# GENERAL PURPOSES COMMITTEE

## Thursday, 26 September 2019

## <u>10:00</u>

**Democratic and Members' Services**
Fiona McMillan
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**

**CONSTITUTIONAL MATTERS**

**1. Apologies for absence and declarations of interest**

*Guidance on declaring interests is available at [http://tinyurl.com/ccc-conduct-code](http://tinyurl.com/ccc-conduct-code)*

**2. Minutes - 16th July 2019 and Action Log** **5 - 24**

**3. Petitions**

**OTHER DECISION**

**4. Finance Monitoring Report - July 2019** **25 - 32**

**KEY DECISIONS**

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 Peter Hudson Councillor David Jenkins Councillor Sebastian Kindersley Councillor Elisa Meschini Councillor Tom Sanderson 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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Council and political Group Leaders which can be accessed via the following link or made available on request: http://tinyurl.com/ccc-film-record.

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https://tinyurl.com/CommitteeProcedure

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## GENERAL PURPOSES COMMITTEE: MINUTES

**Date:** Tuesday, 16th July 2019

**Time:** 10.04a.m. – 1.00p.m.

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

### 169. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies were received from Councillor Whitehead.

No declarations of interest were made.

### 170. MINUTES – 28TH MAY 2019 AND ACTION LOG

The minutes of the meeting held on 28th May 2019 were agreed as a correct record and signed by the Chairman.

In noting the action log and in particular the last action on page 19, the Head of Finance reported that the LGSS Overview and Scrutiny Working Group was waiting for the outcome of the review of LGSS to be considered at the LGSS Joint Committee. The Working Group would then meet again in August/September to consider the impact of the Joint Committee's decision on its arrangements.

### 171. PETITIONS

No petitions were received.

### 172. FINANCE AND PERFORMANCE REPORT – MAY 2019

The Committee was presented with the May 2019 Finance and Performance report for Corporate Services and LGSS Cambridge Office, which was showing a forecast underspend of £911k. It was noted that there would be a reallocation from the demography reserve budget which was forecast to underspend. Attention was drawn to the risk that the LGSS Cambridge Office would not deliver its savings. The Peterborough City Council Shared Services savings target was also forecast to underachieve. It was noted that the IT Managed budget was forecast to underspend due to an in-year saving on laptop replacement.

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

## 173. INTEGRATED RESOURCES:

### (a) Review of 2019-20 budget – responding to demands and developments since budget setting

The Committee was informed that a forecast year-end pressure of £0.77m was being predicted, which was manageable for the time of year, and less challenging than the last two years. Attention was drawn in the report to the areas where there were significant pressures, exceptions or possible mitigations compared to the budget set in February. Members were reminded that GPC had adopted an approach which involved reviewing budget flexibilities each summer and deploying additional available resources to demand manage pressures that had emerged since the budget was set. The Committee noted the updated forecast budgetary pressures set out in Section 2 of the report, and a request for new investment in Special Educational Needs and Disability (SEND). It was also advised of the continuous monitoring and replanning including the identification of mitigations, and the implications for future years.

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

- queried whether there were likely to be no further foreseeable demography pressures given that it was proposed to use the demography reserve to mitigate pressures. The Chairman reported that the Council would need to find other ways to deal with unforeseeable demography pressures.

- expressed concern about the implications for future years. It was suggested that sensible rises in Council Tax in previous years would have helped to alleviate financial pressures. The Chairman reminded the Committee that rises in Council Tax had been used to fully fund other projects.

- suggested that it was proposed to use the demography reserve to address pressures which were not related to demography. The Head of Finance reminded the Committee that the demography reserve was only £322k. He informed Members that the situation was complex. The rising costs in Adults Services did relate to unit costs and a restricted supply but this had to be balanced against an increasing ageing population. The pressure in SEND Home to School transport could also be linked to demography.

- queried how the Council could improve its budget forecasting. The Chairman reported that the Council had a large Research Team to analyse data. However, the Council was a needs led organisation and changes in society had a significant impact. The Council had analysed its forecasting and could not identify any significant problems in the budget cycle. It was important to note that there would be changes resulting from winter pressures from when the Council considered its budget in November. This report therefore provided the opportunity to reset the budget based on the latest information. In response, it was queried how the Council fared against other local authorities and whether there was data available. The Chairman reported that Cambridgeshire's budget setting process was better than many others coming in within a margin of under 2%.

- reminded the Committee that the Council had received funding for winter pressures last year. The Adult Positive Challenge (APC) Programme had also dealt with demography. At the end of the year, Adult Social Care had been less than half a percent from budget. Cambridgeshire had a very low spend per population but still managed to achieve good outcomes. However, this position was not sustainable in the future without transformation through the Adults Positive Challenge Programme and other initiatives.

- queried the possibility of the Health and Wellbeing Board (HWB) encouraging joint commissioning of nursing care with the NHS. The Head of Finance reported that there was some joint brokerage but unfortunately relationships could sometimes be strained. The Chairman expressed concern that this competitive nature in a highly constrained market was damaging to the public. He asked officers to consider action to address the issue of competing needs. **Action Required.**

- expressed concern that the NHS was struggling to address the issue of prevention in relation to care packages. It was felt that it was not encouraging people to be as independent as they could be. Members were reminded that the Council had a good track record in relation to reablement. It was acknowledged that the funding pressures faced by the NHS made it difficult for it to think about prevention in order to avoid unplanned admissions. It was suggested that the APC programme needed to include Health.

- queried in relation to the implications for future years how the savings would be made. The Chairman reported that it was for committees to identify savings from their budgets and then for GPC to analyse the overall position.

- requested an update on the latest position regarding fairer funding. The Chairman reported that the Council together with the Local Government Association, County Councils' Network and smaller Unitaries had been lobbying Government intensely. Rishi Sunak MP, Minister for Local Government, was very aware of the problems with the current formula. Unfortunately, it was unlikely that a decision would be made this year. The Council currently had a funding gap of £13m which needed to be funded. It was therefore important that the Government identified some temporary funding.

- highlighted the need for more joined up thinking between Adults and Health Committees to improve integration in relation to issues like falls prevention. The Chairman of Health Committee reported that £1m had been identified from the Public Health reserve to target this issue. In response, it was suggested that the impact of this funding needed to be measured.

- expressed concern regarding the £200m shortfall faced by the Clinical Commissioning Group (CCG) and the fact that the first thing to have been cut had been a whole set of support services to communities. It was important that the Council carried out some careful modelling to identify the impact of this cut on its services. There was concern that a crisis was coming because the NHS would not focus on prevention. The Chief Executive acknowledged all the points raised. She explained that detailed discussions were taking place with the CCG. The impact of the proposed cuts on Adults and Children's Services were being modelled. She stressed the importance of getting the balance right and making sure the whole system worked together in order to avoid a massive demand in future on NHS services. The Chairwoman of Adults Committee who was the Council's representative on the Sustainability and Transformation Partnership reported that she would continue to articulate the need to address the timing of the CCG's budget planning as it should be planning for the next financial year now. However, it was important to bear in mind that the CCG like the Council was faced with a very unfair funding situation which could not continue. The Chairman of the HWB reported that the restructuring proposed for the Board would help it play an important part in working with the Council's Health partners.

It was resolved unanimously to:

a) Note the contents of this item as a companion to the 31 May 2019 Integrated Resources & Performance Report.

b) Agree an increase in the income budget for 2019-20 (funding items) of £1.91m resulting from prior year surpluses across local taxation in four districts.

c) Agree that the following budgets were therefore available for allocation in 2019/20 (as per section 4.3):

| | |
|---|---|
| Funding items surplus | -£1.91m |
| Demography budget | -£0.32m |
| Laptop replacement | -£0.25m |
| Subtotal | -£2.48m |

d) Agree deployment of the available budget in 2019/20 to:

| | |
|---|---|
| CYP: Exceptional secure accommodation (2.5) | £0.35m |
| CYP: SEND Investment (as per section 3) | £0.36m |
| CYP: Loss of grant (as per section 2.3.2) | £0.30m |
| ADULT: Partial impact price pressures (2.2) | £1.35m |
| C&I: Partial impact of income delays (2.7) | £0.12m |
| Subtotal | £2.48m |

e) Note that ongoing pressures and mitigations would be taken into account for Committees' consideration as part of Business Planning 2020-25.

**(b) Performance and Resources Monitoring Report for the period ending 31st May 2019**

The Committee received a report detailing the financial and performance information for the financial year 2019/20. The overall revenue budget position was showing a forecast year-end pressure of £0.8m. Attention was drawn to changes to performance reporting. It was noted that the key performance indicators had been reorganised to fit the new corporate strategy. It was also proposed that the Committee should receive a quarterly performance report, organised by outcome area, separate from the finance report, which would feature exceptions both positive and negative.

The Chairman proposed, seconded by Councillor Bailey, and agreed by the Committee to remove recommendation (g) and refer it back to Commercial and Investment (C & I) Committee for consideration first.

The Chairman of Children and Young People Committee and other members of the Committee thanked officers for their work on Spring Common which following consultation had reduced the spend from £7.2m to £3m.

The Chairman of C & I Committee asked officers to check whether the recording of C & I in the graph on page 45 had been obscured. **Action Required.** He also explained that C & I Committee approved spending to allocate to the farms estate if it met the strategy. He was concerned that the detail was not clear in the business case.

In response to a query regarding the graph at 7.2, the Head of Finance reported that net borrowing was in line with the Medium Term Financial Strategy. The Chairman added that the net position was actually £560m. The £170m for Invest to Save or Invest to Earn Schemes delivered a net surplus. He added that the CIPFA advice was set out in the report and C & I Committee was fully aligned with it.

The Committee welcomed the new approach to performance reporting, which it felt was an improvement and a helpful way forward. In response to a query, the Head of Business Intelligence confirmed that performance information for each committee would include indicators against all agreed targets for that committee.

It was resolved unanimously to:

a) Approve the carry forward of £39.3m capital funding from 2018/19 to 2019/20 and beyond as set out in section 6.6 and Appendix 5.

b) Approve -£37.0m revised phasing of capital funding for schemes as set out in section 6.6.

c) Agree the additional capital grants and Section 106 funding of £1.7m as outlined in section 6.6.

d) Note the reduction in Schools Condition Funding and approve additional prudential borrowing of £578,543 to offset the reduction, as set out in section 6.6.

e) Note the £6.6m reduction in prudential borrowing in 2019/20 in relation to the capital schemes as set out in section 6.6, and the £1.6m reduction in prudential borrowing in 2020/21, as set out in section 6.7.

f) Approve additional prudential borrowing of £3m in 2019/20 and future years for the Spring Common Academy scheme, as set out in section 6.8.

~~*g)* Approve additional prudential borrowing of £295k in 2019/20 for the Meads Farm scheme, as set out in section 6.9.~~ *(Note – withdrawn and referred back to Commercial and Investment Committee)*

h) Note and comment on performance information as set out in section 8.

i) Approve the proposed revised approach to performance reporting set out in section 8.

j) Approve the continuous development of financial reporting to Committees, as detailed in section 9.

k) Agree to earmark £297k within reserves for Records Management, for deployment as set out in Appendix 3.

**174. IT AND DIGITAL STRATEGY FOR CAMBRIDGESHIRE COUNTY COUNCIL AND PETERBOROUGH CITY COUNCIL**

The Committee was informed that this report had elements of cross over with the report on the move of IT systems from Shire Hall approved at its last meeting. Members noted that Peterborough City Council's Cabinet had approved the strategy at its meeting on 15 July including the proposal for a shared data centre. Attention was drawn to the list of bullets set out in section 2.4 of the report, which were needed to deliver the vision for a clear IT and Digital Strategy for Cambridgeshire and Peterborough. It was noted that the staffing level to deliver the strategy would depend on the outcome of the LGSS review. The draw-down of each tranche of funding would be accompanied by a business case for each project.

The Chairman proposed, seconded by Councillor Hickford and agreed by the Committee, to expand recommendation b) to delegate the approval of the business cases to the Chief Finance Officer in consultation with the Chairman of General Purposes Committee.

Members highlighted the need for the strategy to avoid being reactive to changes. The Strategic IT Lead explained that the strategy covered a 3 to 5 year period. The Council could not go beyond this period because of the likelihood of changes. The Chairman acknowledged the benefit of a strategy to avoid looking at individual items. However, the Council would need to consider how it would refresh the strategy and the indicative costs overall of procurement.

One Member queried whether the Council spent enough on IT and if spending more upfront would lead to savings further down the line. The Chairman reminded the Committee about the Transformation Fund which could be used to achieve such savings. Another Member highlighted the risk to ERP Gold set out in the report. The Chairman reported that the Council was adopting a two pronged approach in preparing for it to be hosted by the cloud but remaining for the moment with the current arrangement. In response to a question regarding risk, the Strategic IT Lead explained that each project would have a risk register.

It was resolved unanimously to:

a) Approve the IT and Digital Strategy;

b) Agree the funding for this strategy as set out in Section 5 of this document, and delegate the approval of the business cases to the Chief Finance Officer in consultation with the Chairman of General Purposes Committee.

**175. COMMENCEMENT OF THE TENDERING PROCESS FOR BANKING SERVICES**

The Committee was informed of the need to procure replacement banking services in order for the Council to be able to manage its financial operations and to have proper financial arrangements in place. The Council's existing banking services with Barclays would come to an end in February 2020. It was not proposed to continue with the current collaborative arrangements with Northamptonshire and Hertfordshire County Councils instead the Council would procure on its own.

Members asked whether officers had contacted the Eastern Shires Purchasing Organisation (ESPO) to obtain a public framework. The Head of Finance reported that there had been an unsuccessful search for such a framework. The ESPO Framework had expired years ago. It was suggested that the Council's representative on ESPO should raise the need for a Framework directly with them. **Action Required.**

One Member queried the cost benefit of a collaborative contract when the annual costs were the same as having a sole contract. The Head of Finance reported that there were advantages in relation to managing procurement and change. The outcome of the cost of this new low value contract was not yet clear. However, there would be costs associated with change.

Another Member drew attention to the fact that banking services had changed, and whether the Council was going to explore modern investment strategies linked to banking services. The Head of Finance reported that the offer from the bidders would be part of the assessment process. However, it was important to note that such issues were dealt with under the Council's Treasury Management Strategy (TMS). The Chairman raised the need for the Council's TMS advisers to be linked in to the procurement of a banking provider.

The Chairman proposed an amendment to recommendation 2, seconded by Councillor Hickford and supported by the Committee, to add General Purposes before "Committee".

It was resolved unanimously to:

1. Approve the commencement of the procurement process for the Council's banking services from March 2020; and

2. Delegate authority to the Deputy Chief Executive (S151 Officer) in consultation with the Chairman of the General Purposes Committee to award the contract following the procurement process.

**176. TRANSFORMATION FUNDING:**

**(a) Development of the Council's Investment Portfolio**

The Committee was asked to consider the proposed request to draw down transformation funds to support the development of the Council's investment portfolio. Members were reminded of the background to this proposal, which included the appointment of Redington Limited, an external investment adviser, to support the development of the Council's acquisitions and investment strategy/portfolio. The Council's Commercial Strategy set out the intention to increase the level of return from commercial activity and develop a wider range of investments. This required a different set of skills which the Council did not currently possess. Attention was drawn to the benefits of external advice. Redington Limited would be able to help the Council develop the necessary internal governance arrangements ensuring the Council made appropriate decisions to comply with CIPFA guidance.

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

- queried whether there was a cross over with work currently carried out by the Pensions Team. The Transformation Manager reported that the Pensions Team had been engaged. However, the risk appetite required by the Council reflected the short term rather than the long term. The level of advice therefore needed to reflect the assets the Council was controlling. The same Member commented that the Pension Fund had carried out a lot of work on both short and long term. It was noted that Pension Officers had provided assistance but the Council needed to do what was right for the authority. The Chairman acknowledged the different funding sources and rules and regulations. The Transformation Manager committed to regular engagement with Pensions Officers.

- queried why the Committee was being asked to fund the external advisers and had not been informed of the process before their appointment. A number of members commented that this was the first they had heard of the proposal, and that they would have expected a more detailed business case to have been included. The Chairman of C & I reported that the detail had been in the Business Plan approved by Council where £3m had been identified for transformation; this was a specific draw down on that funding, which would support the savings in the Business Plan identified for C & I Committee. The tendering process for the appointment of Redington Limited had been conducted by officers.

- highlighted the importance of this process. It was noted that the Council's investment processes had been sound so far. The Council was being approached by agents in the market who were driven by a commission. The appointment of Redington Limited would provide some filtering and ensure good governance effectively acting as an insurance policy. It was important that the Council could demonstrate sound decision making in relation to each investment appraisal. Attention was drawn to Appendix A which set out the level of return expected.

- queried the speed in which Redington Limited would help the Council implement its investment strategy. It was noted that Redington Limited was currently preparing the route to market for sign off by C & I Committee, which would include the identification of a Fund Manager. It was noted that the timeframe would be governed by the governance arrangements the Council had in place. The same Member commented that 5% on £10m would provide the Council with half a million.

- acknowledged the need for external assistance particularly in relation to managing risk and avoiding bad decisions. It was noted that part of the offer was to give Members confidence in new ways of working, balance risks and identify investments the Council was unable to find.

It was resolved to:

> approve the drawdown of £147,000 to support the development of the acquisitions and investment activities outlined within the Commercial Strategy 2019-21.

**(b) Resilience & Independence in Special Educational Needs and Disability (SEND) Environment (RAISE)**

The Committee considered a Transformation Fund bid to support Resilience and Independence in SEND Environment (RAISE). The SEND budget had overspent by £7.1m last year resulting in the need to be funded from balances. Representations had been made to government in relation to demand. However, the Council's spend on independent placements was higher than its statistical neighbours. The lack of any review had meant that opportunities to maximise buying power or achieve economies of scale, exploiting commercial opportunities or introducing alternative commissioning/contracting models had been missed. It was therefore proposed to use the Transformation Fund bid to fund the temporary resource which would be necessary to release expertise as well as some additional specialist commercial support.

The Chairman reported that the SEND budget was ring-fenced by Government, the deficit of £7.1m was part of the negative reserve held by Government. It was noted that the Council was due to submit a recovery plan to the Department for Education to address the deficit and that this project would be one of the key management actions. Most of the direct savings from this work would therefore accrue to the High Needs Block within the Dedicated Schools Grant rather than the General Fund.

One Member highlighted the difference between the information provided in this report and the volume of information needed by external applicants for Innovate and Cultivate Bids. She was concerned that the report did not explore in depth what was being proposed and how it would make a difference. Members were informed that officers had worked with finance colleagues. However, work needed to be carried out to understand the nature of the placements which often provided unique provision. In order to deliver 10% savings on every placement, the Service needed the capacity to review each individual one.

The Chairman highlighted the difference between internal and external bids for funding. There was a high level of rigour required before an internal bid was even submitted. The Chairman of Communities and Partnership Committee felt that the process was appropriate for Innovate and Cultivate Bids to enable monitoring and scrutiny. The Chairman of Children and Young People Committee reported that he had discussed this bid at length with both officers and the Leader and Deputy Leader of the Council.

