

GENERAL PURPOSES COMMITTEE: MINUTES

Agenda Item No.2

Date: Tuesday, 4th November 2014

Time: 10.00am – 12.00noon

Present: Councillors Bailey, Bates, Bourke, D Brown, Bullen, Cearns, Count (Chairman), Criswell, Hickford, Hipkin, Leeke, McGuire, Orgee, Reeve, Rylance, Sales and Whitehead

59. DECLARATIONS OF INTEREST

Councillor Orgee declared a non-statutory disclosable interest under the Code of Conduct in Minute No.63 Loan to Arthur Rank Hospice. As the former Chairman of South Cambridgeshire District Council, the Hospice Charity had been one of his Chairman's charities. He decided that he would therefore withdraw from the meeting whilst the item was discussed. The Chief Executive informed the Committee that as a Trustee of the Charity he had taken no part in the formulation of the report. He reported that he would also be withdrawing from the meeting during discussion of the item.

60. MINUTES – 7TH OCTOBER 2014 AND ACTION LOG

The minutes of the meeting held on 7th October 2014 were agreed as a correct record and signed by the Chairman. The Action Log and the following updates were noted (**all required action**):

- the Chairman of General Purposes Committee had agreed revisions to the Scheme of Financial Management, which were now with the Chief Finance Officer for action.
- more robust information on service pressures would be presented to the General Purposes Committee workshop on 14 November 2014.
- the Chief Finance Officer to meet with Councillor D Brown regarding the need to reflect changes to Burwell, Fordham and March in the draft 2015/16 Capital Programme and Capital Prioritisation.
- more detail would emerge in relation to what constituted an efficiency saving, a reduction or a removal in service when the General Purposes Committee considered a report on revenue proposals in December.

61. PETITIONS

No petitions were received.

62. INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR THE PERIOD ENDING 30TH SEPTEMBER 2014

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 was showing a forecast year end overspend of £0.7m, which was a decrease from the previous forecast. Although this was good news, it was important to note that this was against a desperate financial position. The Capital Programme was showing a forecast year end underspend of -£44.1m, which was an increase on the previous figure. There had been a slight reduction in performance with four key performance indicators now recorded as red.

Members were advised of the need to consider bridging the funding gap caused by a delay in Section 106 funding in respect of two schemes. It was noted that this proposal would be met from within overall borrowing limits. The Committee was also asked to approve the allocation of the unringfenced Special Educational Needs and Disability (SEND) Implementation Grant to Children, Families and Adults to enable the implementation of new legislative changes. Members were reminded that it was the Council's policy to hold unringfenced grants centrally unless they were specifically allocated to a service.

During discussion, members made the following comments:

- requested more detail in future reports regarding the Economy, Transport and Environment (ETE) schemes listed in 6.2.1 under "Promoting Economic Growth – Delivering Strategic Aims". **Action Required.**
- the need to review the performance indicator for ETE in relation to complaints. It was queried whether this target, which had been set some time ago, was still realistic given the significant reduction in resources. One Member highlighted the need to consider the outcomes and reasons why the target had been set as part of any review process. The Chief Finance Officer reported that the direction of travel, which was down for some indicators, needed to be considered against a good performance in the last monitoring report. The Director Customer Service and Transformation agreed to raise this issue directly with ETE. **Action Required.**
- the need to avoid creating silos when allocating the SEND Implementation Grant. It was suggested that there was a need to consider the impact on different committees when agreeing budget funding and/or reductions. It was queried whether committees affected by proposals agreed by a different committee should contribute funding e.g. the impact of budget reductions to Cambridgeshire Future Transport on Adults Committee. The Chief Finance Officer reported that he had received an analysis of how the grant would be utilised copies of which were available at the meeting. Members noted that it would be used solely for the implementation of the SEND reforms, which involved transferring children and young people from statements to Health and Care Plans. The Chairwoman of Children and Young People (CYP) reported that this funding was desperately needed to implement this new statutory burden. The Chief Executive acknowledged that there would need to be an arrangement if a decision taken by a particular committee incurred expenditure for another committee.
- queried whether committees, which had overlapping areas, were liaising with each other as part of the budget setting process. The Chief Executive explained that officers across the services were working together and a General Purposes Committee Workshop involving key committee members had been scheduled.

