

# Agenda

## Council

**Thursday, 15 May 2014, 10.00 am**  
**County Hall, Worcester**

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اردو۔ اگر آپ اس دستاویز کی مشمولات کو سمجھنے سے قاصر ہیں اور کسی ایسے شخص تک آپ کی رسائی نہیں ہے جو آپ کے لئے اس کا ترجمہ کر سکے تو، براہ کرم مدد کے لئے 01905 765765 پر رابطہ کریں۔ (Urdu)

کوردی سۆزانی، ننگهر ناتوانی تێبگهی له ناوهرۆکی نهم بھلگهیه و دستت به ههچ کس ناگات که و هههنگهر یتوه بۆت، تکلیه تهلغون بکه بۆ ژمارهی 01905 765765 و داوای رهنۆینی بکه. (Kurdish)

ਪੰਜਾਬੀ। ਜੇ ਤੁਸੀਂ ਇਸ ਦਸਤਾਵੇਜ਼ ਦਾ ਮਸ਼ਹੂਨ ਸਮਝ ਨਹੀਂ ਸਕਦੇ ਅਤੇ ਕਿਸੇ ਅਜਿਹੇ ਵਿਅਕਤੀ ਤੱਕ ਪਹੁੰਚ ਨਹੀਂ ਹੈ, ਜੋ ਇਸਦਾ ਤੁਹਾਡੇ ਲਈ ਅਨੁਵਾਦ ਕਰ ਸਕੇ, ਤਾਂ ਕਿਰਪਾ ਕਰਕੇ ਮਦਦ ਲਈ 01905 765765 'ਤੇ ਫ਼ੋਨ ਕਰੋ। (Punjabi)

## DISCLOSING INTERESTS

There are now 2 types of interests:  
**'Disclosable pecuniary interests'** and **'other disclosable interests'**

### WHAT IS A 'DISCLOSABLE PECUNIARY INTEREST' (DPI)?

- Any **employment**, office, trade or vocation carried on for profit or gain
- **Sponsorship** by a 3<sup>rd</sup> party of your member or election expenses
- Any **contract** for goods, services or works between the Council and you, a firm where you are a partner/director, or company in which you hold shares
- Interests in **land** in Worcestershire (including licence to occupy for a month or longer)
- **Shares** etc (with either a total nominal value above £25,000 or 1% of the total issued share capital) in companies with a place of business or land in Worcestershire.

**NB** Your DPIs include the interests of your **spouse/partner** as well as you

### WHAT MUST I DO WITH A DPI?

- **Register** it within 28 days **and**
- **Declare** it where you have a DPI in a matter at a particular meeting
  - you must **not participate** and you **must withdraw**.

**NB** It is a criminal offence to participate in matters in which you have a DPI

### WHAT ABOUT 'OTHER DISCLOSABLE INTERESTS'?

- No need to register them but
- You must **declare** them at a particular meeting where:  
You/your family/person or body with whom you are associated have a **pecuniary interest** in or **close connection** with the matter under discussion.

### WHAT ABOUT MEMBERSHIP OF ANOTHER AUTHORITY OR PUBLIC BODY?

You will not normally even need to declare this as an interest. The only exception is where the conflict of interest is so significant it is seen as likely to prejudice your judgement of the public interest.

### DO I HAVE TO WITHDRAW IF I HAVE A DISCLOSABLE INTEREST WHICH ISN'T A DPI?

Not normally. You must withdraw only if it:

- affects your **pecuniary interests** **OR** relates to a **planning or regulatory** matter
- **AND** it is seen as likely to **prejudice your judgement** of the public interest.

### DON'T FORGET

- If you have a disclosable interest at a meeting you must **disclose both its existence and nature** – 'as noted/recorded' is insufficient
- **Declarations must relate to specific business** on the agenda
  - General scattergun declarations are not needed and achieve little
- Breaches of most of the **DPI provisions** are now **criminal offences** which may be referred to the police which can on conviction by a court lead to fines up to £5,000 and disqualification up to 5 years
- Formal **dispensation** in respect of interests can be sought in appropriate cases.

**Thursday, 15 May 2014, 10.00 am, County Hall, Worcester**

## **Agenda and Summons**

**Councillors:** Mr G C Yarranton (Chairman), Mrs P E Davey (Vice Chairman), Mr A I Hardman, Mr A N Blagg, Mrs S L Blagg, Mrs E A Eyre, Mr M J Hart, Mrs L C Hodgson, Mr J H Smith, Dr K A Pollock, Mr R C Adams, Ms P Agar, Mr A T Amos, Mrs S Askin, Mr J Baker, Mr R W Banks, Mr M L Bayliss, Mr C J Bloore, Mr M H Broomfield, Mr J P Champion, Mr S J M Clee, Mr S C Cross, Mr P Denham, Mr N Desmond, Ms L R Duffy, Mr A Fry, Mr S E Geraghty, Mr W P Gretton, Mrs J L M A Griffiths, Mr P Grove, Ms P A Hill, Mrs A T Hingley, Mr C G Holt, Mr I Hopwood, Mr M E Jenkins, Vacancy, Ms R E Jenkins, Mr R C Lunn, Mr L C R Mallett, Mr P M Mcdonald, Mr A P Miller, Mrs F M Oborski, Mr J W Parish, Mr S R Peters, Mr A A J Adams, Mr D W Prodger, Prof J W Raine, Ms M A Rayner, Mr A C Roberts, Mr R J Sutton, Mr C B Taylor, Mr J W R Thomas, Mrs E B Tucker, Mr P A Tuthill, Mr R M Udall, Mr G J Vickery and Mr T A L Wells

### **1 Chairman**

To elect a Chairman of the Council to hold office until his or her successor becomes entitled to act.

### **2 Vice-Chairman**

To appoint a Vice-Chairman of the Council to hold office until immediately after the election of a Chairman at the next Annual Meeting of the Council.

### **3 Public Participation**

To allow a member of the public to present a petition or ask a question relating to the functions of the Council, or to make a comment on any matter on the agenda.

**Members of the public wishing to take part should notify the Director of Resources in writing or by e-mail indicating both the nature and content of their proposed participation no later than 9.00am on the working day before the meeting (in this case Wednesday, 14 May 2014). Further details are available on the Council's website. Enquiries can also be made through the telephone number/e-mail address listed below.**

### **4 Minutes**

To approve as a correct record and authorise the signing of the Minutes of the meeting held on 13 February 2014 (previously circulated electronically).

### **5 Apologies and Declaration of Interests**

To receive apologies and invite any Councillor to declare any interest in any of the items on this Agenda.

## **6 Chairman's Announcements**

To receive any announcements to be made by the Chairman (both retiring and incoming).

## **7 Future Fit - Future Operating Model 1 - 20**

To consider a report on the Future Operating Model for the work of the County Council and any consequent changes to the Directorate structure which may be required (**yellow pages**).

## **8 Constitutional and Other Matters 21 - 26**

To consider a report on (a) the establishment of a Waste Credit Governance Committee (further to Minute 1525), and (b) dates for future Council meetings. (**yellow pages**)

## **9 Overview and Scrutiny Work Programme 27 - 30**

To consider a report on the future Work Programme of the Overview and Scrutiny function. (**yellow pages**)

## **10 Reports of Cabinet 31 - 50**

To consider the reports of the Cabinet and to receive answers to any questions asked on those reports. Matters which require a decision by Council are on **yellow pages**. Matters upon which decisions have been taken by the Cabinet are on **white pages**.

## **11 Reports of Cabinet Members with Responsibility 51 - 64**

To receive the reports of the Cabinet Member with Responsibility for Children and Families and the Cabinet Member with Responsibility for Localism and Communities on current issues and proposed developments within their areas of responsibility and to receive answers to any questions on them (**green pages**).

## **12 Question Time 65 - 66**

***To receive answers to any questions asked by Councillors (orange pages).***

*(Members are reminded of the timescale adopted by Council for notice of questions. A Councillor may only ask a question if:*

- *it is delivered in writing to the Director of Resources **by noon on Monday 12 May 2014** or*
- *if it relates to urgent business, the Director of Resources is notified at least half an hour before the start of the meeting).*

## **13 Notices of Motion 67 - 68**

To receive the report of the Director of Resources on any Notices of Motion received by him (lilac pages). ***Councillors are asked to note that any Notices of Motion must be received by the Director of Resources no later than noon on Thursday, 8 May 2014.***

## **14 Reports of Committees 69 - 80**

To consider the report of the Audit and Governance, Planning and Regulatory and Standard and Ethics Committees (**white pages - attached**) which summarise the decisions taken at those meetings.

### **NOTES**

- **Webcasting**

Members of the Council are reminded that meetings of the Council are Webcast on the Internet and will be stored electronically and accessible through the Council's Website. Members of the public are informed that if they attend this meeting their images and speech may be captured by the recording equipment used for the Webcast and may also be stored electronically and accessible through the Council's Website.

- **Catering Arrangements**

Luncheon will be available at 1.00pm or thereabouts in the Lakeview Room. This will be provided for all Councillors, without payment, and for pre-notified guests, who must be paid for in advance. An indication of any guests wishing to take luncheon should be given to staff in the Business Support Unit at least three days before the Council meeting.

To obtain further information or a paper copy of this agenda please contact John Higginbotham, Committee and Appellate Officer by telephone on Worcester (01905) 766607 or [jhigginbotham@worcestershire.gov.uk](mailto:jhigginbotham@worcestershire.gov.uk)

Date of Issue: Tuesday, 6 May 2014

**Council**  
**15 May 2014**

## **7(a) FUTUREFIT: FUTURE OPERATING MODEL**

### **Recommendation**

- 1. The Leader of the Council recommends that Council:**
  - (a) notes the outcomes of consultation with staff, members and partners on proposals to change the future way of operating within the Council as set out in this report;**
  - (b) notes and accepts the consequential impact on the status of directly employed staff in services which are commissioned and to be provided externally;**
  - (c) approves the Council's Future Operating Model as set out in this report.**

### **Background Information**

- 2. The Council has faced significant challenges over the last three years, primarily brought about by changed financial circumstances with £100m of savings to be found by 2017/18 and increasing demographic pressures year on year. The number of older people in Worcestershire who are eligible to access Council social care is rising and the number of children looked after by the Council has substantially increased over recent years.**
- 3. In response to these changes the Council successfully launched the BOLD Programme in 2010 which focused on reform, efficiencies and reducing spend. During this period the way the Council operates has evolved incrementally rather than being designed. This report outlines a comprehensive set of proposed changes to the way we operate to ensure we are fit for the future. Should they be approved, then once implemented these changes will fundamentally change the operation of the Council, enabling it to be more responsive, agile, innovative, and above all commission services for residents that meet need and deliver high quality and good value.**

4. A refreshed Corporate Plan was published in January 2013, with an opportunity to focus our efforts and finances on four key areas of focus, with 'Open for Business' being a key priority. As indicated in the Leader's report to Council in January 2014, it is unlikely that the current way of operating will be fit for the future. The challenge is to maintain outcomes for Worcestershire residents whilst recognising the financial constraints and that the size of the workforce is reducing. Commissioning will be the driver for delivering these priorities, with real emphasis on both current and future needs, within the reduced financial envelope.

5. Examples of the changed role of the Council in becoming a strategic commissioner are already evident in the current FutureFit programme as below. The focus of each of these commissioning programmes is to make savings but at the same time maintain outcomes for residents and service users by harnessing external expertise and innovation.

- The commissioning of Learning and Achievement services was agreed at the April 2014 Cabinet with a view to a new provider being found and in place by April 2015; the provider will be expected to drive through transformational change to deliver innovative solutions in a range of services supporting schools and pupils and continue to work with schools to improve educational outcomes within existing financial constraints
- There have been discussions with potential alternative providers for Adult Social Care services currently provided internally and this will inform options for the future delivery of these services; this fits into the context of the Future Lives programme where we will be giving service users eligible for Council funded care greater choice over the services they use and control over their own personal budgets.
- Commissioning of five different components of support services is underway. Each component is at different stages of the commissioning process over the next 12-18 months with the Property Design Unit and IT infrastructure currently seeking alternative provision
- March 2014 Cabinet gave approval to proceed with a detailed business case across partners for a Joint Property Vehicle. The outcome will be the formation of a single new company to manage the



## Consultation and Engagement

partners' property portfolio with the potential to drive service integration and property rationalisation, ultimately creating opportunities for further regeneration and growth

- An emerging new phase of work in commissioning Council Transport Services is expected to complete by March 2015. The anticipated outcome would see the further market development of community transport providers and the transfer of the in-house fleet service to an arms-length operation, thereby exploiting further commercial opportunities.

6. Following an extensive series of engagement events including visits, conversations and focus groups with staff, members and partners during late 2013, initial proposals were brought to the February and April 2014 Cabinets. Cabinet agreed to recommend the Future Operating Model for approval by Council, and authorised the Leader to make any final amendments to the Model following completion of consultation prior to this Council meeting. This report looks to provide confirmation of proposals, and where feasible more detail, following the period of consultation with more than 750 staff, members and partners.

7. 'Operating model' in the context of this report has been defined as including the following components:

- Customer base and needs
- Outcomes
- People and skills
- Processes and systems
- Structures
- Decision-making and accountability.

8. Since the February Cabinet report the following events have taken place.

- Seven staff roadshows
- Directorate Leadership Team Meetings
- Member briefing
- Partner briefing
- Two Overview and Scrutiny Performance Board briefings
- Four focus groups with commissioning staff
- Nearly 20 individual interviews with senior officers
- Focus group with managers
- Briefing for 150 senior managers.

9. In the main, the response has been very positive and all sessions have provided constructive feedback which has

## Proposals to change the way we operate

been used to support the further development of the Future Operating Model. There are a number of key emerging findings from the consultation and engagement sessions which will assist the implementation of the Future Operating Model, and these are summarised in the Appendix.

10. The proposals were outlined in the February and April Cabinet reports. For each of these proposals an indication of what success will look like and what this means has been outlined.

### a) Strategic Commissioner

11. What success will look like; we will ensure that our residents and business get the right services at the right price for the taxpayer. We will have 3 strategic commissioning Directorates – DASH, BEC and Children's Services that will only directly provide services where there is not a viable alternative. A small core of services will be retained in-house for the immediate future covering social care assessment and safeguarding services in the Adult Services and Health and Children's Services Directorates, and asset and infrastructure management, regulation and economic strategy in the Business, Environment and Community Directorate (BEC).

12. What this will mean; the role of strategic commissioner will need to evolve by 2015/16 but it is anticipated that the strategic commissioner role will be a management responsibility of the lead Directorate. Strategic commissioners will remain accountable for all outcomes delivered by commissioning including service outcomes, budget and value for money, regardless of provider, and we need to ensure they have sufficient quality assurance in place to do this effectively. These roles will lead the development of robust analysis of service user needs, management of external markets and ensure all individuals and organisations affected are included in the process, including service users, staff, members and partners. Ensuring clear separation between the strategic commissioner role, operational commissioners and the operational management of internally provided services will be important, though both will contribute to quality outcomes and cost management.

### b) Business Intelligence

13. What success will look like; we will know more about the current and future needs of residents and businesses

and will use this information more proactively to plan service design and delivery.

