



A meeting of **HUNTINGDONSHIRE DISTRICT COUNCIL** will be held in the **CIVIC SUITE (LANCASTER / STIRLING ROOMS), PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON PE29 3TN** on **WEDNESDAY, 17 JULY 2024** at **7:00 PM** and you are requested to attend for the transaction of the following business:-

AGENDA

APOLOGIES

1. PRAYER

Reverend James Bamber, Minister for Huntingdon, Over and Sawtry Methodist Churches to open the meeting with a prayer.

2. MINUTES (Pages 7 - 16)

To approve as a correct record the Minutes of the meeting of the Council held on 22nd May 2024.

Time Allocation: 2 Minutes.

3. MEMBERS' INTERESTS

To receive from Members declarations as to disclosable pecuniary, other registerable and non-registerable interests in relation to any Agenda item. See Notes below.

Time Allocation: 2 Minutes.

4. CHAIR'S ENGAGEMENTS AND ANNOUNCEMENTS (Pages 17 - 18)

To note the Chair's engagements since the last Council meeting.

Time Allocation: 5 Minutes.

5. QUESTIONS BY MEMBERS OF THE PUBLIC

To answer any questions submitted by the public in accordance with the Constitution.

The deadline for the receipt of public questions is five days prior to the meeting and must be submitted to the Monitoring Officer.

6. STATE OF THE DISTRICT

The Executive Leader Councillor S J Conboy to address the Council on behalf of the Joint Administration on the State of the District.

The Chair will invite the Leader of the Opposition to respond to the address.

[In the ensuing debate a Member may speak once and no speech may exceed 5 minutes in length without the consent of the Chair].

Time Allocation: 40 Minutes.

7. QUESTIONS TO MEMBERS OF THE CABINET

In accordance with the Council Procedure Rules, all questions –

- ❖ Must be relevant to an item which the Council has powers or duties;
- ❖ Must not relate to an item which is included elsewhere on the Agenda
- ❖ Should be limited to obtaining information or pressing for action; and
- ❖ Should not exceed two minutes in duration.

Questions should not divulge or require to be divulged, confidential or exempt information.

Time Allocation: 15 Minutes.

8. HUNTINGDONSHIRE DISTRICT COUNCIL WORKFORCE STRATEGY AND ACTION PLAN (Pages 19 - 48)

Councillor L Davenport-Ray, Executive Councillor for Climate, Transformation and Workforce to present the Workforce Strategy for approval by the Council.

(The Strategy was considered by the Employment Committee at their meeting on 26th June 2024).

Time Allocation: 20 Minutes.

9. LOCAL GOVERNMENT ASSOCIATION - CORPORATE PEER CHALLENGE

The Chief Executive to present the Local Government Association Corporate Peer Challenge report. **(TO FOLLOW)**

Time Allocation: 20 Minutes.

10. ANNUAL REPORT OF THE CORPORATE GOVERNANCE COMMITTEE 2023/24 (Pages 49 - 60)

Councillor M J Burke, Chair of the Corporate Governance Committee to present the Annual Report of the Corporate Governance Committee for 2023/24.

(The report was considered by the Corporate Governance Committee at their meeting on 9th July 2024).

Time Allocation: 5 Minutes.

11. TREASURY MANAGEMENT OUTTURN REPORT 2023/24 (Pages 61 - 92)

Councillor B A Mickelburgh, Executive Councillor for Finance and Resources to present the treasury performance for the period between 1 April 2023 to 31 March 2024.

(The report was considered by the Overview and Scrutiny Panel (Performance and Growth and the Cabinet at their meetings in June 2024).

Time Allocation: 10 Minutes.

12. USE OF SPECIAL URGENCY PROVISIONS 2023/24

Section 18.3 of the Council's Access to Information Procedure Rules require the Executive Leader to report on executive decisions taken under Special Urgency provisions within the Council's Constitution.

There have been no Executive Decisions taken under the Special Urgency Provisions in 2023/24.

Time Allocation: 2 Minutes.

13. CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY - QUESTIONS (Pages 93 - 110)

This item provides an opportunity for District Council Members to ask questions on Cambridgeshire and Peterborough Combined Authority issues.

If Members wish to raise questions or issues requiring a detailed response, it would be helpful if they can provide prior notice so that the necessary information can be obtained in advance of the meeting.

Time Allocation: 10 Minutes.

14. OUTCOMES FROM COMMITTEES AND PANELS (Pages 111 - 114)

An opportunity for Members to raise any issues or ask questions arising from recent meetings of the Council's Committees and Panels.

A list of meetings held since the last Council meeting is attached for information and Members are requested to address their questions to Committee and Panel Chairs.

Time Allocation: 5 Minutes.

15. VARIATIONS TO THE MEMBERSHIP OF COMMITTEES AND PANELS

Group Leaders to report on variations to the Membership of Committees and Panels if necessary.

Time Allocation: 5 Minutes.

9 day of July 2024

Michelle Sacks

Chief Executive and Head of Paid Service

Disclosable Pecuniary Interests and other Registerable and Non-Registerable Interests.

Further information on [Disclosable Pecuniary Interests and other Registerable and Non-Registerable Interests is available in the Council's Constitution](#)

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Please contact Mrs Lisa Jablonska, Elections and Democratic Services Manager, Tel No. 01480 388004 / e-mail Lisa.Jablonska@huntingdonshire.gov.uk if you have a general query on any Agenda Item, wish to tender your apologies for absence from the meeting, or would like information on any decision taken by the Committee/Panel.

Specific enquiries with regard to items on the Agenda should be directed towards the Contact Officer.

Members of the public are welcome to attend this meeting as observers except during consideration of confidential or exempt items of business.

Agenda and enclosures can be viewed on the [District Council's website](#).

Emergency Procedure

In the event of the fire alarm being sounded and on the instruction of the Meeting Administrator, all attendees are requested to vacate the building via the closest emergency exit.

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HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the COUNCIL held in the CIVIC SUITE (LANCASTER / STIRLING ROOMS), PATHFINDER HOUSE, ST MARY'S STREET, HUNTINGDON PE29 3TN on Wednesday, 22 May 2024

PRESENT: Councillor M J Burke – Chair.

Councillors T Alban, B S Banks, M L Beuttell, A Blackwell, R J Brereton, E R Butler, S Bywater, S Cawley, S J Conboy, S J Corney, A E Costello, S J Criswell, L Davenport-Ray, D B Dew, S W Ferguson, I D Gardener, C M Gleadow, J A Gray, K P Gulson, J E Harvey, M A Hassall, P J Hodgson-Jones, S A Howell, N J Hunt, A R Jennings, P A Jordan, M Kadewere, P Kadewere, D N Keane, J E Kerr, R Martin, S R McAdam, B A Mickelburgh, D L Mickelburgh, S Mokbul, J Neish, Dr M Pickering, B M Pitt, T D Sanderson, D J Shaw, R A Slade, S L Taylor, I P Taylor, D Terry, C H Tevlin, S Wakeford, N Wells and G J Welton.

APOLOGIES: Apologies for absence from the meeting were submitted on behalf of Councillors J Catmur, J Clarke and C Lowe.

CHAIR'S ANNOUNCEMENTS

The Chair reported on the election of Councillor James Catmur as District Councillor for Great Paxton on Thursday 2 May 2024 and welcomed him to the District Council.

The Council were informed of the recent death of former District Councillor Chris Stephens who had served as a District Councillor for the Hemingford's Ward from 2004 to 2010. During which time he was notably Chairman of the Council's Corporate Governance Panel from 2005-2010. An individual tribute was then paid by Councillor T D Sanderson.

Members were also advised that this would be the last meeting attended by Karen Sutton, Corporate Director of Finance and Resources who would be retiring from the authority at the end of June. The Executive Leader, the Deputy Leader and the Assistant Deputy Leader then individually expressed their own appreciation to Mrs Sutton, before the Council then placed on record their gratitude to Karen for her effort and support during her time in post.

1 ELECTION OF CHAIR

It was proposed by Councillor S J Conboy, seconded by Councillor T D Sanderson and upon being put to the vote it was

RESOLVED

that Councillor S R McAdam be appointed Chair of the Council for the ensuing Municipal Year.

Councillor S McAdam in the Chair.

Councillor McAdam made the Statutory Declaration of Acceptance of Office.

The Chair paid tribute to the way in which Councillor Burke had performed his duties as Chair of the District Council over the course of the last two years and having proposed a vote of thanks to him, presented Councillor Burke with his past Chair's badge. In so doing, he added that Councillor Burke had been a privilege to work alongside, had undertaken his role professionally, firmly and with a touch of humour. He also commented upon the way in which he had represented the Council around the District.

In response, Councillor Burke remarked that it had been a privilege to Chair the Authority. He made particular reference at being able to represent the Authority and the District at the time of the passing of her late Majesty the Queen, a memory which would remain with him forever. Finally, he thanked the Chief Executive, the Corporate Directors, the Elections and Democratic Services Manager and the Member Development and Support Officer for their support and assistance during his term of office.

RESOLVED

that the Council's appreciation to Councillor M J Burke be placed on record as Chair during the last two years.

2 MINUTES

The Minutes of the meeting of the Council held on the 27th March 2024 were approved as a correct record and signed by the Chair.

3 MEMBERS' INTERESTS

No declarations were received.

4 APPOINTMENT OF VICE-CHAIR

It was proposed by Councillor S McAdam, seconded by Councillor S J Conboy and upon being put to the vote it was

RESOLVED

that Councillor D B Dew be appointed Vice-Chair of the Council for the ensuing Municipal Year.

Councillor Dew made the Statutory Declaration of Office.

5 APPOINTMENT OF CABINET

The Executive Leader, Councillor S J Conboy announced that she had appointed Councillors T D Sanderson, S Wakeford, L Davenport-Ray, S Ferguson, J

Harvey, B Mickelburgh, B M Pitt and S L Taylor to the Cabinet for the ensuing Municipal Year. She also announced that Councillor T D Sanderson would be appointed Deputy Executive Leader and Councillor S Wakeford would be appointed Assistant Deputy Executive Leader.

6 TERMS OF REFERENCE REVIEW, CORPORATE GOVERNANCE COMMITTEE

With the assistance of a report by the Director of Finance and Corporate Governance (a copy of which is appended in the Minute Book), the Chair of the Corporate Governance Committee Councillor N Wells presented a proposal to revise the terms of reference and membership of the Committee for approval.

In presenting the proposals, Councillor Wells explained that the need to review the Committee's terms of reference had been identified within the Local Government Association (LGA) peer review of Internal Audit. The proposals presented were based upon the model recommended by the Chartered Institute of Public Finance (CIPFA) for audit committees, with additional paragraphs included to incorporate the Committee's constitutional, conduct and regulatory responsibilities. The Council also noted that the recommendations had been developed by a Sub-Group of members from the Corporate Governance Committee and had been endorsed by the Committee at their last meeting.

With regards to the proposals to reduce the membership of the Committee, the Council were advised that it was suggested that the size of the Committee should be reduced to seven members and up to two non-voting Independent Members. This should not include Executive Members.

In commending the proposals within the report, Councillor P Hodgson-Jones reported that this was the first stage in a full review of the Council's Constitution. It was hoped that there would be further developments over the course of the year to further improve the Council's effectiveness.

Whereupon it was duly moved and seconded and

RESOLVED

that the necessary variations to the Council's Constitution to reflect the revised Terms of Reference of the Corporate Governance Committee and the amendments to the membership of the Committee be approved as outlined in the report now submitted.

7 APPOINTMENT OF INDEPENDENT MEMBERS TO CORPORATE GOVERNANCE COMMITTEE

With the assistance of a report by the Director of Finance and Corporate Services (a copy of which is appended in the Minute Book), Councillor N Wells Chair of the Corporate Governance Committee reported on the outcome of the selection process for the appointment of up to two non-voting Independent Members to the Corporate Governance Committee. The Process had now been completed and was reported for ratification to Council.

Whereupon it was moved by Councillor N Wells duly seconded by Councillor J Harvey and

RESOLVED

that Messrs P Webb and T Sakhrani be appointed as Members of the Corporate Governance Committee for a period up to 30th April 2027.

8 REPRESENTATION OF POLITICAL GROUPS ON DISTRICT COUNCIL COMMITTEES, ETC

A report was submitted by the Elections and Democratic Services Manager (a copy of which was appended in the Minute Book) relating to the principles and proportionality to be applied to the appointment of Committees and Panels in accordance with Section 15 of the Local Government and Housing Act 1989 and Part II of the Local Government Act 2000.

Members were advised that since the publication of an agenda, an updated appendix had been tabled. This was a result of changes in the allocation of seats by the Joint Administration which meant that the Council were being asked to depart slightly from the rules of proportionality and agreement was being sought to these changes.

Clarification having been sought to the detail of the changes being proposed, Members were advised that there had been no change in the number of seats allocated to each political group, however the apportionment for the Green councillor had been re-allocated from the Development Management Committee to the Employment Committee to enable her to fulfil her responsibilities as Executive Councillor for Workforce.

Whereupon it was

RESOLVED

that the allocation of seats on District Council Committees and Panels to political groups and non-aligned Members be determined as set out in the revised appendix now submitted.

9 OVERVIEW AND SCRUTINY PANELS

RESOLVED

that the following Members be appointed to the Overview and Scrutiny Panels for the ensuing Municipal Year:-

Overview and Scrutiny Panel (Performance and Growth)

A M Blackwell
J Catmur
S Cawley
S J Corney

Overview and Scrutiny Panel (Environment, Communities & Partnerships)

T D Alban
S Bywater
S Criswell
M A Hassall

I D Gardener
C M Gleadow
S A Howell
A R Jennings
R Martin
M Pickering
D Terry
N Wells

N J Hunt
M Kadewere
J E Kerr
S R McAdam
S Mokbul
D Shaw
C H Tevlin
G J Welton

10 COMMITTEES

RESOLVED

- a) that Members be appointed to serve on the Corporate Governance, Development Management, Employment, Licensing and Protection, Licensing Committee and Senior Officers Committee for the ensuing Municipal Year as follows:-

Corporate Governance Committee (7)

Councillors M J Burke, J A Gray, P J Hodgson-Jones, A R Jennings D J Shaw, I P Taylor and C H Tevlin

Development Management Committee (16)

Councillors R J Brereton, E R Butler, J Clarke, S J Corney, D B Dew, P A Jordan, K P Gulson, S R McAdam, S Mokbul, D L Mickelburgh, J Neish, B Pitt, T D Sanderson, R A Slade C H Tevlin and S Wakeford

Employment Committee (8)

Councillors A M Blackwell, S Cawley, L Davenport-Ray, S Howell, P A Jordan, P Kadewere, D N Keane and C A Lowe.

Licensing and Protection Committee (12)

B S Banks, M L Beuttell, S Bywater, A E Costello, S Criswell, S W Ferguson, I D Gardener, S A Howell, P A Jordan, P Kadewere, D Terry, and N Wells.

Licensing Committee (12)

B S Banks, M L Beuttell, S Bywater, A E Costello, S Criswell, S W Ferguson, I D Gardener, S A Howell, P A Jordan, P Kadewere, D Terry, and N Wells.

Senior Officers Committee (4)

M L Beuttell, S Cawley, P A Jordan and T D Sanderson.

- b) that the following Members be nominated from which the Elections and Democratic Services Manager be authorised when necessary to convene a meeting of the Appeals Sub-Group to include up to five Members

(excluding Members of the Employment Committee) to determine appeals under the Council's disciplinary and appeals procedures –

Councillors B S Banks, A M Blackwell, S Bywater J R Catmur, S Corney, A Costello, S Criswell, S W Ferguson, I D Gardener, P J Hodgson-Jones, N J Hunt, M Pickering, T D Sanderson, D J Shaw and S Wakeford.

11 CAMBRIDGESHIRE AND PETERBOROUGH COMBINED AUTHORITY MEMBERSHIP AND OTHER APPOINTMENTS

With the assistance of a report by the Chief Executive (a copy of which is appended in the Minute Book), Council were invited to make appointments / nominations to the Cambridgeshire and Peterborough Combined Authority for the 2024/25 Municipal Year.

Whereupon it was

RESOLVED

- (a) that Councillor S J Conboy, Executive Leader of Council be appointed to act as the Council's appointee to the Combined Authority and Councillor S Wakeford be appointed as the substitute member.
- (b) that Councillors N J Hunt and J Neish be nominated to the Overview and Scrutiny Committee, with Councillors J Harvey and P Hodgson-Jones nominated as substitutes;
- (c) that Councillor P Hodgson-Jones be nominated to the Audit and Governance Committee, with Councillor R Martin as the substitute member; and
- (d) that the Chief Executive be authorised to make any amendments to the appointments to the Overview and Scrutiny Committee and the Audit and Governance Committee in consultation with the Political Group Leaders, if the Political Balance is amended by the Combined Authority between now and the next Council meeting

12 LOCAL GOVERNMENT ASSOCIATION GOVERNANCE PEER CHALLENGE

With the assistance of a report by the Chief Executive (a copy of which is appended in the Minute Book), Councillor S Ferguson, Executive Councillor for Resident Services and Corporate Performance presented the feedback report from the Local Government Association Governance Peer Challenge, together with details of progress made against the actions identified.