However, he acknowledged the need to do more and agreed to investigate whether something could be put in place for this budget year and next year. **Action Required.**

- highlighted the Council's good performance in relation to delayed transfers of care from hospital but noted with concern the overall position. Members raised the need to encourage the Council's partners to achieve the same performance. It was noted that Health Committee was looking at the Better Care Fund in an attempt to reduce admissions to Accident and Emergency (A & E). The Chairman of Health Committee reported that the levels of A & E Admissions were rising as the county grew. He congratulated the Council on its performance, which had involved putting the findings of a Member-Led Review into practice. He reported that he had been asked to attend a meeting at Addenbrooke's on 6 November where he would be provided with information to help understand what was causing the current situation. The Chairwoman of Adults Committee reported that she had also been asked to attend the meeting and was currently awaiting further information. Other Members raised the need to consider what other hospitals such as Hinchingbrooke were doing in order to get the situation under control.
- the impact of the recent move at Addenbrooke's to eHospital. Members were informed that a Member-Led Review had acknowledged the need to move from a paper based system. The e-system was needed but the impact of going live immediately was always likely to have had some impact operationally. The Chairman of Highways and Community Infrastructure (H&CI) reminded the Committee that he was the Council's representative on the Cambridge University Hospitals NHS Foundation Trust Board of Governors. He therefore encouraged Members to bring any issues concerning Addenbrooke's to his attention. He explained that Addenbrooke's was the NHS pilot for eHospital, and a significant amount of time had been spent on site training staff. The Chief Executive acknowledged that eHospital was part of the solution and it was important that the Council worked with Addenbrooke's to make it work. He informed the Committee that the Chair of Cambridge University Hospitals had contacted him regarding the need to brief politicians on recently cancelled operations.
- the importance of the recently signed Older People's Programme contract with UnitingCare Partnership, which was a consortium of Cambridgeshire and Peterborough NHS Foundation Trust with Cambridge University Hospitals NHS Foundation Trusts. It was acknowledged that social care and health needed to continue to work together to address the issue of delayed transfers of care.
- queried why the Council's performance in relation to the indicator regarding "Reduced proportion of Delayed Transfers of care from hospital.." was considered good when the direction of travel was down and the status of the indicator was red. The Chairman reported that this indicator reflected the actions of all partners as well as the Council. Whilst the Council's proportion of the indicator was improving, others areas were getting worse. He therefore queried whether the Council had the right indicator, and suggested that it should only measure the part it was responsible for.

- queried action being taken to stimulate the home to school transport market. The Chairwoman of CYP reported that this area highlighted the co-operation between CYP and H&IC and Economy and Environment to make routes safe. She explained that an officer was being employed on a fixed term contract as part of an invest to save measure to review effectiveness and efficiency of this whole area. The Council had tried to stimulate the market but providers could not provide the service any cheaper. The Chairman reinforced this point by explaining that many providers had under bid at e-auctions and had since been hit by the reality of providing the service.
- requested another indicator in order to achieve transparency regarding how much the Council was spending on support staff such as personal assistants. The Chief Finance Officer explained that a challenge to the level of support staff should be raised as part of the business planning process rather than as an indicator to deliver an outcome. The Chairman asked the Councillor to meet with officers to define exactly what he wanted. **Action Required.**
- congratulated the Council's staff on their employment attendance particularly during a period of stress. The Chief Executive commented that the average number of days lost to sickness in the public sector was 12 so the figure of 5.65 for the Council was a remarkable achievement.
- suggested that the indicator relating to the percentage of Cambridgeshire residents aged 16-64 in employment was too bland. Members requested that it be broken down into full-time and part-time posts. The Chief Executive agreed to provide an analysis of full-time and part-time workers. **Action Required.**
- queried whether the Council was a Living Wage employer. The Chief Executive reminded the Committee that a motion from Councillor Walsh on the Living Wage had been defeated at Council. The Council had no staff on the minimum wage but did not pay as high as the Living Wage.
- noted that the Chairman had been informed that no slippage in the Capital Programme was due to a lack of resources at the County Council. The Chairman reminded the Committee that slippage was not good news as the costs associated with a project then ran the risk of increasing in the future. However, he welcomed the revenue saving. One Member welcomed the appointment of the Chairman on the City Deal Board in order to help address the threat associated with project delays.

With the unanimous agreement of the Committee, it was proposed to amend recommendation b) to remove "an increase of" and delete "Hall" and add Primary School Scheme in order to clarify the remit of the scheme.

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 £1.3m in Prudential Borrowing in 2014/15 to bridge the funding gap caused by a delay in S106 funding in respect of the Hauxton Primary School Scheme (£0.4m) and Southern Fringe (£0.9m) schemes (section 6.5); and
- c) approve that the Special Educational Needs and Disability (SEND) Implementation Grant of £476,699 in 2014/15 be allocated in full to Children, Families and Adults (section 7.1).

