

Agenda

Council

Thursday, 25 May 2017, 10.00 am
County Hall, Worcester

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বাংলা। আপনি যদি এই দলিলের বিষয়বস্তু বুঝতে না পারেন এবং আপনার জন্য অনুবাদ করার মত পরিচিত কেউ না থাকলে, অনুগ্রহ করে সাহায্যের জন্য 01905 765765 নম্বরে যোগাযোগ করুন। (Bengali)

廣東話。如果您對本文檔內容有任何不解之處並且沒有人能夠對此問題做出解釋，請撥打 01905 765765 尋求幫助。 (Cantonese)

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اردو۔ اگر آپ اس دستاویز کی مشمولات کو سمجھنے سے قاصر ہیں اور کسی ایسے شخص تک آپ کی رسائی نہیں ہے جو آپ کے لئے اس کا ترجمہ کر سکے تو، براہ کرم مدد کے لئے 01905 765765 پر رابطہ کریں۔ (Urdu)

کوردی سۆزانی، ننگێر ناتوانی تێبگهی له ناوهرۆکی نهم بێلگهییه و دهستت به هیچ کس نایگات که وهیگهریتنوه بۆت، تکلیه تهلغۆن بکه بۆ ژمارهی 01905 765765 و داوای رینۆونی بکه. (Kurdish)

ਪੰਜਾਬੀ। ਜੇ ਤੁਸੀਂ ਇਸ ਦਸਤਾਵੇਜ਼ ਦਾ ਮਸ਼ਹੂਰ ਸਮਝ ਨਹੀਂ ਸਕਦੇ ਅਤੇ ਕਿਸੇ ਅਜਿਹੇ ਵਿਅਕਤੀ ਤੱਕ ਪਹੁੰਚ ਨਹੀਂ ਹੈ, ਜੋ ਇਸਦਾ ਤੁਹਾਡੇ ਲਈ ਅਨੁਵਾਦ ਕਰ ਸਕੇ, ਤਾਂ ਕਿਰਪਾ ਕਰਕੇ ਮਦਦ ਲਈ 01905 765765 'ਤੇ ਫ਼ੋਨ ਕਰੋ। (Punjabi)

DISCLOSING INTERESTS

There are now 2 types of interests:
'Disclosable pecuniary interests' and **'other disclosable interests'**

WHAT IS A 'DISCLOSABLE PECUNIARY INTEREST' (DPI)?

- Any **employment**, office, trade or vocation carried on for profit or gain
- **Sponsorship** by a 3rd party of your member or election expenses
- Any **contract** for goods, services or works between the Council and you, a firm where you are a partner/director, or company in which you hold shares
- Interests in **land** in Worcestershire (including licence to occupy for a month or longer)
- **Shares** etc (with either a total nominal value above £25,000 or 1% of the total issued share capital) in companies with a place of business or land in Worcestershire.

NB Your DPIs include the interests of your spouse/partner as well as you

WHAT MUST I DO WITH A DPI?

- **Register** it within 28 days and
- **Declare** it where you have a DPI in a matter at a particular meeting
 - you must **not participate** and you **must withdraw**.

NB It is a criminal offence to participate in matters in which you have a DPI

WHAT ABOUT 'OTHER DISCLOSABLE INTERESTS'?

- No need to register them but
- You must **declare** them at a particular meeting where:
You/your family/person or body with whom you are associated have a **pecuniary interest** in or **close connection** with the matter under discussion.

WHAT ABOUT MEMBERSHIP OF ANOTHER AUTHORITY OR PUBLIC BODY?

You will not normally even need to declare this as an interest. The only exception is where the conflict of interest is so significant it is seen as likely to prejudice your judgement of the public interest.

DO I HAVE TO WITHDRAW IF I HAVE A DISCLOSABLE INTEREST WHICH ISN'T A DPI?

Not normally. You must withdraw only if it:

- affects your **pecuniary interests OR** relates to a **planning or regulatory** matter
- **AND** it is seen as likely to **prejudice your judgement** of the public interest.

DON'T FORGET

- If you have a disclosable interest at a meeting you must **disclose both its existence and nature** – 'as noted/recorded' is insufficient
- **Declarations must relate to specific business** on the agenda
 - General scattergun declarations are not needed and achieve little
- Breaches of most of the **DPI provisions** are now **criminal offences** which may be referred to the police which can on conviction by a court lead to fines up to £5,000 and disqualification up to 5 years
- Formal **dispensation** in respect of interests can be sought in appropriate cases.

Thursday, 25 May 2017, 10.00 am, County Hall, Worcester

Agenda and Summons

Councillors: Mr A P Miller (Chairman), Mr A A J Adams, Mr R C Adams, Ms P Agar, Mr A T Amos, Mr T Baker-Price, Mr R W Banks, Mr R M Bennett, Mr C J Bloore, Mr G R Brookes, Mrs J A Brunner, Mr B Clayton, Mr P Denham, Ms R L Dent, Mr N Desmond, Mrs E A Eyre, Mr A Fry, Mr S E Geraghty, Mr P Grove, Mr I D Hardiman, Mr A I Hardman, Mr P B Harrison, Mr M J Hart, Ms P A Hill, Mrs A T Hingley, Mrs L C Hodgson, Mr A J Hopkins, Mr C Hotham, Mr M E Jenkins, Mr A D Kent, Mr R C Lunn, Mr P M McDonald, Mr S M Mackay, Mr L C R Mallett, Ms K J May, Mr P Middlebrough, Mr R J Morris, Mr J A D O'Donnell, Mrs F M Oborski, Ms T L Onslow, Dr K A Pollock, Mrs J A Potter, Prof J W Raine, Mrs M A Rayner, Mr A C Roberts, Mr C Rogers, Mr J H Smith, Mr A Stafford, Ms C M Stalker, Mr C B Taylor, Mr R P Tomlinson, Mrs E B Tucker, Mr P A Tuthill, Mr R M Udall, Ms R Vale, Ms S A Webb and Mr T A L Wells

1 Apologies and Declaration of Interests

To receive apologies and invite any Councillor to declare any interest in any of the items on this agenda.

