

Cabinet

Thursday, 19 November 2015, County Hall, Worcester - 10.00 am

Present:

Minutes

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

Also attended:

Mr A A J Adams, Mr R W Banks, Mr P Grove, Mr P M McDonald, Dr K A Pollock and Mrs E B Tucker were also in attendance.

Available Papers

The Members had before them:

- A. The Agenda papers (previously circulated); and
- B. The Minutes of the meeting of the Cabinet held on 15 October 2015 (previously circulated).

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

1696 Apologies and Declarations of Interest (Agenda item 1)

Mr M L Bayliss, Mr S E Geraghty, and Mrs L C Hodgson declared an interest in agenda item 8 as members of Worcester City Council.

Mr J P Campion and Mr M J Hart declared an interest in agenda item 8 as members of Wyre Forest District Council.

Mr A I Hardman declared an interest in agenda item 8 as a member of Wychavon District Council.

1697 Public Participation (Agenda item 2)

None.

A Minute's silence was held for Jim Parish who had passed away recently.

1698 Confirmation of the Minutes of the previous meeting

RESOLVED: that the Minutes of the Cabinet held on 15 October 2015 be confirmed as a correct record and signed by the Chairman.

(Agenda item 3)

**1699 Delivering the
Corporate Plan -
FutureFit
Update
(Agenda item 4)**

The Cabinet considered the emerging Corporate Plan: FutureFit 2020 and its proposals including a programme of communications and engagement in Autumn 2015. The details were set out in the report and its Supporting Information.

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

- (a) The Leader of the Council introduced the report and commented that:
- Worcestershire was a county that was achieving at the moment. Over a 5 year period, the County had the 3rd fastest growing LEP area and productivity was the fastest rising of any LEP in the country. Nine out of ten schools in the county were rated as good or outstanding by Ofsted. More money had been invested in infrastructure. However there was still a long way to go
 - The Council was determined to listen to the public and this was reflected in a gradual change in perception of the Council by the public
 - A lot of effort had been made to engage the business community which was paying off
 - There was a drive towards inward investment and self-sufficiency for the County and with the future government proposals to return business rates to local councils by 2020, this Council would be in a good position to rely on the endeavours of the people of Worcestershire rather than central government hand-outs
 - The Adult Social Care budget was under control and he was hopeful that the financial settlement from the government would address the pressures facing social care
 - A meeting was planned with the Secretary of State to discuss the devolution deal for the County
 - Continued emphasis would be placed on growing the Council's own talent to deliver services in a different and more challenging way. Despite the period of austerity, over £1m a day was being spent on Council services. This Council remained a well-managed and financially strong body to develop

Worcestershire's ambitions for the future

- The Secretary of State had indicated that the local government financial settlement would not be announced until 23 December 2015

- (b) The report highlighted the emphasis placed on public communication and engagement with the views of over 50,000 local residents being sought and a roadshow programme that attracted 800 residents. These views had been fed through the planning cycle. The Commissioning process was a cycle and the Council would continue to look at the best and most appropriate mechanisms to provide services that maximised value for money. The most appropriate delivery mechanism would alter as circumstances changed
- (c) The Cabinet Member for Health and Well-being explained that he had been contacted by a representative of the Worcestershire Carers Association who had expressed a concern about the savings proposed to be made in supporting employment for people with learning difficulties and the inability to re-commission the service following the failure of the current provider to re-tender for the service. This referenced paragraph 58 and the supporting papers and was a consequence of delivering the service in a different way. There was no market interest and the current provider did not bid. He thanked the Carers for their work and would ensure that they received a full response to their concerns
- (d) A Member from outside the Cabinet expressed concern about the impact of budget reductions on local residents and encouraged the Council to lobby the Government to tackle tax-avoidance. He also expressed concern over the lack of democratic accountability of LEPs given the amount of public money available to them
- (e) The Leader of the Council commented that services would be provided differently and would be focussed on commissioning outcomes. The County Council was the authorised body for the Worcestershire LEP and therefore was formally responsible for its decision-making. There were a series of checks and balances on the way the LEP operated through the Section 151 Officer and bodies such as Worcestershire Transport Board.

