

Cabinet**Thursday, 19 May 2016, County Hall, Worcester – 10.00 am**

		Minutes
Present:		Mr M L Bayliss, Mr A N Blagg, Mrs S L Blagg, Mr S E Geraghty (Chairman), Mr M J Hart, Mrs L C Hodgson and Dr K A Pollock
Also attended:		Mr P M McDonald and Mrs E B Tucker.
Available Papers		The Members had before them: A. The Agenda Papers (previously circulated); and B. The Minutes of the meeting of the Cabinet held on 3 March 2016 (previously circulated). A copy of document A will be attached to the signed Minutes.
1725 Apologies and Declarations of Interest (Agenda item 1)		Apologies were received from Mr A Roberts and Mr J H Smith. Dr K A Pollock declared an interest as a governor of Great Witley Primary School. Members of the Cabinet congratulated ex-Cabinet member Mr J P Campion on his election to the position of Police and Crime Commissioner for West Mercia.
1726 Public Participation (Agenda item 2)		None.
1727 Confirmation of the Minutes of the previous meeting (Agenda item 3)		RESOLVED: that the Minutes of the Cabinet held on 3 March 2016 be confirmed as a correct record and signed by the Chairman.
1728 Resources Report (Agenda item 4)		The Cabinet considered a Resources Report. The details were set out in the report. In the ensuing discussion, the following main points were made: (a) The Leader of the Council introduced the report and

commented that:

- the provisional financial outturn for the end of 2015/16 had broken even compared with the Council's budget which left the Council in a good position moving forward to implement the budget for this financial year. However there remained key challenges for the 2017/18 financial year. Children's social care was a particular cost pressure which had been brought under control with the additional income generation and the active management to address the number of children social care placements. This had been balanced by a favourable outcome on the Council's money market activities
- There were a couple of particular risks facing the Council: 1) the impact of business rate appeals – reserves had been strengthened to bridge the funding gap; and 2) where savings could not be delivered as expected in 2015/16 – one off alternative sources of funding had been put in place to bridge the funding gap
- The Council was still delivering its ambitious agenda and a number of specific earmarked reserves had been strengthened in light of known future commitments and risks (which were set out in the report)
- General reserves of £13m had been maintained.

(b) The Council continued to use the money markets to its benefit and he paid tribute to the Chief Financial Officer and his team for their work. Additional flexibility had been delegated to Directors to carry funds forward which was crucial for effective financial planning. Bromsgrove Railway Station was close to reopening. It was a fantastic facility that would include cross-city links and provide a better service. 350 parking spaces would be provided although detailed plans were still being negotiated with local residents. Two additional grants had been received from the Department for Transport for the Pothole Action Fund and the Highways Maintenance Incentive Element

(c) The Council had been allocated Section 106 funding from planning notifications which had been used to improve facilities and meet additional demand at Lickey Hills Primary School and Stourport High School. Future receipts of Section 106 funding would fund capital schemes at Great Witley Primary School and Swan Lane First School

- (d) Good progress had been made providing Broadband across the County. There were certain areas where access was not possible but it should be noted that the Queen's Speech included the Government's intention to make it a universal service obligation so everyone could ask for and receive Broadband speeds of 10 megabytes per second
- (e) The Council had now received the final allocation of the Public Health Ring-fenced Grant for 2016/17 and an indicative allocation for 2017/18. The budget gap had been managed in 2015/16 through the use of reserves and some budgetary reductions
- (f) A member from outside the Cabinet commented that there was a lack of evidence to support the aspiration to create an additional 25,000 jobs in the County by 2025 especially given the recent negative impact on manufacturing jobs in the north of the County. It also failed to state the type of jobs that would be created. The Leader of the Council explained that the target for job creation had emerged from the Strategic Economic Plan which had been agreed with all partner agencies. The baseline had been measured at a time when the County was starting a period of record employment. He wanted to see higher paid jobs in the County and more of them. In addition the Government had introduced the National Living Wage to help the lowest paid workers in the County. He wanted to work with the business community to attract more jobs across all sectors. It was added that there had not been a significant impact on the County of job losses in the manufacturing sector. There were a number of employment sectors that provided high quality and high value jobs in the economy
- (g) In response to a query from outside the Cabinet, the Head of Legal and Democratic Services clarified that serving in the role of the Police and Crime Commissioner did not disqualify an elected member and potential conflicts could be managed. The Police and Crime Commissioner addressed Council on occasion and would be visiting again, and there would be no conflict of interest as long as it was clear that he/she was speaking in that capacity and treated accordingly.

RESOLVED:

- (a) that the Cabinet Member's conclusions concerning financial performance for the year ending 31 March 2016 as detailed in paragraphs 7 to 13 of the report be endorsed and the statutory accounts be finalised on this basis;**
- (b) that earmarked reserves and general balances as detailed in paragraphs 36 to 40 of the report be updated;**
- (c) that the current progress and successes regarding the FutureFit programme be noted;**
- (d) to recommend Council approve:
 - (i) an increase of £0.9 million for the Pothole Action Fund and £0.8 million for Highways Maintenance schemes following receipt of increased capital grant income; and**
 - (ii) an increase of £0.7 million school improvements funded by Section 106 funding receipts;**as detailed in paragraphs 42 to 44 of the report, and that the Capital Programme cash limits are updated accordingly;**
- (e) to recommend Council to approve, subject to the satisfactory receipt of future expected Section 106 funding, an increase of £0.7 million for school improvements as detailed in paragraph 45 of the report, and that the Capital Programme cash limits are updated accordingly;**
- (f) that the progress made on the Public Health Ring-fenced Grant set out in the report be endorsed; and**
- (g) that the report on borrowing and lending transactions during 2015/16 detailed in paragraphs 54 to 55 and Appendix 4 of the report be noted.**

The meeting ended at 10.25 am.

Chairman