2 Chairman

To elect a Chairman of the Council to hold office until his or her successor becomes entitled to act.

3 Vice-Chairman

To appoint a Vice-Chairman of the Council to hold office until immediately after the election of a Chairman at the next Annual meeting of the Council.

4 Appointment of Leader of the Council 1 - 2

To consider a report on the appointment of a Leader of the Council. (**Yellow pages**)

5 Public Participation

To allow a member of the public to present a petition, or ask a question relating to the functions of the Council, or to make a comment on any matter on the agenda.

Members of the public wishing to take part should notify the Head of Legal and Democratic Services in writing or by e-mail indicating both the nature and content of their proposed participation no later than 9.00am on the working day before the meeting (in this case Wednesday, 24 May 2017). Further details are available on the Council's website. Enquiries can also be made through the telephone number/e-mail address listed below.

6 Minutes

To approve as a correct record and authorise the signing of the Minutes of the meeting held on 9 February 2017 (previously circulated electronically).

7 Chairman's Announcements

To receive any announcements to be made by the Chairman.

8 Political Structures and Appointments 3 - 8

To make a decision on the Council's political structures and appointments. (Yellow pages)

9 Constitutional Matters - Appointment of Head of Paid Service/Chief Executive 9 - 10

To consider the appointment of a Head of Paid Service/Chief Executive. (Yellow pages)

10 Reports of Cabinet 11 - 18

To consider the reports of the Cabinet and to receive answers to any questions asked on those reports as follows:

- a) Report of Cabinet – Matters which require a decision by Council (**Yellow Pages**);
and
- b) Report of Cabinet – Summary of decisions taken (**White Pages**).

11 Notices of Motion

To receive the report of the Head of Legal and Democratic Services on any Notices of Motion received by him (**Lilac pages**). Councillors are asked to note that any Notices of Motion must be received by the Head of Legal and Democratic Services no later than noon on **Thursday, 18 May 2017**.

12 Question Time 19 - 20

To receive answers to any questions asked by Councillors (**Orange pages**).

(Members are reminded of the timescale adopted by Council for notice of questions. A Councillor may only ask a question if:

- *It is delivered in writing to the Head of Legal and Democratic Services by noon on Monday 22 May 2017 or*
- *If it relates to urgent business, the Head of Legal and Democratic Services is notified at least half an hour before the start of the meeting.)*

13 Reports of Committees 21 - 26

To consider the reports of Committees and to receive answers to any questions asked on

those reports as follows:

- a) Audit and Governance Committee – Summary of decisions taken (**White Pages**)
- b) Pensions Committee – Summary of decisions taken (**White Pages**)

NOTES

- **Webcasting**

Members of the Council are reminded that meetings of the Council are Webcast on the Internet and will be stored electronically and accessible through the Council's Website. Members of the public are informed that if they attend this meeting their images and speech may be captured by the recording equipment used for the Webcast and may also be stored electronically and accessible through the Council's Website.

- **Catering Arrangements**

Luncheon will be available at 1.00pm or thereabouts in the Lakeview Room. This will be provided for all Councillors, without payment, and for pre-notified guests, who must be paid for in advance. An indication of any guests wishing to take luncheon should be given to staff in the Business Support Unit at least three days before the Council meeting.

- **Fire Alarm**

To allow all Councillors the opportunity to familiarise themselves with the Fire Alarm in County Hall there will be a test sounding at approximately 9.55 am on Council Day. ***On this occasion members are asked solely to note the alarm; there will be no need to evacuate the building.***

- **Council Photograph**

Arrangements are being made for a photograph to be taken of the Council as a group. Details will be included in the Chairman's Announcements circulated on Council day. It is envisaged that the photograph will be taken either during the luncheon break or at the end of the meeting, whichever is earlier.

- **Council Chamber Systems**

There will be an opportunity for new members to familiarise themselves with the microphones and electronic queueing system at **8.40 am** before Council.

Agenda produced and published by Simon Mallinson, Head of Legal and Democratic Services, County Hall, Spetchley Road, Worcester WR5 2NP. The above reports and supporting information can be accessed via the Council's website at: www.worcestershire.gov.uk

To obtain further information or a paper copy of this agenda please contact Simon Lewis, Committee Officer by telephone on Worcester (01905) 766621 or slewis@worcestershire.gov.uk

Date of Issue: Wednesday, 17 May 2017

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COUNCIL
25 MAY 2017**APPOINTMENT OF LEADER OF THE COUNCIL**

Recommendation

1. **The Head of Legal and Democratic Services recommends that the Council determines its appointment to the post of Leader of the Council.**

Summary

2. The legislation requires local authorities to operate a) executive arrangements, b) a committee system, or c) other prescribed arrangements as agreed by the Secretary of State. 'Executive arrangements' involve the adoption of what has been described as a "strong leader" model in governance terms for 'executive functions' - although non-executive functions are still discharged through the traditional committee system.

