

GENERAL PURPOSES COMMITTEE: MINUTES

Date: Tuesday, 22nd December 2015

Time: 10.00a.m. – 12.20p.m.

Present: Councillors Bailey, Bates, D Brown, Bullen, Cearn, Count (Chairman), Criswell, Hickford, Hipkin, Jenkins, McGuire (Vice-Chairman), Nethsingha, Orgee, Reeve, Tew, Walsh and Whitehead

179. DECLARATIONS OF INTEREST

No declarations of interest were received.

180. MINUTES – 24TH NOVEMBER 2015 AND ACTION LOG

The Chairman informed the Committee that there had been one change to the draft minutes as follows:

Minute 170, Soham Solar Park. Third bullet in the responses to questions should read “...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 minutes of the meeting held on 24th November 2015 were then agreed as a correct record and signed by the Chairman. The Action Log and following updates were noted:

- Item 167: the associated costs of implementing the new Operating Model for Business Planning still needed to be presented to the Committee. **Action Required.**
- Item 167: the Chairman of Highways and Community Infrastructure Policy and Service Committee (H&CI) reported that H&CI Spokes had considered the Council's document storage policy and had no concerns.
- Item 171: the Director of Customer Service and Transformation explained that the Committee would be asked to consider, at its meeting on 15 March 2016, the IT options for Members.
- Item 175: the Committee was informed that an average of 10,500 blue badges were issued every year and in 2015 157 applications had been refused.
- 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 (LEP) Legal Team. He informed the Committee that he had recently met with the LEP regarding this issue, which reflected a new arrangement between the County Council, as the accountable body, and the LEP. The Chairman offered to assist if necessary. **Action Required.**

181. PETITIONS

One petition was presented at Minute 183.

182. INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR THE PERIOD ENDING 31ST OCTOBER 2015

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 improved since the last meeting and was now showing a forecast year end underspend of £1.719m.

The Chief Finance Officer reported that the November figures were showing a marginal overspend of £9,000 for Children, Families and Adults (CFA) and a minor overspend for LGSS Managed, which reflected the difficulties around getting planning permission for Castle Court. The Committee was informed that the opportunity to deliver an underspend in 2015/16 was good news for 2016/17. However, the flexibility around the Care Act funding would not be available in the following financial year.

Attention was drawn to the Capital Programme which continued to slip, although only marginally, resulting in a favourable variance in capital financing. Members were reminded that officers were looking to re-profile the programme and bring it back to Committee in due course. Finally he drew attention to key performance indicators and explained that generally the Council had no control over the ones which were failing to meet the target.

The Chairman informed the Committee that it was important to note that the CFA position had improved as a result of the Better Care Fund and the transfer of funding from CFA reserves. In response to a query about the financial implications for the Council of delayed S106 developer contributions, the Committee was informed that it was a cash flow issue which should not have any overall impact on the Council's capital resources. The Chairman of the Health Policy and Service Committee reported that it was now clear that the reduction to the Public Health Grant would be built into the baseline for future years.

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 is required.
- b) Approve the increase of £10.4m to the Prudential Borrowing requirement in 2015/16 to bridge the funding gap caused by the expected delay in Section 106 developer contributions (section 6.5).

183. OVERVIEW OF BUSINESS PLANNING PROPOSALS

The Chairman invited Ms Nicky Shepard to present a 1,443 signature petition requesting the General Purposes Committee Chairman reject the proposal from the Highways and Community Infrastructure Committee for cutting crossing patrols on two of the city's busiest roads, Newmarket Road and Ditton Lane.

Ms Shepard explained that she was representing Abbey People - an independent and non-political organisation representing local residents which aimed to bring together all community groups and agencies operating in the Abbey Ward area of Cambridge. Abbey People was opposed to the cutting of crossing patrols on two of the city's busiest roads, Newmarket Road and Ditton Lane. She explained that the parents and residents of Abbey Ward understood the unprecedented financial cuts being faced by the County Council. However, the Council was exposing the youngest of residents to possible risk of injury or worse by removing crossing patrol guards. She urged the Council to allow Abbey People time to explore the possibility of running a community service before it made the budget cut. In particular, she asked the Committee to request that an officer contact Abbey People to explore the options before making the budget cut. In conclusion, she reiterated the importance of keeping children safe and hoped that Abbey People could work with the Council to do that.

