

CIVIC AFFAIRS

21 September 2022

5.30 - 7.10 pm

Present: Councillors McPherson (Chair), Carling (Vice-Chair), Bick, Bennett, Moore and Thornburrow

Officers:

Assistant Chief Executive: Andrew Limb

Head of Finance: Caroline Ryba

Head of Human Resources: Deborah Simpson

Head of Shared Internal Audit Service: Jonathan Tully

Deputy Head of Service (Operations): Alex Young

Community Funding and Voluntary Sector Manager: Julie Cornwell

Payroll Manager: Mike Scott

Deputy Data Protection Officer & Senior Information Governance Specialist:
Eleanor Dent

Committee Manager: James Goddard

FOR THE INFORMATION OF THE COUNCIL**22/26/Civ Apologies**

Apologies were received from Councillors Davey and Hauk. Councillors Bick and Moore attended as Alternates.

Apologies were received from Independent Person: Rob Bennett

Councillor Bennett joined the committee on-line via MS Teams. She took part in the debate but did not vote.

22/27/Civ Declarations of Interest

Item	Councillor	Interest
22/31/Civ	Moore	Personal: Had applied for grants for her community group

22/28/Civ Minutes

The minutes of the meetings held on 13 July 2022 were approved as a correct record and signed by the Chair.

22/29/Civ Public Questions

There were no public questions.

22/30/Civ Internal Audit Plan: Progress Report

The committee received a progress report from the Head of Internal Audit regarding the Internal Audit Plan.

In response to Independent Person and Members' questions the Head of Internal Audit said the following:

- i. Officers undertook a review of the complaints process following a recent update of the framework. The 'reasonable' status was a good level of assurance and reflected recent change in processes.
- ii. The Audit Team looked at the allocation of resources each year. In a normal year the split of work would be approximately 70% "Risk-based" and 30% for mandatory "Core" tasks. This could vary to 60-40% as occurred recently where Central Government required assurance that funding was spent correctly.
- iii. The team were working broadly in-line with the forward plan of work. Four extra pieces of unplanned "Core" work had come in, and the team were still on track to provide an assurance opinion. The plan is reviewed at least every six months to reflect changing risks.
 - a. Core activities had to be completed to strict deadlines.
 - b. Risk based work had more flexible deadlines.

Resolved (by 5 votes to 0 (and 1 abstention) – unanimous of those able to vote) to note the contents of the report.

22/31/Civ Amendment to Contract Procedure Rules

The Committee received a report from Community Funding and Voluntary Sector Manager.

The Councils Constitution at Part 4G – Contract Procedure Rules, 1.22.2 stated that "ALL Grant Agreements paid to third parties must be executed as a deed".

To be legally enforceable, grant agreements must be executed as a deed, however this does not take into consideration that the Council would not wish to take a voluntary or community group to court to reclaim any monies unless absolutely necessary, and in many cases the cost of court action would exceed the value of the grant award in any event.

The preferred route would be to develop and maintain excellent relationships with our funded groups, whereby groups feel able to discuss any concerns they have about their funding award and group status at the earliest stages.

Alongside this, the Grants Team has put in place robust processes to manage the risks associated with making grant and is now seeking this approach to be reflected in the Contract Procedure Rules.

The proposed amendment would give the Council the ability to execute grants as deeds where it was felt this was proportionate to the risk or where particular thresholds were met – such as over a certain financial value. It would also allow the majority of grants which are lower risk and of lower value, to be signed under hand.

Councillor Bick queried whether it was usual, or how widespread, was the practice of not following procedure rules. Officers proposed to follow up this point after committee.

The Community Funding and Voluntary Sector Manager said the following in response to Members' questions:

- i. Contract procedure wording was deliberately kept flexible so it could adapt to different circumstances.
- ii. Other local authorities did not have contract procedure wording in their constitution so removing this would allow the City Council some flexibility. This is an option which will be considered in due course.
- iii. Officers had considered imposing a financial threshold where grants above x level would need a deed but those below would not. As grants had been agreed without a deed during lockdown (e.g. over £300,000 to the Citizens Advice Bureau) there seemed little point in automatically imposing a threshold for others. The Director may consider a threshold is required in future.
- iv. The Grants Team would scrutinise grant applications against criteria regardless of whether Officers had an existing relationship with community groups.
- v. The intention was to work with small groups to better engage them. Accessible guidance notes and Officer support was available to help

groups complete the on-line application process. The second phase of the grants process may lead to other application formats being accepted.

- vi. This was the pilot project phase so Officers would learn from phase 1 and this would feed into phase 2.

