

Overview and Scrutiny Performance Board

Thursday, 26 April 2018, County Hall, Worcester - 2.30 pm

Minutes

Present:

Mr C J Bloore (Chairman), Mrs E A Eyre (Vice Chairman), Mr P Middlebrough, Mrs F M Oborski and Mr P A Tuthill

Also attended:

Mr P Denham
Mr S E Geraghty, Leader of the Council and Cabinet Member for Finance
Dr C Hotham
Mr R C Lunn
Mr A C Roberts, Cabinet Member with Responsibility for Children and Families
Mr L C R Mallett
Mrs E B Tucker, Group Leader 2017 Group

Sue Alexander (Head of Finance and Business Support), Sandy Bannister (Corporate Equality and Diversity Manager), Sheena Jones (Democratic Governance and Scrutiny Manager) and Alyson Grice (Overview and Scrutiny Officer)

1028 Apologies and Welcome

Apologies were received from Mr A A J Adams, Mrs J A Brunner and Mr C B Taylor.

1029 Declaration of Interest and of any Party Whip

None.

1030 Public Participation

Two people had notified the Chairman of their intention to speak under Public Participation:

Tracey Rochelle

Ms Rochelle introduced herself as a friend of one of the parents whose child attended Ludlow Road Short Breaks Unit. She had supported the parents' campaign since the short breaks unit was first threatened with closure in December 2017. She went on to make the following points:

- She wished to thank Members of the scrutiny task group for their report and expressed her frustration at the lack of information available.

- She was appalled at the way the consultation had been handled and would like to know who was responsible for this and how it could lead to an informed decision.
- The figures provided on funding did not appear to be a true reflection of the real situation.
- A recent letter received from Harriet Baldwin MP had suggested that Ludlow Road did not have a waiting list, something that was not true. Referrals to the unit had stopped in August 2017.
- A group of parents had been in touch with Irwin Mitchell, the solicitors involved in the Nascot Lawn judgement. The parents did not want to go down the legal route but they felt they had been backed into a corner.
- Parents had also been contacted by the TV programme Panorama who were investigating the funding of short breaks units nationally.
- The parents would like someone from the Council to put their hands up and admit that they had made mistakes. They were asking the Council to do the right thing.

Stephen Brown

Mr Brown made the following points:

- He thanked the scrutiny task group for their report. Although the report was very damning of the consultation, he suggested that it could have gone further.
- Correspondence between the County Council, the Worcestershire Health and Care Trust and the Worcestershire CCGs had been released following Mr Brown's FOI request. The County Council had not responded to the FOI request. The letters revealed that there had been an ongoing dispute, with the County Council using threatening language and the WHCT warning of what was ahead.
- The CCGs made a financial contribution to Ludlow Road but were not contacted as part of the consultation.
- It would have helped if the scrutiny task group had also spoken to campaigners.
- The cost of Ludlow Road had been conflated with the other units and the pricing given was a political construct to get the result WCC wanted.
- Due to the serious nature of the issues involved, the final decision should be taken by full Council.

In response, the Chairman of the OSPB undertook to follow up on why the FOI request had not been answered by the County Council.

1031 Confirmation of the Minutes of the Previous Meeting

The Minutes of the Meeting held on 28 February 2018 were agreed as a correct record and signed by the Chairman.

1032 Draft Scrutiny Report: Future Provision of Overnight Unit-based Short Breaks for Children with Disabilities

The Overview and Scrutiny Performance Board was asked to consider and approve the draft report of the Future Provision of Overnight Unit-Based Short Breaks for Children with Disabilities Scrutiny Task Group.

