GENERAL PURPOSES COMMITTEE

Date:Tuesday, 23 October 2018

10:00hr

Democratic and Members' Services
Fiona McMillan
Deputy Monitoring Officer

Shire Hall
Castle Hill
Cambridge
CB3 0AP

Kreis Viersen Room
Shire Hall, Castle Hill, Cambridge, CB3 0AP

AGENDA

Open to Public and Press

The General Purposes Committee comprises the following members:

Councillor Steve Count (Chairman) Councillor Roger Hickford (Vice-Chairman)

Councillor Anna Bailey Councillor Ian Bates Councillor Simon Bywater Councillor Steve Criswell Councillor Lorna Dupre Councillor Derek Giles Councillor Peter Hudson Councillor David Jenkins Councillor Elisa Meschini Councillor Lucy Nethsingha Councillor Josh Schumann Councillor Mathew Shuter and Councillor Joan Whitehead

For more information about this meeting, including access arrangements and facilities for people with disabilities, please contact

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Agenda Item No.2

GENERAL PURPOSES COMMITTEE: MINUTES

Date: Tuesday, 20th September 2018

Time: 10.00a.m. – 12.40pm

Present: Councillors Bailey, Bates, Bywater, Count (Chairman), Criswell, Dupré, Hudson, Jenkins, Kavanagh (substituting for Cllr Meschini), McGuire (substituting for Cllr Hickford), Nethsingha, Sanderson (substituting for Cllr Giles), Schumann, Shuter and Whitehead

Apologies: Councillors Giles (Cllr Sanderson substituting), Hickford (Cllr McGuire substituting) and Meschini (Cllr Kavanagh substituting)

99. MINUTES – 20th JULY AND ACTION LOG

The minutes of the meeting held on 24th July 2018 were agreed as a correct record and signed by the Chairman.

It was confirmed that a briefing note detailing progress with target setting on indicators would be sent to Members by 21/09/18.

100. PETITIONS

No petitions were received.

101. FINANCE AND PERFORMANCE REPORT – JULY 2018

The Committee was presented with the July 2018 Finance and Performance report for Corporate Services and LGSS Cambridge Office, which was showing a forecast underspend of £665K.

There was a new variance of £182K, which was an underachievement forecast against the Citizen First, Digital First savings target. This was due to a change in the scope of that project to reflect the nature of the work involved, enabling savings to be achieved in other service areas.

A number of mitigations and offsets had been put in place, resulting in savings e.g. financing costs had reduced, due to a rebate of bank fees on international payments.

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

102. INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR THE PERIOD ENDING 31ST JULY 2018

The Committee received a report detailing the financial and performance information to assess progress in delivering the Council's Business Plan.

Members noted:

- that there had been considerable focus nationally on local government over the summer, especially County Councils;

- key metrics, such as service users supported by key care budgets and people receiving community services;

- the £5.2M variance in the Revenue budget, with increasing pressures in People & Communities and Commercial & Investment Service areas. The Commercial & Investment pressure related to delays in commercial ambitions and investments being actioned, and also from the closure of CCS and the one-off costs associated with this, such as redundancies. The People & Communities pressures came mainly from Children's Services, specifically the Looked After Children (LAC) placements. Plans were in place to reduce expenditure and mitigate these pressures going forward. There were also changes in the financial systems, most notably relating to open order reconciliations, which were being addressed.

Arising from the report:

- a Member commented that she had raised the point at the Children and Young People (CYP) Committee that a project should review School Transport for SEND, in the same way that Home to School Transport had been reviewed, which had resulted in considerable savings for the Council. It was noted that senior officers were reviewing SEND school transport at a strategic level. However, the difficulties and complexities of SEND School Transport meant that this would need to be tackled in a different way to Home to School Transport;

- a Member queried if the Commercial & Investment Service pressure was temporary or ongoing. Officers advised these pressures included the one-off costs of the closure of CCS, and also commercial plans that had not yet been realised, partly due to the lack of sufficiently appealing investment opportunities, and also the delays in the phasing of loans to This Land;

- a Member expressed concerns that only 50% of adults and children were kept safe, and no contextual information was provided on the targets that were being missed in relation to this performance indicator. Officers confirmed that this detail could be provided next month. It was also agreed that next month's report would include a summary against each outcome, not just the ones that had changed. It was agreed that this would be circulated prior to the next meeting. **Action required (Sue Grace/Tom Kelly).** The Chairman observed that stretching targets had been set, and stressed that achieving 50% against this indicator did not mean that only 50% of adults and children were being kept safe, and whilst Members understood this point, it would be helpful to clarify this point in the report for the benefit of the public. Another Member pointed out that these performance indicators were all closely managed by the relevant Committees, and the detail behind them would be available in the respective committee papers.

It was resolved unanimously to:

a) note the additional section 106 funding received as set out in section 6.8 of the report;

b) approve the allocation of the increased £112.7k Extended Rights to Free School Travel Grant to People and Communities (P&C) so that it can be used for its intended purpose, as set out in section 7.2 of the report;

c) note the open purchase order reconciliation issue and the accounting entries required to correct the treatment, as previously recommended in the June 18 report, as set out in Appendix 3 of the report;

d) approve the -£18.8m revised phasing of funding relating to changes in the capital programme variations budget, as previously recommended in the June 18 report, as set out in Appendix 3 of the report;

e) approve the -£7.2m re-phasing of P&C's capital funding for the St Neots Wintringham Park scheme, as previously recommended in the June 18 report, as set out in Appendix 3 of the report.

103. MEDIUM TERM FINANCIAL STRATEGY

The Committee considered the draft Medium Term Financial Strategy for the next five years. It was stressed that some of the figures were still draft, and did not constitute actual proposals at this stage.

Members were reminded that the Strategy was updated annually at the commencement of the business planning process, but was refined during the process as the financial climate and the Council's approach to its finances gained greater clarity, and following engagement and input from Members through the Service Committees. The final Strategy would be adopted at the Council meeting in February, which would also approve the Business Plan and the revenue and capital budgets. Its core purpose was to provide a financial framework within which individual service proposals can develop before Council approves the budget and the Business Plan in February.

The Deputy Chief Executive stressed that it was important to understand the overall financial context which all local authorities were operating in, and whilst the Council had risen to those challenges in the past, and would continue to do so, it was becoming increasingly difficult, and the options being evaluated were becoming increasingly unpalatable. The Council does have to operate within the financial envelope it was given, and tried to mitigate reductions through the transformation of services. Increasingly, more investment was required to mitigate the demand pressures coming through the system. Whilst remaining confident that a balanced budget would be presented to the full Council meeting in February 2019, this would be a significant challenge, and he was less confident about future years' budgets.

For the 2019/20 budget, there were a number of factors which were fairly certain, or reasonable estimates could be used, but looking further forward, the outlook was less clear. There would be a fundamental spending review by government in the coming year, but there was no indication what the outcome of that spending review might be. Negative RSG was also possible in 2020. The Council Tax limits were unknown, and the Adult Social Care Precept was in the last year of the current framework.

A Member acknowledged the difficulties in trying to budget, and suggested that the government was being very unhelpful in not providing clarity on funding for local authorities going forward. She reminded the Committee that Council had taken the decision in 2016 to reject the Four Year Settlement, and had been right to reject that offer, as otherwise it would be required to give the government £7M in Council Tax money. She also observed that the outcome of the Business Rates Retention Review was hanging over the Council, and the government finance settlement was unlikely to be announced before 23/12/18. The Council would be in a less difficult position if it had taken the full Council Tax increases in previous years: it would now be £26M better off, and the decision not to do so had left the Council in a perilous position. Some of the savings in the current year's budget were very ambitious and were unlikely to be achieved, e.g. the targets for reducing the numbers of Looked After Children, and she suggested it would be much better if savings were more realistic.

Responding, the Chairman said that he fundamentally disagreed with much of this analysis. With reference to the Four Year Settlement, the outcome suggested was very much the minimum position and "worst case scenario". The Liberal Democrat Group had favoured the maximum permitted Council Tax increases, but in tandem with this proposal had presented an associated spending plan, which would have resulted in the Council not having an additional £26M in its baseline budget. In addition, the Council had actively lobbied against Negative RSG, and it was likely that the government would agree to that.

The Deputy Chief Executive advised that whilst stretching targets had been set, these were at achievable levels, as setting targets that were too challenging would only lead to problems in future years. In addition there were specific pressures, outlined in the previous reports, that were resulting in budgetary pressures.

Other points raised included:

- a Member queried the inflation assumption of 2%, given that CPI was currently 2.8%, and that figure was based on fundamentals such as oil and heating costs. The Deputy Chief Executive confirmed that inflation was increasing, and this would need to be reviewed, but most of the inflationary pressures on the Council came from external organisations. Internal inflation was effectively limited to employee costs, which was built into the base budget;

- on the issue of reserves, the Deputy Chief Executive observed that there had been a lot of discussion on social media about Council reserves. The Council had taken the decision not to spend these on base expenditure, as doing so caused problems further down the line. Using reserves for base budgets was already causing difficulties for other organisations;

- one Member commented that the opposition groups had consistently rejected transformation proposals at Committee stage. (The Labour Group Leader challenged this, pointing out that the Labour Group had consistently voted in favour of transformation proposals). The Member further suggested that RSG was in jeopardy because the Council had failed to accept the Four Year Settlement in 2016. She added that the Adults Committee had focused on radical change, with better outcomes through support at a local level, preventing needs from escalating further: however, all of those savings proposals had come from officers and the Conservative Group. Savings put forward had made year on year sustainable savings, rather than propping up the budget with one off efforts;

- a Member suggested that the MTFS contained a number of assumptions, in which officers had varying degrees of confidence. He suggested a table be devised including confidence levels, and linked to the Risk Register, e.g. RSG, Adult Social Care Precept and the ability to raise Council Tax. A key example was the paragraph in the Executive Summary that referred to Council Tax *assumptions*: the Member suggested that setting Council Tax was a policy decision, as Members should have the flexibility to agree a Council Tax between the lower and upper limits. In response the Chairman suggested that this assumption was based on the five year strategy agreed by full Council in the previous Business Plan. However, this did not affect the finances for 2019/20, and it was GPC's job to recommend a Business Plan to full Council;

- in response to a question on the Smoothing Reserve, the Chairman stressed that this was not just for the 2018/19 budget, but could be used in subsequent years. Another Member pointed out that the opposition groups had not supported the introduction of the Smoothing Reserve. It was confirmed that this had not been necessary to be allocated in the current financial year yet, and the intention was for it to be available in future financial years; to help address budgets for 2019/20 and 2020/21 which were predicted to be the most difficult in the five year MTFS;

- with regard to the Adult Social Care (ASC) Precept, the Chairman advised that the assumption had been made that this would continue at 2%. Zero Council Tax had been assumed at this stage as government had not yet set the limits, so the Council was prepared for the worst case scenario. The Council Tax level would be agreed by GPC for recommendation to full Council in February: he stressed that this was only the *draft* MTFS. The Deputy Chief Executive confirmed that the financial plans were predicated on the information in the MTFS;

- a Member commented that Looked After Children placements continued to be a difficult problem to address, despite GPC agreeing an additional £3M in previous years. She suggested that at some point Members needed to take a view on when an improvement was expected, and look to rebalancing the budget if that improvement was not forthcoming. Other Members agreed, noting that this was a challenge nationally, and was an example of where the Council's demand led responsibilities made budgeting in the medium and longer term so difficult. The Council needed to review the work of those authorities bucking the trend (e.g. Hertfordshire) for possible solutions;

- referring to the table setting out current savings/income requirements for the Council (section 3.3 of the covering report), a Member asked where the gains were anticipated. Officers agreed to circulate a paragraph providing further explanation of the table. **Action required: Tom Kelly**. It was suggested that this information could also incorporate the helpful suggestion of a table setting out major assumptions against confidence levels, and linked to the Risk Register. The Chairman pointed out that the risks from demands on Adult Social Care and Children's Services outweighed all other risks;

- a Member commented that whilst numerous sustainable savings had been made, a number of unsustainable savings had also been made, and the decision to implement these had subsequently been withdrawn or adjusted, e.g. the winter gritting changes, charging for internet usage in libraries and Children's Centres. She stressed that it was important to distinguish between assumptions and choices i.e. those matter the Council had power and influence over, and those it does not, as these appeared to have been confused in the draft MTFS e.g. an assumption of a 2% rise in the ASC Precept year on year had been included, but elsewhere in the document it stated that this was not guaranteed. It was important to focus on those areas where the Council does have power e.g. setting Council Tax, which the draft MTFS suggested was more uncertain. She suggested that the MTFS should also expand on the assumptions made on Brexit, the impact of which may be unprecedented. She referred to a quote that 7% of the East of England's workforce were EU Nationals should more accurately state "non-UK EU nationals". She also suggested that other demographic snapshots of those involved in direct ASC provision estimated that the number of non-UK EU nationals was nearer 24%, and the figures may therefore be underestimated, and this could further impact on the Council's ability to deliver services.

- a Member asked if the Leader could share any information on what the Council's and the Combined Authority's response was going to be to the government consultation on the retention of Business Rates. The Chairman responded that the big question was whether the split should be determined nationally or locally: the Council's view was that it should be determined nationally. With regard to the Business Rates Retention *Pilot* scheme, a report would be considered at the next Combined Authority Board meeting, for a response to be submitted collectively by all Councils and the Combined Authority. There was an engagement process on the split, and how the tariff and levy scheme may operate. Each sector was clearly seeking to protect its share. A set of principles was required, and there would be a consultation before Christmas. It was also important to establish what was expected to be delivered by those bodies retaining the Business Rates. The Chairman confirmed that he would be primarily pursuing the County Council's interests.

Councillor Jenkins proposed the following motion:

> The Committee recommends the final version of Medium Term Financial Strategy recognises Council's freedom to increase Council Tax, within boundaries set by government, if that is appropriate in order to enable us to balance its (proforma) budgets in the years between 2019/20.

In discussion, the Chairman and Deputy Chief Executive commented that as discussed earlier in the debate, full Council would agree the final MTFS in February, and the document would be reconsidered by the General Purposes Committee before that, and a statement reflecting Councillor Jenkins' Motion could be explicitly included in the final version, for Members' consideration. It was further noted that a statement to that effect was already included in the Executive Summary of the Draft MTFS. Councillor Jenkins agreed to withdraw his Motion, on the understanding that the principle of his Motion be included in the final MTFS. **Action required: Chris Malyon/Tom Kelly.**

It was resolved unanimously to:

> note the Draft Medium Term Financial Strategy for 2019-24.

104. CAPITAL STRATEGY

The Committee considered a report on the Council's Capital Strategy, detailing all aspects of the Council's capital expenditure programme specifically planning prioritisation, management and funding.

Presenting the report, the Deputy Chief Executive stressed that all capital expenditure had revenue implications, and it was important to review the programme thoroughly in the light of the challenges that the Council was facing. It was noted that this Strategy would be reviewed again by the Committee before being presented to full Council in February, and that some numbers were draft and subject to change. As the Combined Authority takes on more transport responsibilities, the Strategy sought to redirect some of the issues would have previously funded through the County Council's Capital programme. The programme had also undergone a fundamental review and where possible, schemes had been reprofiled, to reduce the impact on both borrowing and the revenue budget.

Members discussed developer contributions, which had been affected by the introduction of the Community Infrastructure Levy (CIL). Only Huntingdonshire and East Cambridgeshire had adopted CIL, and a Member noted that there had been some disagreements with Districts over developer contributions for schools. It was confirmed that the County Council was in discussion with the Districts to ensure that those development contributions were forthcoming. Councillor Bates advised that he and Councillor Bywater were working with Huntingdonshire District Council (HDC) on this issue. The Chairman observed that there were fundamental problems nationally with the planning system and developer contributions, which had never been resolved, and that it was absolutely vital in the longer term that this was addressed.

In discussing the report:

- a Member noted that the report referred to *"several Education schemes in the programme… which could be delayed"*, but did not reference specific schemes, and which educational establishments would continue to have temporary accommodation. It was agreed that this information would be circulated to the Committee. **Action required: Chris Malyon/Tom Kelly;**

- a Member commented that she had some serious concerns about governance on infrastructure schemes, especially given the overspend on the Ely Southern Bypass, and she asked whether the governance of the Capital Programme should be included in the Strategy. The Deputy Chief Executive advised that governance had not been included in the Strategy previously, and the strategic framework of the Capital Programme had been disaggregated from the delivery of it. It was agreed that officers would review whether it was appropriate to include governance issues within the Capital Strategy;

- a Member commented that there were some good summary tables on the impact of advisory debt levels and charges, but much of the data feeding into those tables was missing. The Member also queried any capital provision for works needed to the Guided Busway. The Deputy Chief Executive advised that there was a provision within the Revenue budget for a small amount of ongoing maintenance for the Guided Busway, but this was not capital funding, as the assumption was that the contractor would pay for those outstanding issues. Given the current legal action taking place with the contractor, it was agreed that it would be inappropriate to discuss that issue further.

It was resolved unanimously:

a) that the advisory limit on the level of debt charges (and therefore prudential borrowing) should be kept at existing levels;

b) that borrowing related to Invest to Save/Earn schemes should continue to be excluded from the advisory debt charges limit;

c) to note the areas for potential reduction in cost as set out in section 4 of the report for further consideration by service committees.

105. TRANSFORMATION FUND MONITORING REPORT QUARTER 1 2018-19

The Committee received a report outlining progress in the delivery of the projects for which transformation funding had been approved, at the end of the first quarter of the 2018/19 financial year. It was noted that whilst the General Purposes Committee had a strategic overview of the Transformation Programme, individual Service Committees monitored the detail of Transformation schemes within their remit. Members were asked what information they would like to see in future reports.

Two schemes, *Dedicated social work and commissioning capacity LD* and *Looked After Children (LAC) Placement Budget Savings* were both rated as Red under the 'RAG' rating system. However, this was due to delays in drawing down investment, rather than overall underperformance. It was stressed that the nature of transformation work had changed over recent years, with the focus being on influencing the demand trajectory. It was noted that future quarterly monitoring reports would include more narrative on the lifetime of the schemes, rather than just monitoring in-year performance.

A Member asked what happened when a Transformation scheme stopped – i.e. was the expectation that the project would be self-funding? It was agreed that this should be set out explicitly in every business case. There was an assumption that change would be embedded in the scheme areas, and would be self-funded; where funding was still necessary, this would be met by their Service area, albeit at a level that reflected the savings achieved as part of the transformation process.

A Member suggested that as this was an Exceptions report, it should include the 'Blue' schemes, where savings had been exceeded. It was also important to establish the timescales within the evaluation of progress.

In discussion, it was noted that the targets were truly stretching, and whilst there was an expectation that the majority should meet their targets, this approach meant that would not be the case for all of them.

It was resolved unanimously to:

note and comment on the report and the impact of transformation fund investment across the Council.

106. ADULTS POSITIVE CHALLENGE PROGRAMME

The Committee considered the Outline Business Case for investment to enable Cambridgeshire County Council to deliver the Adults Positive Challenge Programme.

Introducing the report, officers outlined the scope of programme and how it was envisaged it would work in practice. A one-off investment of up to £3m would be required to deliver cost avoidance and savings to the value of £5.8M in 19/20 and 20/21 with an expectation of delivering further savings in future years, through identifying effective ways to reduce demand and change the way Adult Social Care was delivered. The original outline business case proposed that a cumulative cash flow reduction of 40.5m could be delivered through a £4.8m investment, but this included some opportunities which were already underway such as digital approaches. Members noted the Vision for 2023 for the Positive challenge Programme, which aimed to address residents' needs early on to prevent them from escalating, empowering individuals to do more for themselves, and building self-sufficient and resilient communities. The eight delivery work streams were detailed in the report. It was stressed that this was a whole Council programme, i.e. not just the Adult Social Care team, but involving a wide range of teams from across the Council.

Arising from the report:

- a Member asked what "Changing the conversation" entailed, and how it differed from what had previously been offered. Officers explained that the current approach basically evaluated an individual's needs and put in place a plan. The focus in the changed approach was what could the individual do for themselves, and what support might they need to achieve this e.g. with the help of assistive technology. Staff were already doing this to some extent, but this approach would enable them to take this further, by providing examples and tools. Many people did not want to get in to a statutory process as a first response;

- a Member asked whether Health partners would be contributing financially, especially if it led to a reduction in demand for their services. Officers advised that they had deliberately kept the focus on what the Council could do. There were many discussions taking place with NHS colleagues, and they were trying to feed all of this in to the STP (Sustainability and Transformation Partnership) process. The Member commented that it was important that the health system faced its challenges;

- a Member asked for the table in paragraph 1.5 of the report (Total budget per person vs statistical neighbours) to include a column on the total number of individuals being supported. **Action required: Charlotte Black;**

- it was noted that the level of funding requested was a total amount, which would be drawn down on a business case by business case basis. At the moment the intention was to draw down £3.8M in the first year, and a further £2M in 2019/20. Completing the programme within two years would have a significant cumulative impact on the pressures on the service in future years;

- whilst supporting the proposals, a Member expressed slight hesitations and concerns about the “Changing the conversation” work stream i.e. maximising independence: whilst this would be generally welcomed by most individuals, care needed to be taken that appropriate interventions did take place when required, to avoid critical situations arising, and individuals ending up unnecessarily in residential or nursing care. Other Members agreed, suggesting that the intention was right, but needed to be managed carefully to ensure the appropriate level of care;

- a Member queried whether this was genuine transformation work, or core budget activity. She also asked how this would be reported back to Members. Officers explained that they would be going through the correct approval process, but at the same time they needed to be nimble: the expectation was that the Adults Committee in particular would be kept updated on progress;

- it was suggested that the Trajectory Board approach was a great idea, and should be adopted by the Children and Young People’s Committee;

- a Member commented that despite the low budget per person, Cambridgeshire was still delivering good outcomes, and overall standards were being held up;

- a Member observed that most people wanted to remain independent, and by putting in more intensive resources from the outset and building up relationships with the individual and their support network, that person was being set up for a longer term positive experience. It was also noted that this was about focusing on supporting people in a much more human and much more flexible way, and about aligning work that was already being done, testing out the neighbourhood model, and supporting and pushing that even further. Other Members put forward examples of where simple interventions could be hugely beneficial to an individual’s independence, whilst at the same time saving resources;

- a Member asked for a ‘guesstimate’ to be included on the impact on other organisations to be included in all future Transformation Business Cases. **Action required: Amanda Askham.**

It was resolved unanimously to:

a) comment on and endorse the new mission for adult social care as described in 1.2 of the report;

b) comment on and endorse the work to date on the Adults Positive Challenge Programme and the opportunities identified;

c) approve the investment of £3m revenue from the Transformation Fund for the period up to April 2021 to enable the approach set out in the Outline Business Case (OBC);

d) agree that tranches of finance to support each element of the Outline Business Case will only be drawn down following agreement with the Section 151 Officer in consultation with the Chairs of the Adults and General Purposes Committees.

