

CUMBRIA COUNTY COUNCIL

Minutes of a Meeting of the **Cabinet** held on **Thursday, 9 June 2022**
at 10.00 am at Cumbria House, Botchergate, Carlisle

PRESENT:

Mr SF Young (Leader)
Mrs PA Bell
Mrs A Burns
Ms D Earl
Mr KA Little
Mrs S Sanderson
Mr DE Southward
Mrs C Tibble
Mrs J Willis

Officers in attendance:

Chief Executive, Executive Director (People), Executive Director - Corporate, Customer and Community Services, Executive Director - Economy and Infrastructure, Chief Fire Officer, Chief Legal Officer, Group Finance Manager - Corporate Accounting, Leadership Support Officer - Labour Group, Leadership Support Officer - Liberal Democrat Group, Professional Lead - Democratic Services and Communications Manager

PART 1 ITEMS CONSIDERED IN THE PRESENCE OF THE PUBLIC AND PRESS

1 APOLOGIES FOR ABSENCE

An apology for absence was received from Mr P Thornton.

2 DISCLOSURES OF INTEREST

There were no disclosures of interest made on this occasion.

3 EXCLUSION OF PRESS AND PUBLIC

RESOLVED, that the press and public be not excluded from any items on the agenda today.

4 MINUTES

RESOLVED, that the minutes of the meeting held on 21 April 2022 be agreed and signed by the Chair.

5 STATEMENTS BY THE LEADER OF THE COUNCIL AND CABINET MEMBERS

The Cabinet Member for Environment announced that Cumbria County Council had been awarded a Carbon Literacy Organisation Bronze Award by The Carbon Literacy Trust.

Carbon Literacy was an awareness of the carbon costs and impacts of everyday activities, and the ability and motivation to reduce emissions on an individual, community and organisational basis.

Staff and Elected Members had been undertaking this training, provided by Cumbria Action for Sustainability (CAfS), which helped to increase knowledge and understanding of the issues and challenges of climate change, and also gave the Council real tools to take positive action to tackle the climate emergency.

The County Council had a longstanding commitment to tackling climate change, and this Carbon Literacy training enabled us to further reduce our carbon footprint both as an organisation and as individuals.

Cumbria County Council was now working towards the silver accreditation, which required amongst other things for 15% of the workforce to be certified as carbon literate.

6 PUBLIC PARTICIPATION

There were no public questions, petitions or statements made at this meeting.

There were no referrals from local committees or scrutiny committees to this meeting.

7 2021/22 REVENUE AND CAPITAL BUDGET MONITORING REPORT PROVISIONAL YEAR END RESULTS

Members had before them a report from the Director of Finance (Section 151 Officer), which set out the Council's provisional year-end outturn position for 2021/22.

The Leader took Cabinet through the key messages contained within the report.

Since setting the Budget in February 2021, the Council had continued to face significant financial uncertainty relating to: the response to and recovery from the COVID-19 pandemic; the impact of Brexit and global adverse events including the Russian invasion of Ukraine. Collectively this global uncertainty was resulting in significant inflationary pressures on goods, services and utilities, resulting in a cost of living crisis in the United Kingdom and worldwide. This was expected to continue throughout 2022/23 and beyond. It was important that the Council continued to provide vital local services during this period of sustained uncertainty whilst carefully managing its overall expenditure within its approved resources.

Whilst the COVID-19 pandemic had had a significant impact on the Council's financial position there had also been adverse pressures in its underlying budget position arising from non-COVID-19 related issues driving demand and cost of service provision as well as non-delivery of approved MTFP savings.

However, these had been offset by the achievement of in year mitigations and/or one off underspending in other service areas to achieve an overall underspend position for the whole Council at year-end.

Although the financial position for 2021/22 was favourable it was recognised that the underspends were in the majority one offs and yet the underlying financial pressures were not.

A recommendation had been agreed by Cabinet in the Q3 budget monitoring report (17 March 2022) that any further budget underspends at year-end, would be transferred to the Financial Volatility Reserve. As part of year-end processes, reassessment of the anticipated financial risks that were likely in 2022/23 had been undertaken including an assessment of the extraordinary inflationary pressures. Due to the significant inflationary pressures and the wider cost of living crisis it was considered prudent to make specific financial provisions for these items alongside the contribution to the Financial Volatility Reserve. The proposed transfer to reserves, subject to the recommendations being approved, were summarised as:

- £4.500m to the Inflation Risk Reserve to partially mitigate the forecast pressures in 2022/23 from rising inflation;
- £2.000m to a Cost of Living Reserve to be utilised during 2022/23 to support individuals through the cost of living crisis. This supports the emerging risk that has been highlighted in the 2021/22 Q4 risk register;

- £1.849m to the Financial Volatility Reserve.

