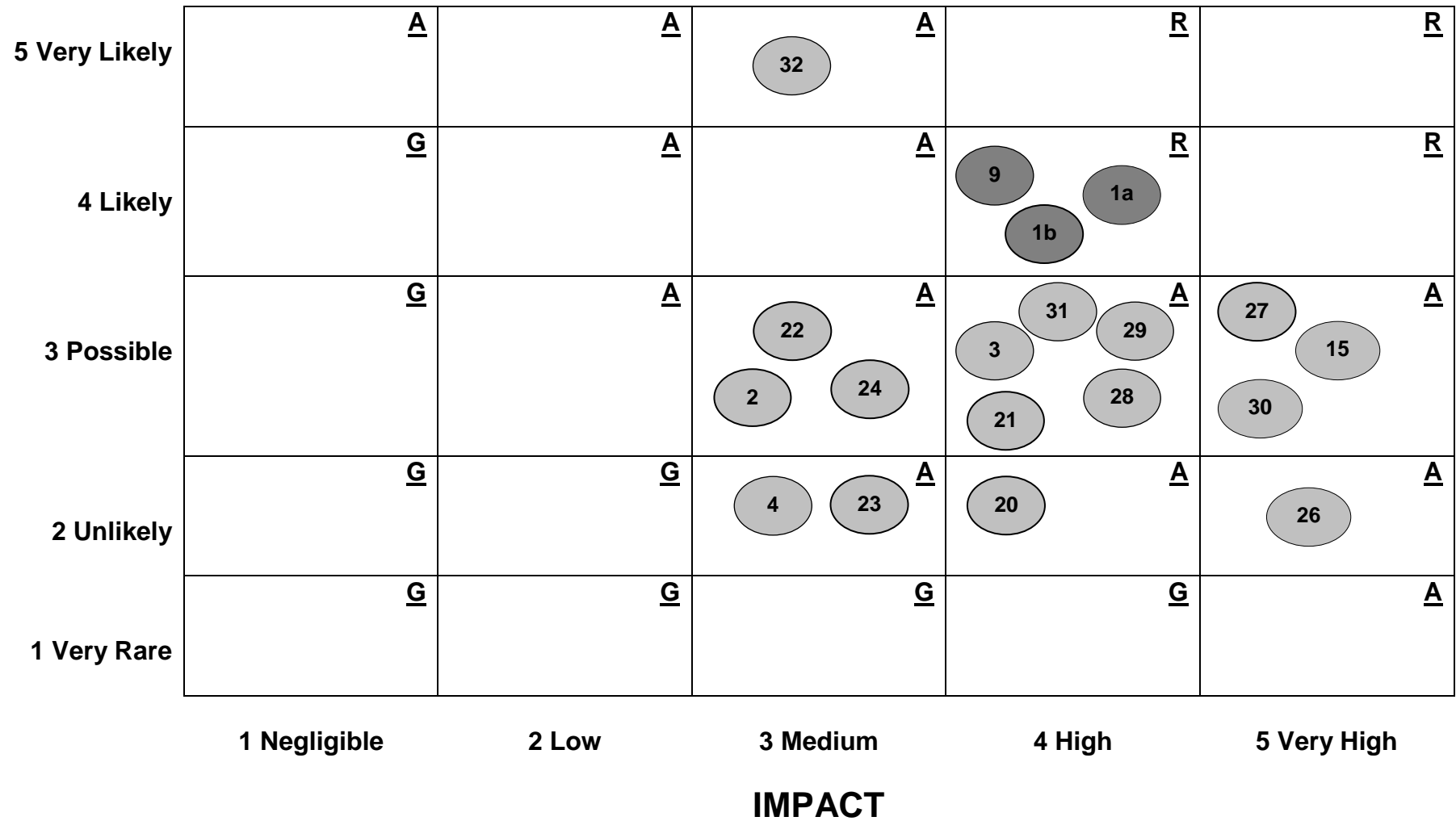
<b>Implications</b>	<b>Officer Clearance</b>
<b>Have the resource implications been cleared by Finance?</b>	Yes Name of Financial Officer: Sarah Heywood
<b>Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?</b>	N/A
<b>Are there any Equality and Diversity implications?</b>	Yes Name of Officer: Dan Thorp
<b>Have any engagement and communication implications been cleared by Communications?</b>	Yes Name of Officer: Mark Miller
<b>Are there any Localism and Local Member involvement issues?</b>	Yes Name of Officer: Dan Thorp
<b>Have any Public Health implications been cleared by Public Health</b>	Yes Name of Officer: Liz Robin

<b>Source Documents</b>	<b>Location</b>
Corporate Risk Register	Internal Audit and Risk Management OCT1108



Favourable change  Adverse change 

Green rated  Amber rated  Red rated 

**PROBABILITY**





[illegible]