14. What this will mean; as part of a commissioning review begun in 2013, Research and Intelligence were restructured in January 2014. Research and Performance Management consequently operate as two distinct strands. The research specialism is forward-looking, focussing on informing the commissioning and service redesign decisions through the use of techniques such as forecasting, benchmarking and scenario planning. The Research Teams will be further aligned in May 2014 to better align with the needs of Directorates.

15. The Performance Management element will focus on monitoring in-year performance, analysis of trends and setting of targets, all of which will be used together to support the commissioning function (whether this be ensuring acceptable performance of a service provided by the Council or a service provided externally), and inform the Quality Assurance process.

16. Performance management (through the currently used Balanced Scorecard, for example) will continue to be a vital means of understanding progress against "Future Fit". The Balanced Scorecard reports progress against the Corporate Plan using measures which relate to outcomes for residents in which the Council has an important role, either in influencing, commissioning or directly providing. In addition, it demonstrates the 'golden thread' in priorities and their performance throughout the organisation. A cross-organisation review of Performance Management will be complete by June 2014 and this will be used to inform and develop key components of the Future Operating Model.

17. The role of research moving forward will also be different, with strategic commissioners requiring the function to enable better evidence-based decision-making and more forward-looking information and scenario planning rather than merely collecting the data in its current or retrospective form. For example, Strategic Commissioners for adult social care services may need tailored demographic information to let them know where their service users are, what their needs are currently, what their needs may look like in the future and what delivery model(s) may suit them best. They would also require a comprehensive picture of the market place, if we no longer deliver services then we can only influence the open market by understanding capacity versus cost, the specialisms offered, and try to predict the future of services when jointly commissioned with partners. Another example would be the

use of digital information in providing services where research officers will use customer insight tools to make recommendations on how the service could be designed to ensure maximum take-up from users.

#### c) Quality Assurance

18. What success will look like; we will make sure that services are safe, effective and customer friendly and have in place appropriate mechanisms to ensure this, regardless of provider.

19. What this will mean; we will look to enhance existing arrangements for proactively managing supplier delivery, ensuring service user feedback is a key component in any quality assurance process. This will require changes across the Council but particularly in managing suppliers that provide services directly to people. The changes will need to cover appropriate governance, management information and qualitative checks on quality, including a bigger role for members in overseeing quality. Scrutiny has suggested that they play a more active role in challenging quality assurance, which is welcomed and supported by the executive.

#### d) Act Local

20. What success will look like; we will support people to come together to do things for themselves and their local community using their time, ideas and skills to make where they live a better place.

21. What this will mean; Act Local has had considerable success in developing an awareness and toolkit for local innovation and service delivery. Examples include communities taking up provision of outdoor education centres, libraries, youth services and winter gritting. However, there is a desire across Worcestershire to seek out further opportunities to deliver services at a more local level at lower cost, and in response to the needs of local areas. This recognises the shift to individuals and communities being empowered to do more for themselves on issues that are important to them. Recognising that one size doesn't fit all, we will continue to work more closely with Districts, Parishes and communities to identify and maximise opportunities for innovative solutions to changing local needs.

#### e) Partner Feedback

22. What success will look like; we will gather regular feedback from partners, such as the District Councils, schools and the NHS, about how we are doing - in the same way that we already collect feedback from residents, businesses and staff.

23. What this will mean; from 2014 we will incorporate a formal mechanism in our annual feedback surveys for feedback from all partners. This feedback information will be vital in terms of informing, challenging and improving future service design and delivery. A presentation on the future Operating Model was made to the Worcestershire Partnership Executive Group (PEG) on 9 April, which involved a discussion about existing 'feedback' arrangements with other councils, and how we might adopt these in order to improve and expand existing feedback processes. Proposals and ideas will be explored further at the June meeting of PEG and this will be used to inform the development of future mechanisms for obtaining this feedback.

f) Expectations of members' role

24. How we will measure success; to enable all members to fulfil their role as local community leaders who are active in their communities and acknowledged as the 'go-to' person, to pull together support for local solutions to local problems. Cabinet members will also provide community leadership at a countywide level, as well as having a role on the national stage. Through their democratic leadership, members will work with residents and partners to develop community resilience, access to services, community spirit and democratic participation.

25. What this will mean; we support members through a combination of induction, briefings and formal training. We will design support structures to ensure members know where to go and who to approach to get up to date information that facilitates the delivery of local solutions and provides quick time answers to local problems. We will build on Scrutiny's work around member input into the Commissioning Process to look at how best to provide improved mechanisms to facilitate member input, recognising we are operating in a Council with reduced resources. We will ensure emerging and cross-organisational themes are being captured and communicated early enough, and information bulletins will be provided on a more regular basis. This will help to develop the members' roles in relation to specific services, political groups, local partnerships and Council scrutiny and decision-making.

#### g) Expectations of Staff

26. What success will look like; Staff will know what their objectives are, how they contribute to the Corporate Plan and how this differs from previously, including the development of different skills and behaviours. Staff will be flexible in their working practices including working across the organisation where appropriate, for example on major projects or cross-cutting issues.

27. What does this mean; flexible and mobile working will continue to be implemented and overall scores for performance will be introduced in Staff Review and Development (SRD) assessments from 2014. Staff accountability will be strengthened through delivering better decision-making, with innovation, agility and calculated risk-taking encouraged where a better outcome for residents can be achieved. A number of initiatives are being progressed including a review of 'Our People' strategy to identify desired staff behaviours in line with the Corporate Values and any Future Operating Model, as well as the introduction of development programmes to build staff capability and skill.

#### h) Expectations of Managers

28. What success will look like; above and beyond their technical expertise, all managers will have been trained and will be working in a commercial way to achieve key objectives, manage resources, increase staff performance and work across service and organisational boundaries, all of which will be assessed through individual appraisals.

29. What this will mean; general management competencies as well as existing professional and technical competencies have been introduced for all managers in SRDs from 2014 and will be used as the basis of all recruitment. Managers' performance will no longer be measured on the basis of how many staff they line manage but instead on their contribution to the commissioning outcomes. Building on 'Managing Beyond the Basics', a blended training approach will be taken to developing skills that are variable across the organisation, including needs analysis, commercial and supplier management etc.

#### i) Implementing a Digital Council

30. What success will look like; we will use information and technology to free up staff to help customers to help themselves. This will see a transformation in self-service over this period.

31. What this will mean; we expect all services to be available on-line by 2016/17. This does not exclude face-to-face or telephone contact where it is needed but ensures we are fully flexible for all residents in a technology-rich world. We will proactively work to address digital exclusion, for example in areas of deprivation and population groups such as elderly residents. Through matrix working, detailed plans have already been created across all of the 8 focus areas of the Digital Strategy:

- How we communicate with citizens and businesses
- How we manage information to provide service users with the information needed to make the operational and strategic decisions
- How we provide applications to service users
- How we support services users
- How we improve the supporting infrastructure to enable flexible and mobile working
- How we improve connectivity to enable secure and effective council working
- How we are improving business engagement
- How we are improving IT (security, commissioning, etc).

32. These have been specifically aligned with Directorate strategies in a collaborative way, demonstrating the change in behaviours we will expect from Managers and Staff. Common systems and processes will improve access to real time information and support operational and strategic decision-making processes. The commissioning of IT will provide access to a wider set of technological capabilities ensuring service delivery and accessibility continues to be aligned to service user needs.

#### j) Support Services

33. What success will look like; HR, IT and Finance will be covered by a small professional team that will help service areas commission or deliver services. Routine volume transactions will be streamlined and automated, and where possible will be done outside of the organisation at reduced cost.

34. What this will mean; the nature of each support service is changing, which will therefore necessitate changes in their individual operating models. Commissioning of

support services is well underway and revised operating models for all three core support services (Finance, HR and Legal & Democratic) have been developed. A consequence of the different operating model for these services will mean strengthening the Council's capacity to be an intelligent client in managing suppliers, to ensure we retain best value and quality outcomes for our service users. This will affect the role of our current Resources Directorate.

#### k) Commissioning Support

35. What success will look like; we will make sure staff who are commissioning and buying services on behalf of the Council get the right expert and specialist support from colleagues with expertise in commercial management, finance and legal services.

36. What this will mean; this is likely to require an element of structural change to reflect the changed expectations of support services as indicated in j) above. Strengthening of our commercial capabilities will be critical and we need to ensure that this is focused not just at the point of contract tendering, but throughout the commissioning cycle. We will ensure the roles of finance, legal, democratic, programme management, business intelligence, organisational development and technology innovation are appropriately aligned to the different stages of commissioning and these functions will need to work closely alongside our performance management function to ensure the performance of all services is clearly understood by all, including members and residents as well as staff.

37. A focus on how commissioning delivers social value will be important. Social value helps us to consider the collective benefit to the community and wider social, economic and environmental outcomes (e.g. stronger communities, improved health and improved environment) that can be procured over and above the direct purchasing of services, goods and outcomes. How our commissioning supports our Corporate Plan objectives will be important, for example impacts on our local economy will be critical in delivering our Corporate Plan priority 'Open for Business'. Developing skills and capabilities to effectively build social value into our contracting and measure its effectiveness will be important although it is likely that different elements of social value will be appropriate depending on the service.



### l) Matrix Working

38. What success will look like; staff will work in teams cross-Council to contribute to corporate priorities and share best practice.

39. What this will mean; as our financial resources get tighter and we address more complex challenges, we will have to work across traditional Directorate structures more effectively. We already have some experience of doing this successfully, for example the cross-Council teams that have supported the recent conclusion of waste negotiations, the development of stronger families work and broadband, but we will need to use this approach more in future. Further opportunities for matrix working are being identified, for example opportunities across Adults' and Children's services and a further look at service integration in customer-facing buildings.

### m) Transfer of staff as a result of commissioning

40. The Council will move to being a Strategic Commissioner under this Future Operating Model, and it recognises this will inevitably lead to a reduction in Council-employed staff. Commissioning will be enabled through the development of different service delivery models suitable for the particular service in question - including the procurement of private sector organisations; establishment of arm's length bodies; separate commercial legal entities and joint venture organisations.

41. In delivering the Future Operating Model it will be the role of Cabinet (as the Executive) to make the final decision on the appropriate service delivery model for any particular service, and Council to accept there will be a consequential impact reducing the numbers of directly Council-employed staff as a result of particular Cabinet decisions. (It is anticipated that many staff who currently deliver services which are subsequently commissioned-out by Cabinet are likely to be transferred to third party providers through TUPE transfer.)

42. The three frontline Directorates will broadly stay the same, based on their track record of delivering good services and substantial savings for the residents of Worcestershire and the need for them to focus on the challenges ahead. However, there will need to be some structural changes to better implement the Future Operating Model. Their Directorate structure will remain, but a number of directorate functions will change and the role requirements of a number of managers will change.

## **Next Steps**

## Supporting Information

### Contact Points

### Background Papers

This will mean that a number of existing posts will be deleted and new ones will need to be created. In addition, the structure of the current Resources Directorate and Chief Executive's Unit will need more fundamental structural change.

43. A separate report follows which details the structural changes needed to implement the key components of the Future Operating Model.

Appendix – Key Themes from Engagement Sessions

#### County Council Contact Points

Worcester (01905) 763763, Kidderminster (01562) 822511 or Minicom: Worcester (01905) 766399

#### Specific Contact Points for this report

Trish Haines, Chief Executive (01905) 766100  
[thaines@worcestershire.gov.uk](mailto:thaines@worcestershire.gov.uk)

Clare Marchant, Assistant Chief Executive  
(01905) 822893  
[cmarchant@worcestershire.gov.uk](mailto:cmarchant@worcestershire.gov.uk)

In the opinion of the proper officer (in this case the Chief Executive) the following are the background papers relating to the subject matter of this report:-

Agenda papers for the meetings of the Cabinet held on 6 February and 10 April 2014

## **Council - Future Fit: a Future Operating Model**

### **Key Themes from Engagement Sessions**

The Future Operating Model paper presented to Cabinet in April noted that engagement sessions had taken place with WCC staff involved in commissioning, partners and the WCC Senior and wider Leadership Teams. All those involved in the engagement sessions were at different stages of the commissioning process. These sessions included 1:1 interviews, management conference and focus groups capturing feedback from over 150 staff.

Staff were asked to consider the future needs of the organisation, as a strategic commissioner, in relation to three areas:

- Skills
- Structure
- Systems

In the main, the responses in the sessions were very positive and informative. In one or two areas, there were valid concerns expressed and issues raised on how the future operating model would work in practice, due to limited information being available in terms of structures and timescales. All sessions provided constructive feedback however, which has been used to support the development and implementation of the proposed Future Operating Model. The key emerging findings from the sessions which have taken place are summarised as follows.

### **Skills**

Potential skills and capacity gaps were identified in the following areas:

- Commercial acumen in order to understand the impact of commissioning options and decisions
- Necessary experience to support and deliver innovative and complex contractual arrangements to meet service delivery targets - for example appropriate Payment by Results mechanisms
- Understanding the market to enable effective relationships with service providers
- Effective contract management skills to ensure that contracts deliver outcomes effectively both within the roles of Strategic Commissioner and Commissioning Support
- Capacity concerns were raised with regard to the finite amount of specialist resource to support the commissioning process, in procurement, legal, finance, HR and IT to ensure a consistent and robust offering

To bridge this skill gap, targeted learning needs analysis (LNA) will be conducted in the relevant service areas, to identify the most appropriate development solutions. In some instances, it may be necessary to externally recruit some specialist skills to expediently achieve maximum capability.

Generic and role specific skills will be identified and Job Descriptions and Person Specifications updated to reflect these.

Matrix working was also identified as a key skill which would be needed, with emphasis on the one council approach, as well as effective use of performance appraisal and reduced hierarchies to deliver accountable decision making.

For example, the creation of a skills database would enable skills possessed by staff in the organisation to be recognised, accessed and used.

## Structures

The structures would need to enable:

- Clear definition of Strategic Commissioner and Commissioning Support roles to enable accountability and proactive decision making for commissioning and contract management
- Effective performance management of staff, acknowledging that this needs to be adaptable to fit in a matrix working environment and enable a decision making framework and appropriate governance
- Prioritisation of workloads (this links with Freedom within Boundaries, one of our corporate values) to ensure capacity to deliver is identified upfront
- Flexibility, responsiveness and capacity to support the commissioning approach e.g. legal, financial, commercial advice and support available from within the organisation to support strategic commissioners as required
- Integrated working between commissioners and commissioning support creating virtual teams across the organisation and with partners rather than in siloes
- Effective utilisation of the specialist knowledge, skills and experience which are held at a directorate/service level
- Effective use of appropriate levels of project management support
- An agile approach to resourcing and structures including generic roles across the organisation to support matrix working throughout the commissioning cycle, through effective use of resources, systems and internal and external expertise
- Facilitate a Business partner approach for Strategic Commissioner support

Underpinning structural change it has been identified through the engagement sessions that cultural change is needed to facilitate and enable the implementation of the proposed future operating model including aligning values with providers' partner organisations/

## Systems

To support the skills and structures, systems will be required to:

- Collate and enable analysis of management information e.g. information about the provider market, information about customers and future trends etc.
- Provide transparency of cost information for Strategic Commissioning, contract monitoring and management
- Enable standardised approach to governance and reporting
- Effectively support monitoring and quality assurance of provider performance in a joined-up way across the organisation
- Maintain both statutory reporting requirements and effective reporting for contract monitoring
- Enable clarity on frameworks and processes to ensure a standardised commissioning approach across the whole organisation.
- Provide management information to gain a strategic overview of commissioning activities

**Council**  
**15 May 2014**

## **7(b) FUTURE OPERATING MODEL: DIRECTORATE STRUCTURES**

### **Recommendation**

1. The Leader of the Council recommends that Council:
  - (a) approves the changes to Directorate structures as set out in paragraph 1 of this report so as to retain the three strategic commissioning frontline Directorates structures (Business, Environment and Community, Children's Services, Adult Services and Health);
  - (b) agrees that the current Resources Directorate and Chief Executive's Unit will be replaced by a new Commercial and Change Directorate (with the consequent deletion of the Assistant Chief Executive post and the Director of Resources post) as set out in paragraph 12;
  - (c) authorises the Chief Executive to continue all necessary staff consultations in relation to the proposed changes as set out in the report;
  - (d) authorises the Appointments Etc Panel to take all appropriate decisions in relation to the proposed changes (including the proposed deletion, and creation of, Head of Service posts and appointments thereto, and the appointment of the Commercial and Change Director); and
  - (e) authorises the Appointments etc Panel to designate one of the Finance Head of Service posts as the Council's Chief Financial Officer and appoint thereto.