One Member queried whether there should be a third risk relating to delivery. The Service Director: Education reported that officers were confident they could achieve savings beyond the cost of the investment.

It was resolved to:

> approve the Transformation Bid proposal of £274k for RAISE.

## 177. DRAFT UPDATED CORPORATE ENERGY STRATEGY AND ACTION PLAN

The Council had adopted its Corporate Energy Strategy in March 2017. The Committee received a report detailing an updated strategy and action plan for the Council. The strategy had been updated with Peterborough City Council and reflected significant changes in energy infrastructure. It was noted that where people had previously been passive recipients of energy, they were now treated as an active user to drive efficiencies. The action plan had been developed in collaboration with Council services and would be used to drive change and reduce carbon and energy consumption. It was noted that the strategy still needed to be approved by Peterborough City Council.

The Chairman informed the Committee that the Council had won the 'East of England Council of the Year' at the Energy Efficiency Awards. It had also been cited as an exemplar authority by 'Friends of the Earth'. The Chairman and the Committee thanked the Project Director, Energy Investment Unit and her Team for their hard work.

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

- welcomed the fact that the strategy celebrated success as well as remained ambitious.

- queried how additions could be made to the action plan. One Member highlighted the need for District Local Plans to include a requirement to build schools which could provide 100% of their own energy rather than the current requirement of 10%, and make money. This was particularly important given the scale of the Council's school building programme in the future. It was noted that the Government had published in January standards for new schools. The Council was part of a pilot working with the Department for Education, Ministry of Housing, Communities and Local Government, and Department for Business, Energy and Industrial Strategy to set up a business model for school operators, as there needed to be a benefit share with local authorities. It was noted that it would be possible therefore to add and take actions out to reflect current circumstances.

- queried how the strategy would interact with the Combined Authority Energy Hub. The Project Director, Energy Investment Unit reported that she attended meetings of the Greater South East Energy Hub. It was one of five Energy Hubs nationally which worked with stakeholders to help increase the number, quality and scale of local energy projects being delivered.

- welcomed the inclusion of a Risk Profile Map and suggested some changes to improve the presentation.

- queried the interaction between Climate Change and Environment Strategy Member Advisory Group and the Corporate Energy Strategy. The Chairman reported that all strategies and plans relating to this area of work would be considered in order to improve and develop them.

- requested a time programme with sign posts and milestones.

- requested an update on Project 19 relating to the upgrade of all pool cars to electric vehicles with the provision of electric vehicle charging on site. It was noted that this was being considered as part of the Cambs 2020 programme.

- queried how the programme would be monitored. It was noted that this would be carried out by a working group of officers who would provide reports on a six monthly basis.

- highlighted the difficulty of retrofitting in villages where there was little prospect of change. The Project Director, Energy Investment Unit, acknowledged that this was a big problem. Innovate UK was developing an investment strategy to identify funding to support change. She reported that updates would be available on a six monthly basis. Another Member commented that there were a lot of players in the market. He therefore asked the Chief Executive to work with other Chief Executives to establish a co-ordinated approach. The Project Director, Energy Investment Unit, explained that discussions were taking place with Cambridge City Council, and East Cambridgeshire and South Cambridgeshire District Councils regarding energy in relation to Local Plans. Developing energy had been included in the masterplans for Ely and Soham. The Chairman ask the Project Director to consider how this issue could be progressed. **Action Required.**

It was resolved unanimously to approve:

a) Appendix A, the updated Corporate Energy Strategy;

b) Appendix B, a dynamic action plan that supports the delivery of the Energy Strategy; and

c) Proposals for coordinating action plan delivery and progress reporting as set out in paragraph 2.5 and 2.6

## 178. TRANSFORMATION FUND MONITORING REPORT QUARTER 4 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 fourth quarter of the 2018/19 financial year. Attention was drawn to the financial outcomes, and the twelve schemes of which two were rated red. It was noted that these two ratings in the main related to phasing.

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

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

### (a) Agenda Plan

The Committee considered its agenda and training plans and appointment to outside bodies, and internal advisory groups and panels. Attention was drawn to changes which included the addition of the Corporate Strategy to the meeting in September and the rescheduling to October of item 11(a).

It was resolved unanimously to review its agenda plan.

### (b) Internal Member Advisory Group for the Climate Change and Environment Strategy

The Committee was asked to appoint Members to a cross party Internal Advisory Group for the development of the Council's Climate Change and Environment Strategy. The following Members were nominated at the meeting: Councillors Dupre and Jones.

It was resolved unanimously to:

- Note and comment on Appendix A: the Draft Terms of Reference for the Internal Advisory Group;
- Note and comment on Appendix B: the draft Vision and Objectives of the Strategy; and
- Nominate Members to the Climate Change and Environment Strategy Internal Advisory Group.

## 180. EXCLUSION OF PRESS AND PUBLIC

It was resolved unanimously:

> That the press and public be excluded from the meeting during the consideration of the following reports on the grounds that they are likely to involve the disclosure of exempt information under paragraphs 3 & 5 of Schedule 12A of the Local Government Act 1972 as they refer to information relating to the financial or business affairs of any particular person (including the authority holding that information) and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

## 181. COMMERCIAL PROPERTY ACQUISITION PROPOSAL – PROPERTY LOCATED IN CAMBRIDGE (CB5)

The Committee considered a commercial property acquisition proposal for a property located in Cambridge (CB5).

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 Committee agreed unanimously to request a recorded vote.

It was resolved to:

> agree the recommendations as set out in the report.

*[Councillors Bailey, Bates, Bywater, Count, Criswell, Hickford, Hudson, Schumann and Shuter voted in favour; Councillors Dupre, Jenkins, Jones, Kindersley, Meschini and Sanderson voted against]*

## 182. WASTE PRIVATE FINANCE INITIATIVE

The Committee considered a report on the Waste Private Finance Initiative.

It was resolved unanimously to:

> agree the recommendation as set out in the report.

Chairman

# GENERAL PURPOSES COMMITTEE

**Minutes-Action Log**

Cambridgeshire County Council

**Introduction:**

This log captures the actions arising from the General Purposes Committee on 16th July 2019 and updates members on the progress on compliance in delivering the necessary actions.  This is the updated action log as at 18th September 2019.

# Minutes of 16th July 2019

| Item No. | Item | Action to be taken by | Action | Comments | Completed |
|---|---|---|---|---|---|
| **173.** | **Integrated Resources:**<br><br>**(a) Review of 2019-20 budget – responding to demands and developments since budget setting** | G Beasley<br>C Malyon<br>T Kelly | Officers to consider action to address the issue of competing needs with the NHS in relation to commissioning. | Integrated commissioning approaches support us to increase consistency in service provision and enable better engagement and market management. The following are a number of existing integrated commissioning arrangements that we already have in place:<br><br>• Better Care Fund pooled budget: commissions a range of integrated initiatives, including: community multidisciplinary neighbourhood teams, prevention and early intervention initiatives such as falls prevention, interventions to support the management of DTOCs;<br>• Support for people with mental health issues;<br>• Learning Disability Partnership;<br>• Community Occupational Therapy Services; and<br>• Community Equipment Services and Technology Enabled Care Services. | Completed |

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|---|---|---|---|---|---|
| | | | | As a system, we continue to work across Adult Social Care and health to develop joined up commissioning strategies, for example the development of our local Dementia Strategy. An overview of joint priorities with health and progress to date was presented to the Adults Committee meeting in November 2018.<br><br>Integrated commissioning is a key tenet of our plans for integration through our Better Care Fund and the local STP.<br><br>Following a local LGA peer review, a detailed action plan was developed, progress of which is monitored through the Health Care Executive. As part of this plan there are a number of actions being progressed which relate to the development of a system wide joint commissioning strategy and ensuring we work together as commissioners to ensure we don't compete with each other and ensure we maximise opportunities to get value for money from joint investment. The Integrated Commissioning Board (ICB) now chaired by Chief Executive of Health Watch as the honest broker. This reports into the HWB Executive. ICB meets monthly and will take the system lead on joint commissioning opportunities, as delegated from the health and wellbeing boards. New joint health and wellbeing board sub-group governance has been established to oversee this work.<br><br>Regular updates on approach and progress also go to a range of key boards, including Healthcare Executive and local authority committees. | |

| | | | | | |
|---|---|---|---|---|---|
| | **(b) Performance and Resources Monitoring Report for the period ending 31st May 2019** | Chris Malyon/ Tom Kelly | The Chairman of Commercial and Investment Committee asked officers to check whether the recording of Commercial and Investment in the graph on page 45 had been obscured. | | Ongoing |
| **175.** | **Commencement of the tendering process for banking services** | Cllr Bates | It was suggested that the Council's representative on ESPO should raise the need for a Framework directly with them. | Response from ESPO:-<br><br>The previous ESPO Banking framework expired last year and has been on hold since, largely a commercial decision due to the high complexity, high resource requirements and very modest income/ return on investment compared with other frameworks which have taken priority. It is the Procurement Teams intention to renew the framework to be in place in 2020 but a live date has yet to be determined. Regrettably it will not be live in time for Cambridgeshire County Council to use as a route to market for their own banking requirement but a number of different options are currently being evaluated in order to determine the best approach to engage with the supply market. Establishing a banking framework requires significant legal resource because of the challenges of marrying the (very powerful, heavily regulated) banks' insistence on contracting with customers on their own terms, with procurement compliance and the need for an over-arching common framework agreement. | Completed |

| | | | | | |
|---|---|---|---|---|---|
| **177.** | **Draft updated Corporate Energy Strategy and Action Plan** | S French | The Chairman asked the Project Director to consider how to progress the involvement of all Districts in energy efficiency. | | Ongoing |

# FINANCE MONITORING REPORT – JULY 2019

| | |
|---|---|
| *To:* | **General Purposes Committee** |
| *Meeting Date:* | **26th September 2019** |
| *From:* | **Director of Corporate and Customer Services**<br>**Chief Finance Officer** |
| *Electoral division(s):* | **All** |
| *Forward Plan ref:* | **Not applicable** *Key decision:* **No** |
| *Purpose:* | **To present to General Purposes Committee (GPC) the July 2019 Finance Monitoring Report for Corporate Services and LGSS Cambridge Office.**<br><br>**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 July 2019.** |
| *Recommendation:* | **The Committee is asked to review, note and comment upon the report.** |



| | *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. BACKGROUND

1.1 General Purposes Committee receives the Corporate Services and LGSS Cambridge Office Finance Monitoring 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 July 2019 Finance Monitoring report.

2.2 Currently, Housing Investment is the only area where the estimated debt charges (revenue costs of financing capital) related to the scheme are recharged from the overall debt charges budget (this sits within Corporate Services under General Purposes Committee) in order to provide a true net return figure within Commercial & Investment. It is not possible to split out the debt charges budget fully across all capital schemes, however it is felt that it would be beneficial to do this for all commercial schemes in order to aid transparency and report a net return within Commercial Activity. This will be implemented for the August Finance Monitoring Report.

2.3 **Revenue:**

- At the end of July, Corporate Services (including the LGSS Managed, Deputy Chief Executive and Financing Costs) is forecasting an underspend of £291k.

  There are no new material exceptions to report this month.

- At the end of July, the LGSS Cambridge Office budget is forecasting an overspend of £563k.

  There are no new material exceptions to report this month.

2.4 **Capital:**

- At the end of July, Corporate Services & Transformation and LGSS Managed are forecasting a balanced budget on capital. £68k of the £1,363k capital programme variations budget has been used. There are no significant forecast outturn variances by value (over £250k) to report.

## 3. ALIGNMENT WITH CORPORATE PRIORITIES

### 3.1 A good quality of life for everyone

There are no significant implications for this priority.

### 3.2 Thriving places for people to live

There are no significant implications for this priority.

### 3.3 The best start for Cambridgeshire's children

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 Monitoring Report (July 19) | 1st Floor, Octagon, Shire Hall, Cambridge |

**Appendix A**

## Corporate Services and LGSS Cambridge Office

## Finance Monitoring Report – July 2019

### 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 |

### 2. INCOME AND EXPENDITURE

### 2.1 Overall Position

| Outturn Variance (Previous) £'000 | Directorate | Budget £'000 | Actual £'000 | Outturn Variance £'000 | *Outturn Variance %* | Status |
|---|---|---|---|---|---|---|
| -51 | Customer & Digital Services | 7,010 | 2,744 | -81 | -1.2% | Green |
| -275 | Corporate Savings & Funding | 647 | 0 | -263 | -40.7% | Green |
| 0 | Business Improvement & Development | 1,001 | 593 | 0 | 0.0% | Green |
| 0 | Deputy Chief Executive | 335 | 32 | 0 | 0.0% | Green |
| 0 | Legal & Governance | 102 | 48 | 0 | 0.0% | Green |
| 0 | Financing Costs | 28,161 | 2,814 | 0 | 0.0% | Green |
| 24 | LGSS Managed | 14,207 | 9,476 | 53 | 0.4% | Green |
| **-302** | **Total** | **51,463** | **15,706** | **-291** | **-0.6%** | |

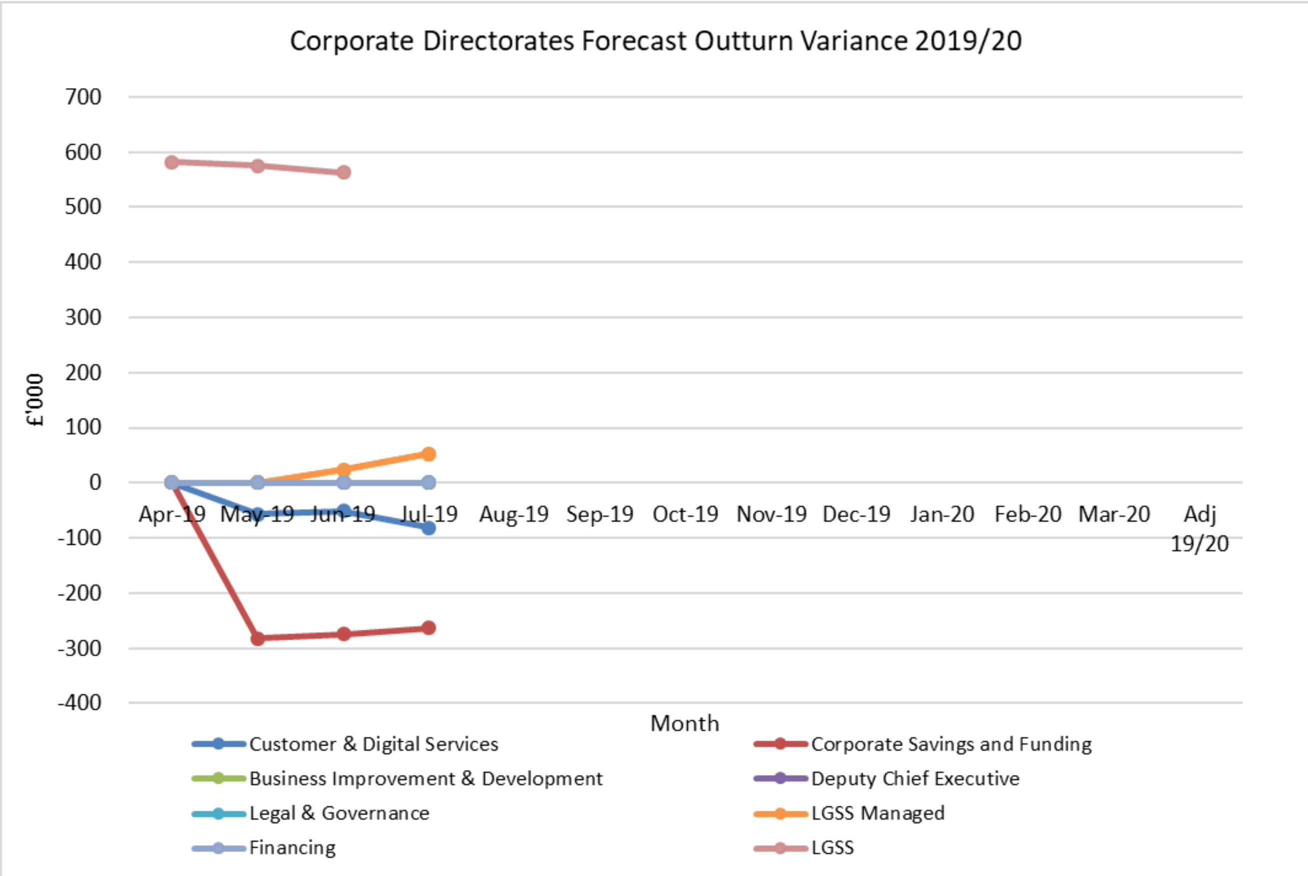
The service level budgetary control report for Corporate Services, LGSS Managed and Financing Costs for July 2019 can be found in CS appendix 1.

The service level budgetary control report for LGSS Cambridge Office for June 2019 can be found in LGSS appendix 1. 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 or Milton Keynes 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.*



### 2.1.1 Significant Issues – Customer & Digital Services

Corporate and Customer Services budgets are currently predicting an underspend of £81k, which is an increase of £30k from the previous forecast. This is mainly due to savings from vacancies in the directorate.

There are no new exceptions to report this month.

### 2.1.2 Significant Issues – Corporate Savings and Funding

Corporate Savings and Funding budgets are currently predicting an underspend of £263k, which is a decrease of £12k from the previous forecast.

There are no new exceptions to report this month.

### 2.1.3 Significant Issues – Business Improvement & Development

Business Improvement & Development budgets are currently predicting a balanced position, which is the same as the last month.

There are no new exceptions to report this month.

### 2.1.4 Significant Issues – Deputy Chief Executive

Deputy Chief Executive budgets are currently predicting a balanced position, which is the same as the last month.

There are no new exceptions to report this month.

### 2.1.5 Significance Issues- Legal and Governance

The Legal and Governance budget is currently predicting a balanced position, which is the same as the last month.

There are no new exceptions to report this month.

### 2.1.6 Significant Issues – LGSS Managed

LGSS Managed budgets are currently predicting an overspend of 53k, which is an increase of £29k from the previous forecast. This is due to an overspend on HR Managed.

There are no new exceptions to report this month.

### 2.1.7 Significant Issues – Financing Costs

The Financing Costs budget is currently predicting a balanced position, which is the same as the last month.

There are no new exceptions to report this month.

### 2.1.8 Significant Issues – LGSS Cambridge Office

LGSS Cambridge Office budgets are currently predicting an overspend of £563k, which is a decrease of £12k from the previous forecast.

There is an agreed pressure of £582k from a shortfall on a £919k savings target, but the remainder has been put on hold pending the outcomes of the review of the LGSS operating model. The overspend of £582k is offset by a net underspend of £19k across LGSS Operational directorates.

## 3. CAPITAL PROGRAMME

### 3.1 Capital Expenditure and Funding

Expenditure

- Corporate Services and Transformation schemes have a capital budget of £7.5m in 2019/20 and there is expenditure of £1.5m to date. In-year, a balanced position is forecast. The total scheme forecast is on budget.

  There are no new material exceptions to report this month.

