

GENERAL PURPOSES COMMITTEE: MINUTES

Date: Tuesday, 24th November 2015

Time: 10.00a.m. – 13.05p.m.

Present: Councillors Bates, Bullen, Cearns, Count (Chairman), Criswell, Hickford, Hipkin, Jenkins, McGuire (Vice-Chairman), Nethsingha, Orgee, Reeve, Rouse (substituting for Councillor Bailey), Schumann (substituting for Councillor D Brown), Tew, Walsh and Whitehead

Apologies: Councillors Bailey and D Brown

166. DECLARATIONS OF INTEREST

Councillors Schumann and Rouse declared a non-statutory disclosable interest under the Code of Conduct in relation to Minute 170, as the Chairman and Vice-Chairman respectively of East Cambridgeshire District Council's Planning Committee and did not take part in the discussion or vote.

167. MINUTES – 20TH OCTOBER 2015 AND ACTION LOG

The minutes of the meeting held on 20th October 2015 were agreed as a correct record and signed by the Chairman. The Action Log and following updates were noted:

- Item 157: the detailed proposals to be presented to the Committee regarding the associated costs of implementing the new Operating Model for Business Planning would be presented following the General Purposes Committee/Strategic Management Team workshop on 24 November 2015. **Action Required.**
- Item 160: the Chairman of Highways and Community Infrastructure Policy and Service Committee reported that he had met with officers regarding the Council's document storage policy. He informed the Committee that National Archives had a different statutory remit to storing documents, which was less than the statutory requirement for the Council.
- Carry over from meeting of 28 July 2015: the Chief Finance Officer reported that the final draft of the Accountable Body Agreement was still awaiting sign-off by the Local Enterprise Partnership's Legal Team. He acknowledged that this action had been outstanding for some time and he would now be pursuing it with some haste. **Action Required.**

168. PETITIONS

No petitions were received.

169. MARCH – MAPLE GROVE COMMUNITY GROUP – LEASE DISPOSAL

The Committee considered a report seeking its authority for the Council to enter into a long leasehold disposal at less than best consideration to enable the Council to address

the shortage in 2, 3 and 4 year old places in the Maple Grove area of March via the proposed expansion of Maple Grove Community Group premises. It was noted that the Council currently leased an area of land to the Group on Westwood Primary School for a 60 year term at a peppercorn rent. A proposed extension to the build would increase the Group's demise and require the Council to grant a new lease. It was proposed that the Council lease the whole of the preschool premises and dedicated external play area on a full repairing and insuring basis for the remaining residual term of 46 years at a peppercorn rate. The Committee was reminded that the length of the proposed lease exceeded the terms of delegation to officers.

Speaking as a Local Member, the Chairman reported that he was in favour of the proposal. One Member commented that it was good to hear that the Council was investing in worthwhile projects in times of austerity.

It was resolved unanimously to:

authorise the County Council to enter into a surrender and renewal of a lease of land and buildings to the Maple Grove Community Group at less than best consideration, on terms to be agreed by the Head of Strategic Assets, in consultation with the Chairman of the General Purposes Committee.

170. SOHAM SOLAR PARK

The Committee received a report detailing a proposal to build a 60 acre solar farm on the County Council's Rural Estate at Triangle Farm, Soham. Members were reminded that they had already given authority for this project to proceed in line with the Council's governance requirements. However, a further decision was sought in order to meet the precise wording for the Council's project to be part of that authority required by central Government's governance. Attention was drawn to paragraph 2.1 which detailed the Low Carbon Contract Company's specific requirements.

In response to questions, officers commented as follows:

- it was impossible to make provision for Government changes to legislation. The Council had a contract for a specific price which was committed to provide returns. The Chairman reported that whilst the Government had changed legislation in relation to feed in tariffs this was in connection with new installations only. The Chief Finance Officer assured the Committee that the business case was still viable.
- the Council was currently working with UK Power Networks (UKPN) to upgrade the existing connection point at Burwell, which was expected to be completed by September/October 2016; the timing of the Solar Park was linked to that completion date.
- the total project costs included a contingency if the output was not picked up in full. However, the Committee was reminded that the Service Provider had given the Council a performance guarantee of significantly over 90% so it was in their interest to perform above this threshold.

