



EAST
CAMBRIDGESHIRE
DISTRICT COUNCIL

AGENDA ITEM NO. 4

CORPORATE GOVERNANCE AND FINANCE COMMITTEE

Minutes of a Meeting of the Corporate Governance and Finance Committee held in Council Chamber, The Grange, Nutholt Lane, Ely, on Thursday 5 November 2015 at 4.30pm.

PRESENT

Councillor David Brown (Chairman)
Councillor David Ambrose-Smith
Councillor Derrick Beckett
Councillor Peter Cresswell
Councillor Lorna Dupré
Councillor Lis Every
Councillor Coralie Green
Councillor Chris Morris
Councillor James Palmer (substitute for Councillor Ian Bovingdon)
Councillor Stuart Smith

APOLOGIES

Councillor Ian Bovingdon
Councillor Hamish Ross

In attendance

Councillor Steve Cheetham

Kay McClennon – Audit Manager, External Audit, Ernst and Young

Andy Radford – Chief Financial Officer & S151 Officer
Emma Grima – Director Commercial and Corporate Services
Darren Hill – Business Development Manager
Martin Smith – Economic Development Officer
Andy Jones – E-Space Centre Manager
Sally Bonnett – Infrastructure and Strategy Manager
Trevor Bowd – Principal Auditor
Tracy Couper – Democratic Services Manager

32. **PUBLIC QUESTION TIME**

No questions were submitted by the members of the public.

33. **DECLARATIONS OF INTEREST**

There were no declarations of Interests by Members of the Committee.

34. **MINUTES**

The Committee received the Minutes of the meeting held on 28 September 2015.

It was resolved:

That the minutes of the meeting of the Committee held on 28 September 2015 be confirmed as a correct record and signed by the Chairman.

35. **CHAIRMAN'S ANNOUNCEMENTS**

There were no announcements by the Chairman.

36. **PRESENTATION - ENTERPRISE EAST CAMBRIDGESHIRE WEB PLATFORM**

The Committee received a presentation by the Business Development Manager, Darren Hill, and Economic Development Officer, Martin Smith, on the activities and priorities of the Economic Development Team and the new Enterprise East Cambridgeshire Web Platform. The presentation covered the following areas:

- Activities/Priorities
- Companies working with
- Inward investment projects
- Other operational areas
- Economic Development Unit SWOT analysis
- The future

In introducing the presentation, the Business Development Manager referred to the importance of this area of activity to the broader financial strategy of the Council in the future, in the light of the Central Government announcement of the intention that local authorities to retain 100% of local business rates by 2020. The presentation was intended to cover key aspects of the Team's Service Delivery Plan, highlight some of the larger projects that they had been working on and the direction of travel for the future.

Councillor Morris entered the meeting at 4.34pm

With regard to activities and priorities, the Business Development Manager summarised the nature of the following key areas of work of the Team:

- Promotion of the District
- Business engagement
- Business support
- Infrastructure planning
- Skills training
- Commercial property

Notable recent successes included the £16M funding for the Ely Southern Bypass from the LEP and the Skills Fair which attracted over 1,000 year 11 students from the four secondary schools, Kings School and over 60 businesses. Examples of companies the Team was working with locally included the new Sake brewery at Fordham Abbey Estate, and the construction of 9 new starter units at Lancaster Way Business Park being funded by over £1M of Loan funding from the LEP. Members also were reminded of the proposed visit to Thorlabs on 16 November 2015.

On the issue of inward investment projects, the Team were projecting a sum of £8M in the current year composed of three core areas:

- A bid to the LEP for Enterprise Zone status in the district which has the potential to attract approximately £4m of new business rate receipts by June 2026;
- An estimate of external investment based on growth/relocation of new and existing businesses in the area;
- direct grant funding which includes some additional funding received from the LEP (approx £127,000) for the new agri-tech research centre in Soham.

The Economic Development Officer then gave details of the two major inward investment and innovation projects of the bid for an enterprise zone for East Cambridgeshire and the NIAB agri-tech research centre at Hasse Fen near Soham. Attention also was drawn to the new Enterprise East Cambridgeshire Website which had been launched a month ago and had received 7,000 page viewings, which was approx 10 times more than the previous site, and had received excellent feedback from businesses. In concluding, it was reported that the Team had the potential to deliver important income streams for the Council in the future through both business rates and trading activities.

The Chairman congratulated the Economic Development Team on their excellent work and presentation. The Leader of the Council, Councillor James Palmer, also congratulated the Team, stating that there were some outstanding officers working for this Council and their work was greatly appreciated by Members. Councillor Palmer particularly highlighted the NIAB agri-tech project and stated that the value of this to the District in terms of inward investment and new jobs with a quality employer should not

be underestimated. Councillor Palmer commented that the challenge for Members would be to support this Team in their work in the future. Councillor Palmer also referred to his disappointment that the current Government Business Rates Retention Scheme had not delivered the level of funding for authorities that was expected.

Councillor Beckett endorsed the above views of the Chairman and the Leader of the Council and asked about the work of the Team in the south of the District beyond Soham. The Business Development Manager stated that the Team made company visits across the District as a whole, but had not yet bid for a project in the south of the District beyond Soham. However, the Team had facilitated apprenticeships for a company in Cheveley and were ready to respond whenever opportunities arose in the South of the District. The Chairman commented that he was aware of business development advice given by the Team to a company in Burwell.

Councillor Every stated that she had worked closely with the Team over the past year and congratulated them on their excellent work, particularly with schools on the skills agenda and the LEP on apprenticeships. She suggested that their work should be the subject of a Member seminar in the future. In that connection Councillor Cresswell commended the quality of the presentation and suggested that a similar presentation should be made to all Councillors at full Council in the future.