- LGSS Managed had a capital budget of £2.3m in 2019/20 and there is expenditure of £0.5m to date. In-year a balanced position is forecast. The total scheme forecast is on budget.

  There are no exceptions to report this month.

Funding

- Capital funding of £1.3m in 2019/20 for the IT and Digital Strategy was approved by General Purposes Committee in July 2019. This will increase the prudential borrowing requirement by that amount. Draw down of this funding is subject to business cases to be approved by the Chief Finance Officer in consultation with the Chair of General Purposes Committee.

- A detailed explanation of the position for Corporate Services and LGSS Managed can be found in CS appendix 3.

## 4. TECHNICAL NOTE

4.1 Technical financial information for corporate directorates covering grants, reserves and budget virements is included as CS Appendix 4.

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

**Agenda Item No.5**

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

| | | | |
|---|---|---|---|
| *To:* | **General Purposes Committee** | | |
| *Date:* | **26 September 2019** | | |
| *From:* | **Chief Finance Officer** | | |
| *Electoral division(s):* | **All** | | |
| *Forward Plan ref:* | **2019/011** | *Key decision:* | **Yes** |
| *Purpose:* | **To present financial information to assess progress in delivering the Council's Business Plan.** | | |
| *Recommendations:* | **General Purposes Committee (GPC) is recommended 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.**



| | *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<br>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 the Authority's forecast financial position at year-end and its key activity data for care budgets.

2.2 The key issues included in the summary analysis are:

- The overall revenue budget position is showing a forecast year-end pressure of +£0.99m (+0.3%); this is largely within People & Communities (P&C) (£3.0m pressure) and LGSS Operational (£0.6m pressure), partially offset by forecast underspends of -£2.4m in Place & Economy and -£0.3m in Corporate Services. See section 3 for details.

- The Capital Programme is forecasting a year-end underspend of -£5.1m. This includes use of the capital programme variations budget. See section 7 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)

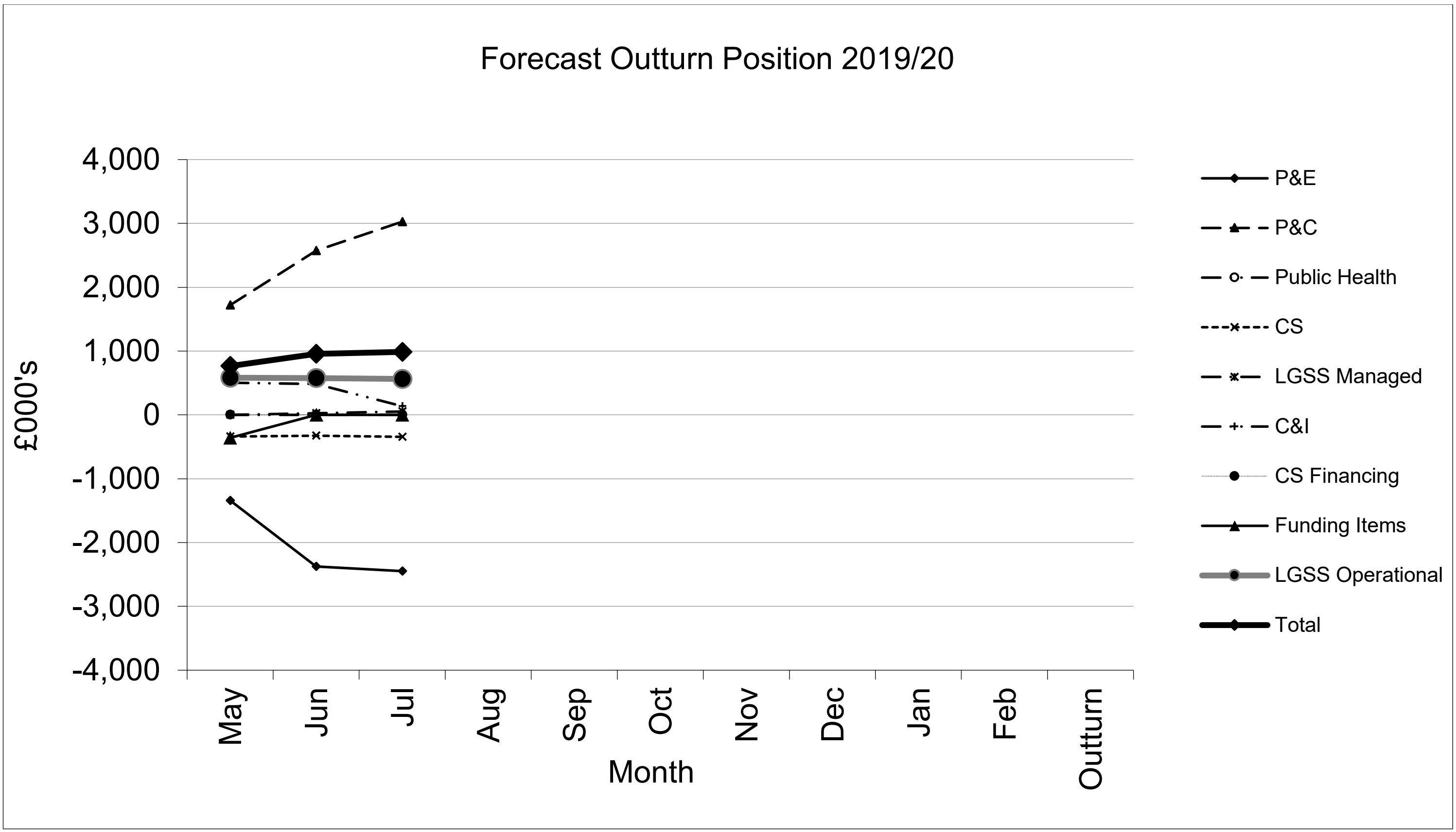
| Original Budget as per Business Plan £000 | Forecast Variance (June) £000 | Service | Current Budget for 2019/20 £000 | Actual (July) £000 | Forecast Variance (July) £000 | Forecast Variance (July) % | Overall Status | DoT |
|---|---|---|---|---|---|---|---|---|
| 57,504 | -2,376 | Place & Economy | 52,101 | 7,769 | -2,448 | -4.7% | Green | ↑ |
| 254,936 | 2,573 | People & Communities | 262,728 | 89,310 | 3,027 | 1.2% | Red | ↓ |
| 390 | 0 | Public Health | 390 | -8,450 | 0 | - | Green | ↔ |
| 10,221 | -326 | Corporate Services | 9,095 | 3,417 | -344 | -3.8% | Green | ↑ |
| 14,048 | 24 | LGSS Managed | 14,207 | 9,476 | 53 | 0.4% | Green | ↓ |
| -9,502 | 484 | Commercial & Investment | -9,371 | 836 | 136 | - | Amber | ↑ |
| 28,161 | 0 | CS Financing | 28,161 | 2,814 | 0 | 0.0% | Green | ↔ |
| **355,758** | **379** | **Service Net Spending** | **357,311** | **105,172** | **424** | **0.1%** | **Red** | ↓ |
| 20,357 | 0 | Funding Items | 18,447 | 9,709 | 0 | 0.0% | Green | ↔ |
| **376,115** | **379** | **Subtotal Net Spending** | **375,759** | **114,881** | **424** | **0.1%** | **Red** | ↓ |
| | | **Memorandum items:** | | | | | | |
| 8,161 | 575 | LGSS Operational | 8,114 | 3,683 | 563 | 6.9% | Amber | ↑ |
| | **954** | **Grand Total Net Spending** | **383,873** | **118,564** | **987** | **0.3%** | **Red** | ↓ |
| 170,024 | | Schools | 170,024 | | | | | |
| **554,300** | | **Total Spending 2019/20** | **553,897** | | | | | |

[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 £390k stated for Public Health is cash limit budget. In addition to this, Public Health has a budget of £24.7m from ring-fenced public health grant, which makes up its gross budget.

[4] The 'Funding Items' budget comprises the £8.7m Combined Authority Levy, the £407k Flood Authority Levy and £9.3m 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.




3.2 Key exceptions this month are identified below.

3.2.1 **Place & Economy:** -£2.448m (-4.7%) underspend is forecast at year-end. There are no exceptions to report this month; for full details see the P&E Finance Monitoring Report, (http://tiny.cc/4i46bz).

3.2.2 **People & Communities:** +£3.027m (+1.2%) pressure is forecast at year-end.

| | £m | % |
|---|---|---|
| • **Physical Disabilities** – a +£0.032m pressure is forecast. This is a decrease of -£0.404m on the position reported in May, of which -£0.254m relates to a decrease since last month. The improvement is due to a reduction in the number of clients receiving community based care. This is offsetting the carried forward pressure from 2018/19 relating to increases in client numbers and the number of people with more complex needs requiring more expensive types of care.<br><br>The total savings expectation in this service for 2019/20 is £269k, and this is expected to be delivered in full through the Adults Positive Challenge Programme of work, designed to reduce demand, for example through a reablement expansion and increasing technology enabled care to maintain service user independence. | +0.032 | (+0%) |
| • **Mental Health** – a +£0.267m pressure is forecast, which relates in full to a change since last month. Rising placement numbers for elderly mental health bed-based care at increasing unit costs is creating a pressure on budgets over and above the level of demand funding allocated. A provision is made in the forecast for a potential backdated recharge for a high cost service user in Adult Mental Health. Further mitigation of £110k has been identified in Mental Health Commissioning. | +0.267 | (+2%) |

| | | |
|---|---|---|
| • **Children in Care Placements** – a +£0.650m pressure is forecast. This is an increase of +£0.300m on the position reported in May, which relates in full to a change since last month. Recent activity in relation to gang related crime has resulted in additional high cost secure placements being required. In addition, the numbers of children in care are yet to decrease to budgeted levels; though this is still expected in-year. Current commitments are in the region of £1.7m and as such significant work is underway to reduce high cost placements. Alongside this work is still ongoing across a number of initiatives resulting in a net increase in in-house foster carers which is contributing towards planned savings. | +0.650 | (+3%) |
| • **Funding to Special Schools & Units, High Needs Top Up Funding and Out of School Tuition** – a +£7.000m pressure is currently forecast, which is a £1.0m increase on the pressure reported last month. Initial in-year pressures have been forecast for a number of Dedicated Schools Grant (DSG) funded High Needs Block budgets including funding for special schools and units (+£3.0m), top-up funding for mainstream schools and Post-16 provision (£2.5m), and out of school tuition (£1.5m). A Special Educational Needs and Disability (SEND) Project Recovery team has been set-up to oversee and drive the delivery of the SEND recovery plan to address the current pressure on the High Needs Block. As previously reported In 2018/19 we saw a total DSG pressure across SEND services of £8.7m which, combined with underspends on other DSG budgets, led to a deficit of £7.2m carried forward into 2019/20. Given the ongoing increase in numbers of pupils with Education Health Care Plans (EHCPs) it is likely that a similar pressure will occur in 2019/20, however this will become clearer as we move towards the start of the new academic year and planned actions to deliver savings are implemented. Current estimates forecast an in-year pressure of approximately £7m. This is a ring-fenced grant and as such pressures do not currently affect the Council's bottom line but are carried forward as a deficit balance into the next year. | +7.000 | (+20%) |
| • **Financing DSG** – a -£7.000m required contribution from DSG is forecast, which is an increase of -£1.0m on the required contribution reported last month. 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 Funding to Special Schools and Units (£3.000m), High Needs Top Up Funding (£2.500m) and Out of School Tuition (£1.500m) as described above. | -7.000 | (-11%) |

- A combination of more minor variances sum with the above to lead to an overall outturn of +£3.027m. For full and previously reported details see the P&C Finance Monitoring Report, (http://tiny.cc/ip46bz).

3.2.3 **Public Health:** a balanced budget is forecast for year-end. There are no exceptions to report this month; for full details see the PH Finance Monitoring Report, (http://tiny.cc/4y46bz).

3.2.4 **Corporate Services:** -£0.344m (-3.8%) underspend is forecast for year-end. There are no exceptions to report this month; for full and previously reported details see the CS & LGSS Finance Monitoring Report, (http://tiny.cc/s5nbcz).

3.2.5 **LGSS Managed:** +£0.053m (+0.4%) pressure is forecast for year-end. There are no exceptions to report this month; for full and previously reported details see the CS & LGSS Finance Monitoring Report, (http://tiny.cc/s5nbcz).

3.2.6 **CS Financing:** a balanced budget is forecast for year-end. There are no exceptions to report this month; for full and previously reported details see the CS & LGSS Finance Monitoring Report, (http://tiny.cc/s5nbcz).

3.2.7 **Commercial & Investment**: +£0.136m (-%) pressure is forecast at year-end.

| | £m | % |
|---|---|---|
| • **CCLA Managed Investment** – a -£0.335m underspend is forecast. An investment in the CCLA Managed Investment Fund was approved by Commercial & Investment Committee in February 2019. The investment in this fund is expected to make a return of £335k in 2019/20. | -0.335 | (-%) |

- A combination of more minor variances sum with the above to lead to an overall outturn of +£0.136m. For full and previously reported details see the C&I Finance Monitoring Report, (http://tiny.cc/zvnbcz).

3.2.8 **Funding Items:** a balanced budget is forecast at year-end. There are no exceptions to report this month.

3.2.9 **LGSS Operational:** +£0.563m (+6.9%) pressure is forecast at year-end. There are no exceptions to report this month; for full and previously reported details see the CS & LGSS Finance Monitoring Report, (http://tiny.cc/s5nbcz).

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

## 4. FUNDING CHANGES

4.1 Where a virement of over £175k in 2019/20 revenue budget is requested between main budget headings compared to that budgeted in the Business Plan (BP), this will require approval by GPC.

4.2 Currently, Housing Investment is the only area where the estimated debt charges (revenue costs of financing capital) related to the scheme are recharged from the overall debt charges budget (this sits within Corporate Services under General Purposes Committee) in order to provide a true net return figure within Commercial & Investment. It is not possible to split out the debt charges budget fully across all capital schemes, however it is felt that it would be beneficial to do this for all commercial schemes in order to aid transparency and report a net return within Commercial Activity. This will be implemented for the August Finance Monitoring Reports. Although the changes in budget responsibility will be about management responsibility only and will not constitute virements as there is no change in purpose or outcomes, these will be recorded in August Integrated Finance Monitoring Report for the Committee to note.

## 5. SAVINGS TRACKER

5.1 The "Savings Tracker" report – a tool for summarising delivery of savings. Within the tracker the forecast is shown against the original saving approved as part of the 2019-20 Business Planning process. Currently, the Council is on track to deliver £14.7m of savings against its original plan. Blue rated savings total £1.7m, exceeding the target on those initiatives. Green rated savings total £12.3m. The Savings Tracker as at late August is included as **Appendix 4** to this report.

It is also important to note the relationship with the reported positon within this report. As pressures arise in-year, further mitigation and/or additional savings will be required to deliver a balanced positon.

5.2 A summary of Business Plan savings by RAG rating is shown below:

| BLUE | | | GREEN | | | AMBER | | | RED | | | BLACK | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Number of Savings | Total Original Savings | Total Variance | Number of Savings | Total Original Savings | Total Variance | Number of Savings | Total Original Savings | Total Variance | Number of Savings | Total Original Savings | Total Variance | Number of Savings | Total Original Savings | Total Variance | Total Original Savings | Total Variance |
| | £000 | £000 | | £000 | £000 | | £000 | £000 | | £000 | £000 | | £000 | £000 | £000 | £000 |
| 1 | -1,483 | -208 | 48 | -12,259 | 0 | 3 | -480 | 187 | 2 | -1,083 | 662 | 3 | -480 | 480 | -15,785 | 1,121 |

## 6. KEY ACTIVITY DATA

6.1 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 Monitoring Report, (http://tiny.cc/ip46bz) (section 2.5).

## 7. CAPITAL PROGRAMME

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

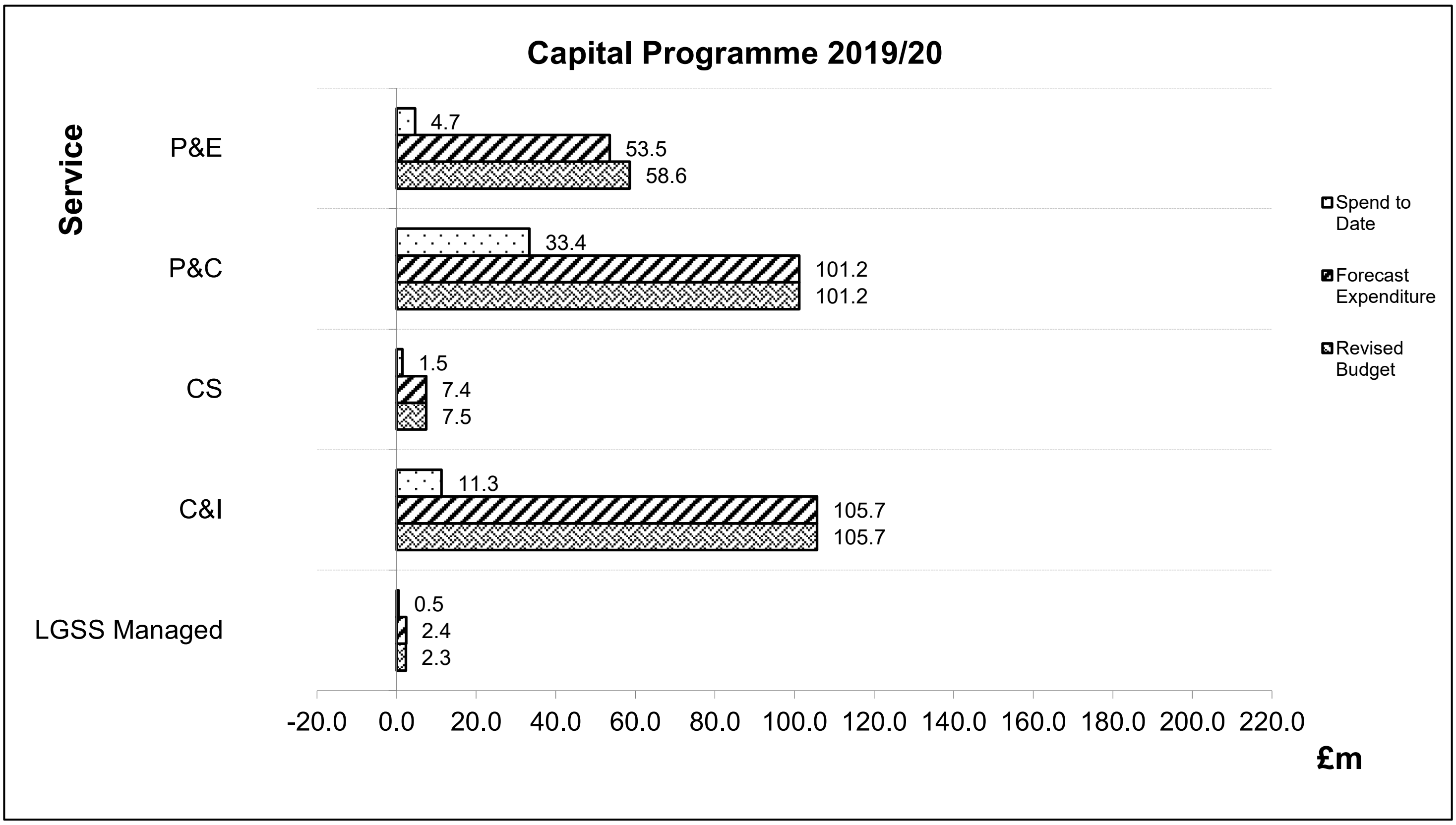
| 2019-20 | | | | | | | TOTAL SCHEME | |
|---|---|---|---|---|---|---|---|---|
| Original 2019/20 Budget as per Business Plan £000 | Forecast Variance - Outturn (June) £000 | Service | Revised Budget for 2019/20 £000 | Actual-Year to Date (July) £000 | Forecast Variance - Outturn (July) £000 | Forecast Variance - Outturn (July) % | Total Scheme Revised Budget (July) £000 | Total Scheme Forecast Variance (July) £000 |
| 43,908 | - | P&E | 58,601 | 4,681 | -5,064 | -8.6% | 410,602 | - |
| 129,267 | 0 | P&C | 101,166 | 33,398 | 0 | 0.0% | 677,339 | -1,382 |
| 3,457 | -40 | CS | 7,463 | 1,481 | -40 | -0.5% | 24,677 | - |
| 2,827 | 40 | LGSS Managed | 2,339 | 472 | 40 | 1.7% | 6,785 | - |
| 90,443 | - | C&I | 105,672 | 11,312 | - | 0.0% | 304,511 | - |
| - | - | Outturn adjustment | - | - | - | - | - | - |
| **269,902** | **0** | **Total Spending** | **275,241** | **51,344** | **-5,064** | **-1.8%** | **1,423,914** | **-1,382** |

**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 2019/20 of £30.8m and is currently forecasting an in-year underspend of £1.1m 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.

