

GENERAL PURPOSES COMMITTEE: MINUTES

Date: Thursday, 26th September 2019

Time: 10.00a.m. – 10.25a.m.

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

183. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies were received from Councillor Kindersley.

No declarations of interest were made.

184. MINUTES – 16TH JULY 2019 AND ACTION LOG

The minutes of the meeting held on 16th July 2019 were agreed as a correct record and signed by the Chairman.

The Committee noted two outstanding actions in relation to the action log. With reference to the action at the top of page 22, attention was drawn to item 5 (minute 187) to the graph on page 36 which showed the departmental forecast variances trend to date, including the Commercial and Investment Committee which was now more clearly visible. The Project Director, Energy Investment Unit was asked to provide a response to the last action on page 23 of the agenda. **Action Required.**

185. PETITIONS

No petitions were received.

186. FINANCE MONITORING REPORT – JULY 2019

The Committee was presented with the July 2019 Finance Monitoring Report for Corporate Services and LGSS Cambridge Office, which was showing a forecast underspend of £291k. Attention was drawn to a technical change set out in Section 2.2 relating to the splitting out of the debt charges fully across all capital schemes in order to aid transparency and report a net return within Commercial Activity.

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

187. INTEGRATED FINANCE MONITORING REPORT FOR THE PERIOD ENDING 31ST JULY 2019

The Committee was reminded that the report now focussed solely on finance. Attention was drawn to the graph on page 36 which would illuminate trends over the coming months. Members were also reminded that the report

reflected budget resets agreed at the last meeting. It was noted that a forecast year-end pressure of £0.99m was being predicted. The Head of Finance advised that there was a growing pressure in Children in Care Placements with the addition of eighteen children in care at the start of the year and sixteen unaccompanied asylum seekers, which reflected a national trend. He added that the situation had improved at the end of August. There had been a positive change for Commercial and Investment Committee in relation to returns from the CCLA Managed Investment Fund. A small capital underspend was predicted which included the delay in expenditure relating to the King's Dyke Scheme. It was noted that net borrowing was now split between necessary borrowing and Invest to Save borrowing.

One Member queried whether the "Savings Tracker" report reflected permanent savings or one off savings. The Head of Finance explained that it reflected permanent savings as identified in the Business Plan. She further queried what would happen if the Council could not make savings due to circumstances beyond its control such as an increase in Home to School Transport. The Chairman reported that savings identified in the Business Plan were being tracked as it was important to know if the Council's savings plan was working. Other savings or circumstances were not reflected in the tracker but recorded and reported separately.

The Chairwoman of Adults Committee drew attention to savings in Adult Social Care. She reminded the Committee of the difficult decision to set up a Transformation Fund. Although it was early days, the report was very encouraging and she congratulated the organisation on doing a good job. The Chairman reported that he was very proud of the Transformation Team and asked for his thanks to be passed on. **Action Required.** He informed the Committee that it was his belief that an organisation of this size should set aside funding for transformation even in times of plenty as it was important to always seek efficiencies and to keep up with modern trends.

One Member queried the meaning of a RAG rating of black. It was noted that this reflected schemes which had not started. Another Member highlighted the need for consistency of colour for the RAG rating reflecting schemes which had over achieved. The Director: Business Improvement and Development acknowledged the need to be consistent. One Member asked whether it would be possible to put the RAG rating in the first column in the savings tracker on page 55. The Chief Finance Officer agreed to undertake this revision. **Action Required.**

The Chief Finance Officer drew attention to the value of the graph on page 41 of the report particularly when the financial information was set out in the capital tables. The Committee agreed to remove the graph from future reports.

The Chairman drew attention to the £0.267m pressure in Mental Health and requested more detail in relation to a potential backdated recharge for a high cost service user in Adult Mental Health. The Head of Finance reported that this related to a difficult case where the County Council was being charged by another authority. **Action Required.**

It was resolved unanimously to:

- a) Approve additional prudential borrowing of £295k in 2019/20 for the Meads Farm scheme, as set out in section 7.7;
- b) Note the funding change from Capital Maintenance Grant and approve additional prudential borrowing of £550k to offset this for the Investment in the CCC Asset Portfolio scheme, as previously recommended in the June 19 report, as set out in Appendix 3;
- c) Note the additional 2019/20 contributions of £494k from the on-street account expected to be used in relation to the Smarter Travel Management - Integrated Highways Management Centre scheme, as previously recommended in the June 19 report, as set out in Appendix 3; and
- d) Note the additional 2019/20 contributions of £3,505k expected in relation to Combined Authority Schemes, as previously recommended in the June 19 report, as set out in Appendix 3.

188. TREASURY MANAGEMENT REPORT – QUARTER ONE UPDATE 2019-20

The Committee received a quarterly update on the Treasury Management Strategy for 2019-20. The Chief Finance Officer drew attention to the turmoil in the markets, the volatility of gilt rates and the softening of interest rates. As a result of the latter, the Council had taken the opportunity of seeking a more favourable interest rate of 1.4% for £70m of new debt. The Chairman added that the Council had people who monitored the financial markets and this favourable rate had only been available for three days. He congratulated officers on achieving this rate which would help front line services.

One Member highlighted the fact that the remarks for Estover Playing Field and Wisbech Town Council had been transposed on the table on page 62 of the report. She queried why the loan to Viva Arts at Soham was not reflected in the table. It was noted that it would be released soon. The same Member reported that it had been agreed that all loans would be included regardless of whether they had been drawn down. The Chief Finance Officer agreed to address this in future reports. **Action Required.**

It was resolved unanimously to note the Treasury Management Report.

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

The Committee considered changes to its agenda plan as follows:

October

- add Transformation Fund Bid (Home to School, SEND and ASC transport)

- removed Customer and Digital Services Risk Register as it will be included in the November Integrated Resources report

November

- add Learning Disability Partnership – Baseline 2020/21 (Pooled Budget)

It was resolved unanimously to review the agenda plan.

Chairman