## CORPORATE RISK REGISTER

Version Date: August 2016

Details of Risk				Owner	Key Controls/Mitigation	Residual Risk			Actions					Action Owner Acronyms explained	Comments
Risk No.	Risk Description	Trigger	Result			Probability	Impact	* Score	Description	Action Owner	Target Date	Revised Target Date	Action Status		
					6. Integrated performance and resource reporting (monthly to GPC) a. Monthly progress against savings targets b. Corporate Scorecard monitors performance against priorities c. Budget holders monthly meetings with LGSS Finance Partner/External Grants Team, producing BCR d. Regular meetings with Director of Finance/s151 Officer, Committee Chairs and relevant Directors to track exceptions and identify remedial actions 7. Rigorous treasury management system in place plus ongoing tracking of national and international economic factors and Government policy  8. Limited reserves for minor deviations 9. Routine monitoring of savings delivery to identify any required interventions 10. Bi-annual Leaders and Chairs meeting and Cambridgeshire Public Service Board 11. Board Thematic Partnerships including the LEP and the Health and Well Being Board, commissioning task and finish groups 12. LGSS governance arrgts incl representation on SMT (Section 151 Officer)										
2	The quality, responsiveness and standard of LGSS Services fail to meet CCC requirements	1. LGSS resources available to support CCC are reduced as LGSS expands its customer base 2. Failure to manage LGSS service delivery to CCC	1. Support services to CCC are not provided in a timely, accurate and professional manner	CD CS&T	1. Joint Committee Structure incl CCC Cllr representation, LGSS Overview and Scrutiny Cttee, Chief Executive sits on LGSS Management Board  2. LGSS director representation on SMT to ensure LGSS meets current and future Council needs  3. LGSS Strategic Plan, Strategy Map and Improvement Activities identified 4. Programme Management arrangements in place to move forward workstreams 5. CCC performance management arrangements 6. LGSS performance management team 7. LGSS SLA's in place and regularly reviewed in detail 8. Corporate Director CS&T responsible for managing LGSS / CCC relationship	3	3	9	2. In depth reviews of the SLAs in the Council's contract with LGSS. Further information required by SMT prior to sign off for Audit and Risk Management, Learning and Development and Strategic Assets  3. In line with Action 2. Reviews of Finance Transactions and Health and Safety SLAs will be carried out from March 2016 for completion by August 2016	CD CS&T  CD CS&T	May-15  Aug-16	Mar-16 May-16 Jul-16 Dec-16  Aug-16	G  G	Corporate Director, Customer Service and Transformation	Due to engagement and workshops required the original deadline has moved to allow for in depth reviews.
3	The Council does not have appropriate staff resources with the right skills and experience to	1. Ineffective recruitment outcomes 2. Ineffective planning processes 3. Unattractive terms and conditions of employment. 4. High staff turnover 5. Lack of succession planning to capture experience and knowledge 6. Increasing demand for services 7. Lack of trained staff 8. National pressures on the recruitment of key staff	1. Failure to deliver effective services 2. Regulatory criticism/sanctions 3. Civil or criminal action 4. Reputational damage to the Council 5. Low morale, increased sickness levels	DoPTT	1. Annual business planning process identifies staffing resource requirements  2. Children and Adults Workforce Strategy and Development plans with focus on recruitment and retention  3. Robust performance management and development practices in place.  4. Flexible terms and conditions of employment  5. Appropriate employee support mechanisms in place through the health and well being and counselling service agenda.	3	4	12	1. LGSS Management Board will review the workforce strategy as part of the Transformation Programme  2. Production of common training programme by OWD taken from service needs and compiled from PADP outcomes (annually)  3. Annual employee survey to feed into LGSS service improvement plans  4. Production of the County wide Organisational Workforce Development Programme  5. Improved learning and development opportunities for all social care staff through the development of a virtual academy for social workers	LGSS MB  LGSS  LGSS SAC&S  HoP  HoS WFD	Jan-16  Sep-16  Nov-16  Jul-16  Apr-16	Mar-16 Jul 16    Jun-16	G  G  G  G  G	LGSS Management Board  LGSS Service Assurance, Customers and Strategy  Head of People  Head of Service Workforce Development	ASYE site is live but social worker site delayed due to anticipated new learning info. The Learning pathways have been agreed and Workforce Development is now in process of looking to add this information to the Learn together webpage

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	deliver the Council's priorities at a time of significant demand pressures				7. Use of statistical data to shape activity relating to recruitment and retention  8. Workforce Strategy and Development Plan which is reviewed by LGSS Management Board on a quarterly basis.  9. Extensive range of qualifications and training available to social care staff to enhance capability and aid retention. 10. Increased use of statistical data to shape activity realting to social care recruitment and retention. 11. ASYE programme ensures new social workers continue to develop their skills, knowledge and confidence. 12. Social care frontline managers support their own professional development through planning regular visits with frontline services. 13. Cross directorate Social Care Strategic Recruitment and Workforce Development Board and Social Work Recruitment and Retention Task and Finish Group proactively address the issue of social care recruitment and retention.				6. Establish process to enable social care staff to rotate within social care roles  7. Create dashbaord to monitor recruitment and retention performance indicators to enable more robust monitoring	R&R TFG  R&R TFG	May-16  Apr-16	  Jul-16	  G  G	Social Work Recruitment and Retention Task and Finish Group  ASYE - Assessment and Supported Year in Employment.	Possibly complete as a paper to outline the process has been submitted to Service Directors approval - waiting for update on outcome of paper  Combining and collating data more complicated than first thought anticipating July
4	The Council does not achieve best value from its procurement and contracts	1. ineffective procurement processes 2. Lack of awareness of procurement processes across the Council 3. Ineffective contract management processes 4. Untrained contract managers	1. Poor value for money 2. Legal challenge 3. Wasted time and effort in contractual disputes	DoLPG	1. Contract Procedure Rules and Procurement Best Practice Guidance and templates kept updated with changes in best practice  3. Procurement Training provided on a regular basis with differing levels targeted at specific audiences  4. Central Contract register maintained and access available to relevant Officers 5. Use of checklist (Summary Procurement Proposal) on all new procurement activity undertaken via central Procurement team. This includes a review of options to achieve optimal value and where feasible captures existing costs and new costs after the procurement.  6. Nursing and residential care purchased through central brokerage unit 7. Develop long term sustainable relationships with providers wherever appropriate (e.g. Home care contract)	2	3	6	1. Audit reviews to provide assurance that individual managers have the appropriate skills and training  2. Audit reviews to provide assurance on the effectiveness of contract management in selected contracts	HIA  HIA	Mar-16  Mar-16	Mar-17  Mar-17	  G  G	Head of Internal Audit	Included in the 2016/17 Audit Plan  Included in the 2016/17 Audit Plan
		1. Insufficient funding is obtained from a variety of sources, including growth funds, section 106 payments, community infrastructure levy and other planning contributions, to deliver required infrastructure . This is exacerbated by austerity measures and reduced government funding for local authorities  2. Significant reduction in school infrastructure funding in 2016/17 from £34m per annum to £4m	1. Key infrastructure, services and developments cannot be delivered, with consequent impacts on transport, economic, environmental, and social outcomes. This could also result in greater borrowing requirement to deliver essential infrastructure and services which is unsustainable.		1. Maximisation of developer contributions through Section 106 negotiations.  2. Prudential borrowing strategy is in place.  3. Section 106 deferrals policy is in place.  4. External funding for infrastructure and services is continually sought including grant funding.  5. Maintain dialogue with Huntingdonshire District Council and East Cambridgeshire District Council where Community Infrastructure Levy is in place to secure CIL monies for County Projects.				9. Assist service areas define their infrastructure needs to be pulled together within one document for use - the Cambridgeshire Infrastructure Plan led by the Joint Strategic Planning Unit.  10. Scope out potential for a more joined up approach to CIL and investment in infrastructure <b>with ECDC and HDC</b>  15. County Planning obligation strategy being developed for district's and CCC use.	HoTIPF  HoTIPF  HoGE	Spring-2015  Spring-2015  Dec-15	Dec-15 Early-2016 May-16 Aug 16  Autmn-2015 Mar-16 Sep 16  Apr-16 <del>Jul-16</del> <b>Oct 16</b>	  G  G  G		

