

GENERAL PURPOSES COMMITTEE: MINUTES

Date: Tuesday, 28th May 2019

Time: 10.00a.m. – 11.55a.m.

Present: Councillors Bailey, Bates, Boden (substituting for Councillor Hudson), Bywater, Criswell, Cuffley (substituting for Councillor Count), Dupre, Hickford (Vice-Chairman), Jenkins, Meschini, Schumann, Shuter, Whitehead and Wilson (substituting for Councillor Nethsingha)

158. NOTIFICATION OF CHAIRMAN/WOMAN AND VICE-CHAIRMAN/WOMAN

The Committee noted that the Council had appointed Councillor Count as the Chairman and Councillor Hickford as the Vice-Chairman for the municipal year 2019-20.

159. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies were received from Councillors Count (Chairman), Hudson, Nethsingha and Sanderson.

No declarations of interest were made.

The Vice-Chairman, on behalf of the Committee, congratulated Councillor Nethsingha on being elected an MEP for the Eastern Region.

160. MINUTES – 26TH MARCH 2019 AND ACTION LOG

The minutes of the meeting held on 26th March 2019 were agreed as a correct record and signed by the Vice-Chairman.

In noting the action log, the Vice-Chairman reported that officers had contacted Councillor Whitehead but a meeting had yet to be scheduled. However, on review of the 2019/20 Local Highway Improvement applications approved, there were two for those that had involved street lighting related to replacing columns which had previously been in place, and none for an additional column addressing dark spots where there had been no lighting in the past.

161. PETITIONS

No petitions were received.

162. FINANCE AND PERFORMANCE REPORT – OUTTURN 2018-2019

The Committee was presented with the Outturn 2018-19 Finance Report for Corporate Services and LGSS Cambridge Office, which was showing a forecast underspend of £1,240k. Attention was drawn to five new significant forecast outturn variances, which included staff vacancies and a better than expected position on a new software system. It was noted that financing

costs had not been as favourable as expected due to the reduction of the average cost of borrowing to the Council over the last year.

One Member queried the overspend of £23k reported for Business Improvement and Development. It was noted that this budget was funded by rechargeable capital receipts and other projects, and that it was difficult to predict activity precisely. Another Member queried why performance information for the LGSS Cambridge Office was not currently available. Members noted that there was a capacity issue within the relevant Team as well other external factors relating to LGSS; the Committee would be receiving a wider review of performance reporting across the Council at its July meeting.

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

163. INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR THE PERIOD ENDING 31ST MARCH 2019

The Committee received a report detailing the financial and performance information for the financial year 2018/19. The overall revenue budget position was showing a forecast year-end pressure of £3.2m at year end, which was a reduction of £0.1m on the previous month, and less than 1% of the Council's overall revenue budget. Although the report provided a financial outlook reflecting a constrained financial position, it was important to note that the Council had delivered £27.8m of savings against its original plan.

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

- queried whether the 67% off target for "Adults and Children are kept safe" was based on a subjective measurement. The Director: Business Improvement and Development reported that the measurement was subjective as it was based on the use of safeguarding services and did not take into account external factors. Other ways of evaluating this indicator were therefore being considered.
- highlighted the significant pressure in the Special Educational Needs and Disability (SEND) Specialist Services. It was noted that the three Councillor observer representatives on the Schools Forum had raised, at a meeting of the Forum, the fact that maintained schools had £13m in reserves. Officers had not been able to establish the level of reserves held by academies. One Member was concerned that schools expected the Council to provide all the funding. She explained that a small amount of funding was needed from schools to tackle the issue of SEND in the long term. This funding would be used to employ a researcher for a year so was effectively an invest to save scheme. She raised the need for the Chairman to write to the Schools Forum explaining the Council's position. The Chairman of the Children and Young People Committee reported that he shared the frustration of the other Councillors on the Forum. However, it was important a long term solution was identified. He explained that five schools had deficit budgets and a few schools were also on the financial edge. Other Members acknowledged that school reserves could already be allocated for future development or an increase in pupil numbers. The

Chief Finance Officer acknowledged that SEND was a national problem, which needed to be addressed nationally, and he hoped that the issue would be addressed in the spending review. The Vice-Chairman agreed that a joint letter from the Chairman and Chief Executive should be sent to the Schools Forum explaining the Council's position and exploring the possibility of schools providing a small amount of funding to help identify a long term solution to the pressure in the SEND budget. **Action Required.**

