

## Minutes of the Cabinet

### County Hall

**Thursday, 1 February 2024, 10.00 am**

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#### **Present:**

Cllr Simon Geraghty (Chairman), Cllr Marc Bayliss, Cllr Marcus Hart (Vice Chairman), Cllr Steve Mackay, Cllr Karen May, Cllr Richard Morris, Cllr Tracey Onslow and Cllr Mike Rouse

#### **Also attended:**

Cllrs Dan Boatright-Greene and Matt Jenkins were also in attendance.

#### **Available papers**

The Members had before them:

- A. The Agenda papers (previously circulated); and
- B. The Minutes of the meeting held on 10 January 2024 (previously circulated).

#### **2202 Apologies and Declarations of Interest (Agenda item 1)**

Apologies were received from Cllrs Adrian Hardman and Adam Kent.

Cllr Marc Bayliss declared an interest in Agenda item 4 as the Deputy Police and Crime Commissioner.

#### **2203 Public Participation (Agenda item 2)**

None.

#### **2204 Confirmation of the Minutes of the previous meeting (Agenda item 3)**

**RESOLVED** that the Minutes of the meeting held on 10 January 2024 be confirmed as a correct record and signed by the Chairman.

## 2205 2024/25 Proposed Budget and Medium-Term Financial Plan 2025-2028 (Agenda item 4)

The Leader of the Council introduced the report and commented that the proposed budget had been subject to consultation with a wide range of stakeholders. He particularly thanked the Overview and Scrutiny Performance Board and panel members for their detailed study of the budget in a short period of time. Their comments had been noted. The Council was facing considerable financial pressures with a 2023/24 overspend of £21m albeit the total gross overspend was currently forecast to be £35m in 2023/23, we call this a structural deficit.

He added that the financial pressures facing this Council in respect of Children Social Care placements, Home to School Transport, and Adult Social Care were being experienced on a national basis. The Council along with the CCN and local MPs had lobbied the Government and as a result the Government had agreed additional funding for the Council. He thanked local MPs who had lobbied the Government on behalf of the Council. These budget pressures were ongoing and despite a fall in inflation, demand continued to rise. In total, the Pressures and Investments built into the budget at this stage for 2024/25 amounted to £86.5m (including the £35m structural deficit). In addition to the Government funding, the Council was introducing a series of measures to reduce the budget gap in relation to children's services through investment in supported living and expansion of Internal Supported Living Provision and by managing demand in Adult Services. These additional savings and efficiencies and reduction in income receivable resulted in a revised budget gap of £7.2 million. This £7.2m budget gap was expected to be covered by an additional use of reserves unless additional funding was received as part of the Local Government Final Settlement.

In the ensuing debate, the following points were made:

- The Council had a clear strategy to address the additional financial pressures facing the Council. It was going to require tough but necessary decisions. Council tax would need to rise whilst maintaining a balance with the impact of the cost of living on local residents. The proposed Council Tax increase would mean an extra £1.41 a week on a Band D property. Despite the budget pressures, the Council continued to maintain investment in those issues that local residents considered important including roads, pavements and infrastructure. A number of parish councils had expressed their satisfaction that the Council was continuing to support the lengthsman's scheme and grass cutting despite the budgetary pressures
- A member from outside the Cabinet queried whether the Council was looking to move away from a reliance on funding through Council Tax and whether the Council would continue to lobby for a long-term financial settlement. The Leader of the Council responded that despite the proposed rise in Council Tax, the level of Council Tax levied by this Council remained the 3<sup>rd</sup> lowest amongst comparable local authorities. It was important to minimise the impact of Council Tax on local residents and for the Council to live within its means

