

Agenda

Council

Thursday, 13 September 2018, 10.00 am
County Hall, Worcester

This document can be provided in alternative formats such as Large Print, an audio recording or Braille; it can also be emailed as a Microsoft Word attachment. Please contact Democratic Services on telephone number 01905 846621 or by emailing democraticservices@worcestershire.gov.uk

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, 13 September 2018, 10.00 am, County Hall,
Worcester**

Agenda and Summons

Councillors: Mr B Clayton (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 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, Dr A J Hopkins, Dr C Hotham, Mr M E Jenkins, Mr A D Kent, Mr R C Lunn, Mr P M McDonald, Mr S J Mackay, Mr L C R Mallett, Ms K J May, Mr P Middlebrough, Mr A P Miller, 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 the agenda.

2 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, 12 September 2018). Further details are available on the Council's website. Enquiries can also be made through the telephone number/e-mail address listed below.

3 Minutes

To approve as a correct record and authorise the signing of the Minutes of the meeting held on 19 July 2018 (previously circulated electronically).

4 Chairman's Announcements

To receive any announcements to be made by the Chairman.

5 Reports of Cabinet 1 - 6

To consider the report of the Cabinet and to receive answers to any questions asked on it.

Matters where decisions have already been taken are on **White pages**.

6 Notices of Motion 7 - 10

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 Tuesday, 4 September 2018.

7 Report of the Cabinet Member with Responsibility 11 - 24

To receive the report of the Cabinet Members with Responsibility for Children and Families, and the report of the Cabinet Members with Responsibility for Education and Skills on current issues and proposed developments within their areas of responsibility and to receive answers to any questions on the report (**Green pages**).

NB. Council has allowed a maximum of 30 minutes question and answer for each of the Cabinet Member reports.

8 Question Time 25 - 26

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 Tuesday 4 September 2018 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.)*

9 Reports of Committees 27 - 32

To consider the report of the Audit and Governance Committee and to receive answers to any questions asked on this report.

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**

Lunch 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.

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, 5 September 2018

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COUNCIL
13 SEPTEMBER 2018**REPORT OF CABINET - SUMMARY OF DECISIONS TAKEN**

The establishment of the Worcestershire wholly owned Council Company for Children's Social Care

1. The Cabinet had agreed to the development of a wholly owned council company to deliver children's social care. Following ratification of this decision by the Secretary of State, a revised statutory direction was published on the 25 May 2018 that included an expectation that the Company would go-live on the 1 April 2019. Discussions with the DfE's appointed Children's Commissioner and DfE civil servants have focused on ways of reducing the expected pressure on the business throughout the period December 2018 to July 2019. These discussions have concluded in a proposal being taken to the Minister to establish the Company in shadow format by 1 April 2019, with the go-live date moving to 1 October 2019. The Cabinet has noted the proposed change in 'go-live' date for the establishment of a Wholly Owned Council Company for Children's Social Care ('the Company') to 1 October 2019 and the high-level overview of the implementation plan.

2. Overwhelmingly the preferred name that staff feel best captures the purpose and values of the company is 'Worcestershire Children First'. This name has been endorsed by the ADM Board and approved by Cabinet in order to progress the company. The ADM Programme Board supported the recommendation that a private company limited by guarantee (CLG) is the most appropriate legal form of the Company and this has been approved by the Cabinet who have also endorsed its formation.

3. The Cabinet has granted delegated authority to the Chief Executive, in consultation with the DfE's appointed Children's Commissioner, Leader of the Council and Cabinet Member with Responsibility for Children and Families for the development of the Company and its governance arrangements.

Children's Social Care Services Improvement Plan

4. The Cabinet noted the progress on service improvement and has endorsed the Service Improvement Plan which has been reviewed and updated using feedback from Ofsted, performance against key performance indicators and the work completed with Improvement Partner, Essex County Council. Ofsted has commented positively on a number of areas, but there are still areas for further progress. The Council believes that there are now strong foundations in place for improvement following the work completed since October 2016. The focus remains on sustaining this progress including a focus on the quality of practice, as well as management oversight and decision-making which is key to ensuring that children receive the right service at the right time.

Future Provision of Overnight Unit-based Short Breaks for Children with Disabilities

5. The Cabinet has noted the responses received to the consultation with families, professionals and wider stakeholders, including the report from the CYP Scrutiny Task Group and the CMR response, on the proposals to redesign the delivery of overnight unit-based provision and the additional information and comments received during this period. The Cabinet has adopted the response by the Cabinet Member with Responsibility for Children and Families to the Scrutiny Report "Future Provision of Overnight Unit-Based Short Breaks for Children with Disabilities".

6. The Cabinet has agreed the continued delivery of short breaks overnight respite provision at Ludlow Road, Kidderminster during this financial year 2018/19, subject to further review of contract arrangements and sufficiency with Worcestershire Health and Care Trust and without prejudice to any future proposals for change which may be developed and any further consultation as may be appropriate.

7. The Cabinet has authorised the Director of Children, Families and Communities to work collaboratively with the Director of Adult Services to negotiate with the Worcestershire Health and Care Trust a variation of their contract, effective from 1 August 2018, for the delivery of overnight provision at Osborne Court and Ludlow Road in order to provide clarity on the service specification including cost, capacity and monitoring arrangements and to build into the contract the flexibility required for the service to adapt appropriately to future changes in demand including, where necessary, changes to the location of service delivery and/or age range of service users

8. The Cabinet has authorised the Director of Children, Families and Communities to implement the proposal within the consultation to increase the capacity at Providence Road, Bromsgrove by the flexible use of one or two additional bedrooms (subject to the necessary changes to the Ofsted registration) as required to meet the needs of families who have an assessed need for overnight respite care now or in the future without prejudice to any future consideration in relation to Ludlow Road.

9. The Cabinet has authorised the Director of Children, Families and Communities in consultation with the Director of Adult Services to undertake co-design activity with parents, carers and wider stakeholders on short break/respite provision for children with disabilities, including the provision for young people, as they approach transition to adulthood, to ensure appropriate transition to adult services and/or independent living

10. The Cabinet has endorsed the proposals to engage with an appropriate level and type of advocacy and parent carer forum(s) in order to address concerns raised throughout this process in relation to pre-engagement with parent carers to support engagement and contribution to service redesign and improvement. The Cabinet has endorsed the intention for the Council's commissioners to work with the providers of overnight short break services to remodel the way services are provided in order to meet needs now and in the future and ensure maximum value for money, by exploring options and implementing improvements where appropriate.

Joint Local Area SEND Inspection – Local Area Action Plan

11. A Joint Ofsted and Care Quality Commission (CQC) local area Special Educational Needs and Disability (SEND) inspection took place 5 – 9 March 2018. The inspection of the Local Area involved an evaluation of the commissioned services of the CCG and the Council, provider services, schools and education providers. The findings

of the Inspection were published on 16 May 2018. The inspection raised concerns about the effectiveness of the local area and identified a number of issues.