Members asked Ms Shepard the following questions:

- queried whether Abbey People had received any communication from Council officers. Ms Shepard confirmed that they had received no communication.
- queried how much time Abbey People would need to develop a solution. Ms Shepard reported that she was confident a solution could be found particularly given the support from local schools but it was important to resolve any legal implications first.

The Chairman thanked Ms Shepard for her presentation.

The Chief Finance Officer reminded the Committee that the Council had to consider unpalatable decisions which were not put forward lightly because it was facing unprecedented financial challenges. The Committee received a report providing an update on the Business Planning Process. The Chief Finance Officer provided an update on the recent Local Government Finance Settlement, as follows:

- the Council had initially experienced a 24.5% reduction in Revenue Support Grant (RSG). However, all local authorities had then been informed 24 hours in advance of the announcement of the impact of the redistribution grant mechanism. The Council had actually experienced a 38% reduction in RSG, which equated to £20m less grant and was £5m more than the figure assumed in the Business Plan.
- the Public Health grant would remain ring-fenced for the next two years. There would be pressures on the Public Health budget as a result of a reduction in grant.
- any decision to increase Council Tax by more than 2% would still require a referendum.
- no funding had been identified to fund the National Living Wage resulting in an additional new pressure of £6m for the Council.
- a 2% Social Care precept was available for authorities with care responsibilities, who needed to let Government know whether they were minded to set this precept by 15 January 2016. It was noted that the Committee would receive a detailed

report at its 14 January meeting. It was important to note that this was not a commitment and the decision could be rescinded.

- the New Homes Bonus had remained unchanged for 2016/17 with District Councils still receiving 80% and County Councils 20%. It was proposed to transfer some of the fund in 2017/18 to the Better Care Fund but it was also proposed to reduce the period authorities received the Bonus.

In conclusion, the Chief Finance Officer reported that this disappointing provisional settlement was currently out for consultation. However, it was important to bear in mind that settlements rarely changed materially. He informed the Committee that it would receive a detailed analysis in January. The Chairman reminded the Committee that the Council needed to make savings of £41m. It had received a £5m reduction in direct funding and an additional new pressure of £6m to funding the National Living Wage. A 4% increase in Council Tax equated to £4.8m so the best possible outcome the Council could achieve was the need to find an additional £5.2m in savings.

The Liberal Democrat Group Leader reported that before the settlement announcement her group had identified how it could retain more services. However, the settlement had increased the funding gap and her group would now need to review its figures. She was of the view that the constant pressure on the Council meant that it now had to take the 4% increase in Council Tax which the majority of the public were willing to fund in order to deliver better services. She acknowledged that there needed to be a discussion regarding how the Council managed its debt. She was of the view that it should not be used to fund revenue services which would result in children paying off the debt in the future.

The Chairman proposed, with the unanimous agreement of the Committee, to delete "note and" in recommendation c) as it related to an area within the Committee's remit.

During discussion of the report, Members made the following comments:

- reported that there had been considerable debate at H&CIC regarding school crossing patrols. The Chairman of the H&CIC reported that he would give instructions for officers to work with communities, schools and parish councils to develop other options. **Action Required.** The Chairman added that there was some funding available to retain an officer to examine how school crossing patrols could continue in a different format. One Member raised the need for a meeting to take place with Abbey People before Christmas. Another Member highlighted the importance of conducting a risk assessment first. She was also not clear how the officer would be used or how long they would be needed. Speaking as the Local Member, Councillor Whitehead expressed her support for the petition and welcomed efforts to help local residents create their own service.
- highlighted the need to bear in mind that Cambridge did not have parishes and therefore no recourse to a precept. It was suggested that there needed to be more work to identify what City and District Councils, Area Committees and Parish Councils were prepared to do. One Member queried what was being done to provide Cambridge City with the same resources as Parish Councils and suggested that it was within the gift of the City Council to parish the City.