107. CAMBRIDGESHIRE COUNTY COUNCIL AND PETERBOROUGH CITY COUNCIL SHARED SERVICES – JOINT WORKING AGREEMENT AND PROTOCOLS

The Committee received an update on the progress of the Shared and Integrated Services Programme. The report also sought endorsement for Cambridgeshire County Council (CCC) and Peterborough City Council (PCC) Joint Working Agreement, associated protocols and Section 133 arrangements. It was noted that the recommendation was to endorse and recommend the report to full Council.

CCC and PCC had been working together in an opportunistic way for several years. However, a more strategic approach was required, so a Joint Working Agreement (JWA) needed to be in place. It was stressed that the JWA was not a commitment to deliver future services in any particular way, and that the JWA included a Sovereignty Guarantee designed to protect the separate legal and political identities of each Council, but the JWA provided the underlying legal agreement which future discussions and arrangements could be based on.

Arising from the report:

- Members noted that Member workshops had been held to discuss the detailed documentation of the JWA, and this document had been amended by both authorities. The County Council had benefitted to date from joint working arrangements, notably at a senior management level, but these had been arranged on a 'one-off' basis to date. The overriding factor was that there was no change in sovereignty, and that both authorities retained their identities;

- a Member observed that the Council had experience of sharing officers and teams across authorities, notably through LGSS, but that this had not always been a positive experience, especially as there was an element of losing control. Officers explained that they had been very careful to establish protocols e.g. HR accountability, financial arrangements, and this was the main purpose of putting joint working arrangements in place to underpin future work, and examples were provided on how this would work in practice. The JWA would not affect the current joint working arrangements with LGSS, Districts, Health partners, etc.;

- a Member queried how costs were apportioned in joint commissioning arrangements, and whether these were based on a basic head of population apportionment, and deviating from this if there were good historical reasons to do so. Officers advised that whilst the report focused on the financial protocols, apportionment was more to do with financial baselining i.e. determining whether exceptions were reasonable. The Chairman stressed that officers would work up this financial baselining, and Members should be reassured that unless both authorities agreed, they would not be progressed;

- a Member commented that whilst was very thorough, she found the governance section confusing. It was suggested that the flowchart Appendix A (Programme Organisation and Governance) set out concisely the governance arrangements. It was noted that the reference to "Leaders of both parties" referred to CCC and PCC, not political parties, and this would be clarified in the final document. **Action required: Amanda Askham.** It was also confirmed that whilst Communities & Partnerships Service Committee would have an overview of the joint working programme, the appropriate Service Committees would be involved in developing and monitoring partnership agreements. This was not currently included in the document, mainly because both authorities had their own very different and complex organisational structures and political governance arrangements, but it was suggested that another page could be included to reflect these arrangements;

- a Member commented that the document did not set out any contingency arrangements, should the structure of local government in Cambridgeshire change e.g. to unitary authorities. The Chairman responded that the document reflected current local authority arrangements and would need to be adapted if different arrangements applied in future. It was further noted that it was within the gift of either authority to come out of, or amend, joint working arrangements;

- a Member asked how these arrangements would be resourced, and if this had been quantified and costed. Officers commented that there were a lot of steps in the arrangements, but very few were additional, and most would be happening anyway. It was more complex to work without joint working arrangements.

In conclusion, the Chairman commented that the Council's experiences with LGSS was that back office services had been successfully delivered between the three lead authorities, and whilst there had been some frustrating hurdles, lessons had been learned along the way. This JWA built upon both that knowledge and the positive experience of working with Peterborough City Council to date.

It was resolved unanimously to:

comment on, endorse and recommend to Full Council to agree the principles set out in the Joint Working Agreement and Protocols.

108. LEVEL OF OUTSTANDING DEBT

The Committee received an update on actions being taken to control and manage debt, and to agree an adjustment on the debt management targets.

Presenting the report, officers explained that nationally, local authorities were finding it increasingly difficult to collect debt, especially with more people being in receipt of care services. Since the Committee considered a report on Debt in September 2017, there had been a number of significant changes, notably the roll out of the ERP Gold system. There had also been organisational changes within LGSS, including the creation of a new Head of Debt & Income role, and the creation of a Cambridge-based team specifically dealing with CCC debt.

In terms of the debt reduction targets that had been agreed in 2017, the debt level was now higher for 2017. It was recommended that the focus should be on debts greater than 90 days old, rather than more recent invoices, whilst at the same time ensuring that debt does not reach that 90+ days stage in the first place. It was further noted that the CIPFA benchmarking report would be available shortly. The 2017 CIPFA report indicated that Cambridgeshire was a low cost debt recovery service, and that many comparable authorities had higher debt.

Arising from the report:

- in response to a Member question, it was confirmed that Milton Keynes was not part of the Debt/Income Collection arrangements, just Cambridgeshire and Northamptonshire County Councils;

- a Member requested that future reports include the *number* of debts, as well as their total value, as this did have a bearing on how the Service was resourced. **Action required: Bob Outram;**

- Members noted that the Service was slightly adrift of the targets set currently, mainly due to the new ERP Gold system and staffing issues, but officers were very confident that targets would be met by the end of March. It was agreed that the debt position would be included in the regular Integrated Resources and Performance Reports considered by the Committee, as it was important for the Committee to monitor this work. **Action required**;

- Noted the recommendation that the targets set in 2017 (3%/<90 days; 5%/>90 days; 7%/>360 days) were replaced by targets of 8% for Adult Social Care, and 15% for All other Sundry Debt.

It was resolved unanimously:

a) to note the actions being taken to manage income collection and debt recovery.

b) that the 2018/19 debt reduction targets agreed by the Committee last year are now applied in their entirety to debt aged over 90 days old at 31 March 2018 as follows:

	Adult Social Care	All other Sundry Debt
91+ day debt as at 31/03/18	£3,655k	£2,007
Reduction %	8%	15%
Reduction value	£286k	£298k
91+ day debt Target 31/03/19	£3,369k	£1,709k

c) to note the revised collections strategy

d) to agree that a further update will be provided in March 2019.

109. TREASURY MANAGEMENT REPORT – QUARTER 1 2018-19

The Committee received a quarterly update on the Treasury Management Strategy for 2018-19.

It was noted that the report was for the period ended 30th June 2018, and there had been some significant changes since then in the economic environment, notably the Bank of England base rate increase in August, and that the underlying rate of inflation was ahead of target.

Members noted that the Council had entered into a Framework Agreement and Joint and Several Guarantee arrangement with the UK Municipal Bonds Agency (MBA), with a view to allowing the Council to potentially raise loan finance through MBA as an alternative to the PWLB and market loans.

It was also noted that Commercial & Investment Committee had recently considered a report on loans to voluntary organisations, and a report would be presented to GPC in future on this issue. It was suggested that the scope of this proposal be extended to “third party loans”.

It was resolved unanimously to:

note the Treasury Management Report.

110. GENERAL PURPOSES COMMITTEE AGENDA PLAN

The Committee considered its agenda plan. There had been no changes since publication of the agenda.

It was resolved unanimously to:

(i) review its agenda plan attached at Appendix 1 to the report.

Chairman

Agenda Item No.2

GENERAL PURPOSES COMMITTEE

Minutes-Action Log

Cambridgeshire County Council

Introduction:
This log captures the actions arising from the General Purposes Committee on 20th September 2018 and updates members on the progress on compliance in delivering the necessary actions. This is the updated action log as at 15th October 2018.

Minutes of 20th September 2018

Item No.	Item	Action to be taken by	Action	Comments	Completed
102.	**Integrated Resources and Performance Report for the period ending 31st July 2018**	Amanda Askham Tom Barde	Concern was expressed that only 50% of adults and children were kept safe, and no contextual information was provided on the targets that were being missed in relation to this performance indicator. Officers confirmed that this detail could be provided next month. It was also agreed that next month's report would include a summary against each outcome, not just the ones that had changed. It was agreed that this would be circulated prior to the next meeting.	Presentation of performance data has been reviewed and amended for future GPC meetings.	Yes

103.	**Medium Term Financial Strategy**	Tom Kelly	Referring to the table setting out current savings/income requirements for the Council (section 3.3 of the covering report), a Member asked where the gains were anticipated. Officers agreed to circulate a paragraph providing further explanation of the table.		
		Chris Malyon Tom Kelly	Councillor Jenkins agreed to withdraw his Motion, on the understanding that the principle of his Motion be included in the final MTFS.		
104.	**Capital Strategy**	Chris Malyon Tom Kelly	Noted that the report referred to *"several Education schemes in the programme… which could be delayed"*, but did not reference specific schemes, and which educational establishments would continue to have temporary accommodation. It was agreed that this information would be circulated to the Committee.		
105.	**Adults Positive Challenge Programme**	Charlotte Black	Asked for the table in paragraph 1.5 of the report (Total budget per person vs statistical neighbours) to include a column on the total number of individuals being supported		

		Amanda Askham	Asked for a ‘guesstimate’ to be included on the impact on other organisations to be included in all future Transformation Business Cases.	Agreed that narrative and some indication of savings for other organisations could be included where it is practical and not too capacity intensive to complete the analysis.	Yes
107.	**Cambridgeshire County Council and Peterborough City Council Shared Services – Joint Working Agreement and Protocols**	Amanda Askham	It was noted that the reference to “Leaders of both parties” referred to CCC and PCC, not political parties, and this would be clarified in the final document.	Text amended in final document.	Yes
108.	**Level of Outstanding Debt**	Bob Outram	Requested that future reports include the *number* of debts, as well as their total value, as this did have a bearing on how the Service was resourced.		
		Tom Kelly	It was agreed that the debt position would be included in the regular Integrated Resources and Performance Reports considered by the Committee, as it was important for the Committee to monitor this work.		

Minutes of 20th September 2018					
96.	**Integrated Resources and Performance Report for the period ending 31st May 2018**	S Grace	Agreed to provide the Committee with a briefing on target setting in relation to the Indicators set out on page 34 of the report.	A briefing note detailing progress will be sent to GPC on 21 September 2018.	Yes

Agenda Item No:4

FINANCE AND PERFORMANCE REPORT – AUGUST 2018

To:	**General Purposes Committee**
Meeting Date:	**23 October 2018**
From:	**Director of Corporate and Customer Services** **Chief Finance Officer**
Electoral division(s):	**All**
Forward Plan ref:	**Not applicable** *Key decision:* **No**
Purpose:	**To present to General Purposes Committee (GPC) the August 2018 Finance and Performance Report for Corporate Services and LGSS Cambridge Office.** **The report is presented to provide GPC with an opportunity to comment on the projected financial and performance outturn position, as at the end of August 2018.**
Recommendation:	**The Committee is asked to review, note and comment upon the report.**

	Officer contact:		*Member contact:*
Name:	Tom Kelly	Name:	Councillors Count & Hickford
Post:	Head of Finance	Post:	Chair/Vice-Chair
Email:	Tom.Kelly@cambridgeshire.gov.uk	Email:	Steve.count@cambridgeshire.gov.uk Roger.hickford@cambridgeshire.gov.uk
Tel:	01223 703599	Tel:	01223 706398

1. BACKGROUND

1.1 General Purposes Committee receives the Corporate Services and LGSS Cambridge Office Finance and Performance Report at all of its meetings, where it is asked to both comment on the report and potentially approve recommendations, to ensure that the budgets and performance indicators for which the Committee has responsibility remain on target.

2. MAIN ISSUES

2.1 Attached as **Appendix A**, is the August 2018 Finance and Performance report.

2.2 **Revenue:**

At the end of August, Corporate Services (including the LGSS Managed, Deputy Chief Executive and Financing Costs) is forecasting an underspend of £951k. The forecast underspend on Financing Costs has increased by £200k.

The LGSS Cambridge Office budget is forecasting an underspend of £2k and there are no significant forecast outturn variances (over £100k) to report. This element of the budget is monitored by the LGSS Joint Committee and is not the responsibility of General Purposes Committee.

Financing Costs are forecasting an underspend of £1.18m at year-end. The underspend has increased by £200k from the previous month, due to a change in the forecast for interest payable following a review of cashflow forecasts and borrowing requirements.

2.3 **Capital:**

At the end of August Corporate Services, Transformation and LGSS Managed are forecasting a balanced position on capital budgets. There are no new significant variances (over £500k) to report this month.

LGSS Operational is forecasting a balanced position on capital budgets. There is one new significant variances to report for LGSS Operational schemes.

2.4 **Performance:**

Corporate Services has 10 performance indicators for which data is available. 7 indicators are currently at green, 1 at amber and 2 at red status.

Performance information for LGSS Cambridge Office is not currently available.

3. ALIGNMENT WITH CORPORATE PRIORITIES

3.1 Developing the local economy for the benefit of all

There are no significant implications for this priority.

3.2 Helping people live healthy and independent lives

There are no significant implications for this priority.

3.3 Supporting and protecting vulnerable people

There are no significant implications for this priority.

4. SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

This report sets out details of the overall financial position for Corporate Services / LGSS and this Committee.

4.2 Procurement/Contractual/Council Contract Procedure Rules Implications

There are no significant implications within this category.

4.3 Statutory, Risk and Legal Implications

There are no significant implications within this category.

4.4 Equality and Diversity Implications

There are no significant implications within this category.

4.5 Engagement and Consultation Implications

There are no significant implications within this category.

4.6 Localism and Local Member Involvement

There are no significant implications within this category.

4.7 Public Health Implications

There are no significant implications within this category.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	N/A
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by Finance?	N/A
Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?	N/A

Have the equality and diversity implications been cleared by your Service Contact?	N/A
Have any engagement and communication implications been cleared by Communications?	N/A
Have any localism and Local Member involvement issues been cleared by your Service Contact?	N/A
Have any Public Health implications been cleared by Public Health	N/A

Source Documents	**Location**
CS and LGSS Cambridge Office Finance & Performance Report (August 2018)	1st Floor, Octagon, Shire Hall, Cambridge

Appendix A

Corporate Services and LGSS Cambridge Office

Finance and Performance Report – August 2018

1. SUMMARY

1.1 Finance

Previous Status	Category	Target	Current Status	Section Ref.
N/A	Income and Expenditure	Balanced year end position	Green	2.1 – 2.4
N/A	Capital Programme	Remain within overall resources	Green	3.2

1.2 Performance Indicators – Current status: (see section 4)

Monthly Indicators	Red	Amber	Green	Total
August (Number of indicators)	2	1	7	10

2. INCOME AND EXPENDITURE

2.1 Overall Position

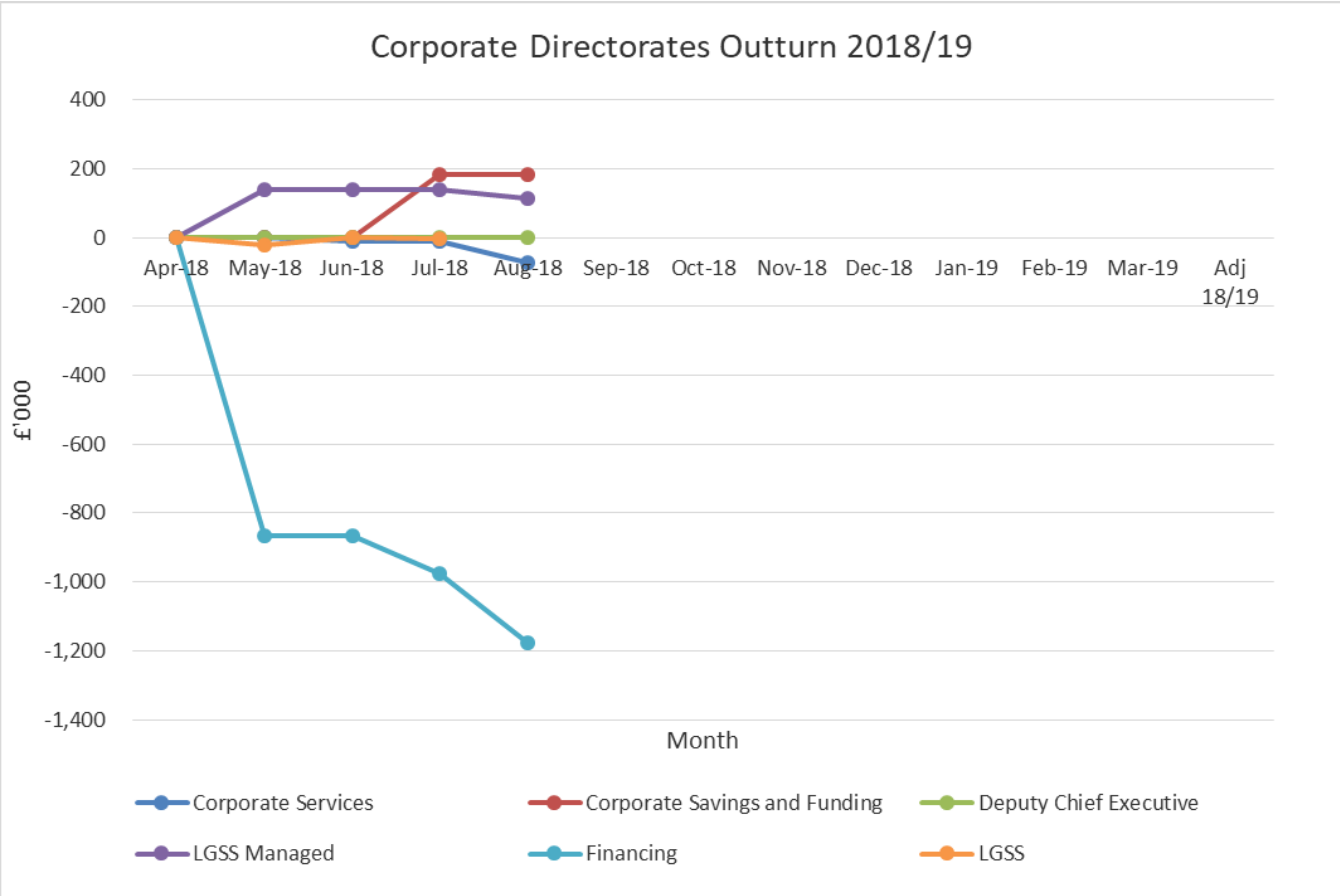
Outturn Variance (July) £'000	Directorate	Budget £'000	Actual £'000	Outturn Variance (Aug) £'000	*Outturn Variance (Aug) %*	Status
-11	Corporate & Customer Services	7,581	3,508	-72	-1.0%	Green
182	Corporate Savings & Funding	-1,262	-186	182	14.4%	Amber
0	Deputy Chief Executive	378	972	0	0.0%	Green
-976	Financing Costs	25,983	3,031	-1,176	-4.5%	Green
140	LGSS Managed	11,186	8,494	115	1.0%	Amber
-665	**Total**	**43,867**	**15,819**	**-951**	**-2.2%**	

The service level budgetary control report for Corporate Services, LGSS Managed and Financing Costs for August 2018 can be found in CS appendix 1.

The service level budgetary control report for LGSS Cambridge Office for August 2018 can be found in LGSS appendix 1. The position on the LGSS trading contracts will be included here going forward. Pressures and deficits within LGSS Operational budgets are the responsibility of the Joint Committee. Formal risk sharing arrangements are in place such that changes in service or financing impacting one partner are isolated from impacting other partners. In practice, this means that where there is risk (or additional requirements for) in-year savings for back-office services shared with or facing Northamptonshire County Council, these do not impact on the service received by Cambridgeshire County Council or impact any overspend to be handled by CCC.

Further analysis of the results can be found in CS appendix 2 and LGSS appendix 2

The appendices are published online only and not printed for Committee.



2.2.1 Significant Issues – Corporate and Customer Services

Corporate and Customer Services budgets are currently predicting an underspend of £72k, which is an additional underspend of £61k compared to the previous forecast.

There are no exceptions to report this month.

2.2.2 Significant Issues – Corporate Savings and Funding

Corporate Savings and Funding budgets are currently predicting an overspend of £182k due to savings targets that are not expected to be met in the year.

There are no new exceptions to report this month.

2.2.3 Significant Issues – Deputy Chief Executive

Deputy Chief Executive budgets are currently predicting a balanced position.

There are no exceptions to report this month.

2.2.4 Significant Issues – LGSS Managed

LGSS Managed budgets are currently predicting an overspend of £115k at year-end, which is a decrease of £25k from the previous forecast. This is due to an increase in IT costs due to a change in telephony licensing.

There are no new exceptions to report this month.

2.2.5 Significant Issues – Financing Costs

Financing Costs are currently predicting an underspend of £1.18m, which is an increase of £200k from the previous forecast. This is due to a change in the payment of Minimum Revenue Provision and a rebate of bank fees on international payments. Following a review of cashflow forecasts and borrowing requirements, the interest payable forecast has been revised giving an additional £200k forecast underspend.

2.2.6 Significant Issues – LGSS Cambridge Office

LGSS Cambridge Office is currently predicting an underspend of £2k, which is an improvement of £3k from the previous forecast.

There are no exceptions to report this month.

Additional Income and Grant Budgeted this Period

(De minimis reporting limit = £30,000)

There were no new items recorded during August 2018.

A full list of additional grant income for Corporate Services and LGSS Managed can be found in CS appendix 3.

A full list of additional grant income for LGSS Cambridge Office can be found in LGSS appendix 3.

2.2 Virements and Transfers to / from Reserves (including Operational Savings Reserve)

(De minimis reporting limit = £30,000)

The following virements have been made this month to reflect changes in responsibilities.

Corporate and Customer Services:

	£000	Notes
Resources Directorate	43	Savings forthcoming from change in LEP governance arrangements applied to corporate savings target
Non-material virements (+/- £30k)	0	

3. BALANCE SHEET

3.1 Reserves

A schedule of the Corporate Services and LGSS Managed reserves can be found in CS appendix 5.

A schedule of the LGSS Cambridge Office Reserves can be found in LGSS appendix 5.

