

Cabinet**Thursday, 16 October 2014, 10.00 am, County Hall,
Worcester****Minutes****Present:**

Mr A N Blagg, Mrs S L Blagg, Mr J P Campion,
Mrs E A Eyre, Mr S E Geraghty, Mr M J Hart,
Mrs L C Hodgson and Mr J H Smith

Also attended:

Mr P M McDonald, Dr K A Pollock, Mr A P Miller and
Mr M E Jenkins

Available Papers

The Members had before them:

- A. The Agenda papers (previously circulated);
- B. The Minutes of the meeting of the Cabinet held on
25 September 2014 (previously circulated);

(A copy of document A will be attached to the signed
Minutes).

Mr S E Geraghty, Vice-Chairman in the Chair

**1620 Apologies and
Declarations of
Interest
(Agenda item 1)**

An apology for absence was received from Mr A I
Hardman (Chairman).

Mrs L C Hodgson declared an Other Disclosable Interest
in agenda item 4 'Delivering the Corporate Plan – Future
Fit Update' as a Trustee of St Paul's Hostel due to
'Second Chance Furnishings' being a Social Enterprise
Company established by the charity.

The Monitoring Officer advised Cabinet Members that the
Code of Conduct did not require Members of other public
authorities to declare that membership unless conflict is
so significant it is seen as likely to prejudice judgement of
the public interest. It was a personal judgement for the
individual member to declare if they considered that the
test was met but he was not advising them to do so in
relation to the Council Welfare Provision Grant under
Agenda Item 7 'Resources Report'.

**1621 Public
Participation
(Agenda item 2)**

None.

1622 Confirmation of the Minutes of the meeting held on 25 September 2014 (Agenda item 3)

RESOLVED: that the Minutes of the Cabinet held on 25 September 2014 be confirmed as a correct record and signed by the Chairman.

1623 Delivering the Corporate Plan - FutureFit Update (Agenda item 4)

The Cabinet considered a report on the delivery of the Corporate Plan which included an update on the FutureFit initiative. The report set out the details considered by Cabinet and the reasons for the decision including:

- the key transformational programmes for 2015/16
- the responses from residents, businesses and staff to the Council's programme of communications and engagement
- key developments in relation to the Council's Corporate Plan priorities
- progress in relation to the new Operating Model approved by Full Council in May 2014
- progress to date in terms of the delivery of savings and recent successes in terms of delivering better outcomes
- a review of the Medium Term Financial Plan
- the programme proposals following Corporate Strategic Planning
- potential risks to the delivery of the transformational programme
- the next steps in terms of the programme of communications and engagement
- the Council's duties in relation to the Equality Act 2010.

In the ensuing discussion, the following main points were made:

(a) Since 2011/12 the Council had delivered savings of £76.4m and by the end of 2014/15 around £90m savings were due to have been delivered. Of the £27m savings required in 2015/16, there were proposals in place to deliver £22m; work was continuing to identify the £5m shortfall.

(b) 2015/16 would be a year when the transformational change within the Council would become visible and tangible. The changes had been in line with delivering the three priorities identified by the public - maintenance of the highway, protecting

vulnerable young people, and protecting vulnerable older people. The changes would also take account of the three economic priorities identified by business of - supporting the growth of existing businesses, infrastructure improvements, and looking at possible financial incentives. Additionally, the delivery of projects within the Strategic Economic Plan was considered key to the County's economic prosperity as was the WorldClass Worcestershire initiative. The economic prosperity of the county, delivered through the Open for Business priority, was key.

(c) The work of the staff was appreciated and especially as it was acknowledged that they continued to work in a challenging environment.

(d) In order to deliver the required savings for 2015/16 and beyond, difficult choices and decisions would need to be made. All Members were encouraged to engage in consideration of budget options and it was emphasised that all political groups and scrutiny members had the opportunity to contribute to discussions around the budget and to put forward alternative proposals in advance of the Council budget-setting meeting to be held in February 2015.

(e) The area of adult social care continued to embed changes following integration with health partners. Further changes would be required in response to the Care Act 2014 due to new duties and additional responsibilities placed on local authorities. Transformational programmes were being delivered within adult social care and initiatives such as the e-marketplace, would be rolled-out imminently.

(f) It was highlighted that it was important to consider a range of blended options when looking at service delivery. This approach was illustrated by the successes of maintaining library provision in the county by use of county council staff and the assistance of community volunteers. Project Optimise, an initiative between the County Council, District Councils and Town and Parish Councils to work more efficiently by eliminating duplication, was highlighted.

(g) A Scrutiny Member in attendance assured Cabinet that scrutiny would contribute to the budget consultation process. He stated that there was a need to ensure that minority groups and interests were not excluded as a result of focussing on the three key priority areas and sought assurance that all Councillors received

information on Business Central. He supported the promotion of WorldClass Worcestershire and emphasised the need to ensure that providers were monitored and assessed appropriately.

(h) Responding to a query regarding the potential dualling of the train track at Worcester Parkway Station, it was stated that whilst the Council would continue to lobby on this matter, it was important that the development of the Parkway scheme was not dependent on the dualling of the track which was outside the Council's control.