12. The Local Area Inspection resulted in the request that a Written Statement of Action (Action Plan) be prepared by the Local Area and submitted to OFSTED/CQC within 70 days of the publication of the report. The Cabinet has acknowledged that progress is underway on the Written Statement of Action (Action Plan) to show how the agencies will tackle areas for improvement identified by that letter in order to improve outcomes for all children and young people with SEND, by helping them to achieve their full potential. The Cabinet has authorised the Cabinet Member with Responsibility for Education and Skills, in the light of the required timescales, to approve the Action Plan on behalf of the Council for sending to Ofsted/CQC. The Action Plan was also due to be approved by the CCGs.

A38 Bromsgrove Major Scheme

13. The delivery of the overall A38 Bromsgrove Major Scheme programme is essential to support growth identified in the adopted Bromsgrove District Plan. The scheme is a key component of the transport Infrastructure Delivery Plan and would support the sustainable growth of Bromsgrove by enhancing the A38 Bromsgrove Eastern Bypass. Development of the scheme has been funded as agreed in 2015 and 2016. The proposed initial phase of the overall scheme, Package 1, consists of enhancements and improvements to three junctions, the M5 Junction 4, Barley Mow Lane junction and the M42 Junction 1.

14. The overall A38 Bromsgrove Major Scheme works would also be critical in helping to support the objectives of the Redditch Local Plan, the County Council's LTP4 and both the Worcestershire and Greater Birmingham and Solihull Strategic Economic Plans prepared by the Local Enterprise Partnerships. The Cabinet has noted the overall concept of the A38 Bromsgrove Scheme and progress made to date. The Cabinet has supported the continued progress of the scheme and noted the further work required to finalise the project deliverables, especially in terms of planning strategy, securing funding and land acquisitions

15. The Cabinet has noted the importance of improvements to the A38 in advance of proposed developments, with particular reference to Whitford Road, Perryfields and Foxlydiate applications. It is currently envisaged that the improvements would be delivered in five packages. The Cabinet has noted the need for some flexibility within and between the packages of work within the overall scheme

16. The Cabinet has requested that the Director of Economy and Infrastructure brings a detailed report on Package 1 of the A38 improvements to Cabinet in Autumn 2018. The Cabinet has supported taking preparatory steps in the interim towards the commencing of Package 1 of the scheme without prejudice to that later decision.

Minerals and Waste Local Development Scheme

17. The Minerals and Waste Local Development Scheme (LDS) has two main purposes: to inform the public about the preparation and adoption of planning documents; and to establish and reflect Council priorities and enable work programmes to be set for the preparation of the documents. As circumstances change and the process of making development plans moves forward, it is necessary to review and

revise the LDS in order to keep it up to date. This revision extends the timetable for the preparation of the Minerals Local Plan due to a revised approach to site allocations and sets a timetable for the production of a Mineral Site Allocations Development Plan Document. The Cabinet has approved the Minerals and Waste Local Development Scheme (LDS) July 2018 – June 2021 and authorised the Director of Economy and Infrastructure to make minor amendments to the LDS prior to publication.

18. The Cabinet has granted delegated authority to the Director of Economy and Infrastructure in consultation with the Cabinet Member with Responsibility for Economy and Infrastructure, to approve the preparation of the draft Mineral Site Allocations Development Plan Document, carry out the informal preliminary consultations on it in accordance with the LDS, and make any amendments to it to create a final draft, without the need for further formal approval by Cabinet. The Cabinet has agreed that the final draft Minerals Site Allocations Development Plan Document then be returned to Cabinet for recommendation to Council for approval before it is formally published for public representations as a statutory 'draft' Development Plan Document and submitted to the Secretary of State for examination.

19. From April 2018, under Regulation 10A of The Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended), local planning authorities must review local plans at least once every five years from their adoption date. The requirement for a formal review of the Waste Core Strategy will be addressed as part of the next Authority Monitoring Report. The Cabinet has granted delegated authority to the Director of Economy and Infrastructure, in consultation with the Cabinet Member with Responsibility for Economy and Infrastructure, to approve the preparation of a new draft Waste Local Plan and the informal preliminary consultations on it in accordance with the LDS, and any amendments to it, without the need for further formal approval by Cabinet.

20. The Cabinet has agreed that the final draft Waste Local Plan be returned to Cabinet for recommendation to Council for approval before it is formally published for public representations as a statutory 'draft' Development Plan Document and submitted to the Secretary of State for examination.

Mr S E Geraghty
Chairman

Contact Points

County Council Contact Points
County Council: 01905 763763
Worcestershire Hub: 01905 765765

Specific Contact Points for this report
Simon Lewis, Committee Officer
Tel: 01905 846621
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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 meeting of the Cabinet held on 12 July 2018

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COUNCIL
13 SEPTEMBER 2018**NOTICES OF MOTION**

Notices of Motion Received

1. The Head of Legal and Democratic Services reports that he has received the following 5 Notices of Motion. The Constitution provides that any submitted motion must be moved and seconded at the meeting. Otherwise, unless postponed with the consent of the Council, it will be treated as withdrawn.
2. If a motion is in relation to the exercise of an executive function it will be referred to the Cabinet for decision (if applicable this will be indicated below). Otherwise the Council may decide itself to determine the Motion, or refer it to the Cabinet or another appropriate Committee for advice before determining it at the next available meeting.

Notice of Motion 1 – Bus and Community Transport Provision

3. **This motion is not in relation to the exercise of an executive function and the Council may decide to determine the Motion.**

4. Notice of Motion standing in the names of: Prof J W Raine, Mrs F M Oborski and Mrs E B Tucker.

"The Council is concerned at the unexpected cuts in bus services announced by First and Diamond bus companies in August which take effect on 17 and 3 September respectively.

We welcome the undertaking that the Council will carry out a fundamental review of its entire subsidised services which will involve a public consultation exercise.

We ask that this review is supported by an urgent cross-party scrutiny into current bus and community transport provision which should include the availability of transport at crucial times of the day to get to work, to school or college, to medical appointments and for shopping. The scrutiny exercise should be completed by middle/late November to feed into the 2019/20 budget-setting process."

Notice of Motion 2 – County Bus Services

5. **This motion is in relation to the exercise of an executive function and will therefore be referred to Cabinet for a decision.**

6. Notice of Motion standing in the names of: Mr R C Lunn, Mr P Denham, Mr P M McDonald, Mr R M Udall, Ms P Agar and Ms C M Stalker

"Council calls on the Cabinet Member with Responsibility for Highways to consider presenting a report to Cabinet, which should include a series of proposals to improve usage, reduce fares and remove some of the main obstacles that slow down buses.

As the County Council are unfortunately not allowed by Government legislation to run its own bus services, we are keen to encourage more people to use the services in the county as this is the best antidote to further service cuts.

We also urge the Cabinet Member to constantly request the very highest standards of service from the county's bus providers and to consider providing an annual report to Cabinet on the relationship between the Council and bus providers and on ways he can encourage and improve the public transport service within the county"

Notice of Motion 3 – Nitrous oxide abuse

7. This motion is not in relation to the exercise of an executive function and the Council may decide to determine the Motion.

8. Notice of Motion standing in the names of: Mr P M McDonald, Ms P Agar, Mr R M Udall, Mr R C Lunn, Mr P Denham and Ms C M Stalker.