3.2 Capital Expenditure and Funding

Expenditure

- Corporate Services and Transformation schemes have a capital budget of £5.4m in 2018/19 and there is expenditure of £146k to date. In-year, a balanced position is forecast. The total scheme forecast is on budget.

  There are no new material variances to report this month.

- LGSS Managed has a capital budget of £5.9m in 2018/19 and there is expenditure of £8611k to date. In-year, a balanced position is forecast. The total scheme forecast is on budget.

  There are no new material variances to report this month.

- LGSS Cambridge Office has a capital budget of £0.1m in 2018/19 and there is no spend to date. In-year, a balanced position is forecast. The total scheme forecast is on budget.

  There are no new material variances to report this month.

  Funding

- Corporate Services and Transformation schemes have capital funding of £5.4m in 2018/19. The Corporate Services capital programme as a whole is forecasting a balanced outturn position, so the full amount of this funding is expected to be used.

  There are no new material variances to report this month.

- LGSS Managed has capital funding of £5.9m in 2018/19. The LGSS Managed capital programme as a whole is forecasting a balanced outturn position, so the full amount of this funding is expected to be used.

  There are no new material variances to report this month.

- LGSS Cambridge Office has capital funding of £0.1m in 2018/19. The LGSS Cambridge Office capital programme as a whole is forecasting a balanced outturn position, so the full amount of this funding is expected to be used.

  There are no new material variances to report this month.

- A detailed explanation of the position for Corporate Services and LGSS Managed can be found in CS appendix 6.

  A detailed explanation of the position for LGSS Cambridge Office can be found in LGSS appendix 6.

4. PERFORMANCE

4.1 The key performance indicators for Corporate and Customer Services and LGSS Managed Services are set out in CS Appendix 7. Key performance indicators for LGSS Cambridge Office are not reported here as the information for these is not yet available.

The appendices to this report can be viewed in the online version of the report.

INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR THE PERIOD ENDING 31ST AUGUST 2018

To:	**General Purposes Committee**
Date:	**23 October 2018**
From:	**Chief Finance Officer**
Electoral division(s):	**All**
Forward Plan ref:	**2018/013** *Key decision:* **Yes**
Purpose:	**To present financial and performance information to assess progress in delivering the Council's Business Plan.**
Recommendations:	**General Purposes Committee (GPC) is recommended to:**

a) Note the additional capital contributions available as set out in section 5.7;

b) Approve the -£41.1m revised phasing in the funding profile of Housing Schemes, as set out in section 5.7;

c) Approve the -£17.2m revised phasing of funding relating to changes in the Commercial and Investment (C&I) capital programme variations budget, as section out in section 5.7;

d) Approve an additional £54k of prudential borrowing in 2018/19 for the Babraham Park & Ride Smart Energy Grid scheme, as set out in section 5.8;

e) Approve an additional £30k of prudential borrowing in 2018/19 for the Trumpington Park & Ride Smart Energy Grid scheme, as set out in section 5.9;

f) Approve the allocation of £3.413m from the smoothing fund reserve towards pressures in children's services budgets in 2018-19, as set out in section 6.2.

	Officer contact:		***Member contacts:***
Name:	Tom Kelly	Names:	Councillors Count & Hickford
Post:	Head of Finance	Post:	Chair/Vice-Chair
Email:	Tom.Kelly@cambridgeshire.gov.uk	Email:	Steve.Count@cambridgeshire.gov.uk Roger.Hickford@cambridgeshire.gov.uk
Tel:	01223 703599	Tel:	01223 706398

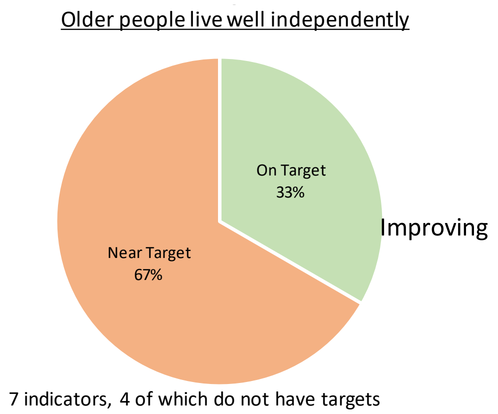
1. PURPOSE

1.1 To present financial and performance information to assess progress in delivering the Council's Business Plan.

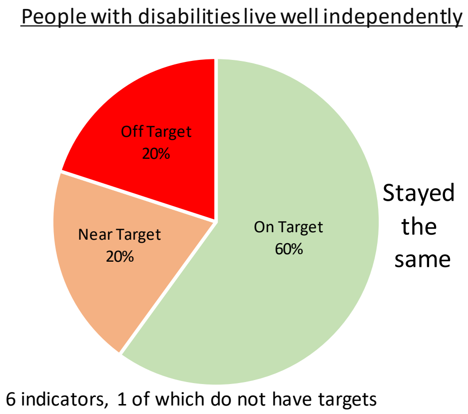
2. OVERVIEW

2.1 The following summary provides a snapshot of the Authority's performance against its indicators around outcomes, its forecast financial position at year-end and its key activity data for care budgets. Ninety two indicators about outcomes are monitored by service committees; these have been grouped by outcome area and their status is shown below:

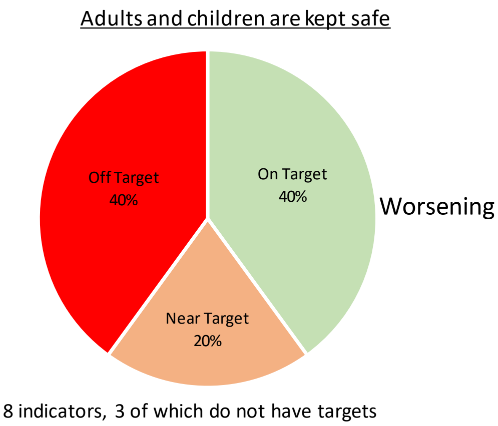
2.2 **Change in indicators:**



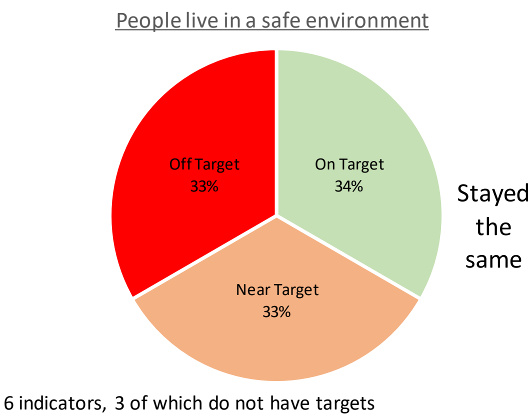
Older people live well independently – Improving
Out of 7 indicators for this outcome 3 have targets. Two of these were rated amber (within 10% of target) and one was on target. The improvement in the overall outcome reflects an improvement in the outcome 'Average monthly number of bed day delays (social care attributable) per 100,000 18+ population' where the average number of bed day delays decreased from 150 (red RAG rating) to 116 days (amber RAG rating), just 2 days above the 114 day target. The other two indicators did not change from the previous month (one green and one amber).



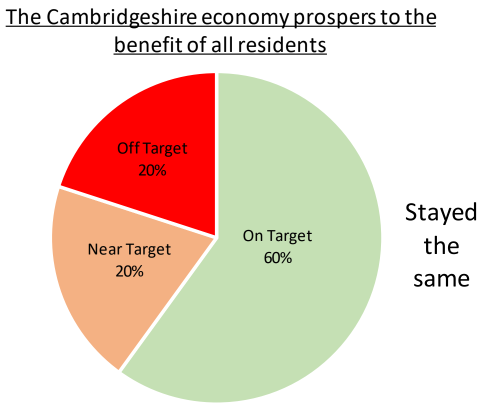
People with disabilities live well independently – Stayed the same
There are 6 indicators for this outcome and 5 have targets. None of these indicator RAG ratings changed, there are 3 rated green, 1 amber, and 1 red. The indicator rated red was 'Proportion of adults with a primary support reason of learning disability support in paid employment (year to date)' which fell from 0.7% in June to 0.5% in July – significantly below the 6% target. This indicator relies on service users being assessed or reviewed in the year so is dependent on the review/assessment performance of the LD teams. Note that this indicator is subject to some cumulative effects as clients are reviewed within the period.



Adults and children are kept safe – Worsening
There are 8 indicators for this outcome and 5 have targets. One indicator, 'Proportion of children subject to a Child Protection Plan (CPP) for the second or subsequent time (within 2 years)', previously had had no target but this has now been set and the indicator rated green (Target: 6%, July 18: 3.8%). Three indicators did not change RAG rating, one green and two red. The first red indicator that remained the same was 'The number of looked after children per 10,000 population under 18' which increased from 52.2 in June to 53.9 in July. The second red indicator that remained the same was 'Number of children with a Child Protection Plan (CPP) per 10,000 population under 18' which very slightly decreased from 35.8 to 35.5. A number of actions are being taken to address this, see the People and Communities finance and performance report for further details. One indicator's performance decreased, this was '% children whose referral to social care occurred within 12 months of a previous referral' which increased from 17.9% to 20.8% (20% target), though it should be noted that this is still below average in comparison with statistical neighbour and the England average.



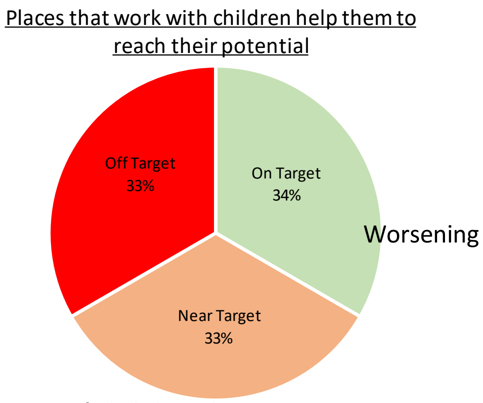
People live in a safe environment – Stayed the same
3 out of the 6 indicators for this outcome have targets, one rated green, one amber, and one red. All three have not changed RAG rating from the previous month. The indicator rated red was 'Killed or seriously injured (KSI) casualties - 12-month rolling total', the most recent data available for this indicator is from March 18 hence this indicator has not changed RAG rating, however there has been a downward trend in this figure since August 2017, and if this trend continues it is anticipated to be within 10% of the target at year end.



15 indicators, 5 of which do not have targets

The Cambridgeshire economy prospers to the benefit of all residents – Stayed the same

There are 15 indicators for this indicator and 10 have targets, 6 were RAG rated green, 2 amber, and 2 red. All 10 indicators have not changed RAG rating from the previous month. The first indicator rated red was 'The average journey time per mile during the morning peak on the most congested routes', this was last measured in August 17 and an updated figure is not available hence the rating has not changed. The second red indicator was 'Classified road condition - narrowing the gap between Fenland and other areas of the County', this is an annual figure (2017/18) and will not be updated until the next financial year so will remain RAG rated red.



14 indicators, 2 of which do not have targets

Places that work with children help them to reach their potential – Worsening

There are 14 indicators for this outcome and 12 have targets. 4 were rated green, 4 amber, and 4 red. One indicator's RAG rating went down from amber in June to red in July. This indicator was '% of EHCP assessments completed within timescale', this had been incorrectly rated as amber last month and should have been red. Performance in this indicator has actually increased from 42.9% in June to 59.0% in July. The rest of the indicators' RAG ratings did not change since June. There were three that stayed red. These were: 'KS4 Attainment 8 (All children)' which is an annual indicator and reflects 2016/17 data (2017/18 which will be released in October 18), '% of disadvantaged households taking up funded 2 year old childcare places' which dropped 4 percentage points since the spring term to 66.7% (75% target), and 'Ofsted - Pupils attending schools that are judged as Good or Outstanding (Special Schools)' which remains at 89.6%.

People lead a healthy lifestyle and stay healthy for longer – Improving
There are 34 indicators for this outcome and 32 have targets. 18 were rated green (3 improving from amber and 1 from red in the previous month, which was 'Number clients completing their PHP', which increased from to 33% of target, to 116, 168% of target), 7 were rated amber (1 improving from red last month – 'Number of physical activity groups held (extended service)', which increased from 101, 65% of target, to 250, 91% of target), and 7 were rated red. 6 of these red indicators had not changed rating from last month and one changed from amber to red. The indicator that changed from amber to red was 'Number of visitors to libraries/community hubs – year-to-date' which decreased from 91% of target to 86.2% of target. This may in part be due to the introduction of computer charges from 1st May, though this is being closely monitored and the use of the first free half hour and free use for particular cohorts is being promoted.

Key Pressures
- Residential and nursing placements for older people are increasing against the April 18 baseline. - The number of children in care has significantly increased this financial year. - The number of children on a child protection plan has increased from previous month. See following page for further details.

2.3 The master file of performance indicators is available here, https://tinyurl.com/ycbkjnoe while the latest Corporate Risk Register can be found here, https://tinyurl.com/ycrphsfv.

Finance and Risk

Revenue budget forecast

+£4.9m (1.4%) variance at end of year

RED

This is a £0.331m decrease in the revenue forecast pressure since last month.

Capital programme forecast

£0m (0%) variance at end of year

GREEN

Residual risk score	Green	Amber	Red
Number of risks	0	8	2

*Latest Review: July 2018

Transformation Programme	Transformation Fund
41 Early ideas ↑ 194 Business cases in development ↑ 24 Projects being implemented ↔	12 projects rated Green ↔ 1 rated Amber (reflecting some need to re-phase savings) ↓ 5 rated Red (risk of non-delivery of savings or benefits) ↑

Number of service users supported by key care budgets

Older people aged 65+ receiving long term services

	Aug-18	Apr-18	Trend since Apr-18
Nursing	437	410	Increasing
Residential	862	847	Increasing
Community	2,010	2,023	Decreasing

Adults aged 18+ receiving long term services

	Aug-18	Apr-18	Trend since Apr-18
Nursing	30	26	Increasing
Residential	310	309	Increasing
Community	1,922	1,933	Increasing

Children open to social care

	Aug-18	Apr-18	Trend since Apr-18
Looked after children	737	715	Increasing
Child protection	523	483	Increasing
Children in need*	2,045	2,225	Decreasing

*Number of open cases in Children's Social Care (minus looked after children and child protection)

Public Engagement

	Aug-18	Apr-18	Trend since Apr-18
Contact Centre Engagement	13,350 Phone Calls	12,763	Increasing
	5,181 Other	5,316	Decreasing
Website Engagement (cambridgeshire.gov.uk)	173,523 Users	154,319	Increasing
	254,502 Sessions	229,409	Increasing

The number of service users is a key indicator of the demand for care budgets in social care, inforamtion about the contacts with the public across web and phone channels is a key indicator of both service delivery and transformation.

2.4 There was an error in the number of Children in Need (CIN) reported on page 4 of July's IRPR. The number of CIN was reported as 2,794. This was an error and should have been reported as 2,223, which is a decrease from the previous month (June 18: 2,311) and is in line with April 18's figure (2,225). This figure has been corrected in the trend analysis, so August's report shows a decreasing trend since April 18 for the number of CIN.

2.5 The key issues included in the summary analysis are:

- The overall revenue budget position is showing a forecast year-end pressure of +£4.9m (+1.4%); a decrease of £0.3m on the forecast pressure reported in July; there have been increases in Commercial & Investment (C&I), partly offset by decreases in People & Communities (P&C), Public Health and Corporate Services Financing. See section 3 for details. This position is based on the assumption that the allocation of £3.413m from the smoothing fund reserve recommended by the Children and Young People (CYP) Committee in section 6.2 is approved.

- The Capital Programme is forecasting a balanced budget at year end. This includes use of the capital programme variations budget. See section 5 for details.

3. REVENUE BUDGET

3.1 A more detailed analysis of financial performance is included below:

Key to abbreviations

CS Financing – Corporate Services Financing
DoT – Direction of Travel (up arrow means the position has improved since last month)

Forecast Variance (July) £000	Service	Current Budget for 2018/19 £000	Actual (Aug) £000	Forecast Variance (Aug) £000	Forecast Variance (Aug) %	Overall Status	DoT
0	Place & Economy	41,729	19,080	0	0.0%	Green	↔
4,690	People & Communities	243,357	108,542	2,827	1.2%	Red	↑
0	Public Health	629	-6,073	-281	-	Green	↑
171	Corporate Services	6,697	4,294	110	1.6%	Amber	↑
140	LGSS Managed	11,186	8,494	115	1.0%	Amber	↑
4,163	Commercial & Investment	-8,707	2,988	6,263	-	Red	↓
-976	CS Financing	25,983	3,031	-1,176	-4.5%	Green	↑
8,188	**Service Net Spending**	**320,874**	**140,356**	**7,858**	**2.4%**	**Red**	↑
0	Funding Items	32,705	10,289	0	0.0%	Green	↔
-2,950	Open Purchase Order Reconciliation	0	0	-2,950	-	Green	↔
5,238	**Subtotal Net Spending**	**353,579**	**150,645**	**4,908**	**1.4%**	**Red**	↑
	Memorandum items:						
1	LGSS Operational	8,835	4,557	-2	0.0%	Green	↑
5,239	**Grand Total Net Spending**	**362,414**	**155,202**	**4,906**	**1.4%**	**Red**	↑
	Schools	198,140					
	Total Spending 2018/19	**560,554**					

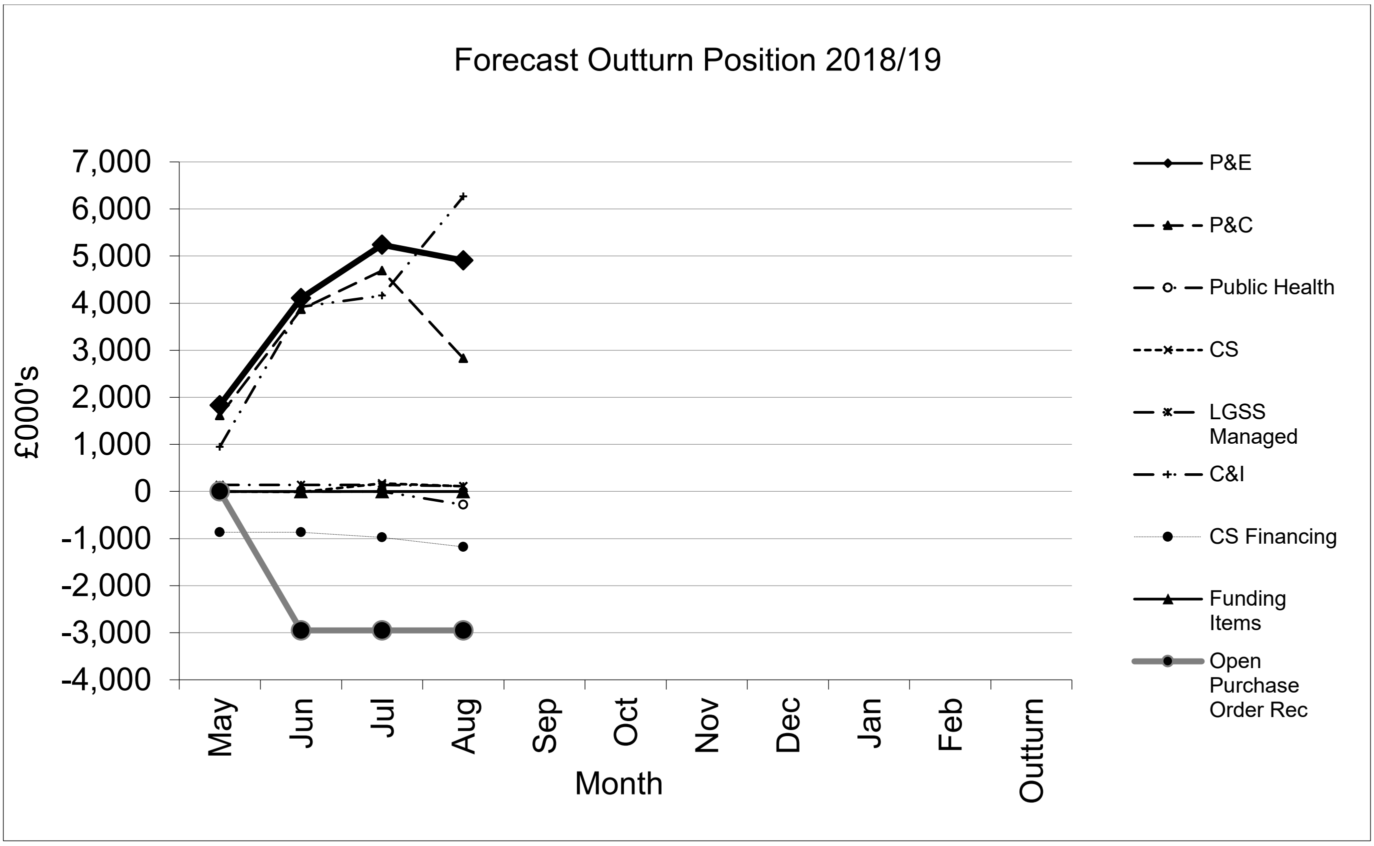
1 The budget figures in this table are net.

2 For budget virements between Services throughout the year, please see Appendix 1.

3 The budget of £629k stated for Public Health is its cash limit. In addition to this, Public Health has a budget of £25.4m from ring-fenced public health grant, which makes up its gross budget.

4 The ‘Funding Items’ budget comprises the £22.7m Combined Authority Levy, the £392k Flood Authority Levy and £9.7m change in general and corporate reserves budget requirement. The forecast outturn on this line reflects any variance in the amount received from corporate grants and business rates from what was budgeted; a negative outturn indicates a favourable variance, i.e. more income received than budgeted.

5 This table has been presented on the basis that the additional £3.413m budget recommended by the Children and Young People (CYP) Committee in section 6.2 is approved.



3.2 Key exceptions this month are identified below.

3.2.1 **Place & Economy:** a balanced budget is forecast at year-end.

	£m	%
• **Concessionary Fares** – a -£0.380m underspend is forecast. Concessionary fares are projected to underspend based on the final spend in the last financial year and currently the initial indications are that this level of underspend will be achieved. This underspend will be used to help cover other pressures within Place & Economy.	-0.380	(-8%)

- Although not yet identified it is anticipated that further savings and underspends will be found within Place & Economy to fund the current projected pressures.

- A combination of more minor variances, and previously reported exceptions disclosed in individual reports sum with the above to lead to an overall balanced outturn. For full and previously reported details see the P&E Finance & Performance Report, https://tinyurl.com/y9pg3hwl.

3.2.2 **People & Communities:** +£2.827m (+1.2%) pressure is forecast at year-end.