(i) The Chairman emphasised that the budget consultation process was very important and that the proposals for consideration by Council in February 2015 would be informed by consultation responses from the public (including views from forthcoming Public Roadshows), businesses, scrutiny and others.

RESOLVED: that

(a) it be noted that 2015/16 is a year of major transformational change and strategic economic investment;

(b) in principle the developing proposals emerging from Corporate Strategy Planning 2014 (as set out in this report and Supporting Papers) be supported noting their contribution to meeting Government funding reductions and delivering against the Council's Corporate Plan priorities both in 2015/16 and beyond;

(c) officers be requested to work with Cabinet Members to develop further proposals to close the emerging £5m financial gap to balance the 2015/16 budget;

(d) the proposed programme of communications and engagement with unions, residents, staff, businesses and other stakeholders in the Autumn is endorsed, whilst the proposals are at an early stage, to enable a further report and informed decisions to be taken during the budget-setting process for 2015/16 onwards;

(e) the involvement and contribution of the Overview and Scrutiny Performance Board is supported which will feed into the budget-setting process; and

1624 Fair Funding Consultation Outcomes 2015/16 National and Local Changes to the Funding Arrangements for Schools - Revisions to the new Local Funding Formula for Worcestershire Mainstream Schools (Agenda item 5)

(f) progress since 2011/12 of the FutureFit Programme be noted, including savings targets met, better outcomes delivered and implementation of the new Operating Model.

The Cabinet considered a report on the Department for Education (DfE) fair funding consultation for 2015/16. The report set out the details considered by Cabinet and the reasons for the decision including:

- the key issues contained within the consultation documentation
- the background to Worcestershire's low funding position and education provision
- the details of the consultation on the options for Worcestershire Local Schools Funding Formula for mainstream schools for 2015/16. Six options were put forward for consideration
- the recommended option and revisions to the Worcestershire Local Schools Funding Formula for mainstream schools for 2015/16. After considering all the views expressed Option 6 had been recommended for approval
- the Cabinet's response to the DfE consultation and its recommendations on the proposed formula model in the light of the feedback received to the consultation
- the role of the Worcestershire Schools Forum and the outcomes of the consultation on the funding proposals.

In the ensuing discussion, the following main points were made:

(a) The Cabinet Member with Responsibility for Children and Families advised that there would be no real movement in funding structures until after the new Parliament was elected. Of the £390m made available by the DfE to increase the per pupil budgets of the 'least fairly funded local areas', £6.2m had been made available to Worcestershire schools. Following consideration at the Worcestershire Schools Forum, 6 options for allocating the additional funds were consulted upon. Option 6 scored highest across the schools which responded to the consultation and was supported by the Worcestershire Schools forum, it was the option in which the highest number of schools gained (80%) together with 78% of pupils. The Council currently had the lowest lump sum amount nationally, and Option 6 brought the lump sums more in line with the national averages.

(b) Whilst the additional £6.2m was welcomed and would support schools to achieve better attainment, the Council would continue to strive for fairer funding for Worcestershire schools.

(c) In response to questions posed, the Cabinet Member with Responsibility for Children and Families stated that under the current funding arrangements, unless additional funding was identified by government, any increases for low funded authorities would need to be funded by corresponding decreases in well-funded authorities. Any changes to funding arrangements following a national fair funding formula would need to be implemented incrementally. She had faith that headteachers and governing bodies would not be actively seeking to underachieve levels of attainment in English or Maths as a method to increase funding levels, although acknowledged such a situation could appear as a perverse incentive. The decision not to include a factor within the formula for looked after children was made due to the fact that schools already received funding for LAC through the LAC Pupil Premium. The Head of Finance and Resources (Children's Services) clarified that the sparsity factor could be fixed or variable, with the variable amount being a tapered amount related to school size, providing it met the criteria for distance between schools.

RESOLVED: that

- (a) Cabinet had regard to the consultation undertaken in September 2014;**
- (b) the detailed consultation feedback in Appendices 2, 3 and 4 to the report be noted;**
- (c) the involvement of the Worcestershire Schools Forum (WSF) members during the consultation be noted;**
- (d) the views of the WSF on the formula options for 2015/16 and other matters which are outlined in Appendix 6 to the report be noted;**
- (e) the local funding formula for Worcestershire mainstream schools be approved from April 2015 to apply for 2015/16 as detailed in paragraphs 42 to 55 of the report (which relates to option 6 of the 6 consultation options) with further detail at Appendix 3 of the report, having regard to the consultation feedback from schools detailed in**

Appendix 4 to the report and views of the WSF in Appendix 6 to the report;

- (f) the Director of Children's Services be authorised to make the relevant arrangements to submit the details of the new local funding formula for Worcestershire mainstream schools for 2015/16 to the national executive body, the Education Funding Agency (EFA), by 31 October 2014; and**
- (g) the Director of Children's Services be authorised to make any subsequent submission to the EFA by 20 January 2015 as a consequence of the impact of the October 2014 census, other data changes and the final 2015/16 Dedicated School Grant.**

1625 Transfer of Kingsford Forest Park to the National Trust (Agenda item 6)

The Cabinet considered a report proposing the transfer of the freehold of Kingsford Forest Park to the National Trust whilst securing public access to the Park and protecting the special characteristics in perpetuity. The report set out the details considered by the Cabinet and the reasons for the decision. The proposal would contribute towards the Countryside Service FutureFit savings target and was in furtherance of recommendations arising from the Countryside Service Commissioning Review. It was also in accordance with the Council's Operating Model. The transfer would be subject to a number of terms and conditions.