3. The Council has adopted executive arrangements under the 'Leader and Cabinet' model of governance. Council therefore appoints the Leader of the Council (Leader), who is responsible for the Council's executive functions. The Leader will decide how those functions are to be discharged and the extent of delegation, appoints Cabinet members and allocates their areas of political responsibility.

4. In line with the Article 6 of the Council's constitution and the Localism Act 2011, the Leader holds office until the Annual Council following the 4-yearly elections. Council therefore appoints a member to be Leader at its first meeting on 25 May 2017. The Council retains the power to remove and replace the Leader at any time during that 4-year term by ordinary resolution on notice.

Background

5. Under the Leader and Cabinet model, Council appoints the Leader, who then chairs and appoints members to the Cabinet (a total of 10 members of Cabinet being the legal maximum, 3 being the minimum) and allocates Cabinet responsibilities. The Leader must appoint a Deputy Leader.

6. A fundamental legal concept within executive arrangements is the split in political responsibility between executive (Leader and Cabinet) and non-executive (Council and Committees) functions. Officers (paid staff) of the Council may exercise both executive and non-executive functions as long as they have been delegated to them.

7. 'Executive functions' cover most (but not all) of the Council's day-to-day functions as designated by Regulations. The Leader is not responsible for the discharge of functions which are not the responsibility of the executive e.g. Planning Development Control, Audit and Governance, Overview and Scrutiny, Standards and Ethics, or the Budget and Policy Framework (which is decided by full Council).

8. The Leader has responsibility for executive functions and decides whether they are undertaken by him or herself, the Cabinet collectively, individual members of the Cabinet, officers, or any combination. There is a clear and transparent governance route for decisions of the Cabinet or Cabinet Members with Responsibility.

9. The Council makes provision in its constitution for accountability arrangements eg regular reports from the Leader and individual Cabinet members, formal Question Time etc.

Contact Points

County Council Contact Points

Worcester 01905 763763 or Kidderminster 01562 822511

Specific Contact Points for this Report

Simon Mallinson, Head of Legal and Democratic Services

Tel: 01905 846670

Email: smallinson@worcestershire.gov.uk

Background Papers

In the opinion of the Proper Officer (in this case the Head of Legal & Democratic Services) the background papers relating to the subject matter of this report are:

- The agenda papers for Council on 11 September and 18 December 2008, 25 June 2009, and 13 September 2012.

COUNCIL
25 MAY 2017**POLITICAL STRUCTURES AND APPOINTMENTS**

Recommendations

1. **The Head of Legal and Democratic Services recommends that the Council:**
 - a) **confirms the continuance of the political structures established under the previous Council and set out in the Constitution updated in April 2017 (summarised in this report) subject to any revisions agreed below;**
 - b) **agrees the size of its ordinary committees and proposed allocation of seats between the political Groups on those committees and on Hereford and Worcester Fire and Rescue Authority as set out in the Appendix 1;**
 - c) **appoints the individual members to those committees in accordance with the nominations from time to time of the respective political Groups in accordance with the Local Government and Housing Act 1989, and requires the Head of Legal and Democratic Services to give effect to such wishes expressed by the political Groups; and**
 - d) **authorises the Head of Legal and Democratic Services to settle any outstanding details relating to the political structures and to make changes as necessary to the Council's Constitution (Articles and Appendices) to give effect to the Council's decisions and any other revisions necessary to reflect needs or circumstances.**

(a) Political and Constitutional Structures**Summary**

2. The Council is responsible for establishing the political structures and establishing such Committees as it thinks fit to carry out the discharge of functions which are not the responsibility of the executive (Leader and Cabinet). In consultation with the Leader of the majority Group it is proposed that Council continues the previous Committee and Overview and Scrutiny political structure as adopted under the previous Council, summarised below. The proposed size of those committees and allocation of seats between political Groups on the Council to reflect political balance will be circulated in an Appendix once available.

Background Information

3. This report addresses the political and constitutional structures which are for the Council to decide. Council appoints and determines the size of Committees/Panels, and allocates the seats on them between political Groups in accordance with the rules on political balance. Council also appoints the Chairmen and Vice-Chairmen of those bodies.

Planning and Regulatory, Pensions, Standards and Ethics and Audit and Governance Committees

4. No changes are proposed to the existence of the 5 standing Committees established under the previous Council - Planning and Regulatory, Pensions Committee, Standards and Ethics, Audit and Governance, and Waste Credit Governance. It is proposed that these Committees continue with seats allocated on the basis of political balance as set out in the Appendix. In addition, individual Appointments etc. Panels (dealing with appointments and terms and conditions of Chief Officers and Heads of Service etc.) will continue to be appointed as necessary from time to time, with membership appointed on an ad hoc basis in accordance with political balance and as nominated by respective Group leaders.

5. Following the Localism Act 2011, Council resolved in July 2012 to voluntarily retain the Standards and Ethics Committee to oversee standards of member conduct and complaints, and adopted new terms of reference. This Committee is therefore an 'ordinary' Committee rather than its previous statutory status, and falls within political balance.

