

Agenda

Cabinet

Thursday, 18 March 2021, 10.00 am
Online only

Due to the current Covid-19 pandemic Worcestershire County Council will be holding this meeting in accordance with the relevant legislative arrangements for remote meetings of a local authority. For more information please refer to: Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020.

Please note that this is a public meeting, conducting remotely by videoconferencing between invited participants and live streamed for general access via a link on the Council's website to the Council's You Tube Channel. The Agenda papers and background papers can be accessed electronically on the Council's website. Members of the public and press are permitted to report on the proceedings.

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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.

Cabinet

Thursday, 18 March 2021, 10.00 am, Online only

Membership: Mr S E Geraghty (Chairman), Mr A T Amos, Mr A I Hardman, Mr M J Hart, Mrs L C Hodgson, Ms K J May, Mr A P Miller, Dr K A Pollock, Mr A C Roberts and Mr J H Smith

Agenda

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1	Apologies and Declarations of Interest	
2	Public Participation Members of the public wishing to take part should notify the Assistant Director for Legal and Governance in writing or by e-mail indicating both the nature and content of their proposed participation no later than 9.00am three working days before the meeting (in this case Monday 15 March 2021). Further details are available on the Council's website. Enquiries can also be made through the telephone number/e-mail address listed below.	
3	Confirmation of the Minutes of the previous meeting The Minutes of the meeting of 4 February 2021 have been previously circulated.	
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NOTES

- **Broadcasting**

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To obtain further information or a copy of this agenda contact Nichola Garner, Committee & Appellate Officer on Worcester (01905) 843579 or email: ngarner2@worcestershire.gov.uk

All the above reports and supporting information can be accessed via the Council's website.

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Members of the Cabinet are reminded that meetings of the Cabinet are Broadcast 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 Broadcast and may also be stored electronically and accessible through the Council's Website.

CABINET
18 MARCH 2021**APPROVAL OF WORCESTERSHIRE CHILDREN FIRST'S
BUSINESS PLAN 2021/22**

Relevant Cabinet Members

Mr A C Roberts

Mr M J Hart

Relevant Officer

Interim Director of Children's Services

Recommendation

1. The Cabinet Member with Responsibility for Children and Families recommends that Cabinet:

(a) notes the contractual performance update on Worcestershire Children First;

(b) approves Worcestershire Children First's Business Plan 2021/22; and

(c) notes the agreed contract sum for 2021/22 to WCF as set out in paragraph 18 and notes the indicative contract sum for 2022/23 and 2023/24 included in the Business Plan.

Background

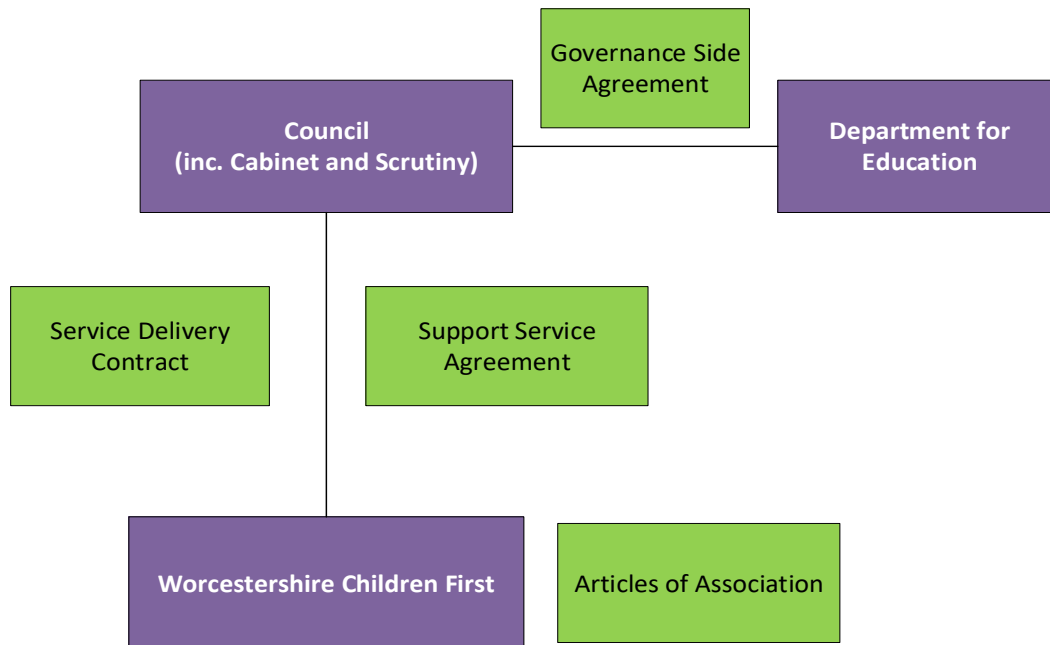
2. On 1 October 2019, following a two-year programme of activity, Worcestershire Children First (WCF) officially took over the operational responsibility for the delivery of Children's Services on behalf of Worcestershire County Council (the Council). The decision to develop WCF as a wholly-owned council company was made in direct response to the statutory direction published on 19 September 2017, with the Council agreeing to work in partnership with the Department for Education (DfE). The aim being at the point of transferring services into WCF, services would be performing well and WCF would have a positive platform on which to sustain and continue to improve outcomes for children and young people.

3. In June 2019, the Council's Children's services were inspected by Ofsted. The judgement was published on 29 July 2019 and the service was judged to be Requires Improvement to be Good. Ofsted recognised that progress had been made in many areas of children's services in Worcestershire since the previous inspection in 2016, when the local authority was judged to be inadequate. They stated that effective work by senior management and staff, together with commitment and investment by political leaders, had led to improved responses to the needs of children and families. As a result, outcomes for many children and their families are better, and there is evidence of a sustained trajectory of improvement. This rate of improvement was a significant achievement for the Council and is testimony of the hard work and tenacity of the

leadership team, managers and frontline staff, as well as the wider Council and safeguarding partners.

4. The company has been running successfully for over eighteen months and the DfE are pleased with the progress made in Worcestershire.

5. The contractual arrangements are shown in the diagram below and now form the basis of the relationship between WCF and the Council and the Council and the DfE.



6. The service delivery contract confirms what the Council is expecting WCF to deliver on the Council's behalf, how the Council will pay WCF along with how the Council will hold WCF to account for the services it has delegated to it. The service delivery contract also includes a set of obligations for WCF which include the production of a Business Plan and the maintenance of several key performance indicators within an agreed tolerance level.

7. The Support Service Agreement consists of a set of overarching core terms and 14 individual support service specifications ranging from HR, Property & Facilities Management, Finance and Project Management. These individual specifications describe the services to be provided by the Council to WCF along with the relevant financial information (e.g. the cost of the support services) and the relevant performance information.

8. The Governance Side Agreement is between the Council and the DfE and builds on the agreed Memorandum of Understanding and Statutory Direction. It is in place only whilst the Council remains under Direction.

Performance and Contract Monitoring Update

9. In relation to contract performance, during Covid-19 the arrangements were paused however, there are strong working relationships between the Council and WCF which go far beyond the formal contractual monitoring arrangements. The Council's Strategic Director of People, who has the lead commissioning role of WCF within the Council, has

further strengthened the strategic leadership required to improve outcomes. This has already led to a detailed commitment to the development of an all age disability programme of work. Both the Director of Social Care and Safeguarding (now interim Chief Executive and Director of Children's Services) and Director of Education and Early Help fully contributed to our response in dealing with Covid-19. WCF's Director of Resources is a member of the Council's Finance Management Team and has a place on the Council's Chief Officer Group which helps financial planning.

10. WCF, also, more than continue to fulfil their obligations in reporting performance and financial information through to the Council's Children and Families Overview and Scrutiny Panel and Corporate Parenting Board. This has been important to ensure that there is political oversight and transparency over the Company. Feedback from the elected members has been positive. WCF have continued to hold monthly Board meetings with every third meeting held in public which included the Annual General Meeting which was held in October 2020. Work is being undertaken to review the contract performance meetings to ensure added value as the pause has no effect to the excellent working relationship with the Council.

Worcestershire Children First Business Plan 2021/22

11. The Council requires WCF to develop and publish a Business Plan and the DfE requires the Council to consult with them prior to its approval. The draft Business Plan has been sent to the DfE and they have confirmed their support with no significant amendments. The Business Plan is owned by WCF on a day to day basis and will be refreshed by WCF and approved by Cabinet on an annual basis. The Plan sets out WCF's vision and strategic goals for the next three-five years and outlines how they will deliver services for children, young people and families, on behalf of the Council. It also describes WCF's staffing and governance structure as well as predictions and proposals in relation to finances. The full version of the refreshed 2021/22 Business Plan is available in the supporting information as an Appendix.

12. The refreshed 2021/22 Business Plan maintains the previously agreed aims for WCF which are to improve outcomes for all children and young people (up to the age of 25) in Worcestershire, by addressing their needs holistically through excellent early help and prevention, education provision and social care. Its Vision, Mission and Values define the way WCF will work to improve outcomes for children and young people. They are indicators of the direction of travel, to guide services and colleagues:

- **Vision:** Worcestershire to be a wonderful place for all children and young people to grow up
- **Mission:** Supporting children and young people to be happy, healthy and safe
- **Values:** Children at our heart. Value family life. Good education for all. Protection from harm.

13. Taking into consideration the population and deprivation statistics of Worcestershire as well as the current service levels, the Plan provides details of WCF's strategic goals over the next five years.

14. The Business Plan for 2021/22 outlines a number of priorities for the coming year:

- Implementation of Early Help Review
- Worcestershire Safeguarding Families Project

- Continue Covid-19 recovery in the Education System
- Developing All Age Disability Experience
- Detailed planning for a new Worcester City Secondary School
- Special Educational Needs and/or Disabilities (SEND)
- Review of Children and Young Peoples Plan
- Review of Vulnerable Learners
- Providing traded services to schools.

15. The business plan outlines the Directorate Service priorities in greater detail as we continue to work to evidence sustainability in our improvement to date whilst continuing to deliver transformational change and continuous improvement.

16. In the medium to longer term the Plan sets out that WCF will increase its efforts to co-produce with service users and have a relentless focus on delivering good quality, impactful services. The Plan recognises and shares the priorities of the Council for its children and families as residents of Worcestershire.

17. WCF also aims to achieve independent validation of its quality of services through the relevant regulatory inspection frameworks. WCF intend to exploit opportunities that will help deliver the vision and mission and aim to work effectively and efficiently within an agreed financial envelope.

18. Within the financial section of the Business Plan it outlines the agreed contract sums. The agreed contract sums are shown as two separate elements, net funding from the Council base budget and grants passed through to the company to arrive at the gross contract price, and with Sales, Fees and Charges to arrive at the total company turnover. These are shown below.

Contract Sum	Original Budget 2020/21	Current Budget 2020/21	Original Budget 2021/22
	£000	£000	£000
Net Budget funded by the Council	100,214	101,708	106,583
<i>Other Funding passed through:</i>			
Funding added to contract (Grants / Income / Reserves)	14,408	17,890	18,865
Total Gross Cost funded by the Council Contract	114,622	119,598	125,448
Sales, Fees and Charges	407	1,324	1,995
Total Gross Cost	115,029	120,922	127,443

19. The 2021/22 gross cost is equivalent to the budget set by Council in February 2020. The future year budget with the Business Plan is indicative at this stage as the Council is currently reviewing its Medium-Term Financial Plan and awaiting the outcome from the future Spending Reviews.

20. Any additional funding in year is required to be requested by WCF (either capital or revenue) through the governance schedules. These agreements require WCF to complete a business case that will be discussed with Council officers and agreed (if appropriate) through a change control process.

21. WCF has been running for 18 months and has sound financial controls which are working well e.g. cash management, payments to staff and suppliers and PAYE/NI to the Inland Revenue submission of monthly VAT returns. Internal Audit is provided from the Council's internal function and reported to both WCF's and the Council's Audit Committees and through the production of both company and Council group audited financial statements.

22. The Support Services figure includes the costs of services, covered by Support Service Agreements (SSA), which has been agreed through dialogue meetings. The basis of charge is based on the 2021/22 budget and appropriate relevant service metrics to establish the service price which is £7.3m.

23. Achieving these ambitious aims for WCF's long-term future will be dependent on several internal and external factors meaning they will be subject to change as the needs of the Council changes and WCF matures. Therefore, in line with Council expectations, the 2021/22 Business Plan and WCF's budget will be reviewed and refreshed on an annual basis alongside the Council's annual review of its own medium-term financial plan and budget setting process.

Legal, Financial and HR Implications

24. The paragraphs above outline the legal/contractual arrangements that will be in place between the Council and WCF. The term of the contract is an initial five years with the option to extend by a further five years.

25. Budget monitoring and reporting will continue to be carried out and reported through quarterly overall Council budget forecasts to Cabinet. Any variations or change orders arising in a change to the contract value would be reported or approved through that forum dependent on the scheme of delegation.

26. In development of the financial model and as part of the development of the 3-5-year business plan for WCF, a detailed review, analysis, challenge and scrutiny has been completed by finance staff and operational staff within the Council. A review has also been undertaken by both the Council's Chief Financial Officer and the Director of Resources for WCF.

27. All future year figures at this stage are based on the latest financial assumptions and no decisions have been taken. The Business Plan for WCF and its medium-term financial plan will be considered alongside the annual budget setting cycle and be presented to Full Council alongside the Council Tax precept decision in February 2022.

Equality and Diversity Implications, Privacy and Public Health Impact Assessments

28. The Council must, during planning, decision-making and implementation, exercise a proportionate level of due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
- Advance equality of opportunity between people who share a protected characteristic and those who do not
- Foster good relations between people who share a protected characteristic and those who do not.

29. An Equality Relevance Screening has been carried out in respect of these recommendations. It identified that further equality impact analysis and public health impact assessments will be required in respect of staff, service users and the wider community during design and implementation of activity needed to give effect to the recommendations set out in this report.

30. The services and functions being transferred into WCF have the duty to improve outcomes for children and young people, and these outcomes directly or indirectly impact on their health. The Public Health Ring-fenced Grant is being used to support some of these services, specifically some Early Help services, in this context. A full Public Health Impact review will be carried out on services, including evaluation of impact and effectiveness.

Risk Implications

31. WCF's 2021/22 Business Plan outlines, within its appendices, an overview of the significant risk that WCF will be managing on a day to day basis. These risks will also form part of the Council's high-level risk register as the Council remains accountable.