### **Background Information**

1. There will need to be some structural changes within Directorates to implement the Future Operating Model. It is proposed that the three strategic commissioning,



## DASH

frontline Directorate structures (Business, Environment and Community, Children's Services, Adult Services and Health) will remain, but a number of functions within these directorates will change. This will mean that a small number of specific roles will need to be considered for deletion with new ones created.

2. To reflect the new operating model, the current Resources Directorate and Chief Executive's Unit will be replaced by a new Commercial and Change Directorate. This will mean the deletion of both the Assistant Chief Executive post and the Director of Resources post, and the creation of a new Director post in order to better deliver the Future Operating Model.

3. This report outlines a number of proposed changes.

4. We are updating joint commissioning with the NHS to reflect the developing plans for integration of health and adult social care, the development of the Well Connected programme and to ensure consistency with the Council's emerging operating model.

5. This will include:

- Working with local NHS towards further integration of health and adult social care.
- Discussions at the Health and Wellbeing Board concerning the development of a bigger pooled commission budget and appropriate governance arrangements to support the Well Connected programme
- Integrated commissioning of health and social care becoming increasingly important as a step towards pooling budgets
- The need to strengthen capacity and capability which could include the merging of Joint Commissioning and Well Connected functions and resources, placing professional management of contracting staff through to a corporate centre and transferring children's commissioning back to Children's Services.

6. These proposals are currently being discussed with relevant staff and a further report to the Appointments Etc Panel detailing the structural changes within DASH will be submitted as necessary in the autumn.



## BEC

7. The BEC Directorate will need to make a number of changes to ensure the role of strategic commissioner is clear and effective. Therefore it is proposed that the current Heads of Services posts within BEC, are deleted and 3 new posts are created : Head of Strategy and Infrastructure, Strategic Commissioner - Major Projects, and Head of Community and Environmental Services, all under the Director's leadership. The proposals are set out below, and it is recommended that the Appointments Etc Panel consider and determine these proposals and their detailed implementation following any necessary consultation.

8. The new structure will better reflect the Council's emerging operating model and provide clarity on the commissioning lead within the Directorate. It will also provide for a more coherent approach to the development and delivery of the Council's strategic infrastructure priorities whilst focussing community service provision into one operational area.

9. Further, given the priority of both highways and economic development in the Corporate Plan, the new structure will see each Head of Service owning an element of these themes. The strategy for economic development adopted by the Council was based around three core components contained within the Open for Business strategic overview. The investment in the fundamentals component (infrastructure and skills) will remain in BEC across the three Heads of Service. The reputation and profile component will be owned by the corporate centre to reflect its political importance in raising the recognition of Worcestershire and Worcestershire County Council nationally. The service transformation component, which relates to the impact the Council has on the Worcestershire economy when procuring goods and services, will belong to the new Commercial and Change Directorate.

### **Children's Services (ChS)**

10. To reflect the commissioning of Learning and Achievement services and the required level of transformational change, it is proposed that the current post; Head of Learning & Achievement is deleted, and a new post; Strategic Commissioner – Education Services is created.

### **RESOURCES/CEU:**

11. With the introduction of the Future Operating Model it is timely to ensure the alignment of skills and structures to the new way of working in delivering corporate priorities. It



is proposed that a new Commercial and Change Directorate will bring together the functions set out below from the Resources Directorate and Chief Executive's Unit respectively. This will build on the strong senior manager skills and capabilities in the organisation but ensure that new skills required for the future are at the heart of the Directorate; working intimately with the frontline Directorates to ensure best outcomes and value for Worcestershire residents.

12. This Commercial and Change Directorate will replace the current Resources Directorate and Chief Executive's Unit. As a consequence, the post of Assistant Chief Executive will be deleted (delivering a net saving of £50k per annum) the post of Director of Resources will be deleted, and a new post of Director of Commercial and Change created.

13. The new Commercial and Change Directorate will be key in ensuring the translation of commissioning outcomes in supporting the 'Open for Business' priority and in driving change across the organisation. It will include the following functions;

- Legal and Democratic (Head of Service)
- Commercial Management
- Performance Management
- HR and Organisational Development (Head of Service)
- Systems and Customer Access (Head of Service)
- Property (Head of Service) up until the functions transfer to the proposed JPV)

14. Given the financial challenges and desire to improve the profile and reputation of Worcestershire, it is proposed that the Finance function be headed by a Head of Service carrying out the role of Chief Financial Officer (also known as the Section 151 officer), and the management of the Finance function. This Head of Service and the Manager of 'Research, Marketing and Programmes' (due to the responsibility for reputation and communications), will report directly to the Chief Executive. Regardless of a separate reporting line it is fully anticipated that these functions work alongside the other commissioning support functions within the Commercial and Change Directorate.

15. It is likely that as we progress towards a Joint Property Vehicle the Head of Property Services role will be





reviewed.

16. Council is asked to delegate any consequent staffing changes arising from above to a future Appointments Etc Panel.

## Next Steps

17. The Appointments etc Panel will be convened to consider the details of any changes to Director or Head of Service posts consequential to the Council's decision on the Future Operating Model and this Structural report.

## Contact Points

### County Council Contact Points

Worcester (01905) 763763, Kidderminster (01562) 822511 or Minicom: Worcester (01905) 766399

### Specific Contact Points for this report

Trish Haines, Chief Executive (01905) 766100  
[thaines@worcestershire.gov.uk](mailto:thaines@worcestershire.gov.uk)

Clare Marchant, Assistant Chief Executive  
(01905) 822893  
[cmarchant@worcestershire.gov.uk](mailto:cmarchant@worcestershire.gov.uk)

## Background Papers

In the opinion of the proper officer (in this case the Chief Executive) the following are the background papers relating to the subject matter of this report:-

Agenda papers for the meetings of the Cabinet held on 6 February and 10 April 2014  
Agenda papers for the meeting of the Council held on 15 May 2014



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**15 May 2014**

## **8. CONSTITUTIONAL AND OTHER MATTERS**

### **(a) Waste Credit Governance Committee**

#### **Recommendation**

- 1. The Head of Legal and Democratic Services recommends that Council:**
  - (a) establishes a Waste Credit Governance Committee with the Terms of Reference as set out in the attached Appendix;**
  - (b) appoints the Chairman and Vice-Chairman of the Committee; and**
  - (c) appoints the members of the Committee in accordance with the requirements of political balance and authorises the Head of Legal and Democratic Services to give effect to the nominations from time to time of the respective political Groups.**
- 2. The Council will recall that on 16 January 2014 it authorised a loan of up to £125m to Mercia Waste Management Ltd (Mercia) as the best way to fund an Energy from Waste plant at Hartlebury. This was connected with a proposed variation to the existing Waste Management Services Contract with Mercia approved by Cabinet on 12 December 2013.**
- 3. After much commercial negotiation, contract variation and loan agreements with Mercia are now ready for formal execution ('Financial Close'). The previous Council report proposed the establishment of a Waste Credit Committee to underline the separation between the Council's 2 roles as lender and as waste disposal authority. It was proposed that such a committee would operate during the period of the loan i.e. after Financial Close over the life of the Waste Management Services Contract (until 2023). The Council in January decided to reconsider the issue of a Waste Credit Committee at its May meeting.**
- 4. The attached Terms of Reference propose a politically balanced cross-party committee to have oversight of the actions of the Council acting as lender. The Cabinet,**

not the Committee, would remain responsible for decisions in respect of the operation of the waste contract or any **waste disposal authority** executive functions. The Cabinet would have no supervisory or other responsibility for the Committee, and to emphasise this separation it is proposed that no members of Cabinet sit on this Committee.

5. The Council is therefore requested to establish the Committee with the attached Terms of Reference, and to appoint its Chairman. It is also requested to appoint a Vice-Chairman from a Group other than that forming the administration. Other appointments to the Committee would then follow in line with political balance and as nominated by the respective Group Leader.

6. It is anticipated that, if approved, the first meeting of the Committee would be in July 2014, meeting approximately every other month during the construction phase of the Energy from Waste plant, and less frequently thereafter.

## **(b) Council meeting dates for 2015**

### **Recommendation**

**7. The Director of Resources recommends that the Council approves its programme of meetings for 2015 as follows:**

**15 January 2015**  
**12 February 2015**  
**14 May 2015**  
**2 July 2015**  
**17 September 2015**  
**12 November 2015**

8. County Council meeting dates are currently scheduled up to November 2014. To enable the 2015 meetings programme to be produced and help members plan their commitments, the Director of Resources suggests that further meetings of the Council be now scheduled for 2015. In accordance with the usual practice and pattern of meetings, further meetings (Cabinet, Committees and Panels) will be arranged and members notified in due course.

9. Members may wish to note that the remaining Council meetings for 2014 are scheduled for:

**3 July 2014**  
**18 September 2014, and**  
**13 November 2014.**

## **Supporting Information**

- Appendix – Proposed Terms of Reference - for part (a)

## **Contact Points**

### **County Council Contact Points**

Worcester (01905) 763763 or Minicom: Worcester (01905) 766399

### **Specific Contact Points for this report**

Simon Mallinson Head of Legal and Democratic Services  
Tel: 01905 766670  
Email: [smallinson@worcestershire.gov.uk](mailto:smallinson@worcestershire.gov.uk)

## **Background Papers**

In the opinion of the proper officer (in this case the Director of Resources) the following are the background papers relating to the subject matter of this item:

Agenda papers relating to the meetings of the Cabinet held on 12 December and of Council held on 16 January 2014.

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### V3.1 March 2014

## Appendix E: Draft Waste Credit Governance Committee Terms of Reference

- To have oversight of the actions of the Council acting as lender to the waste project and its waste contractor Mercia Waste Management Ltd (Mercia);
- (a) To review, in conjunction with external advisers advising the Council as lender, the risks being borne as a result of the funding provided by the Council to Mercia and consider whether the risks being borne by the Council, as lender, are reasonable and appropriate having regard to the risks typically assumed by long term senior funders to waste projects in the United Kingdom and best banking practice;
  - (b) To monitor the administration of the loan to the waste project in line with best banking practice having regard to any such external advice, including the terms of any waivers or amendments which may be required or are desirable;
  - (c) To consider what steps should be taken to protect the interests of the Council as lender in the event of a default or breach of covenant by Mercia, and make recommendations as appropriate to Full Council, the Council's statutory officers or Cabinet as appropriate to ensure the appropriate enforcement of security and litigation in relation to the loan to Mercia;
  - (d) To consider and recommend appropriate courses of action to protect the position of the Council as lender to the waste project;
  - (e) To make recommendations as appropriate to Council with regard to its Budget and Policy Framework and the loan to the waste project;
  - (f) Generally to take such other steps in relation to the loan within the scope of these Terms of Reference as the Committee considers to be appropriate.

### Notes

- The Committee will be cross-party with 9 members established in accordance with the legal requirements of political balance
- The Committee will not contain any current members from time to time of the Cabinet
- The Committee will be chaired by a Councillor appointed by full Council. The Vice-Chairman will be from a Group other than that forming the present administration
- The Committee will be advised by external financial and legal advisers on behalf of the Council's s151 officer and will also seek advice as appropriate from the Council's statutory officers including the Council's Monitoring Officer and Section 151 officer
- The Committee will meet in public (unless the grounds for exemption are met under the Access to Information legislation) and upon at least 5 working days notice (unless called sooner as a matter of urgency) in accordance with that legislation
- The Committee will not be responsible for decisions in respect of the operation of the waste contract or any waste disposal authority executive functions
- The Committee will not be accountable to the Cabinet
- The Committee may decide matters within its terms of reference or refer them to full Council, statutory officers or Cabinet for determination

As the Committee regulates or controls the finance of the Council (in relation to the funding provided to Mercia) the law does not permit co-optees to sit as members of the committee by virtue of s102(3) LGA 1972.

However, in order to benefit from a clearer separation of roles, the Committee may be advised by an external financial expert who will report to the Committee, attend its meetings and provide expert advice to it. As necessary, the Committee ~~Page 25~~ receive legal advice from an external firm of

solicitors with expertise in banking law. The Council's s151 officer and Monitoring Officer will retain their overarching statutory roles in respect of the Committee.

The Cabinet, not the Committee, will continue to be responsible for exercising the role of the Council's executive, acting as a waste disposal authority within the overall Budget and Policy framework set by the Council. The Cabinet will have no supervisory or other responsibility for the Committee.

Draft



**15 May 2014**

## **9. OVERVIEW AND SCRUTINY WORK PROGRAMME**

### **Recommendation**

**1. The Director of Resources recommends that Council endorses the 2014/15 Scrutiny Work Programme.**

### **Background**

2. The Council agreed the 2013/14 scrutiny work programme in October 2013 and the progress made against this was set out in the Scrutiny Annual Report that was considered by the Council in January.

3. Since then, suggestions for future scrutiny have been sought from members and the Senior Leadership Team, and were considered and agreed by the Overview and Scrutiny Performance Board on 9 April 2014.

4. The work programme is attached as an Appendix to this report, presented in priority order. It should be noted that several of the topics listed will be best carried out as Scrutiny Task Groups, due to their cross-cutting nature.

### **Budget Scrutiny**

5. The Council may also wish to note that the Chairman of the OSPB has suggested a new process for scrutinising the Council's budget. The intention would be to establish a Budget Scrutiny Task Group in October each year, to investigate, scrutinise and comment upon budget proposals.