	£m	%
• **Central Commissioning – Adults** – a +£0.369m pressure is forecast. This is due to a saving related to a review of the Council's housing related support contracts, which is now expected to deliver over several years rather than fully in 2018/19.	+0.369	(+7%)
• **Children in Care** – a +£1.4m pressure is forecast, which is an increase of £1.125m on the position previously reported in June 2018. The expected pressure on Unaccompanied Asylum Seeking Children (UASC) budgets has now been estimated at £439k over budget for UASCs under 18 years of age and a further	+1.400	(+10%)

£392k for UASCs over 18 years of age (£831k in total). There has been a significant increase in under 18 UASC numbers over the last 6 weeks and there continues to be up to two years delay in processing leave to remain applications for unaccompanied asylum seekers. The Home Office provide grant funding for UASC expenditure, however the costs are expected to be higher than the amount of grant expected to be received. In addition the Staying Put budget is predicted to be £294k over budget as a result of the cost of Staying Put arrangements, which outstrip the grant funding available.

• **High Needs Top- Up Funding** – a +£1.5m pressure is forecast as a result of increasing numbers of young people with Education Health and Care Plans (EHCP) in Secondary and Post-16 Further Education. This budget is funded from the Dedicated Schools Grant (DSG) High Needs Block and will be managed within the overall available DSG resources.	+1.500	(+11%)
• **Financing DSG** – a -£2.309m required contribution from DSG is forecast, which is an increase of -£1.500m on the position previously reported in May 2018. This represents the amount that will be drawn down from the DSG reserve in excess of what was budgeted to cover pressures in DSG-funded areas. These pressures are primarily SEN Placements (£518k), Out of School Tuition (£291k) – both previously reported – and High Needs Top-Up Funding (£1,500k) as described above. For this financial year the intention is to manage within overall available DSG resources.	-2.309	(-6%)

- A combination of more minor variances, and previously reported exceptions disclosed in individual reports sum with the above to lead to an overall outturn of +£2.827m. (The effect of the £3.413m smoothing fund draw down recommended in section 6.2 is shown in the above overall P&C forecast; however the impact on individual P&C service line outturns will be factored in if the recommendation is approved.) For full and previously reported details see the P&C Finance & Performance Report, https://tinyurl.com/y6u4ek3e.

3.2.3 **Public Health:** -£0.281m underspend is forecast at year-end.

	£m	%
• **Sexual Health & Contraception** – an underspend of £281k has been identified against the Sexual Health budget. This is as a result of an over-accrual which had been carried forward from a previous financial year in error. The over-accrual will be moved into Public Health ring-fenced grant reserve and will be used to fund £281k of Public Health eligible funding during 2018/19 in place of £281k of general CCC funding, producing an underspend against the CCC corporate funding.	-0.281	(-%)

- For full and previously reported details see the PH Finance & Performance Report, https://tinyurl.com/y87bhbne.

3.2.4 **Corporate Services:** +£0.110m (+1.6%) pressure is forecast. There are no exceptions to report this month; for full and previously reported details see the CS & LGSS Finance & Performance Report, https://tinyurl.com/y8okfshb.

3.2.5 **LGSS Managed:** +£0.115m (+1.0%) pressure is forecast. There are no exceptions to report this month; for full and previously reported details see the CS & LGSS Finance & Performance Report, https://tinyurl.com/y8okfshb.

3.2.6 **CS Financing:** -£1.176m (-4.5%) underspend is forecast at year-end.

	£m	%
• **Interest Payable and Debt Management Expenses** – an underspend of -£1.176m is forecast on the overall Debt charges budget. This is an increase of £310k on the underspend previously reported in May 2018. Following a review of cashflow forecasts and borrowing requirements, the interest payable forecast has been revised giving a £200k forecast underspend. In addition there has been a £110k rebate of bank fees on international payments.	-1.176	(-5%)

- For full and previously reported details see the CS & LGSS Finance & Performance Report, https://tinyurl.com/y8okfshb.

3.2.7 **Commercial & Investment**: +£6.263m (%) pressure is forecast.

	£m	%
• **Commercial Investments** – a +£3.15m pressure is forecast, which is an increase of £0.7m on the position previously reported in July 2018. Although there has now been a commercial acquisition of £38m the expected income in the remainder of the year has been recalculated. The Council considers investment opportunities as they arise and has not been successful on all occasions; investments are made when the yield is in line with the Council's acquisitions strategy. In due course it is anticipated that this budget will deliver to target once sufficient financially appealing opportunities have been secured.	+3.150	(62%)
• **Housing Investment** – a +£1.55m pressure is forecast, which is an increase of £1.05m on the position previously reported in July 2018. Expectations of interest receivable continue to be remodelled and reprofiled based on loans advanced. Loan values are constrained by the value of property at disposal (dependent on planning) alongside ensuring the Council has sufficient collateral as lender. Loans advanced during the year are for up to 10 years, so will have a full-year benefit from next year.	+1.550	(36%)
• **Traded Services to Schools and Parents** – a +£0.25m pressure is forecast. This is due to only part of an additional £500k income target being expected to be achieved in 2018/19. Work is being undertaken to improve the position for future financial years and mitigating actions will be sought in-year to offset the under-recovery.	+0.250	(61%)

- A combination of more minor variances, and previously reported exceptions disclosed in individual reports sum with the above to lead to an overall outturn of +£6.263m. For full and previously reported details see the C&I Finance & Performance Report, https://tinyurl.com/yc3uu4dv. *(Please note that the C&I report will be available at the link above following the publication of the C&I Committee agenda.)*

3.2.8 **Open Purchase Order Reconciliation:** -£2.950m underspend is forecast. There are no exceptions to report this month.

3.2.9 **LGSS Operational:** -£0.002m (0%) underspend is forecast at year-end. There are no exceptions to report this month; for full and previously reported details see the CS & LGSS Finance & Performance Report, https://tinyurl.com/y8okfshb.

Note: *exceptions relate to Forecast Outturns that are considered to be in excess of +/- £250k.*

4. KEY ACTIVITY DATA

4.1 The latest key activity data for: Looked After Children (LAC); Special Educational Needs (SEN) Placements; Adult Social Care (ASC); Adult Mental Health; Older People (OP); and Older People Mental Health (OPMH) can be found in the latest P&C Finance & Performance Report, https://tinyurl.com/y6u4ek3e (section 2.5).

5. CAPITAL PROGRAMME

5.1 A summary of capital financial performance by service is shown below:

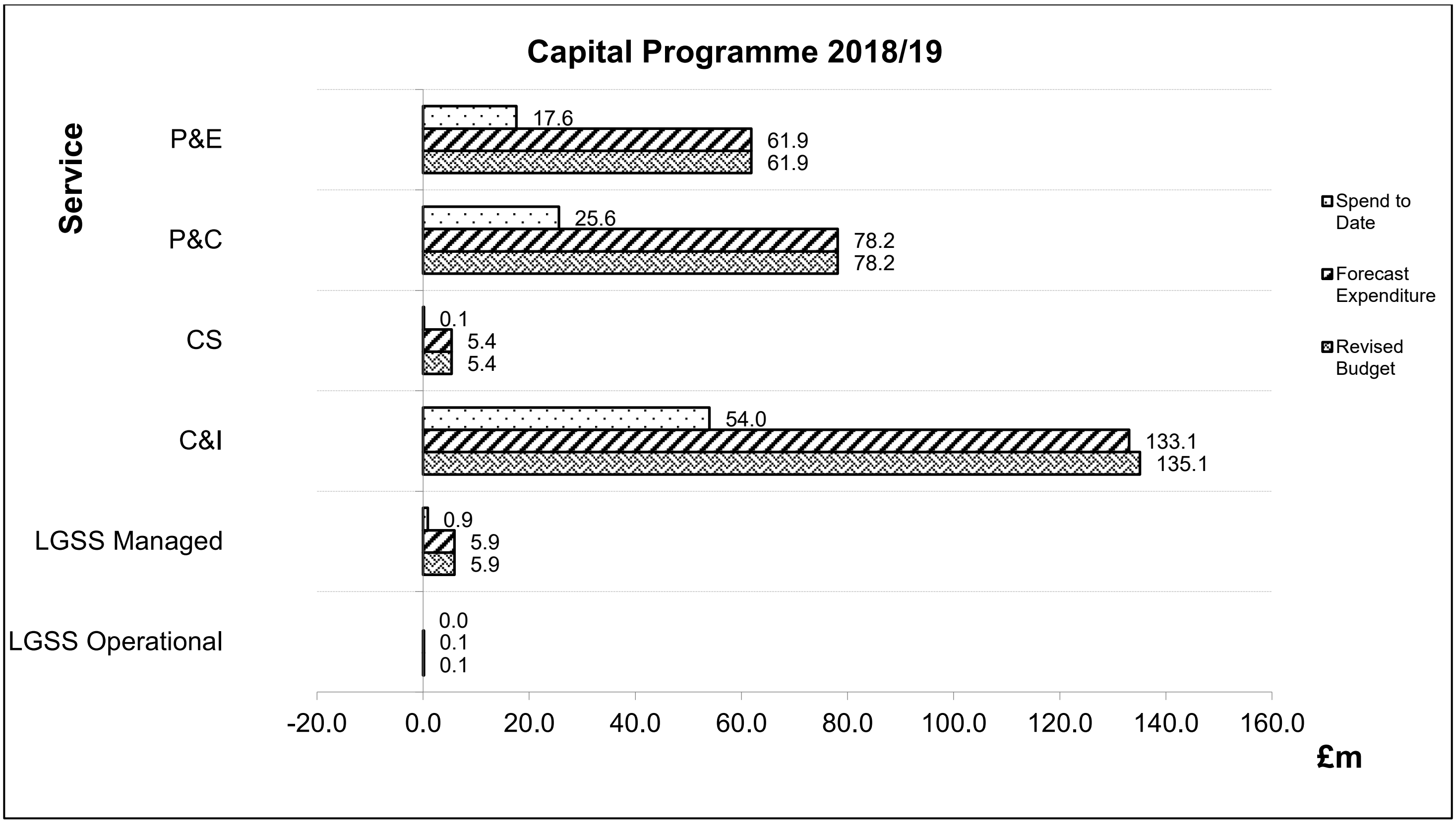
2018-19							TOTAL SCHEME	
Original 2018/19 Budget as per Business Plan £000	**Forecast Variance - Outturn (July) £000**	**Service**	**Revised Budget for 2018/19 £000**	**Actual £000**	**Forecast Variance - Outturn (August) £000**	**Forecast Variance - Outturn (August) %**	**Total Scheme Revised Budget (August) £000**	**Total Scheme Forecast Variance (August) £000**
35,956	286	P&E	61,865	17,569	-	0.0%	445,241	-
87,820	-	P&C	78,157	25,589	-0	0.0%	669,433	15,801
2,038	-	CS	5,369	146	-	0.0%	19,437	-
6,415	-	LGSS Managed	5,915	861	-	0.0%	6,865	-
123,274	-	C&I	135,116	53,979	-2,037	-1.5%	283,663	-147
-	-	LGSS Operational	134	-	-	0.0%	2,025	-
-	-286	Outturn adjustment	-	-	2,037	-	-	-
255,503	**-**	**Total Spending**	**286,556**	**98,144**	**-0**	**0.0%**	**1,426,664**	**15,654**

Notes:

1. The 'Revised Budget' incorporates any changes in the funding available to what was originally budgeted. A breakdown of the use of the capital programme variations budget by service is shown in section 5.2.

2. The reported P&E capital figures do not include Greater Cambridge Partnership, which has a budget for 2018/19 of £23.1m and is currently forecasting a balanced budget at year-end

3. The 'Total Scheme Forecast Variance' reflects the forecast variance against budget of the total expenditure for all active capital schemes across all financial years



Note: The 'Revised Budget' incorporates any changes in the funding available to what was originally budgeted.

5.2 A summary of the use of capital programme variations budgets by services is shown below. As forecast underspends are reported, these are offset with a forecast outturn for the variation budget, leading to a balanced outturn overall up to the point when re-phasing exceeds this budget.

2018/19					
Service	**Capital Programme Variations Budget £000**	**Forecast Variance - Outturn (August) £000**	**Capital Programme Variations Budget Used £000**	**Capital Programme Variations Budget Used %**	**Revised Forecast Variance - Outturn (August) £000**
P&E	-14,931	-617	617	4.13%	0
P&C	-10,469	-7,275	7,275	69.50%	-0
CS	-951	0	0	0.00%	0
LGSS Managed	-1,479	0	0	0.00%	0
C&I	-33,963	-36,000	33,963	100.00%	-2,037
LGSS Operational	0	0	0	-	0
Outturn adjustment	-	-	-	-	2,037
Total Spending	**-61,793**	**-43,892**	**41,855**	**67.73%**	**-0**

5.3 Although there is a forecast in-year underspend in C&I, it is not currently thought that the position across the whole programme will be an underspend. However, it is not known where any balancing variances will occur, so an adjustment has been made to the outturn.

5.4 A more detailed analysis of current year key exceptions this month by programme for individual schemes of £0.25m or greater are identified below.

5.4.1 **Place & Economy:** a balanced budget is forecast at year-end.

	£m	%
• **Cambridgeshire Archives** – an in-year underspend of -£0.4m is forecast. This is based on a revised cashflow received from the contractor. The scheme is still expected to spend to the total budget allocated.	-0.4	(-14%)
• **Libraries** – an in-year underspend of -£1.2m is forecast across library schemes, which is an increase of -£0.7m on the underspend previously reported in July 2018. This is due to rephasing on the following scheme: o Community Hubs – Sawston: An in-year underspend of £0.7m is forecast. Due to a number of planning issues, this scheme has been delayed slightly but is expected to commence by the end of October 2018. The scheme is now projected to be completed in 2019-20.	-1.2	(-50%)
• **P&E Capital Variation –** as agreed by the Capital Programme Board, any forecast underspend in the capital programme is offset against the capital programme variations budget, leading to a balanced outturn overall. Therefore the net £0.6m underspend is balanced by use of the capital variations budget; this relates to the underspends on Cambridgeshire Archives and Libraries as above, plus a previously reported underspend on Huntingdon - West of Town Centre Link Road offset by previously reported in-year pressures on Ely Crossing and King's Dyke.	+0.6	(+4%)

- For full and previously reported details see the [P&E Finance & Performance Report](https://tinyurl.com/y9pg3hwl), https://tinyurl.com/y9pg3hwl.

5.4.2 **People & Communities:** a balanced budget is forecast at year-end.

	£m	%
• **Basic Need – Secondary** – an in-year underspend of -£6.6m is forecast, which is an increase of £4.1m on the underspend previously reported in July 2018. This is mainly due to rephasing on the following scheme: o Northstowe Secondary & Special has experienced rephasing of £4,700k in 2018-19 due to a requirement for piling foundations on the site, which will lead to an increase in total scheme cost and also extend the build time; also, enabling works are only being completed for the SEN provision and part of the Secondary school in 2018/19, which was not what was initially planned.	-6.6	(-18%)
• **P&C Capital Variation –** as agreed by the Capital Programme Board, any forecast underspend in the capital programme is offset against the capital programme variations budget, leading to a balanced outturn overall. Therefore the net £7.3m underspend is balanced by use of the capital variations budget; this is an increase of £3.9m on the use of variations budget reported last month and relates to the underspend on Basic Need – Secondary schemes as reported above.	+7.3	(+70%)

- For full and previously reported details see the P&C Finance & Performance Report, https://tinyurl.com/y6u4ek3e.

5.4.3 **Corporate Services:** a balanced budget is forecast at year-end. There are no exceptions to report this month; for full and previously reported details see the CS & LGSS Finance & Performance Report, https://tinyurl.com/y8okfshb.

5.4.4 **LGSS Managed:** a balanced budget is forecast at year-end. There are no exceptions to report this month; for full details and previously reported see the CS & LGSS Finance & Performance Report, https://tinyurl.com/y8okfshb.

5.4.5 **Commercial & Investment**: a -£2.0m (-1.5%) in-year underspend is forecast after the capital programme variations budget has been utilised in full.

	£m	%
• **Commercial Investments** – an in-year underspend of -£36m is forecast. The Council considers investment opportunities as they arise and has not been successful on all occasions; investments are made when the yield is in line with the Council's acquisitions strategy. The commercial acquisitions strategy is under review, taking account of latest government guidance. It is advantageous to the Council to coincide commercial investments with capital receipts, which are predominantly related to land values for sites transferred to This Land.	-36.0	(-47%)
• **C&I Capital Variation –** as agreed by the Capital Programme Board, any forecast underspend in the capital programme is offset against the capital programme variations budget, leading to a balanced outturn overall up to the point when re-phasing exceeds this budget. Therefore £34m of the above Commercial Investments underspend is balanced by full utilisation of the capital variations budget.	+34.0	(+100%)

- For full and previously reported details see the C&I Finance & Performance Report, https://tinyurl.com/yc3uu4dv. *(Please note that the C&I report will be available at the link above following the publication of the C&I Committee agenda.)*

5.4.6 **LGSS Operational:** a balanced budget is forecast at year-end. There are no exceptions to report this month; for full and previously reported details see the CS & LGSS Finance & Performance Report, https://tinyurl.com/y8okfshb.

5.5 A more detailed analysis of total scheme key exceptions this month by programme for individual schemes of £0.25m or greater are identified below:

5.5.1 **Place & Economy:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details see the P&E Finance & Performance Report, https://tinyurl.com/y9pg3hwl.

5.5.2 **People & Communities:** a +£15.8m (+2%) total scheme overspend is forecast. There are no exceptions to report this month; for full and previously reported details see the P&C Finance & Performance Report, https://tinyurl.com/y6u4ek3e.

5.5.3 **Corporate Services:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details see the CS & LGSS Finance & Performance Report, https://tinyurl.com/y8okfshb.

5.5.4 **LGSS Managed:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details see the CS & LGSS Finance & Performance Report, https://tinyurl.com/y8okfshb.

5.5.5 **Commercial & Investment**: a -£0.1m (-0%) total scheme underspend is forecast. There are no exceptions to report this month; for full and previously reported details see the C&I Finance & Performance Report, https://tinyurl.com/yc3uu4dv. *(Please note that the C&I report will be available at the link above following the publication of the C&I Committee agenda.)*

5.5.6 **LGSS Operational:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details see the CS & LGSS Finance & Performance Report, https://tinyurl.com/y8okfshb.

5.6 A breakdown of the changes to funding has been identified in the table below.

Funding Source	B'ness Plan Budget £m	Rolled Forward Funding[1] £m	Revised Phasing £m	Additional/ Reduction in Funding £m	Revised Budget £m	Outturn Funding £m	Funding Variance £m
Department for Transport (DfT) Grant	17.5	4.1	-0.4	2.4	**23.6**	23.6	-
Basic Need Grant	24.9	-	-	-	**24.9**	24.9	-
Capital Maintenance Grant	4.0	-	0.2	-	**4.2**	4.2	-
Devolved Formula Capital	1.0	0.7	-	-0.1	**1.6**	1.6	-
Specific Grants	6.5	4.4	-1.0	-	**9.9**	9.9	-
S106 Contributions & Community Infrastructure Levy	11.0	3.0	-0.5	-0.6	**12.8**	12.8	-
Capital Receipts	81.1	-	-16.0	-	**65.2**	45.1	-20.0
Other Contributions	12.1	-	-3.6	5.7	**14.1**	14.1	-
Revenue Contributions	-	-	-	-	**-**	-	-
Prudential Borrowing	97.3	92.3	-73.5	14.1	**130.2**	150.2	20.0
TOTAL	**255.5**	**104.5**	**-94.9**	**21.5**	**286.6**	**286.6**	**-**

[1] Reflects the difference between the anticipated 2017/18 year end position used at the time of building the initial Capital Programme budget, as incorporated within the 2018/19 Business Plan, and the actual 2017/18 year end position.

5.7 Key funding changes (of greater than £0.25m or requiring approval):

Funding	Service	Amount (£m)	Reason for Change
Addition/Reduction in Funding - other contributions	P&E	+£0.3	An additional £258k contribution is available for Street Lighting schemes. **General Purposes Committee is asked to note this additional funding.**
Addition/Reduction in Funding - other contributions	P&E	+£0.8	An additional £825k contribution is available for Challenge Fund schemes. **General Purposes Committee is asked to note this additional funding.**
Revised Phasing (Housing schemes)	C&I	-£41.1	Following a review of the loans in the Housing model, a change in the funding profile for Housing Schemes is required, reflecting timing and progress of planning permission and the impact on land valuations **General Purposes Committee is asked to approve the -£41.1m revised phasing in the funding profile of Housing Schemes.**
Revised Phasing (capital programme variations budget)	C&I	-£17.2	In 2016/17 the Capital Programme Board recommended that a 'Capital Programme Variations' line be included for each Service, which effectively reduces the capital programme budget. The C&I capital programme variations budget for 2018/19 has not previously included the Housing Schemes, but in light of the above change in funding profile the C&I capital variations budget has now been revised to include these, resulting in a -£17.2m budget change. The revised C&I capital variations budget has now been split between prudential borrowing and capital receipts in proportion to the associated funding sources of the C&I schemes. **General Purposes Committee is asked to approve the -£17.2m revised phasing of funding relating to changes in the C&I capital programme variations budget.**

5.8 In addition to the above funding changes for 2018/19, additional funding of £54k is requested in 2018/19 for Babraham Park & Ride Smart Energy Grid. This scheme relates to the development of a smart energy grid at the Babraham Park & Ride site with a view to generate income over the medium to longer term; the estimated 25 year net return is £24.5m. The outline business case was approved by the Commercial & Investment (C&I) Committee in May 2018; the report to C&I Committee can be found here. The full scheme budget will be submitted for approval as part of the 2019-20 Business Planning process; the 2018/19 funding requires GPC approval now to fund initial planning and design work. The scheme will be funded by borrowing; the annual cost of borrowing for this scheme (total borrowing £11.39m) will start in 2020/21 at £828k and decreases each year thereafter.

General Purposes Committee is asked to approve additional Prudential Borrowing of £54,000 in 2018/19 for the Babraham Park & Ride Smart Energy Grid.