Supporting Information

- Appendix - WCF 2021/22 Business Plan (electronic version only)

Contact Points

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Background Papers

In the opinion of the proper officer (in this case the Interim Director of Children's Services) the following are the background papers relating to the subject matter of this report:

Agenda papers for the meetings of the Cabinet held on 29 March 2018, 12 July 2018, 15 November 2018, 14 March 2019, 5 September 2019 and 26 March 2020. Available on Worcestershire County Council's website here:
<https://worcestershire.moderngov.co.uk/ieListMeetings.aspx?CId=131&Year=0>

CABINET
18 MARCH 2021**UPDATE ON THE REVIEW OF MEDICAL EDUCATION
PROVISION IN WORCESTERSHIRE AND RECOMMENDED
DELIVERY APPROACH**

Relevant Cabinet Member

Mr M J Hart

Relevant Chief Officer

Interim Director of Children's Services

Recommendation

- 1. The Cabinet Member with Responsibility for Education and Skills recommends that Cabinet:**
 - (a) notes the feedback and findings of the review of Medical Education Provision;**
 - (b) notes the development of and rationale for a preventative approach including the:**
 - i. role of NHS partners and deployment of NHS resource to assist prevention and early intervention, and**
 - ii. the proposal for a different delivery approach;**
 - (c) authorises the statutory Interim Director of Children's Services to consult on the policy approach to delivering statutory Medical Education provision in Worcestershire, including the revised funding agreement with Schools; noting the risk of further pressure on the Dedicated Schools Grant; and**
 - (d) delegates authority to the Cabinet Member with Responsibility for Education and Skills, in consultation with the statutory Interim Director of Children's Services, to consider the outcome of the consultation and make the final decision.**

Background

- 2. This report updates Cabinet on the outcome of the review and co-production of the approach of delivery for medical education provision for children and young people in Worcestershire. It seeks agreement to the implementation of the proposed approach.**
- 3. The findings and recommendations in this report have considered the decision of Cabinet in January 2020 and has taken into account feedback from the Children and Families Scrutiny Panel in June 2020, November 2020 and is being considered by the Panel at its meeting on 16 March 2021. Cabinet is referred to previous reports on the**

topic including the January 2020 and June 2020 Cabinet reports. In each of these reports assurances were given that a period of consultation would follow on the proposed redesign, where significant changes were envisaged. This report seeks Cabinet's approval to consult on the proposal to commission the service out to an external provider(s).

4. The recommendations approved in January 2020 by Cabinet were for co-production of a new delivery approach for medical education provision with proposals to be presented back to Cabinet in June 2020, with a plan of implementation to commence from September 2020/21 academic year.

5. This review and co-production approach additionally responds to expectations of the Local Area Special Educational Needs & Disabilities (SEND) Written Statement of Action 2018.

Statutory Legislation

6. Section 19 of the Education Act 1996 **requires local authorities** to ensure arrangements are made for pupils who are unable to attend school because of their health needs. When carrying out this duty due regard must be given to the Department for Education statutory guidance, ensuring a good education for children who cannot attend school because of health needs (2013).

7. Section 100 of the Children and Families Act 2014 **places a duty on governing bodies** of maintained schools, proprietors of academies and management committees of Pupil Referral Units to make arrangement for supporting pupils at their school with medical conditions.

Key points of the Statutory Guidance

Local authorities must:

8. Arrange suitable full-time education (or as much education as the child's health condition allows) for children of compulsory school age who, because of illness, would otherwise not receive suitable education.

9. In addition, there are important co-operation duties on local authorities and Clinical Commissioning Groups (CCGs) including:

- the Children and Families Act 2014 which imposes a range of duties in relation to co-operation including a requirement for joint commissioning arrangements to be in place
- the National Health Service Act 2006 which requires NHS bodies and local authorities to co-operate to advance the health and welfare of their population.

Local authorities should:

10. Provide such education as soon as it is clear that a child will be away from school for 15 days or more, whether consecutive or cumulative. They should liaise with appropriate medical professionals to ensure minimal delay in arranging appropriate provision for the child.

11. Ensure that the education children receive is of good quality [and] registered where appropriate, as defined in the statutory guidance *Alternative Provision* (2013).

12. This is to enable children and young people to progress towards and take appropriate qualifications and prevent them from slipping behind their peers in school and allow them to reintegrate successfully back into school as soon as possible.

13. To address the needs of individual children in arranging provision 'hard and fast' rules are inappropriate: they may limit the offer of education to children with a given condition and prevent their access to the right level of educational support which they are well enough to receive. Strict rules that limit the offer of education a child receives may also breach statutory requirements.

School Governing bodies must:

14. Ensure that arrangements are in place in schools to support pupils at school with medical conditions.

15. Ensure that school leaders consult health and social care professionals, pupils and parents to ensure that the needs of children with medical conditions are properly understood and effectively supported.

Current Medical Education Provision in Worcestershire

16. The Medical Education Provision (MEP) is a service currently delivered by Worcestershire Children First (WCF) on behalf of the Council as part of the Service Delivery Contract with Worcestershire County Council (WCC). This aspect of service transferred to WCF from 1 June 2020 as part of the Learner and Achievement contract that was previously delivered by Babcock Prime. This service is part of a wider system provision for Vulnerable Learners.

17. The service consists of qualified teachers and teaching assistants. The service provides education through home tuition and access to teaching at three locations (Kidderminster, Redditch and Worcester) in the county. The current locations are co-located with Pupil Referral Units (PRUs): Kidderminster (on the site of The Beacon PRU), Redditch (on the site of The Forge Short Stay School) and Worcester City (on the site of Newbridge Short Stay School).

18. There are 16 members of staff in the Medical Education Team (MET) including one Medical Education Service Lead, 3 caseworkers, 8 teachers and 4 teaching assistants (equivalent to 10.47 FTE), a bank of supply staff support provision when demand requires.

19. Children and young people are referred directly to the service for support by schools when a health need is seriously compromising attendance. All referrals are required to be supported by the medical consultant responsible for the child or young person's health condition.

20. Referrals are considered weekly and, in some cases, advice is offered to the referring school and attendance and provision maintained at the child's home school. Pupils are offered a place in the base or home-based learning where appropriate.

21. The service currently offers education hours of core subject teaching, dependent upon key stage. Maths, English and Science are taught by qualified teachers. Children and young people are offered Personal, Social and Health Education (PSHE) and Year 11 students can access Business Studies. Regular mentoring sessions are also included in the timetable.

22. At the end of the Autumn 2020 term (December 2020) there were 52 pupils being supported by the Medical Education Team, with a total of 60 individual pupils having received support throughout the Autumn term 2020.

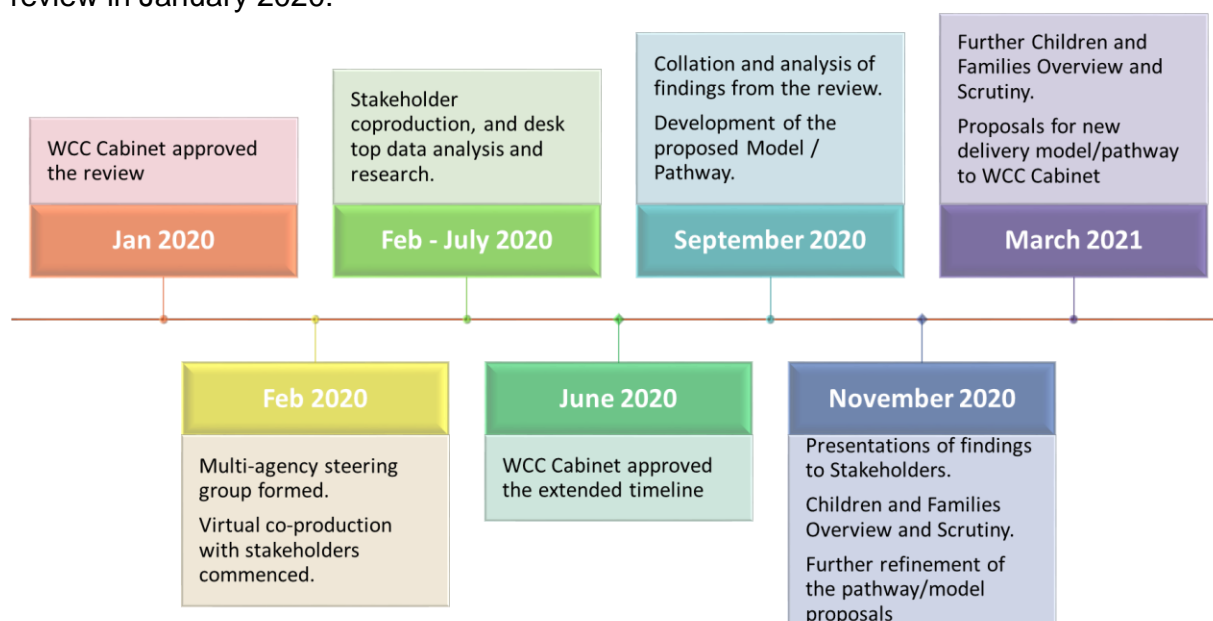
The Review and Co-production of a new delivery approach

23. On 30 January 2020 the Cabinet received a report from WCF proposing a review of MEP in Worcestershire. The report set out the context and case for change on behalf of Worcestershire children and young people. The January Cabinet report set out limitations in the service including those identified by external peer review in 2018.

24. The current review has included co-production with Herefordshire and Worcestershire CCG as children’s health commissioners and Worcestershire Health and Care Trust as the children’s health service provider, schools and families.

25. Joint responsibilities and collaborative opportunities are essential to ensuring that respective resources benefit pupils who are unable to attend school because of their health needs. The key principles of being healthy and having access to education are interdependent and essential to life chances and can prevent and reduce inequalities for children and young people.

26. This timeline summarises the key steps taken since Cabinet approval for the review in January 2020:



27. From January to September 2020 co-production through surveys, interviews, focus groups (virtually) took place with stakeholders including; children and young

people, parent carers, staff, schools, children's social care, and NHS staff. Historical service demand and activity of the Medical Education service was reviewed along with research of other local authorities' approach to medical education provision.

28. Participants and respondents included:

- Five children and young people completed individual surveys
- 24 parent carers responded to the survey and six parent carers completed interviews
- Eight MET staff completed surveys and two facilitated focus group discussions were held with MET staff
- 15 schools contributed to interviews
- 24 survey responses were received from social care and family support practitioners, and
- 10 survey responses were received from health practitioners and a further 5 contributed to focus group discussions.

29. The survey, interview and focus group templates are provided in the Consultation Pack at Appendix 1, with a detailed summary of all responses at Appendix 3.

Review Findings

Co-production stakeholder review findings

30. Findings and common key themes can be identified from the feedback from the respective children, families and professionals who took part in the co-production exercises. Strengths and qualities of the current provision were identified and considered essential going forward include; safe, bespoke, accessible and welcoming provision that responds to young people's needs.

31. Key themes for a new approach of delivery were recognised across all stakeholders and include; a quick response to support when identified, a co-ordinated and agreed multi-agency approach that collaborates to respond and assist recovery to the child's 'home' school. Access to a breadth of curriculum in line with developmental and learning capacity including access to enrichment and social activities and an environment that could support this.

32. The schools that were interviewed shared views and themes including wanting to take the lead professional role and collaborate more with the education provision, other agencies supporting children and their parent carers with the principle of seeing 'medical education services' as short-term.

33. Health stakeholders particularly emphasised the need for a joint commissioning approach, any delivery being recovery focused and with support for parent carers relating to health issues.

Analysis of demand and usage for medical education provision in Worcestershire over time

Service usage

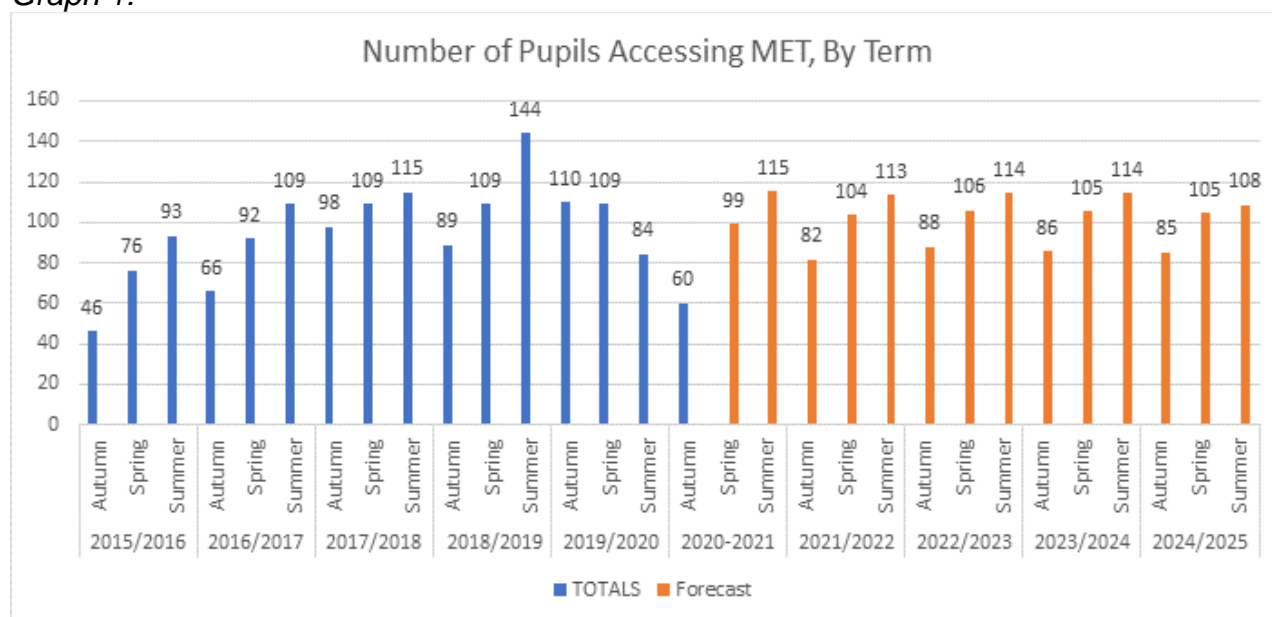
34. The number of children and young people supported by the MET has increased over the last 5 years, but not significantly over the period.

35. The numbers include those supported in base group provision, 1:1 tuition, or home learning, and varies from 1 hour to 23 hours per week. Pupils attending the base provision are typically taught in groups of 8-10. Analysis of the children accessing places at the MET since 2015 shows 42% are boys and 58% are girls.