By way of introduction, Councillor Ferguson reminded the Council that the Peer Review Team had revisited the Council in February 2024 to assess progress made against the recommendations from their review in March 2023. Members were advised that the team made five recommendations, the first concentrating on progress against the initial seventeen recommendations from the March 2023 review and the remaining four having regard to wider corporate governance

issues. Council were also advised that the report had been reviewed and considered by Overview and Scrutiny and the Cabinet.

In responding to the report, Councillor R Martin, Leader of the Conservatives outlined his Group's general support to the actions which were being undertaken and the willingness of his group to assist in driving these forwards. However, he commented on the pace at which some of the issues were being addressed and sought clarification that actions were going to be given the priority which was needed moving forward. Having regard to the comments within the document about resources and the fact there were a further three reviews to be undertaken, Councillor Martin also commented on the need to ensure that there were sufficient resources in place to undertake these resources and implement any actions that were arising therefrom.

Having congratulated Councillor Martin on his new role as Leader of the Conservative Group, the Executive Leader reiterated that Peer Reviews were about learning from others about what the Authority did well and what could be improved, as well as making sure the Council were on a continuous learning curve. She emphasised that cross party working was critical to making sure that learning was embedded across the organisation and thanked Councillor Martin for his offer to work collaboratively in this regard.

Councillor Ferguson reported verbally on the recent visit from the Local Government Association and the positive comments which had been made regarding corporate governance within the Council. He outlined his ambition to develop the Council's corporate governance over the course of the next two years to a position whereby it is seen as exemplary.

Councillor Hodgson-Jones indicated that he shared Councillor Ferguson's ambition to establish the Authority as exemplary in terms of the quality and effectiveness of its corporate governance. He explained that the Corporate Governance Committee had over the course of the past two years been trying to become more proactive in the areas of risk management and internal audit. However, he expressed concern regarding the loss of resources with the internal audit function and the impact this might have on progress on actions within these areas. With this in mind, he urged progress to be made in addressing this resourcing issue.

In addressing the Council, the Assistant Deputy Executive Leader Councillor Sam Wakeford reminded members that change within an organisation of the size of District Council would always take time and that the report had been intended to identify learning opportunities and areas for improvement. He also took the opportunity the positive spirit of engagement expressed from the opposition which would help to make the District Council as effective for residents as possible.

Councillor Sanderson concurred that it was equally important to highlight the areas for improvement as well as the successes over the course of the previous years, across both administrations. He also expressed his appreciation to the officer team for their hard work in preparing for the reviews and their work on a day-to-day basis. He had no doubt that the Leader of the Opposition and his group would continue to ensure that the administration were held to account and that Council meetings were positive and worthwhile.

Finally, the Chief Executive reminded Council Members that the Corporate Governance Committee would be considering an updated version of the action Plan at their meeting on 28th May 2024 which would provide further detail on the current position.

Whereupon and having been proposed by Councillor S W Ferguson and seconded by Councillor S J Conboy, it was

RESOLVED

- (a) that the LGA Governance Peer Challenge report as set out as Appendix 1 to the report now submitted be received and the recommendations noted; and
- (b) that Appendix 2 to the report now submitted which provides an update on progress against all the proposed recommendations be noted.

13 CONSTITUTION REVIEW WORKING GROUP

RESOLVED

that Councillors M J Burke, J A Gray, P Hodgson-Jones, R Martin, D Mickelburgh, T D Sanderson and S Wakeford be appointed to the Constitution Review Working Group for the ensuing Municipal Year.

14 APPOINTMENT OF CHIEF FINANCIAL OFFICER AND SECTION 151 OFFICER

With the assistance of a report by the Chief Executive (a copy of which is appended in the Minute Book) regarding the legislative duty placed on the Council to appoint a Section 151 Officer, the Council were advised of the outcome of the meeting of the Senior Officers Committee which had met on 20th May 2024 to consider the appointment of a new Director of Finance and Corporate Resources. It was the intention that this post should take on the role of Section 151 Officer on commencement on their employment with the District Council.

Having noted that the proposal enabled the Council to fulfil its duty to appoint an Officer who is responsible for the Council's financial affairs and to ensure that the necessary governance arrangements are in place for Huntingdonshire District Council, it was

RESOLVED

- (a) that Suzanne Jones be appointed as the Council's Section 151 Officer on commencement of her employment as Director of Finance and Corporate Resources with a start date to be confirmed following necessary employment checks; and
- (b) that following the departure of Karen Sutton as the Council's Section 151 Officer, Sharon Russell-Surtees, (Chief Finance Officer) and currently

Deputy Section 151 Officer until the commencement of the employment of Suzanne Jones.

Chair

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CHAIR'S ENGAGEMENTS 23 May – 17 July 2024

Date:	Event:	Venue:
<u>May</u>		
Monday 27-May-24	Madingley American Military Cemetery Memorial Day Service*	Madingley
<u>June</u>		
Thursday 6-Jun-24	80th Anniversary of D Day - Flag Raising and Wreath Laying Ceremony (County)	Alconbury
Sunday 16-Jun-24	Installation of the Mayor of Peterborough	Peterborough
Wednesday 19-Jun-24	Proclamation of Midsummer Fair (Cambridge City Council)	Cambridge
Saturday 22-Jun-24	St Neots Armed Forces Day Gala - Civic Reception	St Neots
Monday 24-Jun-24	Fly the Flag Ceremony for our Armed Forces (Peterborough City Council)	Peterborough
Friday 28-Jun-24	Independence Day Firework Celebrations (RAF Alconbury)	Alconbury
Friday 28-Jun-24	Armed Forces Day Flag Raising (HDC)	Huntingdon
Saturday 29-Jun-24	The Royal Society of Saint George (Huntingdon Branch) Summer Reception	Buckden
<u>July</u>		
Saturday 6-Jul-24	Once Upon a Time in Huntingdon (BID Huntingdon)	Huntingdon
Sunday 14-Jul-24	Sea Sunday Service (RNA Huntingdon & District Branch)	Hartford
Tuesday 16-Jul-24	Hunts Forum Volunteer Event	Huntingdon

Notes:

1. *The above events have occurred since the last Full Council held on 22 May 2024.*
2. **Events attended by an alternate Member (Councillor Stephen Ferguson) on behalf of the Chair.*

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Public
Key Decision - No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: HDC Workforce Strategy and Action Plan

Meeting/Date: Council – 17 July 2024

Executive Portfolio: Cllr Lara Davenport Ray (LDR)

Report by: Strategic HR Manager (NB)

Ward(s) affected: N/A

Executive Summary:

During the first half of 2024 we have been creating the workforce strategy, breaking it down by individual pillars. We have now concluded that work and we are pleased to present the full workforce strategy.

Employees across HDC have had the opportunity to contribute to the strategy. Through testing our preliminary ideas on the workforce strategy content and conducting interactive workshops across the three pillars, we have achieved a high level of employee engagement in shaping the workforce strategy. With over **73%** of the staff, which amounts to **472** employees participating in both online and in-person engagement sessions, there is a strong collective effort in forming the recommendations and driving the strategy forward.

The involvement of senior leaders, ERG groups, elected members, and the integration of external networking and research further enriches the process, ensuring that the strategy aligns with best practices and industry standards.

Overall, this strategy is:

1. Working to achieve one of the actions under priority three of the Corporate Plan that is focused on 'Doing our core work well' and 'Delivering good quality, high value-for money services with good control and compliance with statutory obligations.'
2. Meeting one of the agreed actions from the Corporate Plan 'Complete the remaining elements of the Workforce Strategy to prepare the Council for the changing skills needed in our future workforce and ensure we can continue to attract, retain and nurture talent.'

From the feedback from the engagement sessions we have also created a draft action plan, which is also presented to you today. There is still work to be done on the prioritisation of the plan but this will demonstrate the scope of the activities that will be explored.

RECOMMENDATION:

The Council is asked to approve the Strategy.

1. PURPOSE OF THE REPORT

- 1.1 The report draws Councils attention to the Workforce Strategy and asks for endorsement to implement the use of it.

2.1 WHY IS THIS REPORT NECESSARY/BACKGROUND

- 2.2 Under Priority 3, 'Deliver good quality, high value-for-money services with good control and compliance for statutory obligations', of HDC's Corporate Plan one of the identified actions was to "Deliver a renewed Workforce Strategy to prepare the Council for the changing skills needed in our future workforce and to ensure that we can continue to attract, retain and nurture talent."
- 2.3 To achieve this action a project was initiated to understand what the workforce strategy needed to be and then to engage with our workforce to ensure that the strategy is truly collaborative and reflective of our staff views.
- 2.4 As presented at the November 2023 Employment Committee, various engagement activities have been taken to launch the project. The final area completed is the engagement on the third "pillar" Well-being.

2.5 KEY IMPACTS / RISKS

- a. The world of work is changing at a faster rate than ever before and HDC needs to be ready for these changes. This strategy will give us the framework and direction to ensure we are ready to meet the challenges of now and in the future. The strategy will impact across our entire workforce and whilst not all actions will impact everyone, some will impact everyone. This is why we have dedicated time to our engagement work to ensure we have captured as much feedback and ideas as possible, and whilst it may not be possible to implement all of the ideas either immediately, or at all, we will ensure feedback is given on the reasons for this.

2.6 WHAT ACTIONS WILL BE TAKEN/TIMETABLE FOR IMPLEMENTATION

- a. The implementation for the strategy is in a three-stage approach, as we will launch each "pillar" following each engagement piece.
- b. The timetable for this means that Pillar 3, Well-being, is being presented alongside the full strategy and supporting action plan. The action plan shows what we expect to do as a Council to achieve the strategy.
- c. **HDC Workforce Strategy Action Plan**
The workforce analysis and planning framework forms the foundation of our comprehensive workforce strategy action plan. Developed through extensive staff engagement and external research, the framework identifies the key focus areas we must address to align our workforce capacity and capabilities with HDC's strategic objectives.

Central to this plan is projecting our future workforce needs based on service delivery plans and budget forecasts. By thoroughly assessing our current

workforce, demographics, skills, and gaps, we can then develop targeted recruitment, retention, and reskilling strategies. Underpinning the entire plan is a commitment to fostering an engaged, high-performing, and inclusive, organisational culture. Below is a brief summary of the proposed action plan for the workforce strategy:

Attraction and Retention

- Develop strategies to attract and recruit talent while promoting HDC's employer brand, delivering on our employee value proposition (EVP).
- Implement initiatives to retain skilled and experienced staff, such as career development opportunities, competitive compensation, and a framework for employee well-being.

Workforce Planning

- Align workforce capacity and capability with HDC's strategic objectives.
- Implement succession planning for critical roles.
- Up-skill and re-skill the existing workforce.

Organisational Design

- Review of the council's organisational structure and job roles.
- Identify opportunities to improve efficiency, flexibility, and responsiveness.

Employee Engagement and Culture

- Initiatives to foster a positive and inclusive environment.
- Strategies to improve employee satisfaction, motivation, and productivity.

Performance Management

- Developing robust performance management systems.
- Linking individual objectives to overall Council priorities.

Learning and Development

- Invest in training and continuous professional development.
- Address identified skills gaps.

Workforce Diversity and Inclusion

- Promote equal opportunities and diversity in the workforce.
- Address any under-representation or barriers to employment.

Digital Transformation

- Leverage technology to enhance workforce productivity and efficiency.
- Upskill the workforce for digital ways of working.

Partnership and Collaboration

- Explore internal opportunities for shared services or joint working with other public sector organisations.
- Engage with external stakeholders to understand their workforce needs.

- d. Whilst the action plan has been developed, our officers are already working on and launching some of the recommended priorities.
Here is what we have achieved so far:
- Upgrade to the Learning Management System.
 - Changes to our Recruitment System.
 - The Launch of our Planning Recruitment video.
 - Corporate Narrative Sessions - employee voice.

2.7 LINK TO THE CORPORATE PLAN, STRATEGIC PRIORITIES AND/OR CORPORATE OBJECTIVES

[\(See Corporate Plan\)](#)

- a. This is a direct action of the Corporate Plan under Priority 3: Delivery good quality, high value-for-money services with good control and compliance for statutory obligations.

2.8 CONSULTATION

- a. All staff have had the opportunity to give feedback and ideas into what we do well and how we can better attract and retain employees, promote employee engagement and well-being, and what we need to do as a council to ensure we are fit for our workforce now and in the future. A total of **333** employees attended these sessions, which were held at most HDC sites and conducted both online and in person.
- b. The process of engaging the workforce to develop the renewed workforce strategy has been carefully structured to ensure that a wide range of perspectives has been captured and incorporated by using a variety of engagement channels to reach a broad cross-section of employees including:
- Conducting a staff-wide survey to collect employee input and feedback on our preliminary ideas.
 - Holding employee engagement sessions from different departments, levels, and backgrounds.
 - Organising town hall meetings to present the draft strategy proposals and gather additional input.

The project team communicated the engagement process, shared findings, and explained how employee input influenced the final workforce strategy. This transparency has built trust and accountability.

By using this multi-faceted approach, we have gained a comprehensive understanding of the workforce's needs and priorities. This has led to the development of a truly collaborative workforce strategy for HDC.

- c. In addition, we have engaged with the Senior leadership Team, UNISON and ERG to gain their feedback and we have held two sessions for this Committee to provide input.

2.9 REASONS FOR THE RECOMMENDED DECISIONS

- a. Adoption of the strategy will ensure we are working towards what our employees need now and what they will need in the future, and we will be achieving one of the actions to support the Corporate Plan.

2.10 LIST OF APPENDICES INCLUDED

Appendix 1 – HDC Workforce Strategy
Appendix 2 – Draft Workforce Strategy action plan

CONTACT OFFICER

Name/Job Title: Nicki Bane - Strategic HR Manager
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Email: nicki.bane@huntingdonshire.gov.uk

Workforce Strategy

Summer 2024



I am pleased to introduce our Workforce Strategy for Huntingdonshire District Council.

A workforce strategy is about collaboratively working together to define the organisation we want and need to be - not only now but for our future.

With that said, this strategy has been developed with you, our staff. Developing a workforce that feels connected to and can meet the current and future needs of our residents is vital if we are to achieve the ambitious outcomes set out in our Corporate Plan.



Our iCare values provide an excellent foundation for us to build upon but this strategy goes a step further. It sets out how we will address the workforce challenges we face.

People's needs and expectations of work are changing. Our aim is to build a workforce where there are opportunities for development and growth, and where every staff member feels valued, included, and appropriately rewarded.

As the world evolves, so do the needs and expectations of our workforce. The recent pandemic has accelerated this transformation, opening up new possibilities and ways of working. Looking to the future, we must ensure we have the right resources and skills to equip us for the challenges it may bring.

We are committed to supporting the well-being of staff as well as attracting, retaining, and growing our workforce, particularly in hard-to-recruit areas. Our focus is on creating compelling career pathways that benefit not only our staff but also contribute to the broader well-being of our community.

It is a privilege to lead a workforce with such a diverse range of skills and experience who provide such important services to Huntingdonshire residents every day. Whether you are an existing member of staff or thinking of joining us, thank you for taking the time to consider our Workforce Strategy.

Michelle Sacks, Chief Executive Huntingdonshire District Council

What is the Workforce Strategy?

At the heart of our council's success is our ability to attract, develop, and retain a talented workforce who truly connect with, and deliver, our priorities and values. This is what a Workforce Strategy delivers.

The Workforce Strategy provides a framework for how we are going to achieve the vision set out in the Corporate Plan. It sets the roadmap we will follow and the broad areas that are our priorities for delivery. Like all good strategies, it does not prescribe the detailed actions we will take. It will be regularly reviewed to ensure it is still fit for purpose and will change if the evidence supports new approaches being introduced.

We are renewing our Workforce Strategy to prepare the council for the changing skills needed in its future workforce and to ensure that we can continue to attract, retain, and nurture talent. This strategy will encompass the well-being, happiness, and inclusion of our staff. Whilst looking to offer varied and fulfilling careers that are adaptable in an ever-evolving work environment. We know that to have the best talent we need to invest in our employees; so we will look to develop and grow our talent where possible



Why do we need one?

A talented and aligned workforce is crucial for bringing our priorities to life and ensuring the organisation delivers on its outcomes.

