

**COUNCIL**  
**16 JANUARY 2020****REPORT OF CABINET - SUMMARY OF DECISIONS TAKEN**

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**Worcestershire Passenger Transport Strategy**

1. Further to the report to Council in July 2019, the Cabinet has considered the results of the public consultation on proposals relating to financially-supported bus services. The objective of the consultation was to understand people's priorities for provision and the likely impact of proposed service changes. The findings were to inform the development of a Passenger Transport Strategy which would provide a clear direction on the Council's position on transport provision and the future of service delivery models.

2. The Cabinet has agreed to adopt a proposed Passenger Transport Strategy in light of the comprehensive public consultation. The Strategy takes a strategic and holistic view of all Public and Community Transport provision, including Home to School Transport arrangements, fares and ticketing, concessionary travel, infrastructure and information. The Cabinet has authorised the Director of Economy and Infrastructure to implement the Strategy and formulate operational policies with an appropriate implementation schedule having regard to the Strategy in consultation with the Cabinet Members with Responsibility for Highways and Education and Skills in relation to any strategic impacts.

3. The Cabinet has also authorised the commencement of a full review by the Director of the Council's Passenger Transport network in accordance with the adopted Strategy, which will incorporate Home to School transport, Public Transport, Community Transport and Social Care Transport.

**Kepax Bridge**

4. The Council is working in partnership with Worcester City Council in the development and delivery of a new pedestrian and cycle bridge across the River Severn in Worcester from Gheluvelt Park to the West side of the City. Building on the success of the Connect2 Diglis Bridge scheme the project aims to provide improved cycle and pedestrian connectivity to the north of Worcester and enhance links along the riverside.

5. A Strategic Outline Business Case (SOBC) has been completed and presents the strategic, economic, commercial, financial and management case for the bridge. The Cabinet has welcomed the SOBC and authorised the development of a Full Business Case (FBC). It has also authorised the preparation of a Planning Application for the project and delegated the decision to submit the Application to the Director of Economy and Infrastructure in consultation with the Cabinet Member with Responsibility for Economy and Infrastructure.

6. The Cabinet has allocated £1.5m from the Capital Programme allocation for Walking and Cycling Bridges towards the project and authorised the submission of funding bids to third parties for the completion of the scheme. It has also approved the expenditure of the funds necessary to complete the FBC and to prepare the Planning Application up to the parameter for preparation, and authorised the completion of a pre-planning public engagement exercise. The Cabinet will receive a further report on the project following the outcome of the Planning Application and with details of the FBC and progress on funding applications. The commencement of construction will not occur until funding sources have been secured.

### **Update on Local Area Special Educational Needs and Disability (SEND) Action Plan including the Local Government Ombudsman Report**

7. Further to the report to Council in July 2018, the Cabinet has received a progress report on the Local Area SEND Written Statement of Action (Improvement Plan). The Cabinet has acknowledged the progress underway to show how agencies were tackling areas for improvement identified in order to enhance outcomes for children and young people with SEND. It has also acknowledged the Department for Education and NHS England monitoring visit and the feedback provided highlighting particular strengths.

8. The details of a Local Government Ombudsman Report of an investigation into a complaint made by a parent carer concerning her son have also been considered by the Cabinet. The Ombudsman had found the Council were at fault because of maladministration and that injustice was caused. The Cabinet was informed of the action that had been taken to address the recommendations of the Ombudsman and endorsed the Action Plan prepared in response.

### **Worcestershire Safeguarding Children's Board (WSCB) Annual Report 2018/19**

9. The Independent Chair of the WSCB is responsible for publishing an annual report that provides a public assessment of the effectiveness of safeguarding arrangements for children and young people in Worcestershire and also recognises achievements and is realistic about the challenges that remain. During 2018/19 WSCB had a particular focus on a number of priorities including:

- Implementation of Neglect Strategy
- Protecting children and young people from exploitation
- Seeking assurance and promoting effective early help
- Voice of the child
- Critical friends to the Children's Social Care Service Improvement Plan
- Establishment of new arrangements for the Safeguarding Partnership
- Consolidation of findings from Serious Case Reviews into learning which leads to improved practice.