The draft scrutiny report was introduced by the Lead Member of the Scrutiny Task Group. She made the following main points:

- It had been a privilege to lead the Scrutiny Task Group. She wished to thank the Scrutiny Officers involved and other Task Group members who had unanimously agreed the recommendations on a cross-party basis.
- The Task Group felt very strongly that the final decision should be made at a public meeting of Cabinet, which would allow public participation.
- It was clear that there were serious inconsistencies in the way the County Council carried out consultations. In particular, there was a clear contrast between the short breaks consultation and a parallel consultation being carried out by the Adult Services Directorate in respect of proposed changes to Learning Disability Day Services. Adult Services had undertaken pre-consultation engagement with service users. If Children's Services had also done this, the scrutiny may not have been needed. The Council needed a clear consistent consultation policy which was applied across all departments. This should be open and transparent and understood by all involved. The Task Group's recommendation on this would also be shared with the Cabinet Member for Transformation and Commissioning.
- It was disappointing that the views of the WHCT were not taken into account at an early enough stage.
- The Task Group had found it difficult to get information from the Clinical Commissioning

Groups and it was frustrating that it had taken 10 days to get a reply to the initial enquiry.

- It was clear that the WHCT had thought that there was insufficient information in the 14 December Cabinet report and the published consultation documents to enable them to support the consultation.
- Engagement with service users could have been started in 2015 in preparation for the removal of the Public Health Ring-Fenced Grant. If this had happened the Council would now be in a very different position.
- The Task Group was concerned about how the parents of all units had found out about the proposal to withdraw funding from Ludlow Road. Parents whose children attended Ludlow Road were told in a letter which was dated 7 December. Given the Christmas post, some parents did not receive the letter until the week before Christmas.
- Parents of children attending other units were not informed of the proposals until January and were not routinely offered one-to-one meetings as part of the consultation. It was only late on in the process that these parents realised the impact that the proposals might have on the other units. There was a need for a consistent approach to engagement with service users and an assessment of the potential impact on the whole service.
- There was a further inconsistency in the approach taken to the one-to-one consultation meetings with parents, depending on which officer carried out the meeting. Some officers took notes during the meeting, whereas others did not. Anecdotally, the Task Group heard that some parents were concerned about giving their views as they feared the support they currently received from the Council might be at risk. Whilst the Lead member did not believe this to be the case, she considered it highlighted the nervousness parents felt about the process and that the Council should ensure respect for and understanding of vulnerable families when potential changes to services were being considered.
- Throughout the scrutiny exercise, there had been confusion and a lack of clarity in much of the information provided by the County Council. For example, it was not clear why costs per bed night were so much higher at Ludlow Road. It would be important that the final decision was based on accurate information.

- The Task Group had not seen any projections for future demand for the service.
- It was not clear why preparation for Ofsted registration would have led to suspension of referrals to the service.
- Members of the Task Group had been able to talk to approximately 15 or 16 of the 21 families who used Ludlow Road.
- Increased journey times and the impact on emergency provision were also causes for concern.

In summing up, the Lead Member of the Task Group informed the Board that it gave her no pleasure to present the Task Group's conclusion. The Cabinet Member would potentially be making a decision based on a consultation that was seriously flawed. She did not want to see the Council being put in the position of facing legal challenge. It was important to remember that these services were provided to some of the County's most vulnerable families who were looking after the most vulnerable children.

The Chairman of the OSPB reminded those present that the scrutiny report was not part of the decision making process and a decision by the Cabinet Member was not yet available. He thanked Members of the Task Group for the time and effort they had put in to what was a concentrated exercise. He also thanked officers in Democratic Services. He went on to make the following points:

- It was hard not to be troubled about the difficulty the Task Group had had in obtaining information and the lack of credibility of the information received.
- He was also alarmed about the clear breakdown of relationships between the County Council and other organisations involved.
- This decision had not crept up on the Council; it had been known about for some time.
- Nothing in the report would give confidence to parents about what would happen next.
- In making the final decision, the Council needed to be 100% sure that this was the right move.

In conclusion, the Chairman informed those present that he wished to apologise on record to the parents involved and assured them that he would seek clarification as to why the original letters were sent out just before Christmas.

The Democratic Governance Manager reminded Members of the OSPB that they were considering the draft report in their role as the overarching scrutiny body and they were being asked to decide whether they could support its recommendations. The final decision on the service would be for the Cabinet Member with Responsibility for Children and Families. Once it was agreed, the scrutiny report would be sent to the Cabinet Member who would respond to the recommendations. His response would be shared with Members.