36. A 5-year-termly average has been calculated (in graph 1) to reflect the trend for each term, with no change to the eligibility criteria for the service, or wider system changes.

37. The forecast does not include a reduction of pupils because although the proposed approach is intended to prevent some service interventions there are other factors that may affect service need in the future. This includes the impact of Covid-19 on the emotional and mental health of children and young people and knowledge that historically there has been inconsistencies in the identification of some children that should be supported under Section 19 duties. WCF will be increasing monitoring from 2021 to ensure identification is consistent and timely.

Graph 1:



38. Pupils attending the bases are mainly in Key Stage (KS) 3 or 4 with a small number from KS2 (Year 5 or 6).

Pupil Vulnerabilities including SEND

39. There is an over-representation of children and young people with SEN Support or autism diagnoses (particularly the latter) either confirmed or under consideration.

40. The comparison to current census data (in table 1) for secondary school age pupils reveals that while the rate of Education and Health Care Plans (EHCPs) is similar, the rate of pupils with SEN support is 5 times higher. The rate for pupils with an autism diagnosis at the MET is 11 times higher which may indicate the reason for the pupil's

SEN support. Child looked after is 1.7 times higher than the 1.3% rate in mainstream secondary schools while pupils eligible for pupil premium is 1.1 times higher than the 20.2% rate in mainstream.

Table 1:

	Mainstream Secondary school pupils	3 yr average, MET pupils
EHCP	3.7%	3.9%
SEN support	10.5%	49.7%
Autism diagnosis	3.1%	34.6%
CLA	1.3%	2.2%
Pupil Premium (PP)	20.2%	22.5%

Source: School Census January 2020 and October 2020

41. A large majority, approximately 80%, of referrals are for pupils with needs associated with anxiety and mental health which present a barrier to accessing their school place. The other 20% include those with low immunity, a temporary restriction in mobility, a condition which required hospital services and treatment, including post-operative recovery where school attendance is not yet appropriate.

Length of support and destinations

42. The length of time that children access support from the MET varies. Most children/young people (86%) leave the service within 5 or fewer academic terms, and 95% within 7 academic terms. 5% (26 pupils) in the last 5 academic years have accessed the service for longer than 7 terms (2 school years and 1 term).

43. Of the 503 pupils supported by the MET since Autumn 2015, the majority (53%) left the service either to return to a mainstream school or had completed their statutory education. 23% struggled to engage with the service and outcomes were not recorded. The remainder moved to alternative provision such as special schools, Alternative Provision or Elective Home Education.

Which schools refer to the MET

44. There's no unusual or unexpected trend or pattern in the location of schools or where children and young people live in terms of who is referred and provided with support through the Medical Education Service. It tends to be associated with areas which are most populated and have the highest levels of deprivation. There are 21 schools which account for over half of all referrals to the service, which are mostly situated in Worcester, Redditch and Kidderminster.

How do other local authorities deliver medical education provision?

45. Research of other local authorities' approach to medical education provision included a review of ten statistically similar and/or neighbouring local authorities and

compared the referral process/criteria, the offer of provision and curriculum, child level outcomes and funding arrangements. The key findings from the other local authority comparisons found that Pupil Referral units are a consistent provider of medical education provision in other local authorities. Referral processes are similar to the existing Worcestershire process and reintegration back to mainstream education is the common aim. A full time and breadth of curriculum approach is consistent in other local authorities and it is usual for a physical site or base to be available. Finally, funding models include a mix of Dedicated School Grant budget and contributions from schools.

46. Further details of the analysis and findings can be found in Appendix 2.

Recommended proposals for a new delivery approach

47. The Medical Education Service ensures that as a local authority we are fulfilling our duties under Section 19 of the Education Act 1996. Provision for children who are unable to attend school is intended to be short-term in response to acute needs rather than long-term as a result of chronic difficulties that are addressed through special educational needs legislation as described in EHCPs.

48. Provision for children and young people with SEND is being considered through the Written Statement of Action: a programme of work that includes developing a graduated approach and a continuum of provision for children with SEND within Worcestershire. This work includes a review and investment in Mainstream Autism Bases (2020 – 2022) and more recently the commencement of a wider review of gaps in specialist provision in the county and how needs could be met going forward. These are concurrent developments also intended to ensure needs are met at the right time and through the right provision.

49. A new approach (table 2 below and detail in Appendix 4) expands upon the current service to support children unable to attend school because of medical difficulties. It is recognised that children may have different entry and exit points. Currently the Medical Education Service focuses efforts on 'recovery and rehabilitation' through the provision of education in bases or via remote learning. The new approach describes how we will maintain and improve upon this provision, but also focuses on efforts to maintain children's placements in schools (preventing the need for them to access Medical Education provision). Additionally, it describes the work we will do to reintegrate children if they have needed some time away from school.

50. The review and co-production identified system developments and processes that will better enable schools to have the skills through training and support, and access to expertise to support children with needs associated with anxiety and mental health.

51. The Medical Education Service will support short-term provision through return and reintegration packages for children with health needs that are preventing them from accessing their usual education provision. A multi-agency panel will continually review prevention helping and supporting return and reintegration.

52. The Medical Education Service will offer suitable full-time education (or as much education as the child's health condition allows) for children of compulsory school age who, because of illness, would otherwise not receive suitable education.

53. This support should be available within appropriate geographical locations and include onsite education and remote learning for children who need to remain at home for their period of support.

Table 2:



54. The proposed Medical Education Service will retain the current teaching resource and ensure and increase the breadth of curriculum. In addition, liaison support for referring schools needs to be developed. This will provide advice and guidance to schools in interim interventions to maintain attendance at the home school and a co-ordinated approach between health and social care at the point of reintegration. This provision will be monitored and reviewed against the growth of capacity and resource in mainstream schools that will be delivered by the NHS Mental Health in Schools programme (operational in Worcestershire from October 2021), further NHS investment and development of a continuum of provision for children with autism, the impact of Covid recovery of education and the longer term effects on children’s mental health and the effectiveness of a preventative approach.

The NHS role in a preventative approach

55. Herefordshire and Worcestershire CCG are a partner involved in the co-production of the review. This review has identified a joint understanding of outcomes for the children referred to medical education provision. It has enabled partners to co-produce a multi-agency preventative approach to more effectively deploy resources. The review has shown that the rate of pupils with SEN support using the medical education provision is significant and just over a third have a diagnosis of autism. Joint Commissioning arrangements must cover services for 0 – 25-year olds with SEND or disabilities, both with and without EHCPs. The review has also shown that 80% of young people referred have a mental health need associated with anxiety.

56. The CCG have funded training in 2020/21 for all schools in anxiety-based school avoidance. This training has been delivered by the WCF Education Psychology team. The Mental Health Support Teams in Schools (MHSTs) will be operational in schools from October 2021, starting in Kidderminster, Redditch and a rural Worcestershire coverage. MHSTs are intended to provide early intervention on some mental health and emotional well-being issues, such as mild to moderate anxiety, as well as helping staff within a school or college setting to provide a ‘whole school approach’ to mental health and well-being. The teams will act as a link with local children and young people’s mental health services and will be supervised by NHS staff. Funding for this resource in 2021/22 is £1.1m and will include 32 staff.

57. NHS Child and Adolescent Mental Health Services (CAMHS) and the CCG will be members of the Multi-Agency Assessment and Review Panel providing advice and support on prevention, relevant interventions services before and in addition to a child needing alternative education arrangements and a key support for reintegration planning.

58. Tier 2 and 3 CAMHS service are revising their triage and assessment considerations to review the impact of the young person's mental health on their ability to access education and the CAMHS service input in supporting attendance.

59. The CCG is committed to supporting the proposed multi-agency approach with the deployment of resources and is considering and pursuing additional funding options to improve the timeliness of support and outcomes for young people with mental health illness and for children and young people with autism. Once recommendations in this report are considered and commented on by the Cabinet the review findings and recommendations in relation to the preventative approach will be taken to Herefordshire and Worcestershire CCG Clinical Commissioning and Executive Committee (CCEC) to gain the support in joint working that is required from the services they commission i.e. CAMHS and MHSTs.

60. The Integrated Commissioners Executive Officer Group (ICEOG) is also reviewing a range of options to increase capacity, skill and knowledge for supporting children and their families with autism.

How the new approach and Medical Education Service addresses the areas for development

61. The review and co-production of a new approach including both the Multi-Agency approach and the Medical Education Service addresses the limitations identified in both the 2018 review and current review.

62. In particular, introducing a preventative approach and process will ensure multi-agency commitment to supporting children and young people at the right time and in the right place. When the Medical Education Service is required, a full curriculum offer can be provided in an appropriate manner. The principle of provision is that it will be a short-term intervention, the funding model is transparent and follows the child, geographical coverage is maintained through physical locations and provision is registered with Department for Education/Ofsted.

Future delivery of our Medical Education Service

63. The provision of suitable education for children that because of illness would otherwise not receive a suitable education will continue to be delivered by a Medical Education Service.

64. The review has concluded that the responsibility for delivery of medical education provision, (pending approval of the Cabinet recommendations) needs to be delivered by registered education provider(s). WCF on behalf of the local authority will commission a registered education provider to deliver medical education provision on their behalf. The benefits include:

- The added value of existing expertise in the provision of education for vulnerable learners within Worcestershire’s school system
- The opportunity to benefit from increased curriculum and extra-curricular activity as part of existing (and broader) school provision
- The potential for economies of scale in leadership, multi-agency support, materials and resources and other aspects of delivery as part of a wider educational provision
- The potential for greater flexibility with regards to the reintegration into mainstream provision for pupils who are not currently on role at a school (for example when they have recently moved into the local authority).

65. In the event of a procurement exercise, officers will receive detailed advice from the Council’s procurement team to ensure compliance.

Legal, Financial and HR Implications

Financial

Revenue funding

66. The proposed funding model increases transparency and strengthens the link between the child and the pupil-led elements of funding.

67. Currently, when a school refers a child to the Medical Education Service, the funding contribution from the school is calculated as 80% of Average Weighted Pupil Unit (AWPU, the sum of money for every individual child or young person on roll at a school) with the school retaining 20%. No other funding follows the child whilst they are accessing the medical education service. **In the new approach, the pupil-led funding streams of SEN top-up funding and Pupil Premium Grant (PPG) will also be required to follow the child for the period of time that the pupil is accessing the Medical Education Service.** This will be at a rate of 80% of the notional £6k SEN funding and 100% of the PPG. Table 3 below provides examples for individual children and their home school contributions.

Table 3: Examples of individual child school contributions

Individual Child Example	AWPU at 80% (£)	SEN at 80% (£)	PPG at 100% (£)	School annual contribution to ME Pathway (pro-rata for no. of weeks) (£)
Pupil 1 - no SEN or PPG – KS3	3,523	0	0	3,523
Pupil 2 - SEN and PPG – KS3	3,523	4,800	955	9,278
Pupil 3 - PPG only - KS4	3,970	0	955	4,925

68. Based on an analysis of historic data around average pupil numbers, age, % with SEND and Pupil Premium Funding, the total contribution from schools to the Medical Education Service may increase by around £327k per annum. This figure would be variable depending on the number and mix of pupils accessing the service. Combined with the existing WCC and WCF financial commitment to the service, this gives an indicative total budget for the service of £968k per annum, as shown in table 4 below.

Table 4:

	Current Provision - 20/21 Budget (£000)	Increased Investment (£000)	Expected Provision (at 20/21 rates) (£000)
Current Medical Education Team	555	0	555
Premises	86	0	86
Additional Investment to implement service changes	0	327	327
	641	327	968
Funded By:			
Schools AWPU to WCF/Provider	89	122	211
Schools Top-Up to Provider	0	185	185
Schools PPG to Provider	0	20	20
DSG into WCF/Provider	466	0	466
WCC Base Budget for Premises	86	0	86
	641	327	968
Funding Gap (note - any Funding Gap would be an additional pressure on the DSG HN Block)	0	0	0

69. A preventative approach puts a greater focus on prevention and early intervention than currently exists, including use of SEND top-up funding to provide short-term additional support. This is with the intention of keeping more children and young people in mainstream schools over a longer period, therefore avoiding more costly long-term placements in alternative and specialist provision. Therefore, the increased budget for the service, as shown in table 4 above, can be considered to be an investment in a preventative service, with potential for long-term cost avoidance. The additional investment to implement service changes will be reviewed as part of the implementation of the future funding model of delivery.

70. Feedback from the Worcestershire Schools' Forum in January 2021 indicated that the new approach looks comprehensive. Feedback from Head Teacher representatives indicated that they supported review and a new approach but raised their concern about any additional costs to schools.

Capital investment

71. The figures above do not include any changes to premises costs, or capital requirements for changes to premises, as the work to ascertain this is currently ongoing.

72. In the 2018 Peer Review of the Medical Education Service, issues with the base accommodation were identified. In 2018/19 measures and actions were taken to improve the physical environment of individual bases including safety and security measures, fencing, heating, ventilation and fire safety measures.

73. The key findings from the current review reiterate the need for improved learning environments and a desire for outdoor/physical spaces. WCF has commissioned their Property Advisors to update this feasibility work to assess any shortfall and suitability of the accommodation in the existing three bases and make recommendations where appropriate.

74. Medical Education base provision should be available within appropriate geographical locations to support the forecast pupil numbers.

Legal

75. WCC/WCF have a statutory duty under s.19 of the Education Act 1996 to provide education to children and young people who will be absent from school for 15 consecutive days or more due to a medical condition. This needs to be appropriate and suitable to a child's/young person's age, ability and special educational needs. The provision recommended by the review will meet the statutory duty through a period of registered provision at the point of "recovery and rehabilitation".

76. The recommendations in this review seek to enhance the activity in mainstream schools and the role supporting agencies can play with schools and parents to promote school attendance and educational engagement. The investment in prevention and early intervention will assist schools to be able to "make arrangements" and "reasonable adjustments" for children and young people with medical conditions and/or special educational needs and disabilities, as per the Children & Families Act 2014 and The Equality Act 2010. This includes applications of the statutory guidance issued alongside the Children & Families Act 2014 concerning the support of pupils with medical conditions. At the point that schools can evidence they are not able to meet these requirements, the review's recommendations provide the facility for schools to request additional help and support or to place a pupil in a short-term registered provision, if there has been or is anticipated to be a prolonged period of absence from school.