Getting it right delivers significant benefits:

- ✓ **Higher quality services for our customers, greater staff engagement and retention, and lower levels of stress.**
- ✓ **Value for money services with our workforce made up of the right people in the right places, as direct people costs make up circa 40% of the council's expenditure, the cost of getting it wrong can be significant.**
- ✓ **To ensure that we can deliver our organisational priorities with our workforce.**
- ✓ **Become an employer of choice by providing training and empowering an innovative workforce.**

Developing the strategy

At the heart of the Workforce Strategy are our staff which is why we have involved them at every step of the way. So far this has involved:

- Regularly engaging with Employee Representative groups and a number of staff who are acting as our Workforce Strategy Champions.
- Testing our initial thoughts on the content of the Workforce Strategy and running interactive workshops with a combined attendance of over 300 staff from across the council, spread across the 3 pillars who have helped to shape the recommendations in this strategy. Senior Leaders and Elected Members have also been engaged with with.
- Undertaking external research to understand industry best practice and take learnings that we can bring to the Council.



Attraction and Retention

The Workforce Strategy has been broken down into three key areas or “Pillars” that cover the core areas that need to be focused on to be an employer of choice. This part of the strategy explains the key priorities under **Attraction and Retention**.

Recruitment

- A large focus on the work we do will be on recruitment as we move to attract top talent into the Council. To do this we need to develop a strong Employee Value Proposition (EVP) which will help us to sell the organisation. An EVP simply put is the value, through benefits, rewards and culture, that we can offer to potential new employees in return for their talent, skills and experience.
- To help build a workforce for the future and to fill any potential skills gaps there should be a plan to grow our own talent through apprenticeships and training posts.
- Once the right people have been sourced there needs to be an effective onboarding and induction programme which will help to retain the talent that has been found.

Learning and Development

A key part of retaining our staff will be:

- Ensuring that they are trained to effectively undertake their roles with key competencies being covered. This will be through formal courses and informal on the job training.
- Creating career pathways will also help to develop our staff and give a route to progression opportunities within the Council.
- Focussing on diversity and inclusion across the Council will ensure that we embrace all employees and their differences.

Reward

This is ensuring that the Council has:

- A competitive rewards package for our employees, including pay, benefits such as pension, high street discounts and by providing financial guidance and support to those who want it.
- Support to our employees and ensuring that we have flexible ways of working in a hybrid world.
- A focus on performance output rather than attendance.

Engagement

This part of the strategy explains the key priorities under **Engagement**.

Communication

- Have a clear sense of purpose and buy in with managers and leaders leading and facilitating this.
- Having open, accessible two-way communication paths which are clear and transparent and available to all.
- When communicating across the workforce we should approach this in a tailored manner so that we get the widest reach possible, using the resources available to us. One size does not fit all and not all staff have the same level of understanding. Communication does not have to be big; team meetings, open doors, and posters all help to engage people in different ways.
- Actively seeking feedback from employees both formally and informally so that we can ensure that messages are being heard and that feedback is acted on.

Recognition

- Being given informal recognition when its due. A simple and genuine 'thank you' goes a long way.
- Provide opportunities for formal recognition to take place, either through a formal process or an awards event.
- Make celebrating our successes part of our every day. Proudly sharing both internally and externally our achievements.

Positive Working Environment

- Create a positive working environment for all staff with managers who are trained and skilled in supporting this environment.
- Hybrid working has changed the work environment for many and it is important that those who work like this and manage hybrid workers have the support, skills, and guidance to do this effectively.
- Collaboration is a regular activity, not only within teams but across services, to help bring the most rounded ideas and outcomes for our residents.
- Facilitating a network of inclusivity groups across the Council.
- Further embedding the iCare values so they are a core part of the Council and all we do.

Well-being

The key priority under **Well-being** is to create an effective framework. This encompasses:

Physical, Mental & Emotional well-being

- The first, and biggest, part of the framework will cover an individual's physical, mental and emotional wellbeing, with employees needing different things at different stages of their life & career.
- A number of the activities under this part of the framework are self-directed and driven and are founded on the key principle of knowing your own self and body.
- Support can then be offered by HDC to enhance good physical, mental and emotional health through our support services and good working practices.

Workplace Social well-being

- Workplace social well-being meets the need for employees to interact in a positive and supportive manner.
- Teams should be given space to be able to connect, building and forming relationships outside of purely work-related activities.
- By encouraging role modelling wellbeing behaviours and creating space for open conversations, whether they are with colleagues, managers, employee reps, mental health first aiders or through the employee assistance programme.

Financial well-being

- The final part of the framework to ensure all-round well-being is to support financial well-being of employees.
- This can be through offering guidance and support through the Employee Assistance programme and other financial guidance tools.
- Providing discounts via our online lifestyle platform and seeking further opportunities to offer discounts on HDC products.

Future ways of working

With a decreasing pot of government funding, rising costs and inflation and greater pressure on our services we will need to find ways to save money or generate income in order to continue providing high-quality services. As a result of this, the council will not be able to continue to work in the same way and we will have to work out how to do more with less.

A key element of our Corporate Plan sets out that Do, Enable, Influence is a key strategic response to these challenges for the Council. We will play more of an enabling role and will make more use of partnership working and empower people to reduce demand for traditional public services.

DO. Using all our services and ways of working to best serve Huntingdonshire.

ENABLE. Huntingdonshire residents and businesses to thrive by listening and working with them.

INFLUENCE. Partner organisations and stakeholders by creating a shared vision that benefits Huntingdonshire.

The results of feedback, ideas and input from across the workforce has told us that we need to be:

Customer Focused – ensuring residents, contractors, members, and colleagues receive the best customer service at all times and are treated with respect.

Understanding of Council values and priorities – we all need to be very clear about the direction of the organisation and understand how they contribute to achieving our priorities.

Flexible, adaptable, and innovative – to deal with a changing environment as well as finding innovative ways to deliver services considering the need to drive down demand and make the best use of technology.

Able to deliver effective hybrid working – supporting managers and employees working in a hybrid world.

Outcome focused and high performing – whatever we do will need to have identifiable outcomes and meet the needs of our residents. We will need to work to the best of their ability and give 100%.

Well led and managed – with managers who demonstrate visible, fair, and pro-active leadership ensuring that our staff are supported, and where poor performance is identified it is managed effectively.

Working in a safe, healthy, and supportive environment – ensuring that we are safe at all times and work in a healthy and supportive environment enabling them to be at their best.

Engaged, motivated and resilient – we all need to feel well informed, clear on the direction of the organisation and resilient to meet the challenges that lay ahead.

Next steps

1

We will provide continuous communication back to the organisation, including a 'what are we going to do' page and appropriate comms to all staff.

2

We will invest in the action plan, through funding and resource to ensure we can deliver the agreed actions and will continue to work with employees across the council and the employee representative groups to deliver the work.

3

Follow the relevant governance procedures to ensure that the strategy and subsequent action plan are delivered. This will include reporting progress on the action plan to Elected Members via the Employment Committee.

4

Ensure we monitor impact, with the following as initial metrics:

- Feedback: from managers and staff via briefings
- Staff survey(s)
- Employment Committee Data reporting:
 - Staff turnover
 - Staff sickness
 - Success of Recruitment campaigns
- Satisfaction rates from Engagement Surveys.

HDC Workforce Strategy Action Plan

We are pleased to present the HDC Workforce Strategy Action Plan. This plan outlines the proposed action items for the HDC Workforce Strategy, organised by the identified pillars to address the workforce-related challenges and opportunities identified during our engagement sessions.

Key Points

Draft Status: This is a draft document we wanted to provide this as soon as possible to give you early insight into the work to be delivered.

Prioritisation, Resources, and Dependencies: The current action items are based on the feedback from the engagement sessions. However, we still need to prioritise these items, identify the necessary resources, and map out any dependencies between them.

Ongoing Actions: There are several actions that we can and are already undertaking. We will work to expedite these initiatives as part of the overall strategy.

Pillar	Theme	Activity	Resources required	Estimated Timeframe
Attraction and Retention	Create an employee value proposition (EVP)	Understanding what is HDC's EVP. Then building on this and embedding it across the organisation.	SLT, Members, HR, Comms, Managers, Rep Groups, employees	3-5 years
		Internal branding - have a consistent brand and message.		
		External branding - who do we sell to candidates.		
		Work to make employee HDC brand ambassadors.		

Attraction and Retention	Careers website	Create an updated careers website to ensure it is fit for purpose and attracts new candidates.	HR, ICT, and comms	Complete
Attraction and Retention	Online Presence	Build a stronger HDC online presence to show potential applicants what it is like here. Make use of social media channels.	HR, Comms, employees	12 months
Attraction and Retention	Attend employer events	Attend jobs fairs or schools/college careers to showcase our roles and opportunities. Raising HDC's profile.	HR, managers, employees	6 months
Attraction and Retention	Targeted recruitment	For specific roles look at specialist job boards or publications. Use talent sourcing.	HR, hiring managers	6 months
Attraction and Retention	Talent pools	Look to engage with groups that widen the normal talent pools. E.g., ex-offenders, armed forces leavers.	HR, SLT, Hiring manager	2 years
Attraction and Retention	Consider Staff referral programme	Explore the opportunity and benefit of launching a staff referral scheme.	HR	3 months

Attraction and Retention	Candidate assessment days	Review opportunities to hold assessment days for candidates. Allowing for more in-depth assessment of candidates.	HR, hiring managers	no fixed timeline
Attraction and Retention	Application form review	Review the current application form to ensure it is comparable to competitors and is easy to navigate and accessible.	HR	3 months
Attraction and Retention	Hiring time frame review	Review the timeframe from advert to offer and understand if there are opportunities to reduce this timeframe.	HR, hiring managers	On-going no fixed timeline
Attraction and Retention	Onboarding and induction	Ensuring face to face inductions for all new starters, and not just a day one event. Have an induction plan in place. Gather feedback from new starters.	HR, Hiring managers, teams	12-18 months

Attraction and Retention	Broader organisational induction	Allowing new starters to be inducted to HDC not just the specific team they work in through events such as the directors welcome. This should include political awareness information.	HR	On-going no fixed timeline
Attraction and Retention	Buddy programme for new starters	Ensure all new starters have a "buddy" who is not their line manager to allow them to have an alternative point of contact.	HR, hiring managers	Complete
Attraction and Retention	Succession planning and career development	Create a succession planning tool, to allow for "talent" to be spotted and trained.	HR, SLT, Managers	6 months
		Have opportunities for employees to undertake training in alternative areas to allow for development.		
Attraction and Retention	Mentoring and coaching	Create a cohort of mentors and coaches to supporting a development culture. This will require training for mentors.	HR, SLT, Managers, Employees	3 years
Engagement		Create shadowing programme for those looking for internal progression.		
Attraction and Retention	Facilitate communities of practice	Facilitate groups of employees with shared	Employees, Rep Groups, HR	6-12 months

		interest to connect and collaborate.		
Attraction and Retention	Learning and Development	Ensuring mandatory training is accessible to all.	HR	6-12 months
		Seek opportunities to offer life skills such as ESOL.		
Engagement		Training programme for managers.		
		Provide access or guidance to IT training.		
		Offer opportunities for employees to access CPD. and professional development opportunities.		
Attraction and Retention	Equality, Diversity & inclusion (ED&I)	Highlight our commitment to ED&I.	HR, Comms, employees	12 months
Engagement		Facilitate employee networking groups.		
Well-being				
Attraction and Retention	Celebrating success	Establish a culture of recognition.	Employees, Rep Groups, HR, Comms, Managers, SLT	2 years
		Celebrating achievement both internally and externally.		
Engagement		Verbal gratitude is a key factor.		
Well-being		Encouraging staff to recognise their peers.		

Attraction and Retention	Pay & Reward	Review of the current pay structure to ensure it is fit for purpose. Consideration to be given performance related pay.	SLT, Members, HR, Comms, Reps Groups, Manager	12 months
		Increment process reviewed and managed consistently.		
		Ensure current pay structure is understood.		
Attraction and Retention	Financial education	Offer financial education programmes to staff.	SLT, Reps Groups, HR	3 months
Well-being				
Attraction and Retention	Employee Assistance programme	Ensure benefits of the EAP are communicated to employees.	HR, Comms, Procurement	4 months
Well-being		Make sure service is fit for purpose and covers all areas needed including financial advice.		
Attraction and Retention	Reward	Review current reward offer with Vivup and advertise further.	HR, SLT, Comms, Reps Groups	Ongoing no fixed timeline
		Look at other rewards that could be offered such as e-vehicles, payroll savings, health cash plans.		

Attraction and Retention	Retirement planning	Offer retirement planning support	HR, comms	Complete
Attraction and Retention	Healthcare	Offer healthcare insurance	HR, SLT, partners, Comms	6 months
		Review any support from partners		
Attraction and Retention	Work life balance	Continue to offer work life balance, look to see if any other options could be given	HR, SLT, Rep Groups, Manager	On-going no fixed timeline
Engagement		Consider any alternative policies that can be in place to support work life balance		
Well-being				
Attraction and Retention	Clear Employment policies	Ensure that polices are up to date and in line with best practice	HR, SLT, Rep Groups, Manager	On-going no fixed timeline
Engagement		Ensure consistent application of policies across the whole of HDC		
Well-being		Provide policy training to managers		

Attraction and Retention	Family friendly policies	Review offers in family friendly policies to see if they can be further enhanced	HR, SLT, Rep Groups, Manager	3-6 months
Attraction and Retention	Staff support groups	Facilitate groups of employees with shared experiences to connect and offer support	Employees	12 months
Attraction and Retention	Family-Friendly events	Explore family friendly events to allow employees to involve their families in work	SLT, HR, Comms, Reps groups, employees	12 months
Engagement	Have clear objectives at all levels	Ensure that all staff understand the objectives of the council and how they fit into those objectives	SLT, HR, Comms, Reps groups, Managers, employees	12 months
Engagement	Communication	Ensure that communication is effective to all areas of the council	SLT, HR, Comms, Rep Groups, Managers, Employees	On-going no fixed timeline
		Review of management team meeting to ensure correct audience and messaging		
		Review of quarterly staff briefings to ensure they reach the widest possible audience and give appropriate information. Including guest speakers on relevant topics		

		Review of current comms for effectiveness and reach Encourage 2-way feedback		
		Explore active listening training for managers		
		Open door policy - more access to SLT for those not at Pathfinder House		
		Ensure regular feedback to check that messages are reaching all audiences		
Engagement	ICT access	Review how to ensure all staff can access IT systems	SLT, ICT, HR, Rep Groups	3 months
Engagement	Team management	Schedule regular team meetings in the most appropriate form for team	SLT, HR, Managers	6-12 months
		Regular one to ones for all staff - appropriate to the role and employees career aspirations		
		Promote teamwork and collaboration, not only in own service but across the council		
Engagement	Continuous Improvement culture	Establish a culture of continuous improvement and questioning the norm	SLT, HR, Manager, Rep Groups, Employees	2-3 years
Engagement	iCare Values	Work to embed the values	SLT, HR, Manager, Rep	12-18 months

		<p>Communicate the purpose</p> <p>Offer further training</p> <p>Bring the values to life</p> <p>Updated iCare values video</p> <p>Continue and look to expand iCare awards</p>	Groups, Employees	
Engagement	Long Service Awards	Review current long service award offer and based on best practice expand to consider other lengths of service	SLT, HR, Reps Groups, Employees	6 months
Engagement	Hybrid working	Establish clear hybrid working guidance for the council	SLT, HR, Reps Groups, Managers, Employees	6 months
Well-being				
Well-being	Create a Well-being strategy	Assess the requirement of the council	SLT, HR, Reps Groups, Managers, Employees	12-18 months
		Consider Mental, physical, and emotional well-being		
		Consider workplace social well-being		
		Consider financial well-being		
		Explore and embed workplace well-being champions		
		Consider obtaining workplace well-being charter accreditation		
		Create a well-being awareness calendar		
Provide well-being education				

Well-being	Employee Handbook	Ensure all employees have access to the employee handbook as a source of information and support	Managers, Employees, HR	3 months
Well-being	Workplace adjustments	Create an adjustment passport for those with alternative needs in the workplace	Managers, Employees, HR	Complete
Well-being	Mental Health first aid	Raise awareness	SLT, Managers, HR, employees, MHFA's, Rep Groups	6-12 months
		Provide resources to support mental well-being		
		Train managers in skills of spotting and supporting people with mental health issues		
		Raise profile of MHFA's		
		Recognises MHFA's and offer support to them		
Well-being	Sickness Absence	Ensure all managers are trained on the policy	HR, Managers, Rep Groups	Ongoing no fixed timeline
		Monitor return to work forms for completion and detail		
		Upskill managers in support services		
Well-being	Social well-being	Foster a culture of inclusivity	SLT, HR, Managers, Rep	18-24 months

		Peer networking groups	Groups, Employees	
		Team building activities		
		Social responsibility initiatives such as volunteering days		
		Opportunities/time to donate blood during working hours		
		Team "social" events		
Attraction and Retention	Use of Technology	Working with AI to enhance activity in the workplace	SLT, HR, Managers, Employees, ICT	TBC based on ICT timelines
Well-being				
Well-being	Dedicated personal time	Consider the implementation of a permitted well-being/personal development hour	SLT, HR, Rep Groups	6-12 months
Well-being	Social Committee	Form a social committee who will lead on social events for the council from book groups and sports teams to family days	Employees	12 months
Well-being	Gym memberships	Consider expanding one leisure discounted membership to family membership too	SLT, OL Management, HR	3 months
		Explore if discounts to other gyms may be beneficial		
Well-being	Recreation facilities	Consider pool tables/games consoles etc	SLT, Finance, Managers, HR	3-6 months

		Offer mindfulness/yoga/meditation sessions		
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Public
Key Decision - No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter:	Annual Report of the Corporate Governance Committee
Meeting/Date:	Corporate Governance Committee – 9th July 2024 Council – 17th July 2024
Executive Portfolio:	Councillor J Harvey - Executive Councillor for Governance and Democratic Services
Report by:	Chair of the Corporate Governance Committee 2023/24
Ward(s) affected:	All Wards

Executive Summary:

The Committee presents an annual report to the Council on the work that it has undertaken each year.