Overview and Scrutiny Arrangements

6. It is vital for the Council operating executive arrangements that it has an effective, constructive and (where necessary) challenging Overview and Scrutiny function. In consultation with the majority Group leader it is recommended that the Overview and Scrutiny political structure continues as under the previous Council.

7. The Overview and Scrutiny Performance Board (OSPB) commissions work as necessary through itself, scrutiny task groups, or the standing Scrutiny Panels as set out in the Appendix. These Scrutiny Panels (which are formal committees of the Council) were chaired by lead scrutiny members drawn from the OSPB. The Panels' work programme is agreed by the Board and endorsed by Council. The Panels provide regular performance monitoring, and allow members to build up an expertise in particular areas. It was considered that the cross-cutting nature of Panels would assist the scrutiny of performance.

8. The Health Overview and Scrutiny Committee (HOSC) also includes co-opted members from each District Council.

9. The Council approves the outline Scrutiny programme, leaving flexibility for the OSPB to be able to deal with appropriate matters arising during of the course of a year. The Chairman of the OSPB would continue to report annually to Council on Scrutiny matters.

10. The Council has allocated the OSPB as the nominated body to deal with crime and disorder scrutiny matters, and the Environment and Economy Panel deals with the scrutiny of flood risk management, both as required under legislation.

11. Overall membership of ordinary committees, which include the OSPB and Overview and Scrutiny Panels, needs to be in accordance with the principles and requirements of political balance as set out in legislation. There is no such requirement in relation to appointing Chairmen of member bodies. However, it is recommended that Council does not change the existing constitutional requirements that the key role of Chairman of the

OSPB continues to be a member from outside the administration Group and (in order to emphasise the non-party political nature of that Chairman's role) cannot be one of the Council's political Group leaders.

12. The OSPB Chairman (and its Vice-Chairman in his or her stead) also exercises various constitutional powers and responsibilities (e.g. in relation to allowing urgent implementation of Cabinet/CMR decisions and the consideration of urgent items not otherwise on the Forward Plan).

13. The OSPB and its Panels also have the flexibility to co-opt additional persons where appropriate. Certain representatives e.g. Parent Governor and Church representatives must be co-opted onto a relevant Scrutiny body when dealing with education matters.

Constitutional Procedures

14. The Head of Legal and Democratic Services may need to settle any outstanding details and update the Constitution to incorporate the decisions of Council from time to time.

Political Balance

15. Following the elections on 4 May 2017, all 57 Councillors have now formed themselves into political Groups. The political Groups are:

- Conservative 40
- Labour 10
- 2017 5 (Liberal Democrat and Green members)
- Independent Alliance 2 (Independent Community & Health Concern, and Independent members).

16. Legislation requires that allocation of seats on ordinary committees must, as far as reasonably practicable, be in accordance with the principles of political balance. These principles are based on the membership of political Groups within the Council which members join, rather than political parties as such. These principles are that the majority Group is entitled to a majority on each committee; subject to this, the aggregate allocation of committee seats overall should reflect political balance, and subject to this, individual committee membership should reflect political balance as far as practicable. Council can depart from these principles in allocating seats provided no member votes against doing so. A proposed allocation of seats on Committees is set out in the Appendix 1 (to follow) reflecting the political composition of the new Council, and which would be compliant with the principles of political balance as far as practicable.

Appointments

17. Once Council has agreed its political structures and allocation of seats on Committees, the Head of Legal and Democratic Services will fill those seats as usual in accordance with the nominations of the respective political Groups from time to time (via their Group leaders) in compliance with the provisions of the Local Government and Housing Act 1989.

18. The subsequent paragraphs deal with the appointment of office-holders in relation to the political structures established by Council, and appointments to other bodies.

(b) Constitutional and Other Appointments

19. The Head of Legal and Democratic Services recommends that:

- (a) the Constitutional Appointments be made as set out in Appendix 2; and
- (b) he be authorised to finalise appointments to outside bodies in consultation with Group Leaders as set out in the report.

Constitutional Appointments

20. The Council needs to appoint Chairmen and Vice-Chairmen of member bodies, and lead Scrutiny members, to fill certain positions within the structures decided above. The nominations are set out in the Appendix 2 to this report. **[To follow]**.

Other Appointments

21. The Council is represented on a number of other bodies and external organisations. Following the elections the Council's representation on these organisations is being revised. Some appointments need to be made promptly e.g. due to timescales for meetings of external bodies.

22. For a significant number of those bodies there is either a requirement, or the Council has chosen, to allocate places to reflect the political balance of the Council. Nominations either have been or will be sought from Group Leaders for political nominations to these bodies, which include:

- Hereford and Worcester Fire and Rescue Authority
- Local Government Association and associated bodies
- SACRE
- West Midlands Employers – Regional Employers Organisation.

23. A formal meeting of the Fire and Rescue Authority (FRA) is scheduled for 22 June 2017, with an induction session taking place on 12 June 2017. In the light of this, nominations to the FRA will have been provisionally agreed in conjunction with respective Group Leaders (in accordance with the breakdown of the 19 places matching the political balance of the Council) and forwarded to the FRA. This is subject to ratification by Council of the allocation of places.

24. Consideration of other appointments will take place as normal in consultation with Group Leaders as appropriate.

(c) Council Meeting Dates 2018

Recommendation

25. The Head of Legal and Democratic Services recommends that the Council approves its programme of meetings for 2018 as follows:

18 January 2018
15 February 2018
17 May 2018
19 July 2018
13 September 2018
8 November 2018

26. County Council meeting dates are currently scheduled up to November 2017. To enable the 2018 meetings programme to be produced and help members plan their commitments, the Head of Legal and Democratic Services suggests that further meetings of the Council be now scheduled for 2018. In accordance with the usual practice and pattern of meetings, further meetings (Cabinet, Committees and Panels) will be arranged in the light of the Council dates and members notified in due course.