"Used gas canisters are increasingly littering our streets as the use of nitrous oxide spreads across the county.

Nitrous oxide, laughing gas or hippy crack is among the latest illicit substances to hit our streets. Nitrous oxide is a colourless gas that when inhaled can make people feel euphoric and relaxed.

The effects of the gas have seen it nicknamed "laughing gas", but it can also cause some people to have hallucinations. The effects are caused by the drug slowing down the brain. Nitrous oxide is normally bought in pressurised canisters. It is then transferred to a container such as a balloon to be inhaled.

It is extremely dangerous: It can cause dizziness and affect your judgement, creating a risk of accidents. In large quantities it can also cause the user to faint or pass out. If nitrous oxide is inhaled through the mouth from a pressurised gas canister or in a confined space it can cause sudden death through lack of oxygen. Heavy, regular use of the drug can cause a deficiency of vitamin B12 and a form of anaemia.

Yet it is illegal to sell it for the purpose young people are using it for and action needs to be taken now before we see young people's health damaged for life and even fatalities.

Therefore, this Council calls upon Trading Standards to take whatever action is necessary to rid our streets of this hippy crack."

Notice of Motion 4 – Domestic abuse

9. This motion is not in relation to the exercise of an executive function and the Council may decide to determine the Motion.

10. Notice of Motion standing in the names of: Mr R M Udall, Ms C M Stalker, Mr P Denham, Mr R C Lunn, Mr P M McDonald and Ms P Agar.

"Council is concerned about the growing rates of reported domestic abuse in Worcestershire and the UK as a whole and wishes to offer our own employees help to escape any abuse and/or violence.

Council asks the Head of Paid Service to amend relevant policies to grant our employees who are victims of domestic abuse ten days' paid leave to allow them to leave their partners, find new homes and to protect themselves and their children."

Notice of Motion 5 – Adult Social Care – Green Paper

11. This motion is not in relation to the exercise of an executive function and the Council may decide to determine the Motion.

12. Notice of Motion standing in the names of: Mr A I Hardman, Mr J H Smith, Dr K A Pollock, Mr P Grove, Mr S J Mackay, Mr G R Brookes and Ms T L Onslow.

"This Council wishes to celebrate the work of our adult social care services, noting that like the NHS, adult social care is 70 years old this year. Since the National Assistance Act of 1948 social workers and social care assistants have helped many thousands of people in Worcestershire to lead independent and dignified lives. Sadly, and unlike the NHS, no additional monies have been announced to support these critical services. Council resolves to fully support the County Council network's Green Paper as a basis for Government's emerging Green Paper and continue to campaign to highlight the need for additional money to ensure that good quality support is available to those in need, promoting independent and healthy living"

Contact Points

County Council Contact Points

County Council: 01905 763763

Worcestershire Hub: 01905 765765

Specific Contact Points for this report

Simon Lewis, Committee Officer

Tel: 01905 846621

Email: slewis@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.

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COUNCIL
13 SEPTEMBER 2018**REPORTS OF CABINET MEMBERS WITH RESPONSIBILITY**

(a) Report of the Cabinet Member with Responsibility for Children and Families**Overview**

1. Substantial improvements have been made in service standards in the last year and significant steps have been taken towards forming a company. It remains the intention to develop service standards so that Worcestershire Children First can have an unerring focus on children and families. Our vision is for Worcestershire to be a wonderful place for all children and young people to grow up. We will help create supportive communities where children and young people are safe, secure and nurtured to become independent. This will be done within a sustainable budget.
2. The culture of practice is moving to a greater focus on support for vulnerable children who, without the intervention of services, risk becoming 'children in need' of local authority care or protective services.
3. The approach of intervention being developed in children's social care is a 'strength based' model, which aims to engage, educate and support parents to make positive lasting changes to their parenting.
4. A key element of this approach is our 'edge of care' offer. This entails the prevention of children and young people entering into the care system. Supporting them at home and in their communities and, where it is safe to do so, helping them and their parents/family to work through crisis and problems to achieve lasting change.
5. We currently have a higher number of children in our care than is expected when compared to England national averages. There are complex reasons for this which includes legacy issues identified in our 2016 Ofsted Inspection.
6. Our improvement work has done much to address quality and drift and we are working now to remodel our services and approach to intervention to achieve our vision.

Service Improvement Plan.

7. Councillors have been kept regularly informed by the Director of Children, Families and Communities about the progress of the Service Improvement Plan and the development of the company. The service has worked closely with our improvement partner Essex County Council and has been subject to quarterly Ofsted monitoring visits which have identified consistent progress since July 2017.

8. The system of improvement involves senior managers identifying the strengths and weaknesses in their area of responsibility, as well as strategies for improvement. This is robustly challenged by our partner in 'Quality Performance Monitoring Meetings' which is a two phase 'diagnostic' session.

9. The first part involves the social services senior management team, department/team leaders and the Cabinet Member with Responsibility. The second session entails a verbal feedback and is attended by directors, the Leader of the Council and other cabinet members.

10. The report on the work Essex did with us between February and July 2018 highlighted positive progress with the new structure, reduced caseloads, better staff morale and increased recruitment amongst other areas. Social worker teams, that Essex had previously considered as inadequate, were identified as either 'good' or 'requires improvement' with 'good' team management.

11. Essex has reported that, 'in general the direction of travel in Worcestershire has been positive. The service and the senior management have continued to be open to and responsive to our intervention and feedback and they have continued to know themselves taking positive action to drive improvements.'

Ofsted

12. Worcestershire children's social services were subject to a full safeguarding inspection in October 2016, when it was considered there were widespread and serious failures. Since then there have been six monitoring visits, the most recent in July 2018.

13. Much of the focus of the first three visits was the Family Front Door, a multi-agency first point of contact, which assesses and makes initial safeguarding decisions about children, young people and their families.

14. Initially it was concluded that the improvement plan was 'not yet resulting in progress in a number of key areas' and later that, though there were tangible improvements, actions were 'too new to have had a significant impact'. However, this year Ofsted acknowledged that, 'whilst services still require much work to be of a good standard, progress has been made'.

15. At subsequent visits it has been noted that there is progress in improving services to children and young people and that Corporate Parenting is, 'now a strength'.

16. The visit in July 2018 focused on 'child protection' and 'child in need' work. Ofsted reported that we continue to make progress to make sure our services are delivering good outcomes for children and young people.

17. Inspectors were impressed by the morale of the staff members they met and saw that managers recognise good quality work and challenge appropriately when this is not evident. Reference was made to the 'positive trajectory of change'.

18. There remains work to be done on the quality and consistency of management oversight and decision-making, ensuring children's plans are of a consistently high quality and better forward planning for young people leaving care. Our recruitment and retention work also remains a priority.

Early Help

19. Early help means providing the right support at the earliest opportunity to solve problems before they become more pressing and complex. This may prevent children from suffering significant harm. Early Help is delivered by a wide range of agencies including universal services, the voluntary and community sector and specialist services. In September 2017, the Worcestershire Safeguarding Children Board endorsed the Early Help Strategy, which sets out the duties of all partners involved working together to ensure that early help is available for children, young people and families who need additional support.

