

GENERAL PURPOSES COMMITTEE: MINUTES

Date: Tuesday, 27th November 2018

Time: 10.00a.m. – 11.10a.m.

Present: Councillors Bates, Bywater, Count (Chairman), Criswell, Dupre, Giles, Hickford, Hudson, Hunt (substituting for Councillor Bailey), Jenkins, Meschini, Nethsingha, Schumann, Shuter, and Whitehead

119. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies were received from Councillor Bailey.

No declarations of interest were made.

120. MINUTES – 23RD OCTOBER 2018 AND ACTION LOG

The minutes of the meeting held on 23rd October 2018 were agreed as a correct record and signed by the Chairman. The action log was noted.

121. PETITIONS

No petitions were received.

122. FINANCE AND PERFORMANCE REPORT – SEPTEMBER 2018

The Committee was presented with the September 2018 Finance and Performance report for Corporate Services and LGSS Cambridge Office, which was showing a forecast underspend of £1m. There was one new significant variance to report for capital, which was showing an in-year underspend of £1.1m.

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

123. INTEGRATED RESOURCES AND PERFORMANCE REPORT FOR THE PERIOD ENDING 30TH SEPTEMBER 2018

The Committee received a report detailing the financial and performance information to assess progress in delivering the Council's Business Plan. The overall revenue budget position was showing a forecast year-end pressure of £4.6m, which was a reduction of £0.3m on the previous month. Attention was drawn to the savings tracker which was presented to the Committee biannually. The Strategic Finance Business Partner explained the process to mitigate pressures in delivering savings in year in order to deliver a balanced position. During discussion, individual Members raised the following:

- welcomed Recommendation d) which would ensure that the Mobile Library Service continued as an essential part of the statutory service and was fit for purpose.

- highlighted the funding pressure relating to Special Educational Needs and Disability (SEND). The Committee was reminded that this was a significant issue for the whole country, and had been discussed at the recent National Children's and Adults Services Conference. One Member requested confirmation that the Council was supporting the Local Government Association (LGA) on its work nationally to address this issue. The Chairman of Children and Young People Committee reported that he had recently hosted a regional LGA network meeting where the need to keep pushing this agenda had been discussed. He acknowledged that this was a national challenge, and it was therefore important that Members worked together to improve funding for this area.
- welcomed the role of schools and units in supporting SEN provision. One Member highlighted the importance of keeping SEND in schools but was concerned that current drivers did not promote this. She encouraged the Council and the LGA to consider carefully why young people took up places in Special Schools rather than in mainstream ones. She also highlighted the rise in exclusions for children with special needs. Another Member drew attention to a recent news article which had provided evidence of schools encouraging parents to educate their children with special needs at home in order to improve schools' exam results. The Chairman of Children and Young People Committee reported that the Council was doing all it could to ensure these children were educated in a school setting.
- queried why the £8.1m underspend in the capital programme could not be used to address the deficit in the revenue budget. The Chief Finance Officer explained that it depended on the nature of the grant element of the funding; in most cases it was usually specific in nature. However, the general principle was that capital funding could not be used to fund revenue. The Chairman reminded the Committee that the Government had provided some flexibility in relation to transformation work. He also reminded Members that the allocation of all un-ring fenced grants was considered by the Committee.
- highlighted the need to avoid linking the interest in the Shire Hall site to the overspend in the project. The Chairman acknowledged that the Council's ability to manage expenditure in order to gain a revenue stream was separate. However, the outcomes set out in the business case meant that these two issues were intrinsically linked. He reminded the Committee that the justification for the project was to gain more revenue with a proposed surplus of £30m over the next 30 years. The Chairman of Commercial and Investment Committee highlighted the fact that the Shire Hall Relocation Project was like the majority of schemes on page 78 of the agenda an invest to save scheme, which would release funding to invest in communities.
- welcomed Recommendation b) which was good for the environment and would produce an income.
- welcomed Recommendation d) which could be labelled as an invest to save scheme. It was noted that the building which was owned by the

Council was the centre for a charity which provided important services and outcomes for adults with learning disabilities.

At the request of one Member of the Committee, the Chairman took the vote on recommendation a) separately. Before putting the recommendation to the vote, as permitted under Part 4 - Rules of Procedure, Part 4.4 - Committee and Sub-Committee Meetings, Section 18 Voting of the Council's Constitution, the majority of members of the Committee requested a recorded vote.

It was resolved to:

- a) Approve £2.5m revised phasing of prudential borrowing from 2019/20 to 2018/19 for the Shire Hall Relocation Scheme, as set out in section 6.7.