77. Statutory guidance was published by the Department for Education (DfE) in 2013 on alternative provision. The definition which still applies today is "*Education arranged by local authorities for pupils who, because of exclusion, illness or other reasons, would not otherwise receive suitable education; education arranged by schools for pupils on a fixed period exclusion; and pupils being directed by schools to off-site provision to improve their behaviour.*"

78. The DfE state that alternative provision 'should be good quality [and] registered where appropriate.' The conditions under which alternative provision must be registered is if "*it provides full-time education to five or more full-time pupils of compulsory school age, or one such pupil who is looked-after or has a statement of SEN. All AP Academies and AP Free Schools must be registered as independent schools whether or not they are full-time or part-time.*"

79. The MET is at times the sole education provision for pupils receiving support without the facilities, capacity and information communication technology to provide a full time, full curriculum, alternative education offer for children and young people who need and can access it. Therefore, registering the Medical Education Service with Department for Education/Ofsted is crucial in ensuring compliance with the legislation and one which

will add to the quality assurance work already undertaken to ensure the suitability and effectiveness of the provision.

School Organisation Statutory processes

80. In the event of the service being commissioned to an external education provider, this may require changes to education provision by Statutory School Organisation Processes, such as for some change or age range or capacity increases. This involves the publication of proposals and a representation period before a change can be determined.

Human Resources

81. Registered providers, once commissioned, will be responsible for providing education to children and young people requiring alternative education for medical or mental health reasons.

82. Staff working in services considered to be included in-scope of the existing Medical Education Team are likely to transfer under TUPE Regulations and would be directly employed by the new registered education service provider(s) rather than WCF. Staff would transfer on their current terms and conditions following a TUPE consultation period and due process would be followed.

Risk Implications

83. The Covid-19 pandemic has impacted on the pace of the review and the demand for delivery of service. There is a risk that following the Covid pandemic there may be an impact on numbers of children who experience anxiety/low mood that their attendance will be affected. This will be monitored closely through the multi-agency panel and respective commissioners.

84. There is not an external independent medical education provider in Worcestershire, however, there has been interest from educational providers locally, in delivering a Medical Education Service. Should no suitable quality providers be identified as a result of the procurement process, continuity of service will continue through WCF.

85. Future implementation of a change of provider needs to be managed and planned to minimise disruption and children's education experiences. Continued liaison with parent carers and children and young people through the implementation phase will see change planned on an individual child basis.

Next Steps

86. Implementation of operational changes and soft market testing relating to multi-agency working throughout the approach can begin immediately including:

- a) the information and advice toolkits for schools, parent carers and agencies;
- b) training and learning networks; and
- c) the Multi-Agency Assessment and Review Panel.

87. Following approval by Cabinet of the recommendations, and consultation the indicative timeline to implement the proposals for new medical education provider(s), assuming authorised following consideration of the outcome of consultation, would include:

- May – June 2021 Stakeholder consultation on policy approach (after elections)
- June / July 2021 Cabinet Member final decision
- Sept - October 2021 Expressions of interest, evaluation of bids and decisions to identify registered provider(s)
- October - November 2021 Plan statutory School Organisation processes (where appropriate) and review accommodation requirements
- December 2021 – January 2022 complete School Organisation processes (where appropriate)
- February - March 2022 TUPE processes (where appropriate)
- March – August 2022 New provider(s) with support from WCF implement necessary changes to take effect from September 2022
- September 2022 New Service Provider(s) begins.

Joint Equality, Public Health, Data Protection and Sustainability Impact Assessments

88. The Joint Impact Assessment screening did not identify any potential Environmental Sustainability considerations requiring further assessment. It identified that further impact analysis was required in respect of Data Protection, Equality and Public Health assessments. Full Equality and Public Health and Data Protection Impact Assessments have been carried out in respect of these proposals. These identified no potential negative impact for any Protected Groups. These are included in Appendix 5 for information.

Supporting Information (Available electronically)

- Appendix 1 – MET Review Consultation Pack
- Appendix 2 – Summary of MET Review findings
- Appendix 3 – Detailed summary of feedback from Stakeholders
- Appendix 4 – Proposed Multi-Agency Approach and Outcomes
- Appendix 5 – Joint Impact Assessments
 - a Screening
 - b Data Protection
 - c Equality and Public Health

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 Interim Director of Children's Services) the following are the background papers relating to the subject matter of this report:

- [Alternative Provision Statutory guidance for local authorities \(January 2013\)](#)
- [Education for children with health needs who cannot attend school \(May 2013\)](#)
- [Worcestershire Supporting Children with medical difficulties guidance:](#)
- [Local Area Special Educational Needs and Disability \(SEND\) Inspection outcome \(March 2018\) & Local Area SEND Written Statement of Action \(August 2018\)](#)
- [Cabinet Report: Medical Education Provision \(30 January 2020\)](#)
- [Cabinet Report: Medical Education provision \(25 June 2020\)](#)
- [Children and Families Overview and Scrutiny Report \(13 November 2020\)](#)

CABINET
18 MARCH 2021**HAMPTON BRIDGE**

Relevant Cabinet Member

Dr K A Pollock

Relevant Officer

Strategic Director of Economy and Infrastructure

Local Member

Mr J H Smith

Recommendation

1. **The Cabinet Member with Responsibility for Economy and Infrastructure recommends that Cabinet:**
 - (a) **authorises the continuation of the surveys and negotiations necessary to progress the Hampton Bridge scheme;**
 - (b) **endorses the allocation of s.106 and WNEP contributions towards the scheme;**
 - (c) **authorises the completion of a pre-planning public engagement exercise and the preparation and submission of a Planning Application for the Hampton Bridge Project;**
 - (d) **authorises the Strategic Director of Economy and Infrastructure and the Strategic Director of Commercial and Change to acquire the land or part thereof necessary to deliver the scheme (shown edged red in Appendix 1) through negotiation if possible, and, if not possible, in consultation with the Cabinet Member with Responsibility for Economy and Infrastructure, to make a Compulsory Purchase Order (CPO) to acquire the land and rights required for the project, and further authorises the Strategic Director of Economy and Infrastructure and the Strategic Director of Commercial and Change to approve any Statement of Reasons in relation to the land, that must accompany any CPO submitted for confirmation to the Secretary of State and notes that this will be approved prior to the making of any CPO;**
 - (e) **authorises the Strategic Director of Economy and Infrastructure and the Strategic Director of Commercial and Change, in consultation with the Cabinet Member with Responsibility for Economy and Infrastructure, to revise the extent of the land to be acquired if necessary;**

(f) authorises the Strategic Director of Economy and Infrastructure in consultation with the Cabinet Member with Responsibility for Economy and Infrastructure to finalise the design of the bridge and links; and

(g) authorises the Strategic Director of Economy and Infrastructure, to award contracts and to enter any other such agreements as are necessary to complete the bridge within the funding envelope already secured.

Why are these decisions important?

2. It is important that these decisions are made now to progress the project and maintain a programme whereby construction could start on the bridge as soon as possible.

Background

3. A lack of capacity in Evesham's transport network leads to congestion, poor journey time reliability and reduced air quality. This lack of capacity also constrains future housing and employment growth. Alongside this it is apparent that a significant number of short journeys to and within the town that are currently being driven could easily be walked or cycled if supported by suitable infrastructure. Survey data from Evesham indicates that 22% of trips are currently under 4 miles. The proposed location of the bridge has been influenced by a number of factors including buildability, environmental constraints and connectivity to the walking and cycling network (see Appendix 2 Location Plan). The provision of a pedestrian/cycle bridge is supported in the emerging Evesham Local Cycling and Walking Infrastructure Plan (LCWIP), Evesham Transport Strategy and Worcestershire County Council's Local Transport Plan 4.

Planning context

4. A pedestrian/cycle bridge across the Avon at Evesham was identified as a requirement as part of the planning submission for the Hampton housing development to the west of the town in 2014. The bridge would provide a direct link from Hampton to the Town Centre, schools, employment and the rail station.

5. The bridge is widely referenced in the documentation supporting the planning application. The Transport Assessment outlines that *"it is ... proposed that the developers will provide a developer financial contribution towards the implementation of the following ... acquisition of the necessary land to provide a fixed, all-weather pedestrian and cycle bridge link across the River Avon at the site of the existing Hampton Ferry"*

6. s.106 contributions were subsequently secured for the bridge, alongside additional contributions for walking and cycling and bus stops. An extension to the site for a further 56 dwellings was granted permission earlier this year, with additional s.106 funds being secured towards the bridge and link paths.

Policy context

7. The national, regional and local policy context for improving walking and cycling opportunities to provide health, transport and planning benefits is well established. The National Planning Policy Framework, strongly requires investment in walking and cycling including suggestions that:

- Local Authorities must promote healthy and safe environments – specifically by 'layouts that encourage walking and cycling'
- Opportunities to promote walking must be prioritised
- Investing in cycling and providing travel mode choice reduces congestion, improves air quality and benefits public health.

8. The importance of walking and cycling infrastructure has been further highlighted during the Coronavirus pandemic with the Government publishing “*Gear Change: A bold vision for cycling and walking*” This new strategy aims for half of all journeys in towns and cities to be cycled or walked by 2030 and commits to thousands of miles of new cycle lanes in order to deliver this.

9. Further to this, in July 2020, Local Transport Note 1/20 was published by the Department for Transport. This guidance document has been developed to promote the delivery of high-quality cycle infrastructure and reflects current good practice, standards and legal requirements.

10. The Worcestershire Local Enterprise Partnership Energy Strategy identifies the facilitation of walking and cycling opportunities as a key aspect of achieving a lower-carbon economy while a number of objectives designed to encourage walking and cycling are included in Local Transport Plan 4 (LTP4).

11. The 2011 Public Consultation version of the SWDP identified an area in Hampton as suitable for an urban extension of up to 400 new homes and the provision of a new pedestrian and cycle bridge across the River Avon at Hampton was also identified, in order to improve links to the town centre. Policy SWDP4 (Moving Around South Worcestershire) sets out the strategy for the local transport network. It states that development proposals should minimise the need to travel, offer genuine sustainable travel choices, improve road safety and support Local Transport Objectives.

12. The potential scheme benefits and outcomes are anticipated to include the following:

- Increased use of active modes resulting in improved physical health and mental wellbeing of residents, reduced congestion, improved local air quality and improved accessibility and transport choice
- Reduced severance and increased network resilience
- Increased leisure use of the riverside area through the completion of a “figure of 8” circuit using the existing Ferry Crossing and Abbey Road bridges
- Increased active travel between Hampton and the Town Centre
- Contributing towards relieving Evesham’s congestion problems
- Opportunity for increased footfall in Evesham town centre, which could contribute to revitalizing the local economy
- A safer pedestrian and cycle network as set out in the Evesham Transport Strategy and mandated in LTP4
- A more legible cycling network as set out in the emerging LCWIP, and
- Improved connections to National Cycle Network Routes 41 to Tewkesbury and 442 to Worcester together with an opportunity to reroute the NCN through the town itself, avoiding the need for cyclists to cross the busy A46 corridor.

Public health benefits

13. In Worcestershire, 65% of adults and one third of Year 6 children are overweight and/or obese. A strong reason for this is physical inactivity – around 21% of adults in Worcestershire do less than 30 minutes of exercise per week. Encouraging active travel is one solution to help people achieve recommended physical activity levels and recommended weight. Active travel can lead to health benefits including reduction of heart disease, stroke, cancer, obesity and type 2 diabetes. The environment can also benefit by a model shift to active travel, including reduced air pollution, congestion, road danger and noise pollution.

14. There is a strong evidence base around the benefits of helping people to take up walking or cycling which requires an integrated and joined up approach, including:

- Providing clear information and advice promoting physical activity and active travel
- Encouraging families, children and young people to live active lives
- Supporting those who have the poorest health outcomes and those who are most inactive to take steps to increase physical activity
- Creating health-promoting environments, and
- Providing appropriate infrastructure.

Progress to date

15. The following activities have been completed or are underway:

- Initial Bridge Feasibility Study - identification of scheme constraints and initial costing based on feasibility study
- Initial discussions with Landowners
- Topographical Survey of the land either side of the Avon
- Geotechnical Desk Study – in progress
- Preliminary Ecological Appraisal
- Bat Activity Survey
- Reptile Surveys
- Pedestrian/Cycle Upgrade Study – study into how the structure will link into the wider network
- Transport Assessment – in progress, and
- Initial discussions regarding construction with the Council's Infrastructure Engineering Term Contractor.

The survey works undertaken to date are critical to inform the design of the bridge and the planning application.

Planning

16. A full planning application will be required for the scheme which will be determined by the County Council.

Delivery and Timescales

17. To commence construction as early as possible, adherence to the following timeline is required for the following activities:

- Design Development (including architectural inputs, early contractor involvement, outline design and phase 2 ground investigation, detailed design and independent design checks): Spring 2021

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- Planning application submission: December 2021
- Planning determination: Spring 2022
- Start on site: following planning approval (assuming Compulsory Purchase Order not required).

Key project risks

Risk	Mitigation
Unknown ground conditions	Investigations are currently underway to determine requirements for likelihood of ground improvements and increased costs to foundations.
Potential delays to land acquisition	Work is underway to secure the land through negotiation but a CPO is being proposed to run in parallel as a contingency.
The areas adjacent to the bridge landing areas are susceptible to high river levels and flooding, preventing access to bridge as well as impacting construction	Flood Risk Assessment undertaken to determine impact of flooding. Construction works to be scheduled to avoid periods of high flows.
Requirement for additional funding	Continue to identify additional funding.

Legal Implications

18. The proposed landing points of the structure are to be sited on privately owned land which will need to be acquired, ideally through negotiation (Appendix 1 Land Acquisition Plan). However, it is recommended that the Strategic Director of Economy and Infrastructure and the Strategic Director of Commercial and Change, in consultation with the Cabinet Member with Responsibility for Economy and Infrastructure, are authorised to acquire the land through a Compulsory Purchase Order (CPO) including any compulsory acquisition of rights required for the project if it is not possible to acquire the land by negotiation. It is further recommended that the Strategic Director of Economy and Infrastructure and the Strategic Director of Commercial and Change are authorised to approve any Statement of Reasons in relation to the land, that must accompany any CPO submitted for confirmation to the Secretary of State. It is also recommended that the Strategic Director of Economy and Infrastructure and the Strategic Director of Commercial and Change, in consultation with the Cabinet Member with Responsibility for Economy and Infrastructure, are authorised to revise the extent of the land to be acquired if necessary.

19. Legal agreement will be required to exercise powers under Section 106 (3) of the Highways Act 1980 to construct the bridge to form a footpath/cycle track (with a right of way on foot) over the navigable waters of the River Avon.

