

## **GENERAL PURPOSES COMMITTEE: MINUTES**

**Date:** Thursday, 14th May 2020

**Time:** 10.00a.m. – 11.05a.m.

**Present:** Councillors Bailey, Bates, Bywater, Count (Chairman), Criswell, Hickford, Jenkins, Kindersley, Meschini, McDonald (substituting for Councillor Dupré), Nethsingha, Sanderson, Schumann, and Shuter

### **245. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST**

Apologies were received from Councillors Dupré and Whitehead.

No declarations of interest were made.

### **246. MINUTES – 23RD APRIL 2020 AND ACTION LOG**

The minutes of the meeting held on 23rd April 2020 were agreed as a correct record and would be signed by the Chairman when the Council returned to its offices.

In noting the action log, one Member asked if the current local infection and death rates and occupancy rates in hospital intensive care units could be included at the start of future Public Health Covid-19 reports. The Chairman reminded Members that the Covid-19 report considered by the Committee covered strategic actions taken by the Council. He agreed to investigate with officers to see how this request could be accommodated. **Action Required.**

### **247. PETITIONS AND PUBLIC QUESTIONS**

No petitions or public questions were received.

### **248. CAMBRIDGESHIRE COUNTY COUNCIL'S RESPONSE TO COVID-19**

The Chairman reminded the Committee that officers had been asked to bring a report on the Covid-19 response to date for those services for which each Policy and Service Committee was responsible. Given the rapidly changing situation and the need to provide the committee and the public with the most up to date information possible, the Chairman reported that he had accepted this as a late report on the following grounds:

1. Reason for lateness: To allow the report to contain the most up to date information possible.
2. Reason for urgency: To enable the committee to be briefed on the current situation in relation to the Council's response to Covid-19 for those services for which it was responsible.

The Chief Executive drew attention to the considerable amount of work being undertaken by the Council as part of its ongoing response to the Coronavirus pandemic. Since the last meeting, the Council had set up a response to deal

with tracking and tracing and was awaiting further Government guidance. She explained that the Council was aligning its response phase alongside recovery work. She reminded the Committee that the Government had published guidance in relation to moving out of lockdown. The Council was currently reviewing "OUR PLAN TO REBUILD: The UK Government's Covid-19 recovery strategy", to consider the implications for its services and workforce, and planning accordingly with partners. It was noted that this work would be included as part of the Council's recovery process. However, it was also important to note that the shielding of vulnerable people was likely to last some months.

The Director of Business Improvement and Development reiterated that the Council was currently in the first stage of the recovery plan focusing on the three steps to reopening services following lockdown. The plan would have to cover the response stage lasting approximately a year to eighteen months, and the long term impact on society. It was important to focus on the societal changes which presented opportunities for the Council to think about what sort of society it wanted for Cambridgeshire. Attention was drawn to the recovery framework which was about designing that future and covered three phases. The framework was split into six themes, which took into account the Council's strategic priorities, its Covid-19 risk register and the Local Resilience Forum (LSF) recovery themes. The Council would continue to work closely with a range of system partners.

The Chief Finance Officer reminded the Committee that at the last meeting the financial projections had been based up to the end of June. The Council was now looking beyond this date. Members were informed that new predictions were based on assumptions following the relaxation of lockdown and the resulting consequences. The Council now had a detailed understanding of what the costs would be in the shorter term. It was noted that there were more than 100 business cases for items in excess of £20k to support this projection. Attention was drawn to the major changes since the last meeting set out in Section 3.8. It was noted that the Council had received £26.1m from Government and expected to receive £10.29m from the Clinical Commissioning Group (CCG). However, it was important to note that the Council was still facing a deficit of nearly £8m, if not supported through further Government funding rounds, it would have to be met by considering options available to the Council.

The Chairman reminded the Committee that the funding estimations now aligned with the new Government mandate of the end of July. It was important to note that it could not be a reality costing at this point in time but was instead a best estimate, which showed a significant funding shortfall. He then referred to the multi-year facet which showed an impact on the Council's plans for this year but also on its five year budget. The Chief Finance Officer acknowledged that there would be significant impacts particularly around Council Tax and Business Rates for 2021/22 and beyond as well as latent impacts which would not manifest until later in the year or next year.