5.9 In addition to the above funding changes for 2018/19, additional funding of £30k is requested in 2018/19 for Trumpington Park & Ride Smart Energy Grid. This scheme relates to the development of a smart energy grid at the Trumpington Park & Ride site with a view to generate income over the medium to longer term; the estimated 25 year net return is £7.0m. The outline business case was approved by the Commercial & Investment (C&I) Committee in May 2018; the report to C&I Committee can be found here. The full scheme budget will be submitted for approval as part of the 2019-20 Business Planning process; the 2018/19 funding requires GPC approval now to fund initial planning and design work. The scheme will be funded by borrowing; the annual cost of borrowing for this scheme (total borrowing £6.97m) will start in 2020/21 at £507k and decreases each year thereafter.

General Purposes Committee is asked to approve additional Prudential Borrowing of £30,000 in 2018/19 for the Trumpington Park & Ride Smart Energy Grid.

6. FUNDING CHANGES

6.1 As set out in the Scheme of Financial Management, General Purposes Committee (GPC) approval is required for any virement of budget between services exceeding £160k. The following virement therefore requires approval from GPC:

6.2 **Additional Support to Children's Services Budget**

Following the changes made in the medium term financial strategy relating to Council tax levels in the Spring, the Council has £3.413m held in the smoothing fund reserve in 2018-19. The Children and Young People (CYP) Committee recommends to the General Purposes Committee (GPC) that these funds are allocated towards pressures within the CYP domain of the People & Communities directorate on a one-off basis in 2018-19. Budget implications for April 2019 onwards are considered as part of the business planning process and ultimately agreed by full Council in February 2019.

GPC has previously received reports confirming the medium term approach to managing demand on the looked after children's placement budget as well as outlining the major change and restructuring programme underway in the service. The changes are evidence based and respond to a series of reviews over the past twelve months by Oxford Brooks University, OFSTED, and LGA peers. The outcome of the changes will be easier referrals into the council's contact centre, social work teams based in districts led by non-case holding team managers who can provide more support and challenge, lower caseloads for social workers overall, with more resilience built in to larger teams, two dedicated teams focussed on adolescents, and more Child Practitioners focussed on working with children in need and able to undertake more sustained and in depth work.

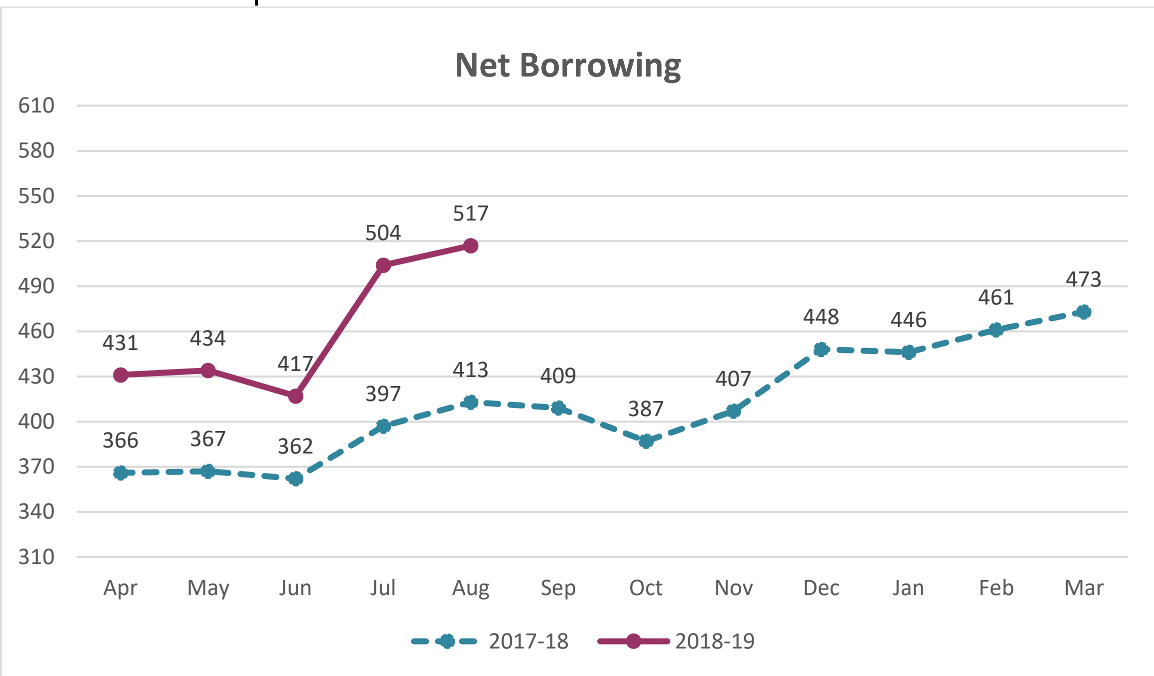
To recognise that these changes are focused on making radical improvements to service, and not at delivering an immediate financial saving, an allocation from the smoothing fund reserve at this point would allow the change to start with a clean sheet. The smoothing reserve was set up specifically to deal with likely increased demand, particularly in services dealing with the most vulnerable. Agreement to make this allocation recognises that the changes will take time to embed, but gives the service the headroom it needs to work on measures which aim to reduce numbers of children needing to come into council care in the coming three years

General Purposes Committee is requested to approve the allocation of £3.413m from the smoothing fund reserve towards pressures in children's services budgets in 2018-19.

7. BALANCE SHEET

7.1 A more detailed analysis of prompt payment and debt management balance sheet health issues will be included once this reporting has been developed following the transition to the new financial system.

7.2 The graph below shows net borrowing (borrowings less investments) on a month by month basis and compares the position with the previous financial year. The levels of investments at the end of August 2018 were £35.84m (excluding 3rd party loans) and gross borrowing was £552.78m. Of this gross borrowing, it is estimated that £114.83m relates to borrowing for Invest to Save or Invest to Earn schemes, including loans we have issued to 3rd parties in order to receive a financial return.



7.3 The Treasury Management Strategy Statement (TMSS) sets out the plan for treasury management activities over the year. It identifies the expected levels of borrowing and investments based upon the Council's financial position and forecast capital programme. When the 2018-19 TMSS was set in February 2018, it was anticipated that net borrowing would reach £683m at the end of this financial year. Net borrowing at the beginning of this financial year as at 1st April 2018 was £473m, this reduced to £431m at the end of April 2018 thus starting at a lower base than originally set out in the TMSS (£683m). This is to be reviewed as the year progresses and more information is gathered to establish the full year final position.

7.4 From a strategic perspective, the Council is currently reviewing options as to the timing of any potential borrowing and also the alternative approaches around further utilising cash balances and undertaking shorter term borrowing which could potentially generate savings subject to an assessment of the interest rate risks involved.

7.5 Although there is a link between the capital programme, net borrowing and the revenue budget, the Debt Charges budget is impacted by the timing of long term borrowing decisions. These decisions are made in the context of other factors including, interest rate forecasts, forecast levels of cash reserves and the borrowing requirement for the Council over the life of the Business Plan and beyond.

7.6 The Council's cash flow profile varies considerably during the year as payrolls and payment to suppliers are made, and grants and income are received. Cash flow at the beginning of the year is typically stronger than at the end of the year as many grants are received in advance.

7.7 Further detail around the Treasury Management activities can be found in the latest Treasury Management Report (https://tinyurl.com/yc7cu9ar).

7.8 The Council's reserves include various earmarked reserves (held for specific purposes), as well as provisions (held for potential liabilities) and capital funding. A schedule of the Council's reserves and provisions can be found in Appendix 2.

8. ALIGNMENT WITH CORPORATE PRIORITIES

8.1 Developing the local economy for the benefit of all

There are no significant implications for this priority.

8.2 Helping people live healthy and independent lives

There are no significant implications for this priority.

8.3 Supporting and protecting vulnerable people

There are no significant implications for this priority.

9. SIGNIFICANT IMPLICATIONS

9.1 Resource Implications

This report provides the latest resources and performance information for the Council and so has a direct impact.

9.2 Procurement/Contractual/Council Contract Procedure Rules Implications

There are no significant implications within this category.

9.3 Statutory, Legal and Risk Implications

There are no significant implications within this category.

9.4 Equality and Diversity Implications

There are no significant implications within this category.

9.5 Engagement and Consultation Implications

No public engagement or consultation is required for the purpose of this report.

9.6 Localism and Local Member Involvement

There are no significant implications within this category.

9.7 Public Health Implications

There are no significant implications within this category.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Name of Financial Officer: Chris Malyon
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by Finance?	No Name of Legal Officer: Not applicable
Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?	No Name of Legal Officer: Not applicable
Have the equality and diversity implications been cleared by your Service Contact?	No Name of Officer: Not applicable
Have any engagement and communication implications been cleared by Communications?	No Name of Officer: Not applicable
Have any localism and Local Member involvement issues been cleared by your Service Contact?	No Name of Officer: Not applicable
Have any Public Health implications been cleared by Public Health	No Name of Officer: Not applicable

Source Documents	Location
P&E Finance & Performance Report (August 18) P&C Finance & Performance Report (August 18) PH Finance & Performance Report (August 18) CS and LGSS Cambridge Office Finance & Performance Report (August 18) C&I Finance & Performance Report (August 18) Performance Management Report & Corporate Scorecard (August 18) Capital Monitoring Report (August 18)	1st Floor, Octagon, Shire Hall, Cambridge

APPENDIX 1 – transfers between Services throughout the year (only virements of £1k and above (total value) are shown below)

	P&C	Public Health	P&E	CS Financing	Corporate Services	LGSS Managed	C&I	LGSS Op	Financing Items
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Opening Cash Limits as per Business Plan	239,124	629	41,428	25,983	7,207	11,126	-8,188	8,871	33,685
Post BP adjustments	208				203	58	-433	-36	
Greater Cambridge Partnership budgets not reported in CCC budget					-863				
Use of earmarked reserves for Community Transport			84						-84
Cleaning contract savings transfer					36		-36		
Organisational structure review	-70				70				
Use of earmarked reserves for Community Transport			211						-211
Funding from General Reserves for Children's services reduced grant income expectation as approved by GPC	295								-295
Funding from General Reserves for New Duties – Leaving Care as approved by GPC	390								-390
Unspent Combined Authority contribution budget transfer to CCC Finance Office to cover cost of Community Transport Audit investigation			-43		43				
Grand Arcade shop rental income transfer from Libraries to Property Services			50				-50		
Use of Smoothing Fund Reserve for P&C	3,413								-3,413
Current budget	**243,359**	**629**	**41,730**	**25,983**	**6,696**	**11,184**	**-8,707**	**8,835**	**29,292**
Rounding	2	0	0	0	-1	-1	1	0	0

APPENDIX 2 – Reserves and Provisions

Fund Description	Balance at 31 March 2018	2018-19 Movements in 2018-19	2018-19 Balance at 31 August 2018	Forecast Balance 31 March 2019	Notes
	£000s	£000s	£000s	£000s	
General Reserves					
- County Fund Balance	13,392	2,568	15,960	11,052	
- Services					Service reserve balances transferred to General Fund after review
1 P&C	0	0	0	0	
2 P&E	0	0	0	0	
3 CS	0	0	0	0	
4 LGSS Operational	0	0	0	0	
subtotal	13,392	2,568	15,960	11,052	
Earmarked					
- Specific Reserves					
5 Insurance	3,175	118	3,293	3,293	
subtotal	3,175	118	3,293	3,293	
- Equipment Reserves					
6 P&C	64	0	64	64	
7 P&E	30	0	30	0	
8 CS	30	0	30	3	
9 C&I	680	0	680	0	
subtotal	804	0	804	67	
Other Earmarked Funds					
10 P&C	514	0	514	514	
11 PH	2,567	0	2,567	2,069	
12 P&E	5,382	-279	5,103	3,780	Includes liquidated damages in respect of the Guided Busway
13 CS	2,628	-186	2,442	2,865	
14 LGSS Managed	63	0	63	0	
15 C&I	552	106	658	658	
16 Transformation Fund	21,877	7,591	29,468	19,118	Savings realised through change in MRP policy
17 Innovate & Cultivate Fund	844	-66	778	446	
18 Smoothing Fund	0	3,413	3,413	0	This table has been presented on the basis that the £3.413m draw down recommended in section 6.2 is approved.
subtotal	34,427	10,579	45,006	29,450	
SUB TOTAL	**51,799**	**13,265**	**65,064**	**43,863**	
Capital Reserves					
- Services					
18 P&C	778	0	778	778	
19 P&E	10,200	14,164	24,364	1,000	
20 LGSS Managed	0	0	0	0	
21 C&I	0	28,925	28,925	0	
22 Corporate	43,561	14,016	57,576	45,528	Section 106 and Community Infrastructure Levy balances.
subtotal	54,539	57,105	111,643	47,306	
GRAND TOTAL	**106,338**	**70,369**	**176,707**	**91,169**	

In addition to the above reserves, specific provisions have been made that set aside sums to meet both current and long term liabilities that are likely or certain to be incurred, but where the amount or timing of the payments are not known. These are:

Fund Description		Balance at 31 March 2018	2018-19		Forecast Balance 31 March 2019	Notes
			Movements in 2018-19	Balance at 31 August 2018		
		£000s	£000s	£000s	£000s	
- Short Term Provisions						
1	P&E	55	0	55	0	
2	P&C	200	0	200	200	
3	CS	0	0	0	0	
4	LGSS Managed	3,460	0	3,460	3,460	
5	C&I	0	0	0	0	
	subtotal	3,715	0	3,715	3,660	
- Long Term Provisions						
6	LGSS Managed	3,613	0	3,613	3,613	
	subtotal	3,613	0	3,613	3,613	
GRAND TOTAL		**7,328**	**0**	**7,328**	**7,273**	

Agenda Item No: 6

MOBILE PHONE PROCUREMENT

To:	**General Purposes Committee**
Meeting Date:	**23rd October 2018**
From:	**Mark Salisbury: Head of IT Commercial Management and Strategic Sourcing**
Electoral division(s):	**All**
Forward Plan ref:	**2018/071** *Key decision:* **Yes**
Purpose:	**To set out the background to the procurement of a new mobile phone contract for LGSS partners through Cambridgeshire County Council.**
Recommendations:	**General Purposes Committee is recommended to:**

a) consent to the procurement of a new mobile phone contract; and

b) delegate the decision to award the contract to the LGSS Director of IT in consultation with the Chairman of the General Purposes committee.

	Officer contact:		***Member contact:***
Name:	Kevin Halls	Name:	Councillors Count & Hickford
Post:	LGSS IT Supply & Contract Manager	Post:	Chair/Vice-Chair
Email:	Kevin.Halls@Cambridgeshire.gov.uk	Email:	Steve.count@cambridgeshire.gov.uk Roger.hickford@cambridgeshire.gov.uk
Tel:	01223 699636	Tel:	01223 706398

1. BACKGROUND

1.1 In February 2015 LGSS awarded a mobile phone contract for LGSS partners through Cambridgeshire County Council on a three year term with an optional additional one year extension. This was let under CCS Framework RM1498 Lot 6. As part of this contract the County Council's mobile telephony budgets were centralised into one LGSS Managed mobile telephony budget. This contract delivered £303,000 of savings which were taken as part of the centralisation of the telephony budgets.

1.2 The contract as it was let allows other LGSS Partners and Customers to utilise the contract through Cambridgeshire. This is offered on a Pay as you Use basis with each of the partners paying for the services that they take. These are billed by Cambridgeshire to each of the partners that take services.

1.3 Currently the contract spend for just usage is £324,000 per annum. This is split across Cambridgeshire County Council, Northamptonshire County Council, Northampton Borough Council, Norwich City Council, Northamptonshire Fire and Rescue Service, The Education ICT Service and Milton Keynes Council.

1.4 Cambridgeshire County Council's base contribution is £96,746 which is 29% of total cost and is proportionate to the County Council's usage. Additional recharges with traded services such as the Education ICT Service, Children's Centres and Public Health, all of which were not part of the budget centralisation process, come to a value of approximately £44,000 (13%).

1.5 Collectively this represents 42% of the overall contract costs. Cambridgeshire County Council organisations currently use 9,742 connections on the contract out of a total number of 20,850 connections across the whole contract which represents 46% of the overall connections.

1.6 In addition to the savings that were delivered the contract has provided the flexibility to allow connections to a range of devices from phones and laptops to CCTV and parking meters.

1.7 Given the success of the current contract format it is intended to go to market to procure like for like services with additional tiers added to account for any potential growth in the contract.

2. MAIN ISSUES

2.1 The one year extension was taken in February 2018 which means that the current mobile phone contract is due to come to an end in February 2019. As the optional extension has already been taken there is a legal requirement to go to the market for a new contract. Should there be any delays in awarding the new contract, or if there is a transition requirement from the old to the new contract, the current contracted services would be allowed to continue on a rolling monthly basis while this process is completed. However, we would work to avoid the continuance of the current contract given the risk of challenge from other suppliers and the potential for cost increases from our current supplier.

2.2 As the current contract delivered a 78% saving against the previous costs of mobile telephony it is not anticipated that there will be much opportunity for additional savings on the new contract. We know that the current contract has been used as an exemplar by other organisations and the best that they have been able to achieve is a price match. We would aim though for the new contract to be competitively priced.

2.3 Whilst we may not be able to secure further savings on the new contract we do intend to use the opportunity to ask potential suppliers to provide details on how changes in technology will deliver further benefits to the Council and our partners. This will help drive down costs and increase productivity through increased use of mobile technology to support flexible working. We would also want to secure access to current technology like 5G and Wi-Fi calling.

2.4 It is expected that the cost of the contract will be up to £450,000 per annum across all partners. This is based on the completion of the full migration of Milton Keynes Council, the addition of Northamptonshire Healthcare NHS Foundation Trust and the potential addition of any new LGSS stakeholders or customers. As new customers are brought on board they are given a cost of joining the service. This is calculated on number of connections and handsets that will be added to the contract. This ensures that the income stream increases appropriately to match the anticipated increase in costs. We are seeking permission to go to market for a three year contract with an option for an additional one year extension. This will take the total contract value up to a maximum of £1,800,000.

2.5 To ensure we have a contract in place before the end of February 2019 we will utilise Crown Commercial Services Framework PSN Services Contract ID: RM1045 lot 6 to procure the new contract. This Framework is a direct replacement for RM1498 which was originally used to procure. The average time to compete procurement on an established framework is 6-8 weeks.

<u>Anticipated Timeline</u>

GPC Approval	23rd October
Release Request for Quotation Documentation	25th October
Opportunity for Questions and Responses	8th November
Completed Request For Quotations returned	22nd November
Scoring of Responses and Moderation	29th November
Announcement of Preferred Supplier	30th November
Decision to Award	30th November
Stand Still Period	14th December
Contract Commencement	15th December

3. ALIGNMENT WITH CORPORATE PRIORITIES

3.1 Developing the local economy for the benefit of all

As part of the procurement the bidders will be asked to indicate how they will benefit the local economy. The current incumbent (Vodafone) have invested heavily in the local infrastructure helping to improve mobile coverage within the county. This has provided benefits to the local economy in enabling organisations to leverage this technology.

3.2 Helping people live healthy and independent lives

The improved 3G/4G and 5G infrastructure will continue to support the work carried out by Connecting Cambridgeshire to increase connectivity throughout the county.

3.3 Supporting and protecting vulnerable people

The adoption of flexible working practices has enabled officers to work more efficiently and has supported innovation. Allowing access to systems remotely and allowing more time in the field.

4. SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

The following bullet points set out the resource implications:

- Financially we would expect there to be no significant variance on the current contracted commitments.
- Services are procured based on tiered bands of usage. As organisations join the contract, and add to the overall usage, the charges paid to use the contract by these new organisations cover the additional costs incurred. If an organisation chooses to leave the contract the overall usage would decrease and therefore the charges would drop to a lower banding without any impact on the charges to the remaining organisations within the contract. The costs can drop to the lowest tier of costs within a contract of this nature. The costs for this lowest tier are below the volumes used by Cambridgeshire County Council on its own. This ensures that there are no financial risks to Cambridgeshire County Council of standing up the contract even if organisations so choose to leave the contract.
- A change of supplier would require all staff currently using a mobile enabled device to change the sim card in that device.
- If a new supplier is selected to avoid running multiple mobile contracts all specialist devices such as parking meters and traffic signals would need to be changed over to the new contract via manually changing the mobile sim card.
- Conversely there will be an overhead if any new customers are on alternative networks to the successful bidder. It is expected that these overheads would be jointly shared by the supplier and the customer with no additional financial impact to the contract.
- Bidders will be asked to explain how they would approach the migration of customers onto their network and how they would ensure that the impact on the customer is minimised.

4.2 Procurement/Contractual/Council Contract Procedure Rules Implications

This contract opportunity would be run as a mini competition under Crown Commercial Services Framework PSN Services Contract ID: RM1498 lot 6.

4.3 Statutory, Legal and Risk Implications

There are no significant implications within this category.

4.4 Equality and Diversity Implications

There are no significant implications within this category.

4.5 Engagement and Communications Implications

There are no significant implications within this category.

4.6 Localism and Local Member Involvement

There are no significant implications within this category.

4.7 Public Health Implications

There are no significant implications within this category.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Name of Financial Officer: Tom Kelly
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?	Yes Name of Officer: Gus de Silva
Has the impact on statutory, legal and risk implications been cleared by LGSS Law?	Yes Name of Legal Officer: Karen White
Have the equality and diversity implications been cleared by your Service Contact?	N/A
Have any engagement and communication implications been cleared by Communications?	Yes Name of Officer: Christine Birchall
Have any localism and Local Member involvement issues been cleared by your Service Contact?	N/A
Have any Public Health implications been cleared by Public Health	N/A

Source Documents	Location
None	Not applicable

Agenda Item No:7

SERVICE COMMITTEE REVIEW OF DRAFT REVENUE BUSINESS PLANNING PROPOSALS FOR 2019-20 TO 2023-24

To:	**General Purposes Committee**
Meeting Date:	**23 October 2018**
From:	**Gillian Beasley, Chief Executive** **Chris Malyon: Chief Finance Officer**
Electoral division(s):	**All**
Forward Plan ref:	**Not applicable** *Key decision:* **No**
Purpose:	**This report provides the Committee with an overview of the draft Business Plan Revenue Proposals for services that are within the remit of the General Purposes Committee.**
Recommendation:	**The Committee is requested to:**

a) note the overview and context provided for the 2019-20 to 2023-24 Business Plan revenue proposals for the Service.

b) comment on the draft revenue proposals that are within the remit of the General Purposes Committee for 2019-20 to 2023-24.