Members of the Board were invited to ask questions. In the course of the discussion, the following main points were made:

- The Vice Chairman informed Members that, as a former Cabinet Member, she had 15 years' experience of working with the short breaks units. She admired the sincerity, hard work and dedication of the Task Group and the Lead Member. She was pleased to see such extensive scrutiny taking place before the decision had been taken, although she acknowledged that this had been difficult as the Task Group had no idea of the Cabinet Member's final proposals.
- She referred to a previous consultation on a proposal to close Moule Close, another of the short breaks units. On that occasion the consultation process had been poor and she had hoped that lessons had been learnt.
- She felt that it was not possible to say that it was a robust report as on 18 occasions the report stated that the Task Group did not have the evidence. It would have been nice to know how many carers had been spoken to during the exercise.
- Another Member of OSPB commented that there appeared to be confusion between the terms of reference and the conclusions of the Task Group, with a focus on the consultation process.
- Paragraph 29, which asserted that the CMR did not offer to meet the parents until pressed to do so, was particularly damning and a member asked for more background information about this. The Lead Member confirmed that the Task Group had been advised by parents that there were initially no plans for the CMR to meet parents. The CMR had not been directly interviewed by the Task Group on this matter.
- In response to a question about a potential future legal challenge, it was confirmed that the Ludlow

Road parents were themselves taking legal advice.

- It was suggested that paragraph 75 (which outlined the report's conclusions) could be expanded to include some of the points made by the Lead Member during the discussion.
- A Member of the Board recognised that a lot of time, energy and commitment had gone into the report. However, it was a shame that the other three Members of the Task Group had not been able to attend the meeting. It was confirmed that the three Members had given apologies for the meeting and the full Task Group had agreed the final report.
- The Chairman of OSPB reminded the Board that it was up to the Cabinet Member to provide evidence to prove that the proposed change was needed. It was not the Task Group's role to provide this evidence. There was a need for parity of access to information and in his view it was an indictment of the system in the Council that the Task Group had found it so difficult to obtain information. It was difficult to understand why information could not be shared.
- The Vice Chairman suggested that the information in the report should have been marshalled in a way that met the terms of reference more clearly. The financial reason behind the proposed change was known about in 2015 and she suggested that it was a failure of the budget scrutiny process that this had not been picked up by the Children and Families O&S Panel. In response, the Lead Member agreed that this should have been looked at in 2015 but commented that the Cabinet Member should have taken a lead on this rather than the Scrutiny Panel.
- The Lead Member reminded the Board that the Task Group had received different evidence from different partners and therefore concluded that it could not have confidence in the process and did not believe that a sound decision could be made.
- The Chairman of the Board commented that, when these difficult decisions were being made, the minimum the public could expect was transparency and clarity. Pre-decision scrutiny could not happen if those scrutinising did not have parity of access to information. The Scrutiny Task Group could not be accused of not including the evidence if it was not given the information.

In conclusion, the Board agreed to accept the report and

**1033 Member Update
and Cabinet
Forward Plan**

its recommendations. It also agreed that that the Vice Chairmen of OSPB and the Lead Member of the Task Group would work together to produce a short executive summary to accompany the report.

Children and Families Overview and Scrutiny Panel

The Chairman of the Panel had recently met with the Assistant Director Education and Skills to discuss holding a scrutiny conference on attainment at Key Stage 2 with the theme of 'One Worcestershire'. All Key Stage 2 schools would be invited to attend and good practice from across the County would be shared. She would be meeting the Cabinet Member to discuss this further.

Crime and Disorder etc

Councillor Middlebrough informed the Board that the scrutiny work he was leading looking at the LTP4 Consultation had now concluded the interviewing stage and he may be in a position to bring a draft report to the Board's next meeting. He had met with Officers from highways and communications, the Cabinet Member for Highways and the Cabinet Member for Transformation and Commissioning.

Councillor Middlebrough had recently met with Officers to discuss how the County Council was responding to the Green Paper on the Domestic Abuse Bill. This had been a positive meeting. The County Council was working with partners on this and the Chief Executive planned to draw attention to the Green Paper in his next staff bulletin.