- the total project costs had included an element of contingency for construction costs. Members were informed that this desk top approximation had now come down by 6%.
- there were opportunities for co-location involving a neighbouring tenant who wished to use the land for educational purposes, and for the grazing of sheep.
- acknowledged the need to ensure the exact recommendation required by central Government was submitted to Committee in future reports in order to avoid the same report coming back.

It was resolved to agree to:

authorise the development of the Solar Farm project and the specific commitments set out within this report and delegate any amendments to the non-financial elements to the Chief Finance Officer in consultation with the Chairman of General Purposes Committee.

171. SERVICE COMMITTEE REVIEW OF DRAFT REVENUE BUSINESS PLANNING PROPOSALS FOR 2016/17 TO 2020/21

The Committee considered a report detailing an overview of the draft Business Plan Revenue Proposals for Corporate and LGSS Managed Services. The Chief Finance Officer reminded Members that the Policy and Service Committees were considering proposals to meet the financial challenges the Council was expecting and that General Purposes Committee needed to do the same for the two areas within its remit. During discussion of the report, Members made the following comments:

- queried the arrangements for disposing of Castle Court. The Chief Finance Officer reported that a long-term lease had been granted subject to planning approval. He reported that there had been a number of issues which had now been resolved. The planning application would be considered by Cambridge City Council in the next few weeks and was supported by its planning officers.
- highlighted the need to provide an explanation in relation to the last line in the table in 2.3 as the figures could look strange to a member of the public. The Chief Finance Officer reported that this block did not relate to the Consumer Price Index (CPI). He explained that the employer pension contribution was based on a revaluation every three years of the Pension Fund.
- highlighted the need to increase Council Tax. One Member reported that it was clear there was now very little fat left to cut as the Council had already reduced significantly its back office functions. She highlighted a rumour regarding a proposal from government to local authorities in England to increase council tax by 2% to cover a funding shortfall in adult social care. However, she was nervous as to what this could mean to the Council's settlement in December. She therefore hoped that other Members would support a possible 4% increase in Council Tax. The Leader of UKIP reminded the Committee that UKIP would oppose any increase in Council Tax because of the effect of those who were not so well off. The Chief Finance

Officer reported that he would issue a briefing note on the Chancellor's Spending Review. **Action Required.**

- expressed concern about the gap in funding to support the Transformation Team and highlighted the need to clarify in the report exactly what the Team provided. The Director Customer Service and Transformation explained that it was proposed to remove £147k from the Transformation Team as part of the total savings for Corporate Services. She informed the Committee that the Team had led on moving activities online for customers, staff and partners. It had also worked with Facilities Management on property rationalisation, and supported colleagues in other services as part of projects such as the Transforming Lives programme in Adult Services. Investment in transformation needed to be retained if the Council was going to achieve its ambitions and support the new Chief Executive's focus using a Customer First approach to delivery.
- expressed concern that Members were being asked to endorse a direction of travel which did not provide an outcome budget. One Member was of the view that the Committee needed to understand the new proposals from the Chief Executive in the light of investment to be made. He therefore felt he was being asked to make an uninformed decision. The Chairman explained that the report detailed draft savings which would be considered by the Committee as part of the full draft Business Plan at its meetings in December and January.
- highlighted the fact that District Councils were being asked to take on certain transformation functions in relation to Voluntary Sector grants and queried whether any discussions had taken place with them. The Chairman drew the attention of all Members to the Community Impact Assessments (CIA) attached as appendices to the report. It was noted that Appendix C in particular provided information in relation to changes to voluntary sector infrastructure contracts. Once the savings had been identified it was proposed to invite all Districts Councils and other partners such as the Clinical Commissioning Group, Fire and Police to engage. The Director Customer Service and Transformation reminded the Committee that £20k of the reduction of £30k had not been claimed as it required match funding so the only real-term reduction from 2015/16 was £10k. Members noted that it was proposed to reshape support in line with the Community Resilience Strategy.
- highlighted the danger of rural isolation reflected in the CIA for changes to voluntary sector infrastructure contracts. However, it was acknowledged that the changes could result in improved delivery as a result of better collaboration. The Director Customer Services and Transformation reported that it was proposed to talk to the sector to encourage separate groups to come together to work more collaboratively to achieve the best impact for the sector. It was noted that a meeting had been arranged for Friday 27 November.
- highlighted the need for clarity in relation to spend on transformation as doing better was not transformation. The Director Customer Services and Transformation reported that this was the challenge the new Chief Executive was bringing to the Council. One Member highlighted the need for a timetable for change.