20. Early Help has featured as part of the Service Improvement Plan since its inception in January 2017. The initial focus was on providing earlier access to support children and families. Since the Service Improvement Plan refresh in April 2018, Early Help is included under the Enhancing Multi-Agency Partnerships work stream, shifting the focus to the development of our partnership approach.

21. As a result of the focus on children with complex or escalating needs (that can only be met by a coordinated multi-agency plan) there has been a successful transfer of 32 staff from external agencies into the Early Help Team. The consolidation of this resource aligns the service more closely enabling more joined-up service delivery.

22. Further progress in developing the multi-agency aspect of Early Help delivery has involved working closely with schools to ensure they have a good understanding of the offer in Worcestershire and the role they play. We are also working closely with Essex County Council, particularly around building capacity of Early Help in our partnerships. We are implementing the roll-out of Signs of Safety (a new strengths based social care practice model) across our partnerships.

Troubled Families

23. Worcestershire is currently in the fourth year of delivery of the Troubled Families Programme, a national programme of targeted intervention for families with multiple problems. As part of our continued effort to enhance multi-agency coordination we are using the programme to ensure that our partnership working is providing the best outcomes for children. We are currently working closely with the Ministry of Housing, Communities and Local Government (MHCLG) to ensure that we make the most of the programme's opportunities, to bring in resource to assist with delivery of Early Help in Worcestershire.

24. There is close contact with colleagues from the MHCLG. Following a recent visit the MHCLG Troubled Families Practice Lead provided specific feedback on our Troubled Families Outcomes Plan, noting that it is comprehensive and covers everything the Ministry would expect. It is of a good standard.

25. Public Health colleagues are currently finalising the Early Help Needs Assessment, a research document which will provide valuable information on the levels and areas of need, and specifically help us to understand the Troubled Families themes identified in the national framework.

Finance and Human Resources

26. Additional investment in frontline social workers and management has meant a reduction in the manager to worker ratio and a reduction in average caseload. Reporting and publications about the improvement, as well as additional investment, means we are competing as an employer of choice. We have seen a high number of new recruitments and an 11% reduction in turnover.

27. However, we have not yet achieved our 85% permanent staff target and, due to the poor quality of some agency staff, turnover still presents a challenge on the front line.

28. A further £10.5million was allocated in the 2018/19 budget to support the growing number of looked after children and the increased demand within the safeguarding and care system. Although work continues to ensure the best value for money solution, there remains a risk associated with a demand related service.

Worcestershire Children First

29. In compliance with the directive issued by the Department for Education (DfE) work is progressing on forming our company Worcestershire Children First, which will assume operational responsibility for delivering children's social care. The aim is that at the point of transfer the service will be performing well, providing a positive platform to enable sustained progress and continued improvement of outcomes for children and young people.

30. The DfE has agreed to extend the programme by six months, so Worcestershire Children First will now formally launch on the 1 October 2019. This will allow us to better manage a predicted intense period for children's service and will permit a proper shadow period from 1 April 2019.

31. The DfE has also confirmed the financial support package, which includes £3.15m set-up costs and a contribution to non-executive directors for a two-year period.

32. It is now expected that Worcestershire Children First will be able to charge VAT, which the council will be able to claim back. This will be factored into the work on the company's budget and will be reporting to cabinet in the autumn.

33. Work is still taking place on clarifying the additional running costs of the company, however, we are expecting this to be considerably less than the £2.2m predicted in the business case.

34. The recruitment campaign for the company's chairperson has been launched and interviews will be held in the autumn. This is a DfE appointment and the role is government funded whilst the council remains under statutory direction. Work also continues on agreeing the senior management structure for the company. We will continue to work with the Commissioner on agreeing the right way forward. Investment into practice-based leadership to develop leadership capacity, capability and resilience is important to sustain the positive trajectory of improvement.

Corporate Parent (and Corporate Parent Board)

35. The April 2018 Ofsted monitoring visit found 'corporate parenting' to be, 'a strength'. The report said, 'Leaders have done much to improve on how they listen to children by broadening the range of children and young people with whom they consult. Relevant issues are now discussed at the corporate parenting board and this is resulting in a positive impact for children in care and care leavers'.

36. Areas of improvement include:

- Greater involvement of young people in setting the agenda and providing evidence. In particular a 'take over' of the annual board meeting (which was particularly challenging)
- Greater involvement of a wider number of districts and district councillors (both at Board meetings and their locality)
- The emphasis placed on 'looked after children' by the former Chairman of the County Council during her year in office, helped by councillors who arranged local events.
- An approach which has been in the main collegiate
- Attention and accurate reporting from the local press.

37. A recent training session was used to formulate ideas to develop the Board, further increase the status of its district members and encourage involvement of associated organisations.

Serious Case Reviews

38. A serious case review (SCR) takes place after a child dies or is seriously injured and abuse or neglect is thought to be involved. The review will look at the actions of agencies (e.g. county, health and police) and lessons that can help prevent similar incidents from happening in the future. The outcome of any SCR is considered by Worcestershire Children Safeguarding Board.

39. There have been two SCRs involving Worcestershire children in the past two years.

Children's Centres

40. Multi-agency services for our youngest children (including health, education and support) continue to be provided utilising facilities in the community and include using places built under the children's centre programme.

41. The focus is on ensuring these community facilities are appropriately managed and used in a sustainable way. Children's and Young People's Scrutiny Panel has received updates and will be considering the latest report tomorrow (14 September 2018).

Short Breaks Respite for Children with Disabilities

42. The Local Authority is required to provide services designed to give respite for parent carers of children with disabilities in order to assist them to continue to provide care or to do so more effectively.

43. Short breaks form part of a continuum of services which support children in need and their families. This can include the provision of a range of care that can take place in the community or in the child's own home.

44. During this year we have extensively reviewed and consulted on short breaks respite. This has resulted in an increase in the number of providers available to deliver 1:1 support and we are commissioning for group based activities to be widely available in the community.

45. In July, Cabinet approved the next steps for redesigning residential overnight short breaks. Officers are working with the parent carer forum Worcestershire (Families in Partnerships) and Worcestershire Health and Care Trust to progress the recommendations. The Children and Young People Scrutiny Panel received an update at the beginning of August 2018.

Adoption Central England

46. Following the Government's commitment to redesign adoption services across the country, the local authorities of Coventry, Solihull, Warwickshire and Worcestershire set up a new regional adoption agency called Adoption Central England (ACE). It officially launched on the 1 February 2018 and Worcestershire staff members have transferred to ACE under a secondment arrangement.

47. ACE is hosted by Warwickshire County Council and is not within the scope of Worcestershire Children First. The local authority retain a clear governance arrangement for ACE and strong links with the safeguarding service to ensure there is high quality and timely transitions of work between the two services.

Strategic Commitment, Investment and Leadership

48. Ofsted has noted the clear buy-in and investment from elected members and senior leaders with significant financial investment to enable implementation of change. It considered that 'elected members and senior managers have done much to improve how they listen to children and take positive action as a result'.