20. Full planning consent will be required for the structure, approaches and some of the improvements to the local and strategic cycle and pedestrian links. It is recommended that a pre-planning engagement exercise is carried out ahead of the formal planning application.

21. Consent will be required from statutory undertakers and legislative bodies including the Avon Navigation Trust and Environment Agency.

Financial Implications

22. The overall cost estimate to complete the main bridge works has been identified as c.£4.26m (including a 10% contingency sum). This covers scheme development and bridge construction.

23. Funding is available to meet the expenditure requirement of £4.26m from the following sources:

- £3.1m – s.106 contributions to the main bridge
- £0.23m – s.106 contribution to the linkages
- £0.4m – s.106 Phase 3 contributions
- £0.03m – s.106 contributions towards sustainable transport links
- £0.5m – Worcestershire County Council WNEP contribution.

24. It is recommended that the Strategic Director of Economy and Infrastructure is authorised to award contracts and enter into any other such agreements as are necessary to construct the bridge up to the £4.26m value of funding already secured.

25. Further expenditure will be required (estimated at c£1m) for the links to the local walking and cycling network and funding for this second phase will be sought from other sources including from within the existing Capital Programme. This will be confirmed to Cabinet at a subsequent meeting, however, expenditure on this element of the scheme will not progress until funding has been identified.

HR, Privacy and Human Rights Implications

26. No Human Resources or Human Rights implications have been identified.

27. No privacy issues have been identified but this will be modelled during the design process e.g. potential for overlooking.

Joint Equality, Public Health, Data Protection and Sustainability Impact Assessments

28. Full Equality, Public Health, Data Protection and Sustainability Impact Assessments have been carried out in respect of the recommendations (Appendix 3). No negative impacts have been identified for Protected Groups and other impacts can be satisfactorily mitigated through existing policies and procedures.

Supporting Information – Available Electronically

- Appendix 1 - Land Acquisition Plan
- Appendix 2 - Location Plan
- Appendix 3 - Joint Impact Assessment Screening and Full Assessments

Contact Points

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Specific Contact Points for this report
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List of Background Papers

In the opinion of the proper officer (in this case the Strategic Director of Economy and Infrastructure) the following background papers relate to the subject matter of this item:

- Local Transport Plan 4
- Evesham Transport Strategy
- Hampton Bridge Feasibility Study

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CABINET
18 March 2021**KEPAX BRIDGE**

Relevant Cabinet Member

Dr K A Pollock

Relevant Officer

Strategic Director of Economy and Infrastructure

Local Members

Mr S E Geraghty

Mr A Stafford

Recommendation

- 1. The Cabinet Member with Responsibility for Economy and Infrastructure recommends that Cabinet:**
 - (a) notes progress with the scheme and welcomes the completion of the Business Case; and,**
 - (b) authorises the Strategic Director of Economy and Infrastructure to award construction contracts and enter into any other such agreements as are necessary to progress delivery of the bridge within the funding envelope already secured.**

Why are these decisions important?

2. It is important that these decisions are made now to enable work to start on site in 2021 and to take advantage of the external funding that is available.

Background

3. Building on the success of the Connect2 Diglis Bridge scheme, Worcestershire County and Worcester City Councils are working in partnership to provide a new walking and cycling bridge over the River Severn between Gheluvelt Park and Kepax. The project aims to provide improved cycle and pedestrian connectivity to the north of Worcester City and to enhance links along the riverside thereby completing a “figure of 8” circuit encompassing Kepax Bridge, Sabrina Bridge and Diglis Bridge (see Appendix 1 for a plan showing the location of the bridge and key wider links).
4. At its meeting on 14 November 2019, Cabinet approved the development of a Business Case to support the scheme, authorised the allocation of £1.5m towards its development and endorsed the development and submission of a planning application. It was agreed that a further report would be presented to Cabinet before construction began on site and that this would be subject to funding for the project being secured.

Policy context

5. The national, regional and local policy context for improving walking and cycling opportunities to provide health, transport and planning benefits is well established. The National Planning Policy Framework, strongly requires investment in walking and cycling including suggestions that:

- Local Authorities must promote healthy and safe environments – specifically by 'layouts that encourage walking and cycling'
- Opportunities to promote walking must be prioritised
- Investing in cycling and providing travel mode choice reduces congestion, improves air quality and benefits public health.

6. The Worcestershire Local Enterprise Partnership Energy Strategy identifies the facilitation of walking and cycling opportunities as a key aspect of achieving a lower-carbon economy while a number of objectives designed to encourage walking and cycling are included in Local Transport Plan 4.

7. The importance of walking and cycling infrastructure has been further highlighted during the Covid-19 pandemic with the Government publishing *Gear Change: A bold vision for cycling and walking*. This new strategy aims for half of all journeys in towns and cities to be cycled or walked by 2030 as 40% of journeys in urban areas are less than 2 miles and commits to new infrastructure to support this objective.

8. The potential scheme benefits and outcomes are anticipated to include the following:

- Increased use of active modes resulting in improved physical health and mental wellbeing of residents, reduced congestion, improved local air quality and improved accessibility and transport choice
- Reduced severance and increased network resilience through the provision of an additional river crossing
- Increased leisure use of the riverside area through the completion of a “figure of 8” circuit using the Kepax Bridge, Sabrina Bridge and Diglis Bridge as crossing points
- Increased tourism and visits to attractions such as Worcester Racecourse and the Pump House Environment Centre
- Increased use of the Green Flag park which includes a splash pad and open fields to the east
- A safer pedestrian and cycle network in the north of Worcester, with more off-road provision
- A more legible cycling network from the north of Worcester to destinations such as the canal, city centre and university
- Improved connections to National Cycle Network Routes 45 and 46
- Improved connections to Regional Cycle Network Routes 3 and 7.

Public health benefits

9. In Worcestershire, 65% of adults and one third of year 6 children are overweight and/or obese. A strong reason for this is physical inactivity – around 21% of adults in Worcestershire do less than 30 minutes of exercise per week. Encouraging active travel is one solution to help people achieve recommended physical activity levels and recommended weight. Active travel can lead to health benefits including reduction of heart disease, stroke, cancer, obesity and type 2 diabetes. The environment can also benefit by a modal shift to

active travel, including reduced air pollution, congestion, road danger and noise pollution.

Progress to date

10. The following activities have been completed:

- Initial Bridge Feasibility Study - identification of scheme constraints, initial costing based on feasibility study, geotechnical overview and environmental checklist
- Topographical, geotechnical, archaeological and ecological surveys
- Transport Planning/Economic Impact inputs to cover the forecast demand for the proposed asset and economic impact
- Flood Risk Assessment and river modelling
- Pedestrian/Cycle Upgrade Study – study into how the structure will link into the wider network and where improvements are required to ensure that the structure has the demand required for a strong Cost Benefit Ratio
- Detailed discussions with the Council's Infrastructure Engineering Term Contractor
- The bridge has been designed with input from architects, engineers and environmental advisors (see Appendix 2), and
- A planning application has been submitted.

Business Case and Benefit Cost Ratio

11. A Business Case (Appendix 3) included as supporting information to this report, has been completed and presents the Strategic, Economic, Commercial, Financial and Management Case for the provision of the bridge and improved local and strategic cycle and pedestrian links creating leisure, employment and access to education opportunities and delivering health and well-being benefits.

12. The economic assessment of the project has indicated that improvements to local and strategic cycle and pedestrian links in addition to the bridge would result in a significantly improved Cost Benefit Ratio (BCR) for the scheme compared with constructing the bridge in isolation. A strong BCR is essential to secure third-party funding and it was previously agreed by Cabinet that the strategic linkages should be included as an integral part of the scheme but that the project could be delivered in phases with the bridge being constructed first with links to the nearest highway, and improvements to the wider links following later. Following an economic assessment using government tools, the full scheme has been assessed as representing High Value for Money.

Planning

13. An extensive pre-planning stakeholder engagement exercise was carried out prior to the submission of the planning application and the responses were overwhelmingly supportive. Although most respondents were positive about the scheme, a number of more local concerns were raised most notably regarding security, parking and the environment and these were repeated during the statutory consultation process. These concerns should be addressed as part of the planning process.

Delivery and Timescales

14. Should Cabinet approve the scheme, work would start on site once it has received planning consent. It is anticipated that the work would be completed in 2022 if planning approval is confirmed by mid-2021.

Key risks

15. The bridge site is subject to occasional flooding which could potentially have an impact on the programme; a parcel of third-party land needs to be secured; and approvals need to be confirmed by some statutory bodies.

Legal Implications

16. The proposed location of the landing points of the structure are to be sited on Worcestershire County and Worcester City Council owned land. A small parcel of land needs to be acquired from a third party on the west side of the river to accommodate the access path, although negotiations are well underway.

17. Powers will be exercised under Section 106 (3) of the Highways Act 1980 to construct the bridge to form a footpath/cycle track over the navigable waters of the River Severn.

18. Various agreements and consents are being sought with statutory undertakers and legislative bodies including the Canals and Rivers Trust, Environment Agency and Fields in Trust.

19. No Human Resources or Human Rights issues have been identified. A small number of residential properties would be visible from the bridge. Although there are no specific standards for structures of this kind, a distance of 22m is commonly prescribed by local authorities to achieve adequate privacy between facing windows. In comparison, the proposed position of the bridge is approximately 100m from the closest residential properties.

Financial Implications

20. The cost of constructing the bridge has been estimated at £5.8m.

21. Funding already secured for this scheme totals £5.82m from the following sources:

- £0.82m - Worcester City Council (excluding sunk costs of £0.055m)
- £4m - Worcestershire County Council – already allocated to Walking and Cycling Bridges in the Capital Programme
- £1m of the £12m Getting Building Fund approved for Worcestershire.

22. It is recommended that the Strategic Director of Economy and Infrastructure is authorised to award construction contracts and enter into any other such agreements as are necessary to progress delivery of the bridge within the funding envelope already secured.

23. Further expenditure will be required for the links to the local walking and cycling network and funding for this will be sought from other sources including from within the existing Capital Programme. This will be confirmed to Cabinet at a subsequent meeting, however, expenditure on this element of the scheme will not progress until funding has been identified.

HR, Privacy and Human Rights Implications

24. No Human Resources, Privacy or Human Rights implications have been identified.

Joint Equality, Public Health, Data Protection and Sustainability Impact Assessments

25. Full Equality, Public Health, Data Protection and Sustainability Impact Assessments have been carried out in respect of the recommendations (Appendix 4). No negative impacts have been identified for Protected Groups and other impacts can be satisfactorily mitigated through existing policies and procedures.

Supporting Information – Available Electronically

- Appendix 1 – Scheme location
- Appendix 2 – Bridge design
- Appendix 3 – Kepax Bridge Business Case
- Appendix 4 – Joint Impact Assessment Screening and Full Assessments

Contact Points

County Council Contact Points

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List of Background Papers

In the opinion of the proper officer (in this case the Strategic Director of Economy and Infrastructure) the background papers relating to the subject matter of this item are as follows:

- Cabinet Report 14 November 2019
- Pre-planning Stakeholder Engagement Summary

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CABINET
18 MARCH 2021**GAMECHANGER 2, REDDITCH RAILWAY QUARTER AND
TRANSPORT INTERCHANGE**

Relevant Cabinet Members

Dr K A Pollock, Ms K May

Relevant Chief Officer

Strategic Director for Economy and Infrastructure

Local Members

Mr B Clayton, Mr A Fry, Mr R C Lunn

Recommendation

1. **The Cabinet Member with Responsibility for Economy and Infrastructure recommends that Cabinet:**
 - (a) **notes the progress to date and supports the redevelopment of Redditch Railway Quarter as a Gamechanger 2 Site;**
 - (b) **endorses the proposal to acquire the land required to deliver the Railway Quarter proposals in accordance with the delegations as set out in the Land Acquisition Cabinet report of 19 November 2020 (and shown on Appendix 2 marked red);**
 - (c) **should it not be possible to acquire all the land by negotiation, authorises in principle the acquisition of necessary land and rights over land through the making of Compulsory Purchase Orders (CPO) and authorises the Cabinet Member with Responsibility for Economy and Infrastructure in consultation with the Strategic Director for Economy and Infrastructure to finalise the details and make the final decision on the making of such a CPO including any compulsory acquisition of rights, including over land outside the red line, required for the programme, and to approve any Statement of Reasons in relation to the land that must accompany any CPO submitted for the confirmation to the Secretary of State for Transport, and notes that this will be approved prior to making of the CPO;**
 - (d) **authorises the Strategic Director for Economy and Infrastructure to commence, continue and conclude contracts required for the delivery of the project;**
 - (e) **authorises the Cabinet Member with Responsibility for Economy and Infrastructure to approve the detailed redevelopment proposals for the site; and**

- (f) authorises the Strategic Director for Economy and Infrastructure to implement the delivery of those proposals, including submitting planning applications and obtaining any other consents required.**

Background

2. The development of transport infrastructure hubs and "Gamechanger" assets has been a key feature of the County Council's strategy to date.
3. This strategy has been further supported via the County Council's approval to the addition to the capital programme of £15m for Additional Rail Station Developments, including Gamechanger sites, for the purpose of enabling economic growth, including the purchase of land adjacent to key rail nodes for the delivery of "gateway" schemes in Worcestershire ("Gamechanger 2 Sites") in accordance with adopted policies for transport and growth and as part of the post pandemic recovery.
4. The development of Gamechanger 2 Sites as 'gateways' acknowledges the multi-faceted benefits and outcomes expected to be derived from such investments. Business Cases are anticipated to articulate a broad economic impact from: additional transport use; commercial, leisure and retail development; residential development; and the wider regeneration of the surrounding areas.
5. The location of Gamechanger 2 Sites reflects the work the County Council has done with district authorities in identifying key sites for development, growth and regeneration centred around transport nodes.
6. Projects associated with Gamechanger 2 Sites are starting to emerge in other key investment proposals including Worcestershire Local Enterprise Partnership bids under the Government's Getting Building Funding (GBF) and Town Investment Fund proposals led by Worcester City Council and Redditch Borough Council.
7. Cabinet approved delegated authority in November 2020 for the acquisition of Gamechanger 2 Sites.
8. Redditch Railway Station (the "Station") and land surrounding the Station has been identified as a Gamechanger 2 Site.