Individual Members raised the following issues in relation to the report:

- highlighted the fact that the Ministry of Housing, Communities and Local Government (MHCLG) was for accounting purposes asking Council to assume current Covid-19 restrictions remained in place until the end of July and then to assume the situation would be back to normal. The Chairwoman of Adults Committee queried how this related to the pattern and volume for demand of social care which would not follow the pre Covid-19 activity. She queried the provision the Council had made for this additional care pressure in its financial table at Section 3.5 and how that aligned with the Council's report back to the MHCLG. The Chief Finance Officer reported that the table at 3.5 did not reflect the Council's submission to the MHCLG. Instead it reflected all the projected costs the Council was aware of, it would then have to separate the costs that would be incurred by the end of July. However, he reassured the Committee that the Council would highlight costs which would be incurred beyond July in the survey part of the submission for the 1 August to the end of the financial year. The Chief Finance Officer offered to send a detailed breakdown of what were the assumed costs and the real costs in the table at 3.5 to the Committee. **Action Required.**
- welcomed the £600m package from Government for care homes, which would help to provide support particularly for some smaller care homes that were less resilient and had less infrastructure. It was not yet clear what the Council's portion of this funding would be. The Chairwoman of Adults Committee congratulated the Council for putting its case forward and thanked the Government for taking action so quickly. The Chairman reported that the Council would continue to make representations to Government regarding funding because it had been underfunded before the crisis. If it was not for the fact that it was an efficient organisation, it would not have been able to cope. He was therefore very proud of the work of officers during the crisis.
- highlighted a number of areas of concern in relation to care homes and the rate of infection. Although the £600m additional funding was welcome, it was very overdue. The impact on care homes finances was significant so there was a need to re-examine the way the care home market was managed.
- queried the assumptions made for commercial and rural rents. The Chief Finance Officer reported that the Council was conducting a case by case review to try to support its portfolio of investments and tenants. However, it was important that its internal governance process demonstrated equity and transparency. He offered to provide the Committee with more detail on the foregone commercial income of £1.169m. **Action Required.** The Chairman of Commercial and Investment Committee reported that the Council was supporting its tenant farmers, and had received a letter from the National Farmers Union thanking the Council for its response.
- highlighted the fact that the Government had talked about how it would cover additional costs but the impact on the Council's finances was not

just about additional costs but also loss of income. There was concern that there had been no reference from Government as to how it was going to support Councils in this area. The Chairman reported that the Council was pressing home the message to Government regarding the loss of income particularly as the Council could demonstrate a balanced risk portfolio. He explained that the immediacy of the funding requirements relating to costs had been clear at the start of the emergency. However, the District Councils had then been put in a difficult position as they had been required to hand over Council Tax and Business Rates funding which perhaps had not been collected. The Government had then taken this into account as part of its second tranche of funding. He explained that the Government needed to understand that it was a very complex situation. He suggested that the Council's situation in relation to commercial income was not as pressing as some District Councils where it was a fundamental part of their budget. It was important that the Government took into account where commercial income was a long established part of a Council's budget. He explained that the Government might have concerns about some of the commercial investments made in the last couple of years which were out of step with a balanced risk approach and where Covid-19 had not been the sole reason for the loss of income.