The draft annual report in respect of the 2023/24 is attached at Appendix 1. It has been prepared by Councillor Nic Wells, who was Chair of the Corporate Governance Committee during the period covered by the report. It summarises the work undertaken by the Committee during 2023/24 together with any issues that relate to the year.

If, after considering the draft report, the Committee wish to make any changes, it is proposed that the Chair be given authority to agree any amendments. The report will be presented to the next Full Council meeting.

The report will be uploaded onto the Council's website once it has been approved.

Recommendation(s):

It is recommended that the Council receive and note the Corporate Governance Committee 2023/24 Annual Report.

Appendix 1

1. PURPOSE OF THE REPORT

- 1.1 This is an annual report of the Committee which summarises the work it has undertaken during 2023/24 and any issues that arose in the year.
- 1.2 Once the draft report is approved by Committee it will be presented by the Chair of Committee at Council.

2. BACKGROUND

- 2.1 The Committee is required to discharge the functions of the Council in relation to both the corporate governance of the Council and the conduct of elected Members. This annual report sets to inform Council of the activities Committee has undertaken in discharging these functions.
- 2.2 It has been prepared by the Chair of the Corporate Governance Committee during the period covered by the report. It details matters that have been considered together with membership and attendance throughout the year.

3. REASONS FOR THE RECOMMENDED DECISIONS

- 3.1 Committee is required to review the draft report and approve that it is an accurate representation/reflection of the year.

4. LIST OF APPENDICES INCLUDED

Appendix 1 - Corporate Governance Committee: Chair's Annual Report to Council for the year ending 31st March 2024

CONTACT OFFICER

Name/Job Title: Sharon Russell-Surtees, Chief Finance Officer & Deputy S151
Email: Sharon.Russell-Surtees@huntingdonshire.gov.uk



Corporate Governance Committee

**Chair's Annual Report to Council
for the year ending 31st March 2024**

Introduction by the Chair of the Corporate Governance Committee

This report summarises both the Committee's activities during 2023/24 and issues that arose in that financial year. It is intended to:

- reassure the Council and other stakeholders that the committee is undertaking its responsibilities properly and in a way that allows it to exercise effective oversight; and
- demonstrate to the District's residents and other stakeholders the importance that the Council places on good governance, openness and probity in public life. The report sets out the contribution the Committee makes to achieving those aims. The Committee's meetings are open to the public and its report are available on the Council's website.

This is the end of my second year as Chair of the Committee, which has continued its focus on the following key issues:

1. Play a key role in the responding to the findings of the Local Government Association Peer Review of Internal Audit, focusing particularly on those aspects that relate directly to the activities of the Corporate Governance Committee.
2. Continue to make progress in resolving issues raised in previous Annual Governance Statements, and to increase the rate of progress during the year.
3. Identify lessons to be learned and applied from those issues.
4. Receive assurance that business continuity plans are in place and up to date.
5. Continue to increase the percentage of internal Audit actions completed on time.
6. Continually review and enhance the controls necessary to deal with cyberattacks and to manage Cloud services effectively.

Over the year the increasing focus on the Risks that exist for the organisation, and the role that Internal Audit plays in assessing the standard of management of these Risks, has continued. The Committee has asked for and received updates to the Corporate Risk Register at each meeting, and the ongoing scrutiny of Risk in the context of Audit continues to be a key objective of the Committee going forward.

To this end, the Chair and Vice Chair have worked with the Executive Councillor for Corporate & Shared Services to investigate ways of increasing the Council's effectiveness in Risk management, and the role that the Corporate Governance Committee can play in this. We have greatly appreciated the valuable input into this initiative from the Internal Audit team led by the Internal Audit manager.

Reassessment of some of the key audit actions has continued during the year, after it had become apparent that those actions needed to be reviewed in light of changed circumstances. It was agreed with the pertinent Corporate Director that changes be made to the relevant outstanding Audit actions to reflect the necessary changes.

The Chair and Vice Chair took part in the review of the LGA Audit Peer Challenge in March 2024. The LGA team identified a need to progress those of the 17 recommendations from the Challenge that were not yet complete with a deadline of May 2024 when the LGA Governance Review was scheduled to take place. We

have worked with HDC senior management and the Internal Audit team to ensure that all 17 recommendations are implemented, including those that relate to the Committee's activities.

One of the key actions focused on was the review of the Terms of Reference of the Committee. These were revised by reference to the CIPFA model terms of reference, supplemented by those terms relating to those areas of focus of the Committee which sit outside of its core Audit functions. The revised Terms of Reference will be presented for approval by Full Council in May 2024.

Another key action that has been addressed was to complete a skills matrix of committee members, to assist in assessing members' experience and potential training needs and the overall capability level of the committee. I would like to thank all those committee members who completed the skills matrix.

In light of the Government's stated intention to require local government audit committees to include one or more Independent non-voting members, the Committee has successfully undertaken an initiative to recruit Independent members to the Committee, with the result that two Independent members will join the committee from May 2024 subject to the approval of Full Council.

I would like to thank those Officers who have supported the Committee's activities over the Corporate year 2023-24; the Members who served on the Committee during the Corporate year, and in particular for Members' contributions to the Committee's oversight of all aspects of Corporate Governance.

I would also like to express my thanks to the Shared Services Cyber and Information Security Lead, for his presentation to members of the committee on 3C Shared Services' ICT provision to the Council in informal closed session in November 2023 and to the Strategic HR Manager, for presenting on the subject of HR training in closed session before the start of the Committee meeting in March 2024.

Councillor Nic Wells, Chair, Corporate Governance Committee

May 2024

ANNUAL REPORT OF THE CORPORATE GOVERNANCE COMMITTEE

YEAR ENDED 31ST MARCH 2024

This is the report to Council of the Corporate Governance Committee to summarise activities undertaken during 2023/24 demonstrating compliance with the *CIPFA Audit Committee Position Statement 2022 (CACPS)*, discharging its responsibilities and providing an assessment of its performance.

The CACPS sets out the purpose, model, core functions and membership of the Corporate Governance committee (CGC). It details outputs that must be established and evidenced:

- Purpose of CGC.
- Independent and effective model.
- Core functions, including specific responsibilities for:
 - Maintenance of governance, risk and control arrangements.
 - Financial and governance reporting.
 - Establishing appropriate and effective arrangements for audit and assurance.
- Audit committee membership.
- Engagement and outputs.
- Impact.

These areas are explored in the following report and the activities and achievements noted.

1. Purpose of CGC

The committee's purpose is to provide an independent and high-level focus on the adequacy of governance, risk and control arrangements. Its role in ensuring there is sufficient assurance over governance, risk and control gives greater confidence to all those charged with governance that those arrangements are effective.

The committee has oversight of both internal and external audit, together with the financial and governance reports, helping to ensure there are adequate arrangements in place for both internal challenge and public accountability.

In March 2024, the Committee agreed a revision of its Terms of Reference (ToR) which clarified its responsibilities and position in the governance structure of the authority.

2. Independent and Effective Model

The committee is an apolitical non decision making forum; it is an advisory committee that has sufficient importance in the authority, so that its recommendations and opinions carry weight and have influence with the

leadership team and those charged with governance. It is directly accountable to Council and is independent of the scrutiny and executive functions but has rights of access to and engagement with other committees or functions.

As part of the Local Government peer review of Internal Audit, the effectiveness of CGC was considered and, whilst it felt the committee was supportive of the work of Internal Audit, some recommendations were made to improve the effectiveness of this; these included the review of ToR, skills and training needs assessments and to consider using task groups to enable greater coverage of work. Skills assessments were undertaken and training plans to complement these are under development.

During the year, the committee approved the recruitment of up to two Independent Members to bolster the independence and skills of the committee. Two new independent members were recruited and will participate in the committee from May 2024 onwards.

The review of ToR also considered the committee size, and this has subsequently reduced to seven members plus up to two independent members for 2024/25.

3. Core Functions

3.1. Maintenance of governance, risk and control arrangements.

The committee considers updates from the organisation on the operation of its governance, risk and control arrangements. During 2023/24, this included:

- Recommending the approval to Council of the revised Risk Management Strategy.
- Reviewing and endorsing the Local Code of Corporate Governance update.
- Receiving regular updates on the organisation's Corporate Risk register, debating the risks included upon it, the mitigating actions proposed to control exposure to adverse impacts should those risks materialise and recommending further areas for consideration.
- Monitoring actions arising from Internal Audit reviews and receiving updates on actions not implemented by the agreed target dates.
- Reviewing new policies and policy updates and recommending these for approval to Council. During the year, the following policies were reviewed:
 - Whistleblowing
 - Risk Management Strategy
 - Disposals and Acquisitions policy, Land and Property – update on thresholds.
- Receiving and noting the Annual Review of Fraud Investigation activity report.
- Receiving and noting the Annual Complaints report.
- Receiving and noting the Polling Districts and Polling Place Review.
- Receiving an update on the organisation's compliance with the Information Rights Act and Information Governance.
- Receiving the LGA Peer Review of Internal Audit Report, agreeing the recommended actions and monitoring completion of these.

- Recommending the appointment of Lead and Deputy Independent Persons.
- Considering a report by the Elections and Democratic Services Manager on the Code of Conduct and Register of Disclosable Pecuniary Interests.
- Considering the annual review of the Benefits Risk Based Verification Policy.

3.2. Financial and governance reporting.

The committee received the audited Statements of Accounts for 2021/22 and draft Statements of Accounts for 2022/23 during the year, together with the supporting Annual Governance Statements (AGS) for the respective years and agreed publication of such having satisfied itself they properly reflect the risk environment, any actions required to improve it, and to demonstrate how governance supports the achievement of the authority's objectives.

The organisation's external auditors attended committee meetings in April 2023 and September 2023 to feedback observations from their reviews and to give committee members an opportunity to ask questions of the independent review and gain assurance on the organisation's control and governance framework.

3.3. Establishing appropriate and effective arrangements for audit and assurance

The committee reviews and approves the Internal Audit Charter on an annual basis alongside the Annual Internal Audit Plan. The Charter, which was significantly revised in May 2024 to align with CIPFA's and PSIAS's recommendations, defines the purpose, authority and responsibility of internal audit activity, establishes the Internal Audit Service's position within the organisation; authorises access to records, personnel and physical properties relevant to the performance of engagements; and defines the scope of internal audit activities.

The Annual Internal Audit Plan details the expected activities for the Internal Audit Team over the coming year and is based upon the outputs of the Risk Management Strategy. It aims to be able to provide assurance that the controls in place to protect the organisation are deployed effectively and monitored regularly.

The following Internal Audit activity was undertaken during 2023/24, and confirmed to committee:

Audit Area/Opinion	Date report issued	Actions Arising	
		Red	Amber
<u>Substantial Assurance:</u>			
None			
<u>Reasonable Assurance:</u>			
CIPFA Financial Management Code	April 2024	0	0
Safeguarding	January 2024	0	16
Tree Management	April 2024	0	8
Disabled Facilities Grants annual declaration	n/a	0	0
Climate - carbon data	draft	0	4
<u>Limited Assurance:</u>			
None			
<u>Position statement only:</u>			
Business Continuity Planning	May 2024	n/a	n/a
People Capacity	May 2024	n/a	n/a
GDPR – Health Check Improvement Action Plan	draft	n/a	n/a
<u>Key Controls:</u>			
Council Tax	February 2024	0	0
NNDR	February 2024	0	0
Creditors	November 2023	0	0
Debtors	December 2023	0	0
Main Accounting System	December 2023	0	0

The committee receives regular reports on the completion of audit actions, in particular, actions which are not implemented by the agreed due date. The reports to committee update on the reasons for non-implementation and the work being undertaken to achieve completion. During the year, the committee noted a number of actions related to Procurement activities (although not all of these rested with the Procurement team) and asked that resource capacity in this area was reviewed; additional Procurement resources have been approved to assist services across the organisation.

4. Audit committee membership

The terms of reference for the committee were reviewed in March 2024 to ensure CIPFA's requirements for an audit committee were met. Whilst CIPFA's model terms of reference was used as a basis for the review, the committee's terms of reference also include responsibility for Constitutional, Conduct and Regulatory Arrangements. The review included a proposal to reduce the committee

membership to seven members plus up to two independent members. This was agreed at Council in April 2024.

Two independent non-voting members were recruited and approved to committee in April 2024, to complement the skills of the existing committee members.

An assessment of members' governance skills was undertaken and will be used to inform the member training programme for the current year.

5. Engagement and outputs

During 2023/24 the committee met on seven occasions.

Committee meetings were regularly attended by the Internal Audit Manager, the Director of Finance and Corporate Resources, the Managing Director/Chief Executive and other officers as required. The Chair and Vice Chair were able to meet the officers outside of committee, if required.

The organisation's external auditors attended committee meetings on two occasions to discuss audit progress and were able to meet independently with the Chair.

Committee members were invited to contribute to the LGA Peer Review of Internal Audit, and their opinions noted in the final report.

6. Impact

As part of the LGA Peer Review of Internal Audit, the committee was asked to consider its role in the organisation's governance and assurance processes, and suggestions made for change, such as:

- Reviewing membership committee size and membership.
- Recruiting Independent Members.
- Reviewing its Terms of Reference
- Assessing its skills and considering areas for improvement through training.

As already noted, these have all been undertaken during the year and the committee now more closely aligns itself with CIPFA's Audit Committee Position Statement 2022.

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**Public
Key Decision - No**

HUNTINGDONSHIRE DISTRICT COUNCIL

Title: Treasury Management Outturn Report 2023/24

Meeting/Date: Council – 17th July 2024

Executive Portfolio: Councillor B A Mickelburgh
(Executive Councillor for Finance & Resources)

Report by: Chief Finance Officer

Ward(s) affected: All Wards

Executive Summary:

Best practice and prescribed treasury management guidance requires Members to be kept up to date in respect of treasury management activity for the first half of the year, including investment and borrowing activity and treasury performance.

The Council's 2023/24 Treasury Management Strategy was approved by the Council on the 22nd February 2023 and this report sets out the treasury performance for period between 1st April 2023 and 31st March 2024.

The main purpose of Treasury Management is to.

- Ensure the Council has sufficient cash to meet its day to day obligations.
- Invest surplus funds in a manner that balances low risk of default by the borrower with a fair rate of interest.
- Borrow when necessary to fund capital expenditure, including borrowing in anticipation of need when rates are low.

The key market Treasury Management issues during 2023/24 influencing the Council's decision-making were.

- During 2023/24 inflation rates remained high, although rates starting easing towards the end of 2023/24. High rates of inflation (and remaining higher for longer than expected), has resulted in interest rates also remaining higher for longer than initially forecast.
- The Bank of England Bank Rate was at 4.25% at the start of the financial year and had increased to 5.25% by March 2024. With forecasts

indicating falls in 2024/25.

- Market rates increased during the year (but not as substantially as 2022/23), with the council's weighted average interest earned rate increasing from 3.85% as at 31st March 2023 to 5.22% as at 31st March 2024. Rates therefore remained high for the post financial crash period.

The Council's responses to the key issues were.

