

Cabinet

Thursday, 4 February 2016, County Hall, Worcester – 10.00 a.m.

Present:

Minutes

Mr S E Geraghty (Chairman), Mr M L Bayliss, Mr A N Blagg, Mrs S L Blagg, Mr J P Campion, Mr M J Hart, Mrs L C Hodgson, Dr K A Pollock and Mr J H Smith

Also attended:

Mrs S A Askin, Mr R W Banks and Mr R M Udall were also in attendance.

Available papers:

The Members had before them:

- A. The Agenda Papers (previously circulated); and
- B. The Minutes of the meeting of the Cabinet held on 17 December 2015 (previously circulated).

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

1713 Apologies and Declarations of Interest (Agenda item 1)

Mr M L Bayliss, Mr S E Geraghty and Mrs L C Hodgson declared an interest in Agenda item 4 as Worcester City Council Cabinet Members.

1714 Public Participation (Agenda item 2)

None.

1715 Confirmation of the Minutes of the previous meeting (Agenda item 3)

RESOLVED: that the Minutes of the Cabinet held on 17 December 2015 be confirmed as a correct record and signed by the Chairman.

1716 2016-17 Budget and Council Tax (Agenda item 4)

The Cabinet considered the 2016-17 draft Budget and Council Tax for recommendation to Full Council. The details were set out in the report and its Appendices.

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

- (a) The Leader of the Council introduced the report and

made the following points:

- The provisional settlement had indicated an £11.4m reduction in Council funding in addition to the £2m forecast at the December Cabinet meeting. Efforts had been made to address this gap in funding and a balanced budget had been produced. It had helped that the Council had benefited from extra income from the Council Tax buoyancy and Collection Fund. There had been other minor savings brought forward from 2017/18 and the Council no longer needed to fully implement parts of the Care Act which had helped close the funding gap
- The Medium term financial landscape remained challenging with necessary savings rising to £34m by 2017/18. In order to make these savings, the Council needed to consider different options including extra income, efficiency savings, service delivery, the asset base and working with partners. The Council had a year in which to find these savings
- He welcomed the additional £0.5m which had been found for footways improvements which did not impact on the £12m set aside for highways improvements
- £2m had been set aside for town centre improvements and this money would be used to contribute to the rolling programme of improvements over a number of years
- Investment had been made in traffic studies in Evesham and Malvern. There was continued work on vital infrastructure projects such as the Carrington Bridge and the A38
- This was a balanced ambitious budget which met the financial challenges facing the Council.

(b) The settlement had been difficult for the Council, and the Leader of the Council and the Chief Financial Officer and his team should be thanked for their efforts in meeting the challenge. It would be pointless requesting further funding from the Government but there was room for negotiation on certain funding elements. Funds were being invested in design studies which were vital for investment in the future. With the year-on-year reduction in the RSG, it was important that economic prosperity was increased and that the Council off-set these reductions. The budget for Waste Disposal had been increased by £0.5m to address the increase in waste created in the County. It was recognised that the increase in house-building in the County would

increase waste tonnage therefore a new Waste Prevention Officer post had been appointed to liaise with district councils to devise ways to reduce waste tonnages. An allocation of £0.6m to Councillor's Divisional Funds had been included in the budget to reflect the vital role of councillors in the local community

- (c) The additional funding for town centres was welcomed, particularly the plans to improve Kidderminster Town Centre in liaison with Wyre Forest District Council. The Council had made difficult transformation decisions without resorting to service reductions. Social care was an enormous challenge for the Council. Pressure on the budget of Children's Social Care continued to grow but funds had been found to meet demand whilst reforming services to ensure young people had the best outcomes for life. Costs would continue to rise therefore the Council must do more to address the financial pressures in the future. However the Council continued to find resources to keep young people safe. The Council was not cutting funding from the vulnerable members of society
- (d) A total budget of £322m had been proposed of which 67% was to be spent on children/adult social care. A Council Tax increase of 3.9% was being proposed to help protect vulnerable people. This was partly in response to the Government's offer to allow a social care levy which would bring in approximately £4m. This was necessary to offset the £4m reduction in the RSG
- (e) The £50k match funding for Museums Worcestershire would be beneficial in improving the Commandery and helping Worcester City Council's bid for Heritage Status. The work had been undertaken with the help of Destination Worcestershire and would put Worcester City on the tourism map and enhance the World Class Worcestershire brand. The funding for the next stage of the Malvern Science Park was welcomed as well as the transport studies for Malvern and the funding for the Carrington Bridge. The forecast capital expenditure of £430m from 2015-19 emphasised that the Council was one of the largest investors in the County
- (f) It was recognised that people were living longer and it was important to encourage independent living and

a good quality of life. However, increased longevity also meant greater frailty and therefore greater requirements for support. Adult Social Care was also about caring for people with learning/physical disability, sight and hearing loss. A lot of good work was underway for people with disabilities and their carers. The loss of the Care Act – New Burdens funding from the Government of £3.68m would be missed because the duties in the Care Act remained and roughly equated to the 2% increase in the precept. A balanced budget had been set for Adult Social Care with the use of some reserves. The service would continue to liaise with the health service to ensure people leaving hospital were rehabilitated in their homes to encourage independent living