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9	Failure to secure funding for infrastructure			ED ETE ED CFA	6. Strategic development sites dealt with through S106 rather than CIL and S106. In dealing with sites through S106 alone, the County Council has direct involvement in negotiation and securing of developer contributions to mitigate the impact of a specific development.  7. County planning obligation strategy being developed for district's and CCC use in identifying community infrastructure needs.  8. Lobby with LGA over infrastructure deficit  9. On-going review, scrutiny and challenge of design and build costs to esnure maximum value for money.  10. Coordination of requirements across Partner organisations to secure more viable shared infrastructure.  11. Respond to District Council Local Plans and input to infrastructure policy at all stages of the Local Plan process.  12. Annual school capacity return to the Department of Education seeks to secure maximum levels of funding for basic need.  13. <b>Maintain</b> dialogue with Cambridge City Council and South Cambridgeshire District Council to input into Community Infrastructure Levy prior to adoption of the Local Plan (Adoption of CIL anticipated 2016)	4	4	16						Economy  HoS - Head of Strategy  SD S&C - Service Director, Strategy and Commissioning  ED CFA - Exec Director, Children, Families and Adults	

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20	Non compliance with legislative and regulatory requirements			CE	5. Code of Corporate Governance 6. Community impact assessments required for key decisions 7. Business Planning process used to identify and address changes to legislative/regulatory requirements 8. Constitutional delegation to Committees and SMT 9. H&S policy and processes 10. Testing of retained learning 11. Programme Boards for legislative change (e.g. Care Act Programme Board) 12. Training for frontline staff on new legislation 13. Involvement in regional and national networks in children's and adults services to ensure consistent practice where appropriate 14. CFA Strategy team support services with inspection preparation 15. Next Steps Board oversees preparation for Ofsted inspections of services for children in need of help and protection 16. Whistleblowing policy 17. Anti Fraud and Corruption Strategy incl Fraud Response Plan 18. Developed information and advice provision (an inspection handbook) 19. Developed an arrangement for disseminating legislative change to all directorates and services	2	4	8							
21	Business Disruption	1. Loss of staff (large quantities or key staff) 2. Loss of premises (including temporary denial of access) 3. Loss of IT, equipment or data 4. Loss of a supplier 5. Loss of utilities or fuel 6. Flu Pandemic	1. Inability to deliver consistent and continuous services to vulnerable people 2. School closures at critical times impacting students' ability to achieve 3. Inability to fully meet legislative and statutory requirements 4. Increase in service demand 5. Inability to respond to citizens' request for services or information 6. Lasting reputational damage	CD CST	1. Corporate and service business continuity plans 2. Relationships with the Unions including agreed exemptions 3. Corporate communication channels 4. Multi-agency collaboration through the Cambridgeshire & Peterborough Local Resilience Forum (CPLRF) 5. First phase of IT resilience project including the increased alternative power/environment conditions in major machine rooms 6. Operational controls 7. Resilient Internet feed 8. Business continuity testing 9. CCC corporate BCP Group incl LGSS BC leads	3	4	12	3. Project to establish 2nd LGSS data centre for resilience/backup of all systems, in addition to Scott House facility. 13 Review of Corporate Business Continuity Plan. 14. Review of accommodation provision in business continuity plans with LGSS	DoIT HoEP HoEP	Mar-13 Jun-16 Jul-16	Dec-15 Dec-16 Sep-16 Sep-16	G G G	DoIT - Director of Information Technology HoEP - Head of Emergency Planning	The second LGSS data centre is in Northampton and this is finished and it is connected but much more work is needed before this becomes the live failover site for CCC. Much of the new hardware and systems is on order and/or being installed now but they will keep using Scott House for some time to come Work is underway on both the annual Corporate Business Continuity Plan Review and the Accommodation provision with it. In the light of experiences additional work is being undertaken as part of the overall process. The work will be due for completion in September 2016
		1. Cambridgeshire Future Transport fails to deliver effective, efficient and responsive passenger transport services around Cambridgeshire	1. The accessibility needs of Cambridgeshire residents are not met, contributing to social exclusion, poor take up of employment and		1. A Governance group, including member representation from each of the districts, County, NHS, Cambridgeshire ACRE is in place to oversee the programme				<del>5. A14 Corridor, A1 Corridor/A14, Harston and Great Shelford. Tenders for services 400 and 401 are in the process of being awarded.</del>	HoPT	Oct-15	Jan-16 May-16 July-16	G		