- queried whether Directors would be asked to put forward further budget reduction proposals to meet the £5.2m shortfall if the Council decided to take the 2% precept or if the debt would be restructured. The Chief Finance Officer reported that the proposals did not include the management of debt. The Chairman added that Strategic Management Team would need to examine all the options and report back to Committee.
- welcomed the budget proposals and supporting material for discussion at such an early stage. One Member drew attention to the Business Planning Consultation at Appendix C and thanked the Research Manager and his Team and the Member group reviewing the consultation process for presenting the information in a different format. She highlighted the fact that 79% of respondents did not think that encouraging communities to get involved in delivering Council services was realistic. She stressed that whilst it was important not to give up on this proposal, it did demonstrate the need to support communities. It was also important to target those services where respondents had expressed an interest in getting involved such as libraries and supporting older people. The Chairwoman of Children and Young People Policy and Service Committee acknowledged that whilst this figure was disappointing, it was important to note that 22 people had expressed an interest in fostering which would make a significant difference to the budget.
- highlighted the fact that 81% of respondents were willing to accept some sort of increase in council tax. One Member commented that only 0.1% of the population of Cambridgeshire had responded. Another Member drew attention to the consultation which had taken place in Ely Market Place where only 16% had given an equivocal yes to increasing Council Tax and 24% had said no. 59% had given an answer that amounted to a conditional yes. There was a view that Council Tax could be raised as long as the Council did not waste money and took the opportunity to deliver services differently. It was noted that the consultation in Wisbech had identified that any council tax increase should be targeted and justified. The Vice-Chairwoman of Adults Policy and Service Committee reminded Members that Adult Social Care was the vast majority of the Council's spend. However, raising council tax was not necessarily the answer as it would not reverse cuts to social care packages. Another Member commented that the Council would need to take the 2% Social Care precept in order to fund the cost of the National Living Wage.
- questioned the level of understanding of the public as to how local government worked. One Member felt that there had been a change in public comprehension with the majority of the public feeling that the Council was being unfairly treated. He highlighted the fact that Government austerity had put pressure on Councils to find new ways of working and they had been some happy consequences as a result such as Community Library Hubs. He therefore welcomed the constructive approach being taken by communities as demonstrated by the petitioner.
- queried the policy for reserves. The Chief Finance Officer reported that the Council had agreed a policy to include 3% of its operating expenditure in reserves which equated to £16.2m. He added that the underspend in 2015/16 could be used to support transformation or other projects. The Chairman queried the possibility of using capital sales for transformation. Members were informed that this would require a change in regulation. One Member commented that a 4% increase in

council tax was less than two thirds of current reserves. Instead of increasing council tax, he suggested using reserves to help people on low incomes. The Chief Finance Officer reported that the General Fund balance was calculated on the basis of a risk assessment. The Council use to have a general reserve of only £5m which was a high risk strategy particularly given more challenging budget targets. He also explained that it was not legally possible to use reserves to target council tax support. The Chairman reminded the Committee that there use to be Service Reserves, which had been amalgamated into one general reserve. He asked the Chief Finance Officer to circulate a couple of examples where authorities had needed to rely on their reserves to address something which had gone wrong.

Action Required.

- questioned whether Housing Invest to Save Schemes were technically Invest to Save Schemes. One Member was concerned that the Cottenham scheme had been made public before the concerns of the Parish Council had been addressed. The Chairman reported that “Invest to Save” comprised a basket of projects relating to solar and housing. The terminology was used in relation to capital funding which was not part of the borrowing requirement where there was a limit.
- highlighted the need to develop community delegation. The provision of crossing patrols was a classic community activity and it was important that the Council worked with the community to help it organise its own activity. It was also important to talk to the community first before going ahead and removing a service. One Member commented that the Council used to set its budget two years ahead but it was now working on its budget for 2016/17 which would not be set until February. There was therefore not much time to involve the local community before cuts were made. The Chairman acknowledged that community delegation was a great way of getting the community involved in projects that they cared about and in some instances delivered better services than by a paid member of staff.
- highlighted the need to review wording in 1.3. The Council may have adopted an outcome-led approach to business planning but the 2016/17 budget was not predicated on this approach. There was concern that the Council was not making sufficient progress in this area. The Chief Finance Officer reported that he had amended the wording for the January report.
- requested information on the disposal/relocation of Huntingdon Highways Depot.
Action Required.
- requested comparator information with other authorities to identify how efficient and effective the Council was. The Chief Finance Officer reported that there was a Local Authority family of comparator authorities which showed that Cambridgeshire performed well per head of population in most areas and that its costs were in the lower quartile. The Chairman requested that a report be included in the Business Plan report for the next Committee meeting in January. **Action Required.**
- highlighted the proposed saving to be made in Cambridge by substituting cameras for bollards. One Member commented that many of the bollards were not operating at the moment, which was encouraging cars to enter the city. The Chairman of Economy and Environment Policy and Service Committee asked the Member to

provide him with a list. The Chairman reported that cameras were cheaper to maintain than bollards and would stop people entering certain areas of the city.