### **Supporting Papers**

Appendix – Overview and Scrutiny Work Programme 2014/15

### **Contact Points**

#### **County Council Contact Points**

Worcester (01905) 763763, Kidderminster (01562) 822511 or Minicom: Worcester (01905) 766399

#### **Specific Contact Points for this Report**

Suzanne O'Leary, Overview and Scrutiny Manager  
Ext: 8673 email@ [so'leary@worcestershire.gov.uk](mailto:so'leary@worcestershire.gov.uk)

## Background Papers

In the opinion of the proper officer (in this case the Director of Resources) the following background papers relate to the subject matter of this report:

Agenda and Minutes of:

- the meetings of Council held on 17 October 2013 and 16 January 2014
- the Overview and Scrutiny Performance Board held on 9 April 2014

## Overview and Scrutiny Work Programme 2014/15

	Due to Report
<b>Scrutiny Task Groups</b>	
Future Operating Model	May 2014
Reducing Crime against People at Risk	June 2014
Libraries	June 2014
Food Banks	July 2014
Digital Inclusion <ul style="list-style-type: none"> <li>How can the Council make sure that all Worcestershire residents benefit from the opportunities offered by its Digital Strategy?</li> <li>Identify possible risks and how these can be mitigated.</li> </ul>	September 2014
Integrated Waste Service	October 2014
Budget	February 2015
<b>Adult Care and Well-being O&amp;S Panel</b>	
Role of Quality Assurance moving forwards <ul style="list-style-type: none"> <li>Are the Quality Assurance processes for health and adult social care services sufficiently robust?</li> <li>What are they telling us about the quality of commissioned services?</li> <li>Is action in hand to tackle poor quality services?</li> </ul>	Ongoing
Assessment process within New Models of Care <ul style="list-style-type: none"> <li>Is the new assessment and care management process being developed by the Future Lives programme consistent with the requirements of the Care Bill?</li> </ul>	June 2014
Personalisation <ul style="list-style-type: none"> <li>Does the customer journey being developed by the Future Lives programme create opportunities for greater personalisation of adult social care services?</li> <li>Is there any learning from progress so far with adult services that could be used to increase personalisation of children's social care services?</li> </ul>	
Integration of health and adult social care <ul style="list-style-type: none"> <li>How integrated are services at the moment?</li> <li>What are the ideas and plans for increasing integration?</li> <li>Are they likely to succeed?</li> </ul>	
<b>Children and Young People O&amp;S Panel</b>	
Learning and Achievement commissioning	Now and June 2015
Looked After Children Commissioning Strategy and Fostering strategy	May 2014
SEN reforms (including the new Education and Health Care Plans and the local offer)	July 2014
Evaluation of early help	2015

	Due to Report
NEETs and links to Open for Business, Vocational education in Worcestershire, Post-16 education (including the Council's relationship with FE colleges)	
Small schools and the implications of the removal of protection funding	
Think family including the role as corporate parent	
Children not receiving a school education either through illness, home schooling or permanent exclusion both from an educational and safeguarding perspective.	
Childhood obesity <ul style="list-style-type: none"> <li>• What is the current trend?</li> <li>• Are we making adequate progress with the actions included in the Obesity Plan?</li> <li>• Are there any other actions we should consider?</li> </ul>	
Academies (in various forms) and their relationship with the County Council	
Private children's homes and private fostering agencies	
Social work 'pods' in schools	
<b>Economy, Environment &amp; Communities O&amp;S Panel</b>	
Transport Infrastructure	May 2014
Trading Standards	Start after Joint Regulatory Services Scrutiny
Archive and Archaeology Service	
Volunteering and Community Resilience <ul style="list-style-type: none"> <li>• How can WCC work best, through and with Worcestershire Voices, to facilitate and enable the role of formal volunteering and good citizenship in support of greater community resilience?</li> </ul>	Start after Food Banks scrutiny
Food Waste/Anaerobic Digestion	
<b>Resources O&amp;S Panel</b>	
Joint Property Vehicle Proposal	May 2014
Strengthening Act Local <ul style="list-style-type: none"> <li>• What are the new opportunities where devolving money and responsibility (not accountability) to a more local level would drive better outcomes at reduced cost?</li> </ul>	

**15 May 2014**

## **10. REPORTS OF CABINET**

### **(a) MATTERS WHICH REQUIRE A DECISION BY COUNCIL**

#### **New Specific Grant Confirmations**

#### **Recommendation**

- 1. The Cabinet recommends that Council approves the changes to the revenue cash limits contained in paragraphs 2 to 5 arising from the receipt of adoption reform and Special Educational Needs revenue grants.**
2. Central Government has recently communicated the value of the extension of the Adoption Reform Grant (£0.4 million) and the new Special Educational Needs (SEN) Reform Grant (£0.6 million) for 2014/15. Both areas are key reform priorities for the Government and although formal grant returns will not be required, the Department for Education (DfE) will expect the Council to report on its plans to implement the change agenda in both of these areas.
3. The DfE has met with senior officers of the Council to discuss the adoption scorecard and the use of the existing adoption reform grant and plans for the future service developments. Meetings are also taking place over the coming months to discuss how the Council is implementing the changes required within SEN reform. As such, the Council needs to ensure that both these areas of funding are targeted to meet the required outcomes on a cross-Children's Services Directorate basis.
4. It is expected that detailed plans for the use of this additional money will be endorsed by the Children's Services Leadership Team to ensure that the best use of these grants is made.
5. Council is therefore requested to ring-fence both these grants for the purposes intended by Government and the Director of Children's Services will then use this funding in line with normal officer delegations.

**Recommendation**

**6. The Cabinet recommends that the Capital Programme attached as an Appendix be approved.**

7. In February 2014, Council approved a Capital Programme which included an allowance for £20 million to cover unallocated capital expenditure. Work has now been concluded to determine those schemes that are sufficiently developed to transfer into the Capital Programme including review by the Corporate Landlord Board and members. Set out below are a series of schemes that are recommended for inclusion within the Council's Capital Programme. An equivalent reduction in unallocated capital expenditure will be made to ensure there is no additional requirement for prudential borrowing.

- £0.4 million Children's Services EBD Units in 2014/15 funded in full by an equivalent transfer from Children's Services revenue budgets on a spend to save basis.
- £4.75 million Worcester Technology Park on site works as per the December 2013 Cabinet report to be funded by 3rd party income streams developed through phase 1 of the project.
- £6.4 million Digital Strategy and Customer Access programme that includes business as usual and life cycle expenditure over the Medium Term Financial Plan (MTFP) as well as investments to deliver the Council's vision of Digital by Default. The programme also uses £2.3m of existing ICT capital budgets and earmarked reserves.
- £5.5 million Minor works and lifecycle replacement expenditure that will be undertaken over the life of the MTFP within Directorates.
- £1.2 million Planned Street column replacement programme over the life of the MTFP,

supplemented by £0.2m funded by revenue budgets over the MTFP period.

- £2.0 million

Repairs and Maintenance of a long-term nature over the life of the MTFP.

8. These new capital expenditure proposals are included in a revised Capital Programme detailed in the attached Appendix.

9. It has also been confirmed that the Devolved Formula Capital Grant for Schools is £1.1m as was indicated as being estimated at the time of writing the February Council report.

## Supporting Information

- Appendix - Capital Programme

## Contact Points

### County Council Contact Points

Worcester (01905) 763763 or Minicom: Worcester (01905) 766399

### Specific Contact Points for this report

Nichola Garner, Committee and Appellate Officer  
Tel: 01905 766626  
Email: [ngarner2@worcestershire.gov.uk](mailto:ngarner2@worcestershire.gov.uk)

## Background Papers

In the opinion of the proper officer (in this case the Director of Resources) the following are the background papers relating to the subject matter of this item:

Agenda papers and background documents relating to the meetings of the Cabinet held on 6 March 2014 and 10 April 2014.

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## Capital Programme 2013/14 to 2016/17 Onwards

TOTAL EXPENDITURE	LATEST FORECAST 2013/14 £000	LATEST FORECAST 2014/15 £000	LATEST FORECAST 2015/16 £000	LATEST FORECAST 2016/17 and Beyond £000	TOTAL FORECAST £000
CHILDREN'S SERVICES DIRECTORATE	32,886	45,444	10,940	9,927	99,197
BUSINESS, ENVIRONMENT AND COMMUNITY DIRECTORATE	35,571	80,898	55,826	49,474	221,769
DIRECTORATE OF ADULT SOCIAL CARE AND HEALTH	948	2,650	2,100	1,099	6,797
RESOURCES DIRECTORATE	5,623	13,007	5,908	4,640	29,178
CHIEF EXECUTIVE	618	3,777	6,855	1,002	12,252
<b>GRAND TOTAL</b>	<b>75,646</b>	<b>145,776</b>	<b>81,629</b>	<b>66,142</b>	<b>369,193</b>

TOTAL FUNDING	LATEST FORECAST 2013/14 £000	LATEST FORECAST 2014/15 £000	LATEST FORECAST 2015/16 £000	LATEST FORECAST 2016/17 and Beyond £000	TOTAL FORECAST £000
TEMPORARY AND LONG TERM BORROWING	18,957	57,168	55,534	55,807	187,466
CAPITAL RECEIPTS	2,159	9,893	2,150		14,202
GOVERNMENT GRANTS	43,649	67,954	16,750	10,235	138,588
CAPITAL RESERVE	3,866	1,164			5,030
THIRD PARTY CONTRIBUTIONS	5,382	4,992	7,145		17,519
REVENUE BUDGETS	1,633	4,605	50	100	6,388
<b>GRAND TOTAL</b>	<b>75,646</b>	<b>145,776</b>	<b>81,629</b>	<b>66,142</b>	<b>369,193</b>

## CHILDREN'S SERVICES DIRECTORATE

	LATEST FORECAST 2013/14	LATEST FORECAST 2014/15	LATEST FORECAST 2015/16	LATEST FORECAST 2016/17 and Beyond	TOTAL FORECAST
	£000	£000	£000	£000	£000
<b>Wyre Forest Schools Reorganisation:</b>					
- Primary Phase 1	1,021				1,021
- Special School (Habberley Learning Campus)	10,468	10,952	501	105	22,026
<b>Major Schemes:</b>					
- Elgar Academy (Tudor Grange)	730				730
- Short Breaks for Disabled Children (AHDC)		347			347
- Tenbury High School	1,548	32			1,580
- Purchase of Property for Looked After Children Placements		200			200
- EBD Units		400			400
- Stourport Burlish Park - New School (all CM grant funded)	931	3,955	997	110	5,993
- Bewdley High Science Block (all CM grant funded)	311	2,351	187		2,849
- Completion of Residual Schemes	512	23			535
<b>Composite Sums:</b>					
- NDS Modernisation	636	16			652
- Capital Maintenance	6,004	13,843	500	1,000	21,347
- Early Education for 2 Year Olds	100	624			724
- Total Schools Formula Capital	5,093	1,074			6,167
- Basic Need	4,731	10,590	8,755	8,712	32,788
- Special Educational Needs	355	2			357
- Kitchen Capital	111				111
- Total Minor Works	335	4			339
- Universal Infant School Meals		1,031			1,031
	<b>32,886</b>	<b>45,444</b>	<b>10,940</b>	<b>9,927</b>	<b>99,197</b>

## BUSINESS, ENVIRONMENT AND COMMUNITY DIRECTORATE

	LATEST FORECAST 2013/14	LATEST FORECAST 2014/15	LATEST FORECAST 2015/16	LATEST FORECAST 2016/17 and Beyond	TOTAL FORECAST
	£000	£000	£000	£000	£000
<b>Local Transport Plan:</b>					
- Structural Carriageway/Bridgeworks	12,220	11,626			23,846
- Integrated Transport	2,450	1,114			3,564
<b>Major Schemes:</b>					
- Energy from Waste		32,900	41,800	46,700	121,400
- Kidderminster Public Realm Works					
- Highway Flood Mitigation Measures	1,880	500	1,000		3,380
- Highways and Footways Improvements	1,000	1,000			2,000
- Waste Infrastructure	300	1,537			1,837
- Abbey Bridge	3,289	1,610	60		4,959
- Worcester Transport Strategy	4,164	14,589			18,753
- Hoobrook Link Road - Pinch Points	2,679	2,475	7,086	514	12,754
- Whittington Roundabout	26				26
- Public Rights of Way	100				100
- Southern Link Dualling	424				424
- Worcester Technology Park	661	5,250	4,750		10,661
- Bromsgrove Railway Station Relocation	598	4,902			5,500
- CH Biomass Boiler	320				320
- Worc Wildwood Offices - Solar PV	100				100
- Worcester Library and History Centre (Non - PFI capital costs)	723	560			1,283
- Stourport Library/ Coroners Relocation to Civic Centre	200	1,150			1,350
- Woodrow Business Case	238				238
- LED Replacements	500				500
- Mobile Library	132				132
- Completion of Residual Schemes	234	200	200	400	1,034
<b>Composite Sums:</b>					
- Vehicle Replacement Programme	843	500	480	960	2,783
- Transportation : Advance Design Fees	100				100
- Street Column Replacement Programme	100	350	350	700	1,500
- Choose How You Move	515	535			1,050
- Investment Initiatives to Support Business and /or Green Technology	1,120				1,120
- Libraries Minor Works	655	100	100	200	1,055
	<b>35,571</b>	<b>80,898</b>	<b>55,826</b>	<b>49,474</b>	<b>221,769</b>

**DIRECTORATE OF ADULT SOCIAL CARE AND HEALTH**

	LATEST FORECAST 2013/14 £000	LATEST FORECAST 2014/15 £000	LATEST FORECAST 2015/16 £000	LATEST FORECAST 2016/17 and Beyond £000	TOTAL FORECAST £000
<b>Major Schemes:</b>					
- Capital Investment in Community Capacity/ Specialised Housing	200	2,000	2,000	899	5,099
- Social Care Reform	170				170
- Completion of Residual Schemes	59				59
<b>Composite Sums:</b>					
- A&CS Minor Works	519	650	100	200	1,469
	<b>948</b>	<b>2,650</b>	<b>2,100</b>	<b>1,099</b>	<b>6,797</b>

**RESOURCES DIRECTORATE**

	LATEST FORECAST 2013/14 £000	LATEST FORECAST 2014/15 £000	LATEST FORECAST 2015/16 £000	LATEST FORECAST 2016/17 and Beyond £000	TOTAL FORECAST £000
<b>Major Schemes:</b>					
- Digital Strategy and Customer Access	507	3,615	2,020	2,570	8,712
- ICT Existing Commitments	1,714	304			2,018
- Repair and Maintenance of a Longer Term Benefit (And BUoP)	750	550	510	930	2,740
- Energy Efficiency - Spend to Save	600	1,010			1,610
- Land Assembly Opportunity Fund	375	281			656
- Parkside Redevelopment	1,191	5,418	568		7,177
- Demolition Costs	54	258			312
- Meeting Disabled Access Requirements	50	150			200
- Increasing Network Capacity	250				250
- Completion of Residual Schemes	132	26			158
<b>Composite Sums:</b>					
- Better Use of Property		468			468
- Corporate Capital Contingency		914			914
- Capacity for New Starts (Borrowing)			2,320	1,140	3,460
- Capacity for New Starts (Cap Receipts))		13	490		503
	<b>5,623</b>	<b>13,007</b>	<b>5,908</b>	<b>4,640</b>	<b>29,178</b>

**CHIEF EXECUTIVE**

	LATEST FORECAST 2013/14 £000	LATEST FORECAST 2014/15 £000	LATEST FORECAST 2015/16 £000	LATEST FORECAST 2016/17 and Beyond £000	TOTAL FORECAST £000
<b>Major Schemes:</b>					
- Local Broadband Plan	216	3,777	6,855	1,002	11,850
- Community Infrastructure Broadband (Green Tech Fund)	392				392
- Redditch Arc Broadband	10				10
	<b>618</b>	<b>3,777</b>	<b>6,855</b>	<b>1,002</b>	<b>12,252</b>

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**15 May 2014**

## **10. REPORTS OF CABINET**

### **(b) SUMMARY OF DECISIONS TAKEN**

#### **FutureFit: Commissioning of Learning and Achievement**

1. The commissioning of the Learning and Achievement service is being undertaken as a result of the significant changes in the relationship between the Council and key stakeholders alongside the substantial savings required by the service over the next three years. It also reflects the Council's aspirations to become an excellent commissioning authority and the commissioning process represents the latest stage in the development of local authority educational services. A needs assessment had been completed for the service and provided the data used to develop a set of design assumptions and design principles. It also identified where the service provision needed to be co-ordinated to deliver key priorities highlighted in the Corporate Plan.