10. The Board concluded that at a strategic level there is a strong commitment to safeguarding in Worcestershire. It has also received assurances that safeguarding arrangements are in place in partner agencies and that safeguarding responsibilities are taken seriously. In addition, the Board's contributory partners have maintained the same level of financial contributions despite operating within financial constraints. As last year, much of the Board's attention has focussed on Children's Social Care as lead agency for safeguarding children. Feedback from Ofsted indicated that satisfactory progress was being made and the Service Improvement Plan has been reviewed and priorities re-focussed.

11. The Cabinet has received the WSCB Annual Report 2018/19 and noted the progress of its work. The WSCB has now been replaced by the new Worcestershire Safeguarding Children Partnership (WSCP).

### **EU Exit Preparedness Update Report**

12. The Cabinet has received a report outlining preparations being made by the Council for exit from the EU. The Council has received financial allocations from Government totalling £167,500 specifically for spending against EU Exit-related issues. Each District Council and the West Mercia Local Resilience Forum (LRF) secretariat have also received dedicated funding. The Government introduced regular reporting arrangements in March 2019 and the Council has been contributing to the no deal EU Exit contingency planning which is co-ordinated through the West Mercia LRF and its emergency response arrangements. These reporting arrangements have been suspended following the decision to grant the UK an extension to the withdrawal agreement to 31 January 2020.

13. In September 2019, full Council resolved to ask for a report to Cabinet on its own preparations to support the local economy and residents of Worcestershire and on the mechanisms in place to co-ordinate arrangements with other organisations. The Council has contributed to an Exit Preparations Plan prepared by the LRF. It has also compiled information provided by each Directorate on the potential risks faced by individual service areas. This information was considered against the Government planning assumptions and used to inform the wider LRF planning analysis. Key areas that have emerged for Worcestershire where preparedness activity is currently taking place include: requirements to support local businesses and residents; Internal Business and Service Continuity; Care Homes and Social Care provision; EU Nationals employed by the Council and the Provision of Supplies and Regulatory Advice.

14. The Cabinet has noted the responsibility of the Council to contribute to Government-directed EU Exit contingency planning activity co-ordinated through the West Mercia LRF and the internal planning taking place to ensure that key Council services identify risks and are prepared.

## **2020/21 Draft Budget and Medium-Term Financial Plan Update 2020-22**

15. The Cabinet has considered a draft Budget Report which provided a first assessment of the 2020-21 precept need, an update on the Medium Term Financial Plan (MTFP) and the Council's budget for 2020/21. The assessment took into account 2019/20 Period 7 financial monitoring, the impact on Council Tax, Social Care Precept, the capital investment programme, schools' overall budgets, as well as Council reserves. The report also set out an indicative MTFP to highlight expenditure and income from 2020 to the end of the current Corporate Plan 2022, although noting this was heavily caveated due to the high level of uncertainty over the future funding of local government.

16. The report indicated that, working in partnership with the Worcestershire Local Enterprise Partnership, the Council in recent years has significantly invested in the county to enable economic growth by improving the digital and physical infrastructure. These developments support the Strategic Economic Plan for the county to grow the economy, deliver more homes and create higher skilled and better paid jobs. As a result, the Council's funding tax base is growing with £14.5m more expected from Council Tax in 2020/21 with a further £1.2m of funding through the business rates retention system. Following the general election on 12 December 2019 a provisional settlement is still awaited. Given the uncertainty impacting on years after 2020/21 an iterative MTFP has only been set out to 2023. This will be reviewed in more detail for 30 January 2020 Cabinet meeting.

17. Although growing, income is not increasing fast enough to keep pace with the complexity and demand of all Council services, inflation and the National Living Wage. In 2020/21 an investment of £13.2m in Adults Social Care is needed and £4.7m in Children's Care and Transport. This is on top of £10.5m reprioritised to Children's safeguarding and placements in 2018/19. In addition to pressures in care the Council needs to maintain all its other services e.g. the economy, highways, the environment and waste disposal, and make provision for the pay award to staff. Altogether a further forecast of £14.9m is anticipated for other services on top of the £17.7m from social care and related transport. This means a £32.6m pressure, offset in part by a £24.1m growth in funds less £1.1m use of reserves which leaves the Council needing to find £9.6m of efficiencies or increased income. The draft Budget proposes a series of measures to further increase income, continue the redesign of the organisation and save money to bridge the financial gap.