The Leader then proposed an amendment to recommendations c) and d) in the report, as follows:-

c) Approve the following transfers to earmarked reserves:

- £0.500m to the Schools Maintenance Earmarked Reserve to address essential maintenance and to assist in mitigating inflationary pressures in 2022/23, the balance on this earmarked reserve (after approving recommendations c and f) would be £1.262m;
- £4.000m to the Inflation Risk Reserve, the balance on this reserve (after approving recommendations c and f) would be £5.054m.

d) Approve the transfer of £2.000m to a newly created Cost of Living reserve to be utilised in 2022/23 as follows:

- 0.500m additional support via the Council's Ways to Welfare fund to further support people during this difficult period, providing grants of up to £100 for individuals and families who are experiencing financial difficulty.
- £0.500m to support the Council's school clothing grant budget on a one off basis for 2022/23 only to provide parents of children in receipt of free school meals a contribution to the cost of school uniforms at an increased rate of £50 for children in primary school and £100 for those in a secondary school.
- £0.500m to support the enhanced free school meals offer including funding the shortfall in free school meal voucher provision for the summer 2022 school holidays.
- £0.500m for direct community support – to be used to provide support directly to individuals in need, including: direct food purchase.

The Leader said the demand on the Ways to Welfare Fund had already outstripped the resource available, and foodbanks and the Citizen's Advice Bureaux were seeing increased numbers of people seeking help.

Cabinet was very supportive of the proposed amendments to the recommendations especially with the increased cost of living, the increase in energy prices and the increase in inflation being felt by all.

RESOLVED, that Cabinet

- (1) Note the revised provisional outturn Revenue Budget of £411.109m as a result of the previously agreed transfers to and from reserves (set out in Appendix 1) and before⁵ the recommended transfers to reserves set out in 3, 4, 5, 6, and 7 below;
- (2) Note the provisional outturn Revenue Budget year-end position of an underspend of (£8.349m), which is an increased underspend of (£8.179m) from Q3;
- (3) Approve the following transfers to earmarked reserves:
 - £0.500m to the Schools Maintenance Earmarked Reserve to address essential maintenance and to assist in mitigating inflationary pressures in 2022/23, the balance on this earmarked reserve (after approving recommendations c and f) would be £1.262m;
 - £4.000m to the Inflation Risk Reserve, the balance on this reserve (after approving recommendations c and f) would be £5.054m;
- (4) Approve the transfer of £2.000m to a newly created Cost of Living reserve to be utilised in 2022/23 as follows:
 - 0.500m additional support via the Council's Ways to Welfare fund to further support people during this difficult period, providing grants of up to £100 for individuals and families who are experiencing financial difficulty.
 - £0.500m to support the Council's school clothing grant budget on a one off basis for 2022/23 only to provide parents of children in receipt of free school meals a contribution to the cost of school uniforms at an increased rate of £50 for children in primary school and £100 for those in a secondary school.
 - £0.500m to support the enhanced free school meals offer including funding the shortfall in free school meal voucher provision for the summer 2022 school holidays.
 - £0.500m for direct community support – to be used to provide support directly to individuals in need, including: direct food purchase
- (5) Note that the remaining underspend of £1.849m has been transferred to the Financial Volatility Reserve, as approved by Cabinet at Q3. The total transferred to the Financial Volatility Reserve in 2021/22 is £3.219m. The balance on the Financial Volatility Reserve at 31 March 2022 is £19.179m;

