

**URGENT ITEM****OVERVIEW AND SCRUTINY PERFORMANCE BOARD  
26 APRIL 2018****CHARTERED INSTITUTE OF PUBLIC FINANCE AND  
ACCOUNTANCY (CIPFA): WORCESTERSHIRE COUNTY  
COUNCIL FINANCIAL RESILIENCE REVIEW**

---

**Reasons for Urgent Item**

The Chairman of the Board has requested that the Chartered Institute of Public Finance and Accountancy (CIPFA): Worcestershire County Council Financial Resilience Review Report should be added to the Agenda and considered as an urgent item of business, as following the Freedom of Information (FOI) request in February 2018, the Report has been highlighted publicly over the last week and to enable the detail to be discussed and clarified given the significant public interest and for reasons of transparency.

1. The Leader of the Council and the Head of Financial Management: Adults, Children's, Families and Communities have been invited to the Meeting to discuss the Chartered Institute of Public Finance and Accountancy (CIPFA): Worcestershire County Council Financial Resilience Review.

**Background**

2. The Council commissioned a review from CIPFA which took place in June 2017 to help inform its budget planning. Following a Freedom of Information (FOI) request in February 2018, the CIPFA feedback was made public.
3. Whilst the CIPFA feedback was not explicitly made public at the time, the findings from the Review were taken into account in the budget planning process and the following action taken:
  - Children's services risks and pressures were identified and additional investment totalling £21m over 3 years was agreed
  - Investment in Adults social care of £7.8m in 2018/19
  - Council tax strategy reviewed - increased assumptions around council tax rates
  - Transformation Savings - Detailed risk review completed and £6.1m not carried forward in 2018/19
  - Cash Limited Allocations created for Directorates to ensure greater ownership of budgets
  - Contingency assumptions reviewed
4. A recent press release issued by the County Council stated:

"We commissioned an independent financial resilience review from CIPFA, the leading experts in public sector finance, in the summer of last year. The review was requested to inform our budget planning. Feedback was received in a presentation to an internal meeting of Cabinet and Strategic Leadership Team. The approach taken by the Council was in line with the CIPFA advice and also helped us to shape how we moved forward with our medium term financial plan. We listened to the professional advice from CIPFA and increased our assumptions around Council Tax rates. The emerging financial pressures during 2017/18 with regard to children's and adult social care were reviewed in detail and this led to investments of £10.5million into children's social care and £7.8 million into adult social care for 2018/19. The review also supported a refresh of our transformation plans and longer term investment into children's services, both of which were included in the medium term financial plan. Despite the budgetary pressures, we are in a robust financial position and a balanced budget for 2018/19 was approved by councillors in February 2018."

### **Purpose of the Meeting**

5. The OSPB is invited to consider and comment on the information provided and in particular how it may inform future Budget Scrutiny.

### **Supporting Information**

Appendix 1- Chartered Institute of Public Finance and Accountancy (CIPFA):  
Worcestershire County Council Financial Resilience Review Slides

### **Contact Points**

#### County Council Contact Points

County Council: 01905 763763

Worcestershire Hub: 01905 765765

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

#### Specific Contact Points for this report

Alyson Grice and Samantha Morris, Overview and Scrutiny Officers, 01905 844962/844963, [scrutiny@worcestershire.gov.uk](mailto:scrutiny@worcestershire.gov.uk)

### **Background Papers**

In the opinion of the proper officer (in this case the Head of Legal and Democratic Services) there are no background papers relating to the subject matter of this report.

[All agendas and minutes are available on the Council's website here.](#)