- requested action to enable District Councils moving from fixed CCTV provision to wireless to use the Council's Connecting Cambridgeshire wireless network. **Action Required.**

It was resolved unanimously to:

- a) comment on the Business Planning proposals that have been considered by Service Committees;
- b) note the remaining milestones in the Business Planning Process;
- c) endorse the updates provided around capital funding for Customer Service & Transformation, and LGSS Managed services; and
- d) note the stakeholder consultation and discussions with partners and service users regarding business planning proposals.

184. RECRUITMENT AND RETENTION STRATEGY: SOCIAL CARE SERVICES

The Committee was asked to review and agree the proposed strategy to improve the recruitment and retention of social care staff. Attention was drawn to the background to the preparation of the strategy, which included the early draft shared with the Committee in July. It was noted that the strategy had been presented and endorsed by Adults and Children's Committees. Adults Committee had included a request for the addition of the monitoring and reporting of turnover rates of staff and to incorporate reference to seven day working where appropriate such as hospital discharge teams. There had also been a proposal for the Council to create its own agency for staff. Strategic Management Team had requested a more detailed review on this issue be undertaken by LGSS.

During discussion of the report, Members made the following comments:

- noted that the comments made by Adults Committee had been supported by Children and Young People Committee. It was noted that Children and Young People Committee had also raised the need to consider the impact of expensive housing on recruitment. One Member commented that the University of Cambridge had operated a scheme to help its staff buy houses in Cambridge. It was noted that the Executive Director: Children, Families and Adults was currently looking at this issue. Another Member expressed his support and commented that the University had identified 40% of its housing provision on the new development on Huntingdon Road to be built for key workers. The Chief Finance Officer acknowledged the need to build this in to the action plan going forward. It was noted that the Council was building properties which might give it some leverage and enable it to satisfy District Council planning policies.
- highlighted the need to make reference in the strategy to the opportunity for innovation. The Service Director: Older People's Services reported that work was

taking place on how to market Cambridgeshire as a place to work which could also reflect the innovative nature of Cambridgeshire.

- welcomed the employee recognition scheme. It was noted that the scheme would commence in January. There would be no set figure instead staff would be recognised as and when rather than a set number per quarter. At the end of the year, there would be an employee and team of the year award. It was noted that teams were keen for Councillors to understand the level of their performance. One Member commented on the possibility of full Council doing more in relation to presenting awards.
- highlighted the possibility of having a bank of staff for all specialist areas including planning who might not be able to work fulltime but could cover during holiday periods. Members were informed that the Council operated relief contracts across the organisation for front line services. They could be more cost effective and provided better continuity of care than agency staff. It was acknowledged that these contracts could be promoted more widely.
- queried how the Council compared with other authorities in relation to the number of staff it employed. The Service Director reported that some reports were available about the number of care staff in different Local Authorities and these would be shared with members, although more work might be needed to make accurate comparisons. **Action Required.** The Chairman highlighted the need for any benchmarking to be based on the same authorities throughout.
- highlighted the need to include some data in the strategy detailing how long staff stayed and who was leaving. The Service Director reported that as turnover rates were monitored the Council would have a more detailed breakdown of individual client groups. One of the main problem areas was within Adult Mental Health and it would be useful to identify the reasons for this. One Member commented that turnover rates were actually low in Cambridgeshire. It was acknowledged that the Council had done well to retain staff and there was not much movement between client groups.
- suggested that the issue of remuneration was not addressed sufficiently enough in the report in particular the ability of agency staff to pick or choose councils. There was also some concern about the criminalisation of some roles, and the ethical considerations for staff as to how the job operated.
- suggested that the reasons given in exit interviews should be reported to the Staffing and Appeals Committee. The Chairman suggested that this be undertaken on a trial basis to identify the workload level required. **Action Required.**

The Chairman proposed, with the unanimous agreement of the Committee, to include a delegation to the Chief Executive to manage the variations to the Strategy proposed at the meeting in consultation with the Chairman. He agreed to circulate any changes to the Committee first for information.