7.2 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.

| 2019-20 | | | | | |
|---|---|---|---|---|---|
| **Service** | **Capital Programme Variations Budget £000** | **Forecast Variance - Outturn (July) £000** | **Capital Programme Variations Budget Used £000** | **Capital Programme Variations Budget Used %** | **Revised Forecast Variance - Outturn (July) £000** |
| P&E | -13,505 | -18,569 | 13,505 | 100.00% | -5,064 |
| P&C | -13,399 | -3,426 | 3,426 | 25.57% | 0 |
| CS | -1,431 | -68 | 68 | 4.75% | -40 |
| LGSS Managed | -585 | 0 | 0 | 0.00% | 40 |
| C&I | -26,312 | -6,706 | 6,706 | 25.49% | 0 |
| Outturn adjustment | - | - | - | - | - |
| **Total Spending** | **-55,232** | **-28,769** | **23,705** | **42.92%** | **-5,064** |

7.3 As at the end of July 2019, Place & Economy schemes have exceeded the capital variations budget allocated to them, forecasting an in-year underspend of -£5.1m. At this stage of the financial year it is thought that the position across the whole programme will be an underspend, so no adjustment has been made to the outturn.

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

7.4.1 **Place & Economy:** a -£5.1m (-8.6%) in-year underspend is forecast after the capital programme variations budget has been utilised in full.

| Revised Budget for 2019/20 | Forecast Spend - Outturn (July) | Forecast Spend - Outturn Variance (July) | Variance Last Month (June) | Movement | Breakdown of Variance | |
|---|---|---|---|---|---|---|
| | | | | | Underspend/ pressure | Rephasing |
| £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| **Delivering the Transport Strategy Aims – Cycling Schemes** | | | | | | |
| 1,188 | 848 | -340 | - | -340 | -100 | -240 |
| An in-year underspend of -£0.3m is forecast across Delivering the Transport Strategy Aims – Cycling Schemes. This relates primarily to the following schemes:<br>○ Fenstanton to the Busway<br>Due to the need to work through a statutory process relating to changing a permissive footpath to a public bridleway by means of a 'Creation Order' this will delay the scheme's delivery and hence £100k will be spent in this financial year, and £100k in 20/21.<br><br>○ Rampton to Willingham<br>It was originally planned to make some surface improvements to a quiet road that traverses through The Irlams. The condition of the route is such that much more than £100k is required to do this and thus a scheme will not be delivered at this time.<br><br>○ Girton to Oakington (funded by S106 from Northstowe)<br>Widening and improving the existing shared use path is likely to involve piping lengths of open ditch and in other areas sheet piling. This requires more complex design and certain approvals to be obtained. This means a lengthier design phase and hence expenditure in this financial year being lower than first anticipated. | | | | | | |
| **Operating the Network** | | | | | | |
| 16,637 | 16,159 | -478 | - | -478 | 0 | -478 |
| An in-year underspend of -£0.5m is forecast across Operating the Network schemes. This relates primarily to the following Traffic Signal Replacement scheme:<br><br>○ C233 Cherry Hinton Rd Cambridge (At Queen Edith's Way / Robin Hood junction).<br>An underspend of £575k is forecast in 2019-20. Work on this scheme has been delayed as a nearby cycle scheme has been pushed back to start in January 2020. With the Highways site so close work can begin after this work is complete. The current plan is to construct from April 2020 onwards. The revised outturn is based on work to complete modelling and get the scheme to the construction ready level. | | | | | | |
| **Ely Crossing** | | | | | | |
| 1,469 | 1,000 | -469 | - | -469 | 0 | -469 |
| An in-year underspend of -£0.5m is forecast. Expenditure on the scheme now relates to finalising the construction contract value for the bypass, the underpass scheme, landscaping and accommodation works, land compensation claims and statutory undertakers' final claims. These items are subject to negotiations which are currently underway. The timescales for resolution of such claims is uncertain, especially for land compensation, as claims for compensation are often significantly higher than the County Council's evaluation and negotiations can become protracted. | | | | | | |
| **King's Dyke** | | | | | | |
| 17,300 | 570 | -16,730 | - | -16,730 | 0 | -16,730 |
| An in-year underspend of -£16.7m is forecast. Following the Economy & Environment (E&E) committee decision on 15th August to re-tender the construction contract for King's Dyke, the profile has been updated to reflect this. The forecast expenditure for 2019/20 is now currently estimated at £570k. | | | | | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| **Scheme Development for Highways Initiatives** | | | | | | |
| 688 | 283 | -405 | - | -405 | 0 | -405 |
| An in-year underspend of -£0.4m is forecast. The £1m originally awarded to fund potential new schemes will be used over a number of years for this work; some of the funding has been deferred to future years. | | | | | | |
| **P&E Capital Variation** | | | | | | |
| -13,505 | 0 | 13,505 | - | 13,505 | 0 | -13,505 |
| 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 rephasing exceeds this budget. Therefore £13.5m of the net underspend is balanced by full utilisation of the capital variations budget; this relates primarily to the underspend on King's Dyke as reported above. | | | | | | |

- For full and previously reported details see the P&E Finance Monitoring Report, (http://tiny.cc/4i46bz).

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

| Revised Budget for 2019/20 | Forecast Spend - Outturn (July) | Forecast Spend - Outturn Variance (July) | Variance Last Month (June) | Movement | Breakdown of Variance | |
|---|---|---|---|---|---|---|
| | | | | | Underspend/ pressure | Rephasing |
| £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| **Basic Need - Primary** | | | | | | |
| 34,294 | 35,423 | 1,129 | -1,277 | 2,406 | -1,277 | 2,406 |
| In-year accelerated expenditure of £1.1m is forecast across Basic Need – Primary schemes. This is a change of +£2.4m on the position reported last month and is primarily due to changes on the Histon Additional Places scheme as outlined below: | | | | | | |
| **Histon Additional Places** | | | | | | |
| 400 | 3,000 | 2,600 | 0 | 2,600 | 0 | 2,600 |
| Although delays were initially anticipated on this project as it involves building a replacement for the current Histon & Impington Infant School on a site in the Green Belt, the Buxhall Farm scheme has accelerated and construction will now take place in year. While the replacement school will not be required until 2021, commencing work at this point will result in lower construction costs than if the project were delayed. | | | | | | |
| **Basic Need - Secondary** | | | | | | |
| 51,096 | 46,643 | -4,452 | -452 | -4,000 | -52 | -4,400 |
| An in-year underspend of -£4.5m is forecast across Basic Need – Secondary schemes. This is a decrease of -£4.0m on the position reported last month and is primarily due to rephasing on the Fenland Secondary scheme as outlined below: | | | | | | |
| **Fenland Secondary** | | | | | | |
| 5,000 | 600 | -4,400 | -400 | -4,000 | 0 | -4,400 |
| None of the applications submitted to the Department for Education (DfE) to establish the new secondary as free school were approved. Discussions are on-going over the extent and scale of highways investment necessary to improve access to and from the site. Until these are resolved, the final specification and associated cost of the project cannot be determined. | | | | | | |
| **P&C Capital Variation** | | | | | | |
| -13,399 | -9,973 | 3,426 | 1,832 | 1,594 | -1,382 | -2,044 |
| 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 £3.4m underspend is balanced by use of the capital variations budget; this relates primarily to the underspend on Basic Need – Secondary offset by the Basic Need – Primary accelerated expenditure as reported above, together with more minor variances. | | | | | | |

- For full and previously reported details see the P&C Finance Monitoring Report, (http://tiny.cc/ip46bz).

7.4.3 **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 Monitoring Report, (http://tiny.cc/s5nbcz).

7.4.4 **LGSS Managed:** 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 Monitoring Report, (http://tiny.cc/s5nbcz).

7.4.5 **Commercial & Investment**: a balanced budget is forecast at year-end.

| Revised Budget for 2019/20 | Forecast Spend - Outturn (July) | Forecast Spend - Outturn Variance (July) | Variance Last Month (June) | Movement | Breakdown of Variance | |
|---|---|---|---|---|---|---|
| | | | | | Underspend/ pressure | Rephasing |
| £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| **Housing Schemes** | | | | | | |
| 56,847 | 54,903 | -1,944 | - | -1,944 | - | -1,944 |
| An in-year underspend of -£1.9m is forecast. This is due to some loans to This Land being issued later than anticipated, so some loans that were initially planned for 2019/20 will be pushed back into 2020/21. | | | | | | |
| **Community Hubs - East Barnwell** | | | | | | |
| 1,041 | 200 | -841 | - | -841 | - | -841 |
| An in-year underspend of -£0.8m is forecast. This is due to difficulties in obtaining the relevant planning permission, which means that the only costs in 2019/20 will be related to planning, and any construction costs will be in future years. | | | | | | |
| **C&I Capital Variation** | | | | | | |
| -26,312 | -19,606 | 6,706 | 3,753 | 2,953 | - | 6,706 |
| 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 £6.7m underspend is balanced by use of the capital variations budget; this is an increase of £3.0m on the use of variations budget reported last month and relates primarily to the underspends on the Housing Schemes and Community Hubs- East Barnwell scheme as reported above. | | | | | | |

- For full and previously reported details see the C&I Finance Monitoring Report, (http://tiny.cc/zvnbcz).

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

7.5.1 **Place & Economy:** a total scheme balanced budget is forecast. There are no exceptions to report this month; for full details see the P&E Finance Monitoring Report, (http://tiny.cc/4i46bz).

7.5.2 **People & Communities:** a -£1.382m (-0.2%) total scheme underspend is forecast. There are no exceptions to report this month; for full details see the P&C Finance Monitoring Report, (http://tiny.cc/ip46bz).

7.5.3 **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 Monitoring Report, (http://tiny.cc/s5nbcz).

7.5.4 **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 Monitoring Report, (http://tiny.cc/s5nbcz).

7.5.5 **Commercial & Investment**: a total scheme balanced budget is forecast. There are no exceptions to report this month; for full and previously reported details see the C&I Finance Monitoring Report, (http://tiny.cc/zvnbcz).

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

| Funding Source | B'ness Plan Budget £m | Rolled Forward Funding1 £m | Revised Phasing £m | Additional/ Reduction in Funding £m | Revised Budget £m | Outturn Funding £m | Funding Variance £m |
|---|---|---|---|---|---|---|---|
| **Department for Transport (DfT) Grant** | 16.0 | 0.5 | -0.3 | 1.4 | **17.6** | 19.3 | 1.7 |
| **Basic Need Grant** | 6.9 | - | - | - | **6.9** | 6.9 | - |
| **Capital Maintenance Grant** | 4.7 | - | - | -1.1 | **3.5** | 3.5 | - |
| **Devolved Formula Capital** | 1.0 | 2.0 | - | -0.2 | **2.8** | 2.8 | - |
| **Specific Grants** | 8.4 | 0.0 | - | 0.7 | **9.1** | 7.4 | -1.8 |
| **S106 Contributions & Community Infrastructure Levy** | 19.4 | 3.3 | -12.8 | 0.4 | **10.3** | 10.3 | -0.0 |
| **Capital Receipts** | 45.4 | 10.4 | -10.5 | - | **45.3** | 45.3 | - |
| **Other Contributions** | 24.6 | 3.3 | - | 4.3 | **32.2** | 17.5 | -14.6 |
| **Revenue Contributions** | 10.1 | - | - | - | **10.1** | 10.1 | - |
| **Prudential Borrowing** | 133.4 | 19.8 | -13.4 | -2.5 | **137.4** | 147.1 | 9.7 |
| **TOTAL** | **269.9** | **39.3** | **-37.0** | **3.0** | **275.2** | **270.2** | **-5.1** |

1 Reflects the difference between the anticipated 2018/19 year end position used at the time of building the initial Capital Programme budget, as incorporated within the 2019/20 Business Plan, and the actual 2018/19 year end position.

7.7 In the July C&I Finance Monitoring Report, Commercial and Investment Committee is recommending to General Purposes Committee the approval of £295k additional capital funding for the demolition and rebuilding of the house at Meads Farm which has been deemed structurally beyond economic repair. This project will preserve the value of the asset and the rental income received from it, but will not generate any additional income. The purpose of the scheme is to comply with the Council's obligations as Landlord. To do this, we need a structurally safe and habitable dwelling, as now defined by the Homes (Fitness for Human Habitation) Act 2018. The current dwelling has significant structural issues and is beyond economic repair, as confirmed in the structural report and subsequent letter. Subsequently planning consent has been obtained for demolition of the existing dwelling and a new 3 bedroom detached dwelling to be built on the site. The scheme will be funded by borrowing; the annual cost of borrowing for this scheme will start in 2020/21 at £16k, and decreases each year thereafter.

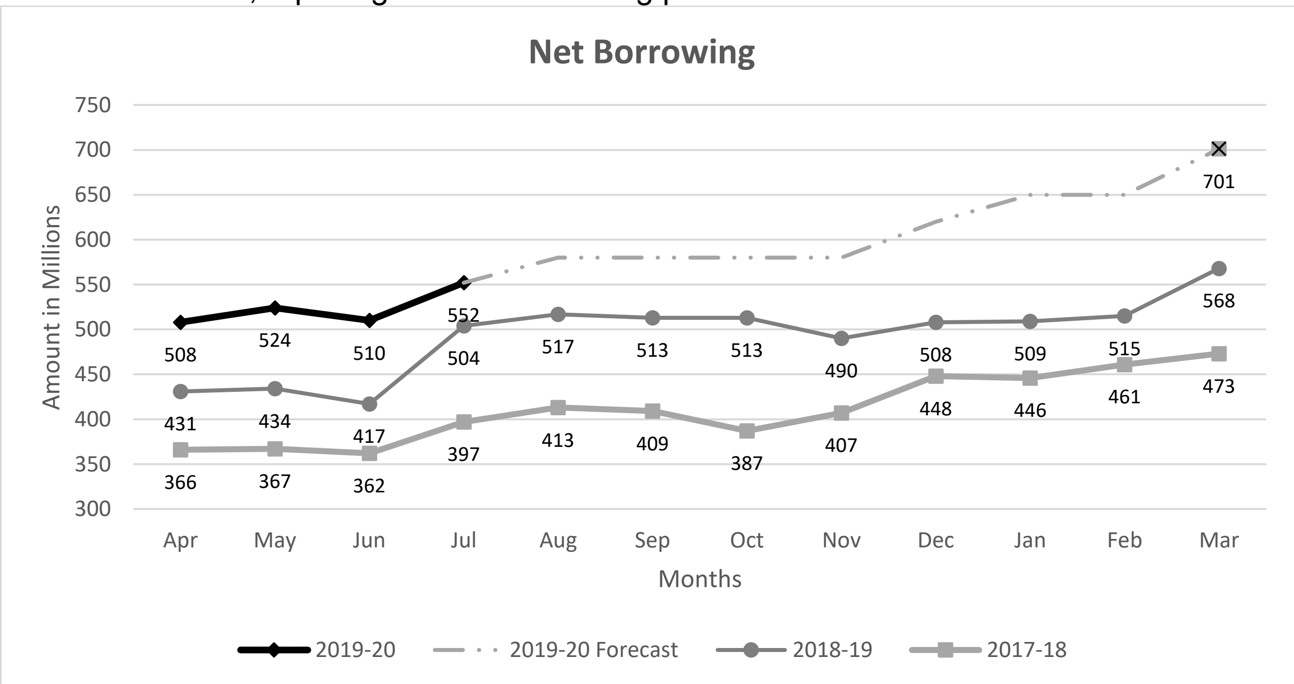
**General Purposes Committee is asked to approve additional prudential borrowing of £295k in 2019/20 for the Meads Farm scheme.**

## 8. BALANCE SHEET

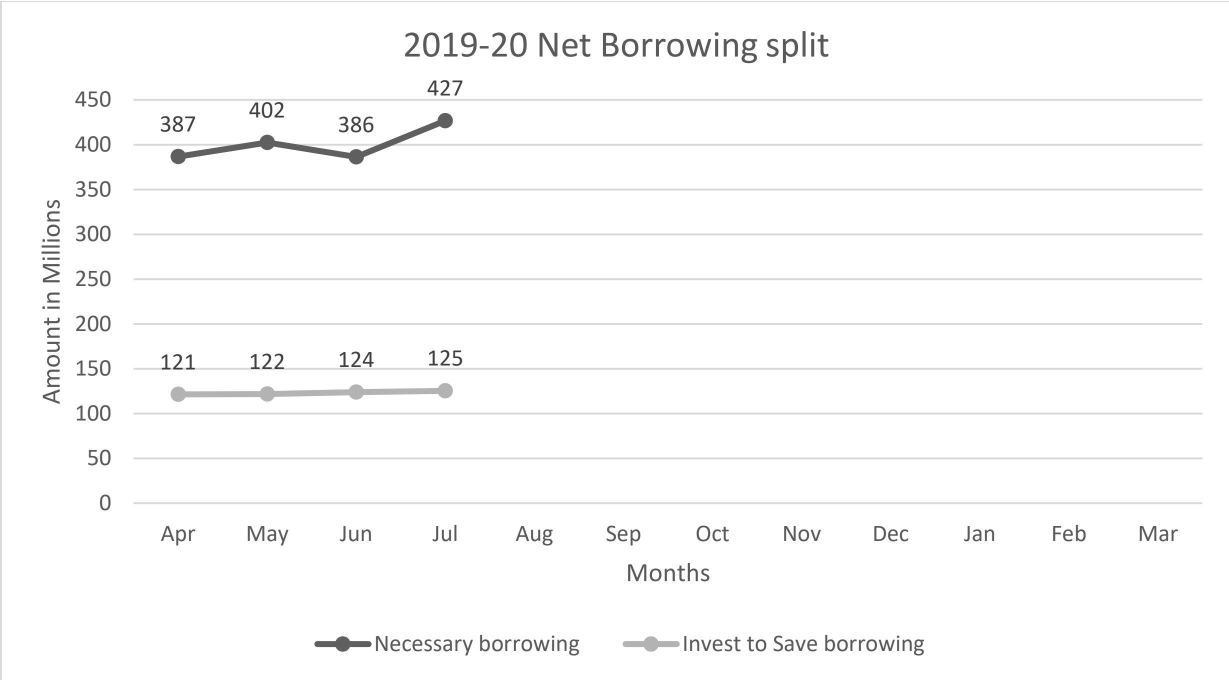
8.1 A more detailed analysis of balance sheet health issues is included below:

| Measure | | Year End Target | Actual as at the end of July 2019 |
|---|---|---|---|
| Level of debt outstanding (owed to the council) 91 days +, £m | Adult Social Care | £3.37m | £9.67m |
| | Sundry | £1.71m | £4.30m |

8.2 The graph below shows net borrowing (borrowings less investments) on a month by month basis and compares the position with the previous financial year. At the end of July 2019, investments held totalled £51m (excluding 3rd party loans) and gross borrowing totalled £603m, equating to a net borrowing position of £552m.