63. LOAN TO ARTHUR RANK HOSPICE

Councillor Orgee and the Chief Executive withdrew from the meeting for this item. Councillor Cearns declared a non-statutory disclosable interest under the Code of Conduct as he had been involved with the Hospice in a professional capacity in relation to some projects.

The Committee was asked to consider a loan to the Arthur Rank Hospice to enable the charity to build a 24 bed hospice on land leased from the County Council in Shelford. The Chief Finance Officer explained that the proposal provided an opportunity for the Council to invest in, at no cost, a service which was of benefit to its constituents. Attention was drawn to the proposal for a loan from the Council of £4.0m, which had been considered purely on financial terms. The loan would be secured against the new building in order to minimise the risk of capital losses.

The Committee was introduced to Dr Lynn Morgan, Chief Executive, and Karen Field, Financial Director, of the Arthur Rank Hospice Charity.

During discussion, members made the following comments:

- expressed concern that there was only one hospice locally. It was acknowledged that the current premises were inadequate and needed replacing with a modern facility. The proposal should therefore be welcomed with pride. Another Member clarified that there was a hospice in Peterborough, which was used by Cambridgeshire County Council residents.
- queried the level of capital contribution from the NHS to the project. It was noted that the current 2.7 hectare Brookfields site was in the Cambridge Local Plan for redevelopment. It was suggested that it should be a residential and employment site, which given Cambridge land values could command a good price. The Chief Finance Officer suggested that one rationale for the NHS not contributing to the scheme was that they would be a commissioner of the hospice's services and could therefore have a conflict of interest. Using his discretion, the Chairman invited the Chief Executive of the Charity to address the Committee. Members were informed that the current Hospice had been built using charitable funds with a small amount of investment gifted from the NHS. The Charity had talked to the Chief Executive of the old Primary Care Trust about the possibility of donating the land, which had never belonged to the Charity. It was noted that there was currently a dispute regarding the ownership of the land. Cambridgeshire Community Services (CCS) had offered to give the Charity something if it received ownership of the land but the Charity had not received as yet anything in writing. The Financial Director added that the Charity hoped to charge rent on the new site so the NHS would provide a

revenue contribution. It was noted that the Charity had kept track of costs so had the data in relation to what had been contributed to the Brookfields site.

- the need to ensure that the loan to the Arthur Rank Hospice Charity was not just a one-off project. It was suggested that there should be an ongoing commitment to other organisations.
- queried whether all costs including any future administration costs would be recovered from the Charity. The Chief Finance Officer reported that costs associated with setting up, administering and arranging the loan were covered in the report. It was noted that ongoing costs were negligible, and the risk margin would cover any unforeseen costs.
- noted that the Local Member had organised a meeting on the Brookfields site with the Chief Executive of CCS. He reported that CCS was optimistic that it would hold on to the site as its work with the Mental Health Trust was over 50% compared to NHS Property Services. He added that it was also proposed that part of the site would be developed by the County Council for a care home.
- queried the cost of the lease of the land. The Chief Finance Officer reported that it would be peppercorn. He also explained that the County Council would be the first charge on the property.
- requested that officers completed the "Significant Implications" section of the report correctly. The Chief Finance Officer reminded the Committee that the report was only in respect of the loan and whilst there were many other associated implications they were not directly related to the item under consideration.

The Chairman commented that the sale of the Brookfields site would provide either CCS or NHS Property Company a significant amount of capital. He was therefore concerned that the County Council would be left alone assisting the Hospice and felt that the NHS should be tied into the scheme. He queried whether the scheme could be delayed in order to seek commitment from them. The Chief Executive of the Charity reported that the costs of the building were known if work started on site in January. She added that any delay would result in a significant increase in costs.

Councillor Bates proposed an amendment to the recommendations as set out in the report, seconded by Councillor Bourke, to add an additional recommendation c) to ask the Arthur Rank Hospice Charity to work to secure NHS and/or CCS capital funding and report the outcome of these discussions to the Chief Finance Officer and LGSS Director of Law, Property and Governance in consultation with the Chairman of General Purposes Committee.

One Member was of the view that the Council should just go ahead and approve the loan. Other Members were of the view that all organisations should play their part. On being put to the vote, the amendment was carried.