It was resolved unanimously to:

endorse the Children, Families and Adults (CFA) Social Care Recruitment and Retention Strategy and to delegate responsibility to the Chief Executive to manage the variations to the Strategy proposed at the meeting in consultation with the Chairman of General Purposes Committee.

185. FINANCE AND PERFORMANCE REPORT – OCTOBER 2015

The Committee was presented with the October 2015 Finance and Performance report for Corporate Services and LGSS Cambridge Office. The Chief Finance Officer reported that the City Council Planning Committee had not considered the application for Castle Court as the planners still had some issues. He had, under delegated powers and in consultation with the Chairman, agreed a four week extension with Study Inn in order to provide some flexibility. As it was unlikely the application would be considered within this time, it was proposed to seek a commitment from Study Inn to take the risk. As consequence the Council was not collecting rent for this property.

One Member commented on the recent resilience of the IT system over a three week period and queried the work being undertaken to address this issue. The Director Customer Service and Transformation reported that there was an improvement plan being monitored on a weekly basis by the Chief Executive. It was noted that the most critical issue had been resolved and a meeting was scheduled with LGSS to discuss the medium and longer term issues. The Chairman reminded the Committee that IT was a key enabler of the outcome strategy.

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

186. MINIMUM REVENUE PROVISION POLICY

The Committee considered a report detailing a proposal to amend the Minimum Revenue Provision (MRP) Policy included in the Treasury Management Strategy Statement 2015-16, approved by Council in February 2015. The Chief Finance Officer reported that there had been varying views expressed at the last GPC/SMT workshop regarding how to manage debt. Attention was drawn to the alternative options which included a straight line basis over 50 years or an annuity method over 50 years. He informed the Committee that had he redrafted the recommendations which included the need to do more work to analyse the useful life of assets and to construct groupings of different assets if the adoption of an annuity approach was agreed in principle.

The Chairman reminded the Committee of the financial position of the Council over the next five years. The adoption of the annuity approach to MRP would enable the Council to put together a fund to support invest to save schemes in order to achieve a rate of return. He acknowledged the need to do more work to identify what should be included and a basket rate, and the need for the Committee to receive a more detailed report at its next meeting. Although, the policy once adopted would be considered as part of the Treasury Management Strategy annually, there was also a need to conduct a formal review every five years.

Some Members expressed concern that the Council was effectively mortgaging the crown jewels to deal with today's problem. Members highlighted the need for accuracy in relation to the lifespan figure when linking debt to repayments. Other Members commented that the Council was effectively borrowing against the future. One Member reminded the Committee that the Council was in a terrible position. Adopting an annuity approach would effectively give the Council a budget saving of £56m compared to £32m for a straight line approach over six years. Some Members were content for further work to be undertaken, it was suggested that the funding could be used to produce revenue streams to generate sufficient income to pay off any surplus. The Chairman reminded the Committee that invest to save schemes did not always produce revenue. Attention was drawn to 3.9 and the need to review the wording to improve accuracy.

The Chairman proposed an amendment, seconded by Councillor McGuire, to agree in principle the adoption of the annuity approach to MRP. On being put to the vote the amendment was carried. The Chairman proposed, with the unanimous agreement of the Committee, to adopt recommendations c) and d) below:

It was resolved:

- a) to consider the alternative options for the MRP Policy for 2015-16.
- b) to agree in principle the adoption of the annuity approach to MRP.
- c) that a further report setting out the financial implications of this approach be considered at the February meeting of this Committee.
- d) That the recommendation to Council is subject to the inclusion of a formal review of the Policy every five years.

187. 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 14th January, item 4 had been moved to March and item 5 to February. A new item on local plan revisions relating to Cottenham had been added to January. Members were also asked to appoint a representative to the Needham's Foundation and to reconfigure the Cambridgeshire Transport Member Steering Group to the Total Transport Member Steering Group.

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 appointment of Councillor Anna Bailey as a representative to the Needham's Foundation, Ely; and

- d) agree that the current Cambridgeshire Future Transport Member Steering Group be reconfigured as the Total Transport Member Steering Group from 1 January 2016 (retaining the existing membership) and reporting to General Purposes Committee.

Chairman