8.3 Of the gross borrowing in 2019-20, it is estimated that £125m 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. The graph below shows the estimated split of the net borrowing between necessary borrowing and Invest to Save borrowing.




8.4 The Council's cash flow profile – which influences the net borrowing requirement - varies considerably during the year, due to the timing difference between outgoing payments (payroll, supplier payments etc.) and income streams (grants, Council tax etc.). As illustrated by the comparative 2017-18 and 2018-19 actual net borrowing positions, cash flows at the beginning of the year are typically stronger than at the end of the year, as many grant receipts are received in advance of spend. The 2019-20 net borrowing position is expected to take a similar path, rising more substantially towards the end of the financial year as capital projects are progressed to completion and financed.

8.5 The Treasury Management Strategy Statement (TMSS) sets out the plan for treasury management activities over the forthcoming year. It identifies the expected levels of borrowing and investments based upon the Council's financial position and forecast capital programme. When the 2019-20 TMSS was set in February 2019, it anticipated that net borrowing would reach £732.1m by the end of this financial year. Based on the 2018-19 outturn position and subsequent revisions to the capital programme is, this is now forecast to be £700.5m by the end of this financial year.

8.6 From a strategic perspective, the Council continues to temporarily utilise cash-backed resources in lieu of additional borrowing (known as internal borrowing) and where borrowing is undertaken loans are raised for shorter terms, both to generate net interest cost savings and consequently holding less investments reduces the Councils exposure to credit risk. However, this approach carries with it interest rate risk and officers continue to monitor options as to the timing of any potential longer term borrowing should underlying interest rates be forecast to rise in a sustained manner.

8.7 There is a link between the capital financing borrowing requirement, the net borrowing position and consequently net interest costs. However, the Debt Charges budget is prudently formulated with sensitivity to additional factors including projected levels of cash-backed reserves, forecast movements in interest rates, and the overall borrowing requirement for the Council over the life of the Business Plan and beyond.

8.8 Further detail around the Treasury Management activities can be found in the latest Treasury Management Report, (https://tinyurl.com/y6t9eojk).

8.9 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.

## 9. ALIGNMENT WITH CORPORATE PRIORITIES

9.1 **A good quality of life for everyone**

There are no significant implications for this priority.

9.2 **Thriving places for people to live**

There are no significant implications for this priority.

9.3 **The best start for Cambridgeshire's children**

There are no significant implications for this priority.

## 10. SIGNIFICANT IMPLICATIONS

10.1 **Resource Implications**

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

10.2 **Procurement/Contractual/Council Contract Procedure Rules Implications**

There are no significant implications within this category.

10.3 **Statutory, Legal and Risk Implications**

There are no significant implications within this category.

10.4 **Equality and Diversity Implications**

There are no significant implications within this category.

10.5 **Engagement and Consultation Implications**

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

10.6 **Localism and Local Member Involvement**

There are no significant implications within this category.

10.7 **Public Health Implications**

There are no significant implications within this category.

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

| Source Documents | Location |
|---|---|
| P&E Finance Monitoring Report (July 19)<br>P&C Finance Monitoring Report (July 19)<br>PH Finance Monitoring Report (July 19)<br>CS and LGSS Cambridge Office Finance Monitoring Report (July 19)<br>C&I Finance Monitoring Report (July 19)<br>Capital Monitoring Report (July 19)<br>Report on Debt Outstanding (July 19) | 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 | 254,936 | 390 | 57,504 | 28,161 | 10,221 | 14,048 | -9,502 | 8,161 | 20,357 |
| Greater Cambridge Partnership budgets not reported in CCC budget | | | | | -602 | | | | |
| Budget Build correction- Impact of Local Government Pay offer on CCC Employee Costs | | | | | -430 | 430 | | | |
| External audit fees budget transfer | | | | | 27 | -27 | | | |
| 19/20 Council tax income generation proposal to precept income codes | | | | | 200 | | | | |
| Transfer of Cultural & Community Services from P&E to P&C | 4,721 | | -4,721 | | | | | | |
| Movement of Contract Efficiency saving target from Corporate Services | | | | | 49 | | -49 | | |
| Inflation allocation adjustment for Children's Services Legal from CS | 30 | | | | -30 | | | | |
| Remove Traded Services Central income target from Central Services Risks budget. | | | | | -58 | | 58 | | |
| Correction of apprenticeship levy | | | | | -7 | 7 | | | |
| Correction of staffing budget | | | | | 48 | | | -48 | |
| Community & Safety – Trading Standards moving from P&E to P&C | 694 | | -694 | | | | | | |
| Review of 2019-20 budget as approved by GPC at 16th July 2019 meeting, Agenda item 5a | 2,360 | | | | -322 | -250 | 122 | | -1,910 |
| Transfer Concessionary Fares budget to P&E | -12 | | 12 | | | | | | |
| **Current budget** | **262,728** | **390** | **52,102** | **28,161** | **9,096** | **14,208** | **-9,371** | **8,113** | **18,447** |
| Rounding | 0 | 0 | 0 | 0 | 1 | 1 | 0 | -1 | 0 |

## APPENDIX 2 – Reserves and Provisions

| Fund Description | Balance at 31 March 2019 | 2019-20 | | Forecast Balance 31 March 2020 | Notes |
|---|---|---|---|---|---|
| | | Movements in 2019-20 | Balance at 31 July 2019 | | |
| | £000s | £000s | £000s | £000s | |
| **General Reserves** | | | | | |
| **- County Fund Balance** | 12,850 | 4,699 | 17,549 | 16,562 | |
| **- Services** | | | | | |
| 1 P&C | 0 | 0 | 0 | 0 | |
| 2 P&E | 0 | 0 | 0 | 0 | |
| 3 CS | 0 | 0 | 0 | 0 | |
| 4 LGSS Operational | 112 | 0 | 112 | 0 | |
| subtotal | 12,962 | 4,699 | 17,661 | 16,562 | |
| **Earmarked** | | | | | |
| **- Specific Reserves** | | | | | |
| 5 Insurance | 4,060 | -364 | 3,696 | 3,696 | |
| subtotal | 4,060 | -364 | 3,696 | 3,696 | |
| **- Equipment Reserves** | | | | | |
| 6 P&C | 8 | 0 | 8 | 8 | |
| 7 P&E | 0 | 0 | 0 | 0 | |
| 8 CS | 3 | 0 | 3 | 3 | |
| 9 C&I | 56 | 0 | 56 | 0 | |
| subtotal | 67 | 0 | 67 | 11 | |
| **Other Earmarked Funds** | | | | | |
| 10 P&C | 286 | 0 | 286 | 286 | |
| 11 PH | 2,886 | 0 | 2,886 | 2,586 | |
| 12 P&E | 5,134 | -240 | 4,894 | 3,437 | Includes liquidated damages in respect of the Guided Busway |
| 13 CS | 3,193 | 297 | 3,490 | 3,509 | |
| 14 LGSS Managed | 63 | 0 | 63 | 0 | |
| 15 C&I | 600 | 0 | 600 | 679 | |
| 16 Transformation Fund | 24,504 | 4,567 | 29,071 | 20,706 | Savings realised through change in MRP policy. |
| 17 Innovate & Cultivate Fund | 1,561 | 0 | 1,561 | 997 | |
| subtotal | 38,227 | 4,624 | 42,852 | 32,200 | |
| | | | | | |
| **SUB TOTAL** | **55,316** | **8,959** | **64,276** | **52,469** | |
| | | | | | |
| **Capital Reserves** | | | | | |
| **- Services** | | | | | |
| 18 P&C | 29,463 | 0 | 29,463 | 29,463 | |
| 19 P&E | 6,069 | 571 | 6,640 | 1,000 | |
| 20 LGSS Managed | 0 | 0 | 0 | 0 | |
| 21 C&I | 20,415 | 13,208 | 33,623 | 0 | |
| 22 Corporate | 54,694 | 11,744 | 66,438 | 56,711 | Section 106 and Community Infrastructure Levy balances. |
| subtotal | 110,641 | 25,523 | 136,164 | 87,174 | |
| | | | | | |
| **GRAND TOTAL** | **165,957** | **34,483** | **200,439** | **139,644** | |

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 2019 | 2019-20 | | Forecast Balance 31 March 2020 | Notes |
|---|---|---|---|---|---|
| | | Movements in 2019-20 | Balance at 31 July 2019 | | |
| | £000s | £000s | £000s | £000s | |
| **- Short Term Provisions** | | | | | |
| 1 P&E | 0 | 0 | 0 | 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 | 3,660 | 0 | 3,660 | 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** | **7,273** | **0** | **7,273** | **7,273** | |

**APPENDIX 3 – RECOMMENDATIONS FROM JUNE 19 REPORT**
The June Integrated Resources and Performance Report included a number of recommendations to General Purposes Committee (GPC) that have not yet received approval, as the last Integrated Resources and Performance Report to be presented at a meeting of GPC was the May report, on 16th July 2019.

GPC is asked to approve the recommendations in the June report, which were circulated to the Committee by email.

**June 19 Integrated Resources and Performance Report**
Three recommendations concerning capital funding, found in section 5.6:

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

| Funding | Service | Amount (£m) | Reason for Change |
|---|---|---|---|
| Addition/Reduction in Funding – grant and prudential borrowing | C&I | -£0.6<br><br>+£0.6 | As noted in the May C&I Finance & Performance report, Annex 7, the Investment in the CCC Asset Portfolio scheme was reported in the 2019/20 Business Plan as being funded from £550k Capital Maintenance Grant. The scheme will actually be funded from prudential borrowing, and the revised funding has been updated to reflect this. £550k additional prudential borrowing is therefore requested to offset this change.<br><br>**General Purposes Committee is asked to note the funding change from Capital Maintenance Grant and to approve additional prudential borrowing of £550k to offset this for the Investment in the CCC Asset Portfolio scheme.** |
| Addition/Reduction in Funding - Other contributions | P&E | +£0.5 | £494k additional contributions are expected to be used in relation to the Smarter Travel Management - Integrated Highways Management Centre scheme, funded from the on-street account.<br>**General Purposes Committee is asked to 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.** |
| Addition/Reduction in Funding - Other contributions | P&E | +£3.5 | £3,505k additional contributions are expected in relation to Combined Authority (CA) Schemes in line with the increased level of work expected to be carried out by CCC above that originally anticipated at the beginning of the financial year. The Combined Authority is invoiced on a monthly basis for work on CA schemes.<br>**General Purposes Committee is asked to note the additional 2019/20 contributions of £3,505k expected in relation to Combined Authority Schemes.** |

## Savings Tracker 2019-20

| Reference | Title | Description | Budgeted Investment - Prior Years £000 | Actual Investment - Prior Years £000 | Budgeted Investment - 19-20 £000 | Actual Investment - 19-20 £000 | Original Saving - Prior Years | Original Phasing - Q1 | Original Phasing - Q2 | Original Phasing - Q3 | Original Phasing - Q4 | Original Saving 19-20 | Savings Achieved - Prior Years | Current Forecast Phasing - Q1 | Current Forecast Phasing - Q2 | Current Forecast Phasing - Q3 | Current Forecast Phasing - Q4 | Forecast Saving 19-20 | Variance from Plan £000 | Saving complete? | % Variance | RAG | Direction of travel | Forecast Commentary | Links with partner organisations |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Investment £000 | | | | Prior Years | Planned Savings 2019-20 £000 | | | | | Prior years | Forecast Savings 2019-20 £000 | | | | | | | | | | | |
| | | | 7,378 | 3,414 | 1,529 | 286 | **-21,509** | -5,291 | -1,998 | -1,794 | -1,549 | **-15,785** | **-15,910** | -6,078 | -2,077 | -2,002 | -2,412 | **-14,664** | **1,121** | | | | | | |
| A/R.6.114 | Learning Disabilities - Increasing independence and resilience when meeting the needs of people with learning disabilities | A three-year programme of work was undertaken in Learning Disability Services from 2016/17 to ensure service-users had the appropriate level of care - this saving is the remaining impact of part-year savings made in 2018/19. | 1,536 | 1,520 | 0 | 0 | -5,481 | 0 | 0 | 0 | 0 | -200 | -3,992 | -200 | 0 | 0 | 0 | -200 | **0** | Yes | **0.00** | Green | ↔ | Complete | Savings will be made on health elements of care packages as well, providing savings to the CCG |
| A/R.6.126 | Learning Disabilities - Converting Residential Provision to Supported Living | This is an opportunity to de-register a number of residential homes for people with learning disabilities and change the service model to supported living. The people in these services will benefit from a more progressive model of care that promotes greater independence. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -250 | 0 | -63 | -63 | -63 | -63 | -250 | **0** | No | **0.00** | Green | ↔ | On track | Savings will be made on health elements of care packages as well, providing savings to the CCG |
| A/R.6.127 | Care in Cambridgeshire for People with Learning Disabilities | Work to enable people with learning disabilities who have been placed 'out of county' to move closer to their family by identifying an alternative placement which is closer to home. To be approached on a case by case basis and will involve close work with the family and the person we support. Will also involve ensuring out of county placements are cost effective and are appropriately funded by the NHS. | 120 | 120 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -250 | 0 | -63 | -63 | -63 | -63 | -250 | **0** | No | **0.00** | Green | ↔ | On track | Savings will be made on health elements of care packages as well, providing savings to the CCG |
| A/R.6.128 | Better Care Fund - Investing to support social care and ease pressures in the health and care system | The Improved Better Care Fund is a grant from Central Government for adult social care, to ensure that the health and social care market is not destabilised by pressures on Adult Social Care. A proportion of the funding will be taken as a saving in order to offset increased cost in social care as a result of demand rising and legislative pressures. The IBCF also provides targeted investment in social care services that will promote better outcomes for patients and social care services. The funding has not been confirmed beyond 2019/20, and so at this stage this remains a temporary saving. | 0 | 0 | 0 | 0 | -7,200 | -1,300 | 0 | 0 | 0 | -1,300 | -7,200 | -1,300 | 0 | 0 | 0 | -1,300 | **0** | No | **0.00** | Green | ↔ | On track | Will help meet financial pressures on Adults Services, enabling it to better respond to system-wide challenges |
| A/R.6.132 | Mental Health Social Work PRISM Integration Project | The introduction of social workers and social care support staffing into the community / primary care health services (PRISM) will deliver improved mental health outcomes for Cambridgeshire residents and reduce demand for services through a focus on prevention, early intervention and strengths-based approach. | 340 | 0 | 0 | 0 | 0 | -50 | -75 | -50 | -25 | -200 | 0 | -50 | -75 | -50 | -25 | -200 | **0** | No | **0.00** | Green | ↔ | On track | Reducing demand versus expected levels should lead to lower than expected health needs |
| A/R.6.133 | Impact of investment in Occupational Therapists | OT involvement in reablement goal-setting and review will improve outcomes at the end of the pathway through achieving greater service user independence at the end of reablement. | 0 | 0 | 0 | 0 | 0 | -50 | -100 | -50 | -20 | -220 | 0 | -50 | -100 | -50 | -20 | -220 | **0** | No | **0.00** | Green | ↔ | On track | |
| A/R.6.143 | Review of Support Functions in Adults | A review of support functions to ensure that capacity is aligned appropriately to the needs of the services supported. | 100 | 4 | 0 | 0 | 0 | -150 | 0 | 0 | 0 | -150 | 0 | -150 | 0 | 0 | 0 | -150 | **0** | No | **0.00** | Green | ↔ | On track | |
| A/R.6.174 | Review of Supported Housing Commissioning | An ambitious saving of £1m was included in the 2018-23 Business Plan linked to a review of commissioning arrangements for supported housing. Following a detailed review of contract opportunities over the last 12 months, a reduction in the overall saving level is required. The remaining saving will be achieved through working with district partners and providers to redesign services. | 250 | 0 | 0 | 0 | 0 | -146 | -146 | -146 | -146 | -583 | 0 | -80 | -80 | -80 | -81 | -321 | **262** | No | **44.94** | Red | ↔ | Expected to be delivered over 2 years into 2020/21 | |
| A/R.6.176 | Adults Positive Challenge Programme | Through the Adults Positive Challenge Programme, the County Council has set out to design a new service model for Adult Social Care which will continue to improve outcomes whilst also being economically sustainable in the face of the huge pressure on the sector. This work will focus on promoting independence and changing the conversation with staff and service-users to enable people to stay independent for longer, and has already had success in 2018/19 through a fast-forward element of the programme. | 500 | 239 | 1,500 | 258 | 0 | -1,349 | -983 | -884 | -584 | -3,800 | 0 | -1,349 | -983 | -884 | -584 | -3,800 | **0** | No | **0.00** | Green | ↔ | On track, but high-risk - monitored at regular Trajectory Board | |
| A/R.6.177 | Savings through contract reviews | Several contracts have been retendered throughout 17/18 and 18/19 and have delivered efficiencies, which can now be taken as savings. The largest of these was a retender of domiciliary care block car rounds in late 2017/18. | 0 | 0 | 0 | 0 | 0 | -412 | 0 | 0 | 0 | -412 | 0 | -412 | 0 | 0 | 0 | -412 | **0** | Yes | **0.00** | Green | ↔ | Complete | |
| A/R.6.211 | Safer Communities Partnership | A review of the required management and support functions within the team will be undertaken depending on the outcome of funding bids, and could deliver a saving of £30,000 during 2019/20. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -30 | 0 | -30 | 0 | 0 | 0 | -30 | **0** | No | **0.00** | Green | ↔ | Full savings taken at budget prep. | |
| A/R.6.212 | Strengthening Communities Service | The deletion of a recently vacant Community Protection Project Officer post. The community led no cold calling zones project, which was coordinated by the previous post holder, has now successfully concluded. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -30 | 0 | -30 | 0 | 0 | 0 | -30 | **0** | No | **0.00** | Green | ↔ | Full savings taken at budget prep. | |
| A/R.6.213 | Youth Offending Service - efficiencies from joint commissioning and vacancy review | The full year impact of savings realised as a result of the Commissioning of Appropriate Adults and Reparation Services with Peterborough City Council and Cambridgeshire Constabulary. The removal of all capacity within the Youth Offending Service to spot purchase time limited support programmes, tailored to meet individual needs, which may be over and above the core offer. The removal of a part time vacant case holding post,and part time vacantSeniorYOSOfficer post. | 0 | 0 | 0 | 0 | -124 | 0 | 0 | 0 | 0 | -40 | -192 | -40 | 0 | 0 | 0 | -40 | **0** | No | **0.00** | Green | ↔ | Full savings taken at budget prep. | |
| A/R.6.214 | Youth Support Services | Removal of a staff training budget for Youth Staff (£10k), a reduction in staff capacity and the Community Reach Fund (£30k) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -40 | 0 | -40 | 0 | 0 | 0 | -40 | **0** | No | **0.00** | Green | ↔ | Full savings taken at budget prep. | |
| A/R.6.252 | Total Transport - Home to School Transport (Special) | Saving to be made through re-tendering contracts, route reviews, looking across client groups and managing demand for children requiring transport provision | 0 | 0 | 0 | 0 | 0 | -83 | -28 | 0 | 0 | -110 | 0 | -28 | -27 | -28 | -27 | -110 | **0** | No | **0.00** | Green | ↔ | Saving was the part year effect of September 2018 tender round. Savings were not all achieved in 2018/19 and, as such, there are risks around this line. | |
| A/R.6.253 | Looked After Children (LAC) - Mitigating additional external residential placement numbers | There is currently a shortage of foster placements due to increased numbers of children in care both locally and nationally. This has resulted in a growing number of young people being placed in much higher cost residential placements. This business case describes how we will seek to mitigate 3 of the 8 additional residential placements expected and hence requiring a reduced contribution to the placement budget from demography funding. | 705 | 92 | 0 | 18 | 0 | -125 | -125 | -125 | -125 | -500 | 0 | -125 | -125 | -125 | -125 | -500 | **0** | No | **0.00** | Green | ↔ | A challenging LAC strategy to reduce numbers and change the composition of IFA/In-house foster placements could have an adverse impact on the delivery of these savings if it's not successful. | |
| A/R.6.254 | Looked After Children (LAC) - Fee negotiation and review of high cost placements | Negotiation of external placement costs and review of high cost placements. This will be delivered by:<br>- Cost discounts<br>- Volume/long term discounts<br>- Reviewing packages of support for all purchased placement types<br>- Reviewing high cost placements | 50 | 16 | 50 | 10 | 0 | -50 | -50 | -50 | -50 | -200 | 0 | -50 | -50 | -50 | -50 | -200 | **0** | No | **0.00** | Green | ↔ | A challenging LAC strategy to reduce numbers and change the composition of IFA/In-house foster placements could have an adverse impact on the delivery of these savings if it's not successful. | |