Resolved (by 4 votes to 0 (and 2 abstentions)) to recommend to Council that Contract Procedure Rules are amended to enable Grant Agreements to be approved by deed; or signed under hand where appropriate by delegated authority to the Director. The new wording would be as follows: "ALL Grant Agreements paid to third parties must be executed as a deed; or signed under hand where appropriate by delegated authority to the Director".

22/32/Civ Freedom of Information, Data Protection and Transparency: Annual Report

The Committee received a report from Deputy Data Protection Officer & Senior Information Governance Specialist.

The Officer's report provided an update on Information Governance activity and performance during 2021/22 (April 2021 - March 2022).

Deputy Data Protection Officer & Senior Information Governance Specialist updated her report by referring to the amendment sheet: Freedom of Information, Data Protection and Transparency: Annual Report (Addendum).

The Deputy Data Protection Officer & Senior Information Governance Specialist said the following in response to Members' questions:

- i. A number of services attract high levels of Freedom of Information requests such as Shared Waste and business rates.
- ii. The Information Governance Team have done some pre-emptive work with officers in different services to put information on the website. When Freedom of Information requests are received, where relevant, they can be directed to information on the website. If not, a bespoke answer is required.
- iii. Things that are dealt with by other organisations are not included in City Council Freedom of Information statistics.
- iv. (Reference P34) two areas were in amber. An incident management process was in place due to the testing process. When the testing phase ends in October 2022 it was expected the two areas would achieve green status.

- v. Most services were close to the statutory response time target. The Head of Estates and Facilities had been contacted about open queries. The Estates and Facilities Team were receiving extra training to help improve their response time.

Resolved (by 5 votes to 0 (and 1 abstention) – unanimous of those able to vote) to note the report.

22/33/Civ Review of the Pensions Discretions Statement

The Committee received a report from Head of Human Resources.

The Officer's report outlined Cambridge City Council's proposed revised policy statement on Employer Discretions for the Local Government Pension Scheme following a recent planned review.

The report included a proposal to consider entering into a shared cost AVC Scheme as part of the revised discretions.

In response to Members' questions:

- i. The Payroll Manager said Shared Cost AVCs were introduced after 2019. They came about because one particular local authority had looked into the possibility of a salary sacrifice scheme. The Local Government Pension Scheme regulations did not allow that, so Shared Cost AVCs were introduced as they complied with HMRC regulations.
- ii. The Head of Human Resources said trade unions had been consulted and supported the proposal.

Resolved (by 5 votes to 0 (and 1 abstention) – unanimous of those able to vote) to recommend to Council:

- i. Approve the proposed policy statement on employer discretions shown as per Appendix A of the Officer's report.
- ii. Delegate approval to join a shared cost AVC scheme to the Head of Human Resources, following consultation with the Head of Finance, Executive Councillor for Finance, Resources and Transformation and Opposition Spokes for Strategy and Resources, if considered appropriate, following further exploration of a suitable procurement process.
- iii. Note that Council Officers will continue to review the Discretions Statement every 3 years and/or in line with changes to the Local Government Pension Scheme (LGPS) as advised by the Local

Government Pensions Committee (LGPC) and the Administering Authority (Cambridgeshire County Council), and any recommended changes will go before Civic Affairs for approval.

22/34/Civ Proposal to Increase the Cambridge Weighting (minimum £10.00 per hour) for Employees and Agency Workers

The Committee received a report from Head of Human Resources regarding the proposal to increase the Cambridge Weighting (minimum £10.00 per hour) for employees and agency workers to £11.00 with effect from April 2023.

The Head of Human Resources said the following in response to Members' questions:

- i. Employees of Shared Services lead by other councils and agency workers who did not qualify for the Real Living Wage, engaged for only for short Cambridge event periods, were not covered by the Cambridge Weighting.
- ii. There was an opportunity to review the Cambridge Weighting rate later in the year in the review of the Pay Policy Statement.
- iii. £11/hour was arrived at as it seemed a reasonable figure in light of current information on the Real Living Wage and proposed national pay award.
- iv. Staff in pay band 1, plus the lower end of pay band 2 would get the Cambridge Weighting. Most staff were employed in pay bands 3-6 which were above the Cambridge Weighting figure.
- v. Cambridge Weighting was proposed to come into effect in April 2023. The national pay award would be back dated to April 2022. This was a further increase on the real living wage that would come into effect September 2022. There were considerations of affordability for the City Council.

Resolved (by 5 votes to 0 (and 1 abstention) – unanimous of those able to vote) to:

- i. Recommend to Council the proposal to increase the Cambridge Weighting to be paid to employees and agency workers to a minimum of £11.00 per hour, with effect from April 2023.
- ii. Recommend to Council to delegate authority to the Head of Human Resources to update the weightings on each relevant pay point, subject to the limit of £11.00 per hour, depending upon the current hourly rate and the Real Living Wage supplement payable at that time.