	Officer contact:		***Member contact:***
Name:	Gillian Beasley/Chris Malyon	Name:	Councillors Count & Hickford
Post:	Chief Executive/ Deputy Chief Executive	Post:	Chair/Vice-Chair
Email:	Gillian.Beasley@cambridgeshire.gov.uk Chris.malyon@cambridgeshire.gov.uk	Email:	Steve.count@cambridgeshire.gov.uk Roger.hickford@cambridgeshire.gov.uk
Tel:	01223 729051 01223 699796	Tel:	01223 706398

1. OVERVIEW

1.1 The Council's Business Plan sets out how we will spend the resources we have at our disposal to achieve our vision and priorities for Cambridgeshire, and the outcomes we want for people.

1.2 To ensure we deliver this agenda, our focus is always on getting the maximum possible value for residents from every pound of public money we spend and doing things differently to respond to changing needs and new opportunities. The Business Plan therefore sets out how we aim to provide better public services and achieve better results for communities whilst responding to the challenge of reducing resources.

1.3 Like all Councils across the country, we are facing a major challenge. Demand is increasing and funding is reducing at a time when the cost of providing services continues to rise significantly due to inflationary and demographic pressures. Through our FairDeal4Cambs campaign we are currently linking with the 39 Shire County areas who make up membership of the County Council's Network and who are raising the issue of historic underfunding of Shire Counties with our MPs and through them with Government. As the fastest growing County in the country this financial challenge is greater in Cambridgeshire than elsewhere. We have already delivered £186m of savings over the last five years and have a strong track record of value for money improvements which protect front line services to the greatest possible extent. However we know that there will be diminishing returns from existing improvement schemes and that the substantial pressure on public finances remains. It is therefore clear that we need to work more closely with local communities to help them help themselves as well as going further and faster in redesigning the way we commission and deliver services.

1.4 As such our Business Plan recognises the scale of change needed and proposes a significant programme of change across our services, with our partners and, crucially, with our communities. To support this we have a dedicated transformation fund, providing the resource needed in the short term to drive the change we need for the future.

1.5 As the scope for traditional efficiencies diminishes our plan is increasingly focused on a range of more fundamental changes to the way we work. Some of the key themes driving our thinking are:

- Income and Commercialisation - identifying opportunities to bring in new sources of income which can fund crucial public services without raising taxes significantly and to take a more business-like approach to the way we do things in the council.

- Strategic Partnerships – acting as ‘one public service’ with our partner organisations in the public sector and forming new and deeper partnerships with communities, the voluntary sector and businesses. The aim being to cut out duplication and make sure every contact with people in Cambridgeshire delivers what they need now and might need in the future.

- Demand Management – working with people to help them help themselves or the person they care for e.g. access to advice and information about local support and access to assistive technology. Where public services are needed ensuring support is made available early so that people’s needs don’t escalate to the point where they need to rely heavily on public sector support in the long term– this is about supporting people to remain as healthy and independent as possible for as long as possible.

- Commissioning – ensuring all services that are commissioned to deliver the outcomes people want at the best possible price – getting value for money in every instance.

- Modernisation – ensuring the organisation is as efficient as possible and as much of the Council’s budget as possible is spent on front line services and not back office functions taking advantage of the latest technologies and most creative and dynamic ways of working to deliver the most value for the least cost.

1.6 The Council continues to undertake financial planning of its revenue budget over a five year period which creates links with its longer term financial modelling and planning for growth. This paper presents an overview of the proposals being put forward as part of the Council’s draft revenue budget, with a focus on those which are relevant to this Committee. Increasingly the emerging proposals reflect joint proposals between different directorate areas and more creative joined up thinking that recognise children live in families and families live in communities, so many proposals will go before multiple Committees to ensure appropriate oversight from all perspectives.

1.7 Funding projections have been updated based on the latest available information to provide a current picture of the total resource available to the Council. At this stage in the year, however, projections remain fluid and will be reviewed as more accurate data becomes available.

1.8 Equally as our proposals become more ambitious and innovative, in many instances they become less certain. Some proposals will deliver more or less than anticipated, equally some may encounter issues and delays and others might be accelerated if early results are promising. To manage this we need to incorporate some changes to our business planning approach, specifically;

- We want to develop proposals which exceed the total savings/income requirement – so that where some schemes fall short they can be mitigated by others and we can manage the whole programme against a bottom-line position

- We aim to establish a continual flow of new proposals into the change programme – moving away from a fixed cycle to a more dynamic view of new thinking coming in and existing schemes and estimates being refined

- A managed approach to risk – with clarity for members about which proposals have high confidence and certainty and which represent a more uncertain impact

1.9 The Committee is asked to comment on these initial proposals for consideration as part of the Council's development of the Business Plan for the next five years. Draft proposals across all Committees will continue to be developed over the next few months to ensure a robust plan and to allow as much mitigation as possible against the impact of these savings. Therefore these proposals may change as they are developed or alternatives found.

1.10 Committees will receive an update to the revenue business planning proposals in December at which point they will be asked to endorse the proposals to GPC as part of the consideration for the Council's overall Business Plan.

2. BUILDING THE REVENUE BUDGET

2.1 Changes to the previous year's budget are put forward as individual proposals for consideration by committees, General Purposes Committee and ultimately Full Council. Proposals are classified according to their type, as outlined in the attached Table 3, accounting for the forecasts of inflation, demand pressures and service pressures, such as new legislative requirements that have resource implications, as well as savings.

2.2 The process of building the budget begins by identifying the cost of providing a similar level of service to the previous year. The previous year's budget is adjusted for the Council's best forecasts of the cost of inflation, the cost of changes in the number and level of need of service users (demand) and proposed investments. Should services have pressures, these are expected to be managed within that service where possible, if necessary being met through the achievement of additional savings or income. If it is not possible, particularly if the pressure is caused by legislative change, pressures are considered corporately. It should be noted, however, that there are no additional resources and therefore this results in an increase in the level of savings that are required to be found across all Council Services. The total expenditure level is compared to the available funding and, where this is insufficient to cover expenditure, the difference is the savings/income requirement to be met through transformational change, and or, savings projects in order to achieve a set of balanced proposals.

2.3 The budget proposals being put forward include revised forecasts of the expected cost of inflation following a detailed review of inflation across all services at an individual budget line level. Inflation indices have been updated using the latest available forecasts and applied to the appropriate budget lines. Inflation can be broadly split into pay, which accounts for inflationary costs applied to employee salary budgets, and non-pay, which covers a range of budgets, such as energy, waste, etc. as well as a standard level of inflation based on government Consumer Price Index (CPI) forecasts. All inflationary uplifts require robust justification and as such general inflation was assumed to be 0%. Key inflation indices applied to budgets are outlined in the following table:

Inflation Range	2019-20	2020-21	2021-22	2022-23	2023-24
Standard non-pay inflation	1.8%	1.9%	2.0%	2.0%	2.0%
Other non-pay inflation (average of multiple rates)	3.1%	2.2%	2.5%	2.4%	2.4%
Pay (admin band)	2.0%	1.0%	1.0%	1.0%	1.0%
Pay (management band)	1.0%	1.0%	1.0%	1.0%	1.0%

2.4 Forecast inflation, based on the above indices, is as follows:

Service Block	2019-20	2020-21	2021-22	2022-23	2023-24
People and Communities (P&C)	3,010	2,692	2,697	2,699	2,699
Economy, Transport and Environment (P&E)	1,107	1,105	1,150	1,190	1,228
P&E (Waste Private Finance Initiative)	101	34	38	39	39
Public Health	16	18	18	19	19
Corporate and Managed Services	403	401	401	401	401
LGSS Operational	137	120	120	120	120
Total	**4,774**	**4,370**	**4,424**	**4,468**	**4,506**

2.5 A review of demand pressures facing the Council has been undertaken. The term demand is used to describe all anticipated demand changes arising from increased numbers (e.g. as a result of an ageing population, or due to increased road kilometres) and increased complexity (e.g. more intensive packages of care as clients age). The demand pressures calculated are:

Service Block	2019-20 £'000	2020-21 £'000	2021-22 £'000	2022-23 £'000	2023-24 £'000
People and Communities (P&C)	8,326	8,847	9,011	10,385	10,621
Economy, Transport and Environment (P&E)	567	344	351	359	366
Total	**8,893**	**9,191**	**9,362**	**10,744**	**10,987**

2.6 The Council is facing some cost pressures that cannot be absorbed within the base funding of services. Some of the pressures relate to costs that are associated with the introduction of new legislation and others as a direct result of contractual commitments. These costs are included within the revenue tables considered by service committees alongside other savings proposals and priorities:

Service Block / Description	2019-20 £'000	2020-21 £'000	2021-22 £'000	2022-23 £'000	2023-24 £'000
New Pressures Arising in 19-20					
P&C: Looked After Children Placements	2,700				
P&C: Supervised contact (numbers of children)	235	-35			
P&C: Independent reviewing officers (numbers of children)	85		-85		
P&C: New duties – leaving care	390				
P&C: Children's services reduced grant income expectation	295				
P&C: Education Directorate pressure	148				
P&C: Home to School Transport Special	750				
C&I: Closure of Cambridgeshire Catering & Cleaning Services	479				
C&I: Traded services to Schools	250				
Existing Pressures Brought Forward					
P&C: Fair Cost of Care and Placement Costs		1,000	2,000	1,000	
P&C: Impact of National Living Wage on Contracts	2,561	3,367	3,185	2,324	
P&C: Dedicated Schools Grant Contribution to Combined Budgets	3,079				
P&C: Pressures from 18/19 in Adult Social Care	2,000				
P&E: Libraries to serve new developments		49			
P&E: Minerals and Waste Local Plan		-54	-54		
P&E: Archives Centre	78				
P&E: Guided Busway Defects	200	-1,300			
CS: Disaster Recovery facility for critical business systems	41				
Impact of Local Government Pay offer on CCC Employee Costs (combined)	409	174	174		
CS: De-capitalisation of rolling laptop refresh	1,100				
C&I: Renewable energy – Soham	5	4	5	40	
Total	**14,805**	**3,205**	**5,225**	**3,364**	**-**

3. SUMMARY OF THE DRAFT REVENUE BUDGET

3.1 In order to balance the budget in light of the cost increases set out in the previous section and reduced Government funding, savings or additional income of £33.0m are required for 2019-20, and a total of £62m across the full five years of the Business Plan. The following table shows the total level of savings necessary for each of the next five years, the amount of savings attributed from identified savings and the residual gap for which saving or income has still to be found:

Service Block	2019-20 £'000	2020-21 £'000	2021-22 £'000	2022-23 £'000	2023-24 £'000
Total Saving Requirement	38,509	7,989	5,368	7,822	3,151
Identified Savings	-14,178	347	-1,438	246	-
Identified additional Income Generation	-2,826	502	-123	10	-
Residual Savings to be identified	**21,505**	**8,838**	**3,807**	**8,078**	**3,151**

3.2 As the table above shows there is still a significant level of savings or income to be found in order to produce a balanced budget for 2019-20. While actions are being taken to close the funding gap, as detailed below, it must be acknowledged that the proposals already identified are those with the lower risk and impact profiles and the further options being considered are those considered less certain, or with greater impact.

3.3 The actions currently being undertaken to close the gap are:

- Reviewing all the existing proposals to identify any which could be pushed further – in particular where additional investment could unlock additional savings

- Identifying whether any longer-term savings can be brought forward

- Reviewing the full list of in-year and 2019-20 pressures – developing mitigation plans wherever possible to reduce the impact of pressures on the savings requirement

- Bringing more ideas into the pipeline – this work will continue to be led across service areas - recognising that it is the responsibility of all areas of the Council to keep generating new proposals which help meet this challenge.

3.4 There are also a number of risks or assumptions which are not included in the numbers above, or accompanying tables. These will be incorporated (as required) as the Business Plan is developed and the figures can be confirmed:

- The Business Plan includes a combined pressure relating to the increase in the National Living Wage however the apportionment of this pressure between service areas has not been confirmed. Additionally, the size of this pressure is likely to change following an update of establishment information in the Autumn.

- The result of schools funding reforms, in particular the control of the Dedicated Schools Grant shifting further toward individual schools, is still under discussion and the significant current pressure will be updated as the outcome of this discussion becomes clear.

- Movement in current year pressures – Work is ongoing to manage our in-year pressures downwards however any change to the out-turn position of the Council will impact the savings requirement in 2019-20. This is particularly relevant to demand led budgets such as children in care or adult social care provision.

- Due to the level of reduction in Government grants in later years the Council did not take the multi-year settlement offered as part of the 2015 Spending Review. The settlement included a negative allocation of Revenue Support Grant for the Council in 2019/20. There has been a recent consultation regarding Negative Revenue Support Grant however the outcome will not been known until the provisional local finance settlement in mid-December. Our business plan currently makes a prudent assumption of a £7m negative RSG allocation in 2019/20 as proposed in the 2015 Spending Review. The Government's preferred treatment is to eliminate negative RSG using the central share of business rate receipts.

- From 2020/21, local authorities will retain 75% of business rates, the tier split of business rates between Counties and Districts is subject to change, and the funding baselines for local authorities will be reassessed. There is therefore a significant level of uncertainty around the accuracy of our funding assumptions from 2020/21 onwards. The Council's future funding position will remain unclear until Government provides an indicative allocation of business rates in Spring 2019.

3.5 In some cases services have planned to increase income to prevent a reduction in service delivery. For the purpose of balancing the budget these two approaches have the same effect and are treated in the same way.

3.6 This report forms part of the process set out in the Medium Term Financial Strategy whereby the Council updates, alters and refines its revenue and capital proposals in line with new savings targets. New proposals are developed across Council to meet any additional savings requirement and all existing schemes are reviewed and updated before being presented to service committees for further review during December.

3.7 The level of savings required is based on a 1.99% increase in general Council tax and an additional 2% increase through levying the Adults Social Care precept. It should be noted that the Government has only confirmed that ASC precept will be available up to and including 2019-20. For each 1% more or less that Council Tax is changed, the level of savings required will change by approximately +/-£2.5m.

3.8 There is currently a limit on the increase of Council Tax to 2.99%, above which approval must be sought from residents through a positive vote in a local referendum. This presents the Council with the option to increase Council tax by a further 1%. It is estimated that the cost of holding a referendum for increases above 2.99% would be around £100k, rising to as much as £500k should the public reject the proposed tax increase (as new bills would need to be issued).

3.9 Following October, November and December service committees, GPC will review the overall programme in December, before recommending the programme in January as part of the overarching Business Plan for Full Council to consider in February.

4. OVERVIEW OF GENERAL PURPOSES COMMITTEE'S DRAFT REVENUE PROGRAMME

4.1 As well as providing overall oversight of the whole of the County Council's business plan, General Purposes Committee acts as the service committee for the Council's corporate services and any business planning proposals relating to our Local Government Shared Services (LGSS) arrangement.

4.2 The paragraphs below provide an overview of the draft 2019/20 business planning proposals within the remit of the General Purposes Committee. In each case the reference to the business planning table is included along with the anticipated level of financial saving or additional income. It is important for the Committee to note that the proposals and figures are draft at this stage and that work on the business cases is ongoing. Updated proposals will be presented to Committee again in November and December at which point business cases and the associated impact assessments will be final for the Committee to endorse.

4.3 Additional investment is required to deliver transformation at this scale and the programme of savings described below will need to be supported by resource agreed through the Council's Transformation fund process. A report will be prepared for General Purposes Committee detailing the additional resource requirements, the associated savings and therefore the return on investment. This report will go to the November meeting of General Purposes Committee.

5. SUMMARY OF PROPOSALS:

5.1 **D/R.6.999 LGSS Additional Ask (-919,000 in 19/20)**
This programme seeks to maximise the full potential savings from the shared service model partnership with LGSS. This follows an overall review of the service provided by LGSS to see where savings can be made, efficiencies generated, services streamlined or processes improved. This has resulted in an additional LGSS savings target of £919,000 in 2019/20, of which £96,000 will be from an additional saving from the introduction of the ERP Gold project and £823,000 from a reduction in service which is yet to be identified.

5.2 **C/R.7.101 - Council Tax: Increasing Contributions (-200,000 in 19/20)**
This programme will seek to work with Cambridgeshire's District Councils to identify the best possible activities to drive up increased Council Tax payments, of which 70% come to the County Council. Based upon discussions with District Councils, a project will be initiated to identify residents who are incorrectly paying less Council tax than they should be, notifying and billing them appropriately and bringing in additional revenue. The amount raised would be dependent upon the number of residents who could be successfully targeted but previous drives around Single Person Discounts indicate that this could raise in the order of £200,000.

6 LONGER TERM TRANSFORMATION TO CREATE A SUSTAINABLE SERVICE MODEL

6.1 This programme of work includes innovative approaches that will improve outcomes whilst continuing to deliver a further level of efficiency and significant savings.

6.2 A Transformation resource was established in 2016 to enable investment in longer term initiatives, identifying opportunities where better outcomes can be delivered at reduced cost and demand for services can be reduced. To date, savings of £9.7m have been released as a result of services using this resource.

7. NEXT STEPS

7.1 The high level timeline for business planning is shown in the table below.

November	Service Committees will review draft proposals again, for recommendation to General Purposes Committee
December	General Purposes Committee will consider the whole draft Business Plan for the first time
January	General Purposes Committee will review the whole draft Business Plan for recommendation to Full Council
February	Full Council will consider the draft Business Plan

8. SIGNIFICANT IMPLICATIONS

8.1 **Resource Implications**
The proposals set out the response to the financial context described in section 4 and the need to change our service offer and model to maintain a sustainable budget. The full detail of the financial proposals and impact on budget is described in the financial tables of the business plan, attached as an appendix. The proposals seek to ensure that we make the most effective use of available resources and are delivering the best possible services given the reduced funding.

8.2 **Procurement/Contractual/Council Contract Procedure Rules Implications**
There are no significant implications for the proposals set out in this report.

8.3 **Statutory, Legal and Risk implications**
The proposals set out in this report respond to the statutory duty on the Local Authority to deliver a balanced budget. Cambridgeshire County Council will continue to meet the range of statutory duties for supporting our citizens.

8.4 **Equality and Diversity Implications**
The Community Impact Assessments describe the impact of each proposal, in particular any disproportionate impact on vulnerable, minority and protected groups.

8.5 **Engagement and Consultation Implications**

Our Business Planning proposals are informed by the CCC public consultation on the Business Plan and will be discussed with a wide range of partners throughout the process (some of which has begun already). The feedback from consultation will continue to inform the refinement of proposals. Where this leads to significant amendments to the recommendations a report would be provided to the GPC.

Draft Community Impact Assessments (CIAs) for the savings proposals are attached to this paper for consideration by the Committee, and where applicable these will be developed based on consultation with service users and stakeholders.

8.6 **Localism and Local Member Involvement**

As the proposals develop, we will have detailed conversations with Members about the impact of the proposals on their localities. We are working with members on materials which will help them have conversations with Parish Councils, local residents, the voluntary sector and other groups about where they can make an impact and support us to mitigate the impact of budget reductions.

8.7 **Public Health Implications**

We are working closely with Public Health colleagues as part of the operating model to ensure our emerging Business Planning proposals are aligned.

Implications	**Officer Clearance**
Have the resource implications been cleared by Finance?	Yes Tom Kelly
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?	Not applicable
Has the impact on statutory, legal and risk implications been cleared by LGSS Law?	Yes Debbie Carter-Hughes
Have the equality and diversity implications been cleared by your Service Contact?	Covered in business case impact assessment Julia Turner
Have any engagement and communication implications been cleared by Communications?	Yes Christine Birchall
Have any localism and Local Member involvement issues been cleared by your Service Contact?	Yes Julia Turner
Have any Public Health implications been cleared by Public Health	Yes Liz Robin

Source Documents	**Location**
Strategic Framework	*https://cmis.cambridgeshire.gov.uk/ccc_live/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/580/Committee/2/Default.aspx*

APPENDIX 1: Draft Business Cases for business planning proposals in the remit of the General Purposed Committee

APPENDIX 2: Financial summary – Table 3 Corporate Services

APPENDIX 2a: Financial summary – Table 3 LGSS

Business Case

C/R.7.101 - Council Tax: Increasing Contributions

Project Overview

Project Title	C/R.7.101 - Council Tax: Increasing Contributions		
Project Code	TR001404	**Business Planning Reference**	C/R.7.101
Business Planning Brief Description	A project, working with District Councils, to increase Council Tax contributions and income.		
Senior Responsible Officer	Chris Malyon		

Project Approach

Background

Why do we need to undertake this project?

We believe that this project could generate potential income for a small amount of investment for very little risk.

What would happen if we did not complete this project?

Additional funding from this source would be unlikely to come into the Local Authority.

Approach

Aims / Objectives

Aim: To drive up the Council tax take in Cambridgeshire by our District Councils, which whilst collected by Districts is split 70/30 between County and Districts respectively in its allocation.

Objectives:
- To increase the number of people in Cambridgeshire who pay Council tax.
- To ensure that fewer Cambridgeshire residents are paying less Council tax than they should be.
- To make it easier for people who genuinely cannot pay their Council tax to be able to do so.

Project Overview - What are we doing

- Will seek to work with Cambridgeshire District Councils to identify the best possible activities to drive up increased payment of Council Tax in Cambridgeshire.
- Based upon these discussions, working with Districts, we will procure support to undertake a process of identifying residents who are incorrectly paying less Council Tax than they should be, notify them and bill them appropriately, bringing in additional revenue.
- We may also seek to support arrangements to enable people who are genuinely unable to pay their Council Tax by offering more flexible payment terms.
- Based upon previous work in this area, there is a reasonable likelihood that this activity could be commissioned on a no-win-no-fee basis, with the Local Authority only having to pay if the work undertaken is successful.

What assumptions have you made?

We assume that there continues to be a significant amount of residents who are not paying the Council Tax contributions that they should.

We assume that there is the potential for further activity to identify, target and seek funding from residents who are not paying the correct amount of Council Tax.

We assume that we will be able to procure an organisation to conduct this activity to our satisfaction in the market.

What constraints does the project face?

Council Tax collection is a District Council function rather than a County Council function and so we would like to conduct this work in partnership with our Districts but this would depend upon their willingness to do this.

Delivery Options

Has an options and feasibility study been undertaken?

We are considering what the best options for taking this forward are and have initiated discussions with the Districts. This may not be part of their current plans and so may take time for them to factor in any work in this area.

Previous work in this area has targeted residents fraudulently claiming Single Person's Discount. This was successful however the requirements for information from Districts meant it was eventually dropped. Given the high percentage of Council tax that comes back to the County Council we might want to offer resources to make this happen.