It was resolved unanimously to:

- a) approve, in principle, a loan to the Arthur Rank Hospice, subject to satisfactory due diligence and appropriate security being obtained.
- b) delegate negotiation of the terms of the loan, the precise amount and the execution of all the necessary contractual arrangements to the Chief Finance Officer and LGSS Director of Law, Property and Governance, in consultation with the Chairman of General Purposes Committee.
- c) ask the Arthur Rank Hospice Charity to work to secure National Health Service and or Cambridgeshire Community Services capital funding and report the outcome of these discussions to the Chief Finance Officer and LGSS Director of Law, Property and Governance, in consultation with the Chairman of General Purposes Committee.

64. SERVICE COMMITTEE REVIEW OF THE FINAL DRAFT 2015-20 REVENUE PROPOSALS

The Committee considered a report detailing a summary of the overall final draft revenue budget, fees and charges and the capital programme. Attention was also drawn to an overview of the final draft Business Plan Revenue Proposals for Corporate and LGSS Managed Services. Further detail on service/investment pressures was included in Appendix B to the report. Members were reminded that a General Purposes Committee Workshop was scheduled to be held on 14 November 2014 to consider revenue pressures across the Council. Given the need for further consideration of the revenue proposals and a completed Community Impact Assessment, it was proposed with the unanimous agreement of the Committee to remove the following words in Appendix b) "and endorse...final.."

During discussion, members made the following comments:

- requested that the Library Service, which offered a service to scan concessionary bus pass transactions, should also offer to complete the online application process. The Chairman reminded the Committee that it was the policy of the Council to drive digital solutions. He queried whether the Council should, like the Post Office in relation to completing passport applications, charge for this service. There was concern that the Library Service could be overwhelmed with applications if there was no charge. There was also a need to consider out of county arrangements. The Director of Customer Service and Transformation reported that it was proposed that the Library Service would support people online just once with an expectation that they would complete the process themselves next time. There was concern that the process was discriminatory as people likely to use concessionary bus passes were less likely to have IT equipment or the ability to use it. It was acknowledged that the County did not yet have an e-accessible community. The Director offered to take the proposal back to the Library Service to enable it to be considered, if appropriate, at a meeting of H & CI Committee. **Action Required.**
- requested a breakdown of staffing costs for the Chief Executive's Office, Community Engagement and Communications. The Director of Customer Service

and Transformation reported that her savings primarily related to staffing. It was noted that the Section 188 Notice proposing staff redundancies would be issued soon. The General Purposes Committee would receive more detail at its meeting in December. The Chairman highlighted the need to see the detail on staffing levels following the redundancies.

It was resolved unanimously to:

- a) note the overview and context provided for the 2015-20 Revenue Proposals for Corporate and LGSS Managed Services;
- b) comment on the draft proposals for Corporate Services and LGSS Managed Services 2015-20 revenue budgets;
- c) consider and endorse the proposed levels of fees and charges for Corporate Services in 2015-20; and
- d) agree the Key Performance indicators to be adopted as part of the 2015-20 Business Plan.

65. TREASURY MANAGEMENT QUARTER TWO REPORT

The Committee received the second quarterly update on the Treasury Management Strategy 2014-15, approved by Council in February 2014. The Chief Finance Officer reported a correction to the report in relation to the table in 5.1. It was noted that the Revised Forecast to March 2015 should read 336.6. He also explained that he was not confident unlike the Council's advisers that interest rates would increase in the first quarter of 2015. The Chairman queried why the table in 5.1 was produced manually.

It was resolved unanimously to:

- a) note the Treasury Management Quarter Two Report 2014-15;
- b) recommend the report to full Council;
- c) recommend amendments to the Treasury Management Strategy Statement (TMSS), detailed in section 2 to full Council for approval; and
- d) delegate authority to amend any references in the TMSS that were dependent on the old governance arrangements to the Director of Law, Property and Governance and the Chief Finance Officer, in consultation with the Chairman of General Purposes Committee.

66. FINANCE AND PERFORMANCE REPORT – SEPTEMBER 2014

The Committee received a report detailing the September 2014 Finance and Performance Information for the Customer Service and Transformation Directorate and LGSS Cambridge Office. Members requested a correct breakdown of the figures in Appendix 3. **Action Required.** They also queried the £1.0m underspend for the EPAM

– Trumpington Option Land Scheme. The Chief Finance Officer explained that the scheme could fall within the City Deal envelope.

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

67. GENERAL PURPOSES COMMITTEE AGENDA PLAN

The Committee was asked to review its agenda plan. It was noted that the item on Concessionary Lease – Premises at Barton Road, Ely had been removed from the agenda for the December meeting. Members requested to be informed of the reasons why this had occurred. They also queried whether the IT Assets Review should be included on the Forward Agenda Plan. The Chairman asked officers to investigate.

It was resolved unanimously to note the agenda plan.

Chairman