- The Government had provided local government with substantial extra funding. The problem was that demand was rising at a faster rate due to demographic pressures, Unfortunately this meant that Council Tax would also need to increase
- A member from outside the Cabinet queried the Council's long-term strategy to address the impact on Council's finances of an aging population in the county. The Leader of the Council responded that the demographic trend of people living longer was a well-established theme. It should be noted that Adult Social Care was the lowest budget pressure compared to Children's Social Care and Home to School Transport and would be funded through the Council Tax precept. Working age disability was becoming a bigger pressure within Adult Social Care
- A member from outside the Cabinet queried the impact on productivity of the proposed reduction in the contracted hours of a number of employees. The Leader of the Council responded that since 2011, the Council had employed staff on 35 hour contracts. However, a number of employees had remained on 37 hour contracts. With the budget pressures facing the Council, it was appropriate to review these contracts and unify them with those members of staff on 35 hour contracts
- The Cabinet Member with Responsibility for Highways and Transport indicated that the increase in demand for Home to School Transport was lower than a number of other local authorities. It was recognised that there needed to be a better way to manage this demand
- The Cabinet Member with Responsibility for Health and Wellbeing emphasised the importance of prevention and in particular the Healthy Worcestershire Programme as a vital means of achieving better outcomes for people and reducing the budget pressures in Adult Social Care.

**1. Cabinet to recommend to Council to approve:**

- a) **Net Budget Requirement of £438.219 million set out in Appendix 1 to the report;**
- b) **Capital programme of £389.013 million as set out in Appendix 2 to the report;**
- c) **Earmarked reserves schedule set out in Appendix 5 to the report;**
- d) **Council Tax Band D equivalent for 2024/25 be set at £1,538.92 which includes £226.72 relating to the ring-fenced Adult Social Care precept, and the Council Tax Requirement be set at £335.762 million, which will increase the Council Tax Precept by 4.99% in relation to two parts:**
  - **2.99% to provide financial support for the delivery of outcomes in line with the Corporate Plan 'Shaping**



In the ensuing debate, the following points were made:

- Staff and the trade unions would need to be consulted on the proposals in the review. The review was necessary in order to ensure that the Council was as lean as possible to deliver the Corporate Plan and its statutory functions
- It was essential that the outcome of the review engendered a team working approach to provide services that were resident-focused
- Although staff might consider the changes to the structure to be of concern, they could also be seen as liberating and empowering
- A member from outside the Cabinet commented that it was important that the Council reviewed the top tiers of the organisation before examining the lower tiers. It was queried why the role of Director of Public Health was not at Strategic Director level and why libraries and archaeology had been considered an appropriate responsibility for that role. The Leader of the Council responded that the role of Director of Public Health would remain at the top level of management in the organisation. The decision to move libraries into public health was due to the greater focus on using libraries as health and well-being hubs. Paul Robinson, the Chief Executive added that public health was a relatively small directorate compared to Economy and Infrastructure and the change in the structure would enable a greater level of cross working
- Paul Robinson explained that the review would start at the top of the organisation before determining the staffing structure necessary to deliver services at the front line and then appropriate levels of management.

**Cabinet to recommend that Council:**

- a) Approves in principle, subject to consultation, the Chief Executive's proposed revised Directorate structure and functional areas of responsibility;**
- b) Supports the proposals, in principle subject to consultation, for the Chief Officer structure for Tiers 2 and 3 as set out in the report;**
- c) Authorises the Chief Executive to carry out all necessary staff consultations in relation to the proposed changes;**
- d) Authorises the Chief Executive, in consultation with the Leader, to finalise the detail of the management structure for Tier 2 and Tier 3 officers including the job and person specifications in accordance with the above Directorate structure;**
- e) Authorises the Appointments Etc Panel to take all appropriate decisions in relation to the proposals for Tier 2 and 3 posts to support the new Directorate structure (including any deletion of existing posts, creation of new posts and appointments to them,**

**and designation of statutory posts), and reviewing them in the future as appropriate; and**

- f) Notes the indicative timescale in Appendix 4 to the report and agrees that the remaining Directorate restructure to be completed by September 2024 or an earlier date as the Chief Executive may determine having regard to the above processes.**

The meeting ended at 10.45am.

Chairman .....