

## Cabinet

**Thursday, 17 December 2015, County Hall, Worcester - 10.30 am**

### Present:

#### Minutes

Mr A I Hardman (Chairman), 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:

Mrs S A Askin, Mr R C Banks, Mr P Groves, Mr M Jenkins, Mr P M McDonald, Mr F M Oborski, 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 19 November 2015 (previously circulated).

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

**1706 Apologies and Declarations of Interest (Agenda item 1)**

An apology was received from Mr M L Bayliss.

**1707 Public Participation (Agenda item 2)**

None.

**1708 Confirmation of the Minutes of the previous meeting (Agenda item 3)**

**RESOLVED:** that the Minutes of the Cabinet held on 19 November 2015 be confirmed as a correct record and signed by the Chairman.

**1709 2016-17 Budget and Council Tax (Agenda item 4)**

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

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

- (a) The Leader introduced the report and commented

that:

- The Council continued to follow the Medium Term Financial Plan to deliver the objectives in the Corporate Plan
- Open for Business – considerable progress had been made with a number of projects coming to fruition
- Health and Well-being – this was an area of concern in relation to social care. Demographic predictions for the County for 2014-25 indicated that the number of people over 80 years of age would increase by 70%. This would provide a considerable financial pressure for the Council particularly with more very frail people requiring support. He therefore welcomed the Government's social care Council Tax precept of up to 2% which the Council was proposing to accept
- Children and Families – The number of children in care was rising and therefore it was proposed to increase Council Tax by 1.9% to meet the associated costs. He emphasised that the Council Tax rate for this Council was still in the bottom quartile across all Councils in the country
- As the population of the county increased, the amount of waste tonnage was increasing. He emphasised that this did not represent a failure in the Council's recycling strategy but reflected demographic pressures
- The County was experiencing the highest levels of capital investment in cash terms for 40 years which had enabled the Council to invest in major infrastructure projects
- There remained a £2m gap in the Council's finances in order to achieve a balanced budget
- There remained uncertainty about the level of revenue support grant that would be received from the Government. He anticipated that local government would receive a harder settlement than expected
- He anticipated that the Better Care Fund, which was a significant source of funds, would be increased but the details were not yet known. In addition, the amount of Care Act funds and Educational Services Grant were not yet known
- In total there was approximately £145m of Government funding that was not yet known and he anticipated that some tough financial decisions would need to be made in the near future

- (b) The proposed budget was focused on the priorities identified following public consultation namely safeguarding children, vulnerable adults, and roads. The Government had recognised the demographic pressures facing adult social care and allowed the Council to add a precept of up to 2%. The Council needed to respond to the demographic pressures resulting from people living longer. The Council was actively working towards bringing down the number of children in care. There was an expectation from the public that the county's roads would be improved and this budget included appropriate investment in this area. As a result of the investment in infrastructure and economic growth, the Council was now the largest investor in the County. It was important that the Council continued to progress with its open for business policy to enable Business Rates and Council Tax to grow. Increasing Council Tax was the last resort but was necessary to retain service provision. The Council needed to continue its process of evaluating the way it operated and delivered services
- (c) It was appropriate to raise Council Tax to ensure the safety of vulnerable young people and this would reflect the view of the community. In particular every effort should be taken to ensure that the Early Help service was fit for purpose to ensure that as many children as possible remained in a stable family environment
- (d) Over a third of the new people entering adult social care were previously self-funders but now required support from the services provided by the Council. The Council's policy was to support people in their homes and reduce their dependence on health care support. The service had had its budget significantly reduced and therefore the Council needed to continue to find ways of delivering adult care in a different way in the future. The proposed 2% precept represented £4.2m in cash terms which was welcomed but would not solve all the issues related to adult social care
- (e) The proposed funding for highways of £12m over 2 years, together with £500k for highways maintenance budget represented a significant investment and was welcomed
- (f) A member from outside the Cabinet commented that the rate of Looked after Children had increased by

