

GENERAL PURPOSES COMMITTEE: MINUTES

Agenda Item No.2

Date: Tuesday, 24th October 2017

Time: 10.00a.m. – 11.10am

Present: Councillors Bailey, Bates, Bywater, Count (Chairman), Criswell, Dupre, Hickford, Giles, Hudson, Jenkins, Jones (substituting for Councillor Kavanagh), Schumann, Shuter, Whitehead and Williams (substituting for Councillor Nethsingha)

Apologies: Councillors Kavanagh and Nethsingha

38. DECLARATIONS OF INTEREST

There were no declarations of interest.

39. MINUTES – 19TH SEPTEMBER 2017 AND ACTION LOG

The minutes of the meeting held on 19th September 2017 were agreed as a correct record and signed by the Chairman. The Action Log was noted.

40. PETITIONS

No petitions were received.

41. FINANCE AND PERFORMANCE REPORT – AUGUST 2017

The Committee was presented with the August 2017 Finance and Performance report for Corporate Services and LGSS Cambridge Office, which was forecasting an overspend of £1,120K, which was a slight improvement on the previous month. It was noted that the Strengthening Communities budget was predicted to underspend by £50k due to staff vacancies. The Mosaic Project which was now under the remit of Corporate Services was currently on track to be within budget.

One Member queried whether the predicted overspend of £68k on IT Managed budgets was connected with ERP Gold, which was already a year late and overspent. The Committee was informed that this overspend related to other routine contracts. The Chief Finance Officer reminded Members that the implementation of ERP Gold had been deferred until 1 April 2018. It was proposed to bring a report to the next meeting detailing the additional costs connected with the deferral and who would be responsible for funding these costs. **Action Required.**

Another Member queried the detail of the pressure of £750k on Financing Costs budgets. The Chairman reminded the Committee that this pressures related to the Housing Investment Company. It was noted that the Committee had received a detailed report at its last meeting where it had been informed that this pressure continued to be monitored.

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

42. INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR THE PERIOD ENDING 31ST AUGUST 2017

The Committee received a report detailing the financial and performance information to assess progress in delivering the Council's Business Plan. The overall revenue budget position was showing a forecast year-end overspend of £4.8m, which was an increase of £0.7m from July. Attention was drawn to mitigating and offsetting measures identified so far to improve the position, as detailed in Section 3.1.2. However, the position relating to Looked After Children (LAC) Placements and the Learning Disability Partnership was worsening.

Before discussing the report, the Chairman welcomed the changes that had been made to the presentation of the report with arrows going up and sideways, outcomes and descriptors. However, he queried whether it could be followed through the report. He highlighted the fact, for example, that it was important to know whether bigger numbers were good or bad. **Action Required.**

Another Member raised the need to highlight any changes to text on page 35, as it was important to know whether or not indicators had stayed the same. She also highlighted the need to use italics or bold to identify changes to the business plan where the same introduction was used over again. The Chairman acknowledged that it was useful, particularly with large reports, to have the changes or a worsening situation highlighted. He asked officers to give it some consideration. **Action Required.**

The Chairman welcomed the Executive Director: People and Communities (P&C) to the meeting. He thanked her for preparing an appendix detailing the pressure within P&C, which was the main reason for the £4.8m predicted overspend (1.4% of the Council's budget). He warned the Committee that if the Council did not get this situation under control it would need to find additional savings. He reported that a series of mitigations had been put in place but he felt the Committee needed to understand what these added up to and when they would be delivered. He added that without these mitigations the Council would have to recast budgets.

The Executive Director reported that Children's Services nationally were causing concern. The Local Government Association would be conducting a "deep dive" as it was not possible either nationally or locally to identify the one issue causing the problem. She was of the view that the mitigations the Council had put in place would bear fruit. However, it was a difficult judgement to make regarding the number of placements in house and timescales. Two panels had been established relating to children in care placements, and babies. It was hoped that young children could achieve permanency placements quickly. She added that permanency planning thresholds were correct in order to get children through the system quickly. A new Head of Service had been appointed who would be able to provide a plan for the next meeting detailing what could be achieved and by when in relation to the mitigation measures to address the overspend in P&C. **Action Required.**

During discussion of the overspend in P&C, Members:

- welcomed the helpful presentation from the Executive Director. The Chairman also welcomed the direct management action for more in-house carers, and queried what

the target would be presented to the Committee. The Executive Director reported that a business case for in-house foster carers would be presented as part of a transformation bid to the Committee.