18. The Cabinet has agreed that it is minded to recommend to Council in February 2020 an increase in Council Tax Precept by 3.99% (1.99% for the delivery of outcomes in line with the Corporate Plan and priorities identified by the public and business communities and 2% Adult Social Care Precept ring-fenced for those services). The Cabinet has approved for consultation a draft budget of £346.068m which includes a proposed Transformation and Reforms programme. It has also approved for consultation a capital programme of £305.4m and an earmarked reserves schedule, and has approved the use of 0.750m from the Transformation reserve to support the delivery of the redesign savings plans and the updates to the 2019/20 capital programme.

## **Libraries Strategy**

19. The Cabinet has considered the final stages in relation to the Libraries Strategic Review together with a Libraries Strategy for Worcestershire designed to set out the vision and ambition for the service over the medium to long-term. Considerable progress has been made over recent years in modernising Worcestershire's library services and ensuring value for money. Over £3.9m of efficiency savings have been achieved since 2011/12 when the Libraries Transformation Programme was first launched. In October 2018 the Cabinet considered the findings of a libraries' needs assessment and as a result launched a formal public consultation exercise for the future delivery of the service. Feedback from the consultation together with feedback from a Libraries-focused Local Government Association Peer Review has been consolidated into a Libraries Strategy. All future delivery changes will be underpinned by the Strategy.

20. The Libraries Strategy centres around five strategic ambitions: A Library Service for everyone; Prosperous Communities; Sustainable and Innovative Libraries; Libraries First, and Resilient, Independent & Connected Communities. These strategic ambitions articulate the vision for the Library Service over the next five years and aim to ensure libraries are positioned at the heart of the Council's priorities and remain fit for the future. The strategic ambitions consider the local, national and financial context described within the Strategy.

21. The Cabinet has noted the feedback captured throughout the development of Worcestershire's Libraries Strategy and approved that Strategy which sets out the vision, ambition and high-level transformation for the service over the next five years. It has also authorised the relevant Strategic Director to take all appropriate action to implement the Strategy, in consultation with the Cabinet Member with Responsibility for Communities in relation to strategic matters.

## **Fair Funding Consultation Outcomes for 2020-21 – National and Local Changes to the Fair Funding Arrangements for Schools**

22. The Council is required to consult the Worcestershire Schools Forum (WSF) on any changes to the Local Schools Funding Formula (LSFF). The Council has always expanded this requirement to consult with all schools, governing bodies and interested parties. For the two-year period 2018-19 to 2019-20 the Government introduced their National Funding Formula (NFF) arrangements for Dedicated School Grant (DSG). In December 2017 Cabinet approved the LSFF for this to be based as far as practicable and affordable upon the DfE NFF parameters.

23. In September 2019 central Government confirmed that the funding for Schools and High Needs would rise by £2.6 billion for 2020-21, a further £2.2 billion for 2021-22 and a further £2.3 billion for 2022-23. The funding will be distributed using the Schools and High Needs NFF. In September 2019 the WSF discussed in detail the DfE policy for 2020-21, LSFF issues including any potential for change together with decisions required on centrally retained services. They agreed that stability was in the best interest of schools so the current LSFF based upon the NFF should continue together with the current arrangements for centrally retained services. The Council and the WSF concluded that there was effectively only one option of principle to consider i.e. to continue with the NFF as far as is practicable and affordable as the Council LSFF in 2020-21. Consultation was therefore carried out on this basis, the outcome of which was that the approach recommended was the favoured one.

24. The Cabinet has considered all the issues including the feedback from the consultation, the involvement of the WSF members and schools during the consultation and the former's views on the LSFF issues for 2020-21 and other matters. The Cabinet has approved the LSFF for Worcestershire mainstream schools from April 2020 to apply for 2020-21 to be based as far as is practicable and affordable upon the NFF parameters. It has authorised the Director of Children's Services in consultation with the Cabinet Members with Responsibility for Children and Families and with Responsibility for Education and Skills to make the required submission to the Education and Skills Funding Agency by 21 January 2020 for the approved LSFF for 2020-21 taking account of any impact and change on the approved units of resources, Minimum Funding Guarantee and capping arrangements as a consequence of the October 2019 census and other 2019 data changes and the final 2020-21 DSG.