Andy Roberts

Cabinet Member with Responsibility for Children and Families

(b) Report of the Cabinet Member with Responsibility for Education and Skills

49. It gives me great pleasure to present my first report to Council as Cabinet Member for Education and Skills. I very much welcome the decision taken in 2017 for the split of the portfolio from Children's Social Care as Education and Skills is a large area in its own right and it allows Councillor Andy Roberts and I to focus more specifically on these very important areas.

50. Despite the changing shape of Education since the drive on academisation by David Cameron's Conservative Government in 2010, we as the Local Authority still have a wide range of duties and powers laid down in a variety of education legislation and associated statutory guidance. In brief some of the main responsibilities include:

51. Place planning - we have to make sure there are enough early years, school and specialised places and provision for 0-19 year olds and up to age 25 for young people with disabilities and special educational needs.

52. We must ensure the places that are available are of a high standard and achieving high outcomes for every child. Our role is to create the environment where schools are responsible for their own improvement, and are able to draw from a range of coordinated support and challenge. The emphasis is on collaboration, with the ultimate goal of improving individual school outcomes and the performance of the education system across Worcestershire.

53. We must ensure all children and young people are able to access provision through transport arrangements, disability access and effective admissions arrangements. We retain responsibility for home to school transport policies and for ensuring that there is sufficient access to provision within a reasonable distance for all children and specifically for children and young people with disabilities. We currently have a net spend of £13.7m for Home to School Transport (£8m for SEND and £5.7m for non-SEND).

54. We have responsibility for operating the admissions arrangements for our maintained schools and for coordinating the admissions arrangements for all schools.

55. A key responsibility for us is to ensure that vulnerable children are adequately supported. The phrase 'vulnerable children' means identified groups of children who are often likely to have poorer outcomes than their peers.

The Schools Landscape

56. We have a diverse range of 242 schools across Worcestershire. This is made up of 1 nursery, 176 Primary/First schools of which 52 are academies, 19 Middle schools of which 10 are academies, 30 Secondary and High schools of which 25 are Academies and 16 Special/Alternative/Free schools. We have 16 pyramids, some operating 2-tier primary and secondary and some 3-tier first, middle and high and some where there is a mixed picture.

57. The latest national statistics for the recent overall effectiveness for schools inspected at 31 July 2018 show of our 242 schools 85% are rated as good or better by Ofsted, which is broadly in line with the England average of 86% and the West Midlands average of 84%.

58. Currently we have 46 schools rated as outstanding by Ofsted, and 160 rated as good. We have 19 schools who require improvement and 17 who are rated as inadequate.

59. Babcock Prime Education continue to work in close partnership with Worcestershire County Council in seeking to ensure a high proportion of good/outstanding schools, raise outcomes for pupils at all phases, especially for vulnerable learners and build capacity for a school-led improvement system.

60. In 2018-19, the school improvement and early years teams will be working on an increased district level footing to deliver its services for schools that are judged by Ofsted 'to require improvement' or 'inadequate' by Ofsted and those at risk of such judgements. All such schools will have access to a series of leadership development seminars through Babcock's Aiming for Outstanding policy and to initial and follow-up reviews by attached improvement advisers. There will be district-level delivery of a comprehensive programme aimed at raising standards in English and Mathematics and access to specialist reviews, for example around early years, governance or inclusion, where advisers and school leaders identify a need.

61. For schools requiring intensive support, a school-to-school support package may be arranged. These schools will be subject to close monitoring as well as support with the goal of ensuring overall effectiveness is good or better within tight timescales. In terms of the wider audience of maintained schools and academies, Babcock Prime will be working closely with Phase Head Teacher representatives, the Local Authority, Worcestershire Teaching Schools and other partners such as the Diocese of Worcester and Wychavon District Council in support of wider partnership working with groups of schools in support of school improvement.

School Places

62. During the last academic year over 1,400 applications were made for school places across Worcestershire. This year over 97 % of applications were made electronically, making the process more convenient for residents and much more efficient to run.

63. For high schools almost 6000 applications were received with over 90% being offered places at their first choice school. A further 5 % received offers for their second choice school. For Primary schools over 6000 applications were received with almost 93% being offered places at their first choice school. Over 97% of children received offers for one of their first 2 choices. At Middle schools the performance was even better. Of the 2259 applications received over 99% received offers for one of their top 2 choices. 97.5% were given offers for their first choice school.

64. In terms of Worcestershire's performance national comparative data is available for Year 7 1st preferences, which for Worcestershire are 89% against the England average of 82% and the West Midlands average of 79%, showing that we meet much more 1st preferences than are met both nationally and regionally.

65. Also, over the last few years, Worcestershire has been promoting applying online via the County Council's website. When this service began in 2007, 4% of applications received were made on line. As stated, this year achieved 97% of all Worcestershire applications being made online.

66. At every phase no children were left without an offer of a primary, middle or high school place.

School Funding Issues

General Context

67. The Department for Education (DfE) continues to set the national policy direction for school and other provider funding.

68. From 2018-19, this has culminated in the introduction of a National Funding Formula (NFF) arrangement for the Dedicated Schools Grant (DSG) for Schools, Central School Services and High Needs. The DSG for Early Years has already been subject to a NFF from 2017-18.

69. The NFF is allocated to Local Authorities (LAs) by the DfE on a national formula with parameters set by them. As a consequence, Worcestershire has seen increases in 2018-19 compared to the 2017-18 baselines for the Schools Block of +£10.7m and High Needs Block of +£1.3m. Indicative allocations from the DfE in July 2018 are predicting a further +£3.7m for the Schools Block and +£1.7m for the High Needs Block in 2019-20, compared to 2018-19.

70. For mainstream schools funded from the Schools Block DSG, LAs are able to continue to set a local schools funding formula in the period 2018-19 to 2020-21 prior to the full NFF, which has to be based upon and comply with the DfE NFF parameters in the School and Early Years Funding Regulations. After an extensive consultation with all mainstream schools in the Autumn Term 2017, schools were supportive of moving to the NFF parameters in this period and this was approved by Cabinet in December 2017 to operate. The additional Schools Block DSG through the NFF is required for mainstream schools to implement the NFF formula parameters.

71. For Early Years 3 and 4 year olds, the setting by the DfE of a NFF national hourly minimum rate and other changes, including the increase of the universal entitlement of 15 hours a week to 30 hours a week for working parents, has resulted in changes in funding.

High Needs

72. The NFF for High Needs is allocated by the DfE to LAs.

73. Unlike the Schools Block there is no local formula requirement apart from the funding of commissioned places at £10,000 as prescribed by the DfE. LAs are free to determine the funding of any additional needs above this level through their top up systems.

74. The majority of LAs, including Worcestershire, are experiencing significant financial pressures on their High Needs DSG. This is as a consequence of increases in the overall number of pupils with SEND; increased placement demand in specialist providers e.g. special schools, pupil referral units and alternative provision; increases in the complexity of need; demand pressures for more post 16 provision for general and more complex placements and to reflect the age range for support is now 0-25; and increases in independent schools SEND placements.

75. There has been some increase in the High Needs DSG as a consequence of the NFF but this will only partly cover these cost pressures and LAs are pressing the DfE through their respective networks for additional funding as well as discussing local solutions.