- were informed by the Chairwoman of Adults Committee that she was confident that the Learning Disability Partnership would achieve a balanced budget at year end. She explained that this would be accomplished by using underspends in other areas but could only go on for so long. External Learning Disability provision was double the cost of in-house provision. It was therefore important to exercise some control over the market.
- noted the budget for Children's Services. One Member commented that it was evident that the baseline budget over the last four years for Children's Service was insufficient. She added that this had been recognised nationally and by the Council, which had moved money into Children's Services. The Government had provided a 2% precept for Adults Services but nothing for Children. The LGA was now taking up the issue nationally. She commented that when she had been Chairwoman of Children and Young People Committee, the Committee had put many measures in place which had been successful but demand had continued to increase. There was therefore no easy fix. She informed the Committee that she would be trying to re-balance the budget as part of the Council Tax debate. The Chief Finance Officer acknowledged that allocating resource to a demand led budget was difficult but the Council had put additional funding into the Children's Services budget. The Council would be looking at budgets across the organisation and the Committee would be taking positive action to rebalance the Children's budget.
- highlighted the budget pressure against Grafham Water. One Member commented that it was a valuable resource with a budget loan of £97k which it was finding difficult to repay. The Centre was able to cover its running costs from revenue but unable to repay the loan. She queried whether the Council would consider writing off the loan from reserves. The Chairman of Commercial and Investment Committee reported that the Grafham Water Centre now came under his Committee's remit and would be subject to review. The Chairman of Children and Young People Committee also reported that he was on the Outcome Focused Review Group looking at the Centre and had recently spent two days there. The Chief Finance Officer reminded the Committee that the Centre was a traded activity and had received a loan for a specific purpose. The Chairman queried the impact of seasonality on the profitability of the centre. The Head of Finance reported that he would need to look at a profile of expenditure.
- acknowledged that the Council was fighting a national trend. One Member highlighted the need to spend money to address demand today but also to spend money to reduce demand in the future. He hoped that funding would not be reduced which might result in the Council having a bigger problem next year. The Executive Director reminded the Committee of the considerable investment which was already taking place including 'No Wrong Door' and the new Children's Centre offer. There was a need to balance preventative interventions and taking children into care achieving permanency as soon as possible. The Chairman stressed the need to be aspirational regarding initiatives and acknowledged that some might fail. As far as he was aware, the Council was already funding everything it could think of

and there was funding available in the Minimum Revenue Provision (MRP) for any new initiatives. The Executive Director reported that she would be bringing a business case following a “deep dive” in relation to permanency. In response, the Member stressed the need to spend on prevention and finance the overspend another way.

- noted in relation to Adults Committee that the vast majority of prevention business cases had received funding made available from the MRP. There were hundreds of transformation programmes each one with improved outcomes and efficiencies. The Chairwoman of Adults Committee reported that it was probably too early to identify whether they had been successful. However, she identified areas where transformation had been successful, for example, the investment of £70k had resulted in savings of £428k as part of the Total Transport Programme, and the Council was seeking to recruit 100 reablement officers, as part of its prevention programme for long term care.

In relation to other parts of the report, Members:

- queried whether the Department for Transport Safer Roads Fund awarded for the A1303 Road Safety Improvements Scheme was time limited. The Chairman of Highways and Community Infrastructure Committee queried if there would be consultation when the changes were implemented. He acknowledged that this significant amount of money could make a big difference. The Chief Finance Officer agreed to provide a written response which would be e-mailed to the Committee and Local Members. **Action Required.**

It was resolved unanimously to:

- a) Analyse resources and performance information and note any remedial action currently being taken and consider if any further remedial action was required.
- b) Note the £1.2m additional capital funding that had been received by Economy, Transport and Environment (ETE) from the Department of Transport for Road Safety improvements, as set out in Section 6.7.

43. SERVICE COMMITTEE REVIEW OF DRAFT REVENUE BUSINESS PLANNING PROPOSALS FOR 2018-19 TO 2022-23

The Committee received a report detailing an overview of the draft Business Plan Revenue Proposals that were within its remit. The Chairman drew attention to paragraph 4.3 and Outcome Focused Reviews. It was noted that Councillor Steve Criswell had been appointed to the review relating to the Contact Centre.

The Chairman also drew attention to the fact that the Government had only confirmed that the Adult Social Care precept would be available up to and including 2019-20. The Chief Finance Officer acknowledged that there was no guarantee of it continuing so agreed to change 2020/21 and 21/22 to reflect no precept. Another Member commented that raising the general Council Tax by 1.99% remained an option without requiring a referendum. The Chairman reminded the Committee that this option would be discussed by Council in February.