- noted that the provisional total for people killed or seriously injured on the roads to the end of December 2018 was lower than the same period of the previous year and the overall trend was downwards but still above target. One Member queried how the figures set out in the report related to the Combined Authority's new "Vision Zero" which aimed to move the number towards zero. The Vice-Chairman asked the Chairmen of the Economy and Environment and Highways and Infrastructure Committees to work with officers and the Combined Authority to provide a written response. **Action Required.**
- queried when Commercial and Investment would make a profit. The Head of Finance reported that the underachievement at year end of £6.416m related to the value of land at the point of transfer to This Land, which had been constrained by the planning process. The budget was currently being reprofiled and should meet its target. It was also noted that not all commercial property acquisitions had yet been secured. The Chairman of Commercial and Investment Committee reported that Commercial and Investment had made a profit this year but not as much as hoped. He was optimistic that transfers of land would happen quicker to enable the Committee over the next twelve months to forecast in line with what had been achieved. He drew attention to other successful work streams such as the Energy Investment Unit.
- highlighted the need to explain in the text next to the diagram relating to "People lead a healthy lifestyle and stay healthy for longer" why the position was worsening. One Member raised the need for Health Committee to take action. The Vice-Chairman acknowledged the need to clarify the position it had worsened from. The Director: Business Improvement and Development reminded the Committee of work taking place on performance indicators which would be reported to the July meeting. In the meantime, the Vice-Chairman asked the Director to review the presentation of the information. **Action Required.**
- congratulated officers on achieving considerable savings including some projects which had over achieved. The Vice-Chairman asked the Chief Executive to pass on the thanks of the Committee. **Action Required.**
- requested clarification regarding the use of Cambridgeshire Horizons funding. Members were informed that the Council was the accountable body for Cambridgeshire Horizons, which was a dormant company. The funding therefore related to projects previously approved by the company. The Chief Finance Officer reported that the Council was utilising the capital sum for investment to delay the time it had to borrow. The funding was secure and the Council would pay interest on the balance. The Vice-

Chairman asked officers to provide a report to the next Horizons meeting explaining this situation. **Action Required.**

It was resolved unanimously to:

- a) Note the Council's year-end resources and performance position for 2018/19.
- b) Approve the allocation of the Business Rates Relief Reconciliation of Authorities' 2017/18 Tax Loss Payments grant (£462,063) to the corporate grants account within Funding Items. This would offset pressures across the Council, reducing the transfer from the general fund reserve at year-end, see section 6.2.
- c) Approve the use of £27,532k Basic Need Grant, £3,601k Greater Cambridge Partnership funding, and £2,052k Horizons to off-set the additional funding required to repay the use in previous years of £20,901k Growth Deal and £7,654k Growing Places funding, as well as the resulting reduction of £4,630k in the prudential borrowing requirement, see section 13.7.
- d) Note the use of £3,693k Section 106 contributions for applicable schemes where expenditure was incurred in prior years, and the resulting reduction of £3,693k in the prudential borrowing requirement for 2018/19, see section 13.7.
- e) Note the additional capital contributions as set out in section 13.7.
- f) Approve additional prudential borrowing of £599,000 in 2019/20 for the Abbey Meadows condition works scheme, as set out in section 13.9.
- g) Note the changes to capital funding requirements as previously recommended in the February report, set out in Appendix 3, amounting to £372k applied to Highways schemes.
- h) Note a compensation payment in relation to the outcome of a Community Transport investigation, as set out in Appendix 4.

164. MOBILISING LOCAL ENERGY INVESTMENT FINANCING THE WORK OF THE ENERGY INVESTMENT UNIT – TRANSFORMATION BID

The Committee considered a Transformation Fund bid for supporting the work of the Energy Investment Unit until March 2022. The bid had received unanimous support from Commercial and Investment Committee. The funding would provide greater operational flexibility to the Unit and help it achieve the following objectives: supporting the Council's ambitions in relation to energy; achieving a substantial net income for the Council through income generation from large energy projects; and supporting the growth agenda but in line with the energy motion approved by Council. The Vice-Chairman reported that this bid represented a small investment for a great potential return.

It was resolved unanimously to approve Appendix A, the Transformation Bid proposal of £989,000 for financing the Energy Investment Unit up to March 2022.

165. MOVE OF IT SYSTEMS FROM SHIRE HALL DATA CENTRE

The Council's data centre was more than 20 years old and had been retro-fitted because it had not been originally designed as a data centre. It therefore required renewing at the same time the Council was planning to move from the Shire Hall site. The Committee would be receiving the Council's IT Strategy at its July meeting which would set out the sharing of services between Cambridgeshire and Peterborough and the move to cloud services.