Progress of the Station and Redditch Railway Quarter redevelopment proposals

9. Redditch is on the cross-city West Midlands Trains line as the final destination running from Lichfield through Birmingham New Street Station. Prior to COVID-19 there were 6 trains per hour (tph) at 10-minute intervals, stopping at almost all stations, 3 tph serving Redditch and 3 tph serving Bromsgrove. The junction for the Redditch branch is at Barnt Green from where there is a combination of dual track and two sections of single line railway.
10. The redevelopment of the Station and surrounding area was identified in the 2018 Redditch Town Centre Regeneration Prospectus (the "Prospectus") prepared by Redditch Borough Council.

11. Following the publication of the Prospectus the proposed redevelopment of the Station and surrounding land was further developed into the 'Station Quarter' development in a 2019 report by BDP as part of the Town Centre Development Strategy commissioned by Redditch Borough Council , within which an enhanced Station was described as 'at the heart of the masterplan'.

12. In parallel to the above, in November 2019 the County Council allocated £200,000 through Open for Business for Worcestershire County-wide railway feasibility and intervention works. The funding was used to instruct a project team in early 2020, which included SLC Rail (as the County Council's Rail Advisor), Network Rail, West Midlands Trains, Redditch Borough Council, and a multi-disciplinary design team. The project team reviewed the rail case and options for delivering improvements at the Station.

13. The design team and SLC Rail undertook a technical review of the options which informed the development of the current proposal for the Station and surrounding area (the "Railway Quarter" redevelopment). The plan attached at Appendix 2 shows the general indicative scope of the land the subject of the Railway Quarter redevelopment outlined in red and shaded blue.

14. It is envisaged that the Railway Quarter redevelopment will form a new gateway to the town for visitors, residents and for those wishing to access the city (Birmingham).

15. Central to the delivery of the Railway Quarter redevelopment is the redevelopment of the Station and delivery of a multi-modal transport interchange ("Station Interchange"). An improved Station will support the town's overall regeneration, remove visual and practical barriers currently separating town and station, and become a 'gateway' bringing together the Railway Quarter and Town Centre as one seamless place, attractive, and easy to use for more visitors and residents

Station Interchange

16. The Station Interchange will deliver a transformed Station which will facilitate the wider Railway Quarter redevelopment.

17. In short, the Station Interchange will deliver:

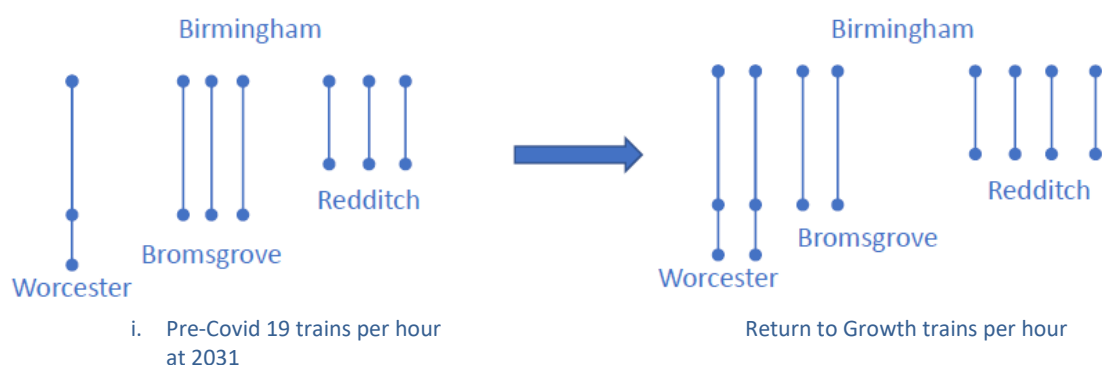
- A new two-storey station building providing a step-change in amenities, accessibility and capacity for passengers
- Significantly expanded public and waiting room space, wholly new catering/retail facilities, modern rail retail and staff accommodation, toilets/baby changing facilities meeting passenger numbers and the access needs of all users, and Wi-Fi/digital infrastructure inherent in construction and design
- The Station building will be designed to optimise digital technology for the benefit of rail operators, rail users and businesses operating in the railway quarter. Excellent fibre provision will be fundamental to the continued use and future development of Redditch Station and surrounding quarter. Building this into the design of a new building will optimise the provision in a way that is difficult to achieve retrospectively
- A multi-modal Redditch Interchange including rail and bus services, car parking, taxi drop off/pick-up, cycle access and safe storage, and direct, well-signed pedestrian routes within and between the Railway Quarter and Town Centre

- Creation of new open space in front of the Station, providing improved connectivity, integrating the station and Town Centre, and joining up to the other public realm enhancements proposed in the Town Deal bid
- Providing an enhanced, modern and attractive sense of arrival and customer experience for commuters and visitors, with services that support the 'Digital Town' proposals
- A safe, secure environment for users and staff throughout the Interchange, car park, station building and platforms
- Accessibility for all users, with truly inclusive design as a core objective and value of the scheme, covering every one of the enhancements described above, enabling any user to make full, independent use of the new built environment.

18. The Station Interchange will also support and enable the wider Railway Quarter redevelopment. Design provision will be made for longer 210m platforms and a second platform, respectively facilitating 9-car trains and increased train frequencies, securing the key role of Redditch on the Cross City Line as future rail strategy is developed by DfT, West Midlands Rail Executive, Network Rail and Worcestershire County Council, and prospectively extending under Unicorn Hill road bridge into a new centre for the station fully integrated with the Kingfisher Shopping Centre (the "Additional Station Works").

19. The risk of not increasing the capacity at the Station, through a second platform and extending the lines to 210 metres, is that the opportunity is lost to support rail industry development ambitions and service frequencies are permanently limited at Redditch.

20. These ambitions are clear beyond the COVID-19 situation. West Midlands Rail Executive is currently reviewing its Rail Investment Strategy 2019-2047 to take account of COVID-19, testing 2 scenarios of 'return to growth' and 'low growth'. 'Return to growth' assumes an increase to 4 tph at Redditch by 2031, and 'low growth' 3 tph by 2031 and 4 tph by 2040. (Bromsgrove would be similarly served with 4tph by 2031 under 'return to growth' and by 2040 under 'low growth'.) These ambitions are summarised in the figure below.



21. Furthermore, SLC Rail have undertaken a timetable feasibility of increasing the train services to/from Birmingham from 3 trains per hour (tph) to 4 tph. The technical appraisal included reviewing the capacity of the railway and service patterns between Birmingham New Street and Barnt Green and the impact of the two sections of single line railway on the Redditch branch. The appraisal demonstrated that 4 tph could be achieved.

22. It is anticipated that the delivery of the Station Interchange will unlock the wider Railway Quarter redevelopment which has the potential to support residential, office, retail and leisure uses. New residential development is likely to appeal to new and existing residents looking for well-designed, contemporary living with town centre amenities on the doorstep and excellent rail connectivity into Birmingham. Such a development will fit well with the West Midlands Combined Authority (WMCA) strategy of encouraging high quality housing growth in well-connected locations with a good existing social and community infrastructure.

23. There will also be options for commercial development coming forward subject to detailed market assessment and in line with the wider economic and regeneration aspirations of the area that are supported by the improvement in facilities and benefit of excellent rail connectivity into Birmingham.

The Station Interchange and Phase 1 of the Railway Quarter redevelopment

24. A project board will be formed in early 2021 with relevant stakeholders to oversee the development of detailed feasibility proposals for the Station Interchange, Additional Station Works and Railway Quarter redevelopment, taking it through relevant Rail Network Enhancement Pipeline (RNEP) stages.

25. The project board will appoint professional advisers in support of the preparation of the development vision and specification having regard to likely markets, land use allocations and design.

26. The Station Interchange, the Additional Station Works and the wider Railway Quarter redevelopment will be brought forward in stages. The stages will ensure that investments in each phase support the development in the next phase.

27. Phase 1 will deliver the Station Interchange, as shown indicatively on Appendix 3.

28. Future phases will deliver the Additional Station Works, as well as the delivery of the wider Railway Quarter redevelopment, including the provisions of residential, commercial and other uses.

Planning Permission

29. It is anticipated that planning permission will be required for certain parts of the works required to deliver the Station Interchange. Although planning permission is not yet in place the County Council is not aware of any reason why all necessary permissions will not be obtained when required.

Policy Justification

30. The delivery of the Station Interchange as well as the Additional Station Works and wider Railway Quarter redevelopment is supported by the National and Local planning policy.

31. The delivery of the Station Interchange as well as the Additional Station Works and wider Railway Quarter redevelopment is supported by the National Planning Policy Framework 2019 ("NPPF"). Part 9 of the NPPF "Promoting Sustainable Travel" states

that "opportunities to promote walking, cycling and public transport use" should be identified and pursued and growth should be focused on locations which are, or can be, made sustainable through limiting the need to travel and offering a genuine choice of transport modes.

32. Redditch Local Plan 4 (2017) (the "Local Plan")

<https://www.redditchbc.gov.uk/media/2751956/Adopted-BORLP4-low-res-17-02-17.pdf>, includes the following policy support for the delivery of the Station Interchange as well as the Additional Station Works and wider Railway Quarter redevelopment:

- a) Paragraphs 1.61 – 1.71 set out the Vision behind the Local Plan. Para 1.61 states that "The Redditch Sustainable Community Strategy (SCS) has provided a foundation to develop a Vision for the Local Plan, specifically the Vision and priorities of the SCS have been considered in the formulation of the Local Plan's Vision. The SCS is built around a shared vision for the Borough. It is envisaged that by 2030: *"Redditch will be successful and vibrant with communities that have access to good job opportunities, good education, good health and are communities that people will be proud to live and work in."* Paragraph 1.62 notes that "The Vision has also been formulated based on the aspirations of the Redditch community and sets out how Redditch Borough wants to be by 2030." Two of the seven aspirations set out therein are "Sustainable Places to Live which Meet our Needs" "Creating and Sustaining a Green Environment" and "Improving the Vitality and Viability of Redditch Town Centre". In respect of the aspiration "Sustainable Places to Live which Meet our Needs", paragraph 1.63 of the Local Plan noted that "To support the sustainability of Redditch's three settlements, new growth will have been achieved in a sustainable way. To achieve the development strategy, Redditch Town will be the main settlement in the Borough and focus for development, with cross boundary development adjacent to the Town to support it...." In respect of the aspiration "Creating and Sustaining a Green Environment", paragraph 1.66 of the Local Plan notes that "sustainable modes of transport will be supported and delivered as the infrastructure and green infrastructure needed to support planned development"
- b) The Station Interchange supports Policy 19, Sustainable Travel and Accessibility which states that *"Transport will be coordinated to improve accessibility and mobility, so that sustainable means of travel, reducing the need to travel by car and increasing public transport use, cycling and walking are maximised"*. Development will be in accessible locations and take account of interactions between uses *"maximising accessibility to, from and between public transport modes and interchanges (bus and rail), maximising accessibility to and from the development sites and increasing access to and from Redditch Railway Station for users, particularly where access points into the Borough create a gateway"*
- c) The location of and improvements to the Station Interchange and Railway Quarter through increasing visitor numbers and visitor experience support Policy 30, Town Centre and Retail Hierarchy, which states that *"aims to locate uses that attract large numbers of people, such as shopping, in existing Town Centres"* and provide *"for retail growth in tandem with the needs generated by economic and population growth and relative to the role and function of the centres in the retail hierarchy"*

- d) The Station Interchange through improving the perception of Redditch and visitor experience supports Policy 31, Regeneration for the Town Centre. Paragraph 31.2 of the supporting text states that "*There are a number of current development opportunities that have great potential to reinforce and strengthen the role of the Town Centre, creating confidence in Redditch as a place to invest in. In addition, the redevelopment of the area around the railway station could create a new gateway to the centre and improve its image and impression.*"

33. Worcestershire's Local Transport Plan, 2018 - 2030 (LTP4). NEST3 Redditch Transport Strategy Redditch Borough Council/LTP/Developers The Redditch Transport Strategy Major Scheme will be a phased investment programme in transport infrastructure, technology and services in Redditch Town Centre to support regeneration, economic diversification and growth, directly linked to Redditch Borough Council's Local Development Plan.

34. West Midlands Rail Executive - Rail Investment Strategy 2019-2047 (WMRE-2019): This proposes enhanced train service frequencies to Redditch.

35. Worcestershire Rail Investment Strategy (WCC-2017) seeks new rail capacity to support sustainable economic, housing, population and employment growth. Current work examining growth required in post-COVID-19 scenarios forecasts 8-22% growth in passenger volumes at Redditch 2020-2035. Such growth needs to be supported by commensurate improvements in the existing Station and its facilities.

Funding

36. It is anticipated that the Station Interchange works will be funded via:

- a) the Getting Building Funding award;
- b) the currently pending application for funds from the Government's Town Deals scheme; and
- c) the Council's Capital Programme for additional Rail Station Developments, including Gamechanger 2 Sites.

Getting Building Funding

37. An application was made to support the wider Railway Quarter redevelopment through Worcestershire Local Enterprise Partnership in August 2020 under the Government's Getting Building Funding scheme launched in August 2020 for shovel-ready infrastructure projects to boost economic growth, and fuel local recovery and jobs.

38. The application to support the Railway Quarter redevelopment was successful and £1,000,000 was awarded for securing strategic land acquisition. The fund is administered by the County Council and the monies must be spent by 31 March 2022.

Redditch Town Deal

39. The Government invited 101 towns to develop proposals for a Town Deal, as part of the £3.6 billion Fund. Redditch is one of the towns across the country eligible to bid for up to £25m for the Town Fund.

40. A Redditch Town Deal Board (TDB) was formed in early 2020 and the County Council is represented on the Board by Councillor Simon Geraghty.

41. The TDB established a vision and set of four priorities to transform Redditch from a traditional New Town into a New smart Town fit for the 21st century, which is a great place to live and work and an investment and visitor destination.

42. A Connected Town is one of the four priorities for the Town Deal and the Railway Quarter was identified as a key project. A subsequent community consultation identified Improving the Station as one of the two investment ideas that would make the biggest difference to their lives.

43. The County Council put forward a proposal to Redditch TDB for £8,500,000 to support the Station Interchange. The proposal was supported and included within the Town Investment Plan (TIP).

44. The Redditch TIP was submitted in January 2021, with funding announcements expected Q1/Q2 2021. Funding is to be spent by April 2026.