- (6) Approve the additional Directorate contributions to Earmarked Reserves totalling £3.976m which have been requested as part of the year-end processes, as set out in Appendix 5. These transfer to reserves are already included in the reported (£8.506m) underspend position;
- (7) Note performance in delivering a total of £24.364m (81%) against the approved savings for 2021/22 of £30.018m have been delivered during 2021/22;
- (8) Note the General Fund balance at 31 March 2022 of £25.056m; which is unchanged from the balance at 31 March 2021;
- (9) Note that total spend of Contain Outbreak Management funding is £9.891m from a total grant award of £14.014m, with the remaining £4.123m carried forward into 2022/23. Further information is set out in Appendix 6 and paragraph 32 of the report;
- (10) Note the updated Fees and Charges Schedule for 2022/23 (changes set out in Paragraph 36 and Appendix 7);
- (11) Note the Capital Programme provisional outturn of £88.645m compared to a proposed budget (excluding Accountable Bodies) of £122.153m, representing a net underspend of £33.508m (27%) as set out in table 19 of the report;
- (12) Note the slippage of (£34.181m) and accelerated spend of £1.173m. Council agreed that slippage and accelerated spend in the 2021/22 Capital Programme can be carried forward to 2022/23, in the Budget Report approved by Council on 10 February 2022, so no further approval is required for the purposes of this report;
- (13) Approve the addition of £11.032m to the Capital Programme 2021/27 for existing schemes, as detailed in paragraph 51 financed from external grants and contributions;
- (14) Approve the addition of £0.200m to the Capital Programme 2021/27 for new schemes, as detailed in paragraph 52 funded from external grants and contributions;
- (15) Approve the addition of £0.371m to the Capital Programme 2021/27 for existing schemes, as detailed in paragraph 54 of the report financed from internal contributions;
- (16) Approve the virements set out at paragraph 55, these changes have no impact on the overall value of the Capital programme;

- (17) **RECOMMEND** to Council, the addition of £4.676m to the Capital Programme 2021/27 for new schemes, as detailed in paragraph 52 of the report financed from previously approved un-allocated prudential borrowing;
- (18) **RECOMMEND** to Council, the addition of £2.201m to the Capital Programme 2021/27 for existing schemes, as detailed in paragraph 53 of the report financed from previously approved un-allocated prudential borrowing;
- (19) **RECOMMEND** to Council, the virement of £1.368m between the Additional Inflation Risk allowance and A595 Grizebeck scheme, as detailed in paragraph 56 of the report.

8 CORPORATE PERFORMANCE MONITORING REPORT – QUARTER 4 2021/22

Members had before them a report from the Director of Finance (Section 151 Officer) which provided Cabinet with an update on corporate performance, measured against the new Council Plan Delivery Plan agreed in March 2022.

There had been some significant challenges to be reported this quarter, as the omicron covid variant continued to have a direct impact on staffing levels across services, and local government reorganisation preparations were increasing, placing more challenges on council officers.

Overall 36 of the 63 indicators had been met, or on track and 8 were rated red. The red rated indicators would be the focus for Cabinet during the next quarter.

RESOLVED, that Cabinet note the overall performance relating to delivery of the four Council Plan outcomes and context indicators for the quarter ending 31 March 2022.

9 REVIEW OF APPOINTMENTS TO CABINET WORKING GROUPS, OTHER BODIES AND OUTSIDE BODIES

Cabinet considered a report from the Executive Director – Corporate, Customer and Community Services, which asked members to consider appointments to cabinet working groups and other bodies, and on outside bodies.

Appointments to Cabinet Working Groups, other bodies and outside bodies were carried out to ensure that the Council engaged effectively in

outside and other bodies and that membership of Cabinet working groups was appropriate.

Cabinet annually reviewed its appointments to Cabinet working groups, other bodies and outside bodies, including bodies that the County Council was required to establish by law.

Executive Directors had been consulted as to the recommendations to be made to Cabinet for appropriate outside bodies for the year 2022/23.

The Leader asked Cabinet to note that one body had been removed from the list this year, which was the Cabinet Working Group on Transport. This was set up last year as a time limited working group and had already reported back to Cabinet, so appointments were no longer needed.

RESOLVED, that

- (1) Cabinet approve the list of outside bodies at Part D of Appendix 1 as the bodies to which a representative will be appointed in 2022/23, and appoint the members to each outside body as set out in Part D of Appendix 1;
- (2) Cabinet agree the proposed membership as set out in Appendix 1 Parts A – C of cabinet working groups and other bodies to this report be approved;
- (3) the Monitoring Officer be authorised to make changes to the list of outside bodies and the appointed members as set out in Appendix 1 – Part D – Cabinet appointments to outside bodies as required in consultation with the Leader of the Council.

The meeting ended at 10.40 am