RESOLVED: that

- (a) the significant progress since 2011/12 of the FutureFit Programme and its achievements through the last 12 months be noted;**
- (b) support, in principle, be given to the FutureFit 2020 vision, ambition and developing proposals as set out in the report and supporting information that:
 - i) will fulfil our Corporate Plan, FutureFit, through the continued improvement of Council Services to Worcestershire's residents and businesses, and**
 - ii) contribute to meeting the Government's overall deficit recovery plan whilst achieving the priorities of the Council's Corporate Plan in 2016/17 and beyond to 2020;****
- (c) the proposed programme of communications and engagement, set out in the report and supporting information, with members, residents, businesses, unions, staff and other stakeholders in Autumn 2015 be endorsed, whilst the proposals are at an early stage, to enable informed decisions to be taken during the budget-setting process for 2016/17 onwards;**
- (d) the proposals outlined in this report and supporting papers, that are intended to deliver £4.5m additional savings per annum, be supported in principle;**
- (e) the Strategic Leadership Team be requested to work with Cabinet Members to develop further proposals to close the emerging potential financial gap of around £3.4 million to balance the 2016/17 budget; and**
- (f) the involvement of Scrutiny be supported to inform the approval of the revised Medium Term Financial Plan and budget-setting to include, where possible, the identification of alternative ways in which the financial gap could be closed.**

**Management,
Prevention
Policy and 0-19
Services
Commissioning
Plan
(Agenda item 5)**

managing demand for Council services. The details were set out in the report and its Appendix.

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

- (a) The Cabinet Member with Responsibility for Health and Well-being introduced the report and commented that the Council was taking an activity and outcome-driven approach to this area of work with prevention being a key objective. The All-age Prevention Strategy had 5 key themes. In particular, he highlighted commissioning prevention services based on evidence of effectiveness and within the funding available; and Gate-keeping services in a professional, systematic and evidenced way. An 'early help offer' had been developed. Throughout the implementation of the Early Help Strategy the demand on children's social care and other specialist services had continued to increase. Following comments received about greater clarity after a peer review, the Strategy had been refreshed and re-focused. A new integrated service with public health would be developed with an associated budget of £9.5m. It was envisaged that this new service would be up and running by October 2016. He hoped that the Health and Well-being Board would provide challenge and feedback on this new integrated service. The Cabinet Member with Responsibility explained that the Council would have due regard to the Public Sector Equality Duty and Equality Impact Assessments and other statutory duties such as under the Childcare Act 2006
- (b) It was important that the Early Help Strategy reached out to those children requiring help from the Council at as early stage in their life as possible to enable support to be targeted effectively. A joined-up strategy was required to support families working with partner organisations to ensure improved outcomes. This would not be a quick fix but there should not be any further delay
- (c) A Member from outside the Cabinet commented that the proposals represented nothing more than a service budget reduction. Prevention was about young people and when they attended youth centres, the Council had the ability to gather intelligence about vulnerable individuals. In response it was commented that the key issue was addressing the cause of the problem in a social setting and not

necessarily providing additional funds for the sake of it

- (d) A Member from outside the Cabinet was concerned about the proposals to delegate responsibility for the implementation of the projects to officers and Cabinet Members without any further recourse to public debate. In response it was commented that delegated decision-taking was a legitimate process that ensured that decisions were made in an efficient manner whilst providing the same opportunity to influence the decision-making process. Reports to Cabinet Members would be publicised ahead of the decision and their decision could also be called-in just as for Cabinet decisions
- (e) A Member from outside the Cabinet emphasised that good outcomes were being achieved in Early Help under the children community arrangements and there was strong evidence base in local areas to support this assertion
- (f) The Council was still spending a considerable amount of money on prevention and it was right to expect better outcomes. Outcomes up to now had been disappointing therefore a reformed approach with greater integration was necessary at this point.

RESOLVED: that

- (a) the All-age Prevention Policy set out in the Appendix to the report to replace the existing Early Help Strategy, be approved;**
- (b) consultation on the design of a new 0-19 integrated prevention service for children, young people and families as outlined in paragraphs 13-17 of the report, including the use of buildings to provide the service, be approved;**
- (c) the Director of Children's Services in consultation with the Director of Adult Services and Health and the Cabinet Members with Responsibility for Children and Families and Health and Well-Being be authorised to finalise the consultation documentation and to undertake the consultation exercise;**
- (d) the Cabinet Member with Responsibility for Health and Well-Being in consultation with the Cabinet Member with Responsibility for**

1701 New Technologies in Care (Agenda item 6)

Children and Families and the Directors of Adult Services and Health and Children's Services be authorised to determine the design of the 0-19 integrated prevention service referred to in (b) above and the use of buildings to provide it, having regard to the consultation and the Council's statutory duties; and

- (e) authority to approve the final specification, tendering and contractual decisions and future use of buildings for such an integrated prevention service be delegated to the Director of Adult Services and Health in consultation with the Director of Children's Services and the Cabinet Members with Responsibility for Children and Families and Health and Well-Being.**

The Cabinet considered using reserves of £2m for the procurement of Innovation Partnerships for the development of technology in care. The details were set out in the report.