East Cambs and Fenland did some additional work on this in 17/18 and so a continuation of their work, potentially spreading it to other Districts might be a fruitful approach.

Salford Council have done work with Citizens Advice on more flexible terms for people in debt or poverty which might also be an approach we could support.

We could look at targeting non-payment in other areas but this could be more resource intensive.

Scope / Interdependencies

Scope

What is within scope?

Residents either not paying their Council Tax or not paying the right levels of tax e.g. claiming discounts to which they are not entitled.

What is outside of scope?

Residents already paying their Council Tax at the correct rate.

Project Dependencies

Title

Cost and Savings

See accompanying financial report

Non Financial Benefits

Non Financial Benefits Summary

More efficient tax collection system.

Title

Growth in the Council Tax base going forward

Risks

Title

Not enough non-payers

Ineffective measures to bring in income

District Councils do not engage
Insufficient/unpredictable amount of income generated

Project Impact

Community Impact Assessment

Who will be affected by this proposal?

Cambridgeshire residents who currently do not pay the Council Tax contribution that they should.

What positive impacts are anticipated from this proposal?

Additional Council Tax contributions will come into Cambridgeshire local government's tax base to help fund local services.

Residents who are either intentionally or unintentionally paying the wrong Council Tax levels will be paying the amounts that they should be.

What negative impacts are anticipated from this proposal?

There may be residents who are not paying their Council tax contributions due to issues of debt and poverty. At a minimum, the activities proposed will not target these non-payers but we are also considering whether there is scope to offer flexible payment arrangements and additional support to these people to help them to make these payments in a way that does not increase their current levels of debt and poverty.

Are there other impacts which are more neutral?

No

Disproportionate impacts on specific groups with protected characteristics

Details of Disproportionate Impacts on protected characteristics and how these will be addressed

See above.

Business Case

D/R.6.999 LGSS Additional Ask

Project Overview

Project Title	D/R.6.999 LGSS Additional Ask		
Project Code	TR001410	**Business Planning Reference**	D/R.6.999
Business Planning Brief Description	Additional LGSS saving target of £919k in 2019/20. £96k has been identified as an additional saving from ERP Gold and £823K from a reduction in service which is yet to be decided.		
Senior Responsible Officer	Justine Hartley		

Project Approach

Background

Why do we need to undertake this project?

To maximise the savings achievable through the partnership with LGSS.

What would happen if we did not complete this project?

There would be an impact on the overall CCC savings target for both financial years: 2019/20 and 2020/21.

Approach

Aims / Objectives

To maximise the full potential savings from the shared service model.

Project Overview - What are we doing

Overall review of the service provided by LGSS to see where possible savings can be made, introduce efficiencies, streamline services or change processes in order to make those savings.

What assumptions have you made?

The assumption is that there are savings to be made and that the service provided by LGSS has not already provided maximum savings.

What constraints does the project face?

There are no identifiable boundaries at this stage.

Delivery Options

Has an options and feasibility study been undertaken?

Scope / Interdependencies

Scope

What is within scope?

All functions LGSS provide and any external contracts for services held by LGSS on our behalf.

What is outside of scope?

Any functions not related to LGSS and the services they provide to CCC.

Project Dependencies

Title

Cost and Savings

See accompanying financial report

Non Financial Benefits

Non Financial Benefits Summary

Title

Risks

Title

Project Impact

Community Impact Assessment

Who will be affected by this proposal?

What positive impacts are anticipated from this proposal?

What negative impacts are anticipated from this proposal?

Are there other impacts which are more neutral?

Disproportionate impacts on specific groups with protected characteristics

Details of Disproportionate Impacts on protected characteristics and how these will be addressed

Section 3 - C: Corporate and Managed Services

Table 3: Revenue - Overview

Budget Period: 2019-20 to 2023-24

Ref	Title	2019-20 £000 (Detailed Plans)	2020-21 £000 (Outline Plans)	2021-22 £000 (Outline Plans)	2022-23 £000 (Outline Plans)	2023-24 £000 (Outline Plans)	Description
1	**OPENING GROSS EXPENDITURE**	**24,029**	**1,200**	**-8,348**	**-11,948**	**-19,725**	
C/R.1.006	Base Adjustment - Re-Phasing of Adults 17-18 Transformation Funding	3,000	-	-	-	-	As per submission to GPC the funding allocated as part of the 2017-18 business planning process is to be re-phased with £3m spent in 2018-19 rather than 2017-18
1.999	**REVISED OPENING GROSS EXPENDITURE**	**27,029**	**1,200**	**-8,348**	**-11,948**	**-19,725**	
2	**INFLATION**						
C/R.2.001	Inflation	403	401	401	401	401	Some County Council services have higher rates of inflation than the national level. For example, this is due to factors such as increasing running costs of Council properties. This overall figure comes from an assessment of likely inflation in all Corporate services. Forecast pressure from inflation, based on detailed analysis incorporating national economic forecasts, specific contract inflation and other forecast inflationary pressures.
2.999	**Subtotal Inflation**	**403**	**401**	**401**	**401**	**401**	
3	**DEMOGRAPHY AND DEMAND**						
3.999	**Subtotal Demography and Demand**	**-**	**-**	**-**	**-**	**-**	
4	**PRESSURES**						
C/R.4.009	Disaster Recovery facility for critical business systems	41	-	-	-	-	Implementation of a second technology platform, in LGSS's Angel Street data centre, able to deliver core and critical IT services in the event of disaster or disruption to the Shire Hall data centre.
C/R.4.010	Impact of Local Government Pay offer on CCC Employee Costs	409	4	4	-	-	The cost impact of the December local government pay offer which covers all CCC staff below Professional band. This has been fully modelled for 18-19, the 19-20 impact will be updated once the final settlement is agreed.
C/R.4.014	De-capitalisation of rolling laptop refresh	1,100	-	-	-	-	After review of the capital business case it was identified that there was no financial benefit to the continued capitalisation of of the rolling laptop refresh.
4.999	**Subtotal Pressures**	**1,550**	**4**	**4**	**-**	**-**	

Section 3 - C: Corporate and Managed Services

Table 3: Revenue - Overview

Budget Period: 2019-20 to 2023-24

Ref	Title	2019-20 £000 (Detailed Plans)	2020-21 £000 (Outline Plans)	2021-22 £000	2022-23 £000	2023-24 £000	Description
5	**INVESTMENTS**						
C/R.5.014	Additional workforce - Children in care & Business Support	339	-72	-72	-195	-	The additional team is needed as caseloads for qualified social workers in the current 14-25 service are 30 and more; caseloads at this level will not allow workers to drive care plans forward, and will therefore frustrate the ambition to reduce the number of children in care. Good business support is essential to any children's service. There is a savings target against delivery of business support within children's services of £245K. As part of the current re-structure of children's services, we will propose a re-design of business support job description 'families' and a move to increase efficiency in management costs across children's social care and early help services. Links to Children's Services Later Years Savings Target (A/R.6.255).
C/R.5.015	Contact Centre (screening for MASH and Front door)	142	-100	-42	-	-	The proposed staffing structure aims to deliver caseloads for case holding staff of between 15 and 20. In order to achieve this, we need to establish one team for children and young people in care that is over the long term establishment. This is to manage the 100 children and young people over and above the average of our statistical neighbours. This additional team would be needed for up to 24 months, from September 2018. As numbers in care reduce, the additional capacity will be absorbed into vacancies elsewhere in the structure. Links to Children's Services Later Years Savings Target (A/R.6.255).
C/R.5.016	Family Group Conferencing	250	-250	-	-	-	Family Group Conferencing was removed from the budget as part of phase 1 the Children's Change Programme in 2017. The plan was that social workers and clinicians within the units would ensure that appropriate family group meetings would take place in line with the systemic model of practice that is embedded in Cambridgeshire and that this approach would compensate for the loss of a standalone Family Group Conferencing Service. It is, however, clear that these intended family meetings are not taking place. This is important because where family meetings are run effectively, extended families can become involved in ensuring that there is a family plan that safeguards the child after a period when they have been subject to a child protection plan. Contingency arrangements including whether there are relatives who could offer a permanent home to the child concerned can also be addressed, and family members ruled in or out of the process. This can avoid care proceedings altogether, reducing legal costs and avoids late presentation at court of potential extended family members who have not been assessed prior to proceedings. It is estimated that re-instating the Family Group Conferencing Service will cost an additional £250K per annum. Links toChildren's Services Later Years Savings Targets (A/R.6.255).
C/R.5.017	Commissioning and brokerage capability (Adults&CYP)	499	-499	-	-	-	Links toChildren's Services Later Years Savings Target (A/R.6.255).
C/R.5.319	Re-phasing of £3m ASC/OP Investment Required to Manage and Reduce Demand & Cost to Serve	-3,000	-	-	-	-	Additional investment required to enable one-off expenditure in the delivery of savings plans in Adults Services and to plan and remodel the future delivery of services to reduce longer-term demand.

Section 3 - C: Corporate and Managed Services

Table 3: Revenue - Overview

Budget Period: 2019-20 to 2023-24

Ref	Title	2019-20 £000 (Detailed Plans)	2020-21 £000 (Outline Plans)	2021-22 £000	2022-23 £000	2023-24 £000	Description
C/R.5.900	Reversal of 17-18 Transformation Fund Investments	-1,608	-38	-	-	-	Transformation funded projects are provided with investments for 1-3 years in order to deliver ongoing savings. This is the reversal of the investment for schemes funded in 2017-18.It is anticipated that further transformation funds will come through for funding in 2018-19.
C/R.5.901	Reversal of 18-19 Transformation Fund Investments	-2,840	-50	-	-	-	Transformation funded projects are provided with investments for 1-3 years in order to deliver ongoing savings. This is the reversal of the investment for schemes funded in 2018-19. It is anticipated that further transformation funds will come through for funding in 2019-20.
C/R.5.953	Greater Cambridge Partnership's Revenue Costs	-49	-96	-84	95	-	The Council's contribution to the Greater Cambridge Partnership's revenue costs funded by the growth in New Homes Bonus, revised following a reduction in the number of payment years.
5.999	**Subtotal Investments**	**-6,267**	**-1,105**	**-198**	**-100**	**-**	
6	**SAVINGS**						
	GPC						
C/R.6.106	Reduction in costs on Redundancy, Pensions & Injury budget	-10	-10	-	-	-	Reduction in costs on Redundancy, Pensions & Injury budget, held within Corporate Services.
6.999	**Subtotal Savings**	**-10**	**-10**	**-**	**-**	**-**	
	UNIDENTIFIED SAVINGS TO BALANCE BUDGET	**-21,505**	**-8,838**	**-3,807**	**-8,078**	**-3,151**	
	TOTAL GROSS EXPENDITURE	**1,200**	**-8,348**	**-11,948**	**-19,725**	**-22,475**	
7	**FEES, CHARGES & RING-FENCED GRANTS**						
C/R.7.001	Previous year's fees, charges & ring-fenced grants	-5,696	-5,896	-5,695	-5,695	-5,695	Previous year's fees and charges for the provision of services and ring-fenced grant funding rolled forward.
	Changes to fees & charges						
C/R.7.101	BP 19/20 - Council Tax: Increasing Contributions	-200	-	-	-	-	We will seek to work with Cambridgeshire District Councils to identify the best possible activities to drive up increased payment of Council Tax in Cambridgeshire. Based upon these discussions, we will procure support to undertake a process of identifying residents who are incorrectly paying less Council Tax than they should be, notify them and bill them appropriately, bringing in additional revenue. We may also seek to support arrangements to enable people who are genuinely unable to pay their Council Tax by offering more flexible payment terms. Based upon previous work in this area, there is a reasonable likelihood that this activity could be commissioned on a no-win-no-fee basis, with the Local Authority only having to pay if the work undertaken is successful.

Section 3 - C: Corporate and Managed Services

Table 3: Revenue - Overview

Budget Period: 2019-20 to 2023-24

Ref	Title	2019-20 £000 (Detailed Plans)	2020-21 £000 (Outline Plans)	2021-22 £000	2022-23 £000	2023-24 £000	Description
	Changes to ring-fenced grants						
C/R.7.201	Change in Public Health Grant	-	201	-	-	-	Change in ring-fenced Public Health grant to reflect treatment as a corporate grant from 2019-20 due to removal of ring-fence.
7.999	**Subtotal Fees, Charges & Ring-fenced Grants**	**-5,896**	**-5,695**	**-5,695**	**-5,695**	**-5,695**	
	TOTAL NET EXPENDITURE	**-4,696**	**-14,043**	**-17,643**	**-25,420**	**-28,170**	

FUNDING SOURCES							
8	**FUNDING OF GROSS EXPENDITURE**						
C/R.8.001	Budget Allocation	4,696	14,043	17,643	25,420	28,170	Net spend funded from general grants, business rates and Council Tax.
C/R.8.002	Public Health Grant	-201	-	-	-	-	Funding transferred to Service areas where the management of Public Health functions will be undertaken by other County Council officers, rather than directly by the Public Health Team.
C/R.8.003	Fees & Charges	-5,695	-5,695	-5,695	-5,695	-5,695	Fees and charges for the provision of services.
8.999	**TOTAL FUNDING OF GROSS EXPENDITURE**	**-1,200**	**8,348**	**11,948**	**19,725**	**22,475**	

Section 3 - D: LGSS - Cambridge Office

Table 3: Revenue - Overview

Budget Period: 2019-20 to 2023-24

Ref	Title	Detailed Plans 2019-20 £000	Outline Plans 2020-21 £000	2021-22 £000	2022-23 £000	2023-24 £000	Description	Committee
1	**OPENING GROSS EXPENDITURE**	**21,954**	**21,172**	**20,390**	**19,949**	**19,785**		
1.999	**REVISED OPENING GROSS EXPENDITURE**	**21,954**	**21,172**	**20,390**	**19,949**	**19,785**		
2	**INFLATION**							
D/R.2.001	Inflation	137	120	120	120	120	Forecast pressure from inflation, based on detailed analysis incorporating national economic forecasts, specific contract inflation and other forecast inflationary pressures.	LGSS JC
2.999	**Subtotal Inflation**	**137**	**120**	**120**	**120**	**120**		
3	**DEMOGRAPHY AND DEMAND**							
3.999	**Subtotal Demography and Demand**	**-**	**-**	**-**	**-**	**-**		
4	**PRESSURES**							
D/R.4.002	Impact of National Living Wage (NLW) on CCC Employee Costs	-	5	5	-	-	The cost impact of the introduction of the NLW on directly employed CCC staff is minimal, due to a low number of staff being paid below the proposed NLW rates.	LGSS JC
4.999	**Subtotal Pressures**	**-**	**5**	**5**	**-**	**-**		
5	**INVESTMENTS**							
5.999	**Subtotal Investments**	**-**	**-**	**-**	**-**	**-**		
6	**SAVINGS**							
	GPC							
D/R.6.999	LGSS Savings	-919	-907	-566	-284	-	Expected annual savings from LGSS -£300k saving will be achieved on the ERP Gold project (Fujitsu/Oracle savings), with additional savings being contributed from LGSS income growth, Partner/customer growth, new service review savings, and savings being driven out by the Milton Keynes Council partnership	GPC
6.999	**Subtotal Savings**	**-919**	**-907**	**-566**	**-284**	**-**		
	TOTAL GROSS EXPENDITURE	**21,172**	**20,390**	**19,949**	**19,785**	**19,905**		
7	**FEES, CHARGES & RING-FENCED GRANTS**							
D/R.7.001	Previous year's fees, charges & ring-fenced grants	-13,083	-13,083	-12,863	-12,863	-12,863	Previous year's fees and charges for the provision of services and ring-fenced grant funding rolled forward.	LGSS JC

Section 3 - D: LGSS - Cambridge Office

Table 3: Revenue - Overview

Budget Period: 2019-20 to 2023-24

Ref	Title	2019-20 £000 (Detailed Plans)	2020-21 £000 (Outline Plans)	2021-22 £000 (Outline Plans)	2022-23 £000 (Outline Plans)	2023-24 £000 (Outline Plans)	Description	Committee
	Changes to fees & charges							
D/R.7.201	Change in Public Health Grant	-	220	-	-	-	Change in ring-fenced Public Health grant to reflect treatment as a corporate grant from 2019-20 due to removal of ring-fence.	LGSS JC
7.999	**Subtotal Fees, Charges & Ring-fenced Grants**	**-13,083**	**-12,863**	**-12,863**	**-12,863**	**-12,863**		
	TOTAL NET EXPENDITURE	**8,089**	**7,527**	**7,086**	**6,922**	**7,042**		

Ref	Title	2019-20 £000	2020-21 £000	2021-22 £000	2022-23 £000	2023-24 £000	Description	Committee
FUNDING SOURCES								
8	**FUNDING OF GROSS EXPENDITURE**							
D/R.8.001	Budget Allocation	-8,089	-7,527	-7,086	-6,922	-7,042	Net spend funded from general grants, business rates and Council Tax.	LGSS JC
D/R.8.003	Fees & Charges	-12,863	-12,863	-12,863	-12,863	-12,863	Fees and charges for the provision of services.	LGSS JC
D/R.8.004	Public Health Grant	-220	-	-	-	-	Funding transferred to Service areas where the management of Public Health functions will be undertaken by other County Council officers, rather than directly by the Public Health Team.	LGSS JC
8.999	**TOTAL FUNDING OF GROSS EXPENDITURE**	**-21,172**	**-20,390**	**-19,949**	**-19,785**	**-19,905**		

Agenda Item No:8

SERVICE COMMITTEE REVIEW OF THE DRAFT 2019-20 CAPITAL PROGRAMME

To:	**General Purposes Committee**
Meeting Date:	**23rd October 2018**
From:	**Chief Finance Officer**
Electoral division(s):	**All**
Forward Plan ref:	**Not applicable** *Key decision:* **No**
Purpose:	**This report provides the Committee with an overview of the draft Business Plan Capital Programme for Corporate and LGSS Managed Services.**
Recommendation:	**The Committee is requested to:**

a) note the overview and context provided for the 2019-20 Capital Programme for Corporate and LGSS Managed Services; and

b) comment on the draft proposals for Corporate and LGSS Managed Services' 2019-20 Capital Programme and endorse their development.

	Officer contact:		*Member contact:*
Name:	Chris Malyon	Name:	Councillors Count & Hickford
Post:	Deputy Chief Executive	Post:	Chair/Vice-Chair
Email:	Chris.malyon@cambridgeshire.gov.uk	Email:	Steve.count@cambridgeshire.gov.uk Roger.hickford@cambridgeshire.gov.uk
Tel:	01223 699796	Tel:	01223 706398

1. CAPITAL STRATEGY

1.1 The Council strives to achieve its vision through delivery of its Business Plan. To assist in delivering the Plan the Council needs to provide, maintain and update long term assets (often referred to as 'fixed assets'), which are defined as those that have an economic life of more than one year. Expenditure on these long term assets is categorised as capital expenditure, and is detailed within the Capital Programme for the Authority.

1.2 Each year the Council adopts a ten-year rolling capital programme as part of the Business Plan. The very nature of capital planning necessitates alteration and refinement to proposals and funding during the planning period; therefore whilst the early years of the Business Plan provide robust, detailed estimates of schemes, the later years only provide indicative forecasts of the likely infrastructure needs and revenue streams for the Council.

1.3 This report forms part of the process set out in the Capital Strategy whereby the Council updates, alters and refines its capital planning over an extended planning period. New schemes are developed by Services and all existing schemes are reviewed and updated as required before being presented to the Capital Programme Board and subsequently Service Committees for further review and development.

1.4 An Investment Appraisal of each capital scheme (excluding committed schemes and schemes with 100% ring-fenced funding) is undertaken / revised, which allows schemes within and across all Services to be ranked and prioritised against each other, in light of the finite resources available to fund the overall Programme and in order to ensure the schemes included within the Programme are aligned to assist the Council with achieving its outcomes.

2. DEVELOPMENT OF THE 2019-20 CAPITAL PROGRAMME

2.1 Prioritisation of schemes (where applicable) is included within this report to be reviewed individually by Service Committees alongside the addition, revision and update of schemes. Prioritisation of schemes across the whole programme will also be reviewed by General Purposes Committee (GPC) in November, before firm spending plans are considered again by Service Committees in November. GPC will review the final overall programme in December, in particular regarding the overall levels of borrowing and financing costs, before recommending the programme in January as part of the overarching Business Plan for Full Council to consider in February.

2.2 The introduction of the Transformation Fund for the 2017-18 planning process has not impacted on the funding sources available to the Capital Programme as any Invest to Save or Earn schemes will continue to be funded over time by the revenue payback they produce via savings or increased income. This is the most financially sensible option for the Council due to the ability to borrow money for capital schemes and defray the cost of that expenditure to the Council over the life of the asset. However, if a scheme is transformational, then it should also move through the governance process agreed for the transformation programme, in line with all other transformational schemes, but without any funding request to the Transformation Fund.

2.3 There are several schemes in progress where work is underway to develop the scheme, however they are either not sufficiently far enough forward to be able to include any capital estimate within the Business Plan, or a draft set of figures have been included but they are, at this stage, highly indicative. The following are the main schemes that this applies to:

- The Adults Committee first considered the Older People's Accommodation Strategy in 2016, and in September 2017 agreed a blended approach for increasing capacity for residential/nursing care. One element of this was to procure an increase in capacity through a number of new build sites, which has potential for implications for the Council's capital plans through provision of land or other assets, or involvement with construction. The Council is engaged with health partners on these challenges, to maximise a 'one public estate' approach.

- The Council, in cooperation with health partners, is reviewing the care that is provided to service-users with learning disabilities, particular those placed out-of-county due to lack of suitable local provision. One option being considered is the acquisition of land and/or buildings that could provide bespoke services to groups of individuals with high needs reducing the need to source high-cost residential placements while improving outcomes. This would have an impact on the Council's capital plans through provision of land or other assets, or involvement with construction. This will only be done where the new provision is more cost-effective than current arrangements.

- The Cambs 2020 project is moving forward with pace; one element of this project relates to the Shire Hall Relocation capital scheme where the Council is looking to change ways of working and move out of its current premises. However, there is still significant work to be undertaken to determine the capital investment required to enable the Hub and Spokes model to be implemented.

- King's Dyke – this scheme is due to be discussed at October Economy & Environment Committee, following which some changes may be required.