Health Overview and Scrutiny Committee

The Committee had recently received a presentation from the West Midlands Ambulance Service NHS Trust which had led to a discussion about delays in ambulance handovers to Worcestershire Acute Hospitals NHS Trust. Letters from the Ambulance Trust to the Worcestershire Acute Trust were now in the public domain and had included the Ambulance Trust's concerns about blockages at the Worcestershire Royal Hospital. Following the meeting the Chairman of HOSC had written to the Chairman of the Acute Trust and subsequently held a helpful meeting with her. HOSC would be meeting in June to discuss the issues further.

The Chairman of HOSC also informed Members that the Committee would be discussing the Sustainability and

**1034 Urgent Item:
Chartered
Institute of
Public Finance
and
Accountancy
(CIPFA):
Worcestershire
County Council
Financial
Resilience
Review**

Transformation Partnership at a future meeting. The Chairman of OSPB thanked the Chairman of HOSC for welcoming him to the Committee as he had recently been appointed as the representative of Bromsgrove District Council.

Economy and Environment Overview and Scrutiny Panel

The Vice Chairman of OSPB informed the Board that she had been asked to present to the Economy and Environment O&S Panel on the subject of bus services.

Forward Plan

It was pointed out that the decision on the Future Provision of Overnight Unit-based Short Breaks for Children with Disabilities would not now be made in May. Further clarity on the date of the decision would be sought from the Cabinet Member.

The Vice Chairman of the Board noted that the Forward Plan did not include reference to the consultation on the National Planning and Policy Framework 2 or the DEFRA Health and Harmony consultation. These were areas that the Council did not seem to be engaged with. It was agreed that the Vice Chairman would raise these issues with the Economy and Environment O&S Panel.

An Urgent Item had been added to the agenda to consider the Chartered Institute of Public Finance and Accountancy's (CIPFA) Financial Resilience Review of Worcestershire County Council. The Leader of the Council and the Head of Financial Management: Adults, Children's, Families and Communities had been invited to the meeting to discuss the review.

By way of introduction, the Leader of the Council made the following points:

- The results of the review had been made public following an FOI request to all Councils across the country, as part of the fallout from the financial difficulties of Northamptonshire County Council.
- The slides were originally presented to an internal meeting. CIPFA had been commissioned to undertake the review by the Chief Financial Officer (CFO) at the time to set the scene on challenges ahead and stimulate debate at the start of the budget setting process. Although the slides were not made public at the time, the data and information included had flowed through to

the budget setting process. This had been presented to OSPB in October 2017.

- It was acknowledged that, seen cold without any background context, the slides would prompt a series of questions. The Leader hoped to be able to allay people's fears about the information included.

Members of the Board were given an opportunity to ask questions. During the discussion, the following main points were made:

- The Chairman of OSPB commented that it was clear that this document was what subsequent budget decisions had been based on. The language in the slides was alarming. With reference to transparency, he asked why it was not felt to be appropriate to share the findings of the review with Scrutiny Chairmen. In response, the Leader informed the Board that the information had been presented to an informal meeting of Cabinet and the Council's Senior Leadership Team. These meetings were held regularly to look at items coming forward and to stimulate debate.
- The Chairman of the OSPB understood this but asked whether, on reflection, it would have been useful to share the findings with all Councillors at the time they were asked to consider the budget for 2018/19. It would have been good to share the challenges with elected Members as this may have had an impact on the decisions they were making. He asked the Leader whether he regretted not making the findings public at the time.
- In response, the Leader reminded Members that this work was commissioned by the Chief Financial Officer to inform his opinion. Although the slides were not in the public domain, the information contained in them had informed decisions that were taken in the public domain. It was never the intention for the slides to become public, but to be used by the CFO to inform the advice he gave to Members.
- He went on to give the context for the slides, reminding Members that at the time the Council was dealing with the appointment of the DfE Commissioner, the Children's Services demanded budget overspend, and the recruitment of a new Chief Executive and Director of Commercial and Commissioning. It was a time of change and

the CFO wanted to take the opportunity for a stocktake before giving advice to Members. Although the slides were not shared, the information in them was made public in October as part of the budget setting process.