18% and yet the associated costs had increased by 48% since 2011, why such a big increase? The Cabinet Member for Children and Families commented that more children were stepping up their level of care rather than stepping down. In addition, there was an over-reliance on privately funded residential care homes and foster carers which were expensive. The Council had invested in its own care homes and foster carers but demand was out-pacing supply

- (g) A member from outside the Cabinet commented that recent reports had indicated that as a result of changes to lifestyles, longevity was beginning to decline so was it possible that the predicted numbers might be overstated? The Cabinet Member with Responsibility for Adult Social Care responded that the long term indices showed that people in rural areas were likely to live longer and that the number of people over 75 would increase at a rate out-stripping the birth rate and the Council needed to plan accordingly. In addition, people tended not to plan for social care which placed an onus on the Council to develop proposals to support people in their homes. The Leader of the Council added that over the next 10 years a 3.7% decline in the number of people between the ages of 0-25 was expected
- (h) The Malvern Science Park had been a successful project. The Council had invested in Phase 4 of the Park and successfully attracted a company called UTC to the facility which given their size, was an achievement. £4m was being invested in the LEP to create Phase 5 and opportunities were open for the establishment of Phase 6
- (i) A Member from outside the Cabinet commented that Council Taxpayers were being faced with an 8% increase in Council Tax over 3 years despite the fact that their income levels had remained unchanged. In addition the Council was pursuing a policy of out-sourcing services which was resulting in approximately 50% of the Council's workforce being made redundant with the resultant negative impact on the local economy. In response it was commented that if the Council did not increase the Council Tax as proposed, there would need to be further reductions to service provision.

**RESOLVED: that**

- (a) the draft budget set out at Appendix 2 of the report, which includes budget reductions that are currently being consulted upon arising from the FutureFit programme set out in Appendix 4 of the report, a number of which have already been subject to detailed Cabinet and Scrutiny reports, be approved for consultation;
- (b) the plan to address a savings requirement of £2 million, as a result of updating the Medium Term Financial Plan (MTFP) taking account central Government's Spending Review announcement to be presented for approval within the February 2016 Cabinet and Full Council reports, be endorsed;
- (c) an investment of £0.5 million each year for road maintenance and £12 million over two years for the Driving Home highways infrastructure improvement programme be endorsed following residents feedback on the importance of the county's roads and in support of the Council's Open for Business priority;
- (d) it be noted that the full detail of the provisional Local Government Finance Settlement is expected to be released in late December 2015 and that, if required, any significant updates will be presented at the February Cabinet meeting;
- (e) the view that the Council's planning assumptions remain consistent with a need to plan for annual savings on average over the life of the MTFP of around £25 million per annum, and £24.6 million for 2016/17 be endorsed;
- (f) Cabinet is minded to recommend to Full Council in February 2016 an increase in Council Tax Precept by 3.94% in relation to two parts:-
- 1.94% to provide financial support for the increased costs for services for Looked after Children, forecast to be £5.8 million in 2016/17;
  - 2% ring-fenced for Adult Social Care

**services as allowed by the Spending Review, in order to contribute to existing cost pressures in 2015/16 that are being presently funded by one off grant income or reserves that will not be available from 2016/17; and**

- (g) Council be recommended to approve a £4 million addition to the Capital Programme for Malvern Hills Science Park Phase 5 to be fully funded by the Worcestershire Local Enterprise Partnership Growth Deal grant allocation and the cash limits are updated accordingly.**

**1710 Resources Report (Agenda item 5)**

The Cabinet considered the Minimum Revenue Provision (MRP) policy for post-2008 long-term borrowing. The details were set out in the report.

In the ensuing discussion, the Leader of the Council introduced the report and commented that it was proposed to alter the MRP policy for long term borrowing pre 1 April 2008 to be based on matching the debt repayments to the average asset lives being 43 years. This was common practice in the private sector. The Council was currently paying off debt faster than which it received the benefits and this proposal would remedy this issue.