- queried why Members did not have the same access as officers on their tablets to enable them to work more effectively. The Chairman reported that there was an IT Project Working Group considering this issue. It was proposing to roll out the same equipment issued to staff to members in order to save money on printing. One Member requested a timetable for this project. The Director Customer Services and Transformation agreed to bring this issue back to Committee. **Action Required.**
- queried why the CPI was being quoted as positive when the country had been in deflation for some time. One Member suggested that if the Council remained in deflation most budget requirements would cost less. The Chairman reported that the tables produced in the report reflected a snap shot in time based on Government data. He acknowledged that inflation was currently nowhere near what had been predicted by Government. The Chief Finance Officer reported that work had been carried out for the next cycle of meetings detailing the impact in the short term, and the long term which was less easy to predict. He acknowledged that it was a fair challenge but reminded the Committee that not all the Council's costs were driven by CPI inflation. He highlighted the detrimental impact of low inflation on the renegotiation of care contracts.
- queried the increase in pay of 2% for admin and management bands particularly when it was likely to be closer to 1%. The Chief Finance Officer reported that the Chancellor had indicated that public sector pay would not increase above 1%. However, it was noted that this was likely to lead to disruption nationally.
- highlighted the fact that the Council could not go on and on cutting services without impacting on front line services. It was therefore important to consider how transformation was reported. The Chairman acknowledged that the hidden cost of being ultra efficient was the increase in risk and whether the Council could manage it.
- requested information on the cost of various increases and decreases in Council Tax. **Action Required.** The Chairman reported that 1% equated to £2.4m.

In conclusion, the Chairman urged political groups to bring any alternative budgets through the Committee system.

It was resolved unanimously to:

- a) note the overview and context provided for the 2016/17 to 2020/21 Business Plan revenue proposals for the Service;
- b) comment on the draft revenue savings proposals that were within the remit of the General Purposes Committee for 2016/17 to 2020/21, and endorse them to the General Purposes Committee as part of the consideration for the Council's overall Business Plan;
- c) approve the funding of the current transformation resource in Corporate Services for 2016/17 through the use of the Corporate Services operational reserves of £673k (based on October 2015 outturn position); and

- d) note the insufficient resource to support the on-going delivery of the Council's transformation programme, and support the bid that had been made to the Operating Model Implementation Reserve to cover the shortfall in 2016-17, and note the work required to identify support for transformation for 2017-18.

172. TREASURY MANAGEMENT QUARTER TWO REPORT

The Committee received the second quarterly update on the Treasury Management Strategy 2015-16 approved by Council in February 2015. The Chief Finance Officer advised Members that it was proposed following a request from Group Leaders to provide an abridged version in future with supporting information available via hyperlinks in the document.

During discussion, one Member highlighted the gap between borrowing and headroom on page 67. She reported that headroom had been used previously to invest in infrastructure in order to grow the economy. The Council did not now have the revenue budget in order to fund capital borrowing. The Chairman reported that he was of the view that each and every proposal needed to be considered on its merits and balanced against the Council's revenue position. The Council currently had invest to save proposals and there might be a case to put funding into other projects in order to unlock valuable resource. Government had indicated that local authorities would be able to retain extra business rates which would give the Council greater flexibility.

Members queried when the Municipal Bonds Agency would become active. The Chairman explained that the report reflected the most up to date information following a meeting six weeks ago. The Chief Finance Officer added that there was unlikely to be any lending before the end of the financial year. Another Member highlighted the need to consider innovative ways of renegotiating major contracts such as the Highways Contract. Members were informed that this contract was currently out to tender and competitive dialogue was taking place which involved asking parties what they could provide to the Council in terms of savings.

It was resolved unanimously to:

- a) Note the Treasury Management Quarter Two Report 2015-16;and
- b) Forward the report to full Council to note.

173. INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR THE PERIOD ENDING 30TH SEPTEMBER 2015

The Committee received a report detailing the financial and performance information to assess progress in delivering the Council's Business Plan. The Chief Finance Officer advised Members that it was proposed following a request from Group Leaders to provide an abridged version in future with supporting information available via hyperlinks in the document. It was noted that the overall revenue budget position had improved since the last meeting and was now showing a forecast year end underspend of £1.025m. There were two areas project an overspend relating to Looked After Children (LAC) and LGSS Managed. Attention was drawn to the Capital Programme which continued to slip resulting in a favourable variance in capital financing. Finally he

drew attention to key performance indicators in particular the indicator relating to 'Out of work' benefits claimants. The target was incorrect as it showed the absolute amount rather than the margin. It was therefore proposed to change the target to the baseline minimum of 7.2 from the absolute amount of 12.