In concluding, the Chairman thanked the Team for their attendance at the meeting.

It was resolved:

That the presentation be noted and commended.

37. EXTERNAL AUDIT ANNUAL AUDIT LETTER

The Committee received the Annual Audit Letter for the year ended 31 March 2015 from the Council's External Auditors Ernst and Young. Kay McClennon, Audit Manager for the Council's External Auditors, stated that this was the public facing version of the report given at the previous meeting of the Committee and summarised the work of External Audit during the year. Ms McClennon commended the work of the Council's Finance Team on the Financial Statements in the light of the change in key officers during this period.

In response to a question by Councillor Beckett regarding key finding 1 in the Audit Letter, Ms McClennon explained that this was a standard finding included in all audit letters at present.

It was resolved:

That the Annual Audit Letter be noted.

Agenda Item 4 – page 4

38. **DRAFT SERVICE DELIVERY PLAN: INFRASTRUCTURE & STRATEGIC HOUSING**

The Committee received a report (reference Q106, previously circulated) containing the Service Delivery Plan (SDP) for Infrastructure & Strategic Housing following the amalgamation of these two Service areas in the recent restructuring.

The Infrastructure and Strategy Manager, Sally Bonnett, explained the three key areas of responsibility for the Service of Developer Contributions; Strategic Housing; and Infrastructure. She also summarised the main areas of work for 2015/16. The Developer Contributions Team comprised 1 part time Development Contributions Officer (28 hours), 1 part time CIL Officer (22 hours) and was responsible for the administration of S106 and CIL contributions. The Strategic Housing function was currently provided by Peterborough City Council under a Service Level Agreement (SLA) and by 1 part time CLT Advisor (25 hours – 3 year secondment). This did not include homelessness and tenancy functions which were delivered by the Housing Options Team managed by Angela Parmenter. The delivery of Infrastructure involved the Infrastructure and Strategy Manager working on key projects such as the Leisure Centre and 1 full time Senior Planning Officer (North Ely) (1 year, fixed term) responsible for determining the planning applications for the North Ely development.

Councillor Cheetham was in attendance at the meeting from 5.08pm.

The Chairman reported that he had received notification from the Service Delivery Champion for Infrastructure, Councillor Ian Bovingdon, that whilst he was unable to attend this meeting he wished to confirm his acceptance of the Service Delivery Plan and congratulate Sally Bonnett on the excellent work she and her Team had put into this document which now incorporated Strategic Housing.

Councillor Cresswell raised a question regarding the CIL education programme for Parish Councils and how any Parishes had been visited in the South of the District. The Infrastructure and Strategy Manager confirmed that all Parish Councils had been offered a visit to explain about CIL and most Parishes in the South of the District had been visited. A CIL workshop was held for Parish Councils in June.

With regard to the Performance Target on page 4 of the SDP on 'produce and circulate CIL/S106 Projections', the Chairman highlighted the fact that this had been changed to every 6 months at the request of Members.

It was resolved:

1. That the key performance outputs against the required performance measures for the previous 12 months be noted.
2. That the new Service Delivery Plan for Infrastructure & Strategic Housing be approved.

39. **FRAUD ACTIVITY REPORT**

The Committee considered a report (reference Q107, previously circulated), containing an update on the work of both Internal Audit and the Anglia Revenues Partnership (ARP) in relation to counter-fraud activity.

The Principal Auditor, Trevor Bowd, highlighted the work to date on the Cambridgeshire Anti-Fraud Hub. The Cambridgeshire district authorities were successful in their bid to the DCLG and were awarded £335,100 (the 13th largest award) to identify additional local fraud as well as new cross boundary fraud and across a wide range of fraud types to the value of £2.1m each year for the next five years. This Council had made the best progress with the exception of one Council in the county on its own Anti-Fraud Plan and the Principal Auditor was making a presentation to 16 authorities in the following week on the issue.

The Chairman raised a question on the prosecutions figure of 10 for 2014/15 in the table on page 2 of the Fraud Activity Report. The Principal Auditor confirmed that this was the figure for prosecutions for this District, and that Appendix B to the report gave details of two of the more interesting of these 10 prosecutions.

Councillor Dupré stated that the wording in paragraph 2.2 of the Fraud Activity Report which stated 'the review did however make recommendations at a corporate level to improve controls in a number of areas' was a little vague and she requested further details. Councillor Dupré also commented that the sharing and matching of data created risk and questioned what work was being done to mitigate those risks. The Principal Auditor explained that a further report would be submitted to the December meeting of this Committee that would give more detail relating to the audit referred to in paragraph 2.2 of the Fraud Activity Report. The Principal Auditor also stated that the Council was currently in the process of finalising a data sharing agreement and security arrangements with its key partners such as ARP and Sanctuary Hereward.

In response to a question by Councillor Morris, the Principal Auditor confirmed that the total monetary value referred to in the table on page 2 of the Fraud Activity Report, was the actual sum recovered from the 26 fraud investigations.

Councillor Cresswell commented that he had attended a Fraud Awareness Seminar by the Principal Auditor which had been very useful and informative.

It was resolved:

That the Fraud Activity Report be noted.

40. **FORWARD AGENDA PLAN**

Members received the Forward Agenda Plan for the Committee. Councillor Dupré raised a question about an item on Angel Drove Commuter Car Park Funding Strategy listed for the meeting on 3 December 2015 with question marks against it. The Democratic Services Manager explained that this was a provisional item that might be moved to a later meeting.

It was resolved:

That the Forward Agenda Plan be noted.

The meeting closed at 5.22pm.

Chairman:.....

Date:.....