**RESOLVED: that**

- (a) Council be recommended to approve the Minimum Revenue Provision (MRP) policy with regard to pre-2008 long-term borrowing detailed in paragraph 18 of the report; and**
- (b) the work to consider the MRP for post-2008 long-term borrowing be endorsed.**

**1711 Formal Proposal to Cease the Nursery Plus Provision at Franche Community Primary School (Agenda item 6)**

The Cabinet considered proposals to cease the Nursery Plus provision at Franche Community Primary School and the plan for re-tendering for countywide Early Years Specialist Language providers for implementation by September 2016. The details were set out in the report and its Appendix.

In the ensuing discussion, the Cabinet Member with Responsibility for Children and Families introduced the report and commented that there had been a shift in the approach to Specialist pre-school provision. Franche Community Primary School and the local councillor supported the proposals. The trade union had expressed

concern about possible redundancies but the school were able to re-deploy the staff within the school therefore there would not be any redundancies. He was requesting delegated authority to determine the proposal following the end of the public notice period.

**RESOLVED: that**

- (a) **the responses to the consultation on the proposal to cease the Nursery Plus provision at Franche Community Primary School be noted;**
- (b) **the publication of a Public Notice to cease the Nursery Plus provision at Franche Community Primary School from 1 April 2016 be approved;**
- (c) **authority be delegated to:**
  - (i) **the Director of Children's Services to approve the proposal in respect of which no objections to the Public Notice are received; or**
  - (ii) **the Cabinet Member with Responsibility for Children and Families to decide the proposal in respect of which objections to the Public Notice are received; and**
- (d) **the plan to re-tender for countywide Early Years Specialist Language providers in February 2016, in time for implementation by September 2016, be noted.**

**1712 Balanced Scorecard - FutureFit Performance and Corporate Risk Update (Agenda item 7)**

The Cabinet considered the latest update of the Corporate Balanced Scorecard for Quarter Two 2015/16 and the latest refresh of the Corporate Risk Register. 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 Economy, Skills and Infrastructure introduced the report and commented that the Corporate Balanced Scorecard tracked progress against the Council's "FutureFit" Corporate Plan. Of the 'red' indicators, performance on four had deteriorated during the quarter: children with a child protection plan; the proportion of looked after children; 16-18 year olds who were not in education, employment or training

(NEETs); and older people funded in permanent care home placements. The management of demographic changes would be examined and reported back in the 4<sup>th</sup> quarter. The performance indicator for NEETs tended to be distorted during this quarter by the number of people leaving school

- (b) A member from outside the Cabinet highlighted a concern about the cancellation of the Diamond bus service from the Wyre Forest area to Pershore Agricultural College which prevented a number of local young people from attending courses. The Cabinet Member with Responsibility for Highways indicated that the service was privately run therefore the operator was able to withdraw the service. However there were a number of issues being discussed with this operator and he would include this matter in his discussions
- (c) A member from outside the Cabinet queried why the performance indicator for satisfaction with the local area as a place to live was 'red' and yet an approximate 85% satisfaction level had been recorded from residents responding to the Council's questionnaire. The Cabinet Member with Responsibility for Economy Skills and Infrastructure commented that this was a target that the Council could influence rather than control. In future, it might be appropriate to indicate in the report those targets that the Council could influence and those it directly controlled
- (d) A member from outside the Cabinet queried why the target for children with a child protection plan had increased so much since 2014/15. The Cabinet Member with Responsibility for Children and Families commented that following the Peer Review, the Back to Basics Improvement Plan had driven through improved safeguarding practices which had led to a short term increase. In the long term it was aimed to reduce the target
- (e) The Leader of the Council paid tribute to the good work of the adoption service and its leadership in reducing the RAG rating for children adopted within 18 months from 'red' to 'green'. Work continued to reduce the numbers further.

**RESOLVED: that**

- (a) **the latest update of the Corporate Balanced**



**Scorecard for Quarter Two 2015/16 be noted together with the actions taken to improve performance for the four indicators rated 'red' and where performance has deteriorated;**

- (b) the latest refresh of the Corporate Risk Register including actions to mitigate the risk that is rated 'red' be noted; and**
- (c) the intention to review the approach taken to managing risk be noted.**

The meeting ended at 11.45am

Chairman .....