27. Members may wish to note that the remaining Council meetings for 2017 are scheduled for:

13 July 2017
14 September 2017
9 November 2017

Supporting Information

Appendix 1 - Proposed allocation of places (to follow)

Appendix 2 - Nominations for Constitutional Appointments (to follow)

Contact Points

County Council Contact Points

County Council: 01905 763763

Worcestershire Hub: 01905 765765

Specific Contact Points for this report

Simon Mallinson, Head of Legal and Democratic Services

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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.

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COUNCIL
25 MAY 2017**APPOINTMENT OF INTERIM HEAD OF PAID
SERVICE/CHIEF EXECUTIVE**

Recommendation

1. **The Head of Legal and Democratic Services recommends that the Council considers the report of the Appointments etc Panel with regard to the appointment of an interim Head of Paid Service/Chief Executive.**

Summary

1. Clare Marchant, the Council's Chief Executive (who holds the statutory post of Head of Paid Service), has tendered her resignation. The cessation date of employment is June 29 with the last working day being June 27. The Council needs to make interim arrangements for her replacement in order to comply with its legal obligations. The Appointments etc Panel is meeting on 18 May with a view to making recommendations to Council, and its report will be circulated as soon as practicable after it has met.

Background Information

2. The Council is required by law to have a Head of Paid Service (HPS) appointed by full Council, and the law does not distinguish between interim or permanent appointments. There is no legal requirement to have a Chief Executive (CX) as such, but to date this is the model the Council has operated, with the CX holding the role of statutory HPS. The Council can choose whichever model it wishes. The law requires that full Council decides the appointment of the HPS, and our Constitution provides for the Appointments etc Panel to make recommendations on such an appointment.

3. It was not feasible to recruit to a permanent HPS/CX by the end of June (given search, select and notice requirements and the need for full Council to approve any appointment) and therefore an interim option needs to be selected to ensure compliance with the law. Council is therefore asked to consider the report of the Appointments etc Panel on an interim appointment, which is to follow as the Panel is meeting after the publication of the Council agenda.

Supporting Information

- Appendix – report of Appointments etc Panel of 18 May 2017 (to follow when available)

Contact Points

County Council Contact Points

Worcester 01905 763763 or Kidderminster 01562 822511

Specific Contact Points for this Report

Simon Mallinson, Head of Legal and Democratic Services

Tel: 01905 846670

Email: smallinson@worcestershire.gov.uk

Background Papers

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

COUNCIL
25 MAY 2017**REPORT OF CABINET – MATTERS WHICH REQUIRE A
DECISION BY COUNCIL**

Central Government's Budget 2017**Recommendation**

1. The Cabinet recommend that the changes being made to the 2017 County Council Budget as a result of Central Government's Budget 2017 be approved and that the cash limits are updated accordingly.

2. The Chancellor of the Exchequer presented his Budget 2017 on 8 March 2017 and overall it provided some positive news for Local Government and Worcestershire in particular. Key elements relevant to the County Council are set out below:

Adult Social Care: Increased Funding

3. Councils will receive an additional and one-off £2 billion over the next three years for social care, with £1 billion of this to be provided in 2017/18. The County Council's allocation of the additional monies is as follows:

- 2017/18 - £10.1m
- 2018/19 - £6.8m
- 2019/20 - £3.4m

4. The additional funding is one off to be spent on adult social care and used for the purposes of meeting adult social care needs, supporting reducing pressures on the NHS and stabilising the social care provider market.

5. The new funding will be paid as a Department for Communities and Local Government specific grant and will be pooled into the Better Care Fund. There are conditions to the grant to ensure that money is spent on adult social care services and supports improved performance across health and social care.

6. Whilst this additional grant is most welcome, it should be noted that it is not recurrent, so any plans for spending will need to address this and ensure that the impact of the funding is long term.

7. The Chancellor also announced in the Budget statement that Central Government is committed to establishing a fair and more sustainable basis for funding adult social care, in the face of the future demographic challenges. It is anticipated that proposals would be brought forward to put the state-funded system for meeting the care and support needs of older people on a more secure and sustainable long-term footing in a Green Paper later this year.

Schools Maintenance

8. An additional £216 million investment in school maintenance is to be provided nationally to improve the condition of the school estate. At present the specific allocation to the County Council is not known.

Extended rights to free travel

9. Central Government announced an increase in the entitlement to the rights for free travel to some schools. Further detail on how this scheme will operate and the grant that will be made available to the County Council to support this additional expenditure has not been provided yet. Confirmation has also not been provided at the point of writing this report of the existing grant award.

Infrastructure and Transport Investment

10. Central Government provided more details on the £23 billion National Productivity Improvement Fund (NPIF) announced in the Autumn Statement in 2016. The Budget papers included further details of how the fund will be invested including:

- The launch of a £690m fund to tackle urban congestion. The Budget papers state that this funding will be “competitively allocated to local authorities”. The County Council will be providing an application to Central Government for a share of this funding
- Confirmation that the County Council will receive £2.7 million from the Regional allocations within the previously announced £220 million NPIF investment for pinch points on the strategic road network within Worcestershire.