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

- (a) The Cabinet Member with Responsibility for Adult Social Care introduced the report and commented that the project would support the Council's strategy for preventing people coming into care, promote independence and help self-funders. Technology would help all communities but particularly those who were frail and in need of some support. The personalised technology was not new but was aimed at enhancing the quality and safety of everyday living. It was recommended that one-off monies of £2m be set aside from Directorate reserves to invest in the development of new technologies
- (b) This project was not necessarily about budgetary reductions but improving the quality of life of the County's ageing citizens. The intention was to ensure as many people as possible lived in their own homes independently for as long as possible. Working with technology companies to develop new technology was vital in achieving this aim
- (c) The technology would be tested in the environment with the people who needed it and if it did not work satisfactorily, then alternative technological solutions would be sought

- (d) A Member from outside the Cabinet commented that the use of new technology was welcomed however there was a concern that this technology was being used to reduce budgets. Introducing technology should not be at the expense of human contact with staff. Cabinet members might also wish to note that the County had the highest tariff for the rapid charge for electric cars in the country
- (e) A Member from outside the Cabinet stated that there should be an awareness of the impact of introducing new technology to old and often confused people who might not understand the implication of its use
- (f) The Cabinet Member with Responsibility for Adult Social Care added that there were cost savings to be made but the aim of providing new technology was not to reduce human contact with staff/people but to reduce the dependency on direct support and provide an element of choice for the individual on how to make contact.

RESOLVED: that

- (a) the New Technologies in Care Project be endorsed and its contribution to making revenue savings and mitigating cost pressures to a total of £5.2m be noted;**
- (b) the procurement of one or more Innovation Partnerships for the development of technology in care be approved;**
- (c) the set aside of a total of £2m from Directorate reserves for one-off investments to be made on the basis of business cases from Innovation Partners that can demonstrate clear benefits be approved;**
- (d) Full Council be recommended to approve the addition of this £2m of Directorate reserves to the Capital Programme; and**
- (e) authority to approve individual business cases and appoint one or more Innovation Partners to such Partnerships be delegated to the Cabinet Member with Responsibility for Adult Social Care in consultation with the Director of Adult Services and Health.**

**1702 West Midlands
Rail Devolution
(Agenda item 7)**

The Cabinet considered arrangements for the development and oversight of West Midlands Rail Limited and County Council representation on its Board of Directors. The details were set out in the report and its Supporting Information.

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

- (a) The Cabinet Member for Highways introduced the report and commented that West Midlands Rail partner authorities had been developing a proposal for increasing local involvement and influence over the local rail services for approximately two and a half years, in line with Government policy on devolution and evidenced by the benefits experienced elsewhere (e.g. Merseyside) from local control of rail services. In order for partner authorities to be active partners in the future management of the West Midlands rail franchise, the Department for Transport required that an appropriate governance framework was in place. The aims of the partnership were consistent with the Council's priorities. It was important for the Council to be involved in the West Midlands Rail Limited as a member to increase its influence and improve benefits to the County of the rail network
- (b) A good rail service was important for the County and the Council had been supportive of the work of Network Rail and other operators to improve the rail network. However the network was under increased pressure and anything that would increase influence over the franchise arrangements should be welcomed. In particular, the Council needed to extend its influence across county boundaries to achieve the best results with the resources available
- (c) A Member from outside the Cabinet expressed concern that the limited financial contribution by the Council would impact upon the ability of the Council to influence the franchise arrangements. In response, it was explained that the Council would receive equal voting rights within the consortium and therefore the proposal represented good value for money for the Council
- (d) The Leader of the Council paid tribute to the work of Councillor Lawrence, the Leader of Wolverhampton City Council, in driving forward these arrangements.

These proposals were an important step forward for the West Midlands and Worcestershire and he looked forward to further devolution and influence over the rail franchise arrangements. It would also enable the Council to address a series of historical rail service issues.