2. The Cabinet has approved the proposal that the Learning and Achievement service continues to promote improved educational outcomes through delivery Model 1, as a commissioner with external single or multiple delivery provider(s). It has also approved all service areas in scope of the procurement process, and those out of scope of the procurement process that are to be retained in the Strategic Commissioning Function. In addition, the Cabinet has approved the preferred option for procurement with the services in scope being commissioned in line with Option 3 (i.e. a single procurement exercise in a single bundle) from April 2015. Subject to any necessary endorsement from full Council, this will include the transfer of all staff eligible to TUPE transfer to any new provider, whether a single provider or consortium that will need to have an identified lead provider.

3. A proposed approach to market engagement has been approved by the Cabinet. The Director of Children's Services, in consultation with the Cabinet Member with Responsibility, is now taking all steps necessary to commence the procurement process. A report will be taken back to Cabinet for approval of the outcome of the procurement process prior to awarding the contract in January 2015.

#### **West Mercia Adoption Service**

4. A proposal to develop a single West Mercia Adoption Service delivering a more efficient and effective service to a wider range of children with particular emphasis on

**Worcestershire  
Safeguarding Children  
Board Annual Report  
2012/13**

**Children's Social Care:  
Partnership with  
Parents, Carers and  
Young People Policy**

improving the timelines of placing children and young people for adoption has been considered by the Cabinet. As a result, it has approved, in principle, the direction of the proposed future model for a West Mercia Adoption Service where some adoption functions will be delivered within a single adoption service, hosted by a lead West Mercia authority, with some specific functions continuing to be delivered within the individual local authorities (i.e. Option 2). This will be the first phase of service transformation in 2014/15 which will lead to the delivery of a single adoption service, incorporating all the adoption services, hosted by a lead West Mercia authority (Option 3) by 2016/17, if evidence continues to support this as the overall preferred approach.

5. The Cabinet has agreed to delegate the final decision on the adoption of the future operating model, including the selection of a host authority (Option 2), to the Cabinet Member with Responsibility, in consultation with the Director of Children's Services, and having regard to the proposed Equality Impact Assessment. The Director is now taking all necessary steps to implement the proposals in consultation with the Cabinet Member. The Cabinet has further agreed to delegate to the Cabinet Member the decision whether to subsequently move to Option 3 and the timing of any such move.

6. The Independent Chair of Worcestershire Safeguarding Children Board (WSCB) is responsible for publishing an Annual report that gives a public assessment of the effectiveness of child safeguarding and promotion of the welfare of children in Worcestershire and both recognises its achievements and is realistic about the challenges that remain. The report has been considered by both the Children and Young People Overview and Scrutiny Panel and the Health and Well-being Board. The WSCB has been working to demonstrate the effectiveness of safeguarding arrangements within a challenging context. Its achievements have been significant against this background and it is hoped that the Board will be in a stronger position next year to make a more assured statement about effectiveness.

7. The Cabinet has received the 2012/13 Worcestershire Safeguarding Children Board Annual report and noted the progress of the work of the Board. The 2013/14 WSCB Annual report will be presented to the Cabinet in July 2014.

8. Children's Social Care seeks to work in partnership with parents, carers and children and young people "in need" or "at risk". A Partnership with Parents, Carers and Young People Policy has been developed to set out what children, young people, parents and carers could expect of

**Formal Proposal to make changes to the provision for Pre-School Aged Pupils with Special Educational Needs in Worcestershire**

Children's Social Care and the services it provides. The Policy also sets out some specific circumstances where parents could be asked to contribute towards the cost of certain services provided for their child, as long as they are able to do so and the legislation allows it. A full consultation had taken place on the Policy and the feedback from this had been taken into account in the Policy.

9. The Cabinet has noted the feedback from the consultation and the changes to the Policy arising from it, including that the Policy is now written in plain English and that it reinforces the importance of working in partnership with contribution as a minor element. The Cabinet has approved the revised Policy.

10. The Council has a duty to ensure all children who require a pre-school place are able to obtain one and wished to ensure that pre-school children with Special Educational Needs (SEN) could also have their needs met. Following Cabinet approval to review specialist pre-school provision, a public consultation was launched on broad principles for any future provision.

11. The Cabinet has noted the responses to the consultation and approved the following changes to Early Years specialist provision:

- (i) to agree to countywide district provision to ensure that specialist Early Years bases are available locally for the children that require them;
- (ii) to commission one specialist Early Years base in each Worcestershire district (excluding Special School Nurseries and Nursery Assessment centres) with a focus primarily on Speech & Language and to be commissioned in line with the work of the Council for High Needs provision from September 2015;
- (iii) to move away from Nursery Plus provision/bases and therefore focus on Early Years Language provision;
- (iv) that providers must adhere to an agreed Service Specification to align each base to the same quality assurance measures;
- (v) to retain Batchley specialist provision, in addition to a speech and language base in Redditch, whilst further investigation into the need for a Nursery Assessment class in the North East of Worcestershire is made; and
- (vi) to retain Franche specialist provision, in addition to a speech and language base in Wyre Forest, on a time limited basis until 31 August 2015 when the new Wyre Forest School is open and able to accommodate additional pre-school aged children.

## Implementation of a Banded Funding Model as part of the Higher Needs Pupils Funding Scheme with effect from April 2014

12. The Cabinet has also authorised the Director of Children's Services to decide future commissioning arrangements.

13. The Department for Education reforms of the funding for Higher Needs Pupils (HNP) meant that local authorities needed to introduce a new system for the funding of HNP. A formal consultation on proposals for a new Higher Needs Funding System from 2014/15 had been carried out. On the basis of the consultation feedback there was support for the following proposals:

- (i) the introduction of the new HNP funding system from April 2014 on the principles as detailed in the consultation and outlined by the Council;
- (ii) the introduction of a new banding system replacing the existing arrangements to encompass a maximum of 6 banding levels:
  - Ordinarily available
  - Unpredicted
  - Exceptional 1, 2, 3 and 4;
- (iii) for 2014/15 the following **to be part** of the new banding system:
  - Mainstream Special Educational Needs (SEN) Bases
  - SEN Pupils with High Needs Statements in Mainstream Schools
  - Special Schools (including nursery aged pupils)
  - Post 16 and Further Education;
- (iv) for 2014/15 the following **not to be part** of the new banding system:
  - Early Years (except nursery aged pupils in Special Schools)
  - Pupil Referral Units and Alternative Provision
  - Other Non-Worcestershire Provision;
- (v) the introduction of the required funding adjustment in line with the School Funding Regulations for those pupils permanently excluded from school;
- (vi) the need for specific transitional protection for providers in 2014-15 to enable the new system to be implemented;
- (vii) the introduction of the ability to fund exceptional SEN on a criteria-based model.

14. The Cabinet has noted the responses to the consultation and the changes to national policy and the implications of SEN reform. It has approved a scheme for 2014/15 based on the above proposals including transitional



**School Admissions  
Policy for Community  
and Voluntary  
Controlled Schools,  
Academic Year 2015/16**

**Increasing the Number  
of School Places  
available for Reception  
Intake September 2015  
and Future  
Arrangements for  
Decisions on School  
Places and Organisation**

protection for providers to support the change. The Director of Children's Services has been given authority to implement the changes for the new banding system, allocation rates and any transitional protection arrangements, in consultation with the Cabinet Member.

15. Following Cabinet approval of the 2014/15 Admissions Policy for Community and Voluntary Controlled Schools, no additional suggestions for further amendments to the Policy had come forward. It had therefore not been proposed to make any amendments to the Policy and to retain the same Policy for 2015/16. Consultation on the 2015/16 Policy was not, as a result, required. In relation to the Schemes for co-ordinated Admissions for Primary/Middle and Secondary Schools, it was proposed to adopt the same scheme for 2015/16 as was approved for 2014 and therefore consultation was not required. There were no changes to the closing and offer dates, with minor amendments to the exchange of information dates with other admission authorities.

16. The Cabinet has therefore approved the School Admission Policy for 2015/16 and the schemes for Co-ordinated Admissions for Primary/Middle and Secondary Schools. In addition, in future, where no significant changes are proposed to be made to the admission arrangements, it has delegated responsibility to the Cabinet Member for approving the Schools Admissions Policy for Community and Voluntary Controlled Schools and the schemes for Co-ordinated Admissions, in consultation with the Director of Children's Services.

17. As part of the annual school place planning and monitoring exercise, a need to provide additional school places in Bromsgrove and Evesham with effect from the September 2015 intake had been identified. Increases in Published Admission Numbers (PANs) had been implemented at schools which had sufficient physical capacity to admit increased pupil numbers without the need for consultation. Public consultation had been carried out on the expansion of Blackwell First School, Bromsgrove (from a PAN of 22 to 30), at Millfields First School, Bromsgrove (from a PAN of 45 to 60) and St Andrew's CE First School, Evesham (from a PAN of 30 to 60) which all required additional accommodation for the proposed increases in the PAN.

18. The Cabinet has considered the results of the consultation and agreed that Public Notices be issued for increasing the capacity at all three of the above named schools. In respect of these proposals (and all future decisions on school places or school organisation changes following Public Notice of a proposal) the Director of Children's Services has been authorised to approve the proposals in respect of which no objections to the Public

## Hosting Arrangements for West Mercia Youth Offending Service

## Worcestershire's Long-Term Economic Plan

Notices are received and the Cabinet Member to decide the proposals in respect of which objections to the Public Notices are received.

19. West Mercia Youth Offending Services (WMYOS) was formed on 1 October 2012 to create a viable single entity from merger of Herefordshire and Worcestershire YOS and Shropshire, Telford and Wrekin YOS as part of a phased approach to commission the service by 2015. West Mercia Probation Trust (WMPT) was to act as host for the WMYOS until a preferred provider was identified and the service transferred by 2015. The subsequent separation of the WMPT into two separate entities following the introduction of the Transforming Rehabilitation Policy by the Ministry of Justice meant however that the WMPT would cease to exist on 1 June 2014 and so could not continue to host the WMYOS.

20. The Cabinet has therefore agreed the proposal that Worcestershire County Council assumes from WMPT the hosting of the WMYOS from May 2014 until the planned commissioning of the service from another provider. This should help to minimise disruption and avoid incurring delay to the next phase of the transition. The Director of Children's Services, in consultation with the Cabinet Member, has been authorised to take all appropriate steps to implement the changes required.

21. Central Government had confirmed its commitment to negotiating a Growth Deal with every Local Enterprise Partnership (LEP) in pursuit of economic growth. In order to negotiate a Growth Deal, each LEP needed to evidence their plans for growth through the development of a Strategic Economic Plan (SEP) for their area, developed in partnership with the public and private sectors. The County Council as a key stakeholder had provided support to the Worcestershire LEP in the development and co-ordination of the Worcestershire SEP. LEPs with strong deliverable SEPs will, amongst other things, earn a greater share of the Local Growth Fund.

22. The SEP provides a vision and strategic framework to ensure Worcestershire's economy grows more rapidly and makes an increasingly important contribution to the national economy. A comprehensive programme of actions are being developed to achieve the vision. Three inter-linked transformational actions are its main priorities:

- The Infrastructure Investment Fund and Game Changers
- Centres of Skills, Innovation and Enterprise Excellence (Cyber Security, Engineering, Agri-Food)
- The Growth Sector Accelerator Programme.

## **Prevention, Early Help and other Support for Adults and Young People: Outcome of Consultation and Final Recommendations**

23. Strategic and operational support had been provided by the Council to the WLEP in developing the SEP and action plan which was submitted to Government at the end of March 2014. In June/July 2014, the Government will run a competitive process to agree the Local Growth Fund allocation to each LEP area. The intention is for the approved funding to be available to begin implementation from April 2015.

24. Further to the report to Council in November 2013, a wide consultation on the proposals for prioritisation and re-commissioning of prevention, early help and other support for adults and young people was carried out with staff, partners, affected people, the wider public and providers. The Cabinet had initially agreed that following completion of the consultation the final decision on the above proposals should be delegated to the Cabinet Member with Responsibility for Adult Social Care, in consultation with the Cabinet Members with Responsibility for Health and Well-being and Children and Families. However, given the strength of concerns raised over the consultation and recognising the significance of the decision in terms of the size of the funding reduction proposed and the number of people affected, it had been proposed that the final recommendations should be taken to the Cabinet for a decision in public.

25. The Cabinet at its meeting in March 2014 therefore considered the responses to the consultation which had been used to revise the initial proposals and develop final recommendations for prioritisation and re-commissioning of services. It also noted the feedback from the Adult Well-being Overview and Scrutiny Panel and agreed to seek the views of this Panel and the Children and Young People's Overview and Scrutiny Panel during the implementation of the recommendations.

26. The Cabinet as a result has approved the recommendations for prioritisation and re-commissioning of services noting that they include an extended transition period moving to a reduced level of revenue funding, in recognition of concerns raised during the consultation about the pace of change. It has approved the use of the further £2m identified in the Council's budget-setting process, in addition to the £1.1m from Directorate reserves to fund the transition period, and considered the Equality Impact Assessments in respect of the recommendations, bearing in mind the need to comply with the Public Sector Equality Duty.

27. Discussions with partners about re-commissioning services, including whether they will be able to identify additional investment, are ongoing. Discussions with providers of housing-related support for adults have

## **Business Case for a Joint Property Vehicle**

identified how services could be sustained for all or part of 2014/15 pending transition to a new service model. Discussions will also be carried out with partners and providers of housing-related support for vulnerable families and young people in order to inform the re-commissioning and agree an integrated approach to ensure as far as possible that families get the right support at the right time and avoid any unintended consequences of increasing demand on statutory services.

28. Further to the report to Council in October 2013, the Cabinet has now given approval to proceed with the completion of a Final Business Case (FBC) for the formation of a public sector-owned Joint Property Vehicle (JPV) that will bring together a range of partners into a formal arrangement to drive public sector savings from the property portfolio. The potential range of benefits of this arrangement include: revenue savings; transformation and improvement of service delivery; protection of front-line services; wider service integration, operational efficiencies; realisation of capital receipts and enhancement of the quality of the property portfolio.

29. The Cabinet has agreed the establishment of a Shadow Shareholder Group with those partners wishing to proceed in order to steer and guide the completion of the FBC and the formation of a joint implementation team with representatives from all such partners. Formal consultation has now started with staff and Trade Unions on the processes and outcomes flowing from the FBC. The Cabinet has authorised the Director of Resources to take all necessary steps to put the proposals into effect. The Cabinet will receive a further report late in 2014 to determine the way forward. It is anticipated that the JPV will be effective from April 2015.