76. Following the outcomes of the joint Ofsted and the Care Quality Commission (CQC) inspection in March 2018, of the effectiveness of the Worcestershire area in implementing the SEND reforms Her Majesty's Chief Inspector (HMCI) required that a Written Statement of Action between the LA and the area's Clinical Commissioning Group (CCG) be submitted. The statement prepared included a detailed action plan demonstrating how the local area will tackle the areas for improvement identified by the inspection. The action plan sets out how the County Council and the CCG will work together with partners, parents and young people to improve outcomes for children and young people with SEND. A pervasive theme throughout the plan is to build trust and confidence amongst parents, carers, children and young people with SEND. The plan was considered by the Children and Families Overview and Scrutiny Panel on 8 August 2018 and approved by myself on 10 August 2018 before the required submission to OFSTED and the CQC by the due date.

F40 Group

77. The County Council has, for a number of years, been a key member of the F40 Group which represents the lowest funded LAs and continues to take an extremely active part in the group's work being represented on both the Executive Committee. LA officers play an integral part in the Finance Research Group supporting the development of NFF options for consideration.

78. The group recently made a submission on School Funding to the Education Select Committee as part of the call for evidence in their review, which highlighted continuing issues and areas that still need to be addressed in the NFF as well as significant school and LA cost pressures.

Budget

79. The 2018/19 gross expenditure budget for Education and Skills, including Home to School Transport (HTST) is £33.541m. Education and Skills makes up £18.084m of this whilst the HTST element is £15.457m

80. This is funded by grants and other income totalling £15.512m.

81. This leaves a net expenditure budget for 2018/19, including central support charges, of £18.029m

Education and Skills	£4.337m
HTST	£13.692m
Total net expenditure budget	£18.029m

82. There are 49 FTE employees. (This figure excludes staffing for commissioned out services, HTST and Adult Education.)

Babcock Prime Education Services

83. In 2015 the council commissioned Education Services from Babcock Prime. Services have been maintained whilst achieving a savings target of 50% of the core budget. The core budget was £2.3m in 17/18 with further savings ambitions on target to be met. Services are funded from grants out of all of the DSG funding blocks and County Council base budget.

84. The contract is subject to a number of Key Performance Indicators (KPI's) which are monitored as part of the contractual arrangements. Officers have good governance and monitoring arrangements in place, which are being made more collaborative and robust, adopting a 'One Worcestershire' approach that builds relationships between Council Group Managers and Service Managers at Babcock. Officers are currently revising all KPI's for October 2018, to be more reflective of the changing education landscape since the original award of the contract 3 years ago, these KPIs will be more monthly reportable and easier to monitor for progress. The current KPIs are more a measure of educational performance in Worcestershire, rather than the contribution Babcock can provide as the contracted provider. We will be having joint 'One Worcestershire' KPI's as well as those contractually for Babcock.

85. We are now moving into a critical phase of the agreement and need to look at our future options. The contract was issued for 5 years and the initial term will end on 1st October 2020. These will be presented to Councillors in due course.

Attainment

Key Stage 2

86. Year 6 is the final year of studying the key stage 2 curriculum for pupils and they usually reach the age of 11 during the year. Over 6000 children in Worcestershire have recently completed year 6.

87. Since 2016, pupils at the end of key stage 2 have been assessed in reading and maths using a scaled score system. Writing is assessed by teachers and externally moderated based on work which pupils have completed in class.

88. In 2018, 61% of pupils in Worcestershire achieved the expected standard in all three subjects (reading, writing and maths) compared to a provisional 64% nationally. This represents an increase of 4% locally and 3% nationally since 2017.

89. Provisionally, 73% of Worcestershire's year 6 pupils achieved the expected standard in reading in 2018, 76% achieved the expected standard in writing and 72% in

maths. Although these figures lie below the national average they do show an improvement of between 2 and 3 percentage points compared to last year.

90. Pupils in Worcestershire appear to have average scaled scores of 105 in reading and 103 in maths compared to 105 and 104 nationally. In the case of reading this indicates a small increase whilst maths in the county has remained more or less the same.

GCSE/Key Stage 4

91. GCSE results for the county this year were an improvement on 2017 which is great news and great reward for the county's students and staff who continue to work tirelessly. Initial data provided by 30 schools shows 67% of students in the county achieved a standard pass in English and Maths. In 2017, the figure was 65.5%. A grade 4 (or standard pass) indicates a similar level of achievement to the old C grade. A grade 5 (or strong pass) under the new system is similar to a high C or low B in the old system.

92. There will be further comparative information available when the overall national position becomes available later in the new academic year.

A level results

93. This year around 1200 students sat A-levels within Worcestershire. Based upon initial data provided by 23 schools to the County Council the average grade achieved by A level pupils in Worcestershire is better this year compared with 2017. The average A-level grade across the County Worcestershire was between a B and a C, which represents a slight improvement from last year (2017) when the average grade was a C grade. Based on each student's best 3 grades, Worcestershire's average points per entry appears to have fallen slightly compared to last year. In 2018, the average point per entry is 31.4 compared to 32.6 in 2017. This appears to be in line with the national trend following changes to the exam structure.

94. There will be further comparative information available when the overall national position becomes available later in the new academic year.

Education and Skills Board

95. WCC administer the Employment and Skills Board (ESB) on behalf of the Local Economic Partnership (LEP). The Board has a number of priorities but the main focus has been around the Connecting Schools and Business Agenda and developing career planning of education establishments in Worcestershire. Highlights from the past 12 months include:

96. The Worcestershire skills show - Worcestershire County Council's largest annual event - this year involved over 80 employers and was attended by 2900 young people aged between 13 –19 . The event offered a number of have a go activities and interactive presentations to students around Entrepreneurship.

97. The Careers and Enterprise contract focuses on improving the levels of employer interaction with schools. We became the first LEP area in the country to engage all of its Educational establishments to commit to the programme.

98. Over the year our flagship Apprenticeship brand has gone from strength to strength, achieving over 15000 interactions with young people through its partners and engaging with over 500 employers.

99. The brand, offers an impartial website for young people, parents and employers in conjunction with Worcestershire Training Providers Association.

100. The LEP is supporting innovative approaches to encouraging young people into STEM careers including the pilot of a Science Technology Engineering & Maths (STEM) Primary Schools Challenge, rolling out to 90 schools and the development of a Junior Internship Programme for 16-18 year olds. WCC is itself offering placements to young people under this scheme in Civil Engineering.

Virtual Schools

101. The role of the Virtual School Head teacher within the Local Authority is to promote the educational achievement of Looked After Children. There are currently around 550 Looked after Children of School age within the County.

102. The Virtual Head and wider virtual school team have identified the main areas to develop this academic year will be attendance, exclusions and those in receipt of less than 25hrs of education. As a team they will continue to challenge and support schools to raise attainment through monitoring and evaluating progress for all Children in Care. I Chair the Virtual School Governing Body.

103. Earlier this year I had the pleasure of attending the Children in Care Awards celebrates the accomplishments of our young people in care. The event was an opportunity to shine a spotlight on the many impressive things that our pupils have accomplished in often difficult circumstances.