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Risk No.	Risk Description	Trigger	Result			Probability	Impact	* Score	Description	Action Owner	Target Date	Revised Target Date	Action Status		
22	The Cambridgeshire <b>Future- Total</b> Transport programme fails to meet its objectives within the available budget		education opportunities, and reduced quality of life. 2. Failure to complete on time will mean business plan savings are not achieved.	DoSD	2. The Cambridgeshire Future Transport programme board consisting of representatives from ETE, CFA and Comms	3	3	9	<del>6. St Ives, Ramsey, Whittlesey, St Neots, Brampton, Isleham and Fordham: Tenders for services 21, 31, 46, 47 and 901-904 are in the process of being awarded.</del>	HoPT	Sep-15	Jan-16 May-16 July-16	G	HoPT - Head of Passenger Transport	
					3. Strategic business case, Risks and Issues Log and programme is in place.				<del>7. Chatteris, March, Wisbech, Gorfield, Leverington, Melbourn, Bassingbourn: Tenders for services 9, 35, 46 and 390 are in the process of being awarded. Community led timetables for the remaining services continue to be developed.</del>	HoPT	Oct-15	Jan-16 May-16 July-16	G		
					4. Communications strategy has been developed.				8. Review of Commissioning. The CFT Member Steering Group has been renamed the Total Transport Member Steering Group. The Group is holding monthly meetings to take forward work on improving commissioning and integration of all forms of passenger transport. The next meeting will consider papers on Terms of Reference, Total Transport Pilot Proposal, Scheduling Software and Business Planning.	HoPT	Mar-17		G		
					5. Engagement strategy including stakeholder mapping has been developed.								G		
					6. Bi-weekly project team meetings.								G		
					7. Updates are provided monthly for Members via Key Issues.								G		
					8. Two year programme in place for the review of the commissioning of services.										
23	Major Fraud or Corruption	1. Non compliance with the internal control framework and lack of awareness of anti-fraud and corruption processes. 2. Increased personal financial pressures on individuals as a result of economic circumstances	1. Reputational damage 2. Financial loss	CE	1. Financial Procedure rules	2	3	6	3. Implement anti bribery policy	HIARM	Mar-14	Dec-15 Mar16	A	HIARM - Head of Internal Audit and Risk Management	
					2. Anti Fraud and Corruption Strategy incl Fraud Response Plan				4. Fraud awareness campaigns	HIARM	Dec-15	Aug-16	G		
					3. Whistle blowing policy										
					4. Codes of conduct										
					5. Internal control framework										
					6. Fraud detection work undertaken by Internal Audit										
					7. Awareness campaigns										
					8. Anti Money Laundering policy										
					9. Monitoring Officer/Democratic Services role										
					10. Publication of spend data in accordance with Transparency Agenda										
					11. New Counter Fraud Team established in LGSS										

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24	A lack of Information Management and Data Accuracy and the risk of non compliance with the Data Protection Act	1. Failure to equip staff and managers with the training, skills, systems and tools to enable them to meet the statutory standards for information management. 2. Failure to ensure that information and data held in systems (electronic and paper) is accurate, up to date, comprehensive and fit for purpose to enable managers to make confident and informed decisions.	1. Adverse impact on Council's reputation. 2. Adverse impact on service delivery, as unable to make informed decisions. 3. Financial penalties. 4. Increase in complaints and enquiries by the ICO. 5. Decisions made by managers are not appropriate or timely.	CD CST	1. Governance; SIRO, CIO, Corporate Information Management Team encompassing Information Management, Information Governance, Records Management, policies confirming responsibilities (see below) Data protection registration requirements  2. Policies: Data Protection, Freedom of Information, Information Security Incidents, Mobile Devices, Code of conduct, Retention schedules, IT security related policies (computer use, email), Information Management Strategy  3. Procedures: FOI, Subject Access Request Handling, Records Management, service level operational procedures, 4. Tools: Encrypted laptops and USB sticks, secure email and file transfer solutions, asset registers (USB sticks, encrypted laptops) device control  5. Training and awareness: Data Protection, information security, information sharing, Freedom of Information and Environmental Information Requests 6. Advice: Information Management advice service (IM, IG, RM, security), Information Management addressed via the Gateway project  7. Information asset catalogue/register - to catalogue all information assets which are managed by CCC 8. Information sharing protocols embedded internally and with partners 9. Audit/QA of accountabilities process 10. e-safety policy  11. Assurance monitoring - The SIRO and Information Management Board will receive a report as part of the Information Risk Management work package highlight any information risks across CCC. Details of any IG Security Incidents will be included in the IG Annual Update report to Senior Management team/ members. 12. Mapping Flows of Personal Confidential Data - To adequately protect personal information, organisations need to know how the information is transferred into and out of the organisation, risk assess the transfer methods and consider the sensitivity of the information being transferred.  13. Incident reporting - Damage resulting from potential and actual information security events should be minimised and lessons learnt from them. All information security incidents, suspected or observed, should be reported through the CCC Incident Reporting system and managed in line with the Incident Reporting Procedures and Integrated Risk Management Policy. 14. Intrusion or Perimeter Security including use of next generation hardware firewalls in several tiers, network traffic monitoring by Virgin Media Business, hardware appliances to check in bound mail traffic, spam filters and web content filtering on internet traffic and anti-virus software on the servers  15. Local device protection including anti-virus on individual devices (sourced from a different supplier to the anti-virus software on the servers), Microsoft tools to restrict users ability to modify or install software and all mobile devices are encrypted  16. Record all attempted attacks and have an established relationship with the local and regional cyber crime teams in the Police and have established links and information sharing with the national crime and intelligence agencies 17. Individual Services Business Continuity Plans. 18. LGSS IT Disaster Recovery Plan 19. LGSS IT service resilience measures (backup data centre, network re-routing). 20. Version upgrades to incorporate latest product functionality 21. Training for CFA Business systems prior to use 22. Information sharing agreement 23. Backup systems for mobile working	3	3	9	6. Roll out of EDRM to manage the information lifecycle (including information standards). Task and finish group established to drive forward greater awareness raising and training  7. Updated Information Asset Register  8. Mapping data flows  <del>9. Develop implementation plan for new supplier of CFA Business Systems</del> 11. Implementation of CFA social care Business Systems on new rationalized platform	IM  IM  IM  <del>HoS IM</del> HoS IM	Mar-13  Apr-17  Apr-17  Jun-16  Mar-18	Apr-17	G  G  G  G  G	IM - Information Manager     Project team is up and running. Member reference group set up	