It was noted that the business cases for the projects were not complete. The Chief Finance Officer reported that the Committee was not being asked to take a decision at this stage. It would receive the full business cases at a future meeting. One Member raised concern that the Organisational Review detailed at Section 4.3 was just coded speak for more redundancies. The Chairman reported that the Review was about ensuring that the Council had an organisation which was fit for purpose. This could involve either redundancies or investment. In response, the Member highlighted the need to consider the pressure on existing staff and the impact on them of removing more staff. The Chairman, as an example, drew attention to the positive change in the way blue badges were administered.

In conclusion, the Chairman highlighted the Cambridgeshire Lottery set out on page 76. He was aware that Peterborough City Council's Lottery was at an advanced stage, and suggested that Cambridgeshire might be able to learn lessons from the City Council.

It was resolved unanimously to:

- a) note the overview and context provided for the 2018-19 to 2022-23 Business Plan revenue proposals for the Committee; and
- b) comment on the draft revenue proposals that were within the remit of the General Purposes Committee for 2018-19 to 2022-23.

44. DRAFT 2018-19 CAPITAL PROGRAMME AND CAPITAL PRIORITISATION

The Committee considered a report setting out an overview of the full draft Business Plan Capital Programme and results from the capital prioritisation process. It was noted that individual schemes had been signed off by the relevant Policy and Service Committee.

One Member queried the secondary provision for St Neots on page 107 whether it related to St Neots expansion or Love's Farm 2. The Chief Finance Officer agreed to investigate. **Action Required.** As the Local Member for St Neots, the Member was concerned about provision because it had been underestimated for Love's Farm 1. The Chief Finance Officer reported that the additional capacity for St Neots looked like it would be built on the existing school site. The Chairman of the Children and Young People Committee reported that the Council's Research Team was continually learning from experience and not just applying the same Government formula. The Chief Finance Officer acknowledged that the Council's own internal assessment was more refined than the Government formula.

Another Member highlighted the scale of the school building programme which reflected the significant population growth in the county. She suggested using comparative data to get more funding from Government. The Chief Finance Officer confirmed that Cambridgeshire was the fastest growing County in the country. The programme was based on a DfE calculated formula supplemented by local resources. The Council was making representations as it could not accept growth if it did not receive funding.

She drew attention to Housing Schemes on page 100 and the need for Commercial and Investment Committee to consider affordable and social housing for key workers which

the Council had difficulty recruiting to such as teachers and social workers. The Chairman of Commercial and Investment Committee reminded Members that the Committee was committed to being as commercial as possible, as income was used to support front line services. However, the Committee was considering how Community Land Trusts which linked housing to local needs could be used to support people living and working in the local area. The Chairman reminded Members of the impact the Combined Authority could make to the delivery of affordable housing in the area. In his view, the biggest problem was the amount of housing being delivered. There was a need for Commercial and Investment Committee to work with the Combined Authority and Addenbrooke's to release gap funding in order to build key worker housing. One Member commented that exception sites were not used in the county as effectively as they could be. The Chairman of Children and Young People Committee suggested building accommodation for newly qualified teachers at schools with a subsidised rent.

In welcoming the total list of schemes, one Member queried the fact that a number of schemes could be revenue schemes and was concerned that the Council could be storing up a problem for the long term. The Chief Finance Officer reminded the Committee that the Council could not fund the revenue budget from the capital budget. However, there was a window of opportunity in the capital regulations relating to items which would traditionally be funded from the revenue budget which could at the moment be funded from the capital budget e.g. the first year of interest on revenue costs. The table also referred to maintenance when it should state major capital repairs.

It was resolved unanimously to:

- a) Note the overview and context provided for the 2018-19 Capital Programme.
- b) Note and comment on the results of the capital prioritisation process, taking into consideration the most up to date estimations for financing costs and the overall revenue position.
- c) Comment on the draft proposals for the full 2018-19 Capital Programme and endorse their development.

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

The Committee considered its agenda plan and training plan. It was resolved unanimously to:

- a) review its Agenda Plan attached at Appendix 1 subject to the deletion of item 5 schedule for 28 November 2017;
- b) review and agree its Training Plan attached at Appendix 2; and
- c) note the appointment of Councillor John Gowing and Peter Hudson to the Education ICT and Cambridgeshire Music Outcome Focused Review Groups.

Chairman