- welcomed the Recovery Framework which provided an excellent start to the process. The Chairman reported that the Council's Joint Management Team and the Chairs of the Committees had been involved in drawing up the plans. He extended his thanks to the whole officer cadre. One Member highlighted the need to identify how other organisations were managing in the crisis. The Director of Business Improvement and Development reported that she would add information in future reports from the LRF recovery group. **Action Required.**
- queried the relationship between the submission to MHCLG and the Council's internal finances. The Chief Finance Officer explained that the Council's profiling, reporting and projections was based on the likely costs the Council was expected to incur. The MHCLG submission was a completely separate issue and the reporting and deadlines were designed to provide some consistency to the process.
- highlighted the importance of the work the Council was doing with the Combined Authority in relation to the recovery plan. It was suggested that a big focus needed to be aimed at small and medium-sized enterprises (SMEs). It was noted that the McKinsey study had indicated that the big economic impact on the workplace would be on the low paid, the young and women. It was therefore important to factor that into the recovery plan. The Chairman reported that he was the Council's representative on the Mayoral Forum and added that the Small Business Forum was also part of this group.
- welcomed the inclusion of health and wellbeing in the recovery plan. It was noted that the World Health Organisation had indicated that the world might need to live with Covid-19 for some time. The Chairman reminded Members that the Council took its public health responsibilities very

seriously, which was demonstrated by the fact it had been embedded across all its Directorates.

- highlighted the fact that transport patterns were going to change. It was important that the Council considered the impact of this on its Transport Strategy alongside the work with the Combined Authority. The Chairman acknowledged the need for the relevant committee to deal with this but it was a complicated issue. He explained that it was impossible at this stage to identify the nature of the change of usage. He reported that the Council had submitted a number of pop up cycle lanes and longer term cycle lanes to the Combined Authority for consideration.
- stressed the need for the local context to be included as part of Section 1 of the report. It was also highlighted that the link in 2.2 to the weekly reports was not up to date. The Director of Business Improvement and Development acknowledged the need to reflect the local context in future reports. She explained that the highlight reports were being dealt with as part of a monthly cycle so the May GPC meeting reflected reports for April whilst the June meeting covered reports for May. All Members would continue to receive weekly reports.
- highlighted the fact that there was an indication nationally that the Government would take on more long term debt rather than adopt austerity. It was queried whether the Council could do the same. The Chief Finance Officer reminded the Committee that the Government's proposal was to borrow an additional £300b of funding through gilt issuance. However, that funding needed to be funded against some form of revenue stream. He explained that the Fairer Funding process for local authorities planned for later this year had been deferred. He informed Members that the Council did not have the statutory ability to borrow against revenue. It could only borrow in year for revenue purposes and out of year for capital. The Council would therefore have to manage the resource envelope as part of its business planning process. The Chairman reminded the Committee that the Council was still at the start of the journey regarding the financial impact of Covid-19. However, it was very clear that the Council would be facing a significant projected funding gap. As the Council was unable to borrow, it would be forced to take decisions to address this gap unless Government provided additional funding. He explained that the MHCLG currently put Cambridgeshire in the lower quartile for Covid-19 expenditure. However, this was unsound which was why the Government was proposing a common base. It was therefore difficult to know where the Council was placed other than the Council was starting from a low funding base with a low level of reserves. He was of the view that the Government was likely to provide further funding over time.
- stressed the importance of democratic input into the recovery plan both from Councillors and the public. The Chairman reminded the Committee that emergency procedures had only been used at the start of the crisis. He explained that the Scheme of Delegation had not changed and that decisions would be taken by committees now that virtual meetings were up and running. The Director of Business Improvement and Development

added that as part of the recovery framework lots of consultation was taking place with communities regarding how services could be re-established and what a civic society would like in the future. It would also be taken through committee workshops and the normal democratic structure.

It was resolved unanimously to:

- a) note the progress made to date in responding to the impact of the Coronavirus.
- b) note the current projected financial implications associated with managing the implications of the Coronavirus pandemic as set out in section 5 of this report.
- c) note and endorse the Recovery Framework as set out in section 4 of this report.

**249. GENERAL PURPOSES COMMITTEE AGENDA PLAN, TRAINING PLAN AND APPOINTMENT TO OUTSIDE BODIES, AND INTERNAL ADVISORY GROUPS AND PANELS**

The Committee considered its agenda plan which included the addition of the following item for the meeting on 2nd June 2020:

- Re-procurement of the Cambridgeshire County Council Microsoft Enterprise Licensing Agreement for a period of three years

It was resolved unanimously to review the agenda plan.

Chairman