In the ensuing discussion, the following main points were made:

- (a) A soft marketing exercise had taken place and the National Trust was the only organisation to meet the required criteria
- (b) The annual on-going cost to the Council of Kingsford Country Park was just under £30,000, which would be a saving after the transfer of all liabilities to the National Trust. The land was valued at £75,000 and would be gifted to the National Trust in return for taking over responsibility
- (c) Clarification was provided by the Head of Legal and Democratic Services that, under the proposed terms and conditions, the National Trust would maintain free public access to the Park in perpetuity. Free car parking would remain for three years, and then be reviewable by the National Trust

(d) The timber yard would be disposed of separately to the current leaseholder at market value

(e) The proposal was an example of how working with partners to transfer a Council asset could maintain a local amenity and keep open green spaces available to the public to enjoy whilst providing a saving to the budget

(f) A member in attendance stated that the loss of the Forest Park was akin to selling the family silver and expressed concern that after three years car parking charges could be in place, thus discriminating against those who would not be in a position to pay. The transfer of the asset was not on a partnership basis but was full and final

(g) A Cabinet Member responded that the proposal to transfer the Forest Park was great news for the county's residents. It was not correct to suggest that there would be charges to enter the Park. Access would be free and also there would not be any restrictions within the open space due to the prevalence of public bridleways and footpaths which were free at the point of use. Car park charges would be a matter for the National Trust after three years, but he believed there was alternative parking available. By transferring the asset to a trusted organisation the Council reduced its ongoing revenue liability, the savings from which would help maintain support for the vulnerable.

RESOLVED: that

- (a) **the transfer of the freehold of Kingsford Park to the National Trust be approved; and**
- (b) **the authority to negotiate and agree the detailed terms and conditions of the transfer is delegated to the Director of Business, Environment and Community in consultation with the Cabinet Member with Responsibility for Localism and Communities.**

1626 Resources Report (Agenda item 7)

The Cabinet considered the report which set out the details considered by it and the reasons for the decision including:

- the identification of a forecast year end financial position for 2014/15 of an overspend of £0.5m. The most significant financial challenge for 2014/15 continued to be Children's Services placements

- an update on the current financial year's forecast BOLD savings programme which confirmed that £30.5m was expected to be achieved this year, with risks arising on £1.4m of projects
- details of capital expenditure for the first five months of the year which was generally in line with forecast expenditure profiles
- an update on the Digital Strategy and Local Welfare Provision Grant.

In the ensuing discussion, the following main points were made:

- (a) It was confirmed that the Council was broadly on track to deliver services in line with the agreed budget both in relation to revenue and capital spend
- (b) The genuine budgetary pressures within the Children's Services Directorate was acknowledged and it was proposed that £1.5m be transferred to support a range of activities to address the financial pressures being experienced within the Looked After Children's budget
- (c) The Local Welfare Provision Grant, which was being administered by District Council partners through grant passed on by the County Council, was currently being reviewed by Government. The recommendations gave maximum flexibility to respond to circumstances
- (d) Confirmation was given that it was the aim of Children's Services to reduce the submission process of the Early Help Notification form from 1 hour 35 minutes to 1 minute. This example provided an illustration of genuine transformational action.

RESOLVED:

- (a) **that the Cabinet Member with Responsibility for Finance's conclusions concerning revenue budget monitoring up to 31 August 2014 be endorsed;**
- (b) **that current progress regarding the FutureFit programme be endorsed;**
- (c) **that the Cabinet Member with Responsibility for Finance's conclusions concerning capital budget monitoring up to 31 August 2014 be endorsed;**

- (d) **TO RECOMMEND** Council to approve the updated Capital Programme and cash limits as set out in the attached Appendix to the report;
- (e) that the progress made to implement the Council's Digital Strategy is endorsed;
- (f) that £1.5 million is transferred to a Looked After Children (LAC) transformation Reserve from the release of accruals in the balance sheet to support a range of time limited activities to address the financial pressures that are being experienced within the existing £25.4 million LAC budget over the medium term financial plan;
- (g) that it is noted that although central Government had previously indicated that the Local Welfare Provision Grant will cease at 31 March 2015 (which means that local agreements to flow these funds to District Councils will also cease at this point) it is reviewing its position; and
- (h) that delegated authority is given accordingly to the Chief Financial Officer, in consultation with the Cabinet Member with Responsibility for Finance and the Chief Executive, to agree arrangements with District Councils as appropriate if the Government does not cease funding the Local Welfare Provision Grant as originally intended and also to agree in any event any appropriate transitional arrangements in relation to grant money unspent at 31 March 2015.

The meeting ended at 11.00 a.m.

Chairman