| | | | Investment £000 | | | | Prior Years | Planned Savings 2019-20 £000 | | | | | Prior years | Forecast Savings 2019-20 £000 | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 7,378 | 3,414 | 1,529 | 286 | **-21,509** | -5,291 | -1,998 | -1,794 | -1,549 | **-15,785** | **-15,910** | -6,078 | -2,077 | -2,002 | -2,412 | **-14,664** | **1,121** | | | | | | |
| **Reference** | **Title** | **Description** | **Budgeted Investment - Prior Years £000** | **Actual Investment - Prior Years £000** | **Budgeted Investment - 19-20 £000** | **Actual Investment - 19-20 £000** | **Original Saving - Prior Years** | **Original Phasing - Q1** | **Original Phasing - Q2** | **Original Phasing - Q3** | **Original Phasing - Q4** | **Original Saving 19-20** | **Savings Achieved - Prior Years** | **Current Forecast Phasing - Q1** | **Current Forecast Phasing - Q2** | **Current Forecast Phasing - Q3** | **Current Forecast Phasing - Q4** | **Forecast Saving 19-20** | **Variance from Plan £000** | **Saving complete?** | **% Variance** | **RAG** | **Direction of travel** | **Forecast Commentary** | **Links with partner organisations** |
| A/R.6.255 | Looked After Children (LAC) - Placement composition and reduction in numbers | Numbers of children in care remain at around 100 higher than they should be if our performance was in line with the average of our statistical neighbours. This business case is targeted at reducing demand in the system and delivering sustainable savings by reducing costs associated with higher numbers of children in care in the system as well as increasing in-house fostering numbers and reducing the number of independent agency placements, which are more costly. | 0 | 0 | 0 | 0 | 0 | -336 | -325 | -325 | -325 | -1,311 | 0 | -336 | -325 | -325 | -325 | -1,311 | **0** | No | **0.00** | Green | ↔ | A challenging LAC strategy to reduce numbers and change the composition of IFA/In-house foster placements could have an adverse impact on the delivery of these savings if it's not successful. | |
| A/R.6.258 | Children's home changes (underutilised) | Anticpated savings resulting from the closure of the Victoria Road children's home that is currently underutilised. The budget associated with the residential element of the children's home is £600K per annum. The placement costs of the young people living in the provision until mid-June is in the region of £230K per annum, resulting in a full year saving of around £350K per annum. | 0 | 0 | 0 | 0 | 0 | -350 | 0 | 0 | 0 | -350 | 0 | -350 | 0 | 0 | 0 | -350 | **0** | Yes | **0.00** | Green | ↔ | Full savings taken at budget prep and Children's home now closed. | |
| A/R.6.259 | Early Years Service | A review of services provided by the Early Years Service in light of the links with Peterborough and growing traded services. | 0 | 0 | 0 | 0 | 0 | -50 | -50 | -50 | -50 | -200 | 0 | -50 | -50 | -50 | -50 | -200 | **0** | No | **0.00** | Green | ↔ | | |
| A/R.6.260 | Reduction of internal funding to school facing traded services | A reduction to the internal funding of the ICT Service and the PE and Sports Advisory Service recognising a reduction in LA useage | 0 | 0 | 0 | 0 | 0 | -38 | -38 | -38 | -37 | -151 | 0 | -38 | -38 | -38 | -37 | -151 | **0** | No | **0.00** | Green | ↔ | | |
| A/R.6.261 | Schools Intervention Service | Reduction in capacity of the service in line with the reduced number of maintained schools that require a direct service | 0 | 0 | 0 | 0 | 0 | -25 | -25 | -25 | -25 | -100 | 0 | -25 | -25 | -25 | -25 | -100 | **0** | No | **0.00** | Green | ↔ | | |
| A/R.6.263 | Term time only contracts | A voluntary change to term time only contracts (or annualised hours) for staff in the Education Directorate where this is appropriate for their role. | 0 | 0 | 0 | 0 | 0 | -7 | -8 | -7 | -8 | -30 | 0 | 0 | 0 | 0 | -15 | -15 | **15** | No | **50.00** | Amber | ↓ | Work has not yet started on this and as such it is unlikely to be fully achieved in 2019/20 | |
| A/R.6.264 | Review of Therapy Contracts | Savings will be delivered by reviewing existing arrangements but further details are unavailable at this time due to commercial confidence. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -321 | 0 | 0 | 0 | 0 | -321 | -321 | **0** | No | **0.00** | Green | ↔ | Part year saving. Will be achieved if resonable ntice given to current provider, although would leave limited funds to provide alternative provision | |
| A/R.7.101 | Early Years subscription package | Proposal to develop Early Years subscription package for trading with settings. | 0 | 0 | 0 | 0 | 0 | -4 | -4 | -4 | -4 | -16 | 0 | -4 | -4 | -4 | -4 | -16 | **0** | No | **0.00** | Green | ↔ | | |
| A/R.7.103 | Attendance and Behaviour Service income | A review of charging models and use of school absence penalty notices within the Attendance and Behaviour Service | 0 | 0 | 0 | 0 | 0 | -12 | -13 | -12 | -13 | -50 | 0 | -12 | -13 | -12 | -13 | -50 | **0** | No | **0.00** | Green | ↔ | Additional income was all achieved in 2018/19 so can be expected in 2019/20 as well | |
| B/R.6.103 | Shared Service: Historic Environment | Income generation shared services with Peterborough. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -10 | 0 | 0 | 0 | 0 | 0 | 0 | **10** | No | **100.00** | Black | ↔ | Shared service with PCC, still at discussion stage, may get introduced at back end of year | |
| B/R.6.105 | Transformation of the Infrastructure & Growth Service into a profit centre. | The service predominantly recovers its operating costs through recharge and development related income. A large proportion of this is for external clients, such as the Combined Authority & GCP. Commerical operation of the service will maximise income opportunities and standardise the approach to working with external clients, enabling consideration of the associated risks. Revenue generated from this approach will support those services such as strategy and development related planning activities that aren't rechargeable. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -79 | 0 | -79 | 0 | 0 | 0 | -79 | **0** | No | **0.00** | Green | ↔ | Already taken from base budget | |
| B/R.6.202 | Highways Maintenance | Utilising a greater proportion of the on-street parking surplus to fund highways and transport works as allowed by current legislation. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -350 | 0 | -350 | 0 | 0 | 0 | -350 | **0** | No | **0.00** | Green | ↔ | Change of funding source to accommodate savings | |
| B/R.6.206 | Highways Shared Services Model | Creation of a single, shared highway service across Cambridgeshire and Peterborough. Whilst the emphasis is on creating resilience and flexibility there will be the opportunity to make some savings through the creation of the new,streamlined structure. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -150 | 0 | -12 | -13 | -12 | -13 | -50 | **100** | No | **66.67** | Amber | ↔ | The £150k saving will not be achieved until 20/21 at the earliest. However the Road Safety Saving of £50k was missed out of the business plan and this will be achieved | |
| B/R.6.210 | Household Recycling Centre changes | Implementation of a permitting system for vans and trailers. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -60 | 0 | -15 | -15 | -15 | -15 | -60 | **0** | No | **0.00** | Green | ↔ | Saving in 19/20 to be made via vacancy saving within the team. | |
| B/R.6.214 | Street Lighting - contract synergies | Annual saving from joint contract drafting with partners. This will not lead to any reduction in street lighting provision. | 800 | 228 | 0 | 0 | -227 | 0 | 0 | 0 | 0 | 11 | -227 | 11 | 0 | 0 | 0 | 11 | **0** | No | **0.00** | Green | ↔ | funding adjustment | |
| C/R.6.101 | Sharing with other Councils | A joint working agreement is now in place with Peterborough City Council along with a growing number of shared posts. | 400 | 267 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -500 | 0 | 0 | 0 | 0 | -100 | -100 | **400** | No | **80.00** | Red | ↔ | Shared Services saving from 18/19 to be met before progress can be made against this target. | |
| C/R.6.106 | Reduction in costs on Redundancy, Pensions & Injury budget | Reduction in costs on Redundancy, Pensions & Injury budget, held within Corporate Services. | 0 | 0 | 0 | 0 | -20 | 0 | 0 | 0 | 0 | -10 | -20 | 0 | 0 | 0 | 0 | 0 | **10** | No | **100.00** | Black | ↔ | Saving not expected to be met, as costs are not reducing as anticipated. | |
| C/R.7.101 | BP 19/20 - Council Tax: Increasing Contributions | 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. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -200 | 0 | 0 | 0 | -100 | -100 | -200 | **0** | No | **0.00** | Green | ↔ | An ambitious Council tax sharing agreement with the District Authorities is expected to be implemented in mid 2019-20. | |
| D/R.6.999 | LGSS operational savings | Savings being driven out by the Milton Keynes Council partnership, from LGSS income growth and from efficiencies following the introduction of the new ERP system. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -159 | 0 | 0 | 0 | 0 | 0 | -159 | **0** | No | **0.00** | Green | ↔ | | |
| D/R.6.999 | LGSS trading savings | Saving predicated on growth in LGSS' trading base through acquiring a fourth partner and further customer growth. With much of the work to achieve this on hold whilst the review of the LGSS operating model is completed there is risk around the delivery of this saving. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -460 | 0 | 0 | 0 | 0 | 0 | 0 | **460** | No | **100.00** | Black | ↔ | Saving predicated on securing a fourth partner which is not possible whilst the review of the LGSS operating model is ongoing. | |
| D/R.6.999 | LGSS additional savings | Additional LGSS savings ask above and beyond the savings share between the three partners. This will need to be delivered through a reduced service offering to CCC and options are being drawn up by LGSS for consideration by CCC for the delivery of this saving. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -300 | 0 | 0 | 0 | 0 | 0 | -228 | **72** | No | **24.00** | Amber | ↔ | | |

| | | | Investment £000 | | | | Prior Years | Planned Savings 2019-20 £000 | | | | | Prior years | Forecast Savings 2019-20 £000 | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 7,378 | 3,414 | 1,529 | 286 | **-21,509** | -5,291 | -1,998 | -1,794 | -1,549 | **-15,785** | **-15,910** | -6,078 | -2,077 | -2,002 | -2,412 | **-14,664** | **1,121** | | | | | | |
| **Reference** | **Title** | **Description** | **Budgeted Investment - Prior Years £000** | **Actual Investment - Prior Years £000** | **Budgeted Investment - 19-20 £000** | **Actual Investment - 19-20 £000** | **Original Saving - Prior Years** | **Original Phasing - Q1** | **Original Phasing - Q2** | **Original Phasing - Q3** | **Original Phasing - Q4** | **Original Saving 19-20** | **Savings Achieved - Prior Years** | **Current Forecast Phasing - Q1** | **Current Forecast Phasing - Q2** | **Current Forecast Phasing - Q3** | **Current Forecast Phasing - Q4** | **Forecast Saving 19-20** | **Variance from Plan £000** | **Saving complete?** | **% Variance** | **RAG** | **Direction of travel** | **Forecast Commentary** | **Links with partner organisations** |
| E/R.6.031 | NHS Health Checks - IT software contract decommissioned | NHS Health Checks is a cardiovascular risk assessment offered to people aged to 40 to 74 year olds every five years who do not have a diagnosed health condition. GP practices are commissioned to identify and invite eligible individuals to have an NHS Health Check. A robust data collection process is required to manage patient data and to ensure that anonymized data is sent to the Local Authority as part of the performance monitoring and payment system to the GPs. In 2017 after securing agreement from the Clinical Commissioning Group (CCG) which has responsibility for practice systems new software was commissioned to sit on GP practice systems. The introduction of GPPR compromised the security of the software as it could not meet fully the GDPR requirements and therefore the contract was decommissioned. The IT company fully agreed with this approach and assumed any additional cost for removing systems already in practices.<br>GP practice systems have developed rapidly and they are now able to manage NHS Health Check data electronically and share anonymized data with the Local Authority at no cost to the Local Authority. | 0 | 0 | 0 | 0 | 0 | -41 | 0 | 0 | 0 | -41 | 0 | -41 | 0 | 0 | 0 | -41 | **0** | No | **0.00** | Green | ↔ | | |
| E/R.6.032 | NHS Health Checks Funding | There has been a recurrent underspend on the NHS Health Checks Programme since the transfer of the funding from the NHS to the Local Authority which has reflected fairly stable activity levels. | 0 | 0 | 0 | 0 | 0 | -13 | -13 | -13 | -13 | -50 | 0 | -13 | -13 | -13 | -13 | -50 | **0** | No | **0.00** | Green | ↔ | | |
| E/R.6.033 | Drug & Alcohol service - funding reduction built in to new service contract | Savings will be secured through the re-commissioning of the Cambridgeshire Adult Drug and Alcohol Treatment Services, which will enable transformational changes to be undertaken. The Drugs and Alcohol Joint Strategic Needs Assessment, (2016) indicated changes in needs that are addressed in the new service model. An aging long-term drug using population that enter and re-enter the Service has complex health and social problems that do not require intensive acute drug treatment services but more cost effective support services to ensure their good mental and physical health and social support needs are met. Strengthened recovery services using cost-effective peer support models to avoid readmission, different staffing models and a mobile outreach service. | 0 | 0 | 0 | 0 | 0 | -162 | 0 | 0 | 0 | -162 | 0 | -162 | 0 | 0 | 0 | -162 | **0** | No | **0.00** | Green | ↔ | | |
| E/R.6.035 | Children 5-19 - Mental Health Training for Children's workforce | This proposal ceases funding for intensive training for a relatively small number of the young people's workforce each year, delivered face to face by Cambridgeshire and Peterborough NHS Foundation Trust. Instead it is proposed that Public Health staff work together with the Heads of Early Help to establish a clear specification of the training requirements and success criteria for an e-learning training package with less intensive face to face training in 2019/20, focussed on the mental health training needs of Young People's workers in the Early Help Teams. | 0 | 0 | 0 | 0 | 0 | -36 | 0 | 0 | 0 | -36 | 0 | -36 | 0 | 0 | 0 | -36 | **0** | No | **0.00** | Green | ↔ | | |
| E/R.6.036 | Children's 0-19 Services - Healthy Child Programme - Proposal previously agreed in 2017/18 business planning process | This £238k savings proposal was previously discussed by Health Committee in the autumn 2017 business planning round. It was agreed to fund the £238k saving from public health reserves in 2018/19, to allow further time to develop the 0-19 Healthy Child integration programme (and associated savings) for implementation in 2019/20.<br>The Healthy Child programme is a universal-progressive, needs-based service delivered at 4 levels: Community, Universal, Universal Plus (single agency involvement) and Universal Partnership Plus (multi-agency involvement). All children, young people and families are offered a core programme of evidence based, early intervention and preventative health care with additional care and support for those who need it.<br>The 0-19 Healthy Child Programme (HCP) consists of Health Visiting (0-5yrs), Family Nurse Partnership (for vulnerable teenage parents), and School Nursing (5-19yrs). It is delivered by CCS in Cambridgeshire and CPFT in Peterborough. The 2018/19 budget allocations are £8,926,739 in Cambridgeshire and £3,695,226 in Peterborough. Total approximately £12.6 million. Savings will be achieved by integrating the two services with a common management structure, and redesigning the service model to achieve savings through improved skill mix. A Transformation Board including commissioners, public health and senior management from the two provider organisations has been set up to oversee the project from design to implementation.<br>The positive impact of this integration is that it will reduce duplication freeing up workforce capacity to improve areas of poor performance across the HCP particularly in mandated 0-5 checks. There will be an increased focus on areas of need so workforce and services will be resourced to ensure there is an improvement in | 0 | 0 | 0 | 0 | 0 | -238 | 0 | 0 | 0 | -238 | 0 | -238 | 0 | 0 | 0 | -238 | **0** | No | **0.00** | Green | ↔ | | |
| E/R.6.037 | Children's 0-19 Services - Healthy Child Programme - Additional savings proposal for 2018/19 | See description for proposal E/R.6.036. This proposal is for additional savings associated with integration of the 0-19 Healthy Child integration programme, not previously discussed in autumn 2017. | 0 | 0 | 0 | 0 | 0 | -160 | 0 | 0 | 0 | -160 | 0 | -160 | 0 | 0 | 0 | -160 | **0** | No | **0.00** | Green | ↔ | | |
| E/R.6.038 | Public Health Directorate - In house staff rationalisation | It has been possible to build on the efficiencies created by creating a joint public health directorate across Cambridgeshire County Council and Peterborough City Council, by merging two team leader posts in the joint public health commissioning unit. In addition it is proposed to delete three vacant posts in the public health directorate. The saving will be shared across Cambridgeshire County Council and Peterborough City Council, and some of the saving is offset by a technical change to the recharge across the two Councils. | 0 | 0 | 0 | 0 | 0 | -80 | 0 | 0 | 0 | -80 | 0 | -80 | 0 | 0 | 0 | -80 | **0** | No | **0.00** | Green | ↔ | | |

| | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Investment £000 | | | | Prior Years | Planned Savings 2019-20 £000 | | | | | Prior years | Forecast Savings 2019-20 £000 | | | | | | | | | | | |
| | | | 7,378 | 3,414 | 1,529 | 286 | **-21,509** | -5,291 | -1,998 | -1,794 | -1,549 | **-15,785** | **-15,910** | -6,078 | -2,077 | -2,002 | -2,412 | **-14,664** | **1,121** | | | | | | |
| **Reference** | **Title** | **Description** | **Budgeted Investment - Prior Years £000** | **Actual Investment - Prior Years £000** | **Budgeted Investment - 19-20 £000** | **Actual Investment - 19-20 £000** | **Original Saving - Prior Years** | **Original Phasing - Q1** | **Original Phasing - Q2** | **Original Phasing - Q3** | **Original Phasing - Q4** | **Original Saving 19-20** | **Savings Achieved - Prior Years** | **Current Forecast Phasing - Q1** | **Current Forecast Phasing - Q2** | **Current Forecast Phasing - Q3** | **Current Forecast Phasing - Q4** | **Forecast Saving 19-20** | **Variance from Plan £000** | **Saving complete?** | **% Variance** | **RAG** | **Direction of travel** | **Forecast Commentary** | **Links with partner organisations** |
| E/R.6.039 | Reduce Long Acting Reversible Contraception (LARCs) funding in line with audit results and completion of clinician training | LARCs are commissioned from GP practices. The Clinical Commissioning Group (CCG) recharges the LA for the cost of the contraception devices. Audits have been undertaken of the services which revealed that the recharges included the cost of items for which the LA is not liable i.e. injectable contraception and the use of devices for gynaecological purposes. In addition the training programme for clinicians to ensure that there is capacity in the system to accommodate retiring GPs has now been completed. | 0 | 0 | 0 | 0 | 0 | -15 | -15 | -15 | -15 | -60 | 0 | -15 | -15 | -15 | -15 | -60 | **0** | No | **0.00** | Green | ↔ | | |
| E/R.6.040 | Reduce immunisations promotion budget | In 2016/17 funding of £20k per annum was allocated by Cambridgeshire County Council for promotion of immunisations. Since then childhood immunisation rates have improved, although still with some further work to do, and the PHE/NHS England screening and immunisations team have been actively taking forward further improvement measures. It is proposed to mainstream promotion of immunisations within the wider health protection and communications functions. £7k will be allocated to the health protection budget and the remaining £13k taken as a saving. | 0 | 0 | 0 | 0 | 0 | -9 | 0 | 0 | 0 | -13 | 0 | -13 | 0 | 0 | 0 | -13 | **0** | No | **0.00** | Green | ↔ | | |
| E/R.6.041 | Expected operational savings across Public Health staffing and contracts | In-year vacancy savings and efficiencies within demand-led contracts. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -109 | -109 | 0 | 0 | 0 | 0 | -109 | -109 | **0** | No | **0.00** | Green | ↔ | Will be made through staff vacancies and any other underspends on demand led spending. | |
| F/R.6.001 | BP 19/20 Contract Efficiency | A review of specific areas identified within the contract register to discover what potential there is for savings through more commercially minded renegotiation, re-consideration of service specifications and consideration of where smarter payment processes may assist in driving down costs. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -200 | 0 | 0 | 0 | 0 | -200 | -200 | **0** | No | **0.00** | Green | ↔ | Contracts and expected savings have been identified | |
| F/R.6.108 | Energy Efficiency Fund - Repayment of Financing Costs | Savings to be generated from Energy Efficiency Fund capital investment. Element to repay financing costs. Links to capital proposal F/C.2.119 | 0 | 0 | 0 | 0 | -39 | 0 | 0 | 0 | 0 | -19 | -39 | 0 | 0 | 0 | -19 | -19 | **0** | No | **0.00** | Green | ↔ | | |
| F/R.7.103 | County Farms Investment (Viability) - Surplus to Repayment of Financing Costs | Increase in County Farms rental income resulting from capital investment. Element surplus to repaying financing costs. | 0 | 0 | 0 | 0 | -15 | 0 | 0 | 0 | 0 | 16 | -15 | 0 | 0 | 0 | 0 | 16 | **0** | No | **0.00** | Green | ↔ | | |
| F/R.7.104 | County Farms Investment (Viability) - Repayment of Financing Costs | Increase in County Farms rental income resulting from capital investment. Links to capital proposal F/C.2.101. | 0 | 0 | 0 | 0 | -97 | 0 | 0 | 0 | 0 | -16 | -95 | 0 | 0 | 0 | 0 | -16 | **0** | No | **0.00** | Green | ↔ | | |
| F/R.7.105 | Renewable Energy Soham - Repayment of Financing Costs | Income generation resulting from capital investment in solar farm at Soham. Element to repay financing costs. Links to capital proposal C/C.2.102 in BP 2016-17. | 0 | 0 | 0 | 0 | -877 | 0 | 0 | 0 | 0 | -8 | -877 | 0 | 0 | 0 | 0 | -8 | **0** | No | **0.00** | Green | ↔ | | |
| F/R.7.106 | Utilisation/commercialisation of physical assets | One Public Estate<br>Asset plan<br>Maximise the income generated from parking<br>Venue request tool | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -21 | 0 | 0 | 0 | 0 | 0 | -21 | **0** | No | **0.00** | Green | ↔ | | |
| F/R.7.113 | Invest to Save Housing Schemes - Income Generation | The Council is a major landowner in Cambridgeshire and this provides an asset capable of generating both revenue and capital returns. This will require CCC to move from being a seller of sites to being a developer of sites, through a Housing Company. In the future, CCC will operate to make best use of sites with development potential in a co-ordinated and planned manner to develop them for a range of development options, generating capital receipts to support site development and significant revenue and capital income to support services and communities. | 2,577 | 928 | -21 | 0 | -6,923 | 0 | 0 | 0 | 0 | -1,483 | -2,747 | 0 | 0 | 0 | 0 | -1,691 | **-208** | No | **-14.03** | Blue | ↔ | Dependent on loans going through to This Land as per schedule in 19-20 | |
| F/R.7.127 | Renewable Energy Soham - Surplus to Repayment of Financing Costs | Income generation resulting from capital investment in solar farm at Soham. Element to surplus to repaying financing costs. | 0 | 0 | 0 | 0 | -187 | 0 | 0 | 0 | 0 | -5 | -187 | 0 | 0 | 0 | 0 | -5 | **0** | No | **0.00** | Green | ↔ | | |
| G/R.6.004 | Capitalisation of interest on borrowing | Through a change in the Council's accounting policy in 2017-18, the cost of borrowing within all schemes will be capitalised. This will help to better reflect the cost of assets when they actually become operational. | 0 | 0 | 0 | 0 | -319 | 0 | 0 | 0 | 0 | 11 | -319 | 0 | 0 | 0 | 0 | 11 | **0** | No | **0.00** | Green | ↔ | | |

**Agenda Item No:6**

## TREASURY MANAGEMENT REPORT – QUARTER ONE UPDATE 2019-20

| | |
|---|---|
| *To:* | **General Purpose Committee** |
| *Meeting Date:* | **26th September 2019** |
| *From:* | **Chief Finance Officer** |
| *Electoral division(s):* | **All** |
| *Forward Plan ref:* | **Not applicable** *Key decision:* **No** |
| *Purpose:* | **To provide the first quarterly update on the Treasury Management Strategy 2019/20, approved by Council in February 2019.** |
| *Recommendation:* | **The General Purposes Committee is recommended to note the Treasury Management Report.** |

| | ***Officer contact:*** | | ***Member contacts:*** |
|---|---|---|---|
| Name: | Carl Oliver / Tom Kelly | Names: | Councillors Count & Hickford |
| Post: | Group Accountant / Head of Finance | Post: | Chair/Vice-Chair |
| Email: | Carl.oliver@milton-keynes.gov.uk / Tom.Kelly@cambrdigeshire.gov.uk | Email: | Steve.Count@cambridgeshire.gov.uk / Roger.Hickford@cambridgeshire.gov.uk |
| Tel: | 01908 252414 / 01223 703599 | Tel: | 01223 706398 |

## 1. BACKGROUND

1.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice for Treasury Management recommends that members be updated on treasury management activities regularly (annual, mid-year or quarterly reports). This report, therefore, ensures this Council is implementing best practice in accordance with the Code.

## 2. ECONOMIC CLIMATE

2.1 A detailed commentary from the Council's treasury advisors of the Q1 economic climate is provided at **Appendix A** to this report. In brief summary, Q1 saw:

- Brexit was delayed until 31st October 2019;
- Gross Domestic Product (GDP) rose by a solid 0.5% q/q in Q1, but contracted at the start of Q2;
- The fundamentals that determine consumer spending remained healthy;
- Inflation bobbed around the Bank of England's 2% target;
- There was a widespread fall in investors' global interest rate expectations;
- The Monetary Policy Committee kept Bank Rate on hold at 0.75%, but struck a more dovish tone;

## 3. INTEREST RATE FORECAST

3.1 The latest (August 2019) forecast for UK Bank Rate along with Public Works Loan Board (PWLB) borrowing rates (certainty rate) from the Council's treasury advisors is set out below:

**Table 1: Interest Rate Forecast**

| Link Asset Services Interest Rate View | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Sep-19 | Dec-19 | Mar-20 | Jun-20 | Sep-20 | Dec-20 | Mar-21 | Jun-21 | Sep-21 | Dec-21 | Mar-22 |
| Bank Rate View | 0.75% | 0.75% | 0.75% | 0.75% | 0.75% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.25% |
| 5yr PWLB Rate | 1.20% | 1.30% | 1.50% | 1.60% | 1.70% | 1.70% | 1.80% | 1.90% | 2.00% | 2.00% | 2.10% |
| 10yr PWLB Rate | 1.50% | 1.60% | 1.80% | 1.90% | 2.00% | 2.00% | 2.10% | 2.20% | 2.30% | 2.30% | 2.40% |
| 25yr PWLB Rate | 2.10% | 2.30% | 2.40% | 2.50% | 2.60% | 2.70% | 2.70% | 2.80% | 2.90% | 3.00% | 3.00% |
| 50yr PWLB Rate | 2.00% | 2.20% | 2.30% | 2.40% | 2.50% | 2.60% | 2.60% | 2.70% | 2.80% | 2.90% | 2.90% |

3.2 There are many risks to the forecast set out above, principally around the timing and pace of further rate rises, and a listing of underlying assumptions is attached at **Appendix B**. Budget estimates prudently include sensitivity analysis of the impact that a slower than forecast economic recovery would have upon the Council, and any impact of changes to interest rates is reported through the Budget Monitoring process.

## 4. INVESTMENTS

4.1 The Treasury Management Strategy Statement (TMSS) for 2019-20, which includes the

Annual Investment Strategy, was approved by the Council in February 2019. It sets out the Council's investment priorities as being (in order):

1. Security of Capital;
2. Liquidity of Cash; and then
3. Yield

4.2 The Council will aim to achieve the optimum return (yield) on investments commensurate with proper levels of security and liquidity.

4.3 The table below summarises the maturity profile of the Council's investment portfolio at the end of Q1 2019/20 (excluding third party loans):

**Table 2 – Investment maturity profile at end of Q1 2019-20**

| | | | **Maturity Period** | | | | |
|---|---|---|---|---|---|---|---|
| | | **0d** | **0-3m** | **3-6m** | **5yrs *** | **Total** | |
| **Product** | **Access Type** | **£m** | **£m** | **£m** | **£m** | **£m** | **%** |
| Money Market Funds | Same-Day | 27.4 | | | | **27.4** | ***37.7*** |
| Bank Call Account | Instant Access | 5.0 | | | | **5.0** | ***6.9*** |
| Certificate of Deposits | Fixed Term / Tradeable | | 20.0 | 10.0 | | **30.0** | ***41.3*** |
| Pooled Property Fund | Redemption Period | | | | 10.3 | **10.3** | ***14.1*** |
| | **Total** | **32.4** | **20.0** | **10.0** | **10.3** | **72.7** | ***100.0*** |
| | ***%*** | ***44.6*** | ***27.5*** | ***13.8*** | ***14.1*** | ***100.0*** | |

* CCLA Property Fund holding expected to be held for up to 5 years.

4.4 Set out below are details of the amounts outstanding on loans and share equity investments advanced to third party organisations, classed as capital expenditure, at the end of Q1:

**Table 3 – Third Party Loans - This Land Ltd**

| **Loan Summary** | **Amount Outstanding** | **Repayment Year** |
|---|---|---|
| Bridging Loan | £7.600m | 2020 |
| Loans for land acquired from third party | £2.040m | 2021 |
| Loans for land acquired from CCC | £78.872m | 20282029 |
| **Total Loans** | **£88.512m** | |
| | | |
| Equity Holdings | **£3.951m** | N/a |
| | | |
| **Grand Total** | **£92.463m** | |

**Table 4 - Third Party Loans - Other**

| Borrower | Start Date | Original Amount | Amount Outstanding | Rate | Maturity Date | Remarks |
|---|---|---|---|---|---|---|
| Arthur Ranks Hospice Charity | 16/06/16 | £4.000m | £3.680m | 3.34% | 16/06/42 | In repayment. Minor rescheduling agreed 2018. |
| Estover Playing Field 2015 CIC | 08/11/18 | £0.350m | £0.305m | 3.15% | 02/12/24 | Relating to assets at Wisbech Castle. Interest only and repayment on principal maturity. |
| Wisbech Town Council | 10/05/18 | £0.150m | £0.150m | 2.88% | 09/04/43 | In repayment. Relating to infrastructure at Estover Playing Field. Guaranteed by March Town Council. |

**Table 5 – Third Party Loans - Cashflow Loans (variable rate)**

| Borrower | Start Date | Amount Outstanding | Remarks |
|---|---|---|---|
| LGSS Law | 21/08/18 | £0.325m | Call account – no defined repayment date. State Aid reference rate plus 0.75% margin, interest repaid and rate reset quarterly. |

**Table 6 – Third Party Loans – Other Share/Equity Investments**

| Investment Summary | Start Date | Amount Outstanding | Remarks |
|---|---|---|---|
| UK Municipal Bond Agency | 25/09/14 | £0.400m | Seed capital shares. No defined repayment date. |

4.5 Financial markets trade on confidence and certainty, and with this in short supply investment rates are volatile and are expected to remain relatively low in short to medium-term durations. Alternative asset classes such as Property and Multi Asset Funds may be considered for longer durations for added return, but with caution given susceptible to principal fluctuation.

4.6 At 31st March 2019 investment balances totalled £29.6m, held in Money Market Funds, Call/Notice accounts and the CCLA Property Fund. This figure excludes third party loans and share capital which are set out above. Due to the nature of various government funding streams and timing of capital expenditure, the average level of funds available for investment purposes during Q1 was £72.7m.

4.7 Investment balances are forecast to reduce by the financial year end as internal resources from temporary positive cashflow surpluses are applied to fund expenditure demands in lieu of fully funding the borrowing requirement (internal borrowing) on a net basis. This process effectively reduces the cost of carrying additional borrowing at a higher cost than the income that could be generated through short term investment of those balances, as well as reducing investment counterparty credit risk.

4.8 The Council's investments outperformed against the most comparable weighted duration benchmark by 66 basis points (equivalent to £105k more than benchmark return).

**Table 7: Benchmark Performance – Q1 2019/20**

| Benchmark | Benchmark Return | Council Performance |
|---|---|---|
| **3m London Interbank Bid Rate (LIBID)** | 0.65% | 1.31% |

4.9 Debt financing budget projections for the financial year are reported through the Budget Monitoring process.

4.10 Leaving market conditions aside, the Council's return on investments is influenced by a number of factors, the largest contributors being the duration of investments and the credit quality of the institution or instrument:

- Credit risk is the consideration of the likelihood of default and is controlled through the creditworthiness policy approved by Council.
- The duration of an investment introduces liquidity risk; the risk that funds cannot be accessed when required.
- Interest rate risk; the risk that arises from fluctuating market interest rates.

4.11 These factors and associated risks are actively managed by the LGSS Integrated Finance Treasury team.

## 5. BORROWING

5.1 The Council can raise cash through borrowing in order to fund expenditure on its capital programme for the benefit of Cambridgeshire. The amount of new borrowing needed each year is determined by capital expenditure plans and projections of the Capital Financing Requirement, underlying borrowing requirement, forecast cash-backed reserves and both current and forecast economic conditions.

5.2 Overall borrowing outstanding reduced during Q1 when compared to Q4 2018/19 by £15.1m. At Q4 2018/19, the Council held £598.3m of borrowing, of which £156.0m matured in less than 1 year. At the end of Q1, the Council held £583.2m of borrowing, of which £156.2m matures in less than 1 year. The net reduction borrowing was the result of the temporary uplift in cash balances from the timing of various government funding streams mentioned in paragraph 4.6.

5.3 Table 8 below sets out the maturity profile of the Council's borrowing portfolio at the end of Q1. The majority of loans are PWLB loans and have a fixed interest rate and are long term in nature which limits the Council's exposure to interest rate fluctuations.

**Table 8: Borrowing Maturity Profile – Q1 2019/20**

| Term Remaining | Borrowing | |
|---|---|---|
| | £m | % |
| Under 12 months | 156.160 | 26.8 |
| 1-2 years | 92.899 | 15.9 |
| 2-5 years | 60.547 | 10.4 |
| 5-10 years | 62.566 | 10.7 |
| 10-20 years | 58.990 | 10.1 |
| 20-30 years | 46.515 | 8.0 |
| 30-40 years | 20.000 | 3.4 |
| 40-50 years | 35.000 | 6.0 |
| Over 50 years | 50.500 | 8.7 |
| **TOTAL** | **583.177** | **100.0** |

5.4 Market Lender option borrower option (LOBO) loans are included at their final maturity rather than their next potential call date. In the current low interest rate environment the likelihood of lenders exercising their option to increase the interest rates on these loans - and so triggering the Council's option to repayment at par - is considered to be low.

5.5 The Council is in an internally borrowed cash position and balances will need to be replenished at some point in the future (subject to expenditure demands). Officers continue to assess cashflow forecasts against projected movements in borrowing rates. Sharp or sustained movements in borrowing rates will increase the likelihood of additional longer term borrowing.