- When the Council has surplus funds, these were primarily invested on a short-term basis, in the Debt Management Office, money market funds and bank deposits.
- Where possible to take a higher return without sacrificing liquidity.
- If borrowing the Council would use the Public Works Loan Board (PWLB), which offers low fixed rate borrowing, based on gilt yields over a long period.
- Where economic and credit conditions are forecast to deteriorate it is vital to monitor financial institutions credit rating, and credit default swap rates (the cost to insure lending) in order to assess counterparty risk. This information is provided by the Council's treasury adviser – Link Group, the provision of information includes a credit alerts system.

The Council's Commercial Investment Strategy (CIS)

The Commercial Investment Strategy commenced in 2015/16. Indicators relating to the investments are shown in **Appendix A section 3.4, table 17, table 18 and Annex A.**

These investments generated £2.4m of investment income for the Council in 2023/24 after taking account of direct costs. The breakdown of the property's portfolio is shown in **Table 8 and Annex A**, and the proportion of the investment income in relation to gross service expenditure, in **Table 9 of Appendix A.**

Recommendation(s):

The Council is recommended to

- **Note the treasury management performance for 2023/24.**

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to update councillors on the Council's treasury management activity during 2023/24, including investment and borrowing activity and treasury performance.

2. BACKGROUND

- 2.1 It is regarded as best practice and prescribed treasury management practice, that Members are kept up to date with treasury management activity.
- 2.2 The Council approved the 2023/24 Treasury Management Strategy at its meeting on 22nd February 2023.
- 2.3 All treasury management activity undertaken during 2023/24 complied with the CIPFA Code of Practice and relevant legislative provisions.
- 2.4 The investment strategy is to invest any surplus funds in a manner that balances low risk of default by the borrower with a fair rate of interest. The Council's borrowing strategy permits borrowing for cash flow purposes and funding current and future capital expenditure over whatever periods are in the Council's best interests.

3. ANALYSIS

Economic Review

- 3.1 An economic review of the year has been provided by our Treasury Management advisors, Link Group and is attached with an analysis of the local context implications in **Appendix A section 2.0**.

Performance of Council Funds

- 3.2 The treasury management transactions undertaken during 2023/24 and the details of the investments and loans held as at 31st March 2024 are shown in detail in **Appendix A section 3.0 to 3.2**.

Risk Management

- 3.3 The Council's primary objectives for the management of its investment are to give priority to the security and liquidity (how quickly cash can be accessed) of its funds before seeking the best rate of return. For more details see **Appendix A section 3.3**.

Non-Treasury Investments

- 3.5 The definition of investments in CIPFA's revised Treasury Management Code now covers all the financial assets of the Council as well as other non-financial assets which the Council holds primarily for financial return. The full details of these investments can be found on **Section**

3.4 of Appendix A.

4. COMPLIANCE

- 4.1 Compliance with specific investment and debt limits are indicated in **tables 10 to 16 of Appendix A.**

5. TREASURY MANAGEMENT INDICATORS

- 5.1 The Council measures and manages its exposure to treasury management risks using indicators which are details in the **Appendix A section 5.0.**

6. COMMENTS OF OVERVIEW & SCRUTINY

- 6.1 The Panel discussed the Treasury Management Outturn Report 2023/24 at its meeting on 5th June 2024
- 6.2 In response to questions from Councillor Blackwell, the Panel heard that the Council did hold loans against the Fareham site and that although the unit had a current book value less than the cost of loan, it was anticipated to rise in line with the market. The Panel were further assured that the property portfolio had proved to be a sound long-term investment over the years and the book value of the Fareham site was affected by it's current empty state but that there had been significant interest which gave the team every confidence that this would improve once re-let.
- 6.3 Following the discussion, the Panel were informed that their comments would be added to the Cabinet report in order for an informed decision to be made on the report recommendations.

List of Appendices;

Appendix A

- Economic review (source: Link Group)
- Borrowing and Investment as at 31st March 2024
- Risk Management
- Non-treasury Investments
- Treasury Management Indicators

Appendix B

- Capital Prudential Indicators

Appendix C

- Glossary

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Treasury Management Outturn Performance Review

1.0 Introduction

The Council adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice* (the CIPFA Code) which requires the Council to approve treasury management semi-annual and annual reports.

The Council's treasury management strategy for 2023/24 was approved at a meeting on 22nd February 2023. The Council does borrow and invest substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remain central to the Council's treasury management strategy.

Treasury risk management at the Authority is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year and, as a minimum, a semi-annual and annual treasury outturn report.

The Prudential Code includes a requirement for local authorities to provide a Capital Strategy, a summary document approved by full Council covering capital expenditure and financing, treasury management and non-treasury investments. The Authority's Capital Strategy, complying with CIPFA's requirement, was approved by full Council on 22nd February 2023.

2.0 External Context

2.1 The UK Economy

Against a backdrop of stubborn inflationary pressures, the Russian invasion of Ukraine, and war in the Middle East, UK interest rates have continued to be volatile right across the yield curve, from Bank Rate through to 50-year gilt yields, for all of 2023/24.

Markets have sought an end to central banks' on-going phase of keeping restrictive monetary policy in place on at least one occasion during 2023/24 but to date only the Swiss National Bank has cut rates and that was at the end of March 2024.

UK, EuroZone and US 10-year yields have all stayed stubbornly high throughout 2023/24. The table below provides a snapshot of the conundrum facing central banks: inflation is easing, albeit gradually, but labour markets remain very tight by

historical comparisons, making it an issue of fine judgment as to when rates can be cut.

Table 1: Economic Indicators

	UK	Eurozone	US
Bank Rate	5.25%	4%	5.25%-5.5%
GDP	-0.3%q/q Q4 (-0.2%/y/y)	0.0%q/q Q4 (0.1%/y/y)	2.0% Q1 Annualised
Inflation	3.4%/y/y (Feb)	2.4%/y/y (Mar)	3.2%/y/y (Feb)
Unemployment Rate	3.9% (Jan)	6.4% (Feb)	3.9% (Feb)

The Bank of England sprung no surprises in their March meeting, leaving interest rates at 5.25% for the fifth time in a row and, despite no MPC members no longer voting to raise interest rates, it retained its relatively hawkish guidance. The Bank’s communications suggest the MPC is gaining confidence that inflation will fall sustainably back to the 2.0% target. However, although the MPC noted that “the restrictive stance of monetary policy is weighing on activity in the real economy, is leading to a looser labour market and is bearing down on inflationary pressures”, conversely it noted that key indicators of inflation persistence remain elevated and policy will be “restrictive for sufficiently long” and “restrictive for an extended period”.

Of course, the UK economy has started to perform a little better in Q1 2024 but is still recovering from a shallow recession through the second half of 2023. Indeed, Q4 2023 saw negative GDP growth of -0.3% while y/y growth was also negative at -0.2%.

But it was a strange recession. Unemployment is currently under 4%, against a backdrop of still over 900,000 job vacancies, and annual wage inflation is running at above 5%. With gas and electricity price caps falling in April 2024, the CPI measure of inflation - which peaked at 11.1% in October 2022 – is now forecast to slide below the 2% target rate in April and to remain below that Bank of England benchmark for the next couple of years, according to Capital Economics. The Bank of England still needs some convincing on that score, but upcoming inflation and employment releases will settle that argument shortly. It is noted that core CPI was still a high 4.5% in February and, ideally, needs to fall further.

Shoppers largely shrugged off the unusually wet weather in February, whilst rising real household incomes should support retail activity throughout 2024. Furthermore, the impact of higher interest rates on household interest payments is getting close to its peak, even though fixed rate mortgage rates on new loans have shifted up a little since falling close to 4.5% in early 2024.

From a fiscal perspective, the further cuts to national insurance tax (from April) announced in the March Budget will boost real household disposable income by 0.5 - 1.0%. After real household disposable income rose by 1.9% in 2023, Capital Economics forecast it will rise by 1.7% in 2024 and by 2.4% in 2025. These rises in real household disposable income, combined with the earlier fading of the drag from previous rises in interest rates, means GDP growth of 0.5% is envisaged in 2024 and

1.5% in 2025. The Bank of England is less optimistic than that, seeing growth struggling to get near 1% over the next two to three years.

2.2 Equity Markets

As for equity markets, the FTSE 100 has risen to nearly 8,000 and is now only 1% below the all-time high it reached in February 2023. The modest rise in UK equities in February was driven by strong performances in the cyclical industrials and consumer discretionary sectors, whilst communications and basic materials have fared poorly.

Despite its performance, the FTSE 100 is still lagging behind the S&P 500 (US index), which has been at an all-time high for several weeks.

2.3 Global

USA.

Despite the markets willing the FOMC (Federal Open Market Committee, set the interest rate in the US) to cut rates as soon as June 2024, the continued resilience of the economy, married to sticky inflation, is providing a significant headwind to a change in monetary policy. Markets currently anticipate three rate cuts this calendar year, but two or less would not be out of the question. Currently, policy remains flexible but primarily data driven.

In addition, the Federal Reserve (US central bank) will want to shrink its swollen \$16 trillion balance sheet at some point. Just because the \$ is the world's foremost reserve currency (China owns over \$1 trillion) does not mean the US can continually run a budget deficit. The mix of stubborn inflation and significant treasury issuance is keeping treasury yields high. The 10 year stands at 4.4%.

As for inflation, it is currently a little above 3%. The market is not expecting a recession, but whether rates staying high for longer is conducive to a soft landing for the economy is uncertain, hence why the consensus is for rate cuts this year and into 2025, but how many and when?

Euro Zone

Although the Euro-zone inflation rate has fallen to 2.4%, the ECB (European Central Bank) will still be mindful that it has further work to do to dampen inflation expectations. However, with growth steadfastly in the slow lane (GDP flatlined in 2023), a June rate cut from the current 4% looks probable.

2.4 Regulatory changes

IFRS 9 Fair Value of Assets

Following the consultation undertaken by the Department of Levelling Up, Housing and Communities [DLUHC] on IFRS 9, the Government has extended the mandatory statutory override for local authorities to reverse out all unrealised fair value

movements resulting from pooled investment funds to 31st March 2025. Local authorities are required to disclose the net impact of the unrealised fair value movements in a separate unusable reserve throughout the duration of the override in order for the Government to keep the override under review and to maintain a form of transparency. This mechanism applies to the CCLA Property Fund in which the council has £4m invested.

IFRS 16 Leases

IFRS16 which will have the effect of bringing currently off-balance sheet leased assets onto the balance sheet, has been delayed by accounting regulators until 2024/25.

3.0 Local Context

On 31st March 2024, the Council had net investing of £32.08m arising from its revenue income and capital income and expenditure. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The CFR is a measure of the Council's indebtedness

These factors are summarised in Table 2 below.

Table 2: Balance Sheet Summary

	31.3.24 Actual £m
General Fund CFR	72.3
Less: *Other debt liabilities	(0.5)
Total CFR	71.8
External borrowing	(34.3)
Internal borrowing	37.5
Balance Sheet Resources ⁽¹⁾⁽²⁾	(105.8)
Investments	(68.3)

⁽¹⁾Includes debtors, stock, long term debtor, overdraft, creditors, capital grants received in advance, provisions, long term liabilities, usable reserves.

⁽²⁾This is an unaudited figure.

The Council pursued its strategy of keeping borrowing and investments below their underlying levels, sometimes known as internal borrowing, to reduce risk and keep interest costs low.

The treasury management position as at 31st March 2024 and the change during the year is shown in Table 3 below.

Table 3: Treasury Management Summary

	30.3.23 Balance £m	Movement £m	31.3.24 Balance £m	31.3.24 Rate %⁽¹⁾
Long-term borrowing	34.36	(0.09)	34.27	2.84
Short-term borrowing	0.00	0.00	0.00	
Total borrowing	34.36	(0.09)	34.27	2.84
Long-term investments	4.00	0.00	4.00	4.62
Short-term investments	40.00	5.60	45.60 ⁽²⁾	5.19
Cash and cash equivalents	11.52	5.23	16.75	5.19
Total investments	55.52	10.83⁽³⁾	66.35	5.15
Net Investing	21.16	10.74	32.08	

⁽¹⁾Weighted average

⁽²⁾This does not include loans to local organisations, as these are not considered investments. This is DMO deposits.

⁽³⁾This is a net movement, investments made were £587.73m and investments returned £576.90m.

3.1 Borrowing Strategy during the period

At 31st March 2024, the Council held £34.27m of loans, a decrease of £0.09m from 31st March 2023. The main decrease resulted from the council repaying PWLB borrowing related to the Cambridge Regional College loan. Outstanding borrowing on 31st March are summarised in Table 4 below.

Table 4: Borrowing Position

	30.3.23 Balance £m	Net Movement £m	31.3.24 Balance £m	31.3.24 Weighted Average Rate %	31.3.24 Weighted Average Maturity (years)
Public Works Loan Board	34.33	(0.08)	34.25	2.84%	20.5
Salix	0.03	(0.01)	0.02	0.00%	1.9
Short-term ⁽¹⁾	0.00	0.00	0.00	0.00%	0.0
Total borrowing	34.36	(0.09)	34.27	2.84%	20.5

⁽¹⁾There has been no short-term borrowing in 2023/24

The Council's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Council's long-term plans change being a secondary objective.

With short-term interest rates remaining much lower than long-term rates, the Council considered it to be more cost effective in the near term to use internal resources or if necessary short-term loans instead. The Council had not used short-term loans facility in this financial year.

It was anticipated that the Council's CFR would increase due to the capital programme expenditure. However some schemes have been delayed, and also schemes that have gone ahead have been funded by grants, with the result that no new loans have been taken out.

Table 5: Loan Schedule

Long-dated Loans borrowed	PWLB Reference	Amount £	Rate %	Period (Years)
PWLB 1	495152	5,000,000	3.91	34.75
PWLB 2	495153	5,000,000	3.90	33.75
PWLB 12	506436	5,000,000	2.78	13.52
PWLB 13	508696	7,291,685	2.49	14.95
PWLB 15	509389	11,963,000	2.18	15.25
Salix		17,550	0.00	1.88
Total borrowing		34,272,235	2.84	20.50

The Council's borrowing decisions are not predicated on any one outcome for interest rates and a balanced portfolio of medium and long-term borrowing is maintained.

3.2 Treasury Investment Activity

The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. The investment position is shown in table 6 below.

Table 6: Treasury Investment Position

The weighted average interest rate for the investment portfolio up to 31.03.2024 was 5.22% (31.03.2023 3.85%).

	30.3.23	Net	31.3.24	31.3.24	31.3.24
	Balance	Movement	Balance	Weighted	Weighted
	£	£m	£m	Income	Average
				Return ^(1,2)	Maturity ⁽⁴⁾
				%	days
Banks & building societies (unsecured)	1,121,000	(568,000)	553,000	3.24%	1
Government DMO	40,000,000	5,600,000	45,600,000	5.19%	17
Money Market Funds	10,400,000	5,800,000	16,200,000	5.25%	1
Loans to other organisation	2,080,000	(92,000)	1,988,000	7.25% ⁽³⁾	1,628 ⁽⁵⁾
Other Pooled Funds .					
- <i>Property funds</i>	4,000,000	0	4,000,000	4.62%	>365
Total investments	57,601,000	10,740,000	68,341,000	5.22%	

⁽¹⁾Weighted Income return is based on the rate of return and the investments held as at 31/03/2024.

⁽²⁾Returns as at 31/03/2023, Banks and Building Societies 0.10%, Government 3.96%, MMFs 3.68%, Loans 4.24%, Property Fund 3.98%.

⁽³⁾This includes the annual average rate for the Urban and Civic loan, 7.4%, which is a variable (monthly) rate. The loans to Cambridge Regional College and Huntingdon Gym Club were paid off during 2023/24.

⁽⁴⁾Measured from 31/03/2024 not the deposit date.

⁽⁵⁾Approximately 4.5 years

3.3 Risk Management

Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

Given the increasing risk and low returns from short-term unsecured bank investments, the Council has maintained a diversified portfolio of asset classes as shown in table 6 above.

The progression of risk and return metrics are shown in Table 7 below.

Table 7: Investment Benchmarking – Treasury investments managed in-house

	Portfolio Risk Score⁽¹⁾	Average Credit Rating	Weighted Average Maturity (days)	Rate of Return %
31.03.2023	1.04	AA	17	3.92
30.09.2023	1.03	AA	42	5.27
31.03.2024	1.02	AA	17	5.16

⁽¹⁾This score works on a scale of 1 to 7, with 7 highest risk.

£4.0m of the Council's investments are held in externally managed strategic pooled property funds – CCLA Property Fund where short-term security and liquidity are lesser considerations, and the objectives instead are regular revenue income and long-term price stability. This fund generated a total return of £184,685 (4.62%), for period of 1st April 2023 to 31st March 2024 which is used to support services in year.

Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Council's investment objectives are regularly reviewed. Strategic fund investments are made in the knowledge that capital values will move both up and down on months, quarters and even years; but with the confidence that over a three- to five-year period total returns will exceed cash interest rates. In light of their performance over the medium-term and the Council's latest cash flow forecasts, investment in these funds has been maintained.

3.4 Non-Treasury Investments

The definition of investments in CIPFA's revised Treasury Management Code now covers all the financial assets of the Council as well as other non-financial assets which the Authority holds primarily for financial return. This is replicated in DLUHC's Investment Guidance, in which the definition of investments is further broadened to also include all such assets held partially for a financial return.

The Authority also held £70.8m of such investments in:

- directly owned property £70.7m
- shareholding in subsidiaries £0.1m (not yet active)

Table 8: Property held for investment purposes in £'000.

Commercial Investment Property (Summary)	31/03/2023 Value £000s	Gain/(Loss) Addition £000s	31/03/2024 Value ⁽¹⁾ £000s
Legacy Properties;			
Huntingdon	21,599	(7)	21,592
St Ives	1,415	29	1,444
St Neots	7,314	(36)	7,278
	30,328	(14)	30,314
CIS Properties			
2 Stonehill	2,481	(205)	2,276
80 Wilbury Way	1,873	35	1,908
Shawlands Retail Park	6,055	(273)	5,783
1400 & 1500 Parkway	4,037	0	4,037
Rowley Arts Centre, St Neots	6,641	269	6,910
Little End Road, St Neots	3,321	(33)	3,288
Tri-link, Wakefield	14,748	(62)	14,686
Alms Close	1,447	2	1,449
	40,603	(267)	40,337
Total	70,931	(281)	70,651

⁽¹⁾The valuations are still subject to review and audit

These investments generated £3.92m (2022/23 £5.36m) of investment income for the Authority for 2023/24, a decrease of 37% on 2022/23, as a result of reduced rents at Fareham, Stonehill and Rowley Arts Centre. This is a yield of 5.55% (2022/23 7.58%).

The Authority is dependent on profit generating investment activity to achieve a balanced revenue budget. The table below shows the extent to which the expenditure planned to meet the service delivery objectives and/or place making role of the Authority is dependent on achieving the expected net profit from investments over the lifecycle of the Medium-Term Financial Strategy.

Table 9: Proportionality of Investments in £'000

	2022/23 Actual £000s	2023/24 Actual £000s	2024/25 Budget £000s	2025/26 Budget £000s	2026/27 Budget £000s
Gross service expenditure	83,412	80,918	81,168	78,839	75,936
Net Investment income;					
Commercial Property	4,177	2,624	3,330	3,547	3,615
Service Investments	92	147	120	120	120
Proportion	5%	3%	4%	5%	5%

3.5 ESG

Two products have been identified as possible investment opportunities for the council, that take into account ESG factors. Standard Chartered Bank offer a Sustainable Fixed Term Deposit, this deposit is linked to sustainable assets, and is referenced to the UN Sustainable Development Goals, funds are used to address issues such as climate change, health and education. The deposits have third party verification and the framework is reviewed annually.

The second potential product is the Barclays Green Deposit, a notice account. The funds are used for a range of products aimed at the transition to a lower carbon economy. The deposits are linked with Barclays' Green Bond Purchasing Programme, which covers projects including energy efficiency, renewable energy, green transport, sustainable food, and greenhouse gas emissions. Both products are under review and the aim is to look at investing once current counterparty rates start to fall, and a more diverse portfolio is required to maintain returns.

3.6 Business Continuity

In order to maintain the level of knowledge within the council relating to treasury, one of the finance business partners has undertaken to increase his knowledge of the treasury function. As a result of this he has attended meetings with the council's treasury advisors (Link Group), and is booked on a CIPFA course Introduction to Treasury Management. He will also be involved in the update to the treasury management practices process notes undertaken during 2024/25.

4.0 Compliance

The Chief Finance Officer (s151 officer) reports that all treasury management activities undertaken during the financial year complied fully with the CIPFA Code of Practice and the Council's approved Treasury Management Strategy. Compliance with specific investment limits is demonstrated in table 11 below.

Compliance with the authorised limit and operational boundary for external debt is demonstrated in table 10 below.

Table 10: Debt Limits

	31.3.24 Actual £m	2023/24 Operational Boundary £m	2023/24 Authorised Limit £m	Complied?
General	10.02	70.00	80.00	Yes
Service Loans	0.00	15.00	20.00	Yes
CIS	24.25	30.00	35.00	Yes
Total debt	34.27	115.00	135.00	

Since the operational boundary is a management tool for in-year monitoring, it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure, although this did not happen. Total debt was below the operational boundary all through the quarter.

Table 11: Investment Limits

	31.3.24 Actual £m	2023/24 Limit £m	Complied?
Deposit Accounts			
NatWest	0.552	4.00	Yes
Barclays	0.001	4.00	Yes
Government and LAs			
Debt Management Office (DMO) - HMG	45.60	unlimited	Yes
Money Market Funds			
Aberdeen Liquidity Fund	2.40	4.00	Yes
BlackRock Institutional sterling liquidity Fund	2.40	4.00	Yes
CCLA Public Sector Deposit Fund	2.00	4.00	Yes
Federated Short Term Prime Fund	2.20	4.00	Yes
HSBC ESG	2.40	4.00	Yes
Insight Liquidity Funds	1.20	4.00	Yes
Invesco	2.40	4.00	Yes
Legal & General Sterling Liquidity Fund	1.20	4.00	Yes
Total	62.35		
Long-term Investments			
CCLA Property Fund	4.00	5.00	Yes
	66.35		

5.0 Treasury Management Indicators

The Council measures and manages its exposures to treasury management risks using the following indicators.

Security

The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking

the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Table 12: Credit Ratings⁽¹⁾

	31.3.24 Actual	2023/24 Target	Complied?
Portfolio average credit rating	AA	A-	Yes

⁽¹⁾Credit ratings (Fitch, investment grade) are in descending order AAA, AA+, AA, AA-,A+,A,A-,BBB+,BBB,BBB-.

Liquidity

The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three-month period, without additional borrowing.

Table 13: Cash Availability

	30.3.24 Actual £m	2023/24 Target £m	Complied?
Total cash available within 3 months	62.35	10	Yes

Interest Rate Exposures

This indicator is set to control the Council's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest were:

Table 14: Interest Rate Risk

Interest rate risk indicator	31.3.24 Actual	2023/24 Limit	Complied?
Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates	£436,171 (Net Income)	£630,000 (Income)	Yes
Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates	£436,171 (Net Expenditure)	£630,000 (Expenditure)	Yes

The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at the same amount. The total

interest earned in 2023/24 was £3.5m (2022/23 £1.3m) and total interest paid £1.0m (2022/23 £1.0m).

Maturity Structure of Borrowing

This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of all borrowing were:

Table 15: Borrowing Maturity

Borrowing Maturing	31.3.24 Actual	Upper Limit	Lower Limit	Complied?
Under 12 months	0.0%	80%	0%	Yes
12 months and within 24 months	0.1%	80%	0%	Yes
2 years and within 5 years	0.0%	80%	0%	Yes
5 years and within 10 years	0.0%	100%	0%	Yes
10 years and within 20 years	70.8%	100%	0%	Yes
20 years and above	29.1%	100%	0%	Yes
Total	100%			

Long Term Treasury Management Investments

The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments.

Table 16: Long Term Treasury Management Investments

Price risk indicator	2023/24 Limit £m	2023/24 Actual £m
Limit on principal invested beyond year end	12.0	4.0

Other Indicators - CIS

The council has adopted voluntary indicators for the Commercial Investment Strategy properties.

Table 17: Other Indicators (CIS)

Indicator	2023/24 Forecast	2023/24 Actual	2024/25 Forecast
Interest Cover Ratio	1.7	1.6	2.1
Loan to Value Ratio	104.9%	103.6%	104.9%
Gross Rent Multiplier	12.7	14.0	13.6

Interest cover ratio is used to measure how readily a business can pay the interest due on loans. The higher the number, the increased likelihood that the interest will be paid. The reduction in 2023/24 is due to the vacant units at Fareham, Stonehill and Rowley Arts Centre. Loan to value is the value of the loan to the value of the property. If the percentage is over 100% that means the value of loan is currently more than the value of the property. Gross rent multiplier is the value of a property compared to its annual rental income the lower the number the more attractive the investment is.

Table 18: Net Income from Commercial and Service Investments

	2022/23 Actual £000s	2023/24 Actual £000s	2024/25 Budget £000s	2025/26 Budget £000s	2026/27 Budget £000s
Net income from Commercial and Service Investments	4,269	2,771	3,450	3,667	3,735
Net revenue stream	17,303	22,170	25,413	26,432	24,205
Proportion	25%	12%	14%	14%	15%

Commercial Investment Property Listing

Annex A

Commercial Investment Property	31/03/2023 Value £000s	Gain/(Loss) Additions £000s	31/03/2023 Value £000s
Legacy Properties;			
Huntingdon			
Cinema and Shops	540	12	552
Oak Drive Shops	977	134	1,111
Mayfield Road Shops	750	(8)	742
Pub Site Sapley Square	193	0	193
Oak Tree Health Centre	11,786	0	11786
Clifton Road Industrial Units	1,825	0	1825
Alms Close Industrial Units	1,453	102	1,555
Land Clifton Road	144	0	144
Land St Peters Road	2,930	0	2,930
Land Redwongs Way	380	5	385
Phoenix Court Units	621	(252)	369
	21,599	(7)	21,592
St Ives			
Library Row Shops	532	29	561
Enterprise Centre	883	0	883
	1,415	29	1,444
St Neots			
Queens Gardens Shops	430	78	508
Naseby Gardens Shops	273	0	273
Leys Road Shops	117	9	126
Cambridge Street Shops	140	(8)	132
Cambridge Street Warehouse and Yard	719	0	719
Levellers Lane Industrial Units	5,220	(115)	5,105
Caravan Site Rush Meadows	257	0	257
Café Riverside Park	158	0	158
	7,314	(36)	7,278
Total	30,328	(14)	30,314
CIS Properties			
2 Stonehill, Huntingdon	2,481	(205)	2,276
80 Wilbury Way, Hitchin	1,873	35	1,908
Shawlands Retail Park, Sudbury	6,055	(273)	5,783
1400 & 1500 Parkway, Fareham	4,037	0	4,037
Rowley Arts Centre, St Neots	6,641	269	6,910
Little End Road, St Neots	3,321	(33)	3,288
Tri-link, Wakefield	14,748	(62)	14,686
Alms Close, Huntingdon	1,447	2	1,449
	40,603	(267)	40,337
Total	70,931	(281)	70,651

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Capital Prudential Indicators

Capital expenditure is where the Council spends money on assets, such as property or vehicles that will be used for more than one year. This includes spending on assets owned by other bodies, loans and grants to other bodies enabling them to buy assets. The Council has some limited discretion on what counts as capital expenditure, for example assets costing below £10,000 are often not capitalised and are charged to revenue in year.

The summary of the capital expenditure is shown in the Table 1 below, further detail is available in the capital section of the Finance Performance Report 2023/24.

Table 1: Summary of Capital Expenditure in £000s

	2023/24 Original Budget £000s	2023/24 Current Budget £000s	2023/24 Outturn £000s
Property, Plant and Equipment	4,661	6,291	2,421
Investment Properties	1,802	2,262	1,833
Intangible Assets	102	168	81
REFCUS	19,419	20,916	8,477
Assets Under Construction	0	0	595
Community	3,202	3,207	0
Loan	206	306	0
Total	29,392	33,150	13,407

The major variations (out of a total of £19.7m) between the current budget and the outturn include;

Underspends and rephasings;

- Market Towns programme £13.9m
- Hinchbrooke Country Park £2.6m
- Vehicles and Plant £1.1m
- Commercial Property Improvements £0.9m
- Community Infrastructure Levy Funding and Planning £1.4m
- Car Parking £0.4m
- IT hardware and software £0.6m
- Parks schemes £0.5m
- Finance schemes £0.2m

Overspends

- Fareham Improvements £0.5m (Funded from reserves)

- Housing Fund £0.9m (Funded from external grant)
- Disabled Facilities Grants £0.5m (Extra grant of £0.4m was received, the net extra expenditure was £0.1m)

Full details of the variances are included in the Finance Performance Report Outturn 2023/24.

All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council's own resources (revenue, reserves and capital receipts) or debt (borrowing and leasing).

Table 2: Summary of Capital financing in £000s

	2023/24 Original Budget £000s	2023/24 Current Budget £000s	2023/24 Outturn £000s
Capital Receipts	359	359	136
Capital Grants and Contributions	19,030	21,666	6,358
Community Infrastructure Levy	3,476	3,476	2,365
Earmarked Reserve	0	0	1,808
Minimum Revenue Provision	2,771	2,771	2,660
Internal Borrowing	3,756	4,878	80
Total	29,392	33,150	13,407

Debt is only temporary source of finance since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually from revenue which is known as minimum revenue provision (MRP).

The CFR figure is a gauge of the Council's indebtedness. The CFR results from the capital activity of the Council and resources used to pay for the capital spend. It represents the 2023/24 unfinanced capital expenditure, and prior years' net or unfinanced capital expenditure which has not yet been paid for by revenue or other resources.

Table 3: Summary of Capital Financing Requirement (CFR)

	2023/24 Original Budget £000s	2023/24 Current Budget £000s	2023/24 Outturn £000s
Opening CFR	71,592	72,261	72,261
Net expenditure	6,527	7,648	2,739
MRP	(2,771)	(2,771)	(2,660)
Closing CFR	75,348	77,138	72,340

Note the 2023/24 budget is set before the 2022/23 outturn is known, and as a result underspends in 2022/23 are not taken into account in the CFR balance.

Reducing the CFR. The Council's underlying borrowing need (the CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The Council is required to make an annual revenue charge, called the Minimum Revenue Provision – MRP, to reduce the CFR. This is effectively a repayment of borrowing need. External debt can also be borrowed or repaid at any time, but this does not change the CFR.

The total CFR can also be reduced by:

- the application of additional capital financing resources, (such as unapplied capital receipts); or
- charging more than the statutory revenue charge (MRP) each year through a Voluntary Revenue Provision (VRP).

When a capital asset is no longer needed, it may be sold so that the proceeds known as capital receipts, can be spent on new assets or to repay debt. Repayments of loan principal also generate capital receipts.

Table 4: Summary of the capital receipts

	2023/24 Original Budget £000s	2023/24 Current Budget £000s	2023/24 Outturn £000s
Housing clawback	350	350	15
Loan Repayments	9	9	121
Total	359	359	136

Table 5: Gross Debt and the Capital Financing Requirement

Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term.

	2023/24 Original Budget £000s	2023/24 Actual £000s	Complied
Debt (including leases)	34,300	34,816	N/A
Capital Financing Requirement	75,300	72,340	N/A
Excess of CFR over Debt	41,000	37,524	Yes

Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants.

Table 6: Proportion of financing costs to net revenue stream

	2022/23 Actual £000s	2023/24 Actual £000s	2024/25 Budget £000s	2025/26 Budget £000s	2026/27 Budget £000s
Net revenue stream	17,303	22,170	25,413	26,432	24,205
Financing Costs	2,103	101	2,344	2,842	3,411
Proportion of net revenue stream	12%	0.5%	9%	11%	14%

GLOSSARY**Bail in Risk**

Bail in risk arises from the failure of a bank. Bondholders or investors in the bank would be expected to suffer losses on their investments, as opposed to the bank being bailed out by government.

Bank Equity Buffer

The mandatory capital that financial institutions are required to hold, in order to provide a cushion against financial downturns, to ensure the institution can continue to meet its liquidity requirements.

Bank Rate

The official interest rate of the Bank of England, this rate is charged by the bank on loans to commercial banks.

Bank Stress Tests

Tests carried out by the European Central Bank on 51 banks across the EU. The tests put banks under a number of scenarios and analyse how the bank's capital holds up under each of the scenarios. The scenarios include a sharp rise in bond yields, a low growth environment, rising debt, and adverse action in the unregulated financial sector.

Basis Point

1/100th of 1% i.e., 0.01%. 10 basis points is 0.1%.

Bonds

A bond is a form of loan, the holder of the bond is entitled to a fixed rate of interest (coupon) at fixed intervals. The bond has a fixed life and can be traded.

Call Account

A bank account that offers a rate of return and the funds are available to withdraw on a daily basis.

Capital Financing Requirement (CFR)

The CFR is a measure of the capital expenditure incurred historically but has yet to be financed; by for example capital receipts or grants funding. The current CFR balance is therefore financed by external borrowing, and internal borrowing (i.e., use of working capital on the balance sheet – creditors, cash etc).

