



EAST  
CAMBRIDGESHIRE  
DISTRICT COUNCIL

Minutes of a meeting of the Finance & Assets Committee held at 4:30pm on Tuesday 5<sup>th</sup> October 2021 in the Council Chamber at The Grange, Nutholt Lane, Ely, CB7 4EE

### **PRESENT**

Cllr David Brown (Chairman)  
Cllr David Ambrose Smith  
Cllr Anna Bailey  
Cllr Ian Bovingdon (Vice Chairman)  
Cllr Lorna Dupré  
Cllr Simon Harries  
Cllr Julia Huffer  
Cllr Bill Hunt  
Cllr John Trapp  
Cllr Paola Trimarco (Substitute for Cllr Sue Austen)  
Cllr Alison Whelan

### **OFFICERS**

Emma Grima – Director Commercial  
Ian Smith – Finance Manager  
Spencer Clark – Open Spaces & Facilities Manager  
Tracy Couper – Democratic Services Manager  
Nicole Pema – HR Manager

### **IN ATTENDANCE**

Nigel Ankers – Finance Manager, ECTC (to end of Agenda Item 8/Minute 48)

#### **41. PUBLIC QUESTION TIME**

No questions were submitted by members of the public.

#### **42. APOLOGIES AND SUBSTITUTIONS**

Apologies for absence were received from Cllr Sue Austen and Cllr Paola Trimarco was substituting on her behalf.

#### **43. DECLARATIONS OF INTEREST**

No declarations of interest were made.

#### **44. MINUTES**

The Committee received the Minutes of the meeting held on 22<sup>nd</sup> July 2021.

It was resolved:

That the Minutes of the Finance and Assets Committee meeting held on 22<sup>nd</sup> July 2021 be confirmed as a correct record and be signed by the Chairman.

#### **45. CHAIRMAN'S ANNOUNCEMENTS**

The Chairman informed Members that, in order to aid discussions, he had invited Nigel Ankers (Finance Manager, East Cambs Trading Company) to attend the meeting.

#### **46. LOCAL COUNCIL TAX REDUCTION SCHEME (LCTRS) FOR 2022/23**

The Committee considered a report (W70, previously circulated) reviewing the 2021/22 Local Council Tax Reduction Scheme and detailing various options for the 2022/23 scheme to be put forward for consultation.

The Finance Manager stated that the Committee was being asked to consider the options to be put forward for consultation at this stage and that a further report would be submitted to the Committee following the closure of the consultation period to reach a final decision. In that connection, the Finance Manager explained in more detail each of the four options proposed to be put forward for consultation, all of which aimed to improve the customer journey.

A Member had submitted questions in advance of the meeting and the following responses were provided and circulated at the meeting:

*Q. What do you define as Capital for these purposes?*

*As the Universal Credit capital limit is £16,000 how would these proposals reduce the burden? As this is the centrally set limit, please provide the evidence that it is an inappropriate limit.*

A. Regulations define Capital for means tested purposes. Capital includes cash, savings, shares, redundancy payments, and property (but not the value of the home the claimant lives in).

DWP has maintained a £16,000 capital limit for many years, we are not aware of any evidence that it is an appropriate limit. It is felt that the proposed limit of £10,000 is a reasonable limit for a means tested benefit, with customers obviously being able to reclaim if their capital falls below £10,000.

The Member thanked the Finance Manager for the responses but stated that they still had concerns regarding the proposal to change to the Capital Limit to something different to the Universal Credit threshold.

In response to a question from another Member, the Finance Manager confirmed that the two other options detailed in the report relating to financial savings were not being recommended for consultation. The Member stated that they also shared the concerns regarding setting different thresholds but was willing to see the option put forward for consultation and await the results.

It was resolved unanimously:

That consultation on the changes to the LCTRS scheme for the 2022-23 year be approved, with the consultation being based on the recommendations detailed in Section 6 of the report.

#### **47. INTERNAL DRAINAGE BOARDS APPOINTMENTS**

The Committee considered a report (W71, previously circulated) seeking approval for the appointment of further representatives on the Padnal & Waterden Internal Drainage Board and the Middle Fen & Mere Internal Drainage Board.