Local Business Rates Reliefs

11. Central Government will provide £300 million over four years to support those businesses most affected by the revaluation of business rates, due to take effect from April 2017. District Councils within Worcestershire have been allocated £1.8 million. Central Government has issued a consultation on how the scheme should be implemented.

12. Whilst the operation of such a scheme is a District Council function, the County Council, under the existing 50% business rates retention system, will suffer a reduction in business rates receipts resulting from the increased award of discretionary relief equivalent to 9% of the value of the relief given. Central Government expects billing authorities to discuss options with their major precepting authorities at an early stage and to consult them before adopting any scheme. Central Government has signalled its intention to pay compensation for lost business rates to billing and major precepting authorities in the form of a Specific Grant up to the maximum of the allocation set out in Paragraph 11.

13. The County Council will work alongside District Councils on responding to the Consultation by 7 April 2017 as well as the design of a Locally Administered Business Rate Relief for Revaluation scheme to ensure there is no net loss to the County Council of Business Rates as a result of this local implementation.

Local Growth Deal 3

14. Following the announcement of the Midlands Engine Strategy on 9th March 2017, each LEP within the Midlands Engine received formal notification of its allocation for 2017/2018 – 2020/2021. For Worcestershire's LEP this equated to the allocation of an additional grant totalling £17.5 million for the following projects:

- A38, Bromsgrove - £7.5 million

- Pershore Northern Link Road - £5 million
- Engineering Faculty at Heart of Worcestershire College - £4 million
- Churchfields, Kidderminster - £1 million

15. This brings the total funding for Worcestershire's LEP from the 3 growth deal schemes to £71.7 million.

16. Central Government has confirmed that each LEP will continue to receive £0.5 million of core funding. This provides a base level of funding for all LEPs to cover overheads and running costs. This core funding for 2017-2018 is supported by matched funding from local partners including District Councils and the County Council.

17. The Secretary of State for Business, Energy and Industrial Strategy ("BEIS") has confirmed the allocation of £0.2 million to the County Council, as Accountable Body for Worcestershire's LEP for the "Growth Hub". This funding will allow the partnership to continue to give advice to businesses by supporting the further development of growth hubs, aligned to Government's objective to simplify access to support for businesses.

Mr S E Geraghty
Chairman

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Specific Contact Points for this report

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Background Papers

In the opinion of the proper officer (in this case the Head of Legal and Democratic Services) the following are the background papers relating to the subject matter of this report:

Agenda and background papers for the meetings of the Cabinet held on 6 April 2017.

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COUNCIL
25 MAY 2017**REPORT OF CABINET - SUMMARY OF DECISIONS TAKEN**

Children's Social Care – Service Improvement Plan update

1. The Council has had a Safeguarding Improvement Board running for the last 18 months. However, following the outcome of the Ofsted Report, it has taken the opportunity to refresh its remit and membership to oversee the Service Improvement Plan. The Children's Social Care Service Improvement Board met for the first time in its new form on Tuesday 28 February 2017 and agreed its Terms of Reference. An independent chair (Nigel Richardson (ex-DCS of Leeds City Council)) has also been appointed for the Service Improvement Board.
2. The Service Improvement Plan document consists of two pages, the first being the SIP, outlining the 8 improved outcomes the Council is seeking to achieve along with the eight work-streams and associated projects the Council believes will deliver them and address our 14 Ofsted Recommendations. The second page illustrates the link the SIP has with other key strategic documents, e.g. the Council's Corporate Plan, the Strategic Economic Plan and the Worcestershire Safeguarding Children Board (WSCB) Business Plan. The business plan for the WSCB next year will focus on support and challenge for the SIP, will have a specific priority around the lived experience of the child and will consider the impact that child sexual exploitation, neglect and domestic abuse has on this experience. The Service Improvement Board will provide formal updates to WSCB on a quarterly basis.
3. The Cabinet has noted the progress made in developing the Children's Social Care Service Improvement Plan (SIP) and the governance arrangements to manage delivery and monitor performance. The Cabinet has reviewed and approved the Service Improvement Plan and delegated authority to the Director of Children, Families and Communities in consultation with the Cabinet Member with Responsibility for Children and Families to update the Service Improvement Plan as appropriate.
4. Programme and project management support has now been identified and mobilised to support delivery of the SIP. Key lines of accountability and ownership have been established across the entire SIP, and coupled with the additional capacity and capability now deployed there are a number of successes and achievements that have already been delivered at this relatively early stage.
5. The SIP will be supported by a Key Performance Indicator (KPI) dashboard that will monitor the performance of services delivered to children and young people in Worcestershire. The intention is to keep the number of KPIs to a manageable and meaningful number so that a sharp focus is maintained on the key performance metrics.
6. Following a self-assessment exercise and feedback from Ofsted and partners, it was identified that a number of the Council's core Children and Families strategy

documents required updating to re-establish key objectives, reflect current practice and set out the improvement required. As a result, the Cabinet has reviewed and approved the following strategies:

- The Commissioning and Sufficiency Strategy for Looked after Children and Care Leavers which will ensure that we better understand, plan and meet future accommodation demand for Looked after Children and Care Leavers within Worcestershire
- The Corporate Parenting Strategy which sets out the Council's approach to delivering effective corporate parenting responsibilities across the whole Council and partner agencies to our Looked after Children and Care Leavers population, and
- The Care Leavers Strategy which sets out the key responsibilities for the Council and our partners to ensure that our Care Leavers receive the support, help and guidance they may need to be able to support themselves, as they transition into adulthood to live independently.