Certificate of Deposit

Evidence of a deposit with a financial institution repayable on a fixed date. They are negotiable instruments, and have a secondary market, and can be sold before maturity.

Collar (Money Market Fund)

The fund "collar" forms part of the valuation mechanism for the fund. LVNAV funds allow investors to purchase and redeem shares at a constant NAV calculated to 2 decimal places, i.e., £1.00. This is achieved by the fund using amortised cost for valuation purposes, subject to the variation against the

marked-to-market NAV being no greater than 20 basis points (0.2%). (This compares to current Prime CNAV funds which round to 50 basis points, or 0.5%, of the NAV.)

Constant Net Asset Value (CNAV)

Constant Net Asset Value refers to funds which use amortised cost accounting to value all of their assets. They aim to maintain a Net Asset Value (NAV), or value of a share of the fund at £1 and calculate their price to 2 decimal places.

Counterparty

Another organisation with which the Council has entered into a financial transaction with, for example, invested with or borrowed from.

Credit Default Swaps (CDS)

A financial agreement that the seller of the CDS will compensate the buyer in the event of a loan default. The seller insures the buyer against a loan defaulting.

Credit Ratings

A credit rating is the evaluation of a credit risk of a debtor and predicting their ability to pay back the debt. The rating represents an evaluation of a credit rating agency of the qualitative and quantitative information, this result in a score, denoted usually by the letters A to D and including +/-.

DMADF

The Debt Management Account Deposit Facility. This is run by the UK's Debt Management Office and provides investors with the ability to invest with UK central government.

ECB

The European Central Bank, one of the institutions that makes up the EU. Its main function is to maintain price stability across the Eurozone.

ESG

Environmental, society, and governance investing, makes reference to a set of standards for an organisation's behaviour, which can be used by a socially aware investor to make investment decisions. Environmental factors include how an organisation safeguards the environment, social criteria look at how the organisation manages its relationships with the community, employees, suppliers, and customers, and governance deals with leadership, internal controls and audits.

Federal Reserve (Fed)

The central bank of the United States.

Forward Deal

The act of agreeing today to deposit/loan funds for an agreed time limit at an agreed date and rate.

Gilts

Bonds issued by the Government.

Link Group

The Council's treasury advisors, who took over from Arlingclose in March 2023.

Liquidity

The degree to which an asset can be bought or sold quickly.

LVNAV Money Market Fund

Low volatility net asset value. The fund will have at least 10% of its assets maturing on a daily basis and at least 30% of assets maturing on a weekly basis.

MiFID

Markets in Financial Instruments Directive, is a regulation that increases the transparency across the EU's financial markets and standardises the regulatory disclosures required. In force since 2008.

Minimum Revenue Provision (MRP)

An amount set aside from revenue to repay debt.

Money Market Funds

An open-ended mutual fund that invests in short-term debt securities. A deposit will earn a rate of interest, whilst maintaining the net asset value of the investment. Deposits are generally available for withdrawal on the day.

Public Works Loans Board (PWLB)

The PWLB is an agency of the Treasury, it lends to public bodies at fixed rates for periods up to 50 years. Interest rates are determined by gilt yields.

REFCUS

Revenue Expenditure Funded from Capital Under Statute. Expenditure which would normally be considered revenue expenditure, but has been statutorily defined as capital expenditure, including the giving of a loan, grant or other financial assistance to any person, whether for use by that person or by a third party, towards expenditure which would, if incurred by the council, be capital expenditure. Or expenditure incurred on the acquisition, production or construction of assets for use by, or disposal to, a person other than the council which would be capital expenditure if those assets were acquired, produced or constructed for use by the council.

SONIA

Sterling overnight index average interest rate. On each London business day, SONIA is measured as the trimmed mean, rounded to four decimal places, of interest rates paid on eligible sterling denominated deposit transactions.

Transactional Banking

Use of a bank for day-to-day banking requirement, e.g., provision of current accounts, deposit accounts and on-line banking.

UN Principles for Responsible Banking

Are a unique framework for ensuring that signatory banks' strategy and practice align with the vision society has set out for its future in the Sustainable Development Goals and the Paris Climate Agreement.

The framework consists of 6 Principles designed to bring purpose, vision and ambition to sustainable finance. They were created in 2019 through a partnership between founding banks and the United Nations. Signatory banks commit to embedding these 6 principles across all business areas, at the strategic, portfolio and transactional levels.

- Principle 1: Alignment, align business strategy with individual's goals as expressed in the sustainable development goals, the Paris Climate Agreement and national and regional frameworks.
- Principle 2: Impact and Target Setting, increase positive impacts and reduce negative impacts on, and managing the risks to people and environment.
- Principle 3: Clients and Customers, work with clients and customers to encourage sustainable practices and enable economic activities that create shared prosperity.
- Principle 4: Stakeholders, engage with stakeholders to achieve society's goals.
- Principle 5: Governance and Culture, implement the commitment to these principles through effective governance.
- Principle 6: Transparency and Accountability, periodic review of the implementation of these principles, and be transparent about and accountable for the positive and negative impacts, and the contribution to society's goals.

A 3-step process guides signatories through implementing their commitment:

1. Impact Analysis: identifying the most significant impacts of products and services on the societies, economies and environments that the bank operates in.
2. Target Setting: setting and achieving measurable targets in a banks' areas of most significant impact.
3. Reporting: publicly report on progress on implementing the Principles, being transparent about impacts and contributions.

UN Principles for Responsible Investments

The 6 principles for responsible investments offer possible actions for incorporating ESG issues into investment practice.

The principles that the signatories sign up to are;

- **Principle 1:** We will incorporate ESG issues into investment analysis and decision-making processes.
- **Principle 2:** We will be active owners and incorporate ESG issues into our ownership policies and practices.
- **Principle 3:** We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- **Principle 4:** We will promote acceptance and implementation of the Principles within the investment industry.
- **Principle 5:** We will work together to enhance our effectiveness in implementing the Principles.
- **Principle 6:** We will each report on our activities and progress towards implementing the Principles.

The Principles for Responsible Investment were developed by an international group of institutional investors reflecting the increasing relevance of environmental, social and corporate governance issues to investment practices. The process was convened by the United Nations Secretary-General.

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Reports from Constituent Council Representatives on the Combined Authority

The following meetings have taken place in May and June 2024

Business Board AGM, 13 May 2024

Councillor: Cllr S J Conboy

Decision Summary Link: [Business Board AGM \(May\)](#)

Combined Authority Board AGM, 5 June 2024

Councillor: Cllr S J Conboy

Decision Summary Link: [Combined Authority Board AGM \(June\)](#)

Combined Authority Board, 5 June 2024

Councillor: Cllr S J Conboy

Decision Summary Link: [Combined Authority Board \(June\)](#)

Skills and Employment Committee, 17 June 2024

Councillor: Cllr S Wakeford

Decision Summary Link: [Skills and Employment Committee \(June\)](#)

Environment and Sustainable Communities Committee, 19 June 2024

Councillor: Cllr L Davenport-Ray

Decision Summary Link: [Environment and Sustainable Communities Committee \(June\)](#)

Audit and Governance Committee, 20 June 2024

Councillor: Cllr P Hodgson-Jones

Decision Summary Link: [Audit and Governance Committee \(June\)](#)

Transport and Infrastructure Committee, 26 June 2024

Councillor: Cllr S Wakeford

Decision Summary Link: [Transport and Infrastructure Committee \(June\)](#)



1. Apologies for Absence

Apologies for absence were received from Mayor Dr. Nik Johnson.

2. Declarations of Interest

Araminta Ledger declared a potential non-pecuniary interest due to involvement in the implementation of a life sciences strategy (relating to items 9 and 10 on the agenda).

3. Minutes of previous meeting

The minutes of the meeting held on 4 March 2024 were approved as a correct record and signed by the Chair.

The Business Board noted the Minutes Action Log.

4. Business Board – CPCA Thematic Committee Representations & Lead Member Roles

It was resolved to:

- a) Approve the Business Board member representations and lead roles for 2024/25

5. Combined Authority Forward Planning

The Chair asked members of the Business Board to flag any topics with officers that they feel it would be beneficial for the board to discuss or hold a specialised session around.

6. Business Board Chair's Update

The Chair updated the Board on meetings and discussions held since the last Board meeting and upcoming opportunities.

7. Business Board Feedback from the Thematic Committees

Verbal updates were received from the Business Board representatives on the Combined Authority's Thematic Committees, looking at items covered at the previous meetings as well as discussing upcoming topics.

8. CPCA Director's Update

The Executive Director for Economy and Growth updated the Board on progress ahead of UKREiiF, commented on the recent Business Board workshop and introduced the new Assistant Director for Business Trade and Investment to members.

9. Economic Growth Strategy Implementation Plan Update

It was resolved unanimously to:

- a) Note the progress contained of the Economic Growth Strategy Implementation Plan.

10. Plan for new Business Support Delivery Arrangements

It was resolved unanimously to:

- a) Endorse the plan for Growth Hub business support delivery during 2024/25

11. Strategic Growth Fund and Levelling Up Fund Update (Gainshare)

It was resolved unanimously to:

- a) Note the updates on development of the Strategic Growth Fund and Levelling Up Fund contained within this report.
- b) Recommend that the Combined Authority Board reallocates a maximum of £1.5 million unspent capital from the completed Growth Works programme to the Strategic Growth fund to increase the total budget available for this fund.

12. Business Board Annual Report & Delivery Plan 2024-25

It was resolved unanimously (subject to amendments discussed at the meeting) to:

- a) Approve the Business Board's Annual Report & Delivery Plan 2024-25
- b) Recommend the Combined Authority Board approves the Business Board's Annual Report & Delivery Plan (2024-25), and for this to be submitted to the Cities and Local Growth Unit



Any key decision/s set below will come into force and may be implemented after 5.00pm on the fifth clear working day after publication of the decision, unless they are called-in [see note on call in below], with the exception of any key decision on a matter dealt with under the special urgency provisions set out in the Constitution which may be implemented immediately.

1 Announcements, Apologies for absence and Declarations of Interest

Apologies for absence were received from Cllr Anna Bailey, Darryl Preston and Al Kingsley (Nitin Patel substituting).

There were no declarations of interest.

2 Minutes of the previous meeting

The minutes of the meeting on 20 March 2024 were approved as an accurate record and signed by the Mayor.

The minutes action log was noted.

3 Membership of the Combined Authority

It was resolved to:

- A Note the Members and substitute Members appointed by constituent councils to the Combined Authority for the municipal year 2024-25 (Appendix A)
- B Confirm that the following bodies be given co-opted member status for the municipal year 2024/25:
 - The Police and Crime Commissioner for Cambridgeshire.
 - Cambridgeshire and Peterborough Fire Authority.
 - Cambridgeshire and Peterborough Integrated Care Board.
- C Note the named representative and substitute representative for each organisation as set out in the report.
- D Agree that any late notifications of appointments to the Monitoring Officer shall take immediate effect.

4 Appointments to Thematic Committees, Committee Chairs and Lead Members

It was resolved to:

- A Note and agree the Mayor's nominations to Lead Member responsibilities and the membership of the committees including the Chairs of committees for 2024/25 as set out in Appendix A
- B Note the Committee Members and substitute Members appointed by constituent councils to the Combined Authority for the municipal year 2024/25 (Appendix B).
- C Note and agree the Membership for the HR Committee for 2024/25 (Appendix C)
- D Note and agree the Membership for the Investment Committee for 2024/25 (Appendix D)
- E Note that Audit and Governance members and Overview & Scrutiny members can attend Investment Committee as observers.

5 Appointment of the Overview and Scrutiny Committee

It was resolved to:

- A Confirm that the size of the Overview and Scrutiny Committee should be 14 members; two members from each constituent council and two substitute members for the municipal year 2024/25.
- B Agree the political balance on the committee as set out in Appendix A.
- C Confirm the appointment of the Member and substitute Member nominated by constituent councils to the Overview and Scrutiny Committee for the municipal year 2024/25 as set out in Appendix B.
- D Approve the co-option of an independent member from a Constituent Council to the Overview and Scrutiny Committee and delegations given to the Overview and Scrutiny Committee to appoint the co-optee.

6 Appointment of the Audit and Governance Committee

It was resolved to:

- A Confirm that the size of the Audit and Governance Committee should be eight members; one member and one substitute from each Constituent Council and one independent person.
- B Agree the political balance on the committee as set out in Appendix A.
- C Confirm the appointment of the Member and substitute Member nominated by constituent councils to the Committee for the municipal year 2024/25 as set out in Appendix B.
- D Appoint the Independent Person, Mr John Pye as Chair for the municipal year 2024/25 and delegate the election of the Vice Chair to the Audit and Governance Committee.
- E Raise the remuneration for the role of the Independent Person as the Chair of the committee on a pro-rated basis, to reflect the increased activity of the committee, to £4289 per annum.
- F Approve the appointment of David Harwood as the second Independent Person for the Audit & Governance Committee for a term of four years ending May 2028.
- G Raise the remuneration for the role of the Independent Person of the committee on a pro-rated basis, to reflect the increased activity of the committee, to £3068 per annum.

7 Calendar of Meetings

It was resolved to:

- A Approve the amended calendar of meetings for the 2024/25 Municipal Year, as set out in Appendix A.

Notes:

- a) Statements in **bold type** indicate additional resolutions made at the meeting.
- b) Five Members of the Overview and Scrutiny Committee may call-in a key decision of the Mayor, the Combined Authority Board or an Officer for scrutiny by notifying the Monitoring Officer, except for any key decision on a matter dealt with under the special urgency provisions set out in the Constitution which may be implemented immediately.



Any key decision/s set below will come into force and may be implemented after 5.00pm on the fifth clear working day after publication of the decision, unless they are called-in [see note on call in below], with the exception of any key decision on a matter dealt with under the special urgency provisions set out in the Constitution which may be implemented immediately.

1 Petitions

No petitions were received.

2 Public Questions

One question was received in advance of the meeting in accordance with the procedure rules in the Constitution. A copy of the question and response will be appended to the minutes of the meeting.

3 Forward Plan

It was resolved unanimously to:

- A Approve the Forward Plan for June 2024.

4 Budget Outturn Report 2023-24

It was resolved unanimously to:

- A Note the unaudited outturn position of the Combined Authority for the 2023/24 financial year
- B Approve the requested slippage of unspent project budgets on the approved capital programme of £59.3m, and on the revenue budget of £14.9m.

5 Overview and Scrutiny Committee Annual Report 2023/24

It was resolved unanimously to:

- A Defer this item to the next meeting of the Combined Authority Board (24 July 2024).

6 Member Development Annual Report

It was approved unanimously to:

- A Note the Member Development Annual Report.
- B Note the training sessions held and the planned prospectus for the new municipal year.
- C Note the objectives as being to assist Members in carrying out their roles efficiently, and to maintain the highest standard of elected Members in carrying out their responsibilities to the Combined Authority and the communities they serve.

7 Appointments to Outside Bodies

It was resolved to:

- A Defer this item to the next meeting of the Combined Authority Board (24 July 2024).

8 Combined Authority Chief Executive Highlights Report

It was resolved to:

- A Note the contents of the report

9 Combined Authority Annual Report 2023-24

It was resolved to:

- A Note the content of the report.

10 Improvement Plan Update

It was resolved to:

- A Note the progress in March against the identified areas of ongoing concern set out in the Best Value Notice received in January 2024.
- B Note the update from the Chair, Independent Improvement Board following the meeting held on 7 May 2024

11 Updates to the Constitution

11 a LGA Model Code of Conduct

The recommendations were:

- A The CPCA Board is invited to consider the matters raised in this report and consider whether the Local Government Model Code of Conduct be adopted in full or part.
- B The CPCA Board is invited to consider whether the associated guidance on the Model Code of Conduct should be adopted in full or in part.
- C The CPCA Board is invited to consider whether the associated guidance on complaint handling should be adopted in full or in part
- D The CPCA Board is invited to consider the requests from the combined authority board member

Following the above considerations, it was resolved unanimously to:

- A Adopt the Local Government Model Code of Conduct in full.
- B Adopt the associated guidance on the Moden Code of Conduct in full
- C Adopt the associated guidance on complaint handling in full.

12 Appointment of Independent Remuneration Panel

It was resolved to:

- A Agree that an Independent Remuneration Panel be constituted to review the Members' Allowance Scheme for the Combined Authority in relation to the Mayor's allowance.
- B Agree that an Independent Remuneration Panel be constituted to review the allowance for the two Independent Persons for the Audit & Governance Committee.
- C Agree that an Independent Remuneration Panel be constituted to review the allowance for the members for the Audit & Governance Committee.
- D Agree that an Independent Remuneration Panel be constituted to review the allowance for the members for the Overview & Scrutiny Committee.
- E Agree that an Independent Remuneration Panel be constituted to review the allowance for travel and subsistence of all Combined Authority members including co-opted members.