5.6 The Council has entered into a Framework Agreement with the UK Municipal Bonds Agency (MBA). This included the advance of seed capital shares of £0.4m as reported in Table 6 above. It is hoped this will allow for the Council to potentially raise loan finance through MBA as an alternative to PWLB and market loans. Feedback from the MBA suggests a bond issue is not currently imminent alongside current economic and market uncertainty. There is strong support to the MBA from the Local Government Association.

## 6. BORROWING RESTRUCTURING

6.1 No borrowing rescheduling was undertaken during the Q1. Rescheduling opportunities are limited in the current economic climate. For PWLB loans, due to the spread between the carrying rate of existing borrowing and early redemption rates, substantial exit (premium) costs would be incurred. For market borrowing, the lender uses the certainty of the loans cashflow profile to hedge against forecast interest rate movements and so would pass the cost of unwinding these instruments onto the Council as an exit (premium) cost.

6.2 Officers continue to monitor the position regularly, and are in regular dialogue with the market loan lenders who may be open to negotiating on exit costs in return for early repayment of principal. Further updates on this position will be reported should they materialise.

## 7. TREASURY AND PRUDENTIAL INDICATORS

7.1 The Council's approved Treasury and Prudential Indicators (affordability limits) were approved alongside the Treasury Management Strategy Statement (TMSS). It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits.

7.2 During Q1 the Council has operated within the Treasury and Prudential Indicators set out in the Council's TMSS, shown in **Appendix C**.

## 8. ALIGNMENT WITH CORPORATE PRIORITIES

### 8.1 A good quality of life for everyone

There are no significant implications for this priority.

### 8.2 Thriving places for people to live

There are no significant implications for this priority.

### 8.3 The best start for Cambridgeshire's children

There are no significant implications for this priority.

## 9. SIGNIFICANT IMPLICATIONS

### 9.1 Resource Implications

This report provides information on performance against the Treasury Management Strategy. Decisions on treasury management, which are driven by the capital programme and the Council's overall financial position, will impact the Debt Charges Budget and are reported through the Budget Monitoring process.

### 9.2 Procurement/Contractual/Council Contract Procedure Rules Implications

There are no significant implications for this category.

### 9.3 Statutory, Legal and Risk Implications

The Council continues to operate within the statutory requirements for borrowing and investments. Further details can be found within the Prudential Indicators in **Appendix C**.

### 9.4 Equality and Diversity Implications

There are no significant implications for this category.

9.5 **Engagement and Communications Implications**

There are no significant implications for this category.

9.6 **Localism and Local Member Involvement**

There are no significant implications for this category.

9.7 **Public Health Implications**

There are no significant implications for this category.

| **Implications** | **Officer Clearance** |
|---|---|
| | |
| **Have the resource implications been cleared by Finance?** | Yes<br>Name of Financial Officer: 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?** | Not applicable |
| | |
| **Have the equality and diversity implications been cleared by your Service Contact?** | Not applicable |
| | |
| **Have any engagement and communication implications been cleared by Communications?** | Not applicable |
| | |
| **Have any localism and Local Member involvement issues been cleared by your Service Contact?** | Not applicable |
| | |
| **Have any Public Health implications been cleared by Public Health** | Not applicable |

| **Source Documents** | **Location** |
|---|---|
| None | N/A |

**Appendix A**
**Economic Commentary; Extract from Treasury Advisors (Link Asset Services)**

The UK economy posted a stronger-than-expected expansion in Q1 of 0.5% q/q, but that was probably a temporary high as activity was brought forward ahead of the original 29th March Brexit deadline. As a result, we doubt Q2 will be as good. Indeed, stock building added to the quarterly rate of GDP growth in Q1 as firms built up their stocks ahead of a possible no deal Brexit. Admittedly, a large chunk of these stocks were imported, so the net boost was smaller. Nonetheless, stock building will exert a similar drag on GDP growth in Q2.

In fact, the chances of the economy escaping a quarterly contraction in Q2 seem to be receding in light of the latest survey and official data. GDP fell in April by the largest monthly fall in three years. This partly reflected the decision by car manufacturers to bring forward their annual car plant shutdowns from August to April in case of a no deal. As a result, vehicle production dropped in April. Granted, the Society of Motor Manufacturers & Traders (SMMT) car production data suggest that these losses were recouped in May. After all, production rose again in May to boost GDP.

Even so, GDP may still struggle to expand in Q2 as a whole – we have pencilled in a minor contraction. Indeed, June's manufacturing PMI suggests the sector is still suffering from a Brexit-related hangover and a weak global economy and probably shrank in Q2.

What's more, household spending will probably fall short of the impressive rise in Q1. Retail sales volumes were flat in April and fell in May. But a major slump in consumer spending in Q2 or further ahead seems unlikely.

Indeed, looking through the Brexit volatility, while consumer confidence has been relatively weak, the fundamentals that determine consumer spending have remained healthy. Admittedly, employment only rose by 32,000 in the three months to April, well below the 98,000 average monthly rise in 2018. But with the unemployment rate still at its 45-year low of 3.8%, the tightness in the labour market has pushed up wage growth. Indeed, the headline measure excluding bonuses nudged up from 3.3% in March to 3.4% in April – just below the decade high of 3.5%. And with inflation bobbing around the Bank of England's 2% target, real wage growth has reached its highest rate since late 2016.

CPI inflation dropped from 2.1% in April to 2.0% in May as the previous upward pressure on airfares due to the later timing of Easter unwound. Underlying price pressures look subdued too. Core services inflation fell from 3.1% to 2.9% in May and input price inflation dropped from 4.5% to just 1.3%, its lowest rate since June 2016. At the same time, output price inflation nudged down from 2.1% in May to 1.8%.

Nonetheless, there are still some reasons to think that CPI inflation will edge up at the end of the year as rising agricultural prices push up food inflation and core inflation starts to pick up now that the lagged effects of a fall in import price inflation have come to an end. What's more, the recent pick-up in wage costs is consistent with a rise in core services inflation to just shy of 4% in early-2020.

**Appendix A Continued.**

**Bank Rate:** Meanwhile, investors have reassessed the outlook for UK monetary policy and have gone from expecting rate hikes in early May to now expecting cuts. This is partly because of the weakening global outlook and rising expectations of rate cuts in the US and euro-zone. But growing concerns over a no deal Brexit have also weighed on expectations. Indeed, at the Treasury Committee in June, the Governor of the Bank of England gave the strongest hint yet that in a no deal Brexit, the Monetary Policy Committee (MPC) would cut rates. In that scenario, we think that rates would be cut fairly quickly from 0.75% to 0.25%.

Meanwhile, it wasn't surprising that the MPC kept Bank Rate on hold at 0.75% at June's meeting given the drop in GDP in April and inflation falling back to target in May. What was perhaps more surprising after its hawkish comments in May, was the Committee's new-found dovish tone. The MPC noted that "the near term data have been broadly in line with the May Inflation Report, but that downside risks to growth have increased." It also sounded more concerned about the possibility of a no deal Brexit. Instead of chastising the market for underestimating how much interest rates might rise as it did in May, the MPC pointed out that "the ongoing tension between the MPC's forecast…of a smooth Brexit and the assumptions about alternative Brexit scenarios that were priced into financial market variables".

Turning to fiscal policy, regardless of the Brexit situation, all roads appear to lead to looser fiscal policy. Public sector net borrowing (PSNB ex.) came in only just above the OBR's February forecast of £23.4bn in 2018/19 – down from the £37.1bn the OBR predicted in March 2018. Admittedly, PSNB ex. will probably rise slightly this year due to a number of promises made in the 2018 Budget, including spending on the NHS. But the OBR's projections still suggest that there is around £27bn headroom against the current fiscal rule.

Of course, how much borrowing rises depends on the outcome of Brexit.

- If a deal is reached, faster GDP growth would reduce public spending, raise tax revenues and cut the deficit, perhaps allowing fiscal policy to be loosened without borrowing rising at all.
- However, in a no deal, the weaker economy would push up the deficit. As a result, the Government would have to choose between keeping the fiscal rules intact or loosening fiscal policy to give the economy a boost. We think that they would opt for the latter, arguing that exceptional circumstances allowed for fiscal rules to be suspended.

Turning to the financial markets, concerns over global growth and subsequent falls in interest rate expectations have caused developed market bond yields to slump – the 10-year gilt yield fell from 1.05% at the start of the quarter to 0.81%. However, lower interest rate expectations have supported increases in equities. The FTSE 100 finished the quarter around 2.5% higher although it underperformed compared to the S&P 500 perhaps since the FTSE 100 has a high concentration of energy firms, so the fall in oil prices over the quarter has probably weighed on its overall performance.

**Appendix B**
**Interest Rate Forecast Commentary; Extract from Treasury Advisors (Link Asset Services)**

As there are so many variables at this time, caution must be exercised in respect of all interest rate forecasts. The general expectation for an eventual trend of gently rising gilt yields and PWLB rates is unchanged. Negative, (or positive), developments could significantly impact safe-haven flows of investor money into UK, US and German bonds and produce shorter term movements away from our central forecasts.

Our interest rate forecast for Bank Rate is in steps of 25 bps whereas PWLB forecasts have been rounded to the nearest 10 bps and are central forecasts within bands of + / - 25 bps.

Naturally, we continue to monitor events and will update our forecasts as and when appropriate.

The balance of risk to the UK is:

- The overall balance of risks to economic growth in the UK is probably to the downside due to the weight of all the uncertainties over Brexit, as well as a softening global economic picture.
- The balance of risks to increases in Bank Rate and shorter term PWLB rates are broadly similarly to the downside.

One risk that is both an upside and downside risk is that all central banks are now working in very different economic conditions than before the 2008 financial crash. There has been a major increase in consumer and other debt due to the exceptionally low levels of borrowing rates that have prevailed for eleven years since 2008. This means that the neutral rate of interest in an economy, (i.e. the rate that is neither expansionary nor deflationary), is difficult to determine definitively in this new environment, although central banks have made statements that they expect it to be much lower than before 2008. Central banks could, therefore, over or under-do increases in central interest rates.

Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:

- Brexit – if it were to cause significant economic disruption and a major downturn in the rate of growth.
- Bank of England monetary policy takes action too quickly, or too far, over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- A resurgence of Eurozone sovereign debt crisis.
- Weak capitalisation of some European banks.
- Minority governments, in particular in Germany, but also in Spain, Portugal, Netherlands and Belgium.
- The increases in interest rates in the US during 2018, combined with an on-off potential trade war between the USA and China, sparked major volatility in equity markets during the final quarter of 2018 and into 2019. Some emerging market countries which have borrowed heavily in dollar denominated debt could be particularly exposed to investor flight from equities to safe havens, typically US treasuries, German bunds and UK gilts.

**Appendix B continued.**

- There are concerns around the level of US corporate debt which has swollen massively during the period of low borrowing rates in order to finance mergers and acquisitions.
- Geopolitical risks, especially North Korea, but also in Europe and the Middle East, which could lead to increasing safe haven flows.

Upside risks to current forecasts for UK gilt yields and PWLB rates are:

- Brexit – if agreement was reached all round that removed all threats of economic and political disruption between the EU and the UK.
- The Bank of England is too slow in its pace and strength of increases in Bank Rate and, therefore, allows inflation pressures to build up too strongly within the UK economy, which then necessitates a later rapid series of increases in Bank Rate faster than we currently expect.
- UK inflation, whether domestically generated or imported, returning to sustained significantly higher levels causing an increase in the inflation premium inherent to gilt yields.

**Appendix C**
**Treasury and Prudential Indicators**

| Prudential Indicator | 2019/20 Indicator | 2019/20 Q1 |
|---|---|---|
| | | |
| Authorised limit for external debt<br>(Inc' loans raised to on-lend to Housing & Investment Company) | ----- £1,088.0m | ----- |
| Operational boundary for external debt<br>(Inc' loans raised to on-lend to Housing & Investment Company) | ----- £1,058.0m | ----- |
| Capital Financing Requirement (CFR)<br>*[Including PFI and Finance Lease Liabilities]* | £1,008.0m | £966.5m |
| Ratio of financing costs to net revenue streams | 9.2% | 8.9% |
| Upper limit of fixed interest rates based on net debt | 150% | 105% |
| Upper limit of variable interest rates based on net debt | 65% | -5% |
| Principal sums invested > 364 days<br>(exc' third party loans) | £50.0m | £10.3m |
| Maturity structure of borrowing limits:- | | |
| Under 12 months | Max. 80%<br>Min. 0% | 29.4% |
| 12 months to 2 years | Max. 50%<br>Min. 0% | 15.9% |
| 2 years to 5 years | Max. 50%<br>Min. 0% | 10.4% |
| 5 years to 10 years | Max. 50%<br>Min. 0% | 10.7% |
| 10 years and above | Max. 100%<br>Min. 0% | 33.6% |
| | | |

- The Treasury Management Code of Practice guidance notes requires that maturity is determined by the earliest date on which the lender can trigger repayment, which in the case of LOBO loans is the next break/call point. This approach differs to Table 8 at paragraph 5.3 above, which shows the Council's LOBO loan at maturity date as the likelihood of the option being exercised is low.

| GENERAL PURPOSES COMMITTEE AGENDA PLAN | Published on 2nd September 2019<br>As at 17 September 2019<br><br>**Agenda Item No.7** | Cambridgeshire County Council |
|---|---|---|

**Notes**

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 |
|---|---|---|---|---|---|
| **26/09/19** | 1. Minutes – 16/07/19 | M Rowe | | **13/09/19** | **18/09/19** |
| | 2. Finance Report (July) – Corporate and Customer Services and LGSS Managed | T Kelly | Not applicable | | |
| | 3. Integrated Resources Report (July) | R Barnes | 2019/011 | | |
| | 4. Treasury Management Report – Quarter 1 2019-20 | C Oliver/ J Lee | Not applicable | | |
| **22/10/19** | 1. Minutes – 26/09/19 | M Rowe | | **09/10/19** | **14/10/19** |
| | 2. Resources Report (August) – Corporate and Customer Services and LGSS Managed | T Kelly | Not applicable | | |
| | 3. Integrated Resources Report (August) | R Barnes | 2019/012 | | |

| Committee date | Agenda item | Lead officer | Reference if key decision | Deadline for draft reports | Agenda despatch date |
|---|---|---|---|---|---|
| | 4. Cambridge University Science and Policy Exchange<br>What actions must Cambridgeshire county council take today to meet the government pledge of 80% carbon emission reduction by 2050? | S French | Not applicable | | |
| | 5. Service Committee Review of Draft Revenue Business Planning Proposals for 2010/21 to 2024/2025 | C Malyon | Not applicable | | |
| | 6. Medium Term Financial Strategy | C Malyon | Not applicable | | |
| | 7. Service Committee Review of Draft 2020/21 Capital Programme | C Malyon | Not applicable | | |
| | 8. The Commercial Team | A Askham/<br>C Sutton | Not applicable | | |
| | 9. Transformation Fund Monitoring Report Quarter 1 2019/20 | A Askham | Not applicable | | |
| | 10. Performance Report – Quarter 2 | T Barden | Not applicable | | |
| | 11. Repatriation of Services from LGSS | C Malyon | Not applicable | | |
| | 12. Customer & Digital Services Risk Register | S Thomas | Not applicable | | |
| | 13. Capital Strategy | C Malyon | Not applicable | | |
| | 14. Corporate Strategy | A Askham | Not applicable | | |
| **26/11/19** | 1. Minutes – 22/10/19 | M Rowe | | **13/11/19** | **18/11/19** |
| | 2. Resources Report (September) – Corporate and Customer Services and LGSS Managed | T Kelly | Not applicable | | |
| | 3. Integrated Resources Report (September) | R Barnes | 2019/013 | | |
| | 4. Treasury Management Report – Quarter 2* | C Oliver/<br>J Lee | Not applicable | | |

| Committee date | Agenda item | Lead officer | Reference if key decision | Deadline for draft reports | Agenda despatch date |
|---|---|---|---|---|---|
| | 5. Draft 2020/21 Capital Programme and Capital Prioritisation | C Malyon | Not applicable | | |
| | 6. Business Planning 2020-21 to 2024-25 – update | C Malyon | Not applicable | | |
| | 7. Transformation Fund Monitoring Report Quarter 2 2019-20 | A Askham | Not applicable | | |
| | 8. Social Impact Bond, Life Chances Fund | A Howard | 2019/068 | | |
| **17/12/19** | 1. Minutes – 26/11/19 | M Rowe | | **04/12/19** | **09/12/19** |
| | 2. Resources Report (October) – Corporate and Customer Services and LGSS Managed | T Kelly | Not applicable | | |
| | 3. Integrated Resources Report – (October) | R Barnes | 2019/014 | | |
| | 4. Amendments to Business Plan Tables (if required) | C Malyon | Not applicable | | |
| | 5. Draft Revenue and Capital Business Planning Proposals for 2020-21 to 2024-2025 (whole Council) | C Malyon | Not applicable | | |
| | 6. Treasury Management Strategy | C Oliver/ J Lee | Not applicable | | |
| | 7. Performance Report – Quarter 3 | T Barden | Not applicable | | |
| **28/01/20** | 1. Minutes – 17/12/19 | M Rowe | | **15/01/20** | **20/01/20** |
| | 2. Resources Report (November) – Corporate and Customer Services and LGSS Managed | T Kelly | Not applicable | | |
| | 3. Integrated Resources Report –(November) | R Barnes | 2020/001 | | |
| | 4. Local Government Finance Settlement | C Malyon | Not applicable | | |
| | 5. Business Plan* | C Malyon | Not applicable | | |
| | 6. Consultation Report | S Grace | Not applicable | | |

| Committee date | Agenda item | Lead officer | Reference if key decision | Deadline for draft reports | Agenda despatch date |
|---|---|---|---|---|---|
| *[25/02/20] Provisional Meeting* | | | | | |
| **24/03/20** | 1. Minutes – 28/01/20 | M Rowe | | **11/03/20** | **16/03/20** |
| | 2. Resources Report (January) – Corporate and Customer Services and LGSS Managed | T Kelly | Not applicable | | |
| | 3. Integrated Resources Report (January) | R Barnes | 2020/002 | | |
| | 4. Transformation Fund Monitoring Report Quarter 3 2019/20 | A Askham | Not applicable | | |
| | 5. Treasury Management Report – Quarter 3 | C Oliver/ J Lee | Not applicable | | |
| | 6. Performance Report – Quarter 4 | T Barden | Not applicable | | |
| | 7. Customer & Digital Services Risk Register | S Thomas | Not applicable | | |
| *[28/04/20] Provisional Meeting* | | | | | |
| **02/06/20** | 1. Minutes – 24/03/20 | M Rowe | | **19/05/20** | **22/05/20** |
| | 2. Resources Report (March) – Corporate and Customer Services and LGSS Managed | T Kelly | Not applicable | | |
| | 3. Integrated Resources Report (March) | R Barnes | 2020/003 | | |
| | 4. Treasury Management Report – Quarter 4 and Outturn Report* | C Oliver/ J Lee | Not applicable | | |
| | 5. Performance Report – Quarter 1 | T Barden | Not applicable | | |