[Councillors Bates, Bywater, Count, Criswell, Giles, Hickford, Hudson, Hunt, Schumann, and Shuter voted in favour; Councillors Meschini and Whitehead voted against; Councillors Dupre, Jenkins and Nethsingha abstained]

It was resolved unanimously to:

- b) Approve an additional £105k of prudential borrowing in 2018/19 for the Stanground (£62k) and Woodston (£43k) Closed Landfill Energy Projects, as set out in section 6.8;
- c) Approve an additional £275k of prudential borrowing in 2018/19 for the replacement Mobile Libraries scheme, as set out in section 6.9;
- d) Approve an additional £113k of prudential borrowing in 2018/19 for the Marwick Centre roof repairs project, as set out in section 6.10 and;
- e) Approve the allocation of £239,873 School Improvement and Brokering Grant to People and Communities so that it could be used for its intended purpose, as set out in section 7.2.

124. CORPORATE STRATEGY

The Committee considered an overview of the proposed Corporate Strategy 2019-21. It was noted that the Strategy had been developed by a Working Group, and that GPC Members had attended a workshop in October to explore and develop the key themes. Full Council would be asked to approve the Strategy at its meeting in February, as part of the Business Planning process. The Committee was informed that detailed work plans would be produced to capture actions. It was proposed that if Council approved the Strategy in February, the Committee Report templates should be amended to include review by the lead officer for each priority area.

Some Members expressed concern that the Strategy made no reference to how it would be implemented. The Chairman reminded the Committee that it was being asked to approve a strategy and not an action plan. It was noted that the work plans would be prepared by the relevant Policy and Service

Committees and published on Camweb. Another Member highlighted the need to see the data below the Strategy in relation to the Council's strengths and weaknesses in the context of the challenges it faced. The Chairman reminded the Committee that risks would be set out in the Council's Risk Register. The Strategy would enable the Council to make decisions based on the three priority outcomes. Officers would therefore be asked to bring forward a package of services to drive up these outcomes.

Another Member highlighted the need to make savings of £60m over the next three years. She stressed the importance of having more detail. In response, the Chairman confirmed that there was more detail contained in separate papers.

The Committee had a discussion regarding the use of the phrase "lean delivery" on page 69 of the agenda. The Chairman of Communities and Partnership Committee reported that the role of his Committee was to reduce need by working with partners to deliver services more efficiently. He explained that it was about service redesign rather than service reduction. The Chairman reminded the Committee that the Strategy had been considered by a cross party workshop and was more than just about one word.

The Leader of the Liberal Democrat Group reported that her Members would be abstaining as the Strategy was part of the Business Planning suite of documents. She raised concern regarding the priority action relating to "embed a demand management approach across the business". Whilst she understood the need to discourage people from using the Council's services, she did not feel it should be a core aim. In response, one Member reported that this concern had not been raised at the cross-party workshop. The Chairman reported that this action related to the prevention agenda and the involvement of the voluntary sector. There was no suggestion that the Council would not provide services. He added that he therefore expected the Liberal Democrat Group to produce an amended Corporate Strategy as well as an amended budget at the Full Council meeting in February.

Another Member highlighted the fact that commercialisation ran through the Strategy. She reminded the Committee that the Council was not a business but it could be business like in a positive way. She drew attention to the bureaucracy associated with the proposal to revise the Committee Report templates, which would result in seven further sign offs. She was of the view that many reports were already too long. Members noted that it was expected that the relevant officers would be involved at the start of the process.

In conclusion, the Chairman acknowledged the issues raised but stressed the importance of the corporate actions to deliver services. He reminded the Committee of the improvements resulting from embedding a corporate approach across the business of the Council but added that the Strategy would be reviewed and revised. He also drew attention to the fact that unlike many other councils, this Council had been able to produce a Strategy which was not just based on survival over the next twelve months. Given the economic climate, the organisation and its staff should take credit that as a

result of actions taken, the Council was able to consider issues on an outcome basis.

It was resolved to:

- a) Comment on, endorse and recommend to Full Council to agree the Corporate Strategy 2019-2021 as part of the Business Planning process; and
- b) Comment on, endorse recommend the proposed changes to Committee Reports from March 2019.

125. DRAFT 2019-20 CAPITAL PROGRAMME AND CAPITAL PRIORITISATION

The Committee received a report detailing an overview of the full draft Business Plan Capital Programme and results from the capital prioritisation process. The Chief Finance Officer reminded the Committee that it had already considered the Capital Strategy, which would form part of the Business Planning documents to be considered by Full Council in February, and its own capital programme. This report provided an opportunity to consider feedback from Service Committees in October before the final programme was presented to Full Council.