- The Chairman acknowledged the seriousness of the pressures and suggested that it would have been helpful to have cross party support, in particular when speaking to Government Ministers. The issues raised in the slides would have supported the Council's case when talking to Ministers about the need for greater financial support.
- The slides referred to the Council's Council Tax Strategy as being 'counter intuitive' and this information should have been in the hands of Councillors when they were making decisions on Council Tax. The decision on whether to make the information public was the responsibility of the Leader of the Council and not the CFO.
- The Leader reminded Members that, in October 2017, he had not left anyone in any doubt about the challenges faced. It was CIPFA's view that the Council should take every opportunity to maximise its income to fulfil its place based agenda. Significant changes were made to the Council Tax strategy in the light of the CIPFA view as demand-led pressures, particularly in Children's Services, were irresistible.
- In terms of making the case to Government, the Leader suggested that there was an argument that the demand-led pressures should be better reflected in the formulae. County Councils and all upper tier authorities were facing more pressures and the formulae needed to reflect this. There was a need to get Members engaged, on a cross party basis if possible. This discussion provided a clear opportunity to lobby on this issue.
- The Leader confirmed that local MPs had not been given a copy of the slides. The Chairman of OSPB suggested that it would have been useful for MPs (in particular the MP for Bromsgrove) to have seen the slides at the time of the Fairer Funding consultation.
- The Leader reiterated that the CFO had requested professional advice in order to freshen the debate and help to shape the plan. The Leader would welcome involvement from OSPB or the Corporate and Communities O&S Panel early on in the budget setting process, starting in the summer.

- The Vice Chairman reminded Members that the Corporate Business Board would receive lots of presentations as part of blue sky thinking, reflecting things that may or may not happen. She also pointed out that much of this information was presented in early budget meetings, which were not attended by many Members.
- The Leader echoed the Vice Chairman's views and made a plea for early engagement from Members. He also agreed that whoever formed the administration needed to have 'horizon scanning' meetings to look at future issues and formulate thoughts. It was important to emphasise that the slides were not a reflection of the current financial position but were based on advice given last summer.
- The Chairman of the Children and Families O&S Panel expressed concern about the CIPFA view that the Council's Transformation saving targets were over optimistic. She had moved an amendment at Council proposing a greater increase in Council Tax and had been advised that this was premature and might be needed in future years but not yet. She was now not sure that this was the case.
- Children's Services was now moving to an Alternative Delivery Model (ADM) and it was a major concern that another deficit was predicted for the current year despite the fact that the previous year's deficit had been taken into the base budget. Further concern was expressed that in the future the Council would be setting KPIs for the ADM but the ADM would be telling the Council how much money was needed to do the job. She suggested that, rather than keeping everything within the administration, it would be better to have involved all parties in the budget process, in particular the Scrutiny Panel Chairmen.
- With reference to the transformation savings, it was no surprise that CIPFA found that some savings were not deliverable. It was clear following the Ofsted inspection report published in January 2017 that the anticipated savings from the placements budget would not be possible and adjustments were made accordingly. The Head of Financial Management reminded Members that she had been the Interim CFO in October and it was her job to ensure that the issues raised in the slides were addressed. She acknowledged that the ADM was one of the current financial risks and sensitivities and reminded the Board that

discussions with the DfE in relation to finance were still ongoing.

- The Leader went on to remind Members that although the previous proposed savings had been written off, there was further pressure in the future and extra contingency had been put into the budget for Children's Services. It was not yet possible to fully reflect the costs of the ADM as this was still being worked through.
- A Member of the Board suggested that the slides only told half of the story as there would have been a commentary alongside them to set the context when they were presented to Cabinet. It was not clear that the information included would have been of use to new Members joining the Council in May 2017.
- The information in the slides was now almost 12 months out of date and should be seen in the context of the time. Members were reminded that there had just been a general election and it was not clear for some weeks afterwards who would be forming the Government.
- Concern was expressed about the cost of the slides. £30k appeared to be significantly over the top for an exercise of this type and it was suggested that the Council was due a credit note for a substantial part of this. If the CFO could be asked to get a part of the payment back it was hoped that this could be invested into new resources to allow better budget scrutiny for the coming year.
- The Head of Financial Management reminded Members that one concern noted in the slides was that the CFO was also responsible for IT. This responsibility had been removed in October 2017. In terms of the costs involved, she had an itemised list which gave a breakdown of when the three CIPFA staff were on site and when preparatory work was done. This might be useful to Members in seeing how the costs were arrived at.
- The Chairman of OSPB reiterated his view that in June 2017 Members had the right to see information on the true state of the Council's finances. Although the Leader asked for all Members to get involved, it appeared that he did not trust them (or the public) with the true information. Residents needed to know the true picture and it was not clear why the Council could not be open and transparent. The Leader had said that the slides were intended to stimulate