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					24. Back up systems for CFA Business Systems										
26	Increasing manifestation of Busway defects	1. Failures of Busway bearings or movement of foundations continue and increase	1. Significant and ongoing costs to maintain the Busway or restricted operation of the Busway to the extent that it will no longer be attractive to operators or passengers.	ED ETE	1. Monitoring and inspection regime in place  5. Independent Expert advice has been taken confirming that the defects are defects under the Contract and that a programme of preventative remedial action is required and will be cheaper overall and less disruptive in the long run than a reactive response.  6. Legal Advice has been taken confirming that the defects are defects under the contract and that the Council has a good case for recovering the cost of correction from the Contractor  7. Retention monies held under the contract have been withheld from the Contractor and used to meet defect correction and investigation costs.  8. Funds have been set aside from the Liquidated Damages withheld from the Contractor during construction, which are available to meet legal costs  9. General Purposes Committee have resolved to correct the defects and to commence legal action to recover the costs from the Contractor  10. Initially defects are being managed on a case by case basis until the contractual issues are resolved, minimising impact on the public.	2	5	10	1. Survey and investigation work. Programme of investigation and surveys agreed with BAM Nuttall to better understand nature, cause and possible solutions to defects are complete. The results are being compiled and our independent experts will be producing a report. Other actions put on hold pending outcomes. <b>Report to the General Purpose Committee.</b>	SD S&D ETE	Feb-16	<b>Jun-16</b> <b>Sep 16</b>	G	Service Director, Strategy & development, ETE.	
27	The pension fund has the potential to become materially under-funded	2. Contribution levels do not maintain the level of the fund 3. The longevity of scheme members increases 4. Government changes to pensions regulations 5. Volatility of financial markets 6. Change to tax threshold causing exceedingly high contribution 7. Shrinking workforce	1. Significant increases in revenue contributions to the Fund are necessary placing additional savings requirements on services	CFO	1. Governance arrangements including CCC Constitutional requirements and Pensions Committee including response to Hutton enquiry  2. Investment Panel work plan  3. Triennial valuation 4. Risk agreed across a number of fund managers  5. Fund managers performance reviewed on a regular basis by Pensions Committee 6. Opt in legislation  7. Review investment manager performance quarterly	3	5	15	1. Updated Funding Strategy Statement to be agreed as part of the 2016 triennial valuation process setting out the funding approach for secure, tax rising scheme employers such as CCC  2. An established approach to employer contributions to continue, recognising the secure nature of CCC and the long term nature of the pension liabilities. 3. Review strategic asset allocation as part of valuation process	HoP  HoP  HoP	Dec-16  Mar-17  Mar-17		G  G  G	HoP - Head of Pensions	

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					8. Ongoing monitoring of skills and knowledge of officers and those charged with governance										
29	Failure to address inequalities in the county continues	1. Impact of wider economic and social determinants, which may require mitigation through Council services. 2. Failure to target/promote services to disadvantaged or vulnerable populations, or in areas of deprivation, appropriately for local need.	1. Worsening inequalities between geographical areas and/or disadvantaged or vulnerable populations, including health, educational achievement, income.	CE	1. Council's business plan  2. Committee monitoring of indicators for outcomes in areas of deprivation (following full Council motion)  3. Joint Strategic Needs Assessment, Annual Public Health Report, and Joint Health and Wellbeing Strategy (Health inequalities)  4. Implementation of Health Committee Priority 'Health Inequalities' actions and targetting of Public Health programmes (health inequalities)  6. Child Poverty Strategy (income)  7. Targetted services e.g: Travellers Liaison, Traveller Health Team, Chronically excluded adults team etc. 9. Buy with confidence approved trader scheme.  10. Cambridgeshire Inequalities Charter  11. Wisbech 20:20 programme  12. Cambridgeshire 0-19 Education Organisation Plan  13. Cambridgeshire Older People Strategy	3	4	12	1. Implementation of health inequalities aspects of Joint Health and Wellbeing Strategy  2. Deliver actions in Accelerating Achievement and School Improvement Strategies  3. Develop and implement a combined schools improvement and accelerating achievement strategy for 2016-2018	DoPH  SD L  SD IL	Dec-16  Aug-16  Sep-16		G A G	DoPH - Director of Public Health DoCFA - Director and Children, Families and Adults SD L - Service Director Learning	
30	Failure to deliver Waste savings / opportunities and achieve a balanced budget	<del>Failure to:</del> <del>1) deliver Household Recycling Service savings,</del> <del>2) realise savings opportunities from waste contracts</del> <del>3) manage operational risk of unforeseen contractual events</del>  1. Failure to realise Waste PFI contract opportunities (eg. Reduce cost of CLO and increase income from TPI) and manage operational risk of unforeseen contractual events (eg. Wet IVC waste) leading to significant budget pressures	1. Savings not delivered and potential increased costs leading to significant budget pressures.	ED ETE	1. Strong contract management and close working with legal and procurement to reduce unforeseen costs where possible e.g. management of amount of waste going to landfill. Regular communication, exchange of information and decision-making at the Waste PFI Delivery Board. The Board provides focused management of issues, ensuring contract delivers as required.  2. The Waste PFI is in service delivery phase - the protection that is provided by the contract terms and conditions is in place.  3. Officers working closely with DEFRA, WIDP, Local Partnerships, WOSP and other local authorities  4. The contract documentation apportions some risks to the contractor, some to the authority and others are shared.  5. Clear control of the risk of services not being delivered to cost and quality by levying contractual deductions and controls if the contract fails or issues arise.  6. During the procurement process, the authority appointed a lead to negotiate risk apportionment. The results of the negotiation relating to financial risk are captured in the Payment Mechanism (schedule 26) and Project Agreement that form part of the legally binding contract documentation.  7. Waste PFI contractor investigating contract for Refuse Derived Fuel (RDF) option for Compost Like Output (CLO).	3	5	15	5. Review revised contract management arrangements after 3 months of implementation.  6. Deliver further contract management training if July review identifies a requirement.  7. Identify options for savings in collaboration with Amey and carry out trials where appropriate.  8. Resolve legacy issues in the round with discussions on savings and opportunities.	HoH&C  HoH&C  HoH&C  HoH&C	Jul-16  Sep-16  Aug-16  Aug-16		G G G G	A&C - Assets and Commissioning	