One Member welcomed the in-depth analysis to facilitate informed decision making in future with respect to Highways Maintenance £90m expenditure (ending in 2022-23), as it was unsustainable long-term to fund highways maintenance expenditure via borrowing. He hoped that a one page summary would contain the detail in appendices. The Chairman asked the Member to let officers know the information he was seeking. **Action Required.** The same Member queried the reference to Highways and Community Infrastructure Committee discussing the Community Hub schemes, as he was not aware this had taken place. The Chief Finance Officer agreed to investigate. **Action Required.**

One Member requested more background on the planning behind the table at 4.1, because as far as she was aware there was no indication that the school building programme would diminish. The Chief Finance Officer explained that it was a rolling programme with greater validity in its early years. He reminded Members that the School Capital Programme was predicated on pupil numbers and revised based on the speed of development. The figures were therefore robust for 19/20 with the accuracy reduced by 5% each year after. The Chairman requested a briefing note detailing how new schools were funded including the interplay between the different funding streams, the differences between District areas, and in particular the funding of schools at Northstowe. **Action Required.**

The Leader of the Liberal Democrat Group reported that her Members would be abstaining as the Capital Strategy was part of the Business Planning suite of documents. In response, the Chairman reported that he therefore expected the Liberal Democrat Group to produce an amended Capital Strategy at the Full Council meeting in February.

It was resolved to:

- a) Note the overview and context provided for the 2019-20 Capital Programme;
- b) Note and comment on the results of the capital prioritisation process, taking into consideration the most up to date estimations for financing cost and the overall revenue position; and
- c) Comment on the draft proposals for the full 2019-20 Capital Programme and endorse their development.

126. TRANSFORMATION FUND MONITORING REPORT QUARTER 2 2018-19

The Committee received a report detailing progress in delivery of the projects for which transformation funding had been approved at the end of the second quarter of the 2018/19 financial year. There were sixteen schemes of which two were rated red and one amber. Attention was drawn to the service comments relating to these three exceptions. It was also noted that one scheme rated blue was over performing. Members were advised that the report highlighted the potential benefits of these schemes to other organisations as requested. The Chairman welcomed this information but commented that the dedicated social work and commissioning capacity in Learning and Development which was likely to have resulted in additional benefits being claimed should not be seen as an adverse effect as the Council was helping people claim their entitlement.

One Member welcomed the savings made by Learning and Development even though the scheme was rated Red. She commented that it had performed better than she had expected. She requested more detail in relation to the External Funding Scheme, and LAC Placement Budget Savings scheme, which she was surprised to see rated Green. The Chairman asked for a briefing note to be circulated on these two issues. **Action Required.**

In response to a query, it was noted that it was unlikely that any other schemes would be rated blue.

It was resolved unanimously to note and comment on the report and the impact of transformation fund investment across the Council.

127. TREASURY MANAGEMENT REPORT – QUARTER 2 AND MID-YEAR UPDATE 2018-19

The Committee received the second quarterly and mid-year update on the Treasury Management Strategy 2018-19, approved by Council in February 2018. In introducing the report, the Chief Finance Officer proposed the removal of recommendation b). Whilst this recommendation just reflected the reclassification of the money market which the Council already used and did not change the Council's approach to investing, it had been introduced in the report with no explanation in the narrative. He explained that the report made reference to Brexit for the period ending in September. He also drew attention to the IFRS9 standard and the Government agreement to provide a

statutory override for the next five years to allow English local authorities to continue to mitigate the impact of valuation gains or losses.

The Chairman queried whether the removal of recommendation b) would result in any timing issues. The Chief Finance Officer reported that it would not change the basis of allocation or parameters. The Committee therefore agreed unanimously to remove this recommendation. One Member requested information on the vacancy rate and wage pressures as a result of inflation following Brexit. The Chairman asked for this information to be circulated. **Action Required.**

It was resolved unanimously to:

- a) Note the Treasury Management Report; and
- b) Forward to Full Council for approval.

128. GENERAL PURPOSES COMMITTEE AGENDA PLAN, TRAINING PLAN AND APPOINTMENTS TO OUTSIDE BODIES, INTERNAL ADVISORY GROUPS AND PANELS, AND PARTNERSHIP LIAISON AND ADVISORY GROUPS

The Committee considered its agenda plan and training plan. It also noted that the Waste PFI Contract item scheduled for December might be deferred. The Committee requested a confidential briefing note if it was deferred. **Action Required.**

It was resolved unanimously to:

- a) review its agenda plan attached at Appendix 1; and
- b) review its training plan attached at Appendix 2.

Chairman