

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

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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.