Resources Report

7. After the first ten months of 2016/17 and forecasting for the remaining two months of the financial year an overall financial pressure of £0.5 million is anticipated. This forecast has reduced from last month's forecast pressure of £0.8 million and represents 0.2% when compared with the County Council's revenue budget. The most significant forecast pressures relate to older people residential and nursing placements of around £2.2 million, and £1.3 million in relation to Home to School Transport. The Cabinet has endorsed the Leader of the Council's conclusions concerning revenue budget monitoring up to 31 January 2017.

8. The Cabinet has noted the savings and efficiency programme target for 2016/17, which includes £3 million carried forward for delivery from last financial year, totals £27 million and is forecast to be achieved on a cash basis.

9. The Cabinet has endorsed the Leader of the Council's conclusions concerning the County Council's Capital Budget for 2016/17 which totals £147 million. The actual capital expenditure at 31 January 2017 is £85 million or 58% of the budget which is as anticipated. The spending profile is expected to increase over the remainder of the current financial year.

10. The Cabinet has noted the impact of the Actual Takeover by Mercia Waste Management Limited of the Energy from Waste Plant from its Engineering, Procurement and Construction contractor. The handover of the facility to Mercia Waste Management Limited follows a 33-month construction programme, which has seen the facility built on time and to specification. The Energy from Waste facility is the largest single piece of capital infrastructure in Worcestershire and Herefordshire and marks the virtual elimination of landfill in the two counties. It will turn 200,000 tonnes per year of waste into electricity, exporting 15.5MW of electricity to the grid which is sufficient to power all the homes in Kidderminster.

Mr S E Geraghty
Chairman

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Background Papers

In the opinion of the proper officer (in this case the Head of Legal and Democratic Services) the following are the background papers relating to the subject matter of this report:

Agenda and background papers for the meetings of the Cabinet held on 6 April 2017.

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COUNCIL
25 MAY 2017**QUESTION TIME**

Question 1 – Asbestos Removal from Council Maintained Schools

1. Mr P M McDonald will ask the relevant Cabinet Member with Responsibility:

"Would the relevant Cabinet Member with Responsibility please inform me of the total cost of removing all asbestos from Council Maintained Schools?"

Question 2 – Bromsgrove and Redditch Highways Model

2. Mr L C R Mallett will ask the relevant Cabinet Member with Responsibility:

"Would the relevant Cabinet Member with Responsibility please confirm the total cost of developing and implementing the now discredited BaRHAM (Bromsgrove and Redditch Highways Model)"

Question 3 – Closure of the M5 Motorway

3. Mr C J Bloore will ask the Leader of the Council:

"The leader of the Council is probably aware that despite being six months over schedule residents in my division are still facing sleepless nights as six lanes of traffic are redirected passed their homes because of closures on the M5. What steps is he taking to hold Highways England to account for causing this misery?"

Question 4 – Mowing of Roadside Verges

4. Mrs F M Oborski will ask the relevant Cabinet Member with Responsibility:

"Roadside verges provide valuable sites for wild flowers and are vitally important as habitats for many insects and birds particularly for bees. Whilst mowing of grass on verges is important at road junctions, at visibility splays and where pedestrian doorways might otherwise be impeded I hope the relevant Cabinet Member would agree with me that in other areas we should allow the verges to look " somewhat overgrown" to preserve their ecological value. If this is the case can the relevant Cabinet Member please explain the "heavy mowing" of the verges alongside the Bewdley By-Pass where there are no junctions and where there is no pedestrian footway?"

Question 5 – National Performance – Children's Services

5. Mr P Denham will ask the Leader of the Council:

"The Leader has stated that one of his priorities is to improve the quality of our highways and pavements so that we are in the top quartile of national performance by 2022.

Which quartile of national performance does he intend our Children's Services to reach and by which year?"

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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.

COUNCIL
25 MAY 2017**REPORTS OF COMMITTEES****(a) SUMMARY OF DECISIONS TAKEN BY THE AUDIT AND GOVERNANCE COMMITTEE**

External Audit Plan – Worcestershire County Council

1. Helen Lillington, Audit Manager presented the external audit plan for Worcestershire County Council to the Committee on behalf of Grant Thornton, the Council's external auditor. The Committee has noted the external audit plan for Worcestershire County Council.

External Audit Plan – Worcestershire County Pension Fund

2. Helen Lillington, Audit Manager presented the external audit plan for Worcestershire County Pension Fund to the Committee on behalf of Grant Thornton, the Council's external auditor. The Committee has noted the external audit plan for Worcestershire County Pension Fund.

External Audit Plan – Informing the audit risk assessment for Worcestershire County Council and Pension Fund

3. Helen Lillington, Audit Manager presented an external audit report - Informing the audit risk assessment for Worcestershire County Council and Pension Fund to the Committee on behalf of Grant Thornton, the Council's external auditor. The Committee has noted the external audit report.

Internal Audit Progress Report 31 October 2016 to 28 February 2017

4. The Committee has noted the Internal Audit Progress Report for the period 31 October 2016 to 28 February 2017.

Work Programme

5. The Committee has noted its future work programme subject to update reports on IT Access Controls and Infrastructure Security being brought to the October 2017 and March 2018 meetings..