RESOLVED: that

- (a) the potential advantages to Worcestershire of joining a consortium of local authorities to influence the West Midlands Rail franchise be noted;**
- (b) the proposed governance arrangements for the development and oversight of West Midlands Rail Limited, established as a company limited by guarantee with a Board of Directors appointed from each of the constituent partner authorities for the purpose of providing local democratic strategic guidance for the specification of the new West Midlands rail franchise being let by the Department for Transport (DfT) during 2017, be approved;**
- (c) Worcestershire County Council joining West Midlands Rail Limited as a member be approved;**
- (d) the appointment by the County Council of the Cabinet Member with Responsibility for Highways as a principal Director on the Board of West Midlands Rail and the Cabinet Member with Responsibility for Economy, Skills & Infrastructure as his substitute Director on that Board, or as subsequently nominated from time to time by the Leader, be approved;**
- (e) the Head of Legal and Democratic Services be authorised to agree and enter into or execute such documents as are necessary to give effect to these decisions; and**
- (f) it be noted that it is intended that West Midlands Rail Ltd will in due course enter into a formal partnership agreement with the DfT that will set out the rights and obligations of West Midlands Rail Limited in relation to the award of the new West Midlands Rail franchise and related matters and that:**

1703 Future Arrangements for Worcestershire Shared Services Joint Committee and County Regulatory Services (Trading Standards and Animal Health Services) (Agenda item 8)

- (i) agreement will require approval by a 75% vote of West Midlands Rail Limited's members and will be the subject of a further report to Cabinet/Council; and**
- (ii) any West Midlands Rail Limited member may resign its membership of West Midlands Rail Limited at any time.**

The Cabinet considered arrangements to bring County Regulatory Services currently discharged through Worcestershire Regulatory Services (including Trading Standards and Animal Health) back in-house to the County Council. The details were set out in the report.

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

- (a) The Cabinet Member with Responsibility for Localism and Communities introduced the report and commented that the County Council as a commissioning council had undertaken a review of regulatory services which had concluded that bringing trading standards back in-house was the most viable option for the County Council to deliver the most capacity within the service for the budget assigned. It was proposed that the County Council would leave the Joint Committee on 31 March 2016 and then put in place a short-term services contract as needed with Bromsgrove District Council for the continued delivery of county functions through WRS, at the end of which functions would transfer back to the direct control of the Council. Full Council had approved these proposals in relation to non-executive functions. Cabinet was considering executive functions
- (b) The proposals for Trading Standards were necessary to ensure that the Council fulfilled its statutory duties. There were some minor issues to be resolved with district councils but this should not prevent the proposed arrangements
- (c) The transfer of trading standards back under the direct control of the County Council should not be seen as a failure of policy but as natural progression. It was part of the natural commissioning process of reviewing the structure of services to ensure that they evolved as circumstances dictated. Shared services were not always the answer. What was important was that the service was affordable and

worked best for the people of Worcestershire. The Commissioning process was not always about externalising a service

- (d) A Member from outside the Cabinet reminded members that this radical change of approach by the County Council had only recently been communicated to district councils. He queried how the available funding would cover the cost of providing 11 fte trading standards officers
- (e) A Member from outside the Cabinet stated that it was a relief that the trading standards service would be brought back in-house. The provision of 11 fte trading standards officers was the minimum needed to cover the statutory duties for the service. As the County Council led the move to creating a joint service, it should look to recompense the district councils appropriately. What proposals were there to appoint a head of service? The Head of Community and Environment explained that a trading standards manager would be appointed in due course. The Head of Service responsibilities would be undertaken within the existing organisation structure
- (f) The Cabinet Member with Responsibility for Localism and Communities added that as a member of the shared service, the County Council had pushed to reduce overhead costs and thereby reduce the contributions from district councils. The new arrangements would allow the on-going management costs to be absorbed by the County Council. Discussions were being held with the district councils for a financial settlement
- (g) A Member from outside the Cabinet supported the proposal to move trading standards in-house as it was the best place for the service to operate effectively. Bromsgrove District Council had indicated that the proposals would not impact on the effectiveness of regulatory services
- (h) it was understandable that the district councils would be disappointed by the County Council's approach however it was necessary to ensure the statutory resilience of the service and provide a better service.