The Chairman invited the Executive Director: Children, Families and Adults (CFA) to the meeting to answer questions on his budget. Members raised the following issues:

- queried how CFA proposed to deliver its budget proposals in relation to LAC when the number of children appeared to be increasing. The Executive Director reported that the Service needed to explore the issues behind the following: number of children; length in care; and unit cost of care. The Service was reviewing early help services to find out why so many children were going into care without an assessment. The Service needed to work better with schools and other partners to improve the effectiveness of early help services in spotting trends and better supporting mothers with multiple children in going into care. There was a need to review the unit cost of care in particular the use of independent fostering agencies rather than in-house fostering. Commissioning plans for specialist provision had been shared with social workers to help them try and identify something different in terms of more intensive support in the community. The Service was working with Coram to speed up adoption arrangements and to make it easier to move from fostering to adoption. Quality assurance work was also taking place to challenge activity such as high contracts. The Executive Director reported that it was proposed to refresh the current strategy in relation to LAC, which would include these plans.
- highlighted, as Chairwoman of the Children and Young People Policy and Service Committee the greater risk of leaving children in homes with support where previously the Council might not have done. It was therefore important that the Council managed this risk. The Executive Director added that the Council was not changing its thresholds for support and it would continue to keep a close eye on the safety of a child and bring it into care if necessary.
- queried how the Council compare nationally with other authorities in relation to the cost of care packages. The Executive Director reported that work carried out in the East of England had identified that only Essex County Council had lower rates. The Council was one of only three local authorities where the number of LAC had increased. It was therefore trying to learn from Essex as to how it configured its early help services. It was also talking to other authorities he used in-house fostering more than independent.
- highlighted the need to learn from Peterborough City Council given that the Council now had a shared Chief Executive. The Executive Director acknowledged this point and informed the Committee that the cost per child was comparable with Peterborough. The Council was not out of line regarding how much it paid agencies but it used more independent agencies than other authorities.
- queried whether CFA would deliver a balanced budget at year end. The Executive Director reported that the overspend was approximately £830k at the end of

October. There were improving trends in home to school transport so he expected to be very close although Children Social Care activity had spiked recently.

- queried how long the work detailed in the revised LAC Strategy would take. The Executive Director explained that the strategy reflected ongoing work which would hopefully result in improvements in foster carer numbers by the end of the year. The outcome of the working being undertaken with Coram was expected by 1 April 2016. Both actions would be reflected in budget plans for next year.
- queried how it was proposed to increase in-house fostering. It was noted that a number of people had come forward as a result of the refugee crisis. It was also hoped that the community resources could be utilise as part of the Community Resilience Strategy to support children in the community.
- highlighted the fact that a number of children did not have a Common Assessment Framework but it was proposed to reduce resources to Locality Teams which would have an impact on preventing children coming into care. Welcomed the proposal to encourage foster parents to adopt but highlighted the fact that it was proposed to cut financial support to two years. The Executive Director reported that the change in allowance for Adopters would bring the Council in line with the majority of authorities. He did not believe that it would have a significant impact. He acknowledged that the reduction in funding for early help service would impact on children on the edge of care. He was hosting a weekly meeting with Social Care and Early Help Manager to consider the views of children and to find out what was going on.
- highlighted the fact that if the ratio for fostering was reversed it could save the Council £3m.
- queried the correlation between levels of poverty and children taken into care. It was noted that there was a loose correlation in relation to deprived areas and children coming into care as a result of neglect. Sexual abuse was not income related.

The Committee discussed other issues in the report. The Chairman of the Health Committee drew attention to the table on page 83 showing zero for Public Health. He explained that Public Health received a ring-fenced grant which had been reduced in year by 7% by Government. The Service had managed to absorb this reduction without reducing funding it allocated to other services to deliver health projects.

It was resolved unanimously to:

Analyse resources and performance information and note the remedial action currently being taken and consider if any further remedial action is required.