Land to be Acquired

45. In order to deliver the Station Interchange third-party land is required. The land expected to be required is set out in Appendix 2 Red Line Plan (the "Land"). The individual land holdings are identified in Appendix 1 - Station Interchange Land Ownership Plan, and comprise:

- a) Plot 1 - a vacant cleared brownfield site with access from Edward Street and is used for parking
- b) Plot 2 - includes the current station and car park. The land is owned by Network Rail
- c) Plot 3 - a public house known as the Golden Cross and includes a car park
- d) Plots 4/5 - comprise four trading food and beverage facilities within a short, mainly three storey terrace with part ground and first floor trading and upper floor residential flats
- e) Plot 6 - a footpath and grassed area providing pedestrian access to the Station directly off Unicorn Hill owned by Redditch Borough Council (RBC).

46. In identifying the land required to deliver the Station Interchange the County Council has balanced the need to deliver the Station Interchange with attempting to minimise interference with private property interests.

47. It is currently considered unlikely that CPO powers will be required in respect of NR and RBC land and that the works to deliver the Station Interchange will be brought forward alongside NR and RBC.

Compulsory Purchase

48. Cabinet have approved the mandate to acquire land for Gamechanger 2 Sites in accordance with the delegations as set out in the Land Acquisition Cabinet report of 19 November 2020.

49. The County Council will continue to seek to acquire the necessary interests in the Land via private agreement. However, with a view to progressing the delivery of the Station Interchange, the Council may need to use its CPO powers.

50. The County Council has considered the compulsory purchase powers available to it. In the event the Land cannot be acquired by agreement the Council will seek authority to exercise its powers pursuant to section 226(1)(a) of the Town and Country Planning Act 1990 which provides local authorities with the power to acquire land if they think that it will facilitate the carrying out of development, redevelopment or improvement on, or, in relation to, the land being acquired and it is not certain that they will be able to acquire it by agreement.

51. Pursuant to section 226(1A) an acquiring authority must not exercise the power contained within section 226(1)(a) unless they think that the proposed development, redevelopment or improvement is likely to contribute to achieving one or more of the following objects: 1) the promotion or improvement of the economic well-being of the area; 2) the promotion or improvement of the social well-being of the area, and 3) the promotion or improvement of the environmental well-being of the area.

52. It is anticipated that the above objectives will be satisfied in this case by reason of the delivery of the Station Improvements:

- a) improving the perception of Redditch through creating a new gateway to and from the town for visitors and residents;
- b) providing an integrated access between platforms, parking, bus interchange and leisure and retail facilities;
- c) bringing new facilities with the highest accessibility standards, maximising passenger safety and full, easy, independent access for all to railway services and Redditch Town Centre and customer-appropriate digital infrastructure;
- d) creating a modern station supporting increased passenger numbers combined with leading edge connectivity future proofed for service providers looking to invest for the benefit of rail operators, rail users and businesses operating in the Railway Quarter;
- e) contributing to an anticipated increase in trips (forecast growth to be between 8% and 22% increase in a range of post-COVID 19 scenarios to 2035) and commuter flows as well as supporting and encouraging private sector investment in the Town Centre; and
- f) supporting the wider regeneration of the Railway Quarter and acting as a catalyst for further investment and economic growth in the Town Centre.

53. In addition to the above, the County Council has had regard to the "Compulsory purchase process and the Criche! Down Rules: guidance (the "Guidance"). The Guidance outlines the need to justify the use of CPO powers in any given case, including the need to: a) identify a clear requirement for the land to be acquired; b) establish that all necessary sources of funding to acquire the land and to deliver the underlying scheme will be available, and c) to show that there are no impediments to the delivery of the underlying scheme. The County Council is confident that the requirements outlined in the Guidance have either been met or will be met at the point a final decision regarding the making of a CPO is made.

54. In light of this the County Council anticipate that there would be a compelling case in the public interest to justify the compulsorily acquisition of the Land in order to deliver the Station Interchange.

Human Rights

55. It is noted that compulsory purchase orders should only be made where there is a compelling case in the public interest. The purposes for which any CPO is made should justify the interference with human rights of those with an interest in the affected land. In this case the County Council anticipates that the many benefits the delivery of the Station Interchange, as well as the wider Railway Quarter redevelopment, will bring will provide a compelling case in the public interest for the use of compulsory purchase powers and outweigh the impact on existing owners and occupiers and their current land activities.

56. The County Council acknowledges that any CPO will have an effect on the human rights of those with interests in the Land. However, on balance the Council is currently of the view that the public benefit of any CPO and thereafter the delivery of the Station Interchange will outweigh the impact on the private individuals affected. The Human Rights Act 1998 requires (amongst other things) that every public authority must act in a manner which is compatible with the Convention for the Protection of Human Rights and Fundamental Freedoms ('the Convention'). The main articles of the Convention which are of importance in circumstances where the County Council is considering making a CPO are Article 8 – the right of an individual to respect his/her private and family life and home and Article 1 of the First Protocol – the protection of property.

57. If a CPO is made and thereafter confirmed, compensation may be claimed by persons whose interests in land have been acquired or whose possession of land has been disturbed. In these circumstances, if a CPO is made and thereafter confirmed, the County Council considers that the compulsory acquisition of the Land would not conflict with Article 1 of the First Protocol or Article 8 of the Convention.

Equalities Impact Assessment

58. The County Council hold duties under the Equality Act 2010 and is alive to such duties and the need to discharge them. Further work to discharge the Council's duties will be undertaken once further information regarding the Land and those who own and occupy it are known.

Financial Implications

59. The Land Acquisition Cabinet report of 19 November 2020 mandated that any decision to acquire land will be based upon a delegated mandate within some tightly constrained topographical, legal, value and financial parameters (the Parameters) as follows:

- a) Topographical Parameters: Gamechanger 2 Sites are adjacent to existing or proposed rail infrastructure;
- b) Legal Parameters: the Council has received advice and reports on title from its legal advisers that land comprised in any Gamechanger 2 Sites has a good and marketable/mortgageable title;

- c) Value Parameters: the Council has received advice and reports from its professional advisers about the value of land comprised in any Gamechanger 2 Site;
- d) Financial Parameters: the Chief Finance Officer confirms, following robust financial assessment about the nature and pay back of any scheme, having regard to one-off and/or ongoing revenue or capital implications/impacts, that the purchase of land, buildings or any other capital asset comprised in any Gamechanger 2 Site is within capital and revenue cash limits (including any cost of borrowing), as well as demonstrating value for money.

60. The decision to pursue any land purchase associated with Redditch Railway Quarter and Station Interchange will be subject to a financial assessment as set out above.

Risk Implications

61. The acquisition of the Gamechanger 2 Sites at this stage is simply about the buying and holding of sites for the development purposes described above. The risks associated with that development, for example adverse ground conditions and planning restrictions, will be explained and mitigated in subsequent reports to Cabinet seeking to move to the next stage in the development process. That does not mean that the acquisition itself is without risks, which can be set out as follows.

62. Value for Money/Valuation: there are various ways to value land depending, to some extent, on what the parties intend to do with it. This can range from a market rate (e.g. £/acre) to an investment based upon income (e.g. from existing tenants) or a residual valuation where the likely finished value of a development is discounted by the costs of getting there – this is the most appropriate method for valuing land for development when a scheme can be reasonably envisaged e.g. an office or factory. The Council's professional advisers will have provided their opinions on the most appropriate valuation method and the results of that any valuation will reflect the quality of the title to the land provided by the Council's legal advisers which must be a good and mortgageable title.

63. Risk in Current Market: Cabinet needs to be aware that valuations at this time are caveated in relation to uncertainty about future market conditions and, in particular, whether the changes seen to patterns of behaviour during the current pandemic and their effects on rail economics, the demand for urban living, retail and office space become the new norm. It is suggested that, as the proposed land acquisitions relate to regeneration projects, the ability to design development to optimise the opportunities in the new norm is a significant mitigating factor.

64. Affordability/Revenue: The cost of holding land for the period until a development return that neutralises the initial purchase cost can be achieved. This risk can be significantly mitigated if there is an income from the land that can be sustained for as long as possible up until and during subsequent development. The worst-case scenario in this instance is the revenue strain that would be suffered by drawing down all monies as debt with no mitigating income. It may also be the case that monies from sources including the LEP Growth Fund allocations, income from other development activity and Local Transport Plan grant allocations can be used to mitigate the revenue strain.

65. Development Viability: Scheme failure where no viable proposals come forward is a risk that needs to be contemplated because a detailed assessment has not been made at this stage. In such a situation, the Council would need to bear any loss in value of the

land, the costs of servicing any debt until that decision was made and the costs associated with the initial purchase of the land and up to the point of disposal. Mitigation here could be the procurement of specialist advice on disposal at the time which could include, for example, the partitioning and sale of the land in parts.

66. Compulsory acquisition requires a compelling case in the public interest. There is a risk of a compulsory purchase order being resisted and not confirmed. Planning permission will also be needed. There is significant work developing the proposal required and the Council will procure appropriate advice from legal and other professionals in this respect.

Joint Equality, Public Health, Data Protection and Sustainability Impact Assessments

67. A joint impact assessment (JIA) screening (and any full impact assessments – if screening indicates that they are required) must have been completed before the Cabinet report is submitted.

68. The JIA screening has been carried out in respect of these recommendations. It identified that further impact analysis will be required in respect of:

- Equality and Public Health
- Environmental and Sustainability

These will be carried out at appropriate stages in the project, as more detailed plans are developed.

Supporting Information (available electronically)

- Appendix 1 - Station Quarter Land Ownership Plan Phase 1
- Appendix 2 - Red Line Plan
- Appendix 3 – The Scheme Phase 1
- Appendix 4 - Project Screening Redditch Railway Quarter

Contact Points

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Background Papers

In the opinion of the proper officer (in this case the Strategic Director for Economy and Infrastructure) the following are the background papers relating to the subject matter of this report:

Agenda papers and minutes of the meeting of the Cabinet held on 19 November 2020

CABINET
18 MARCH 2021**RESOURCES REPORT – REVENUE BUDGET MONITORING**
MONTH 9 (31 DECEMBER) 2020/21

Relevant Cabinet Member

Mr S E Geraghty

Relevant Officer

Chief Financial Officer

Recommendation

1. **The Cabinet Member with Responsibility for Finance (who is also the Leader of the Council) recommends that Cabinet:**
 - (a) **endorses his conclusions concerning revenue budget monitoring up to 31 December 2020; and**
 - (b) **notes the financial impact and forecast for COVID-19 expenditure.**

Executive Summary

2. This report details the 2020/21 outturn forecast for the Council's £345 million net revenue budget as at Month 9 (31 December 2020), the estimated financial impact of COVID-19 and progress to date on the savings and reforms programme.
3. Overall, the Council is forecasting a small underspend of £0.4 million for 2020/21 but there may be a need to use the ear marked Financial Risk reserve or minimum revenue provision to fund any shortfall in funding from Government to meet the additional costs of COVID-19.
4. There is still risk to this forecast given the pressures on services currently being felt coupled with national trends, and whilst the Council has flexibility to use reserves in this way during 2020/21, we will continue to lobby Government for financial support towards these costs.
5. In total, the Council is managing around £86 million of additional one-off funding to support our response to COVID-19 working alongside partners and suppliers to ensure vital support services are enabled across the County area.
6. The Council has worked tirelessly with key partners across local government and with our providers to ensure funding is passed as quickly as possible to where it is most needed.
7. Looking forward to 2021/22 the Government have confirmed funding for one year only and the planned Fair Funding review has been deferred. There is still a level of uncertainty about increases in grant funding to support the financial implications of managing the response to COVID. However, a balanced budget was set by Full Council at its meeting on 18 February 2021.

Summary Revenue Budget Monitoring 2020/21 Forecast at Month 9 (31 December 2020)

8. The County Council's net budget of £345 million was set by Full Council in February 2020.
9. The overall outturn forecast, taking account of using earmarked reserves or MRP to address any COVID shortfall, is that the Council is forecasting a small underspend of £0.4 million (- 0.1% of the net £345 million budget). This is set out in Table 1.

Table 1: 2020/21 Month 9 Forecast

Service area	Budget	Variance P9	Variance P8
	£m	£m	£m
People – Adults	130.175	-0.460	-0.011
People – Communities	19.695	-0.043	-0.224
People – Public Health	1.762	-0.057	-0.025
Children's Services/WCF	101.541	0.000	-0.180
Economy & Infrastructure	55.924	-0.003	-0.018
Commercial & Change	6.954	-0.568	-0.579
Chief Executive	1.005	-0.186	-0.185
Total: Service excl DSG	317.056	-1.318	-1.222
Finance/Corporate Items	29.775	-0.033	0.107
Non-assigned items	-1.692	0.986	0.986
TOTAL	345.139	-0.366	-0.129

10. A further breakdown for each service area is set out in Appendix 1.

Key Assumptions

11. There are a number of key assumptions made in the forecast this year. The most significant are:
- The latest information regarding the financial impact of COVID-19 taking into account all GOLD and SILVER command decisions are reflected in the forecast
 - Qualifying expenditure that supports hospital discharges will be fully reimbursed via the Clinical Commissioning Groups (CCG) from the Department of Health
 - Council Tax and Business Rates collection fund deficits will be accounted for over the next three years from 2021/22 – therefore no impact this year.
12. The following table analyses at a high level the underlying impact of COVID-19 on income and expenditure:

Table 2: 2020/21 COVID-19 Forecast Income and Expenditure

Money out	£m	Money In	£m	Comment
COVID General Response	33.4	COVID General Grants (4 Tranches)	-33.4	This is predominantly adult care support, with rising forecast cost of children's care as well as support for set up and response such as Here2Help and digital support. The majority funded from two sources if income general grant and CCG
Hospital Discharge Programme	13.5	CCG	-13.5	
Infection Control - Tranche 1	7.5	Infection Control	-7.5	80% of this was passed direct to care providers, with 20% used by the Council to secure PPE and provide a hub centre
infection Control - Tranche 2	6.4	Infection Control	-6.4	Expectation that 100% of this will be allocated to providers
infection Control - Tranche 3	1.9	Lateral Flow Testing	-1.9	Expectation that 100% of this will be allocated to providers
infection Control - Tranche 4	1.2	Staffing	-1.2	Expectation that 100% of this will be allocated to providers
District awards and school meals	0.6	Food & Supplies	-0.6	£560k was passed to districts for each to use to support vuvulnerable families through welfare and food schemes. £30k was used to support the free school meals, including at half term
Initial Support for Test & Trace	2.7	Test & Trace	-2.7	80% of this was again used to support test and trace within care providers, and 20% for general set up (eg walk in centres)
Containment Management Outbreak Fund	4.8	Containment Management Outbreak Fund	-4.8	Initial allocation prior to Tier / lockdown
Further Containment Management Outbreak Fund	8.4	Further Containment Management Outbreak Fund	-8.4	Monthly allocation relating to lockdown at Tier 2 / lockdown funding, £2/head December rising to £4/head from January (assumed £4/head until end of March)
Clinically Extremely Vulnerable	0.3	Shielding and support for those vulnerable	-0.3	£14/head/month for those classed as vulnerable
Winter Pressures Grant	1.6	Winter Pressures Grant	-1.6	Creation of a voucher scheme for Children for Free School Meals, and allocaions to volunary sector and Act on Energy
Lost Income forecast	2.7	Sales, Fees and Charges	-1.4	The Government scheme means we will not recover all lost income.
Home to School Transport COVID Grant	1.0	Termly Grant Allocations	-1.0	Used to support social distancing impacts in relation to Home to School Transport
Transport	0.8	Transport	-0.8	COVID Bus Subsidy Support Grants along with element of DFT Grant for support services
Total money forecast out	86.8	Total money forecast in	-85.5	
		Shortfall / Carry forward (-)	1.3	

13. To date, £86 million of Government grant has been received this year and we estimate that we will spend just over this amount leaving around £1 million to be funded by the Council. The timing of expenditure which we have committed to will mean some of this funding is likely to be carried forward to next financial year as circumstances continue.