RESOLVED: that

- (a) the County Council withdraws from the

Worcestershire Shared Services Joint Committee on 31 March 2016;

- (b) the County regulatory functions currently discharged through Worcestershire Regulatory Services (WRS) including Trading Standards and Animal Health are brought back in-house to the County Council from 1 April 2016 or as soon thereafter as may be determined in accordance with (d);**
- (c) should those County regulatory functions not be brought back in-house on 1 April 2016 then they may be delivered through WRS via a short-term Services Contract until they are; and**
- (d) the Director of Business, Environment and Community, in consultation with the Cabinet Member with Responsibility for Localism and Communities be authorised to negotiate with the Management Board of WRS and other member authorities of the Joint Committee and take all necessary steps to put recommendations (a), (b) and (c) into effect, including giving appropriate notice for withdrawal from the Joint Committee, determining the arrangements and timetable for termination of the current arrangements for delivery and the service being brought back in-house, and agreeing any interim arrangements under a short-term Services Contract and the use of Directorate reserves to support those interim arrangements.**

1704 Worcestershire County Council Renewable Energy Strategy and Renewable Energy Research Paper (Agenda item 9)

The Cabinet considered the Worcestershire County Council Renewable Energy Strategy and Renewable Energy Research Paper. The details were set out in the report and its Appendices.

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

- (a) The Cabinet Member with Responsibility for the Environment introduced the report and commented that alongside the Council's Renewable Energy Strategy, a Renewable Energy Research Paper had been produced to provide information on the benefits**

of renewable energy and what development of renewables could mean for Worcestershire. A lot of helpful comments were received following the public consultation exercise on the Strategy and Research Paper. The Strategy was necessary to maximise resources from income generation in a co-ordinated way across the entire Council estate. It did not prejudice future planning applications. The energy market was prone to fluctuations and therefore it was important that with the proposals to reduce the Feed-in Tariff that all sources of energy were considered

- (b) It was time for a refresh of the Council's Renewable Energy Strategy. £30m of the Council's Pension Fund had been invested in off-shore wind farms. It was important that renewable energy was considered as part of the energy use proposals
- (c) The Council should look to introduce more plug in points for electric vehicles as part of the Strategy
- (d) A Member from outside the Cabinet commented that the overall policy should be welcomed however there were certain reservations about renewable energy. The problem with wind turbines was that they were ineffective on still days and when this happened it tended to affect large areas. So to suggest that electricity could be imported from wind farms in Germany was potentially flawed. Bio-mass was questionable in terms of its benefits to the carbon balance. He pointed out that the Government had not ruled out 'abated' coal-fired power stations. Other countries were still building coal-fired power stations and this country was putting itself at a disadvantage by closing such facilities
- (e) A Member from outside the Cabinet stated that in principle Bio-mass was a great solution to the county's energy needs. However in reality maize was being grown for burning and burnt. This had a negative impact on the quality of the soil and on the local highways network
- (f) The Cabinet Member with Responsibility for the Environment added that this country imported all its coal from overseas and there were difficulties obtaining it. New power stations were being built with the latest technology to reduce emissions.

RESOLVED: that

1705 Resources Report (Agenda item 10)

- (a) the Worcestershire County Council Renewable Energy Strategy be adopted; and**
- (b) the Worcestershire County Council Renewable Energy Research Paper be endorsed.**

The Cabinet considered a Resources Report. The details were set out in the report.

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

- (a) The Leader of the Council introduced the report and commented that at the end of September 2015, £20.8m of the £27.5m target had either been delivered or confirmed as on target. He was confident that the outturn figure would be delivered. The forecast demand pressure for Children's Services remained consistent. The overall financial pressure forecasted last month of £5.1m could now be reduced to around £3.1 as a result withdrawing £1.4m from Earmarked Reserves. The overall target was on track and on time. Capital spend lagged behind expectations at this stage but he anticipated that it would catch up towards the end of the year as projects were delivered. The profile of the Council's borrowing was being managed with prudence and skill and he thanked officer for that
- (b) It was encouraging to see that the slight overspend was under control but it should be emphasised that it represented a variance of under 1% of the overall cash authorised limits.

RESOLVED: that

- (a) the Cabinet Member's conclusions concerning revenue budget monitoring up to 30 September 2015 be endorsed;**
- (b) the current progress regarding the FutureFit programme be endorsed;**
- (c) the Cabinet Member's conclusions concerning capital budget monitoring up to 30 September 2015 be endorsed; and**
- (d) the Cabinet Member's conclusions regarding the treasury management half yearly report be endorsed.**

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The meeting ended at 11.45am.

Chairman