## **Major Transport Scheme - Hoobrook Link Road (Phase 2)**

30. Further to the report to Council in January 2014, it has become necessary to acquire additional land in order to carry out the Hoobrook Link Road (Phase 2) scheme. The relevant landowners and tenants had been approached at an early stage of the scheme and had been consulted throughout the planning application and design element. However, if acquisition of land required is not possible by agreement it may be necessary to compulsorily purchase it. The justification for making a Compulsory Purchase Order (CPO) in such circumstances is fully set out in the draft Statement of Reasons. The Cabinet has therefore authorised the making of a CPO to acquire the relevant land in order to enable construction of the scheme. Negotiations, however, will still continue notwithstanding the making of the Order.

## **Resources Report**

Revenue Budget Monitoring 2013/14 Outturn Forecast as at

28 February 2014

31. The overall financial performance indicates an adverse variance against the revenue cash limits provided to Directorates of £0.3m (0.1% of budget). The largest significant adverse variance of £3.4m relates to Children's Social Care Placements. The Council has incurred just under £0.4m recovery costs to date as a result of the recent flooding across the county. The cost has been broadly offset by a number of favourable variances. The FutureFit savings programme shows that from a target of £21.5m budget savings identified for 2013/14, £2m will be carried forward to be delivered next financial year. Of the remaining £19.5m, around £17.5m is forecast to be achieved by the end of 2013/14. There is a risk to the delivery of £2m which is being activity managed. The latest forecast shows a gain for the County Council of £0.15m for 2013/14 as a result of being part of the Worcestershire Business Rates Pool.

Capital Programme Budget Monitoring: 2013/14 Actual Expenditure as at 28 February 2014

32. The capital budget monitoring shows that the Council has spent £46m which is 61% of the 2013/14 £75m capital budget. Where capital expenditure is not incurred before the end of the financial year, both the expenditure and its funding has been carried forward to 2014/15.

European Structural and Investment Funds (EUSIF) Submission

33. The Council has provided support in the production of the EUSIF document which was submitted by Worcestershire Local Enterprise Partnership to central Government earlier in the year. The Worcestershire ESI Funds Strategy is based on Worcestershire's notional funding allocation of £60.7m. The ESI Funds will contribute to achieving the draft Strategic Economic vision by, amongst other things, supporting 2,800 new and existing enterprises; creating 1,400 jobs and assisting 29,500 individuals to access employment, training or other support.

Partnership arrangements with the National Health Service

34. Worcestershire has a history of joint commissioning across Children's and Adult Services. The majority of the Section 75 Adults budgets are "aligned" budgets where money from each organisation is separately accounted for rather than "pooled". The overall Section 75 budgets across Children's Services and Adults for 2013/14 were £181.2m, with £98.6m funded from the County Council budget and £83.6m funded from health budgets. Discussions have taken place with health partners on the level of resources to be incorporated into the Section 75 commissioning arrangements for 2014/15 and the Cabinet Members with

Responsibility for Children and Families and Adult Social Care have now finalised the arrangements relating to their portfolios.

35. The Council and Worcestershire Health and Care Trust have long established partnership arrangements for the provision of integrated services for people with a learning disability and people with mental health problems. These have been managed through Section 75 Agreements since 2000 with integrated line management reporting into respective organisations. The Council's Adult Social Care Peer Review has recommended that the Council "considers opportunities for greater integration of community social work teams and pathways with the NHS in order to achieve increased efficiency and improved outcomes". The Council has a number of contract arrangements which have been reviewed for 2014/15 and finalised by the Cabinet Members with Responsibility.

#### Financial support for homeowners and businesses as a result of the recent flooding

36. The Council is committed to fund up to £0.67m of emergency-related costs of taking immediate action to safeguard life and property, and to prevent severe suffering and inconvenience e.g. emergency traffic management and clean-up recovery costs. Costs incurred above this will be reclaimed from central Government's Bellwin Scheme. A further £0.7m has also been set aside to pay for road defects resulting from the heavy rainfall. The Council has also supported flood mitigation costs for a number of years spending around £16m between 2007/08 and 2012/13. Support for homeowners is to be funded by central Government. For affected businesses, the Council has set aside up to £200,000 to top up £510,000 funding from central Government to provide grants for financial support. Nationally, £76.5m has been made available for local authorities to fund highways and communities capital expenditure. Central Government is also allocating a further £103.5m for local authority road repairs, from which the Council could receive up to £2m. Farmers are able to access a £10m Farming Recovery Fund.

#### Schools Funding 2015/16

37. The Department for Education (DfE) 'Fairer Schools Funding in 2015/16' consultation paper, sets out how the Department intends allocating an additional £350m in 2015/16 to increase the per-pupil budgets for the least fairly funded local areas. In 2015/16 the DfE intends funding local authorities to the same cash level per pupil as in 2014/15. The additional £350m will be used to ensure local authorities meet a minimum per-pupil funding threshold in 2015/16 for

the schools and pupils in their area. Worcestershire is expected to receive an additional £4.9m Dedicated Schools Grant allocation as a result. A response to the consultation has now been submitted.

#### Car Parking - County Hall Campus

38. To address the continuing pressure on County Hall campus car parks, it has been agreed that the Council will apply for planning permission to extend two car parks to provide around 200 extra car parking spaces for staff and visitors. The intention, if planning is approved, is to complete the work in the Autumn. The Cabinet has approved a funding package to support forecast expenditure of circa £0.5m comprising: the release of a £0.1m balance sheet accrual no longer required; a £0.2m virement from existing resources within the Capital Programme from the Longer-Term Building Improvement scheme, and the utilisation of £0.2m of the Council's Better Use of Property Reserve.

#### Data Sharing with Central Government

39. The Council is one of many that has a connection to the central Government network to effect its day to day duties. To be granted access to the Government network the Council must comply with a Code of Connection compliance audit annually. The Council is engaged in a process to ensure that its own staff and services, and that of existing suppliers, are able to comply with the requirements of the Code of Connection and has redrawn Third Party agreements to include compliance for new contracts going forward. The Cabinet has endorsed this approach to ensure appropriate data sharing arrangements are in place.

#### Performance Matters

40. The Council manages and reports significant performance measures through the Balanced Scorecard. Reports are taken twice yearly to Cabinet and Scrutiny meetings, and published on the Council's website. To supplement this work, future Cabinet Resources Reports will include the more significant positive and negative performance measures.

**Mr A I Hardman**  
**Chairman**

## **Contact Points**

### **County Council Contact Points**

Worcester (01905) 763763 or Minicom: Worcester (01905) 766399

### **Specific Contact Points for this report**

Nichola Garner, Committee & Appellate Officer

## Background Papers

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In the opinion of the proper officer (in this case the Director of Resources) the following are the background papers relating to the subject matter of this item:

Agenda papers and background documents for the meetings of the Cabinet held on 6 March 2014 and 10 April 2014.



**15 May 2014**

## **11. REPORTS OF CABINET MEMBERS WITH RESPONSIBILITY**

### **(a) REPORT OF THE CABINET MEMBER WITH RESPONSIBILITY FOR CHILDREN AND FAMILIES**

1. It is an honour to lead politically and strategically in three important areas for Children's Services:

- Learning and Achievement
- Social Care
- Early Help and Partnership.

2. As statutory Lead Member, with the support of Cabinet and other colleagues, my work helps to build on our joint achievements: the reduction in the budget deficit (saving just over £70m in the last 3 years) the efficiencies, the ambitious Broadband Project, our move to early intervention and commissioning, Act Local, and Open for Business. Children's Services have significantly contributed to BOLD in many ways including building capital receipts.

3. Everything I do builds on our joint key aims; to live within our means, maintain if not improve the standard of core services to residents and target support at the most vulnerable. Whilst savings are a driver in Children's Services, outcomes, ambition, the rightness of what we do for children is key; for example we have taken £100,000 out of a transition redesign, but we are getting better outcomes.

4. 'Children and Families' is a clear priority in the Council's Corporate Plan, but pleasingly each Directorate is beginning to contribute, or has increasingly contributed to outcomes for children and young people.

5. Open for Business, in addition to growing Worcestershire's building base and enabling infrastructure, has strengthened our countywide skill base and encourages and facilitates links to business.

6. The Health and Wellbeing agenda not only contributes to important transition arrangements for children and young people but owns and promotes the Children and Young People's Plan.

**7. The Key headlines** are: Learning and Achievement changes are about even further ambition for our children. Social Care, Stronger Families and Early Help are inextricably linked, and schools are partners in the agenda as well as parents.

8. A key part of my role is to ensure I know the "must knows "

### **That the Council is:**

- effective in keeping children and young people safe,
- serving the most vulnerable well,
- taking a strategic lead in education,
- supporting children and young people who are disabled or have special educational needs.
- Ensuring effective partnerships are in place with good co-operation.

### **That my role is:**

- understand the needs of my area and what service users want,
- understand our performance – where we are at,
- am ensuring you are making best use of scarce resources,
- support young people into adulthood,
- leading key partnerships for children and young people.

### **This is achieved by:**

- Working together – with the Director of Children's Services, the Chair of the Local Safeguarding Board, the Leader of the Council, the Chief Executive, Heads of Service and the Cabinet,
- Being clear around Government policies and their implications, sector- led initiatives, Ofsted changes, peer reviews, key authority data, needs analyses, our performance, risks, other council's performance, governance, well informed on costs, quality, areas of spend, value for money,
- Paying attention to the statutory nature of the role: understanding demand for school places, the admissions process, funding allocations, arrangements for school building programmes, corporate parenting responsibilities, respite, safeguarding,
- Leading on a corporate vision for children and families: the shift to prevention, children at the centre, workforce reform, the redesign,
- Being a champion: for educational excellence, vulnerable pupils, safeguarding, looked after children, care leaver, those in transition, vulnerable groups,
- Listening to: users, the community, front-line staff, partners, children, young people, families.

9. The text below hopefully gives you an honest, no surprises flavour of where I think we are and how I evidence where we are:

### **Learning and Achievement**



further up the table. At KS 4 there is no discernible difference in outcomes between students being educated in the 2- or 3-tier systems of education.

## KS5

19. Performance at KS5 is disappointing compared to our statistical neighbours and nationally. We take fewer qualifications, 3.3 compared to 3.7, particularly in the colleges (2.7). 1/3<sup>rd</sup> of the cohort attend the colleges. The 6<sup>th</sup> Form College performs at the same level as schools but the college performance overall is more variable. Colleges are considering mergers to affect sustainability with a strong influence on better outcomes. Whilst schools and colleges focus on increasing points per pupil, business is focussed on the skills they need. School to business engagement continues to be vital.

20. Finally there is an emerging scene change:

- Between 2016 and 2023 around assessment arrangements; from assessment at entry into reception, to 85% as the floor standard at the end of KS2, will be a challenge and make year-on-year trend analysis difficult.
- To sustain Worcestershire's educational improved outcomes and give value for money for our taxpayers we are looking at embracing new more modern ways of working such as strategic commissioning of support services and encouraging partnerships to create capacity, unlock innovation, energy and creativity of partners to deliver even better visions and outcomes. Supporting schools through the transition from currently provided in-house services to an external provider should not be underestimated.
- The Children and Families Act, including SEN changes, and the consequential funding, organisation changes at a school and authority level will all need to be handled carefully.

21. Engagement, governance and a partnership approach will be vital as we move to the outcome of the procurement process to have a new provider being found and in place by April 2015. Many of the ways we deliver services in learning and achievement will change from next April.

22. To meet required outcomes we will be enabling and importantly holding partners/providers to account. In many areas (those in scope) we don't actually have to be the deliverer of services to shape delivery and review core functions in line with national and local policies, ensure challenge and support of underperforming schools/settings and that available budgets, resources (human and financial) are focused on the areas of greatest need.

23. We will ensure services complement the Early Help Strategy, keep safeguarding at the heart of service delivery and ensure the educational outcomes of Looked After Children are improved. We will continue to work with schools to fuel their ambition and link schools to business

24. The indicative announcement of additional school funding for 2015/16, around £4.9m, is to be welcomed, especially as Worcestershire has played such a part in





37. The Youth Offending Service (YOS), now a West Mercia Service, continues to provide good outcomes for our young people. The current YOS\_hosting arrangement with Probation are being realigned due to large-scale national changes to the delivery of probation functions and Worcestershire County Council will be the host during an interim period.

### **Early Help (Stronger Families) and Partnership,**

38. A good news story is Ofsted has rated 82% of children's centres either good or outstanding.

39. Our Stronger Families programme forms part of the Early Help Strategy and between March 2012-2014, 727 families have been supported. Worcestershire remains on track to work with the expected 900 families by March 2015. We are demonstrating positive results, which will enable us to claim results-based payments. The Government has now announced a budget for Phase 2 which we will use to develop our approach with partners. Louise Casey, the Stronger Families Tsar, visited and was impressed with our co-working arrangements: we have social care 'pods' working with early help in three schools in the county. A business case is being prepared for a variation on the model to be piloted in a fourth area so that flexibility is built into future service development to meet identified needs. The areas chosen relate to levels of needs and links with the Stronger Families programme. The pod social workers co-ordinate the multi-agency meetings with other professionals involved in the whole family.

40. The implementation of Worcestershire's Early Help Strategy has progressed throughout 2013/14. Four out of the six 0-19 Early Help district services are now in place with the remaining two (Malvern Hills and Bromsgrove) currently negotiating contracts with the preferred provider. These district service arrangements, which include the provision of Children's Centres, have been phased in, district by district, in order to balance the speed of implementation whilst ensuring quality and effectiveness of provision. This is new territory in a challenging area but early case study evidence is supportive. Evidence to date indicates a better relationship with early help, other agencies and a joined up service for children and families.

41. The Early Help Hub and the Social Care Access Centre (SCAC) have been co-located from the beginning of September 2013. This has facilitated more effective decision making by the EHH advisors and a better understanding of when a case should be passed through to Social Care. Referrals for Early Help are made through the Early Help Notification, an online referral form for professionals to request support for a family they are working with. Since April 2013, the EHH advisors have completed over 2500 EHN+ forms from various referrers.

42. A commissioning review of the Family Group Conferencing services provided evidence that the Family Group Conference service, which targets edge of care and Looked After Children, is effective in supporting a reduction in numbers of Looked After Children and associated costs. The FGC service delivered an estimated 12:1 return on the £90,000 investment in 2012/13 and the performance of the current provider of FGCs (Daybreak Family Group Conferences) has been of a high standard and the current provider is considered to deliver good value for money to the County Council.

43. The Children and Young People's Plan has been refreshed to meet current needs as have the governance arrangements for holding to account the delivery of the plan and the Early Help initiative: the Children's Trust and the Local Children's Trusts in the District. Corporate Parenting, Local Children's Trust, advocates for early help through Governor roles and engagement with commissioning and school funding changes particularly around SEN changes are all way in which you as Members can support this complex and far reaching agenda.

44. Whatever the Council does, whatever our strategy, all that we do is for Children and Families, and each one of us should never forget to champion our children who are our future.

**Liz Eyre**

**Cabinet Member with Responsibility for Children and Families**



## **(b) REPORT OF THE CABINET MEMBER WITH RESPONSIBILITY FOR LOCALISM AND COMMUNITIES**

### **Introduction**

1. It is my pleasure to submit my first report as Cabinet Member for Localism and Communities to full Council on the work that has taken place in my areas of responsibility in the past year.
2. The role of Cabinet Member with Responsibility for Localism and Communities is a cross-cutting one covering a number of Council services, with a particular remit on taking forward Act Local as an approach by which we are working in partnership with communities and volunteers in shaping future delivery of services, helping us to achieve our Future Fit programme.
3. I am pleased to report that over the last 12 months, there has been significant progress in all areas of my portfolio, both in terms of transforming service delivery and also in achieving the challenging targets set within our Future Fit programme.