- iii. Note the position on the National Joint Council (NJC) pay offer for 2022 which relates to Bands 1-11 of the City Council's pay scales, and to receive an update at the meeting.
- iv. Note the position on the Real Living Wage, the announcement of the 2022/23 rate is expected on 22 September 2022. If available, to receive an update at the meeting.

22/35/Civ Review of the Budget Setting Process and Wider Financial Governance Issues

The Committee received a report from Head of Finance.

The Officer's report recommended changes to the Constitution to give effect to the amendments to the Council's budget process agreed by the Executive Councillor for Finance, Resources and Transformation on 11 July 2022 following Strategy and Resources Scrutiny Committee.

The Committee and Independent person (via written statement) made the following comments in response to the report:

- i. Welcomed cross-party work and agreement on the budget process.
- ii. Welcomed alignment of the General Fund and Housing Revenue Account processes. Hoped this could occur as quickly as possible, but understood the need for caution to ensure processes worked.

The Head of Finance said the following in response to Members' questions:

- i. Alignment of the General Fund and Housing Revenue Account would be addressed in future. This was not possible in 2022 due to the complexity of the budget process. The situation would be reviewed in 2022-2023 with the intention of implementing in 2024-2025.
- ii. Agreed that recommendation (iii) was not ideal as it requested an adjournment in the 23 February 2023 Council meeting. This issue would be reviewed in the next municipal year.
- iii. City Council budget processes had been benchmarked against other local authorities and our virement processes were similar to theirs. The City Council was more conservative in a way as its threshold of recommending limits of £250,000 be reviewed by (full) Council were as high as £1m in other organisations.
- iv. There was an opportunity to scrutinise virements through Strategy & Resources Scrutiny Committee and Out of Cycle Decisions outside of (full) Council meetings. Officers did not recommend lowering the virement approval thresholds so lower figures eg £100,000 required decisions by councillors.

Councillors requested a change to the recommendations. Councillors Bick and Thornburrow proposed and Councilor McPherson seconded splitting former (iii) into [new] (iii) and [new] (iv) to make [old] (iv) the [new] (v).

- iii. Agree that Council meets on 23 February 2023 to consider the Budget Setting Report and associated financial recommendations only (ie a budget meeting), with the remainder of the Council Agenda adjourned until the following Thursday 2 March 2023 (ie the same arrangement as 2022). ~~To note that this arrangement may not be the best way on-going and Members will be consulted on different options for when Council meetings are scheduled at this time of the municipal year following a review of the above changes to the budget process.~~
- iv. **Note that this arrangement may not be the best way on-going and Members will be consulted on different options for when Council meetings are scheduled at this time of the municipal year following a review of the above changes to the budget process.**
- v. **Agree the changes to Virements and carry forwards as described in 3.4 and Appendix B of the Officer's report.**

The Chair decided that the recommendations highlighted in the Officer's report should be voted on and recorded separately:

Resolved (by 5 votes to 0 (and 1 abstention) – unanimous of those able to vote) to recommend to Council:

- i. Agree the changes to Council Procedure Rules and Budget Framework rules as set out in the Appendix A of the Officer's report and that the arrangements are reviewed in good time to inform an agreed approach for the following budget cycle.
- ii. Note the additions and changes to meetings December 2022-February 2023 as a consequence of these changes.

Resolved (by 4 votes to 0 (and 2 abstentions)) to:

- iii. Agree that Council meets on 23 February 2023 to consider the Budget Setting Report and associated financial recommendations only (ie a budget meeting), with the remainder of the Council Agenda adjourned until the following Thursday 2 March 2023 (ie the same arrangement as 2022).

Resolved (by 5 votes to 0 (and 1 abstention) – unanimous of those able to vote) to:

- iv. Note that this arrangement may not be the best way on-going and Members will be consulted on different options for when Council meetings are scheduled at this time of the municipal year following a review of the above changes to the budget process.

Resolved (by 4 votes to 0 (and 2 abstentions)) to:

- v. Agree the changes to Virements and carry forwards as described in 3.4 and Appendix B of the Officer's report.

22/36/Civ Calendar of Meetings 2023/24

The Committee received a report from Democratic Services Manager (via Assistant Chief Executive) regarding the indicative calendar 2023/24.

The Committee made the following comments in response to the report:

- i. Requested details of changes to the calendar.
- ii. Requested that committees were not held when party conferences were occurring.

The Assistant Chief Executive said he would ask the Democratic Services Manager to respond to Councillors' comments.

Resolved (by 5 votes to 0 (and 1 abstention) – unanimous of those able to vote) to agree the meetings calendar 2023/24 (indicative).

The meeting ended at 7.10 pm

CHAIR