Attention was drawn to the six options which had been considered for housing the systems and data currently based in the Shire Hall data centre. Option 6: Hybrid option which involved migrating selected critical systems to the Cloud with remaining systems and data hosted from Peterborough was being recommended. It was important to note that this option like the other five options was not without risk.

The complexity of this work required an iterative approach and a dedicated project team. Project governance would be through a separate project board which would feed into the Cambs 2020 and Capital Programme Boards. The Chairman of GPC would receive periodic updates. Given the impact of this work on partners such as LGSS, there would also need to be a partnership board.

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

- highlighted the rationale for Option 6 set out in Section 4.2. It was noted that negotiating an appropriate timeline with the preferred bidder for a phased departure of this area of Shire Hall would provide more time for the work to be carried out and minimise risk. It was important to bear in mind that putting IT projects up against an absolute deadline increased risk.
- acknowledged the risks associated with IT projects, and therefore welcomed the hybrid option. However, it needed to be dynamic in order to meet different requirements and time limits. It therefore required good management. One Member hoped that the Chief Executive would take personal control. The Chief Executive confirmed that she would take leadership as she had when Peterborough City Council had moved its data centre to Sand Martin House. She informed the Committee that the Strategic IT Lead for CCC had also worked on this project.
- acknowledged the need for a high contingency cost figure, which reflected a realistic approach. However, it was hoped it would not be used.
- highlighted the importance of liaising with LGSS partners, which would be difficult given the change in composition of LGSS.

- queried whether the capital and revenue data was available for the other five options. Members noted that it was not available in the same detail. Although cost had been part of the decision in proposing Option 6, other issues such as how it strategically and organisationally fitted and how it minimised risk had also been considered. It was noted that the best option had been identified and then costed up.
- queried why there was no data centre included at Alconbury. The Chief Finance Officer reported that there had been a conscious decision not to have a data centre at the Council's new headquarters. It was important to bear in mind that there had been detailed discussions regarding the other options but it was considered that they would not advance Cambridgeshire in the same way as Option 6. This option reflected Cambridgeshire's strategic context of a cloud first strategy.
- questioned whether the proposed governance arrangements were strong enough. The Chief Executive reported that they were based on a clear project plan, which included a risk matrix to evaluate every point. She stressed that she would escalate wherever appropriate any issues. The Strategic IT Lead stressed the importance of robust project management and a strong Project Manager.
- welcomed the report which provided a clear rationale for the reasons for the recommended approach.
- queried the use of the Cloud – First Model diagram on page 93 which was not very clear. One Member drew attention to the risks and actions detailed in the report but expressed concern that there was no figures regarding the severity or likelihood of impact. Although a risk matrix had been prepared, she reported that it should have been included with the report to enable the Committee to make an informed decision.
- queried whether this process could be unravelled in the future if the governance arrangements changed in Cambridgeshire. The Strategic IT Lead reported that it was possible to build in an exit strategy but it would take time and cost money. It was noted that items could be put in and taken out. It was important to bear in mind that the cloud was effectively a massive data centre.
- questioned the relationship between the move from Shire Hall and the need to replace an obsolete data centre. One Member queried whether the former would hold up the arrangements for replacing the data centre. She also queried whether the data centre at Peterborough would be in place for a long time. It was noted that there were some interdependencies, which was why the Council would be working with the preferred bidder to negotiate some flexibility. It was also noted that Sand Martin House was a new building and would be there for the long term. However, over time the Council's dependence on physical structures would reduce.
- expressed concern about the number of risks in particular the future of LGSS, which should appear on the Risk Register. One Member

commented that the Council would have more time to move the data centre if it was not moving from Shire Hall. He was concerned about the unknown costs associated with the move from Shire Hall.

It was resolved

- a) Endorse the suggested approach to relocation of the data centre outlined in Section 4 of this document.
- b) Agree funding for this approach as detailed in Section 5 of this document.

166. CAMBRIDGESHIRE COUNTY COUNCIL DRAFT PLASTICS STRATEGY

The Committee was reminded of the motion approved by Full Council on 15 May 2018 to reduce the Council's reliance on single-use plastics. A cross-service working group comprising staff from Waste, Facilities Management, Procurement, Communications, Flood and Water was involved in developing a strategy and action plan. The draft strategy included the following four strategic themes: Getting our own house in order; Working with suppliers and contracts; Helping raise awareness across Cambridgeshire; and Enabling Cambridgeshire to take action.

