

GENERAL PURPOSES COMMITTEE: MINUTES

Date: Tuesday, 31st May 2016

Time: 10.00a.m. – 11.50a.m.

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

Apologies: Councillors Hipkin and Nethsingha

222. NOTIFICATION OF CHAIRMAN/WOMAN AND VICE-CHAIRMAN/WOMAN

The Committee noted that the Council had appointed Councillor Count as the Chairman and Councillor Hickford as the Vice-Chairman for the municipal year 2016-17.

223. DECLARATIONS OF INTEREST

There were no declarations of interest.

224. MINUTES – 15TH MARCH 2016 AND ACTION LOG

The minutes of the meeting held on 15th March 2016 were agreed as a correct record and signed by the Chairman. The Action Log and following updates from the Chief Finance Officer (CFO) were noted:

- agreed to provide a written update on the progress of the Communications Strategy to promote the rationale behind the Total Transport Pilot Scheme project. **Action Required.**
- reported that underspends were currently being considered by Policy and Service Committees. A report would be presented to the Committee on 26 July 2016. **Action Required.**

225. PETITIONS

No petitions were received.

226. INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR THE PERIOD ENDING 31ST MARCH 2016

The Committee received a report detailing the financial and performance information to assess progress in delivering the Council's Business Plan. It was noted that the overall revenue budget position had not varied significantly since the last meeting. The Committee would receive the final outturn report at its next meeting. The CFO drew attention to the fact that the report did not include the £9.8m directly attributable to a change in Minimum Revenue Provision policy approved and implemented during the year. It was noted that it was proposed to transfer this funding to the Transformation

Fund. The CFO advised the Committee of two minor adjustments reflected in the recommendations.

The Chairman queried the implications of the further slippage at Littleport Secondary and Special School. The CFO reported that there would be damages reflected in any contract of this nature. However, they would be proportionate to any costs incurred such as erecting a portacabin. He agreed to investigate and report back to the Committee. **Action Required.** The Chairwoman of the Children and Young People Policy and Service Committee reported that children were being transported to two other schools with the transport paid for by the contractor.

In response to a query regarding releasing parcels of land for development in relation to Isle of Ely Primary, it was noted that this action was driven by the market but there was an expectation it would occur in the current financial year.

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 increase of £0.7m to the Prudential Borrowing requirement in 2015/16 to bridge the funding gap caused by the delayed capital contribution in relation to the Isle of Ely Primary scheme (section 6.5).
- c) Approve that the £367,880 additional Education Services Grant (ESG) received in 2015/16 be transferred to the General Fund (section 7.1).

227. EXPLORATION OF OPTIONS IN RELATION TO THE SUPPLY OF AGENCY WORKERS

The Committee considered a report setting out the proposed interim arrangements for the supply of agency resources at the end of the existing contract and an outline of the options being proposed in the future. Members were reminded that this process was part of a wider strategy to reduce the cost of agency staff. The Committee had already received a report in December 2014 outlining the recruitment and retention strategy in relation to the social care workforce.

It was proposed that the Council should create its own Agency Company in order to save on the supply chain costs paid to agencies. In the short-term, it was recommended that the Council re-negotiate and extend the existing contract with its Managed Service Provider (MSP) until no later than August 2017 in order to allow for a full business case to be prepared for consideration by the Committee in October 2016. Phased implementation was expected to take place by June and October 2017.

In considering the report, Members made the following comments:

- expressed strong disappointment at the length of time it was taking to create an Agency Company and queried whether a three month extension of the current Agency worker contract would be enough to bring the proposed agency forward. The LGSS Director of People, Transformation and Transactions acknowledged that

it could be possible but it would be more expensive as the Council would need to go straight to reprocurement. It would then need to set up its own company and recruit but in the meantime it would have to deal with the supply chain in order to cover the short-term. The Council would not be able to negotiate savings with the MSP and recruit a small internal team in time.