The Democratic Services Manager reminded Members of the previously-approved process for seeking nominations from Parish Councils and drew Member's attention to the statement provided by Littleport Parish Councillor Clive Webber in support of his nomination for the Padnal & Waterden Internal Drainage Board (IDB). The vacancy on the Middle Fen & Mere IDB, created by the resignation of former Cllr Victoria Charlesworth, also was highlighted and nominations were requested.

In that connection, the newly elected Soham North Member, Councillor Mark Goldsack, was nominated to fill the vacancy on Middle Fen & Mere IDB.

In response to a question by a Member, the Democratic Services Manager explained that due to the large entitlement of the Council to Membership on the IDBs within the District resulting from the precepting arrangements, after local District Council Members, preference was always likely to be given to Parish Council nominations, to reflect the local nature of those Members' representation and knowledge. A Member commended the two local nominations put forward.

It was resolved unanimously:

- i) That Littleport Parish Councillor Clive Webber be appointed to fill the vacancy on the Padnal & Waterden Internal Drainage Board.
- ii) That Cllr Mark Goldsack be appointed to fill the vacancy on the Middle Fen & Mere Internal Drainage Board.

#### **48. EAST CAMBS TRADING COMPANY ACCOUNTS 2020/21**

The Committee received a report (W72, previously circulated) containing the East Cambs Trading Company Accounts 2020/21. Nigel Ankers, Finance Manager, ECTC, highlighted key aspects of the accounts. He stated that whilst the Company had made a loss of £515K similar to the preceding year due to the impact of Covid-19, this did not modify the Directors' assessment of the Company as a going concern.

A Member had submitted questions in advance of the meeting and the following responses were provided and circulated at the meeting:

*Q. Cash at bank and in hand is inadequate to meet the trade creditor and other payables:*

- 1) What additional facilities are available to meet this shortfall?*
- 2) Are any creditors more than 30 days old? In particular, the pension creditor implies a liability of 2.4 months payments.*

*Net cashflow is only positive because of increased borrowing. That is not a sustainable position. What actions are in place to ensure that staff, creditors, and taxpayers are protected?*

- A. ECTC draws down funds as required from Cambridgeshire & Peterborough Combined Authority for the projects at Ely and Haddenham.

Approximately £37,000 of invoices were more than 30 days old.

There were minor issues with the payroll system and pension payments in February/March. The balance of February's deductions was paid on 1 April 2021, part of March was paid on 19 April 2021 with the balance on 4 May 2021.

There is sufficient cashflow to ensure business continuity.

*Q. Note 18 - loans of £4,990,000 due to ECDC. At the Council meeting in July 2020 Councillors approved "new loan facilities to be a maximum of £3.6 million to replace the original facility and £1.3 million to replace the facility for the MoD site". Why is there a £90k difference in these figures?*

- A. This is a typo and should read £4,900,000.

This has now been amended.

The Member raising the questions expressed concern at adequacy of the response to the first question and at the level of errors in these and previous accounts.

A Member highlighted a typographical error relating to the dates in Note 6 on page 24 of the accounts.

Another Member emphasised that the Audit opinion of the Company had confirmed the assessment as a going concern and that good accounting practices were followed. They reminded the Committee of the reasons for the establishment of the Company, to generate income for the Council in the light of ongoing cuts to funding and to provide excellent quality services. Both Open Spaces and Markets provided successful, diverse and highly commended services. Whilst Palace Green Homes had experienced greater issues due to the Covid Pandemic, it had paid over £3.07M to this Council and built or refurbished 80 high quality homes and provided 23 affordable housing units. All elements of the Company had delivered on the objectives set for them by the Council.

*Councillor Bovingdon entered the meeting at 16:50pm.*

A Member commended the activities of the Company and highlighted the fact that the Directors and Auditors had not raised any concerns regarding future viability.

A Member stated that they were not against the principle of Councils acting commercially but stated that this Administration had adopted an ideology to pursue commercialisation of services to avoid raising Council Tax. The Member expressed concerns regarding the ongoing viability of the Company and that there were better ways to deliver affordable housing. This presented a risk for the Council and the Administration would be held accountable for its future success or failure.