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Risk No.	Risk Description	Trigger	Result			Probability	Impact	* Score	Description	Action Owner	Target Date	Revised Target Date	Action Status		
31	Insufficient availability of affordable Looked After Children (LAC) placements	1. The number of children who are looked after is above the number identified in the LAC strategy action plan 2015-17 2. % LAC placed out of county and more than 20 miles from home as identified in CFA performance dashboard 3. The unit cost of placements for children in care is above targets identified in the LAC strategy action plan 2015 to 2017	1. Client dissatisfaction and increased risk of harm. 2. Reputational damage to the council. 3. Failure to meet statutory requirements. 4. Regulatory criticism. 5. Civil or criminal action against the Council	ED CFA	1. Regular monitoring of numbers, placements and length of time in placement by CFA management team and services to inform service priorities and planning  2. Maintain an effective range of preventative services across all age groups and service user groups  3. Looked After Children Strategy provides agreed outcomes and describes how CCC will support families to stay together and provide cost effective care when children cannot live safely with their families.  4. Community resilience strategy details CCC vision for resilient communities  5. CFA management team assess impacts and risks associated with managing down costs 6. Edge of care services work with families in crisis to enable children and young people to remain in their family unit	3	4	12	1. Family based care - review placements and look at creative options to reunify child with family and reduce cost  2. Reduce the number of external placements/ increase in-house fostering placements  3. Lowering the cost of the most expensive placements  4. Reducing the cost of external placements  5. Develop in county provision for disabled young people 6. Develop a dedicated policy for unaccompanied asylum seeker placements	HoS CD  HoS Corp Parenting HoS CES  HoS CES HoS CD HoS FREDt	Apr-16  Jun-16 Jun-16  Apr-16 Sep-16 Apr-16	Jun-16    Jun-16 Jun-16	G  G G G G G	Head of Service Children's Disability  Head of Service for Corporate Parenting  Head of Commissioning Enhanced Services  Head of Service First Response and Emergency Duty Team	The LAC action plan will be updated at the LAC programme board at the end of May 2016, so won't be able to get new dates/updates until then so won't be ready in time for papers for A&A but should be able to get info for a verbal update
32	Insufficient availability of care services at affordable rates	1. Average number of ASC attributable bed-day delays per month is above national average (aged 18+) as identified by CFA performance dashboard 2. Delayed transfers of care from hospital attributable to adult social care as identified by CFA performance dashboard 3. Home care pending list	1. Client dissatisfaction and increased risk of harm and hospital admission 2. Increase in delayed discharges from hospital 3. Reputational damage to the Council	ED CFA	1. Data regularly updated and monitored to inform service priorities and planning  2. Maintain an effective range of preventative services across all age groups and service user groups 3. Community resilience strategy details CCC vision for resilient communities 4. Directorate and CFA Performance Board monitors performance of service provision 5. Coordinate procurement with the CCG to better control costs and ensure sufficient capacity in market  6. Use of the benchmark rate to control costs of care homes  7. Market shaping activity, including building and maintaining good relationships with providers, so we can support them if necessary  8. Capacity Overview Dashboard in place to capture market position  9. Residential and Nursing Care Project has been established as part of the wider Older People's Accommodation Programme looking to increase the number of affordable care homes beds at scale and pace.  10. Business Case for Council owned Care Home  11. Delivered first phase of Early Help Offer for Adults and OP  12. Retendered the block purchase of care	5	3	15	4. Retender the main home care contract	HoS Procurement	Jul-16		G	Service Director Older People	

SCORING MATRIX (see Risk Scoring worksheet for descriptors)

VERY HIGH (V)	5	10	15	20	25
HIGH (H)	4	8	12	16	20
MEDIUM (M)	3	6	9	12	15
LOW (L)	2	4	6	8	10

**Risk Owners**

CD CS&T - Sue Grace  
CE - Gillian Beasley  
DoPTT - Christine Reed  
DoLPG - Quentin Baker

CORPORATE RISK REGISTER

Version Date: August 2016

Details of Risk				Owner	Key Controls/Mitigation	Residual Risk			Actions					Action Owner Acronyms explained	Comments
Risk No.	Risk Description	Trigger	Result			Probability	Impact	* Score	Description	Action Owner	Target Date	Revised Target Date	Action Status		
	MEDIUM (M)	3	6	9	12	15									
	LOW (L)	2	4	6	8	10									
	NEGLIGIBLE	1	2	3	4	5									
	IMPACT LIKELIHOOD	VERY RARE	UNLIKELY	POSSIBLE	LIKELY	VERY LIKELY									

ED ETE - Graham Hughes  
ED CFA - Adrian Loades  
DoSD - Bob Menzies  
CFO - Chris Malyon

## RISK SCORING MATRIX

VERY HIGH (V)	5	10	15	20	25
HIGH (H)	4	8	12	16	20
MEDIUM (M)	3	6	9	12	15
LOW (L)	2	4	6	8	10
NEGLECTIBLE	1	2	3	4	5
IMPACT LIKELIHOOD	VERY RARE	UNLIKELY	POSSIBLE	LIKELY	VERY LIKELY

Red scores - excess of Council's risk appetite – action needed to redress, quarterly monitoring

Amber scores – likely to cause the Council some difficulties – quarterly monitoring

Green scores – monitor as necessary

Descriptors to assist in the scoring of risk impact are detailed below

Likelihood scoring is left to the discretion of managers as it is very subjective

### IMPACT DESCRIPTORS

The following descriptors are designed to assist the scoring of the impact of a risk:

	Negligible (1)	Low (2)	Medium (3)	High (4)	Very High (5)
Legal and Regulatory	Minor civil litigation or regulatory criticism	Minor regulatory enforcement	Major civil litigation and/or local public enquiry	Major civil litigation setting precedent and/or national public enquiry	Section 151 or government intervention or criminal charges
Financial	<£0.5m	<£1.0m	<£5m	<£10m	>£10m
Service provision	(a) Insignificant disruption to service delivery	(a) Minor disruption to service delivery	(a) Moderate direct effect on service delivery	(a) Major disruption to service delivery	(a) Critical long term disruption to service delivery
People and Safeguarding	No injuries	Low level of minor injuries	Significant level of minor injuries and/or instances of mistreatment or abuse of an individual for whom the Council has a responsibility	Serious injury and/or serious mistreatment or abuse of an individual for whom the Council has a responsibility	Death of an employee or individual for whom the Council has a responsibility or serious mistreatment or abuse resulting in criminal charges
Reputation	No reputational impact	Minimal negative local media reporting	Significant negative front page reports/editorial comment in the	Sustained negative coverage in local media or negative	Significant and sustained local opposition to the Council's policies

			comment in the local media	negative reporting in the national media	policies
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# GENERAL PURPOSES COMMITTEE AGENDA PLAN

Published on 1st September 2016  
As at 7th September 2016



Cambridgeshire  
County Council

**Agenda Item No.12**

## **Notes**

Committee dates shown in bold are confirmed.

Committee dates shown in brackets and italics are reserve dates.

The definition of a key decision is set out in the Council's Constitution in Part 2, Article 12.

\* indicates items expected to be recommended for determination by full Council.

+ indicates items expected to be confidential, which would exclude the press and public. Additional information about confidential items is given at the foot of this document.

Draft reports are due with the Democratic Services Officer by 10.00 a.m. eight clear working days before the meeting.

The agenda dispatch date is six clear working days before the meeting.

Committee date	Agenda item	Lead officer	Reference if key decision	Spokes meeting date	Deadline for draft reports	Agenda despatch date
<b>20/09/16</b>	1. Minutes – 26/07/16	M Rowe	Not applicable		07/09/16	09/09/16
	2. Quarterly Risk Management Report	S Norman	Not applicable			
	3. Integrated Resources and Performance Report (July)	R Bartram	2016/029			
	4. Resources and Performance Report (July) – Customer Service and Transformation and LGSS Managed	S Heywood	Not applicable			
	5. Community Resilience and the Innovation Fund'	S Ferguson	Not applicable			
	6. Transformation Fund Bids	C Malyon	2016/047			

Committee date	Agenda item	Lead officer	Reference if key decision	Spokes meeting date	Deadline for draft reports	Agenda despatch date
	7. Draft Capital Programme including capital finance and prioritization tables (Customer Service & Transformation and LGSS Managed)	C Malyon	Not applicable			
	8. Demography Update	C Malyon	Not applicable			
	9. Treasury Management Report – Quarter 1	M Batty	Not applicable			
<b>25/10/16</b>	1. Minutes – 20/09/16	M Rowe	Not applicable		12/10/16	14/10/16
	2. Draft Strategic Framework	C Malyon	2016/048			
	3. Capital Programme & Capital Prioritisation Report	C Malyon	Not applicable			
	4. Draft Consultation Report (Customer Service & Transformation and LGSS Managed)	S Grace	Not applicable			
	5. Revenue Business Plan tables and Fees and Charges (Customer Service & Transformation and LGSS Managed) Report	S Grace	2016/016			
	6. Draft Community Impact Assessments (Customer Service & Transformation and LGSS Managed)	S Grace	Not applicable			
	7. Integrated Resources and Performance Report (August)	R Bartram	2016/052			
	8. Resources and Performance Report (August) – Customer Service and Transformation and LGSS Managed	S Heywood	Not applicable			



Committee date	Agenda item	Lead officer	Reference if key decision	Spokes meeting date	Deadline for draft reports	Agenda despatch date
	9. County Council Elections 2017	S Grace	Not applicable			
	10. Wisbech Community Led Local Development fund	W Lansdown	Not applicable			
	11. Community Hubs	C May	2016/051			
	12. Look After Children Savings	M Teasdale	Not applicable			
	13. Level of Outstanding Debt	C Malyon	Not applicable			
<b>29/11/16</b>	1. Minutes – 25/10/16	M Rowe	Not applicable		16/11/16	18/11/16
	2. Integrated Resources and Performance Report (September)	R Bartram	2016/030			
	3. Resources and Performance Report (September) – Customer Service and Transformation and LGSS Managed	S Heywood	Not applicable			
	4. Business Plan Consultation	C Malyon	Not applicable			
	5. Overview of Business Planning Proposals (Including Community Impact Assessments)	C Malyon	Not applicable			
	6. Capital and Revenue Report (Customer Service & Transformation and LGSS Managed)	S Grace	Not applicable			
	7. Total Transport Pilot	T Parsons	Not applicable			
	8. Cambridgeshire Guided Busway Defects ( <i>possible confidential appendix</i> )	B Menzies	Not applicable			
	9. Treasury Management Report – Quarter 2*	M Batty	Not applicable			

<b>Committee date</b>	<b>Agenda item</b>	<b>Lead officer</b>	<b>Reference if key decision</b>	<b>Spokes meeting date</b>	<b>Deadline for draft reports</b>	<b>Agenda despatch date</b>
<b>20/12/16</b>	1. Minutes – 29/11/16	M Rowe	Not applicable		07/12/16	09/12/16
	2. Amendments to Business Plan Tables (if required)	C Malyon	Not applicable			
	3. Integrated Resources and Performance Report (October)	R Bartram	2016/053			
	4. Resources and Performance Report (October) – Customer Service and Transformation and LGSS Managed	S Heywood	Not applicable			
<b>10/01/17</b>	1. Minutes – 20/12/16	M Rowe	Not applicable		28/12/16	30/12/16
	2. Local Government Finance Settlement	C Malyon	Not applicable			
	3. Treasury Management Strategy	C Malyon	Not applicable			
<b>24/01/17</b>	1. Minutes – 10/01/17	M Rowe	Not applicable		11/01/17	13/01/17
	2. Quarterly Risk Management Report	S Norman	Not applicable			
	3. Integrated Resources and Performance Report (November)	R Bartram	2017/001			
	4. Resources and Performance Report (November) – Customer Service and Transformation and LGSS Managed	S Heywood	Not applicable			
	5. Business Plan*	C Malyon	Not applicable			
<i>[28/02/17] Provisional Meeting</i>					15/02/17	17/02/17
<b>21/03/17</b>	1. Minutes – 24/01/17	M Rowe	Not applicable		08/03/17	10/03/17