### **Libraries**

4. The Libraries and Learning Service continues to be at the forefront of taking forward our Act Local approach in terms of radically shifting the way that we deliver services in a local area, involving local communities, supporting volunteers where possible and delivering the required savings without the need for closing individual libraries. This has been achieved through the hard work of a dedicated team of officers along with the commitment from parish and town councils, the local community and not least local County Councillors.
5. I am delighted to report that we are close to reaching a community solution in all of our smaller libraries and progress on these will be reported to Cabinet in July this year.
6. Examples include:
  - Working with Wythall Parish Council and Woodrush High School in Wythall over an interim and long-term solution in providing library services at the local high school.
  - Working with Upton Town Council and neighbouring parishes in delivering a sustainable Upton library service on the existing premises with local parishes in the area joining together to help fund the project of taking on the building through donations as well as increases in precepts.
  - Working with Hagley Parish Council on delivering sustained library services in the existing building but with support from Hagley Parish Council and local community volunteers.
7. In terms of our bigger libraries:
  - Malvern Library has recently reopened with Job Centre Plus now fully embedded as part of the offer.

- Stourport and Bromsgrove Libraries are part of corporate schemes which will bring together a number of public and voluntary services under the same roof, including sustaining local library services.
- We are working closely with Children's Services on relocating services into Redditch Library.

8. All this means that we are on track to achieve our Future Fit savings for libraries for this financial year without the need to close any individual library.

### **Lifelong Learning**

9. The Lifelong Learning Service has continued to remodel itself through developing a Community Learning Trust in partnership with local colleges as a way of connecting and linking into the skills agenda which is a key part of our Open for Business approach.

10. The Lifelong Learning Service along with the Libraries Service within Culture and Community has recently achieved the Matrix Customer Care standard as recognised by Ofsted. It is very rare for such a large service to achieve the standard within Great Britain and demonstrates a customer first attitude throughout all levels of the organisation and I would like to offer my congratulations to all involved.

### **The Joint Museum Service**

11. The Joint Museum Service has been working in partnership with the Hartlebury Trust in developing the Stage 2 application for the purchase of the Hartlebury estate by the Hartlebury Trustees. Plans are being developed to take this project forward. This is a very exciting project and demonstrates a further example of Act Local working with a locally led trust to develop a new and exciting visitor attraction within that part of Worcestershire, which will boost the local visitor economy.

12. The Joint Museum Service is also working closely with Worcester City Council in developing a new offer for both the Museum and Art Gallery and the Commandery, which ties up with the Worcester City Council vision of achieving City of Culture status 2021. It will also be a key part of developing Worcester City's profile both regionally and nationally, alongside helping to promote the wider county and its hidden treasures working with partners such as Destination Worcestershire.

### **Archives and Archaeology Service**

13. The Archive Service has recently achieved the new accreditation standard set by the National Archives Service and was the second service in the country to do so. It has also remodelled its front of house Archives service at The Hive in order to achieve Future Fit savings without impacting on actual services provided at The Hive. Over the past few months, we have met twice with the senior managers of the National Archives who were most interested to see how the service was being delivered. The service was also successful in winning a large sum of National Lottery Funding to be spent on commemorations around the First World War across the county.

14. The Historic Environment Records Unit has achieved a significant amount of grant income in order to take forward a number of projects, including a cross-county

approach as to how planning applications are dealt with, in order to support sustainable development that protects and celebrates our historic landscape and architecture.

### **The School Music Service**

15. The County School Music Service has completely transformed itself over the past 12 months and is now a zero-funded service in terms of County Council funding, whilst still providing music tuition for over 5,000 children across Worcestershire.

16. A report is to be brought to Cabinet in the Autumn on the potential of outsourcing the service to create a stand-alone Worcestershire Music Trust.

### **The County Arts Service**

17. Although a very small service, this service continues to network and matrix work across the county in terms of raising art opportunities as a way of supporting Council priorities, e.g. Open for Business and Health and Wellbeing. The impact of the service is shown by the spending of £49,000 in grants which brought in £1,687,315 of investment into the county during 2013/14.

18. The Arts Service continues to work with Adult Social Care using personalised budgets for arts activity. Alongside this, they support arts groups such as Vamos who perform across the county, often in residential and care homes. The Arts are also leading the way on an Open for Business approach in looking at the economic impact of particular arts venues and festivals around the county as a means of developing the visitor and tourism economy within the county.

### **Corporate Information Management Unit (CIMU)**

19. Our CIMU service has had the forethought of inviting the Information Commissioner Office (ICO) to perform a peer review, in order that we as a County Council are in the best position to move forward on our strategic commissioning journey knowing that we have a strong and safe information governance structure in terms of our management of information across all services in the County Council and the sharing of data with present and future partners. For those of you who do not know, they are based in the old County Records Office.

### **Registration and Coroner Services**

20. As with the other services in Culture and Community, the Registration Service is currently going through a remodelling process in order to deliver Future Fit savings. This is looking at how we provide Registration services around the county. Whilst we are meeting the needs of the customers, this will involve some remodelling of how the service will be delivered in a number of districts within the county. We are looking to maximise the level of income that we bring in for Registration, while providing a service that is customer led. A recent survey carried out with customers of the Registration service achieved a 98% satisfaction rating.

21. In terms of our Coroner Service, we continue to have a very effective partnership with the County Coroner and we are currently working with him on relocating the Coroner's Court as part of the Stourport Forward project.

## **Countryside Services**

22. The provision of countryside green spaces and advice to communities continues to be delivered to a high standard, with the retention of 3 nationally recognised Green Flag Awards at Worcester Woods Country Park, Waseley Hills Country Park and St. Wulstan's Nature Reserve. This demonstrates the high quality of management of these sites for visitors and the natural environment.

23. The Greenspace Team which already brings in significant income continues to strive towards becoming self-financing as part of its Future Fit programme. A considerable amount of work delivered across the service is done so through volunteers such as Tree Wardens, Parish Paths Wardens, Countryside Sites volunteers and Health Walk Leaders.

24. The Community Payback project which is jointly funded via the Probation Trust continues to carry out much needed work, with offenders carrying out projects on Countryside Sites and Public Rights of Way, as well as helping to deliver community initiatives.

## **Gypsy and Traveller Services**

25. The Gypsy and Traveller Service continues to work closely with communities and local gypsies and travellers to provide residential sites and support, and also reduce and help manage unauthorised encampments within the county.

26. The difficult issue of illegal horse grazing is being carefully managed by the service in partnership with other local Council's and the police, with action being taken to address this issue where appropriate.

27. This service provides another example where the cost to the Council Tax payer is minimal, with residential sites providing accommodation for residents, whilst offsetting the costs of running the service.

## **Voluntary and Community Sector (VCS)**

28. The Changing Futures Fund has entered its third year and has provided support to 180 organisations around the county so far. It has recently been agreed that the Fund will continue into a fourth year to ensure the full investment is used for the benefit of voluntary sector organisations.

29. Volunteering is a key deliverable for the Council's Future Fit programme and the Council is working closely with the Worcestershire Voices Board who are leading the development of a countywide, cross-sector volunteering strategy. A Worcestershire Volunteering Research Report was produced in July 2013 and provides a picture of volunteering in Worcestershire and recommendations for partners who have an interest in the growth of volunteering for the future.

## **Regulatory Services**

30. Trading Standards and Animal Health staff working within Worcestershire Regulatory Services on our behalf continue to focus on the key County Council priority around supporting the local economy by working with legitimate businesses,

especially manufacturers and importers, whilst tackling the worst rogue trading activity, a proportion of which is committed by organised criminal groups operating across local authority borders.

31. A number of high profile prosecutions took place last year across a diverse range of areas such as product safety, weights and measures, food, product counterfeiting, animal health, doorstep crime and false claims about motor vehicles.

32. On the business support side the number of businesses with Primary Authority (PA) agreements with the service has increased to six and the service will continue to develop this area as it can provide a source of limited funding to help support service delivery. A business with a PA agreement can receive assured advice from our officers, which other local regulatory services are obliged to take into consideration when addressing any alleged failings. Regulatory Services are also working within the partnership looking at ways to deliver the Future Fit savings targets required.

### **The Hive**

33. The Hive during year 2013/14 became the second most visited library in the UK with just under one million visitors. I would urge those councillors who have not done so yet to go and visit the building to see how interesting it is.

34. The Hive has achieved 13 national awards so far and has recently been shortlisted by booksellers for the prestigious Library of the Year award. Our partnership with the University and our PFI contractors continues to grow as The Hive continues to develop as an exemplar project, noted at a regional and national level. We are always looking at how to improve the customer experience at The Hive and we are looking at making a number of improvements around soundproofing and the layout of the café.

### **Act Local**

35. As lead Cabinet Member for Act Local, I am well aware of the importance of this approach in terms of working through our transformation of services across the Council in order that we can have a much closer partnership with local communities in the future delivery and commissioning/sustainability of services.

36. The Future Lives Programme is one example where we are working very closely with our colleagues in ASH on identifying new ways of developing volunteers to support the transformation of services within Adult Social Care. This principle also applies to services across BEC including Community Transport, Culture and Community Services and Highways.

37. A significant part of Act Local work is now focused around developing volunteers in Worcestershire through the voluntary sector. We are working closely with the Worcestershire Voluntary Voices Board and our colleagues in district councils in developing a county-wide strategy for the development of both informal volunteering and formal volunteering across the county. We are looking at technology and marketing as a way of promoting volunteers. We also have events coming up at the start of June which will celebrate the work of volunteers in the county and we want to identify good practice both within the county and beyond. I am very excited about the Act Local work and see this as a key plank in taking

forward our future operating model in terms of how local services will be commissioned/delivered within the county over the coming years.

38. Those of you who attended the Act Local Workshop last year will know how successful the event was and the ideas that stemmed from it. In June, we are going to be holding another event which will be focused around the volunteer. The event is on 2 June 2014 here at County Hall commencing at 7.00pm.

39. Work has also been carried out developing a refreshed Act Local website, which will link in with the Worcestershire Voices website, which is led by the sector itself.

### **Open for Business**

40. A key feature of the work within my portfolio is how individual services are adapting and transforming themselves to be in a position to support the Council's Open for Business agenda. Our Cultural Services, in particular, have as a core priority the development of the visitor economy. Examples include:

- Backing the Worcester City of Culture ambition for 2021.
- Developing a cohesive cultural offer in Worcester/Worcestershire as part of selling Worcester/Worcestershire on the regional and national stage in terms of visitor destination.
- Carrying out detailed research on the potential impact of key cultural venues and festivals in developing the future visitor economy.

### **Conclusions**

41. I would like to place on record my thanks to the Chief Executive and the Director of Business, Environment and Community, along with the relevant Heads of Service for their commitment and work over the past 12 months. I believe we have a high calibre of officer within the County Council and the commitment shown by officers at all levels has meant we have made significant progress in all areas of my portfolio.

42. It is recognised that the financial climate facing the Council continues to be very challenging. I see that within my portfolio significant progress has been made in meeting these financial challenges. However, I am aware that this will continue and through areas such as Act Local, I hope that within my portfolio I can be a key catalyst and contributor to achieving long-term Future Fit goals, sustaining services that local communities wish to sustain but delivering them in very different ways.

43. I submit this report to the Council. Thank you.

**Lucy Hodgson**

**Cabinet Member with Responsibility for Localism and Communities**

**15 May 2014**

## **12. QUESTION TIME**

### **Question 1 – Pot holes**

1. Mr P M McDonald will ask the Cabinet Member with Responsibility for Highways:

"Would the Cabinet Member with Responsibility for Highways please inform me how many potholes have been reported over the last two years and how many claims have been made regarding accidents, injuries and damage to vehicles over the same period and the cost of those claims?"

### **Question 2 – Free School Meals**

2. Mr P M McDonald will ask the Cabinet Member with Responsibility for Children and Families:

"Would the Cabinet Member with Responsibility for Children and Families please inform me how many of our schools shortly to be entitled to free meals do not have any kitchens?"

### **Question 3 – People employed by the County Council**

3. Mr R M Udall will ask the Cabinet Member with Responsibility for Transformation and Commissioning:

"Could the Cabinet Member with Responsibility for Transformation and Commissioning confirm how many people are employed currently by the County Council, including all people employed by outside agencies at County Hall?"

### **Question 4 – Municipal Bonds Agency proposal**

4. Mr R C Lunn will ask the Leader of the Council:

"Does the Leader of the Council support the proposal of LGA Chief Executive Carolyn Downs, to set up a Local Government Municipal Bonds Agency? If so, how particularly does he think it will benefit Worcestershire?"

### **Question 5 – Educational Attainment**

5. Mr P Denham will ask the Cabinet Member with Responsibility for Children and Families:

"Is the Cabinet Member for Children and Families satisfied with the educational attainment of Worcestershire children who are entitled to free school meals?"

## Contact Points

## County Council Contact Points

Worcester (01905) 763763, Kidderminster (01562) 822511  
or Minicom: Worcester (01905) 766399

### Specific Contact Point for this Report

John Higginbotham, Committee and Appellate Officer,  
Worcester (01905) 766621

Email: [jhigginbotham@worcestershire.gov.uk](mailto:jhigginbotham@worcestershire.gov.uk)

## Background Papers

In the opinion of the proper officer (in this case the Director of Resources) there are no background papers relating to the subject matter of this report.



**15 May 2014**

## **13. NOTICES OF MOTION**

### **Notice of Motion 1 – Ethical Care Charter**

1. The Director of Resources reports that he has received the following Notice of Motion. The Constitution provides that any submitted motion must be moved and seconded at the meeting. Otherwise, unless postponed with the consent of the Council, it will be treated as withdrawn.

2. If a motion is in relation to the exercise of an **executive function** it will be referred to the Cabinet for decision (if applicable this will be indicated below). Otherwise the Council may decide itself to determine the Motion, or refer it to the Cabinet or another appropriate Committee for advice before determining it at the next available meeting.

**3. This motion is not in relation to the exercise of an executive function and the Council may decide to determine the Motion.**

4. Notice of Motion standing in the names of Mrs E B Tucker, Prof. J Raine, Mrs F M Oborski Mr T A L Wells, Mr M E Jenkins and Mrs S Askin:

"This Council notes that the Ethical Care Charter sets minimum standards to protect the dignity and quality of life for people who need homecare. It commits councils to buying homecare only from providers who give workers enough time, training and a living wage, so they can provide better quality care for thousands of service users who rely on it. UNISON's Ethical Care Charter can be found at

[www.unison.org.uk/upload/sharepoint/Research%20material/Final%20Ethical%20Care%20Charter%20PDF.pdf](http://www.unison.org.uk/upload/sharepoint/Research%20material/Final%20Ethical%20Care%20Charter%20PDF.pdf)

This Council asks the Cabinet Member with Responsibility for Adult Social Care to prepare a report for Cabinet setting out the Council's current position in the different areas covered by the Charter, and the implications of signing up to it, to inform a plan for Worcestershire County Council adopting the Charter."