A Member emphasised the benefits delivered by the Company for the residents of East Cambridgeshire.

Another Member commented that the £3M income still could have been achieved without the establishment of the Trading Company.

A Member acknowledged that all Councillors wanted to support policies and practices beneficial to the residents of the District, which was why it was necessary to raise questions when things were not working well to protect the staff, assets and residents of the District.

A Member commended this diligent and questioning approach, but emphasised that the CLT housing delivered was truly affordable, at 60% of market values, and run by local people. The high-quality homes and £3m income generated was a measurable success and they were confident that this would continue in the future.

It was resolved:

That the East Cambs Trading Company accounts 2020/21, as set out in Appendix 1 of the report, be noted.

#### **49. GENDER PAY REPORT**

The Committee received a report (W73, previously circulated) providing measurable data on gender pay at the Council. The HR Manager summarised the content of the report.

A Member had submitted questions in advance of the meeting and the following responses were provided and circulated at the meeting:

*Q. It is disappointing to see a small deterioration in the mean gender pay gap. What actions are being put in place to come into line with other Councils and how do they differ from actions previously proposed?*

A.

- Committing to flexible working - supporting women returning to work through shared parental leave, job sharing, compressed hours, part-time opportunities – plus, encouraging men to also take advantage of flexible working arrangements.
- Offering financial assistance towards childcare costs attracts female employees.
- Recruiting a high proportion of female staff – 128 (68%) in the workforce.

Helping women progress in their careers through a clear conversation approach towards performance management, which encourages line managers to have an open ongoing dialogue with staff on career development and progression.

New actions:

- Reviewing the pay spine to meet the challenges posed by the National Living Wage increases. This may mean that staff in the lower quartile will receive a greater pay increase than other staff in other quartiles, which should help to reduce the gap.
- Allowing employees to work remotely to fit around family arrangements.

- When assessing a new employee's starting salary, women are reportedly much less likely to negotiate their salary than men, leaving them on lower salaries. To rectify this, the Recruiting Manager should seek to encourage all employees to negotiate their salary, up to the maximum of the pay band identified.

*Q. How has the median been calculated as there are different ways of doing this which can lead to different results in what is a complex data set?*

A.

- identify all employees who are men;
- sort these employees in a list, in order of their Full-time Equivalent (FTE) hourly pay, with the highest paid first and the lowest paid last;
- identify the man (and their hourly pay) who is in the middle of this list, this gives you the median hourly pay for men;
- identify all employees who are women;
- sort these employees in a list, in order of their Full-time Equivalent (FTE) hourly pay, with the highest paid first and the lowest paid last;
- identify the woman (and their hourly pay) who is in the middle of this list, this gives you the median hourly pay for women;
- If there is an even number of men, or women, in your list of employees, use the average of these two people's hourly pay to identify the median hourly pay;
- take the median hourly pay for men and minus the median hourly pay for women;
- divide the result by the median hourly pay for men;
- multiply the result by 100.

This gives you the median gender pay gap in hourly pay as a percentage of men's pay.

*Q. The bottom half of Table 3 - should this be % figures?*

A. Yes this should be %.

The Member thanked the HR Manager for the comprehensive responses and emphasised their commitment to promoting greater equality. They queried how ECDC was different to other Councils.

In response to a question by a Member, the HR Manager confirmed that the standard pay scales were irrespective of gender.

A Member commented that the issue was more complex than standardised pay scales and was predicated on the inequalities and unconscious bias in society as a whole. People with protected characteristics tended to encounter this the most and we needed to create a framework whereby this started to change.

Another Member expressed support for measures to encourage this change and stated that we needed to look more closely behind the statistical information to understand the actual position of this Council compared to other authorities.

It was resolved unanimously:

That the information on gender pay reporting 2020/21, as detailed in the report, be noted.