debate, but they were only shared with 10 or so Members. When asked if he regretted not making the slides public earlier, the Leader stated that he did not accept the premise of the question. The figures included were in the public domain via, for example, October OSPB and Resources reports to Cabinet.

- The Chairman of the OSPB suggested that the Leader had toned down the language given in the narrative of the slides. The Leader of the Council pointed out that, although the exact words might not have been used, the messages about risk in the September Cabinet report were clear.
- A Member of the Board asked how the expenditure on the review had been authorised and whether it had been subject to a process of competitive tendering. The Leader of the Council confirmed that he was aware that the work had been commissioned and he was content for external advice to be sought. He informed Members that he would not stand in the way of any statutory officer seeking external advice. He went on to remind Members that, although the CFO had now left the Authority, at the time the work was commissioned he had no intention of leaving.
- A Councillor who was not a Member of the OSPB asked whether the OSPB and other Members of the Conservative Group had been made aware of the slides. He also asked whether the Leader felt that future reports of this nature should be shared. He pointed out that it was difficult for Members to get involved in budget scrutiny at an early stage if information of this sort was not shared. He went on to ask how satisfied the Leader was that the 2018/19 budget addressed the points made by CIPFA.
- The Leader informed the Board that he was confident that the budget was sound. He acknowledged that there would be changes as the budget rolled out and these would be reported via the Resources report to Cabinet. Although he recognised that there would be more challenges in the future, he reiterated that the situation as described in the slides was not the current situation. He informed Members that he was open to ideas as to how Members could get involved in the budget debate. He would not want to get to a situation where Officers did not feel able to ask for professional advice.
- The Head of Financial Management reminded

Members that development sessions on the budget had been held for Scrutiny Members at the start of the budget setting process in 2017. Some sessions worked better than others and, although the slides were not shared, the messages from the slides were passed on during the meetings.

- In response to the question of who knew about the slides, the Leader confirmed that it was only those individuals who were in the meeting, ie Members of Cabinet and Senior Leadership Team.
- In response to a question about whether the new CFO and the new Chief Executive had been aware of the content of the slides, Members were informed that any senior officers working in local government would have been aware of the difficulties facing upper tier authorities. Prospective candidates would have known about this and the good news for the County Council was that they did choose to join the management team. Members were reminded that every shortlisted candidate was offered a phone call with the Interim CFO to discuss any issues in detail.
- The predicted overspend for 2018/19 was broadly in line with expectations and was being dealt with through capitalisation and minimum revenue provision. The Leader reminded Members that he believed that the budget was robust, although he acknowledged that there were risks and sensitivities.
- A further question was asked about the additional £6.4 million required to set up and run the ADM. Members were reminded that the ADM would not be up and running until next financial year, although there would be some costs incurred in this year. Key costs would fall in the 2019/20 financial year and financial evaluation of this was still being undertaken, including negotiations on how much funding would be available from the DfE.
- A Councillor who was not a Member of the Board felt that elected Members should always be kept informed. She expressed irritation that Members were criticised for the quality of their input to budget discussions when, at the same time, crucial information was kept from them. It was not sufficient to say that the figures were in the Cabinet Report. She had also requested copies of the specification for this work and any notes that had been taken of the discussion. The specification, which had been made available to Group Leaders that afternoon, included provision

for a final report if requested, at a cost of £2.5k. It appeared that this report had not been requested, but the full cost had been paid.