### **Balanced Scorecard Performance and Corporate Risk Update**

25. The Cabinet has received the latest update of the Corporate Balanced Scorecard for Quarter Two 2019/20. Currently there are 61 indicators reported in the Scorecard. 27 of these are rated 'green' representing good performance or progress and 4 are rated 'red'. Of those 4 rated 'red', 1 indicator, 'Schools judged good or outstanding by OFSTED' has had an update in Quarter Two 2019/20. Actions were being taken to improve performance for this indicator.

26. The Corporate Risk Register provides a mechanism for collating and reporting risks that could affect the delivery of corporate objectives. At the end of Quarter Two 2019/20 there were 126 individual risks entered in the register of which 15 were identified as high/'red' risks. The risks in the register have been reviewed significantly over the last 18 months when 187 were reported and risks that no longer exist have been removed. The Cabinet has noted the latest update of the Corporate Risk Register including actions to mitigate the risk areas that are rated 'red'.

## **Decision to Award Contract for an Integrated Drug and Alcohol Service for Adults and Young People**

27. In September 2019 the Cabinet Member with Responsibility for Health and Well-being (CMR) agreed the re-commissioning of an integrated drug and alcohol service for adults and young people using monies from the Public Health Ring-Fenced Grant (PHRFG) and a grant from the West Mercia Police and Crime Commissioner (PCC). The Cabinet Member also agreed that the Director of Public Health produce a service specification which will deliver renewed focus on integration between all parts of the current system, improve areas of below average performance and deliver robust pathways across the system and that she undertake a procurement exercise for the service.

28. An open procurement exercise had been undertaken with the tender opportunity closing on 21 November 2019. Bids are being evaluated and moderated. The contract value is up to £20m for 5 years with the option of the Council terminating the contract after 3 years. It will be funded by the PHRFG with an annual value of £4m including a £106,000 contribution from the West Mercia PPC in a grant award. The primary purpose of the drug and alcohol service is to prevent and reduce harm to service users, their families and wider society by providing access to information, early intervention and treatment, supporting people to achieve recovery, optimum health, well-being and community participation.

29. The Cabinet has noted the progress regarding the development and procurement of an Integrated Drug and Alcohol Service for Adults and Young People in line with the decision of the CMR in September 2019. It has also noted the final specification and tendering process which has been carried out in accordance with that CMR decision. The Cabinet has authorised the CMR to agree the outcome of the procurement process and the Director of Public Health to finalise the terms of the contract by April 2020 for commencement of the new service, in consultation with the Interim Director of People and the Director of Commercial and Change and to take all necessary steps to put it into effect including cancelling the current contracts by 31 March 2020.

## **Treasury Management Mid-Year Update to 30 September 2019**

30. The Cabinet has considered a mid-year report to 30 September 2019 in compliance with CIPFA's Code of Practice on Treasury Management. The report covered an economic update for the first part of the 2019/20 financial year, a review of the Council's investment portfolio and borrowing strategy for 2019/20 and a review of compliance with Treasury and Prudential Limits for 2019/20.

31. There were a number of national circumstances that were causing a degree of economic uncertainty including the situation with Brexit. The first half of 2019/20 has seen UK economic growth fall as Brexit uncertainty has taken a toll. The Bank of England's Monetary Policy Committee has left the Bank Rate unchanged at 0.75% throughout 2019/20. The Consumer Price Index has been hovering around the Bank of England target of 2% during 2019/20 but did fall to 1.7% in August. Against a difficult investment market, the Council held £79m of investments as at 30 September 2019 and investment portfolio yield for the first 6 months of the year is 0.80% against a benchmark of 0.57%. The Cabinet has considered the Council's borrowing activity for the first 6 months of the financial year which included details of new loans taken, that £15.6m of debt had matured and debt outstanding was £454.7m at an average rate of 3.54%. In terms of compliance with Treasury and Prudential Limits for 2019/20, the Council is well within the limits for outstanding debt and is projected to remain so for 2019/20. The Council is also comfortably within its limits for the Maturity Structure of Borrowing.

32. The Cabinet has noted the contents of the report, recognising that the Council is operating within its approved Treasury Management Strategy, and endorsed the conclusions of the Cabinet Member with Responsibility for Finance that Treasury Management activities continue to be cost effective.

**Mr S E Geraghty**  
**Chairman**

### **Contact Points**

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### **Background Papers**

In the opinion of the proper officer (in this case the Head of Legal and Democratic Services) the following are the background papers relating to the subject matter of this report:

Agenda and background papers for the meetings of the Cabinet held on 14 November and 20 December 2019.