3. REVENUE IMPLICATIONS

3.1 All capital schemes can have a potential two-fold impact on the revenue position, relating to the cost of borrowing through interest payments and repayment of principal and the ongoing revenue costs or benefits of the scheme. Conversely, not undertaking schemes can also have an impact via needing to provide alternative solutions, such as Home to School Transport (e.g. transporting children to schools with capacity rather than investing in capacity in oversubscribed areas).

3.2 The Council is required by the Charted Institute of Public Finance and Accountancy's (CIPFA's) Prudential Code for Capital Finance in Local Authorities 2017 to ensure that it undertakes borrowing in an affordable and sustainable manner. In order to ensure that it achieves this, GPC recommends an advisory limit on the annual financing costs of borrowing (debt charges) over the life of the Plan. In order to afford a degree of flexibility from year to year, changes to the phasing of the limit is allowed within any three-year block (starting from 2015-16), so long as the aggregate limit remains unchanged.

3.3 For the 2018-19 Business Plan, GPC agreed that this should continue to equate to the level of revenue debt charges as set out in the 2014-15 Business Plan for the next five years (restated to take into account the change to the MRP Policy agreed by GPC in January 2016), and limited to around £39m annually from 2019-20 onwards. GPC have reconfirmed this decision for the 2019-20 process as part of the Capital Strategy paper, which was presented to GPC in September.

4. SUMMARY OF THE DRAFT CAPITAL PROGRAMME

4.1 The revised draft Capital Programme is as follows:

Service Block	2019-20 £'000	2020-21 £'000	2021-22 £'000	2022-23 £'000	2023-24 £'000	Later Yrs £'000
People and Communities	125,757	85,319	69,229	63,802	49,560	46,291
Place and Economy	33,203	19,681	19,109	18,768	15,114	16,800
Commercial and Investment	116,503	800	800	800	800	3,200
Corporate and Managed Services	3,470	2,514	2,294	-	-	-
Total	**278,933**	**108,314**	**91,432**	**83,370**	**65,474**	**66,291**

4.2 This is anticipated to be funded by the following resources:

Funding Source	2019-20 £'000	2020-21 £'000	2021-22 £'000	2022-23 £'000	2023-24 £'000	Later Yrs £'000
Grants	34,813	48,692	37,065	37,078	32,720	43,199
Contributions	40,298	23,179	40,071	33,355	10,872	170,870
Capital Receipts	50,293	5,098	6,493	500	500	2,000
Borrowing	112,398	33,242	21,894	14,477	21,632	-5,200
Borrowing (Repayable)*	41,131	-1,897	-14,091	-2,040	-250	-144,578
Total	**278,933**	**108,314**	**91,432**	**83,370**	**65,474**	**66,291**

* Repayable borrowing nets off to zero over the life of each scheme and is used to bridge timing gaps between delivery of a scheme and receiving other funding to pay for it.

4.3 The following table shows how each Service's borrowing position has changed since the 2018-19 Capital Programme was set:

Service Block	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000	2022-23 £'000	2023-24 £'000	Later Yrs £'000
People and Communities	-1,237	14,890	10,673	1,152	5,741	7,981	-1,268
Place and Economy	17,839	3,848	353	78	-2,563	-4,396	551
Corporate and Managed Services	-3,106	443	-459	-459	-	-	-
Commercial and Investment	39,581	37,391	12,942	-11,251	2,706	2,338	19,170
Corporate and Managed Services – relating to general capital receipts	-	-	-	-	-	-	-
Total	**53,077**	**56,572**	**23,509**	**-10,480**	**5,884**	**5,923**	**18,453**

4.4 The table below categorises the reasons for these changes:

Reasons for change in borrowing	2018-19 £'000	2019-20 £'000	2020-21 £'000	2021-22 £'000	2022-23 £'000	2023-24 £'000	Later Yrs £'000
New	2,641	45,005	2,073	-4,445	150	2,740	0
Removed/Ended	-9,060	-1,307	-150	-1,601	-2,800	-2,059	0
Minor Changes/Rephasing*	-1,868	3,038	31	0	557	350	-609
Increased Cost (includes rephasing)	3,677	4,325	23,963	13,452	8,665	13,258	-1,055
Reduced Cost (includes rephasing)	37,100	23,147	12,962	-11,251	2,706	-2,162	19,170
Change to other funding (includes rephasing)	1,243	278	-14,756	-3,868	-796	-2,222	0
Variation Budget	19,344	-17,914	-614	-2,767	-2,598	-4,482	947
Total	**53,077**	**56,572**	**23,509**	**-10,480**	**5,884**	**5,423**	**18,453**

**This does not off-set to zero across the years because the rephasing also relates to pre-2018-19.*

4.5 The revised levels of borrowing result in the following levels of financing costs:

Financing Costs	2019-20 £'000	2020-21 £'000	2021-22 £'000	2022-23 £'000	2023-24 £'000
2018-19 agreed BP	29.0	34.7	36.7	38.5	-
2019-20 draft BP	29.8	37.0	39.5	41.1	41.1
CHANGE (+) increase / (-) decrease	**0.8**	**2.3**	**2.8**	**2.6**	**41.1**

4.6 The debt charges budget is currently undergoing thorough review of interest rates, internal cash balances, Minimum Revenue Provision charges and estimates of capitalisation of interest – the results of this will be fed into the next round of committee papers on capital.

4.7 Invest to Save / Earn schemes are excluded from the advisory financing costs limit – the following table therefore compares revised financing costs excluding these schemes. In order to afford a degree of flexibility from year to year, the limit is reviewed over a three-year period – based on the revised programme, the advisory limit is not exceeded for either of these 3 year blocks.

Financing Costs	2018-19 £m	2019-20 £m	2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
2019-20 draft BP (excluding Invest to Save / Earn schemes)	29.3	34.8	37.4	39.0	39.0	39.0
Recommend limit	37.9	38.6	39.2	39.7	40.3	40.8
HEADROOM	**-11.3**	**-8.5**	**-3.8**	**-1.8**	**-0.7**	**-1.3**
Recommend limit (3 years)		115.7			120.8	
HEADROOM (3 years)		**-14.1**			**-3.8**	

4.8 Although the limit has not been exceeded, the Business Plan is still under review and as such adjustments to schemes and phasing will continue over the next two to three months.

5. OVERVIEW OF CORPORATE & LGSS MANAGED SERVICES' DRAFT CAPITAL PROGRAMME

5.1 The revised draft capital programme for Corporate and Managed services is as follows:

Capital Expenditure	2019-20 £'000	2020-21 £'000	2021-22 £'000	2022-23 £'000	2023-24 £'000	Later Years £'000
Corporate and Managed Services	3,470	2,514	2,294	-	-	-

5.2 It is anticipated to be funded by the following resources:

Funding Source	2019-20 £'000	2020-21 £'000	2021-22 £'000	2022-23 £'000	2023-24 £'000	Later Years £'000
Capital Receipts	2,293	2,293	2,293	-	-	-
Prudential Borrowing	1,177	221	1	-	-	-
Total	**3,470**	**2,514**	**2,294**	**-**	**-**	**-**

5.3 The full list of Corporate and Managed capital schemes is shown in the draft capital programme at **Appendix 1**.

5.4 The following new scheme has been added to the 2019-20 Corporate and Managed Services Business Plan:

- Children's Services IT System
  Procurement and implementation of a case management and information system for Children's Services that can be aligned with the system in use in Peterborough City Council. Capital funding for this scheme was approved by General Purposes Committee in May 2018. It is to be funded from prudential borrowing.

6. ALIGNMENT WITH CORPORATE PRIORITIES

6.1 Developing the local economy for the benefit of all

The Services discussed in this report play a significant role in enabling the Council to achieve this priority.

6.2 Helping people live healthy and independent lives

The Services discussed in this report play a significant role in enabling the Council to achieve this priority.

6.3 Supporting and protecting vulnerable people

The Services discussed in this report play a significant role in enabling the Council to achieve this priority.

7. SIGNIFICANT IMPLICATIONS

7.1 Resource Implications

The following bullet points set out details of significant implications identified by officers:

- There may be revenue implications associated with operating new or enhanced capital assets but equally capital schemes can prevent the need for other revenue expenditure.
- The overall scale of the capital programme has been reduced to limit the impact on the Council's revenue budget and this in turn will have beneficial impacts on the services that are provided from that source.

7.2 Procurement/Contractual/Council Contract Procedure Rules Implications

There are no significant implications within this category.

7.3 Statutory, Risk and Legal Implications

The following bullet points set out details of significant implications identified by officers:

- Regulations for capital expenditure are set out under Statute. The possibility of capital investment, from these accumulated funds, may ameliorate risks from reducing revenue resources.
- At this stage, there are no proposals with significant risk arising from "pay-back" expectations.

7.4 Equality and Diversity Implications

There are no significant implications within this category.

7.5 Engagement and Consultation Implications

The following bullet point sets out details of significant implications identified by officers:

- Consultation is continuous and ongoing between those parties involved to ensure the most effective use of capital funding.

7.6 Localism and Local Member Involvement

The following bullet point sets out details of significant implications identified by officers:

- Local Members will be engaged where schemes impact on their area and where opportunities for strategic investment arise.

7.7 Public Health Implications

There are no significant implications within this category.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Name of Officer: Tom Kelly
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by Finance?	Yes Name of Officer: Paul White
Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?	Yes Name of Legal Officer: Debbie Carter-Hughes
Are there any Equality and Diversity implications?	No Name of Officer: Tom Barden
Have any engagement and communication implications been cleared by Communications?	Yes Name of Officer: Christine Birchall
Are there any Localism and Local Member involvement issues?	Yes Name of Officer: Tom Barden
Have any Public Health implications been cleared by Public Health	Yes Name of Officer: Tess Campbell

Source Documents	Location
The 2018/19 Business Plan, including the Capital Strategy Capital Planning and Forecast: financial models	https://www.cambridgeshire.gov.uk/council/finance-and-budget/business-plans> c/o Senior Finance Business Partners 1st Floor Octagon Shire Hall Cambridge

Section 3 - C: Corporate and Managed Services
Table 4: Capital Programme
Budget Period: 2019-20 to 2028-29

Summary of Schemes by Start Date	Total Cost £000	Previous Years £000	2019-20 £000	2020-21 £000	2021-22 £000	2022-23 £000	2023-24 £000	Later Years £000
Ongoing	12,941	6,407	2,001	2,239	2,294	-	-	-
Committed Schemes	3,707	1,963	1,469	275	-	-	-	-
TOTAL BUDGET	**16,648**	**8,370**	**3,470**	**2,514**	**2,294**	**-**	**-**	**-**

Ref	Scheme	Description	Linked Revenue Proposal	Scheme Start	Total Cost £000	Previous Years £000	2019-20 £000	2020-21 £000	2021-22 £000	2022-23 £000	2023-24 £000	Later Years £000	Committee
C/C.01	**Corporate Services**												
C/C.1.003	Citizen First, Digital First	Further improvements to be made to automate our systems and processes. To take out costs and to improve the speed of transactions with the Council for our customers, partners and providers.	TBC	Ongoing	3,546	1,821	575	575	575	-	-	-	GPC
C/C.1.005	Children's Services IT System	Procurement and implementation of a case management and information system for CCC Children's Services that can be aligned with the system in use in Peterborough City Council.		Committed	2,545	1,418	1,127	-	-	-	-	-	GPC
	Total - Corporate Services				**6,091**	**3,239**	**1,702**	**575**	**575**	**-**	**-**	**-**	
C/C.02	**Managed Services**												
C/C.2.010	IT Infrastructure Refresh	Upgrades/refresh of the core CCC IT systems that underpin use of IT across the Council. This essential work will ensure that the critical IT Infrastructure continues to be fit for purpose and supports changes in technology and business requirements		Committed	660	220	165	275	-	-	-	-	GPC
C/C.2.011	Replacement of office networking hardware	Replacement of end-of-life networking hardware (switches) in all CCC offices to maintain stability, supportability and security of access to business systems for CCC staff.		Committed	354	177	177	-	-	-	-	-	GPC
	Total - Managed Services				**1,014**	**397**	**342**	**275**	**-**	**-**	**-**	**-**	
C/C.03	**Transformation**												
C/C.3.001	Capitalisation of Transformation Team	Funding the Transformation team from capital instead of revenue, by using the flexibility of capital receipts direction.		Ongoing	6,465	2,586	1,293	1,293	1,293	-	-	-	GPC
C/C.3.002	Capitalisation of Redundancies	Funding the cost of redundancies from capital instead of revenue, using the flexibility of capital receipts direction.		Ongoing	5,000	2,000	1,000	1,000	1,000	-	-	-	GPC
	Total - Transformation				**11,465**	**4,586**	**2,293**	**2,293**	**2,293**	**-**	**-**	**-**	

Section 3 - C: Corporate and Managed Services
Table 4: Capital Programme
Budget Period: 2019-20 to 2028-29

Ref	Scheme	Description	Linked Revenue Proposal	Scheme Start	Total Cost £000	Previous Years £000	2019-20 £000	2020-21 £000	2021-22 £000	2022-23 £000	2023-24 £000	Later Years £000	
C/C.10	**Capital Programme Variation**												
C/C.10.001	Variation Budget	The Council includes a service allowance for likely Capital Programme slippage, as it can sometimes be difficult to allocate this to individual schemes due to unforeseen circumstances. This budget is continuously under review, taking into account recent t		Ongoing	-2,070	-	-867	-629	-574	-	-	-	**GPC**
C/C.10.002	Capitalisation of Interest Costs	The capitalisation of borrowing costs helps to better reflect the costs of undertaking a capital project. Although this budget is initially held on a service basis, the funding will ultimately be moved to the appropriate schemes once exact figures have be		Committed	148	148	-	-	-	-	-	-	**GPC**
	Total - Capital Programme Variation				**-1,922**	**148**	**-867**	**-629**	**-574**	**-**	**-**	**-**	
	TOTAL BUDGET				**16,648**	**8,370**	**3,470**	**2,514**	**2,294**	**-**	**-**	**-**	

Funding	Total Funding £000	Previous Years £000	2019-20 £000	2020-21 £000	2021-22 £000	2022-23 £000	2023-24 £000	Later Years £000
Government Approved Funding								
Total - Government Approved Funding	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Locally Generated Funding								
Capital Receipts	11,465	4,586	2,293	2,293	2,293	-	-	-
Prudential Borrowing	5,183	3,784	1,177	221	1	-	-	-
Total - Locally Generated Funding	**16,648**	**8,370**	**3,470**	**2,514**	**2,294**	**-**	**-**	**-**
TOTAL FUNDING	**16,648**	**8,370**	**3,470**	**2,514**	**2,294**	**-**	**-**	**-**

Section 3 - C: Corporate and Managed Services
Table 5: Capital Programme - Funding
Budget Period: 2019-20 to 2028-29

Summary of Schemes by Start Date	Total Funding £000	Grants £000	Develop. Contr. £000	Other Contr. £000	Capital Receipts £000	Prud. Borr. £000
Ongoing	12,941	-	-	-	11,465	1,476
Committed Schemes	3,707	-	-	-	-	3,707
TOTAL BUDGET	**16,648**	**-**	**-**	**-**	**11,465**	**5,183**

Ref	Scheme	Linked Revenue Proposal	Net Revenue Impact	Scheme Start	Total Funding £000	Grants £000	Develop. Contr. £000	Other Contr. £000	Capital Receipts £000	Prud. Borr. £000	Committee
C/C.01	**Corporate Services**										
C/C.1.003	Citizen First, Digital First	TBC	-	Ongoing	3,546	-	-	-	-	3,546	GPC
C/C.1.005	Children's Services IT System		-	Committed	2,545	-	-	-	-	2,545	GPC
	Total - Corporate Services		**-**		**6,091**	**-**	**-**	**-**	**-**	**6,091**	
C/C.02	**Managed Services**										
C/C.2.010	IT Infrastructure Refresh		-	Committed	660	-	-	-	-	660	GPC
C/C.2.011	Replacement of office networking hardware		-	Committed	354	-	-	-	-	354	GPC
	Total - Managed Services		**-**		**1,014**	**-**	**-**	**-**	**-**	**1,014**	
C/C.03	**Transformation**										
C/C.3.001	Capitalisation of Transformation Team		-	Ongoing	6,465	-	-	-	6,465	-	GPC
C/C.3.002	Capitalisation of Redundancies		-	Ongoing	5,000	-	-	-	5,000	-	GPC
	Total - Transformation		**-**		**11,465**	**-**	**-**	**-**	**11,465**	**-**	
C/C.10	**Capital Programme Variation**										
C/C.10.001	Variation Budget		-	Ongoing	-2,070	-	-	-	-	-2,070	GPC
C/C.10.002	Capitalisation of Interest Costs		-	Committed	148	-	-	-	-	148	GPC
	Total - Capital Programme Variation		**-**		**-1,922**	**-**	**-**	**-**	**-**	**-1,922**	
	TOTAL BUDGET				**16,648**	**-**	**-**	**-**	**11,465**	**5,183**	

# GENERAL PURPOSES COMMITTEE AGENDA PLAN	Published on 1st October 2018 As at 12th October 2018	Cambridgeshire County Council

Notes **Agenda Item No.9**

Committee dates shown in bold are confirmed.
Committee dates shown in brackets and italics are reserve dates.

The definition of a key decision is set out in the Council's Constitution in Part 2, Article 12.
* indicates items expected to be recommended for determination by full Council.
+ indicates items expected to be confidential, which would exclude the press and public.

Draft reports are due with the Democratic Services Officer by 10.00 a.m. eight clear working days before the meeting.
The agenda dispatch date is six clear working days before the meeting.

Committee date	Agenda item	Lead officer	Reference if key decision	Deadline for draft reports	Agenda despatch date
23/10/18	1. Minutes – 20/09/18	M Rowe			
	2. Resources and Performance Report (August) – Corporate and Customer Services and LGSS Managed	T Kelly	Not applicable		
	3. Integrated Resources and Performance Report - August 2017	R Barnes	2018/013		
	4. Service Committee Review of Draft Revenue Business Planning Proposals for 2019/20 to 2023/2024	C Malyon	Not applicable		
	5. Service Committee Review of the Draft 2019-20 Capital Programme	C Malyon	Not applicable		
	6. Procurement of Mobile Phones	K Halls	2018/071		
27/11/18	1. Minutes – 23/10/18	M Rowe			

Committee date	Agenda item	Lead officer	Reference if key decision	Deadline for draft reports	Agenda despatch date
	2. Resources and Performance Report (September) – Corporate and Customer Services and LGSS Managed	T Kelly	Not applicable		
	3. Integrated Resources and Performance Report - September 2017	R Barnes	2018/014		
	4. Treasury Management Report – Quarter 2*	C Oliver/ J Lee	Not applicable		
	5. Draft 2019/20 Capital Programme and Capital Prioritisation	C Malyon	Not applicable		
	6. Business Planning 2019-20 to 2023-24 – update	C Malyon	Not applicable		
	7. Transformation Fund Monitoring Report Quarter 2 2018-19	A Askham	Not applicable		
	8. Waste PFI Contract+ *[Reason for the meeting to be held in private - Information relating to the financial or business affairs of any particular person [including the authority holding that information].*	A Smith	2018/026		
	9. Corporate Strategy	C Malyon	Not applicable		
18/12/18	1. Minutes – 27/11/18	M Rowe			
	2. Resources and Performance Report (October) – Corporate and Customer Services and LGSS Managed	T Kelly	Not applicable		
	3. Integrated Resources and Performance Report - October 2017	R Barnes	2018/016		
	4. Amendments to Business Plan Tables (if required)	C Malyon	Not applicable		
	5. Draft Revenue and Capital Business Planning Proposals for 2019-20 to 2023-2024 (whole Council)	C Malyon	Not applicable		
	6. Treasury Management Strategy	C Oliver/ J Lee	Not applicable		
08/01/19	1. Minutes – 18/12/18	M Rowe			

Committee date	Agenda item	Lead officer	Reference if key decision	Deadline for draft reports	Agenda despatch date
	2. Resources and Performance Report (November) – Corporate and Customer Services and LGSS Managed	T Kelly	Not applicable		
	3. Integrated Resources and Performance Report - November 2017	R Barnes	2019/001		
	4. Local Government Finance Settlement	C Malyon	Not applicable		
	5. Overview of Business Planning Proposals	C Malyon	Not applicable		
22/01/19	1. Minutes – 08/01/19	M Rowe			
	2. Capital Receipts Strategy	C Malyon	Not applicable		
	3. Treasury Management Strategy	C Malyon	Not applicable		
	4. Business Plan*	C Malyon	Not applicable		
	5. Consultation Report	S Grace	Not applicable		
[26/02/19] Provisional Meeting					
26/03/19	1. Minutes – 22/01/19	M Rowe			
	2. Resources and Performance Report (January) – Corporate and Customer Services and LGSS Managed	T Kelly	Not applicable		
	3. Integrated Resources and Performance Report (January)	R Barnes	2019/002		
	4. Treasury Management Report – Quarter 3	C Oliver/ J Lee	Not applicable		
[30/04/19] Provisional Meeting					

Committee date	Agenda item	Lead officer	Reference if key decision	Deadline for draft reports	Agenda despatch date
28/05/19	1. Minutes – 26/03/19	M Rowe			
	2. Resources and Performance Report (March) – Corporate and Customer Services and LGSS Managed	T Kelly	Not applicable		
	3. Integrated Resources and Performance Report (March)	R Barnes	2019/003		
	4. Treasury Management Report – Quarter 4 and Outturn Report*	C Oliver/ J Lee	Not applicable		

GENERAL PURPOSES COMMITTEE TRAINING PLAN

The Training Plan below includes topic areas for GPC approval. Following sign-off by GPC the details for training and development sessions will be worked up.

Ref	Subject	Desired Learning Outcome/Success Measures	Priority	Date	Responsibility	Nature of training	Attendance by:	Cllrs Attending	Percentage of total
1.	Emergency planning	The Council's roles and responsibilities, how do we respond in an emergency		25th July 2017	Stuart Thomas / Sue Grace		GPC	Bailey Bates Bywater Count Criswell Dupre Hickford Hudson Jenkins Nethsingha Schumann Shuter	80%
2.	Business Intelligence	Data / system integration Date sharing with other authorities. The importance of good governance and information management. *(pre reading material required)*		28th November 2017	Tom Barden/ Sue Grace		GPC	Bailey Bywater Criswell Dupre Hickford Hudson Jenkins Kavanagh McGuire Nethsingha Shuter Wotherspoon	80%