## 50. **ASSETS UPDATE**

The Committee received a report (W74, previously circulated) providing an update on Council-owned assets. The Open Spaces & Facilities Manager reported that as a result of the Council receiving Decarbonisation Grant funding, the following additional projects had been identified:

Loft insulation, The Grange  
Secondary glazing to sash windows at The Grange  
Radiator controls, The Grange  
Insulation, E-Space North

In that connection, Members requested that any projects funded from external sources also be included in the expenditure tracking sheet at the appendix, to give a full picture of all works being undertaken.

A Member had submitted questions in advance of the meeting and the following responses were provided and circulated at the meeting:

*Q. Updates have been provided to some of the items in the appendix, however, some have no comment at all. Please can we have updates on all the items in the table?*

A. This has now been included in the 'Notes' column of the updated Appendix circulated.

All future updates will include an update in the 'Notes' column.

A Member welcomed the receipt of decarbonisation grant and asked if the Committee could receive an update on the works to Council assets under the Council's Climate Change agenda. Another Member stated that a Monitoring report on this subject was submitted to Operational Services Committee every 3 months. However, Members commented that this Committee needed to be monitoring the climate impacts of the Council's assets as part of its remit. The Chairman agreed to discuss future reporting arrangements with the Lead Officer and Open Spaces & Facilities Manager.

It was resolved:

- i) That the update on Council-owned assets be noted.
- ii) That the expenditure tracking sheet at Appendix 1 of the report be noted.

*(Councillor Hunt requested that his abstention from voting be recorded in the Minutes)*

**51. HEALTH & SAFETY ANNUAL REPORT 2020/21**

The Committee received a report (W75, previously circulated) containing the Health & Safety Annual Report for 2020/21. The Open Spaces & Facilities Manager reported that there had been no instances of Covid transmission between staff at the Council. Members commended this position.

A Member had submitted questions in advance of the meeting and the following responses were provided and circulated at the meeting:

*Q. How is it appropriate to benchmark in absolute terms against 2 councils that have a significantly larger number of staff? Please can we have all comparison tables in % terms.*

A. The Incident Rate (bottom row page 7) used within the report is based on per 100 employees which gives a more accurate picture (however this will never entirely accurate due to some services and hazards differing within each organisation). The Incident Rate is a standard used by various organisations for bench marking purposes throughout the country.

Fenland DC has **278** full time equivalent employees. This is a similar number to ECDC = 158, ECTC =20 and ECSS =66 giving a total of **244** full time equivalent employees.

Both organisations have similar hazards and risks within their services e.g. refuse, cleansing and maintenance activities where the majority of accidents occur, which is why they have been selected for benchmarking purposes.

The stats show that (ECDC/ECTC/ECSS combined) had an incident rate of 4.5 per 100 employees compared to Fenland DC with an incident rate of 7.55.

It was resolved unanimously:

That the Health & Safety Annual Report for 2020/2, as set out in Appendix 1 of the report, be noted.

**52. FINANCE REPORT**

The Committee received a report (W76, previously circulated) providing budget-monitoring information for services within the responsibility of Finance & Assets Committee and, as part of its corporate remit, for the Council as a whole.

A Member had submitted questions in advance of the meeting and the following responses were provided and circulated at the meeting:

*Q. The provision of variance figures with items such as £1/4m in Miscellaneous finance to be reallocated is unhelpful. Please provide the comparisons with the planned allocation. It is impossible to understand the overspends and underspends with such large items unallocated.*

A. This is simply a holding account that the insurance premium is paid against before being split out to services, this will be done in advance of the monitoring report for the second quarter.



*Q. Please could I have an explanation for the large swings in the 'Homelessness' line on page 7?*

A. The “underspend” at the end of the first quarter on Homelessness relates to Government grant being carried forward from 2020/21. This does not show on the yearend forecast, as the grant will either be allocated in year or will be again carried forward.

Members commended Council Officers at all levels for their work in identifying efficiency savings.