### **Contact Points**

#### **County Council Contact Points**

Worcester (01905) 763763, Kidderminster (01562) 822511

or Minicom: Worcester (01905) 766399

**Specific Contact Points for this Report**

John Higginbotham, Committee and Appellate Officer  
Ext. 6607, email: [jhigginbotham@worcestershire.gov.uk](mailto:jhigginbotham@worcestershire.gov.uk)

**Background Papers**

In the opinion of the proper officer (in this case the Director of Resources) there are no background papers relating to the subject matter of this report.

**15 May 2014**

## **14. REPORTS OF COMMITTEES**

### **(a) SUMMARY OF DECISIONS TAKEN BY THE AUDIT AND GOVERNANCE COMMITTEE**

#### **Member and officer delegated decision-making**

1. The Committee has received an explanation from the Head of Legal and Democratic Services of what constitutes an 'Executive Function'; individual member decision-making; officer decision-making; decision-making processes; and the Forward Plan.

2. The Leader of the Council has as yet issued no standing delegations to individual Cabinet Members (CMR), but the law and Constitution allows the Leader to authorise this. There are likely to be an increasing number of specific delegations to Cabinet Members, and potentially standing delegations in due course. There is a balance to be drawn between the democratic visibility of collective decision-making by Cabinet meeting in public at intervals and the potential flexibility and speed of individual CMR decisions. In mitigation, it is important that the development of individual Cabinet decision-making is captured within clear and transparent governance. A governance protocol for individual CMR decisions has been in operation since 1 January 2014.

3. The Protocol makes reports to the Cabinet Member publicly accessible in advance of the decision, in line with the general requirements for Cabinet and Committees but exceeding the legal requirement for individual decisions. Unlike collective decisions, decisions by individual Members are not required to be held in public. However, the report upon which the decision is to be taken and a record of the actual decision is made publicly accessible just as for Cabinet and Committees.

4. The procedures the Council has adopted are compliant with the law. The Constitution captures the level of delegations to Chief Officers.

5. The Committee has noted the report on member and officer delegated decision-making and requested that the Leader of the Council's attention be drawn to its concern about the delegation of key decisions to Cabinet Members

## The Hive – Governance Arrangements

with Responsibility: the democratic visibility of collective decision-making by Cabinet meeting in public and the ability of all CMRs to comment should be maintained for important decisions.

6. Concern had been raised at previous Committee meetings around the complexity and cost of the governance structure and the number of meetings that take place. The frequency of certain meetings has now reduced and other meetings either take place on a virtual basis or are seen as operational business meetings that deal with the direct day to day operation of The Hive. This has meant an overall reduction in the amount of time key officers are spending in governance related meetings of around 25%. This has been done without undermining the integrity of the Hive operation.

7. The Hive is a continually evolving animal and there will never be a point where it could be concluded that the work is finished. Continued innovation and creativity will need to be shown with the Council's partners in order that the Hive remains the highly valued asset it had become for students and residents alike across Worcester and Worcestershire. A further report on progress will be brought to the Committee in 6 months time.

8. CIPFA had carried out a public library survey for 2012/13 which had placed The Hive as the 10<sup>th</sup> most visited public library in the country with 718,255 visits per annum. However The Hive had only opened in July 2012 and when the full year figures were collated, there were actually 984,000 visitors which would place it as the 2<sup>nd</sup> most visited public library in the country.

9. The Committee has noted the progress made by officers in reducing the cost of governance at the Hive through the reductions in formal meetings held. The Committee has also noted the general progress made in relation to fully exploiting the business and commercial opportunities, the development of new services for students, the signing off of outstanding defects, raising its profile and the physical alterations to The Hive.

10. The Public Service Pensions Act 2013 sets out governance requirements for the new look Local Government Pension Scheme (LGPS) to be introduced in 2014/15.

11. A Shadow Governance Policy Statement for the Pension Fund has been produced which aims to closely align the Fund's governance arrangements with the prescribed best practice guidance, whilst the Council

## Pension Fund Governance

awaits the publication of the revised LGPS governance regulations. The Shadow Governance Policy Statement was approved by Council, as signed by the Leader of the Council and the Director of Resources, and the interim governance arrangements for the Pension Fund were implemented on the 30 September 2013. The new shadow governance arrangements include the establishment of a Shadow Pension Committee and the transition of the former Investment Monitoring Group into the new Shadow Pension Investment Advisory Committee.

12. The Committee has noted the update on the forthcoming Pension Fund governance reform and the Pension Fund Shadow Governance Policy Statement.

13. The Committee endorsed the progress made and changes agreed with management on the proposed Internal Audit Progress Report 2013/14.

14. The Committee has requested that a report be brought to a future Committee meeting in relation to the limited assurance audit opinion on the Council's Backup and Restore Procedures. In addition, the Committee has requested that Council's attention be drawn to its concerns about the implications for the Council's Disaster Recovery and Business Continuity as a result of the electrical failure incident at Wildwood and the need to update Information Technology Disaster Recovery and Business Continuity procedures and policies.

15. The Committee has approved the content of the draft Internal Audit Risk Assessment and Operational Plan 2014/15.

16. Kyla Bellingall, Director, and Helen Lillington, Senior Manager presented a series of reports to the Committee on behalf of Grant Thornton, the Council's external auditor.

17. The Committee noted the Audit Plans for Worcestershire County Council and its Pension Fund for 2013/14.

18. The Audit Commission makes certification arrangements with grant-paying bodies, including confirming which claims and returns required certifying and issuing certification instructions. Grant Thornton as the Council's appointed external auditor undertook this work acting as agent for the Audit Commission. The Committee has noted the Grant certification work plan for Worcestershire County Council.

## **Internal Audit Progress Report 2013/14**

## **Draft Internal Audit Risk Assessment and Operational Plan 2014/15**

## **External Audit Report**

## **Audit and Governance Committee Training**

19. The Committee has noted the external auditor's "Informing the audit risk assessment" report. The purpose of this report is to contribute towards the effective two-way communication between the Council's external auditor and this Committee, as "those charged with governance". The report covers areas of the auditor risk assessment where the external auditor is required to make enquiries of this Committee under auditing standards.

20. The Committee has noted the external auditor's Audit Committee update report on progress in delivering their responsibilities to the Council. The update also includes a summary of emerging national issues and developments that may be relevant to the Council, and includes a number of challenge questions in respect of those emerging issues.

21. In line with best practice, a training plan has been developed for members of the Audit and Governance Committee providing two half-day sessions for delivery over the next twelve months.

22. It is proposed that the first half day session will cover what makes an audit committee successful and will make reference to the new CIPFA guidance (Audit Committees : Practical Guidance for Local Authorities and Police 2013 Edition.) There will also be consideration of roles and responsibilities including how the audit committee gets assurance and the different sources of assurance. This area of training will be delivered by PricewaterhouseCoopers.

23. The second half day will be informed by the above and areas identified previously by members and can include Local Government Finance, Treasury Management and procurement.

24. The Committee has approved a proposed training programme.

25. The Committee has noted its work programme subject to a report being brought to a future Committee meeting in relation to the limited assurance audit opinion on backup and Restore Procedures; and officers looking into the possibility of timetabling reports on risk assurance.

## **Work Programme**

**Mr W P Gretton**

## Contact Points

### Chairman

### County Council Contact Points

Worcester (01905) 763763, Kidderminster (01562) 822511  
or Minicom: Worcester (01905) 766399

### Specific Contact Points for this Report

Simon Lewis (Committee Officer) Ext. 6621  
Email: [slewis@worcestershire.gov.uk](mailto:slewis@worcestershire.gov.uk)

## Background Papers

In the opinion of the proper officer (in this case the Director of Resources) the following are the background papers relating to the subject matter of this report:

Agenda papers for the meeting of the Audit and Governance Committee held on 21 March 2014

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**15 May 2014**

## **14. REPORTS OF COMMITTEES**

### **(b) SUMMARY OF DECISIONS TAKEN BY THE PLANNING AND REGULATORY COMMITTEE**

#### **Applications**

1. The Committee approved the following planning applications subject to detailed conditions:

- Proposed phase 2 of the development of Hoobrook Link Road – a proposed 600 metre extension to the development access road through the former British Sugar Beet factory site, from the Stourport Road (A451) to the Worcester Road (A442), at the former British Sugar Beet factory site, Stourport Road, Kidderminster
- Proposed change of use from civic offices and hall to mixed use to include a library and coroner's office, together with the construction of a lift and cycle shelter at Stourport Civic Centre, New Street, Stourport-on-Severn
- Application for planning permission for the carrying out of development pursuant to planning permission reference number 407703 dated 2 November 2007 without complying with condition 8 of that permission so as to extend the delivery hours at Pendock Environmental Composting Facility, Eldersfield
- Proposed variation of condition 1 of planning permission 407711 to allow the continued use of the site for recycling of soils by screening for off-site distribution until the completion of the landfill site in 20 years time at Summerway Landfill Site, Hillary Road, Stourport-on-Severn
- Proposed variation of condition 1 of planning permission 407712 to allow the importation and stockpiling of hardcore and road planings for off-site distribution until the completion of the landfill site time at Summerway Landfill Site, Hillary Road, Stourport-on-Severn



- Proposed variation of condition 1 of planning permission 09/000094/CM to allow the retention of existing ancillary workshop and existing lean-to building at Summerway Landfill Site, Hillary Road, Stourport-on-Severn
- Proposed alterations to the existing sewage pumping station (SPS) including the provision of a parking area and a telemetry and electrical control cabinet at the existing SPS, Finstall Road, Bromsgrove.

2. The Committee has refused permission for the proposed erection of a steel framed building for use as a waste transfer station and extension of existing storage area for waste (part retrospective), new access, car parking and landscaping (re-submission 12/000087/CM) on land adjacent to Craddock Metal Recycling, Clevedon Farm, Icknield Street, Beoley, Redditch.

3. Details of the above applications can be found in the agenda papers for the Committee meeting held on 11 February 2014.

**Mr Rob Adams**  
Chairman

#### **County Council Contact Points**

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or Minicom: Worcester (01905) 766399

#### **Specific Contact Points for this Report**

Simon Lewis (Committee Officer) Ext. 6621  
Email: [slewis@worcestershire.gov.uk](mailto:slewis@worcestershire.gov.uk)

In the opinion of the proper officer (in this case the Director of Resources) the following are the background papers relating to the subject matter of this report:

Agenda papers for the meeting of the Planning and Regulatory Committee held on 11 February 2014.

## **Contact Points**

## **Background Papers**

**15 May 2014**

## **14. REPORTS OF COMMITTEES**

### **(c) SUMMARY OF DECISIONS TAKEN BY THE STANDARDS AND ETHICS COMMITTEE**

#### **Member conduct during meetings**

1. A Code of Conduct complaint had been received from a member of the public following reports in the media that County Councillor Mrs Oborski had allegedly played an electronic card game on an iPad during a Full Council meeting.
2. The Head of Legal and Democratic Services consulted the Chairman and Vice-Chairman of Standards and Ethics Committee and decided that the complaint raised a matter of public concern which should be pursued. It was agreed to do this through a public meeting of the Committee to consider the issue of member conduct at meetings as a whole and the principles involved, rather than an investigation into whether there had been a Code breach in the specific circumstances alleged. The Committee's role includes promoting high standards of member conduct and providing general guidance, and it could then give guidance as appropriate to all Members to help them understand the Code's requirements and how their actions might appear to observers.
3. Members are clearly subject to the Members' Code of Conduct whilst attending meetings of the Council, Cabinet, Committees etc. The Code provides general guidance on what is acceptable and unacceptable conduct but the Council has provided little express guidance to Councillors on specific behaviour such as the level of attention/courtesy to be paid during meetings. The closest guidance is the protocol on the use of social media. This takes a balanced view and accepts that Members may wish to use social media (e.g. comments on Twitter or Facebook) during meetings as part of engaging democratically with the public, but exhorts Members to pay attention during decision-making debates.
4. Members may leave the Council Chamber for a

variety of reasons during relatively lengthy Council meetings. This tended not to happen at other member meetings. For quasi-judicial meetings such as Planning and Regulatory Committee, and Appointments etc Panel, the Member is required as a matter of law to be present for the whole of the discussion before voting. With regard to other meetings, the law permits some more flexibility and it is possible that (as in Parliament) Members may not be present for the entirety of all agenda items. There are also some items (eg Formal Question Time in full Council) in which a particular Member may not be directly involved.

5. The Committee agreed that more specific guidance was appropriate. This would underline that Members of a meeting were carrying out democratic business requiring respect for the public as well as other members. Public perception was an important factor in avoiding conduct bringing the Council into disrepute. It was not acceptable to play electronic or other games in formal meetings. The Committee has authorised the Head of Legal and Democratic Services to prepare guidelines for all councillors on their proper conduct in meetings, for consideration at the next meeting of the Standards and Ethics Committee, and to seek the views of the Member Advisory Group.

## Use of Social Media

6. The Protocol on the use of Social Media provides guidance to members and others on the use of social media in formal meetings of the County Council, its Committees and Cabinet.

7. In support of the Protocol and to provide more general advice/guidance to members with regard to the use of social media, a social media guidelines document has been created for members. Both documents were annexed to the report.

8. The Committee has agreed that the guidelines and Protocol were useful, and asked that a seminar be arranged for all councillors to provide guidance on the use of social media and legal pitfalls, which would help clarify if the existing guidance needed amending or expanding .

## Pre-election periods

9. The periods leading up to elections are times of heightened political sensitivity. There are specific prohibitions on the Council in the period between the Notice of Election being published and the election itself (traditionally called the 'purdah period'). These are contained in the 2011 Code of Recommended Practice

on Publicity issued by the Secretary of State, which has the status of statutory guidance.

10. There is no requirement that the Council ceases to operate at all during the pre-election period, and this would be unrealistic, but great care has to be taken over publicity to ensure as far as possible that no candidate or political party is given an unfair advantage 'on the rates'.

11. The situation becomes even more nuanced if it is other bodies which are holding elections (such as district, Parliamentary, European or Police and Crime Commissioner elections) rather than the Council. The work of the County Council cannot come to a halt and there is some more flexibility as set out in the guidance.

12. A guidance note entitled "Managing the pre-election period" (often called the 'traffic light guidance') had been produced by the Head of Legal and Democratic Services. This guidance is aimed largely at officers to ensure the political neutrality of the Council. It was clarified at the Committee that the guidance did not govern the actions of candidates (which were governed by electoral law) or those acting in a private capacity, but related primarily to Council publicity.

13. The Committee has requested that the 'traffic light guidance' be circulated to all councillors as a guidance note for members on managing the pre-election period.

**Mrs A T Hingley**  
**Chairman**

## Contact Points

### County Council Contact Points

Worcester (01905) 763763, Kidderminster (01562) 822511 or Minicom: Worcester (01905) 766399

### Specific Contact Points for this Report

Simon Lewis (Committee Officer) Tel. (01905) 766621  
Email: [slewis@worcestershire.gov.uk](mailto:slewis@worcestershire.gov.uk)

## Background Papers

In the opinion of the proper officer (in this case the Head of Legal and Democratic Services) the following are the background papers relating to the subject matter of this report:

Agenda papers for the meeting of the Standards and  
Ethics Committee held on 30 April 2014