- requested further clarification regarding why not seeking an extension to the current Agency Worker contract would cost more. It was noted that the Council would have a greater negotiating power if negotiations were carried out jointly with Northamptonshire County Council (NCC). The Council currently paid a fee of 4% to the MSP which could be reduced during the period of the extension. However, the MSP was unlikely to reduce the percentage if the contract was only extended for three months. .
- expressed concern that Section 4.2 did not include the risks highlighted above. Members were informed that the risks outlined were in response to a question from the Chairman and not the timescale. It was also important to bear in mind the limited staff capacity available to progress this project. Members were informed that it was not an insignificant task to set up a company particularly one which would be competing in a supply and demand market. Officers would need to do this without upsetting the wider supply chain.
- queried whether additional resource was needed. The LGSS Director of People, Transformation and Transactions reported that the timelines in the report were prudent. It was important to bear in mind that the recommendation stated “no later” which meant that the project could be completed earlier. The proposal for the length of extension avoided the need for officers to come back to Committee to request a further extension.
- queried whether the option to work with Suffolk County Council would progress faster if the Council had its own structure. It was noted that officers were meeting with Suffolk on 8 June 2016 to pursue the option of an ‘arms length’ company. However, the Council could not assume that Suffolk would want to join with Cambridgeshire as its priority was to provide agency workers for Suffolk. Members were informed that Suffolk’s core agency resource, at the moment, was administrative workers with the supply of social workers still in very early stages. Cambridgeshire had, however, gained significant experience of the implementation process from Suffolk, where it had taken approximately six months to set up business processes.
- queried the outcome of discussions with other neighbouring authorities such as Peterborough City Council, the Health Service and District Councils. The LGSS Director of People, Transformation and Transactions reported that she had spoken to the relevant Director at the City Council who had expressed an interest dependent on which vehicle the Council used. It was noted that NCC had taken a similar report to its Cabinet and discussions were taking place with Milton Keynes Council. Unlike County and Unitary Authorities, District Council spend in this area was relatively small so discussions had not taken place. Members were informed that this timescale would enable the Council to negotiate a good purchasing deal with NCC.

- some Members supported the need for the timescale proposed in the report in order to ensure that the Council achieved the right process and saved money. The Committee was informed that Group Leaders had received and should continue to receive regular reports on this issue.
- highlighted the fact that using agencies was expensive. Members were informed that the reliance on agency workers would not stop. It was important to manage the supply in order to keep the costs as low as possible. Members were reminded of work taking place with Children, Families and Adults, as part of the Recruitment and Retention Strategy, to recruit a permanent workforce. It was noted that this work had taken priority.
- highlighted the need to increase the number of apprenticeships as part of an 'arms length' company with other potential partners. The Chairman queried the number of apprenticeships currently operating within the Council as he was of the view that it was low. The LGSS Director of People, Transformation and Transactions agreed to investigate. **Action Required.**
- one Member expressed concern about the lack of data including a risk analysis of the options in the report. Members were reminded that the detailed business case to be presented to Committee in October would contain data. This report was primarily about seeking an extension to the contract. One Member queried whether they was a system for managing contracts to avoid the need to extend them for a few months. The Chief Executive explained that, as demonstrated at the recent General Purposes Committee/Strategic Management Team workshop, there was a system.
- noted that the Business Plan would include different employment models. An independent company was not obligated to use the Local Government Pension Scheme.

In order to meet the ambition of the Council's transformation agenda, Councillor Cearns proposed an amendment, seconded by Councillor Jenkins, to set up a Member Task and Finish Group to support officer progress in this work. On being put to the vote the amendment was lost.

The Chairman raised the possibility of deferring a decision until the next meeting on 26 July 2016, which would enable officers to present a fully worked up business plan. The Chief Executive stressed the importance of getting this process right. She felt that the scale of approach would make it a viable proposition for Peterborough City Council. One Member asked for discussions to take into account the close to home social worker model. The Chairman, with the agreement of the Committee, withdrew recommendations a), b) and d) and added the following wording to recommendation c) 'to come to the July General Purposes Committee'.

It was resolved unanimously to:

Authorise the LGSS Managing Director, in consultation with the Chairman of the General Purposes Committee and Section 151 Officer, to develop a detailed business case for the development of an Agency company with Cambridgeshire

County Council and other potential partners, to come to the July General Purposes Committee.

228. TOTAL TRANSPORT PROPOSAL

The Chairman, with the agreement of the Committee, withdrew the report detailing a proposal for a Total Transport service in the northern half of East Cambridgeshire. He explained that the results of the public consultation on the original Total Transport scheme had highlighted the need to review the proposed Flexible Minibus Service. A revised model had therefore been developed; this would see a phased introduction of the service, in order to minimise the changes for current users of day centre transport.