Mr N Desmond
Chairman

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Background Papers

In the opinion of the proper officer (in this case the Head of Legal and Democratic Services) the following are the background papers relating to the subject matter of this report:

Agenda papers for the meeting of the Audit and Governance Committee held on 24 March 2017.

COUNCIL
25 MAY 2017**REPORTS OF COMMITTEES****(b) SUMMARY OF DECISIONS TAKEN BY THE PENSIONS
COMMITTEE**

Administering Authority – Administration Update

1. The Committee has noted the general update from the Administering Authority in relation to Membership, Record Keeping – The Pension Regulator, Updating Member database (Altair), Academies, Exit Payments, Further Consultation, LGPS and Co-Habitants, Administering Authority Forum Meeting and Communications, and Admissions to the Fund.

Malvern Hills Conservators

2. Malvern Hills Conservators is a resolution body within the Worcestershire County Council Pension Fund. Malvern Hills Conservators established a working party to review its future participation in the Fund following receipt of the 2013 Actuarial Valuation results, which set out an increase in pension contributions required by the Actuary.

3. Malvern Hills Conservators have deficit within the Fund on a closed basis that has been valued at £1.092 million. There is therefore significant risk to the fund that if Malvern Hills Conservators financial position does not improve the general reserve will not be able to meet the deficit contribution payments for the full 18 years deficit recovery period. A deficit recovery period of less than 18 years would potentially reduce the risk to the fund over the longer term but would place significant pressure in the short to medium term on Malvern Hills Conservators financial position and could lead to an earlier termination event.

4. The Committee has approved the proposal from Malvern Hills Conservators to move from an open to a closed admission basis, on an 18 year deficit recovery plan, subject to Malvern Hills Conservators gaining a surety bond with value of £1,178,000, the value of which is reviewed at least on a triennial basis.

Risk Register

5. In line with CIPFA best practice guidance, the Risk Register for the Fund has been updated and reviewed by the Pension Board. The Register sets out the risks associated with the governance, investments, funding, administration and communications objectives of the fund. The Register also details the mitigating actions in place to reduce the impact and probability related to each specific risk. The Committee has approved the Risk Register and adopted it for annual review.

Pension Investment update

6. The Committee has noted the Independent Financial Adviser's fund performance summary and market background.
7. The Committee has noted the update on the Investment Managers placed 'on watch' by the Pension Investment Advisory Panel, namely JP Morgan – Emerging Markets and JP Morgan – Bonds.

LGPS Central Update

8. Following formal approval of LGPS Central as an investment pool by the Government, work has continued to ensure that the project will meet the timetable that will allow a launch on 1 April 2018. Governance arrangements have been agreed and are working their way through the necessary committees of the Administering Authorities, and this process will be completed before the end of March 2017. The Committee has noted the LGPS Central update.

LGPS Central Cost Share

9. Subject to the on-going review of the Pool's tax position a number of cost share principles have been agreed by the LGPS Central Programme Board. The removal of the three years running costs split into equal eighths for the period 1 April 2018 through to 31 March 2021 results in a £0.9m better off position for the fund after a 16 year period (with 2018/19 as year 1). The breakeven point is also two years earlier in 2031/32 rather than 2033/34 as per under the original proposal.
10. The LGPS Central business case will be rerun at various key stages over the next few years. The first planned re-run will take into account the full details of the revised cost share agreement and the proposed sub-fund structure. More savings are expected to result for the Worcestershire County Council Pension Fund through the revised cost share for investment management and monitoring costs, which will be priced on a sub-fund basis rather than asset under management. As the Fund invests a substantial proportion of its assets in pooled passive equity funds, these are expected to have a lower 'price' than an active equity mandate or an alternatives mandate and therefore relative to other Funds in the pool will incur a lower cost.
11. It has also been agreed that the transition plan for Emerging Market equities will be brought forward compared to the base case in the July submission and therefore the Fund should benefit from increased savings earlier than originally planned.
12. The Committee has therefore agreed that the qualification be formally removed, in relation to the approved LGPS Central Governance, which stated that a cost share agreement is required to be agreed with all LGPS Central pool members that ensures value for money for the Worcestershire County Council Pension Fund from entering into the LGPS Central investment pool.

Investment Strategy Statement

13. The new LGPS Investment Regulations came into effect from 1 November 2016. These regulations remove many of the investment restrictions imposed on

LGPS funds, introduces a prudential framework for investment decision-making, introduces a Power of Direction for the Secretary of State to intervene in the investment function of an Administering Authority if deemed necessary, and requires all funds to publish a new Investment Strategy Statement by 1 April 2017.

14. The Fund's Investment Strategy Statement has been designed in collaboration with the seven other funds within LGPS Central to ensure a consistent approach to investment beliefs and responsible investment beliefs is established to allow the pool operator, once operational from 1 April 2018, to implement a consistent approach across the pool's investments.

15. The Committee has approved that the Fund's Investment Strategy Statement subject to the section relating to "Engagement versus Exclusion" being reworded by the Chief Financial Officer in consultation with the Chairman and Vice-Chairman of the Committee to better reflect a more positive affect of investment on governance and communities.

Mr R W Banks
Chairman

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Background Papers

In the opinion of the proper officer (in this case the Head of Legal and Democratic Services) the following are the background papers relating to the subject matter of this report:

Agenda papers for the meeting of the Pensions Committee held on 13 March 2017.

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