14. Additionally, the Council will be achieving in-year efficiencies from general underspending within service budgets, use of minimum revenue provision headroom, and potentially withdrawing up to £3 million from our earmarked Financial Risk reserve.

15. In February 2021, Full Council approved the budget for 2021/22 and the medium-term financial plan which incorporated a risk review of the robustness of our reserves. Whilst there is always risk looking forward, it is important to recognise that Central Government is likely to continue to fund most of the additional costs of COVID. The Council's reserves are carefully considered against both normal operation risk, and to cover unexpected events, and as such are maintained to ensure a smooth transition into 2021/22.

16. Additional forecast commentary on financial issues is included below in the following paragraphs and variances by individual service areas greater than £0.250 million are set out in more detail in Appendix 2.

People Services Total Budget £151.5m, £0.6m underspend

17. The People Directorate, comprising Adult Social Care, Communities and Public Health, is forecasting to underspend its £151.5 million budget by £0.6 million (0.4%) which represents an improvement of £0.3 million since last month. The forecast includes the following significant variations:

People Services (Adult Social Care) Budget £130.2m, £0.5m underspend

18. The £0.5 million underspend includes the following significant variances:

- £0.3 million overspend in respect of Learning Disability services due to increases in supported living package costs
- £0.5 million overspend in Mental Health services due to an increase in package costs
- £0.8 million underspend in Older People services which includes £1.6 million Liberty Protection Safeguards growth no longer required in 2020/21 following regulation changes, offset by £0.8 million of increased placement costs
- £1.0 million underspend in Physical Disability services as a result of lower than budgeted activity numbers
- £0.4 million overspend in Support Services due to pension actuarial strain and redundancy costs.

People Services (Communities) Budget £19.7m, £0.1m underspend

19. The £0.1 million underspend comprises a number of small variances as well as:

- £0.2 million overspend in Provider Services due to agency and overtime costs and under-achievement of Homecare income
- £0.2 million underspend in Skills and Investments as a result of increased income and a reduction in staff recharges.

People Services (Public Health) – includes £30.1m Public Health Grant income – all expected to be spent and other services with a net Budget of £1.7m with a £0.06m underspend

20. The £30.077 million grant income in 2020/21 represents an increase of £1.7 million compared with 2019/20.

21. The ring-fenced Public Health Grant is forecast to break even for 2020/21 whilst allowing for additional costs in respect of Agenda for Change inflation to be accommodated. Also, additional support for alcohol/substance misuse programmes, smoking cessation and set-up of a Social Enterprise Mutual will require funding from the Public Health reserve in future years.

22. A £0.06m underspend is predicted in the base budget relating to scientific services

Education/Worcestershire Children First (excl. Dedicated Schools Grant) - Budget £101.5m, £0.2m overspend

23. The Worcestershire Children First (WCF) forecast is presented alongside services that remain within the County Council. In total these services are forecasting an overspend of £0.179 million at Month 9.

24. The Children's Services budget is forecasting a break-even position for 2020/21.

25. The forecast deficit is attributable to increases in External Placements for Looked After Children, partially offset by underspends across the Social Care service. Increased costs have

been incurred as a result of the impact of COVID-19 on the service's ability to move children and young people onto permanent arrangements.

26. Additional costs and lost income in the Transport services budget are estimated between £1.6 million and £3 million in 2020/21. The current forecast assumes that increased pressures on Home to School Transport expenditure will be met by the COVID-19 grant received by Government and this position is being reviewed regularly.

27. The current Dedicated Schools Grant (DSG) position is a forecast overspend of £4.9 million against a total budget of c.£220 million. The overspend is exclusively within the High Needs block of the DSG and this will increase the overall DSG deficit brought forward from 2019/20 of £6.2 million to £10.7 million at the end of the year, assuming projected savings of £0.3 million on other blocks are achieved.

28. It should be noted that High Needs funding was increased by £8.7 million in 2020/21, bringing budget broadly in line with expenditure, although future allocations and spend management measures will need to make good the deficit balance.

29. The Council is working with Schools to keep expenditure as far as possible within funding, whilst taking every opportunity to lobby Central Government about funding allocations. Worcestershire is not alone with regard to these pressures.

Worcestershire Children First (WCF) £0.2m deficit

30. WCF is forecasting a deficit of £0.179 million at Month 9. It is expected that this will be recovered before the year where either a balanced position or a small surplus is likely to be achieved. This deficit is within WCF and narrative is included alongside Council variances for information purposes. The Council's contract with WCF, which is included in the Commercial and Change Directorate, is forecast to balance as this relates to the agreed contract this financial year, and variance on WCF will be a consideration for future Council budget allocations.

31. The most significant variances from budget are as follows:

- £1.2 million underspend as a result of staffing and non-staffing underspends which includes reduction in travel costs associated with COVID and vacant posts within the Social Care Directorate that have arisen during the year which are being recruited to. Not including external placements Social Care is forecast to spend 97% of its budget
- £2.5 million overspend in Social Care Placements and Provisions due to an increase in External Placements for Looked After Children which has been forecast to continue to March 2021. There may be calls to fund exceptional awards of court from reserves as highlighted in the Risk Assessment presented to Council in setting the budget.

Economy & Infrastructure (E&I) – Budget £55.9m, £0.01m underspend

32. The Economy and Infrastructure Directorate is forecasting to break even on its £55.9 million budget.

33. Within this forecast, the most significant variations are as follows:

- £0.5 million overspend in the Development Control budget as a result of the need to employ additional external support to fill hard to recruit vacant posts.
- £0.3 million underspend on Transport Operations relating to reduced patronage in public transport leading to a reduction in spend in concessionary fares
- £0.5m underspend in Infrastructure & Assets as a result of a reduction in energy usage within street lighting and a small number of posts which have become vacant and are in the process of being recruited to, and
- £0.7 million charge to a Waste Transformation Reserve for use in 2021/22 in preparation for contract update and to support the development of the updated Waste Strategy.

Commercial and Change – Budget £6.9m, £0.6m underspend

34. The Commercial and Change Directorate is forecasting to underspend its £6.9 million budget by £0.568 million (8%), virtually unchanged from previously reported.

35. The most significant variances from budget is a £0.4m variance as a result of reduced contract expenditure and underspend on additional works for administrative buildings in the Property Services budget.

36. There are no other significant variances from budget to report at this time.

Chief Executive/HR – Budget £1.0m, £0.2m underspend

37. The Chief Executive/HR function is forecasting to underspend its £1 million budget by £0.186 million (19%).

38. The most significant variance from budget is a £0.4 million variance as a result of underspends in the Talent Management Programme and posts which are currently vacant pending recruitment, offset by £0.2 million overspend in the HR Core Structure budget as a result of redundancy costs, actuarial strain and agency costs.

Finance/Corporate/Non-assigned Budget £28.1 million, £6.3 million underspend

39. The Financial Services budget includes corporate items such as Debt Interest and Minimum Revenue Provision (MRP).

40. The £28.1 million budget for Finance/Corporate items is forecast to underspend in total by £6.3 million. Without COVID-19, this would have been available to support other priorities through adding to the Financial Risk Reserve.

41. The significant variances are:

- £2.1 million underspend in Financing Transactions Borrowing Costs. A forecast for the deferment of borrowing on the assumption that cash balances are maintained across the County Council and that there is no forecast for rises in borrowing interest rates
- £4.1 million underspend of MRP budget following implementation of the Council's existing MRP policy (to be used to fund £3.7 million of saving targets no longer able to be delivered in-year due to COVID)
- £0.3 million overspend in Pension Fund Back Funding Liabilities due to the timing of the prepayment for the years 2020/21 to 2022/23
- £0.2 million Whole Organisation Contingency underspend. There are currently no spending commitments against this balance and thus it can be released as an underspend to offset overall cost pressures
- £0.3 Miscellaneous Services underspend as a result of additional reimbursement for energy spend to save schemes (£0.25 million), and £0.050 million additional dividend income.

Savings programme Update

42. The target for 2020/21 is £13.7 million. £9.6m for 2020/21 and £4.1m brought forward from previous years:

Table 3: Savings Forecast as at Month 9 2020/21

	Target £m	Forecast £m	Variance £m
Savings Programme (February 2020 Council)	9.6	5.9	3.7
Brought forward from 19/20	4.1	4.1*	0.0
Total	13.7 100%	10.0 73%	3.7 27%

* Includes £3.8m Waste PFI Contract savings target for which an equivalent sum is being withdrawn from the Waste PFI earmarked reserve to cover. The actual achievement of this saving remains a risk and is currently being reviewed alongside the future shape of the contract.

43. The variance of £3.7 million is RED rated savings that currently are not forecast to be achieved this year.

44. Of the £10 million forecast to be achieved as above, £4.6 million is rated as Amber meaning there is some risk they will not be achieved this year. The achievement of financial savings continues to be a major focus for the Council's management teams.

45. The full programme with RAG status for each project is included at Appendix 6.

Corporate Income £346 million – Council Tax and Business Rates

46. The Council's Finance Team has been working through the Hereford and Worcester Treasurers Association on the latest position regarding the impact of COVID-19 on funding income streams. This is extremely difficult to call. The impact on Council Tax is felt through increases in those claiming Council Tax Support (changes in the furlough scheme and general risk to reduction in earnings/jobs) and it is expected this could take 2 to 3 years to unwind. This will deflate the growth in the Council taxbase.

47. The impact on business rates is just as difficult to call and depends on Central Government's business rate relief grants. The Council prudently manages some of this risk through the operation of a business rates pool with districts, however, again the impact is dependent on many external factors and recovery for those most affected could take a few years.

48. The Council has been successful in its application to continue the Worcestershire Business Rates Pool for 2021/22 with the six Worcestershire District Councils and Hereford and Worcester Fire and Rescue Service. This may achieve a benefit of over £3 million across the County area next financial year which can help to mitigate some of these financial concerns, however the forecast is unpredictable.

49. Set against these risks, Central Government has offered grant support for 75% reimbursement of 2020/21 debts that are uncollectable due to COVID. This is welcomed, however won't arise until at least Autumn 2021 once District Councils have had their 20/21 accounts audited.

Legal Implications

50. Legal advice will be provided to support any changes in service delivery in accordance with the requirements of the Council's policies and procedures.

Financial Implications

51. Members are required under Section 25 of the Local Government Act 2003 to have regard to the Chief Financial Officer's report when making decisions about the budget calculations for each financial year. This is undertaken through the approval of the annual budget in February each year.

52. Section 25 of the Act also covers budget monitoring and this process monitors the robustness of budgets, adequacy of reserves and the management of financial risk throughout the year. This Cabinet report highlights forecast variances arising from current financial performance and the possible impact of existing pressures on future expenditure so that appropriate action may be taken.

53. In discharging governance and monitoring roles, Members are asked to consider the issues arising and the potential impact on the budget, as well as the financial risks arising.

54. The Council's procedures for budget monitoring is reinforced through close financial support to managers and services on an ongoing basis to ensure processes and controls are in place to enable tight financial control.

55. Looking forward to 2021/22 the use of any reserves would always need to be considered as part of the financial resilience so further grants and funding announcements are key.

HR Implications

56. A number of existing savings may impact on staff roles and responsibilities and where appropriate senior officers take advice from the Council's Human Resources team.

57. This will include undertaking consultations with staff, trade unions and any other affected body as appropriate.

Equality Duty Considerations

58. The Council will continue to have due regard to proactively addressing the three elements of the Public Sector Equality Duty in all relevant areas – in particular the planning and delivery of our services. The Council will continue to assess the equality impact of all relevant transformational change programmes and will ensure that Full Council has sufficient equalities assessment information to enable it to have due regard to the three elements of the Equality Duty when considering any changes to the budget. The Council will continue to ensure best practice is followed with regard to these requirements.

Risk Implications

59. The Cabinet report includes recommendations regarding the Council's forecast financial position for 2020/21 and the carry forward of earmarked reserves and unspent grants.

60. If approved, there are normal risks regarding ensuring that appropriate qualifying expenditure is incurred, and that spending is within the cash limited for budgets. These risks are mitigated through the regular budget monitoring process.

Privacy and Public Health Impact Assessment

61. A Health Impact Assessment has been undertaken with regard to this report and recommendations relating to new spending decisions to understand the potential impact they can have on Public Health outcomes across the county area.

62. This report is mainly about confirming the forecast financial position at this stage of the year reflecting existing Cabinet decisions and policies, and where appropriate utilising specific grant monies with spending restrictions associated with these grants.

63. Taking this into account, it has been concluded that there are no other specific health impacts as a result of new decisions arising from this Cabinet report.

64. A similar assessment has been undertaken with regard to privacy/data protection and has confirmed that there is no impact anticipated as a result of this report.

Supporting Information (available electronically)

- **Appendix 1** – Budget Monitoring Outturn Forecast for Month 9 – 31 December 2020
- **Appendix 2** - Budget variances greater than £0.250 million
- **Appendix 3** - Capitalisation
- **Appendix 4** – Proposed withdrawal from Grants/Reserves
- **Appendix 5** – Proposed Carry Forwards – Grants / Earmarked Reserves
- **Appendix 6** – List of Savings / RAG Analysis

Contact Points

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Background Papers

In the opinion of the proper officer (in this case the Chief Financial Officer) the following are the background papers relating to the subject matter of this report:

Previous Cabinet Resources Reports

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