It was resolved unanimously:

i) That the additions to the 2021/22 budget in relation to slippages from 2020/21 and the additional disabilities facilities grant, as detailed in paragraphs 3.7 to 3.9 of the report, and on the slippage and additions columns in Appendix 3 of the report, be approved.

ii) That the Finance & Assets Committee’s projected yearend underspend of £23,100 when compared to its approved revenue budget of £5,276,679, be noted.

iii) That the Council’s projected yearend underspend of £73,100 when compared to its approved revenue budget of £14,313,335, be noted.

iv) That the Council’s overall position on Capital is a projected outturn of £4,760,444, which is in line with the revised budget with the inclusion of (i) above, be noted.

### **53. MEDIUM TERM FINANCIAL STRATEGY UPDATE**

The Committee received a report (W77, previously circulated) providing an update on the Medium-Term Financial Strategy (MTFS) since the 2021/22 budget was approved in February 2021.

A Member had submitted questions in advance of the meeting and the following responses were provided and circulated at the meeting:

*Q. Is it correct that the Council will not be able to publish a legal budget in 2023/24 without cutting 16.3% of its budgeted expenditure and for 2024/25 without cutting budgeted expenditure by 32.1%?*

A. The Council needs to have a balanced budget for 2023/24 by February 2023. There is therefore time for Council to undertake the actions necessary to achieve this, but as highlighted in the report, plans need to be prepared and implemented as soon as possible.

*Q. How do the figures in item 12 Appendix 2 relate to first column of appendix 1 of 13 as these do not appear to be consistent?*

A. The figures should be consistent, the main difference is that the Leisure Centre has been moved from Finance and Assets Committee (in the Finance Report) to Operational Services Committee in the MTFs Report.

With regard to the 2<sup>nd</sup> question, the Member noted that Leisure Services had moved to the remit of Operational Services Committee as part of a review of Committees earlier in the year.

With regard to the 1<sup>st</sup> question, a Member commented that the Council could generate income as well as cut expenditure and highlighted that this still was the only Council in the County with a balanced Budget for the next 2 years. This bought us time to meet the projected shortfall from 2023/24 onwards. Officers should be commended for this position.

It was resolved unanimously:

That the contents of the report be noted.

#### **54. FORWARD AGENDA PLAN**

The Committee received the updated Forward Agenda Plan for the following 12 months.

A Member had submitted questions in advance of the meeting and the following responses were provided and circulated at the meeting:

*Q. Mepal Outdoor Centre - when are the business plans for the crematorium to be brought to this committee as stated at the special meeting in July 2020?*

A. If Planning permission is achieved, the Business Plan will be considered by the Committee at the appropriate time and will be included in the Forward Agenda Plan.

It was resolved unanimously:

That the Forward Agenda Plan be noted.

#### **55. EXCLUSION OF THE PUBLIC INCLUDING REPRESENTATIVES OF THE PRESS**

It was resolved:

That the press and public be excluded during the consideration of the remaining items because it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during the item there would be disclosure to them of exempt information of Categories 1, 2 & 3 of Part I Schedule 12A to the Local Government Act 1972 (as amended).

#### **56. WRITE-OFF OF UNRECOVERABLE DEBT**

The Committee considered a report (W78, previously circulated) requesting the write-off of 3 unrecoverable debts and noting the write-off of 1 unrecoverable debt under delegated powers.

A Member had submitted questions in advance of the meeting and responses were provided and circulated at the meeting.

It was resolved unanimously:

That the recommendations in the report be approved.

**57. ECTC BOARD MEETING MINUTES**

The Committee received the Minutes from the Board Meetings of the East Cambs Trading Company held on 11<sup>th</sup> February 2021 and 17<sup>th</sup> February 2021.

The Director Commercial confirmed that the ECTC Board Minutes from 7 September meeting would come to the November meeting of this Committee, once approved by the Board.

A Member had submitted questions in advance of the meeting and responses were provided and circulated at the meeting.

It was resolved:

That the Minutes of the ECTC Board meetings held on 11<sup>th</sup> and 17<sup>th</sup> February 2021 be noted.

**58. EXEMPT MINUTES**

The Committee received the Exempt Minutes from the meeting of the Finance & Assets Committee held on 22<sup>nd</sup> July 2021.

It was resolved unanimously:

That the Exempt Minutes be confirmed as a correct record.

*The meeting concluded at 17:55pm.*