104. The awards were hosted by performance poet Spoz, while Chief Executive Paul Robinson was also on hand to congratulate the 72 young people receiving awards.

105. Currently 21 of our Care Leavers are attending University.

Worcestershire Schools Forum

106. The County Council continues to service and advise the Worcestershire Schools Forum (WSF) and consults the group on school funding matters. In addition WSF members play an active part in communicating required issues to the schools and providers they represent. I attend the meetings of the WSF as regularly as I can.

Governors

107. I would like to take this opportunity to thank the many individuals who serve as governors at schools and colleges in Worcestershire. The role of governing bodies has never been more important than now. The governing body plays a crucial role in providing senior leaders at each institution with support and challenge. We are very keen to do all we can to encourage further volunteers to join governing bodies across the County, bringing with them a wide range of expertise and local insight.

Conclusion

108. The responsibilities of the Education and Skills portfolio are wide and diverse. Our highly committed staff, continue to strive to improve the educational outcomes of all Children across the county. While the challenges over the next 12 months are considerable we will work with school and other partner organisations to give our children and young people the best possible support to achieve their full potential and to live happy, healthy, independent and prosperous adult lives.

109. Can I place on record my thanks to our Director of Children, Families and Communities Catherine Driscoll, Interim Assistant Director for Education and Skills Nick Wilson and all of the many other officers who support me.

Marcus Hart
Cabinet Member with Responsibility for Education and Skills

COUNCIL
13 SEPTEMBER 2018**QUESTION TIME**

Question 1 – Staff morale

1. Mrs R M Udall will ask the Leader of the Council:

"Can the Leader of the Council confirm if he is satisfied or has any concerns about staff morale among employees of the County Council?"

Question 2 – Responsibility for bus service provision

2. Mr R C Lunn will ask the Cabinet Member with Responsibility for Highways:

"Due to the 2017 legislative changes which appear to prohibit County Councils from running their own bus services, can the Cabinet Member tell us what would happen if a bus company withdrew from an area of the county and no other appropriate company wanted to replace them?"

Question 3 – Public Transport Service to the residents of Habberley Estate, Kidderminster

3. Mrs A T Hingley will ask the Cabinet Member with Responsibility for Highways:

"What proposals are being put forward to fulfil the statutory duty of WCC to deliver a Public Transport Service to the residents of Habberley Estate (900 properties) in light of the decline in the commercial services delivered by Diamond Buses in Wyre Forest?"

Question 4 – School Crossing Patrols

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

"I am, of course, delighted that a reprieve has been granted to School Crossing Patrols on Zebra Crossings.

We were originally told that ceasing to operate 15 Crossing Patrols would equate to saving £45,000 pa which would seem to imply that each patrol costs £3,000.

Could she please tell us: when the actual cost per Patrol will be available and how long Community Groups will be given to arrange sponsorship?"

Question 5 – Temporary and casual workers

5. Mr P M McDonald will ask the Cabinet Member with Responsibility for Transformation and Commissioning:

"Would the relevant Cabinet Member with Responsibility please inform me of the number of temporary and casual workers employed between 2016 and 2017 and the total cost?"

Question 6 – Revenue Receipts

6. Mr R C Lunn will ask the Leader of the Council:

"Can the Leader of the Council set out what risks he sees from the proposed switch in our revenue receipts from central government funding to keeping our local business rates from 2020. Does he perceive this to be dangerous at a time of extreme high street retail pressure?"

Question 7 – Special school places

7. Mrs F M Oborski will ask the Cabinet Member with Responsibility for Education and Skills:

"Last term there was a predicted shortfall in the County in Special School Places for this term. Can the Cabinet Member please tell me: How many pupils with EHC Plans were without appropriate County SEND School places on the first day of term this September? How many have had to be placed out of County? How many are without any school place at all?"

Contact Points

County Council Contact Points

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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) there are no background papers relating to the subject matter of this report.

COUNCIL
13 SEPTEMBER 2018**REPORTS OF COMMITTEES - SUMMARY OF DECISIONS
TAKEN BY THE AUDIT AND GOVERNANCE COMMITTEE**

Internal Audit Annual Report 2017-18

1. Internal Audit is required by professional standards to provide a written annual report. The content of the report is prescribed by mandatory codes of practice which specifically require the report to provide an opinion on the overall adequacy and effectiveness of the Authority's governance, risk and control framework.
2. Based on the results of work undertaken during the year, the opinion was that the Authority's control environment provided moderate assurance that the significant risks facing the Authority are addressed. This was similar to 2016/17.
3. The Committee has endorsed the Internal Audit Annual Report 2017/18.

External Audit – Audit Findings Report

4. John Gregory, Director and Helen Lillington, Audit Manager from Grant Thornton, the Council's external auditor, presented the External Audit – Findings Report for the Worcestershire County Council Statutory Accounts 2017/18 and Worcestershire County Council Pension Fund Accounts 2017/18. The report summarises the conclusions and key issues arising from the recent audit of the Council's financial statements and their assessment of the Council's arrangements to secure value for money in its use of resources. It also summarises the conclusions and key issues arising from the recent audit of the Pension Fund's financial statements.
5. The key issues in relation to Worcestershire County Council Statutory Accounts 2017/18 were:
 - Grant Thornton anticipated issuing an unqualified audit opinion, subject to outstanding queries being resolved.
 - Grant Thornton had concluded that, except for the matters identified in respect of Children's Services and Commissioning, the Council had proper arrangements in all significant respects.
 - Grant Thornton identified three misstatement audit adjustments to the draft financial statements, two of which relate to year-end adjustments and the third is a re-categorisation from long term creditors to provisions. They also identified misclassification and disclosure changes required in a number of areas. They have all been adjusted by the Council.

6. The key issues in relation to Worcestershire County Council Pension Fund Accounts 2017/18 were:

- Grant Thornton anticipated issuing an unqualified audit opinion, subject to outstanding queries being resolved.
- Grant Thornton identified a number of misclassification and disclosure changes. They have all been adjusted.

7. During consideration of this report it was acknowledged that County Council officers had shown commitment to finalising the accounts whilst dealing with challenging circumstances, including the early statutory deadline. Updates to the report circulated at the meeting showed that nearly all outstanding issues set out when the agenda was published for the meeting had been resolved. The Committee noted the External Audit findings report, and in addition:

- delegated authority to the Chief Financial Officer in consultation with the Chairman of the Committee to make any residual comments on the Accounts as appropriate following the conclusion of any outstanding external audit work, and
- authorised the Chief Financial Officer to sign the Letters of Representation on behalf of the County Council.

Annual Governance Statement 2017-18

8. The Council is required, as part of its ongoing review of the effectiveness of its governance arrangements, to produce an Annual Governance Statement (AGS) for 2017/18. This has been signed by the Leader of the Council and Chief Executive. The AGS forms part of the Annual Statement of Accounts.

9. The AGS is primarily retrospective. It reports on the assurance framework and measures in place for the financial year 2017/18 and takes into account any significant issues of governance up to the date of publication of the Statement of Accounts. The AGS outlines the actions taken or proposed to address governance issues identified.