- The Leader of the Council confirmed that no report had been written as a result of the CIPFA review. All of the information from the presentation had been taken account of and communicated to staff and Members via reports to Cabinet and OSPB.
- The Head of Financial Management confirmed that, in the light of the discussion, she would go back to CIPFA to discuss the price of the review.
- It was confirmed that the previous CFO was a member of CIPFA.
- In response to a question from the Chairman about the tendering process, the Head of Financial Management confirmed that this had been subject to an exemption which was allowed under the Council's contract framework. The contract had been within the CFO's delegated authority.
- It was suggested that it was difficult to believe that no written record was kept of the discussion, given that those attending the presentation would want to pass on the key messages to colleagues in their directorates. In response, the Leader of the Council reiterated that the purpose of the exercise was to advise and stimulate discussion, something that was not unusual.
- The Leader was asked how many other presentations of this kind had taken place and how much they had cost. He expressed concern that this would make authorities reluctant to seek professional advice and would make them more insular, something that he would find regrettable. In response, a Member suggested that if this information had been shared at the time, the Council could have avoided the recent bad press. The Vice Chairman of the Board informed Members that she did not agree with this point.
- The Vice Chairman felt that £29k was a reasonable figure for a review of this kind. She reminded the Board of the need for 'blue sky thinking' and suggested that there would be many reports of this kind that would never see the light of day. She felt that to make a financial report public without providing any background context would have been irresponsible.
- Councillor Middlebrough reminded Members that the Cabinet system had pros and cons. It could be suggested that a con was that ideas were

developed behind closed doors to a degree. He went on to disagree with the Vice Chairman and suggested that £30k for this report was a 'try on'. CIPFA's reputation was on the line and he hoped that the Council would be able to negotiate a rebate from CIPFA which the Leader could ring-fence to support budget scrutiny.

Councillor Middlebrough formally proposed that: the Chief Financial Officer should be asked to negotiate with CIPFA a refund on the amount of money spent on the financial resilience exercise and that refund should be used to support budget scrutiny in 2019/20 and beyond. This was seconded by Councillor Tuthill.

Before the Board voted on the proposal, Members were given the opportunity to make any final points:

- The Chairman informed the Board that he agreed with the proposal. He also agreed that it was a good idea to obtain an external view on the Council's financial situation but was concerned that Members were only able to discuss the content now, when the information was 12 months out of date, rather than at the time.
- Although the Leader talked about starting a debate on this, it was suggested that the Council should have been using the knowledge of all 57 Councillors to take this forward. This could be seen as a failure of the Cabinet system. It was a concern that £30k of public money was given to a reputable organisation but the public's representatives were not given an opportunity to discuss its findings.
- The Chairman asked whether CIPFA would be invited back to undertake another review of this kind. A further concern was that, even when the FOI request was received, the Council did not realise that the best approach would have been to make the information public at that point.
- It was still not clear whether the Leader valued the information in the CIPFA slides. The Chairman suggested that the information was very valuable and would have had a clear impact on his decision making as part of the budget setting process. Members were denied the opportunity to have their say. It would not be possible to build cross-party cooperation on budget scrutiny if Members were not trusted to have the information. If the Council was to move forward with Scrutiny and the Executive working together, there was a need

to trust all 57 Members as they all represented a section of the population of Worcestershire.

- The Chairman asked whether the Leader regretted not sharing the CIPFA findings and whether any future reports of this nature would be shared with Scrutiny Chairmen and Members in confidence, to help shape their discussions on budget scrutiny. He asked for a reassurance that in future Scrutiny Chairmen could be given this information (even if it was in confidence) so they would be better able to understand the pressures on the Leader and Cabinet.
- In response, the Leader informed the Board that he could not possibly agree with the Chairman's assertions. He felt it was important that administrations of any colour were able to have a robust debate before proposals were made public, and this is what he would continue to do. It was regrettable that the slides came out without context via the FOI request. He assured the Board that he was genuinely trying to engage Members to ensure they were aware of the financial challenges faced by the Council. There was an opportunity with the appointment of the new CFO to ensure Members felt informed in any way they felt was necessary.

The Board then voted on Councillor Middlebrough's proposal with Councillors Bloore, Middlebrough and Tuthill voting in favour. Councillor Eyre abstained.

The Chairman thanked the Leader of the Council and the Head of Financial Management for attending the meeting.

The meeting ended at 6.05 pm

Chairman