He explained further that transport operators had been invited to tender for the original Flexible Minibus Service during April and May, so that the cost of the proposals could be established. The move to phased implementation would change the requirements, and this meant that further questions needed to be asked of the bidders, to ensure best value was being achieved throughout the full life of the contract. It had not been possible to conclude this process prior to this meeting, and it therefore was not possible to provide the Committee with the full financial information that would allow an informed decision.

This report would therefore be deferred to a future meeting once there was sufficient information to allow a proposal to award the contract (including variation for phased implementation) to be made.

One Member drew attention to the cost of the proposed Transport Service set out in confidential Appendix 4. He reported that an issue had arisen which might take time to investigate. The Committee acknowledged the importance of the project and asked for Group Leaders to receive an update at its next meeting. **Action Required.**

229. CORPORATE RISK REGISTER UPDATE

The Committee considered a report detailing the current status of corporate risk. The Risk Register had been reviewed by Strategic Management Team where the following updates had been considered:

- a refresh of Risk 15, 'Failure of the Council's arrangements for safeguarding vulnerable children and adults' to make the content more dynamic in response to emerging and changing risks and issues.
- the introduction of two new risks covering urgent demand issues, Risk 31, 'Insufficient availability of affordable Looked After Children (LAC) placements' and Risk 32, 'Insufficient availability of care services at affordable rates'

It was noted that there were currently three red residual risks which were unchanged from the previous report. The Committee was advised of discussion regarding Risk 21, 'Business Disruption', specifically triggered by Risk 6, 'Flu pandemic'. It was noted that the consequences of this for staff had been taken account of as part of the Business Continuity process. The Director of Customer Service & Transformation reported that

the risk to the Transformation process would be addressed as part of the next Risk Register to be presented to the Committee.

It was resolved unanimously to note the position in respect of corporate risk.

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

The Committee received for approval the Council's consultation strategy and the general approach to be taken to the business plan consultation 2016/17. The strategy had been last updated in 2011/12. Since that time there had been a number of changes, and there was also the need to include actions proposed following the Central Library Enterprise Centre (CLEC) Review.

With the agreement of the Committee, Councillor Brown proposed that 'timely' be added to the first commitment in 2.2, to read 'engage in open, honest and timely...' Members welcomed the fact that the lessons learnt from the CLEC Review had influenced the strategy. One Member highlighted the need to explain to the public that the Council occasionally took decisions contrary to consultation results. The Research Group Manager reported that a consultation rarely provided a unified decision. However, there was a section in the strategy which set out the complexity of the process and the need to weigh up views. In response, the Member suggested that there needed to be a single sentence of explanation.

Attention was drawn to the proposal for a two stage consultation process to be carried out for the business plan 2017/18. The Director of Customer Service and Transformation highlighted issues raised by Group Leaders in relation to this. Group Leaders had asked for the public to be engaged at a formative stage and officers were working on a proposition. This would need to reflect innovation and ideas emerging around change. They had also asked that the impact of the different Council Tax levels on households should be highlighted. Finally it should be made clear that the Council was consulting on the County Council element of the Council Tax only.

The Chairman asked how the three different Council Tax rates would be presented. It was noted that the Member Working Group would present a recommendation to the next meeting of the Committee. Members acknowledged the proposal to conduct a household survey of approximately 1,300 residents but queried what would be lost by not increasing the survey size to be representative at district level. The Research Group Manager explained that a survey of 1,300 (300 per District) gave a larger standard error. The Council would therefore lose the ability to review the nuances reflected in different district responses. Some Members reminded the Committee that this was a Cambridgeshire survey; the Council did not need to therefore go into that level of detail. A member of the working group commented that the group had tried to balance cost against outcomes when proposing the recommendation.

Some Members highlighted the importance of understanding different perspectives particularly given the need to reduce inequality across the County. It was queried how transformation would be reflected in the process. It was noted that this survey would be run alongside other consultations. The methodology detailed in 4.1 would reflect the Council's Transformation Programme. One Member queried the total cost of the

consultation and was informed that this information would be presented to the next meeting. Members were pleased to note that the survey would involve face to face interviews as online surveys could have a distorting effect. The Chairman highlighted the need to reflect, in the consultation, the fact that the Council was responsible for maintaining traffic flows not just repairing potholes when dealing with Highways.