10. The AGS includes the following governance issues as areas for improvement. Items which were included in the 2016/17 AGS and remain governance issues following review in 2017/18: Sustainable improvement in Children's Services; Migration of Human Resources and Finance Systems; and ensuring the delivery of the Council's vision and corporate objectives, in line with the Medium Term Finance Plan. The following new issues have been identified as part of the 2017/18 review process: Sustainable improvement in Children's Services; Adult Social Care Operational Pressures; and Staff capacity, recruitment and retention.

11. Grant Thornton, the Council's external auditors, have considered the AGS as part of their external audit, and have confirmed that it is consistent with their knowledge of our organisation and the financial statements. The Committee has approved the AGS 2017/2018.

Annual Statutory Financial Statements for the year ended 31 March 2018

12. The financial position reported in the Council's Statutory Accounts for 2017/18 was a small surplus of £0.188 million against the net budget of £324 million, with an accounting surplus, which includes adjustments of £50.5 million, for pension's actuarial costs, capital costs and other financial adjustments, of £64.4 million. The County Council's General Fund reserve balance has increased by £0.2 million to £12.2 million, whilst there has been a decrease of £14.1 million on available earmarked reserves taking their balance at 31 March 2018 to £84.4 million.

13. The value of the Pension Fund's net assets increased by £220.1 million from £2,480.9 million at 31 March 2017 to £2,701.0 million at 31 March 2018. During the year a surplus resulted on the Pension Fund accounts totalling £114.8 million, an increase of £80.4 million from a surplus of £34.4 million in the previous year.

14. The external audit identified a number of corrections which were agreed and completed; none of these were material or require any changes to the key statements. There have been improvements in the quality of the working papers in general, although we have experienced some issues with how we report from the e5 financial system and the quality of some source documentation. Areas for improvement have been identified, along with related training and development opportunities.

15. The Value for Money assessment has concluded that the Council has proper arrangements in all significant areas, leading to a qualified "except for" conclusion in our arrangements securing economy, efficiency and effectiveness by the external auditors, with the Children's Ofsted inspection assessment and our commissioning processes as the "except for" items. Recommendations for improvement have been made by the external auditors and this will be considered alongside existing plans.

16. The Committee has approved the Final Accounts Pack, including the Statement of Accounts for the financial year ended 31 March 2018

HR/Finance Systems Implementation – Update

17. At its meeting on 16 March, the Committee requested a further report to include: summary details including categorisation of any under/overpayments since go live; the number and type of wider issues (including complaints) raised by Council and School employees to understand the proportionality of the issues experienced; and a copy of the report provided to the external auditor. Gerwyn Baker (Director) and Sian Roberts (Contract Director) from Liberata attended the meeting for this item.

18. There were many lessons to be learned from the implementation of the new HR/Finance system. The actual go live issues were disappointing but quickly managed, albeit with significant divergence of resources on all sides.

19. Lessons are to be learnt regarding ensuring if such events were to occur again further capacity is needed to explain and provide information to councillors and others to provide assurance and openness of the issues and how they are being resolved. Learning points from the independent review were reported to the last Committee meeting and there are key improvement activities taking place to develop approaches to future commissioning.

20. The improvement board and the contract management board actively manage the contract and activities. In addition, regular operational meetings take place between Council and Liberata staff. This includes specific meetings around closure of accounts issues. The Committee has noted the report and requested a further update at its next Committee on the Finance Improvement Programme

Internal Audit – External Quality Assessment

21. Internal audit within the public sector is governed by the Public Sector Internal Audit standards (PSAIS) which have been in place since 2013 but were significantly updated from April 2017. Compliance with the standards is mandatory for all principal local authorities. PSAIS aims to promote continued improvement in the professionalism, quality and effectiveness of internal audit services and a key element of this is to require audit services to have a periodic external assessment of compliance with the standards once every five years as part of the internal audit quality management programme.

22. The overall picture, from what has been a very rigorous and challenging assessment, is positive with the overall conclusion being that the service complies with the expectations of the Standards and out performs other audit services in local government. Audit reports can now include a statement of conformance with the Standards. The report identifies a number of good practice points where the service can be enhanced even further. These will be considered by the Service and an action plan will be developed. The Committee has noted the outcome of the external quality assessment of the Council's internal audit service.

Internal Audit Plan 2018/19

23. The Council has a duty to undertake an effective Internal Audit to evaluate the effectiveness of their risk management, control and governance processes, taking into account relevant auditing standards. To ensure the best use of limited Internal Audit resources audit work needs to be carefully planned. In accordance with its terms of reference the Committee's role is to review the annual Internal Audit work plan. Good practice requires the Council to recognise that the plan should be responsive to changes in risks during the year and will therefore be reviewed at intervals throughout the year to ensure it remains relevant. The Committee has endorsed the Internal Audit Plan 2018/19.

24. The Internal Audit function is governed by its Audit Charter, which is a requirement of the Public Sector Internal Audit Standards and sets out the purpose, authority and responsibility of internal audit. The current Audit Charter was last considered by the Committee in 2017 and at this time no changes are proposed.

Member Development

25. A key requirement of an effective Audit Committee is well-informed members that collectively have some knowledge and experience of the key areas to be considered by the Committee. Appropriate and timely training for Members is an important way of ensuring Members are well prepared and gain the knowledge and experience needed to carry out their role effectively.

26. The Committee has agreed that a half day training session be held during October and officers will explore the potential for participative on-line seminars for further training sessions.

Work Programme

27. The Committee has noted its future work programme.

Commissioning

28. Following requests at previous meetings in relation to the internal audit reports in relation to the Bromsgrove Rail project and the Evesham Abbey Bridge project, the Committee received a high level summary of the outcome of these audits and a summary of the results of three other related audits (contracting, procurement and Place Partnership) to give a more rounded picture of key governance, control and risk issues relating to commissioning and contracting activity generally.

29. The report concluded that the report to Cabinet on the Bromsgrove project did not clearly set out the financial implications of the project and did not reflect the agreements made with partners. The key issues on the Evesham project were the Contractor's seriously under-priced bid and a skills deficit within the Council and as such this project shows the risks in accepting underpriced tenders i.e. those which offer the contractor no financial margin, especially where the contractor is also taking on significant cost risks. It also exposes the need for further skills development particularly around business case development and tender evaluation.

30. It is important that contract monitoring arrangements are robust to ensure that benefits, both financial and quality, originally identified are being achieved and contractors held to account for poor performance. Whilst areas of good practice were identified in procurement and contract management, the audits identified a range of non-compliances and need for additional guidance and support. Whilst some non-compliance is inevitable given the scale of procurement activity within the Council, the audits indicate that improvements in processes and overall levels of compliance are required.

31. The audits taken together with known issues arising from other significant contracts (Liberata) suggest that more guidance, support and training (particularly around service specification, business case development and tender evaluation) and better quality assurance / compliance monitoring is required. The Committee was particularly concerned that lessons learned from both successful and less successful commissioning were shared and that reputational risk should be part of the consideration of projects. The Committee has noted the issues arising from internal audits on commissioning issues.

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 26 July 2018.