Committee date	Agenda item	Lead officer	Reference if key decision	Spokes meeting date	Deadline for draft reports	Agenda despatch date
	2. Quarterly Risk Management Report	S Norman	Not applicable			
	3. Integrated Resources and Performance Report (January)	R Bartram	2017/002			
	4. Resources and Performance Report (January) – Customer Service and Transformation and LGSS Managed	S Heywood	Not applicable			
	5. Treasury Management Report – Quarter 3	M Batty	Not applicable			
<i>[25/04/17] Provisional Meeting</i>					25/04/17	13/04/17
<b>06/06/17</b>	1. Minutes – 21/03/17	M Rowe	Not applicable		23/05/17	25/05/17
	2. Integrated Resources and Performance Report (March)	R Bartram	2017/003			
	3. Resources and Performance Report (March) – Customer Service and Transformation and LGSS Managed	S Heywood	Not applicable			
	4. Treasury Management Report – Quarter 4*	M Batty	Not applicable			

**Notice made under the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 in compliance with Regulation 5(7)**

1. At least 28 clear days before a private meeting of a decision-making body, public notice must be given which must include a statement of reasons for the meeting to be held in private.
2. At least 5 clear days before a private meeting of a decision-making body, further public notice must be given which must include a statement of reasons for the meeting to be held in private, details of any representations received by the decision-making body about why the meeting should be open to the public and a statement of the Council's response to such representations.

Forward plan reference	Intended date of decision	Matter in respect of which the decision is to be made	Decision maker	List of documents to be submitted to the decision maker	Reason for the meeting to be held in private

**Decisions to be made in private as a matter of urgency in compliance with Regulation 5(6)**

3. Where the date by which a meeting must be held makes compliance with the above requirements impracticable, the meeting may only be held in private where the decision-making body has obtained agreement from the Chairman of the Council.
4. Compliance with the requirements for the giving of public notice has been impracticable in relation to the business detailed below.
5. The Chairman of the Council has agreed that the Committee may hold a private meeting to consider the business referred to in paragraph 4 above because the meeting is urgent and cannot reasonably be deferred for the reasons stated below.

Date of Chairman's agreement	Matter in respect of which the decision is to be made	Reasons why meeting urgent and cannot reasonably be deferred

For further information, please contact Quentin Baker on 01223 727961 or [Quentin.Baker@cambridgeshire.gov.uk](mailto:Quentin.Baker@cambridgeshire.gov.uk)

<b>GENERAL PURPOSES COMMITTEE TRAINING PLAN</b>	The Training Plan below includes topic areas for GPC approval. Following sign-off by GPC the details for training and development sessions will be worked up.	
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Ref	Subject	Desired Learning Outcome/Success Measures	Priority	Date	Responsibility	Nature of training	Attendance by:	Cllrs Attending	Percentage of total
	Strategic finance and budgeting	Members will gain a more detailed understanding of the strategic financial management of the Council's budget, and the future challenges associated.		TBC	Chris Malyon				
	The Council's asset portfolio and approach to asset management	Background knowledge on the Council's asset portfolio, and understanding of the approaches taken to best utilise this		TBC	Chris Malyon				
	Background to services provided by Customer Service & Transformation	Members will gain an insight into the range of frontline and back-officer services provided across CS&T: <ul style="list-style-type: none"> <li>Consultation</li> </ul>		24 Nov	Sue Grace  Mike Soper / Elaine O'Connor	Presentations & Q&A.	Cllrs Schumann, Count, Leeke, Kavanagh, Rouse, Orgee, Hickford, Bates. Criswell, Cearns, Tew, Reeve, Bullen, Jenkins, Nethsingha & McGuire		

Ref	Subject	Desired Learning Outcome/Success Measures	Priority	Date	Responsibility	Nature of training	Attendance by:	Cllrs Attending	Percentage of total
	Understanding Health and Social Care integration	<i>Collaboration with Service Committee development around the Better Care Fund to be explored</i>		TBC	TBC				
	Regional governance	Understanding the range of regional governance structures that exist across Cambridgeshire, such as the LEP. Also understanding potential future models of governance for local public services		TBC	TBC				
	Equality and Diversity responsibilities	Understanding the responsibilities the Committee has to comply with equality legislation and to provide services for all Cambridgeshire communities		20 Oct 2015	LGSS Law / CS&T		Cllrs Bailey, Bates, D Brown, Count, Criswell, Hickford, Hipkin, Jenkins, McGuire, Reeve, Tew, Walsh, Divine, Williams		
	Background to services provided by Customer Service & Transformation	Members will gain an insight into the range of frontline and back-officer services provided across CS&T: Information Security & Sharing		22 Dec 2015	Sue Grace  Dan Horrex. (CS&T)	Presentati on & Q&A.	Cllrs Bailey, Bates, D Brown, Bullen, Cearn, Count, Criswell, Hickford, Jenkins, McGuire, Orgee,		

Ref	Subject	Desired Learning Outcome/Success Measures	Priority	Date	Responsibility	Nature of training	Attendance by:	Cllrs Attending	Percentage of total
							Reeve, Tew, Whitehead		
	Emergency Planning	Members will gain an insight into the role of Emergency Planning		14 Jan 2016	Sue Grace Stuart Thomas	Presentati on & Q&A.	Cllrs Bailey, Bates, D Brown, Cearn, Count, Criswell, Divine, Hickford, Hipkin, Orgee, Reeve, Rouse and Tew		
	Open Data & Cambridgeshire Insight Training			15 March 2016	M Soper	Presentati on & Q&A.	Cllrs Bailey, Bates, D Brown, Bullen, Cearn, Count, Criswell, Hickford, Hipkin, Jenkins, Nethsingha, Reeve, and Tew		