174. FINANCE AND PERFORMANCE REPORT – SEPTEMBER 2015

The Committee was presented with the September 2015 Finance and Performance report for Corporate Services and LGSS Cambridge Office. The Vice-Chairman reminded the Committee that the vast majority of costs were outside the control of the

Council such as Insurance and External Audit. However, there were proposals to address the overspend in LGSS Managed and deliver a balanced position by year-end.

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

175. CHARGING ARRANGEMENTS FOR DISABLED BLUE BADGES

The Committee considered a report detailing background information on the Blue Badge Scheme and a proposal to increase charges from April 2016 and carry out consultation around the scheme. The Chairman proposed an amendment seconded by Councillor Bullen to add an additional recommendation to consider recommending to Full Council, as part of the Business Planning for 2016/17, that if at any point in the future the Government increases the statutory maximum fees for Blue Badges then the County Council would increase its fees accordingly.

During discussion of the amendment, one Member highlighted the need to consider carefully the CIA attached to the report. He suggested that any proposal to increase would depend on the Council's current situation. He was particularly concerned that the cost of any increased would be passed on to the Council's most vulnerable residents and felt this amendment should not pre-empt the consultation. The Chairman explained that any decision would not be irrevocable. Another Member reported that he had spoken to some disabled residents who had indicated that they were prepared to pay the full cost of their Blue Badge in order to be able to park conveniently free of charge. On being put to the vote the amendment was carried.

One Member queried how many applications the Council refused. Members were advised that it was small number and the application fee was refunded. The Chairman asked to receive the number. **Action Required.** Members also queried whether residents receiving Blue Badges had to pay for a residents' parking permit. **Action Required.**

It was resolved to:

- Note the information provided on the Council's current subsidy of the Blue Badge scheme;
- Note the current Business Planning proposal to increase Blue Badge charges from April 2016 for new and replacement Badges to the maximum permitted under legislation;
- Approve a consultation to further understand the community impact of the proposed increase; and
- Consider recommending to Full Council, as part of the Business Planning for 2016/17, that if at any point in the future the Government increases the statutory maximum fees for Blue Badges then the County Council would increase its fees accordingly.

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

The Committee considered its agenda plan, training plan and appointments to outside bodies, partnership liaison and advisory groups, and internal advisory groups and panels. In relation to its meeting on 22nd December 2015, items 4 and 6 had been moved to January. The following items had been added: Integrated Resources and Performance Report and Finance and Performance Report. Members were also asked to appoint a representative to the Cambridgeshire County Council's employees disability support group and substitute members to the Cambridgeshire Police and Crime Panel.

It was resolved to:

- a) review its Agenda Plan attached at Appendix 1;
- b) review and agree its Training Plan attached at Appendix 2;
- c) agree the following appointments:
 - the appointment of Councillor Mandy Smith to Cambridgeshire County Council's employees disability support group; and
 - the appointment of the following substitutes to the Cambridgeshire Police and Crime Panel.

Councillor Schumann (Con)
Councillor Reeve (UKIP)
Councillor Jenkins (LD)

177. EXCLUSION OF PRESS AND PUBLIC

Councillor Bullen questioned why the public needed to be excluded. The Executive Director: Economy, Transport and Environment explained that the report provided the direction of travel for major negotiations with a professional company. It would therefore be very difficult to enter into these negotiations if the company was made aware of the Council's position. Councillor Bullen commented that the Council was not yet in those negotiations and that the report should therefore not be confidential. His views were shared by some members. The Chairman of the Staffing and Appeals Committee reported that following similar issues, his committee had asked the Chief Executive to arrange for a communication strategy to be prepared and shared for all future confidential reports; this would then make it clear to Members when information could be released.

Before putting the resolution proposed by the Chairman and seconded by the Vice-Chairman to the vote, as permitted under Part 4 - Rules of Procedure, Part 4.4 - Committee and Sub-Committee Meetings, Section 18 Voting of the Council's Constitution, the following five members requested a recorded vote: Councillors Bullen, Cearns, Nethsingha, Reeve and Tew. 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 paragraphs 3 & 5 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) and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

[Councillors Bates, Count, Criswell, Hickford, Hipkin, Jenkins, McGuire, Nethsingha, Orgee, Rouse, Schumann, Walsh and Whitehead voted in favour; Councillors Bullen, Cearns, Reeve and Tew voted against]

178. WASTE PRIVATE FINANCE INITIATIVE CONTRACT

The Committee received a report on the Waste Private Finance Initiative (PFI) Contract.

It was resolved to agree the recommendations as set out in the report.

Chairman