It was resolved unanimously to:

- (i) approve the County Council's Consultation Strategy as set out in appendix one; and
- (ii) approve the approach to the Business Plan 2017/18 consultation as laid out in section 4 of this report.

231. TREASURY MANAGEMENT QUARTER FOUR AND OUTTURN REPORT

The Committee considered the fourth quarterly update and outturn report on the Treasury Management Strategy 2015-16, approved by Council in February 2015. Attention was drawn to the Minimum Revenue Provision, which would come through as an adjustment at final year end. The CFO reminded the Committee of the Council's ability to use internal funding on a short term basis, which had been built in. Members were also advised of the Council's £400k investment in The UK Municipal Bonds Agency (MBA). The Chairman informed the Committee that he had attended and spoken at a recent conference on the MBA.

It was resolved unanimously to:

- a) note the Treasury Management Outturn Report 2015-16 and forward to full Council for approval.

232. RESOURCES AND PERFORMANCE REPORT – MARCH 2016

The Committee was presented with the March 2016 Resources and Performance report for Corporate Services and LGSS Cambridge Office. The Director of Customer Service and Transformation reminded the Committee that it had approved the retention of operational reserves from within Corporate Services to retain the "transformation" functions within the directorate whilst the Corporate Capacity Review was underway. It was noted that any remaining reserve would be transferred to the General Reserve.

The Committee was also reminded that it had agreed to use transitional funding to underpin the current operation of the Contact Centre. Following the recent Committee/Strategic Management Team Workshop, it was proposed to bring a report detailing a bid for transformation funding for the transformation of the Contact Centre to a future meeting. Members commented on how useful they had found the recent workshop including the sense of enthusiasm and change of pace. The Committee asked the Chief Executive to send a message to all staff encouraging them to submit ideas to contribute to the transformation agenda. **Action Required.**

It was resolved unanimously to:

- (i) review, note and comment upon the report

- (ii) note the previously agreed use of Corporate Services underspend. All other proposals for use of service underspends, endorsed by Service Committees, will be reported to General Purposes Committee in July for final approval.

233. APPOINTMENTS TO OUTSIDE BODIES, PARTNERSHIP LIAISON AND ADVISORY GROUPS, AND INTERNAL ADVISORY GROUPS AND PANELS

The Committee considered appointments to outside bodies, internal advisory groups and panels, and partnership liaison and advisory groups. The Chairman, with the agreement of the Committee, proposed an additional recommendation which would enable changes to be made on a permanent basis in between meetings. He also informed the Committee of the need to replace Councillor P Brown on the Hinchingsbrooke Country Park Joint Group with Councillor Ashcroft. On behalf of the Committee, he thanked him for his contribution. Members were also informed of the proposal to replace Councillor Nethsingha with Councillor Leeke on the Member Development Panel. Councillor Tew was proposed as the UKIP representative on the Member IT Working Group.

It was resolved unanimously to:

- (i) review and agree the appointments to outside bodies as detailed in Appendix 1, including the appointment of Councillor Ashcroft to replace Councillor P Brown on the Hinchingsbrooke Country Park Joint Group;
- (ii) review and agree appointments to internal advisory groups and panels as detailed in Appendix 2, including the appointment of Councillor Leeke to replace Councillor Nethsingha on the Member Development Panel, and continue to refer appointments to the other internal advisory groups and panels to the relevant policy and service committee;
- (iii) agree the establishment and membership of a member working group to consider Member IT issues;
- (iv) review and agree appointments to partnership liaison and advisory groups as detailed in Appendix 3, and continue refer appointments to the other partnership liaison and advisory groups to the relevant policy and service committee; and
- (v) delegate, on a permanent basis between meetings, the appointment of representatives to any outstanding outside bodies, groups, panels and partnership liaison and advisory groups, within the remit of the General Purposes Committee, to the Chief Executive in consultation with Group Leaders.

234. GENERAL PURPOSES COMMITTEE AGENDA PLAN AND TRAINING PLAN

The Committee considered its agenda plan including updates proposed at the meeting, and training plan

It was resolved unanimously to:

- a) review its Agenda Plan; and

b) review and agree its Training Plan.

Chairman