The Committee acknowledged the significant amount of work which had gone into preparing the strategy and action plan. Individual Members raised the following issues in relation to the report:

- noted that tyre dust was a significant contributor to marine plastic litter. One Member requested more information regarding this component in the strategy. Members were informed that road sweepings provided by District Councils, including tyre dust, were processed through the Council's recycling scheme which prevented them from entering the water course. Another Member highlighted the difficulty of the Council reducing tyre and brake dust. He suggested that it was therefore more important to target air pollution.
- expressed concern that the Council had replaced plastic cups with compostable cups when it did not have a collection or treatment facility in place that could treat biodegradable and compostable packaging. One Member highlighted that there was no reference to this in the list of actions. Members were informed that compostable cups currently went to landfill, as the time taken for them to decompose was longer than the seven week process of the Mechanical Biological Treatment equipment. The Vice-Chairman asked the Project Director to investigate this issue to identify an interim solution. **Action Required.**
- noted plans to scope which of the Council's buildings and other assets could provide free water refills for visitors and the public by August 2019. One Member queried how many points would be needed and was concerned that no additional resources had been identified to install the water points. The Project Director reported that a programme of publically available buildings was being prepared. It was likely to cost £500 each

time to plumb in the system at each point. The Council therefore needed to identify how many points would be required and how they would be provided financially in order to prepare a timeline.

- stressed the importance of assigning a budget to the officer appointed to monitor this programme. It was noted that resources would be available from the Transformation Team. A Member raised the need for this to be documented.
- acknowledged that it was disappointing the Council could not do too much on its own. Although Cambridgeshire could only do a little it was important the Council exercised leadership in relation to other contacts, and the Local Government Association (LGA). In relation to the chart on page 120, a Member highlighted the need for a change in behaviour to be included. He suggested that more could be done in relation to the supply chain. In response, the Project Director reported that the Council's purchasing power was one of its biggest influences in relation to the supply chain.
- noted that Government was currently conducting a review of recycling. It was proposing to extend producer responsibility by 2023, introduce a plastics tax, ensure 75% of packaging was recycled by 2030, and reduce to 10% by 2035 the level of waste going to landfill. It was acknowledged that a significant amount was going on at a national level, which would need to be aligned with the Council's strategy.
- highlighted the need to include work the Council had carried out with other organisations and individually such as street cleaning and recycling tyres. There was also a need to adapt one of the strategic objectives to reflect the need to stop plastic production and related material particularly with regard to synthetic clothing and black food trays. One Member raised the need to differentiate between good and bad plastics.

Councillor Dupre proposed an amendment to the recommendation to ensure the comments identified at the meeting were taken on board. The Vice-Chairman, with the agreement of the Committee, agreed to alter the recommendation to ensure the alterations raised at the meeting were recommended to Full Council.

It was resolved unanimously to comment on the draft Plastics Strategy with alterations raised at the meeting and recommend it for approval to the next Full Council meeting.

167. TREASURY MANAGEMENT REPORT – QUARTER FOUR 2018-19

The Committee considered the fourth quarterly update on the Treasury Management Strategy 2018-19, approved by Council in February 2018. Attention was drawn to the key headlines set out in Section 2.1 of the report. The Chief Finance Officer reported that the LGA had reviewed the Municipal Bonds Agency and were scheduled to go to market to issue the first bond.

It was resolved unanimously to note the Treasury Management Quarter Four Report for 2018-19 and forward to full Council to note.

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

The Committee considered its agenda, training plans and appointment to outside bodies, and internal advisory groups and panels. Councillor Whitehead reported that the Labour Group was refusing to appoint a representative to the LGSS Joint Overview and Scrutiny Working Group because it did not see the point of this Group when there was an LGSS Board to scrutinise the work of LGSS. It was agreed that the Council's representative on the LGSS Board, Councillor Boden, should take this up with the LGSS Managing Director. **Action Required.**

It was resolved unanimously to:

- (i) review its agenda plan attached at Appendix 1;
- (ii) review its training plan attached at Appendix 2;
- (iii) agree the appointments to outside bodies as detailed in Appendix 3 subject to the appointment of Councillor Tierney as the Council's representative on the Police and Crime Panel and Councillor Connor as the substitute; and
- (iv) agree the appointments to Internal Advisory Groups and Panels as detailed in Appendix 4 subject to the appointment of Councillor Sanderson on the Member Development Panel to replace Councillor Giles, and Councillor Hay on the County Farms Outcome Focused Review to replace Councillor Hickford.

Chairman