13 Adult Education Budget delegated authority (amendment)

It was resolved to:

- A To delegate authority to Assistant Director of Skills, in consultation with the Chief Finance Officer and Monitoring Officer to:
 - enter into, sign and award grant agreements or awards to training providers to

deliver Adult Skills Funds to include but not limited to Adult Education Budget, Free Courses for Jobs and Innovation Fund with providers chosen via the relevant procurement exercise.

- And where appropriate, extend contracts with existing providers.

14 Recommendations from Business Board

It was resolved to approve all the recommendations as set out below:

Strategic Growth Fund and Levelling Up Fund Update (Gainshare) [KD2024/024]

- A Note the updates on development of the Strategic Growth Fund and Levelling Up Fund contained within this report.
- B Reallocates a maximum of £1.5 million unspent capital from the completed Growth Works programme to the Strategic Growth fund to increase the total budget available for this fund.

Business Board Members advised and requested that the transferred £1.5m capital funds are ring fenced notionally to be used for specifically for economic / growth projects and investments.

Business Board Annual Report and Delivery Plan 2024-25

- A Approve the Business Board's Annual Report & Delivery Plan 2024-25
- B Recommend the Combined Authority Board approves the Business Board's Annual Report & Delivery Plan (2024-25), and for this to be submitted to the Cities and Local Growth Unit

Notes:

- a) Statements in **bold type** indicate additional resolutions made at the meeting.
- b) Five Members of the Overview and Scrutiny Committee may call-in a key decision of the Mayor, the Combined Authority Board or an Officer for scrutiny by notifying the Monitoring Officer, except for any key decision on a matter dealt with under the special urgency provisions set out in the Constitution which may be implemented immediately.

Skills and Employment Committee: Decision Summary

Meeting: Monday, 17 June 2024

Published: Wednesday, 19 June 2024



Any key decision/s set below will come into force and may be implemented after 5.00pm on the fifth clear working day after publication of the decision, unless they are called-in [see note on call in below], with the exception of any key decision on a matter dealt with under the special urgency provisions set out in the Constitution which may be implemented immediately.

1 Apologies for Absence

Apologies were received from the Mayor, Dr Nik Johnson and Cllr Ian Benney

2 Declaration of Interests

There were no declarations of interests made.

3 Election of Vice-Chair

On being proposed by Cllr Nethsingha and seconded by Cllr Wilson, Cllr Sam Wakeford was unanimously appointed as Vice-Chair for the Committee

4 Minutes of the Previous Meeting

The minutes of the meeting on 4 March 2024 were approved as an accurate record.

The Action Log was noted by the Committee.

5 Public Questions

No public questions were received.

6 Forward Plan

RESOLVED:

- A That the Combined Authority Forward Plan be noted.

7 Wider Outcomes Framework

RESOLVED

- A To note the CPCA's Wider Outcomes Framework (Phase One) which is designed to help more effectively evidence the impact of learning beyond training 'completions' and achieving qualifications

8 AEB and FCFJ Commissioning and Funding Flexibilities (Academic Year 2024-25)

RESOLVED

- A To note CPCA's approach to AEB & FCFJ Commissioning for 2024-2025
- B To recommend that the Combined Authority Board approves CPCA's funding flexibilities for 2024-2025 (permitted under the CPCA's devolved AEB powers)

9 Employment and Skills Board Update

The verbal update was noted by the Committee

10 Budget and Performance Report

RESOLVED

A To note the budget of the Skills Division for the financial year 24/25

11 Work Programme

It was resolved to:

A Note the Committee Agenda Plan.

12 Date of Next Meeting

The next meeting is scheduled for 26 July at 10:00am. The meeting venue is CPCA Offices Pathfinder House

Notes:

- a) Statements in **bold type** indicate additional resolutions made at the meeting.
- b) Five Members of the Overview and Scrutiny Committee may call-in a key decision of the Mayor, the Combined Authority Board or an Officer for scrutiny by notifying the Monitoring Officer, except for any key decision on a matter dealt with under the special urgency provisions set out in the Constitution which may be implemented immediately.



Any key decision/s set below will come into force and may be implemented after 5.00pm on the fifth clear working day after publication of the decision, unless they are called-in [see note on call in below], with the exception of any key decision on a matter dealt with under the special urgency provisions set out in the Constitution which may be implemented immediately.

1 Apologies for Absence

Apologies were received from Cllr Goodearl and Cllr Todd-Jones. Cllr Todd-Jones could not attend in person but joined the meeting remotely for the discussion. He was not able to vote and did not count towards quoracy.

2 Declaration of Interests

There were no declaration of interests made.

3 Election of Vice-Chair

On being proposed by Cllr Smith and seconded by Cllr Dupre, Cllr Davenport-Ray was unanimously appointed as Vice-Chair for the Committee.

4 Minutes of the Previous Meeting and Action Log

The minutes of the meeting on 11 March 2024 were approved as an accurate record. The Action Log was noted by the Committee.

5 Public Questions

No public questions were received.

6 Forward Plan

It was resolved to:

- A Note the Combined Authority Forward Plan.

7 Director's Highlight Report

RESOLVED

- A To note the Director's Highlight Report

8 Local Nature Recovery Strategy (LNRS)

RESOLVED

- A To recommend** that the Combined Authority Board delegate authority to the Environment and Sustainable Communities Committee to approve a draft Local Nature Recovery Strategy for public consultation

9 Budget and Performance Report

RESOLVED

- A To note the financial position of the Environment and Sustainable Communities division for the financial year 23/24 and Board approved carry-forwards.

10 Work Programme

It was resolved to:

- A Note the Committee Agenda Plan.

11 Date of Next Meeting

The next meeting is scheduled for Wednesday 31 July 2024 at 10am. The meeting venue is CPCA Offices, Pathfinder House.

Notes:

- a) Statements in **bold type** indicate additional resolutions made at the meeting.
- b) Five Members of the Overview and Scrutiny Committee may call-in a key decision of the Mayor, the Combined Authority Board or an Officer for scrutiny by notifying the Monitoring Officer, except for any key decision on a matter dealt with under the special urgency provisions set out in the Constitution which may be implemented immediately.



Any key decision/s set below will come into force and may be implemented after 5.00pm on the fifth clear working day after publication of the decision, unless they are called-in [see note on call in below], with the exception of any key decision on a matter dealt with under the special urgency provisions set out in the Constitution which may be implemented immediately.

1 Apologies for Absence

Apologies received from Cllr Wilson, substituted by Cllr Whelan, Cllr Todd-Jones, substituted by temporary substitute Cllr Smart, Cllr Christian Hogg, no substitute.

2 Declaration of Interests

There were no declaration of interests made.

3 Chair's Announcements

The Chair made the following announcements:

The Chair welcomed the new members of the Committee including the new Independent Person David Harwood.

The Chair advised that the Member Induction session had been held earlier that week with low numbers in attendance and advised members that it would be useful to attend all induction and development sessions in future if they were able to do so.

4 Election of Vice Chair

The Chair requested nominations for the position of Vice Chair for the municipal year 24/25.

Cllr Christy proposed Cllr Wilson seconded by Cllr Brown.

Cllr Wilson was unanimously elected Vice Chair for the Committee for the municipal year 2024/25.

5 Minutes of the previous meeting

The minutes of the meeting on 8th March 2024 were approved as an accurate record.

The Assistant Director for Finance advised that a report would be circulated to members after the meeting to provide an update on the CPCA business continuity.

The Action Log was noted by the Committee.

6 Improvement Plan Highlight Report

The Committee RESOLVED to note:

- a) the progress in March against the identified areas of ongoing concern set out in the Best Value Notice received in January 2024.
- b) the update from the Chair, Independent Improvement Board following the meeting held on 7 May 2024

7 Corporate Risk Register

The Committee RESOLVED to note:

- a) the May 2024 Corporate Risk Report including the Register, Dashboard and Heat Map B
- b) the update on progress of the Risk Software implementation
- c) the proposed risk deep dives for upcoming meetings

8 External Audit - 22/23 Value for Money Opinion

The Committee RESOLVED to note:-

- a) The External Auditors Value for Money report for 22/23.

9a Internal Audit - Progress Report

The Committee RESOLVED to note:

- a) The Internal Auditors Progress report.

9b Internal Audit - Annual Report 23/24

The Committee RESOLVED to note:

- a) The Internal Auditors Annual Opinion

10a Officer Delegations

The Committee RESOLVED to:

- a) Recommend to the Combined Authority Board that delegations detailed within the report were approved for the Chief Executive Officer ("CEO")
- b) Recommend to the Combined Authority Board that delegations detailed within the report were approved for the Assistant Director Human Resources ("ADHR")

10b Appointment to Outside Bodies

The Committee RESOLVED to:

- a) recommend to the Combined Authority Board to agree the protocol which should be included in the constitution.

11 Audit Reporting

The Committee RESOLVED to:

- a) Receive updates on the implementation of recommendations contained in all audit reports on a quarterly basis starting in July.

12 Independent Person Allowance

The Committee RESOLVED to:

- a) recommend to the Combined Authority Board to agree that both Independent Persons should receive the same allowance.

13 Performance Management Framework

The Committee RESOLVED to note:

- a) The progress made in the implementation of the Performance Management Framework and next steps.

14 A&G Committee Annual Report

The Committee RESOLVED to:

- a) Approve the draft report subject to agreed changes and recommend it to the CA Board.

15 Work Programme

The Committee RESOLVED to:

- a) Note the work programme for 24/25.

16 Date of Next Meeting

The next meeting is scheduled for 18th July at 10am. The meeting venue is CPCA Meeting Room, Huntingdonshire DC.

Notes:

- a) Statements in **bold type** indicate additional resolutions made at the meeting.
- b) Five Members of the Overview and Scrutiny Committee may call-in a key decision of the Mayor, the Combined Authority Board or an Officer for scrutiny by notifying the Monitoring Officer, except for any key decision on a matter dealt with under the special urgency provisions set out in the Constitution which may be implemented immediately.



Transport and Infrastructure Committee: Decision Summary

Meeting: Wednesday, 26 June 2024

Published: Thursday, 27 June 2024

Any key decision/s set below will come into force and may be implemented after 5.00pm on the fifth clear working day after publication of the decision, unless they are called-in [see note on call in below], with the exception of any key decision on a matter dealt with under the special urgency provisions set out in the Constitution which may be implemented immediately.

1 Apologies for Absence

Apologies were received from Cllr Chris Seaton, who was substituted by Cllr Dr Haq Nawaz, and also from Andy Williams, Business Board Representative.

2 Declaration of Interests

There were no declaration of interests made.

3 Election of Vice-Chair

RESOLVED:

On being proposed by the Chair and seconded by Cllr Shailer, Cllr Sam Wakeford was unanimously elected as Vice-Chair of the Committee.

4 Minutes of the Previous Meeting and Action Log

RESOLVED:

The minutes of the meeting on 13 March 2024 were approved as an accurate record.
The Action Log was noted by the Committee.

5 Public Questions

No public questions were received.

6 Forward Plan

RESOLVED:

To note the Combined Authority's Forward Plan.

7 Director's Highlight Report

RESOLVED:

To note the Director's highlight report

9 Electric Vehicles Strategy and Funding

RESOLVED:

A To note of the progress on Electric Vehicles (EVs) and Electric Vehicle Charging Infrastructure including the outcomes of the Electric Vehicles and Charging Point Survey.

B To note that an initial draft strategic Local Electric Vehicle Infrastructure (LEVI) business case will be submitted to Energy Saving Trust on 19 July 2024.

9 March Area Transport Strategy

On being put to the vote, proposed by the Chair and seconded by Cllr MacDonald, the motion was not supported.

An update on the MATS proposal would therefore be re-presented at a future meeting.

10 Budget and Performance Report

RESOLVED:

- A To note the outturn financial position of the Transport and Infrastructure Division for the financial year 23/24 and Board approved carry forwards.
- B Note the Transport and Infrastructure Division budget for the next 4 years updated for approved carry forwards

11 Work Programme

RESOLVED:

To note the Committee's Agenda Plan.

12 Date of Next Meeting

The date of the next meeting was confirmed as Monday 22 July 2024.

Notes:

- a) Statements in **bold type** indicate additional resolutions made at the meeting.
- b) Five Members of the Overview and Scrutiny Committee may call-in a key decision of the Mayor, the Combined Authority Board or an Officer for scrutiny by notifying the Monitoring Officer, except for any key decision on a matter dealt with under the special urgency provisions set out in the Constitution which may be implemented immediately.

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MEETINGS OF THE COUNCIL'S COMMITTEES AND PANELS SINCE THE LAST ORDINARY MEETING

MAY 2024

29. CORPORATE GOVERNANCE COMMITTEE

- ❖ Internal Audit Peer Review Challenge Actions - Update
- ❖ Annual Governance Statement
- ❖ Unaudited Statement of Accounts 2023/24
- ❖ Internal Audit Service: Annual Report 2023/24
- ❖ Internal Audit Plan and Charter
- ❖ External Audit Plan 2023/24
- ❖ External Auditor Briefing
- ❖ Corporate Risk Register
- ❖ Corporate Governance Committee Progress Report

JUNE 2024

5. OVERVIEW AND SCRUTINY PANEL (PERFORMANCE AND GROWTH)

- ❖ Work Programme
- ❖ CCTV Shared Service Agreement (Exempt)
- ❖ Community Infrastructure Levy Governance Review
- ❖ Corporate Performance Report 2023/24, Quarter 4
- ❖ Corporate Plan Targets 2024/25
- ❖ Finance Performance Report 2023/24, Quarter 4
- ❖ Treasury Management Outturn Report 2023/24

6. OVERVIEW AND SCRUTINY PANEL (ENVIRONMENT, COMMUNITIES AND PARTNERSHIPS)

- ❖ Work Programme
- ❖ Annual Climate Review
- ❖ Electrical Vehicle Charging in Huntingdonshire
- ❖ Home Energy Update

17. DEVELOPMENT MANAGEMENT COMMITTEE

- ❖ 4 Applications requiring reference to Development Management Committee
- ❖ Appeal Decisions

18. CABINET

- ❖ Community Infrastructure Levy Governance Review
- ❖ Corporate Performance Report 2023/24, Quarter 4
- ❖ Finance Performance Report 2023/24, Quarter 4
- ❖ Treasury Management Outturn Report 2023/24
- ❖ Hinchingsbrooke Country Park Joint Group
- ❖ CCTV Shared Service Agreement (Exempt)

26. EMPLOYMENT COMMITTEE

- ❖ HDC Workforce Strategy and Action Plan
- ❖ Workforce Information Report, Quarter 4 2023-24
- ❖ Workforce Profile Report
- ❖ Use of Consultants, Hired Staff and Temporary Staff 2023/24
- ❖ Representatives of Employees

26. LICENSING AND PROTECTION COMMITTEE (SPECIAL MEETING)

- ❖ Public Space Protection Order (Eynesbury)

JULY 2024

8. CORPORATE GOVERNANCE COMMITTEE

- ❖ Update on Code of Conduct and Register of Disclosable Pecuniary Interests
- ❖ Annual Report on Compliance with the Information Rights Acts (Freedom of Information Act, Environmental Information Regulations and GDPR and Information Governance
- ❖ Review of Fraud Investigation Activity 2023/24
- ❖ External Audit Plan
- ❖ Internal Audit Peer Review Challenge Actions – Update
- ❖ Implementation of Internal Audit Actions
- ❖ Corporate Risk Register Update
- ❖ Annual Report of the Corporate Governance Committee 2023/24
- ❖ Corporate Governance Committee Progress Report
- ❖ Cyber Security (Exempt)

10. OVERVIEW AND SCRUTINY PANEL (PERFORMANCE AND GROWTH)

- ❖ Work Programme
- ❖ Market Towns Programme Summer Update
- ❖ Huntingdonshire Place Strategy Update
- ❖ Productivity Plans
- ❖ Corporate Peer Challenge

11. OVERVIEW AND SCRUTINY PANEL (ENVIRONMENT, COMMUNITIES AND PARTNERSHIPS)

- ❖ Work Programme
- ❖ Cambridgeshire County Council Health Committee
- ❖ Local Authority Housing Fund Round 3
- ❖ Civil Parking Enforcement in Huntingdonshire
- ❖ Local Area Energy Plan
- ❖ Garden Waste Subscription Service Update
- ❖ Community Health and Wealth Building Strategy Principles

15. DEVELOPMENT MANAGEMENT COMMITTEE

- ❖ 6 Applications requiring reference to Development Management Committee
- ❖ Appeal Decisions

16. CABINET

- ❖ Market Towns Programme Summer Update
- ❖ Local Authority Housing Fund Round 3
- ❖ Productivity Plans

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