- (g) The proposed £12m budget allocation over 2 years for highways would help maintain the County's road network. After careful budgeting it had also been possible to allocate £0.5m for footway maintenance. This funding would be allocated to the footways based on need assessed by the professional officers and in consultation with the relevant local councillor(s). The budget included proposed investments from the Strategic Initiatives in respect of traffic studies in Evesham and Malvern with the intention of examining traffic flows
- (h) The Chairman of the Overview and Scrutiny Performance Board reported that the budget scrutiny process had been difficult given changes to the proposals and membership of the Board. The Board was keen to get involved in the budget process as early as possible, particularly in relation to fairer funding. Every opportunity would need to be taken to maximise income generation including the better use of Council buildings and other assets. The Board felt that the Council needed to take a more radical approach to use of its farm land for economic benefit. The cost of climate change to the Council must be considered against the opportunity for energy generation using council land and buildings. It was recognised by the OSPB that this was a sound and legal budget set in a difficult financial time for the Council
- (i) The Leader of the Council thanked members of the OSPB for their report and thanked the outgoing Leader of the Council, Adrian Hardman for his contribution to the budgetary process. He had held

private meetings with the Secretary of State regarding the Council's concerns about the settlement but the details of the final settlement were still awaited. The Chief Financial Officer advised that the Government had indicated that the final settlement details would not be known until next week.

1. RESOLVED TO RECOMMEND TO COUNCIL: that

- (a) the conclusions set out in the report concerning revenue budget monitoring up to 31 December 2015 be endorsed;**
- (b) the virement and transfers to Earmarked Reserves as detailed in the report are approved;**
- (c) the budget requirement for 2016/17 be approved at £322.468 million;**
- (d) the Council Tax band D equivalent for 2016/17 be set at £1,122.31 and the Council Tax Requirement (precept) be set at £224.968 million;**
- (e) consistent with the provisional Local Government Finance Settlement that revenue cash limits be set for each Directorate (subject to (n) below):**

	£m
(i) Adult Services and Health	132.746
(ii) Children, Families and Communities	84.797
(iii) Economy and Infrastructure	64.484
(iv) Commercial and Change / Finance	40.441
	<hr/> 322.468

- (f) the County Council continues to engage with residents and businesses in shaping the Corporate Plan and spending profile in line with their priorities;**
- (g) the Council's Pay Policy Statement is recommended for approval as set out in Appendix 8;**
- (h) the conclusions set out in the report concerning capital budget monitoring up to 31 December 2015 be endorsed;**

- (i) the capital programme as set out in Appendix 9 be approved;
- (j) the Medium Term Financial Plan as set out in Appendix 10 be approved;
- (k) delegated authority is provided to the Chief Financial Officer in consultation with the Leader of the Council to respond to Central Government and accept the offer of a four year settlement;
- (l) the Treasury Management Strategy set out in Appendix 11 be adopted; and
- (m) the Statement of Prudential Indicators and Minimum Revenue Statement as set out in Appendix 12 be approved.

2. RESOLVED: that

- (n) delegated authority be given to the Leader of the Council to recommend to Full Council, in consultation with the Chief Financial Officer, any further adjustments to the revenue cash limits in (e) as a result of Central Government confirming the final Local Government Finance Settlement and associated Specific Grants for 2016/17;
- (o) the Director of Adult Services and Health and the Director of Children, Families and Communities be authorised to finalise the details in respect of their Directorates and formally execute the Section 75 agreement for Commissioning arrangements with Health for 2016/17.

1717 2017-18 School Place Planning (Agenda item 5)

The Cabinet considered proposals to expand a number of schools within the county. The details were set out in the report.

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

- (a) The Cabinet Member with Responsibility for Children and Families introduced the report and commented that it was appropriate to provide additional places at

the proposed schools to respond to the increased house-building in the local area and help successful schools to expand and deliver world class education in the local community

- (b) This was essential capital investment to provide necessary expansions to these schools which had received the support of the relevant governing bodies
- (c) The local councillor for Red Hill Primary School stated that this part of Worcester was in need of additional places. A number of local families had expressed their frustration at the inability for their children to attend their local school. In addition, a move to a 2 form entry would be easier for the school to manage. He did hope that the plans for extending the school addressed the potential traffic congestion in the local area that could result from these proposals.

RESOLVED: that

- (a) **the results of the consultations held between 2 November 2015 and 11 December 2015 be noted;**
- (b) **publication of statutory notices to expand the following schools with associated increases in Published Admission Number to be implemented by September 2017 be approved:**
 - **Red Hill CE Primary School, Worcester from 30 to 60 pupils per year**
 - **Rushwick CE Primary School, Malvern from 20 to 30 pupils per year**
 - **Wychbold First School, Droitwich from 20 to 30 pupils per year;**
- (c) **authority be given to:**
 - (i) **the Director of Children, Families and Communities to approve those proposals in respect of which no objections to the Public Notices are received; and**
 - (ii) **the Cabinet Member with Responsibility for Children and Families to decide those proposals in respect of which objections to the Public Notices are received;**
- (d) **to the extent that proposed expansions are agreed in accordance with (c) above, Council be**

recommended to approve the addition of the necessary building works associated with these expansions to the 2016/17 Children's Services Capital Investment Programme within the Capital Programme; and

- (e) the Director of Children, Families and Communities be authorised to take all necessary steps to finalise and implement the decisions made in (c) above**

The meeting ended at 10.53am.

Chairman