

Cabinet**Thursday, 26 March 2020, County Hall, Worcester, 10.00 am****Minutes****Present:**

Mr S E Geraghty (Chairman), Mr A I Hardman,
Mr M J Hart, Mrs L C Hodgson, Mr A C Roberts and
Mr J H Smith

Also attended:**1970 Public
Participation**

None.

**1971 Apologies and
Declarations of
Interest**

Apologies had been received from Mr A T Amos, Ms K J
May, Mr A P Miller and Dr K A Pollock.

Mr Hardman and Mr Smith both declared an interest as
members of West Mercia Energy Joint Committee,
appointed by the County Council.

Mr Hart declared an interest in item 4 as he was a Non-
Executive Director of Worcestershire Children First.

**1972 Confirmation of
the Minutes of
the previous
meeting**

The minutes of the previous meeting were confirmed as a
correct record and were signed by the Chairman.

**1973 Approval of
Worcestershire
Children First's
Business Plan**

The Cabinet considered the Worcestershire Children
First's Business Plan. The Cabinet Member with
Responsibility for Children and Families highlighted that
following the statutory direction in September 2017 for
the creation of a wholly owned Council Company,
progress had been made in delivering services to
improve outcomes for children. The interim Business
Plan would be replaced by the 2020/21 Business Plan,
which maintained the previously agreed Vision, Mission
and Values and a Performance and Commissioning
Group was operational and would monitor the Key
Performance Indicators (KPIs).

The budget and grants which would be received by WCF
showed that the Council was committed to supporting the
Company with its clear mission and values.

**1974 West Mercia
Energy -
Treatment of
WMS Pension
Liability**

RESOLVED that Cabinet:

- (a) noted the contractual performance update on Worcestershire Children First (WCF);
- (b) approved Worcestershire Children First's Business Plan 2020/21; and
- (c) noted the agreed contract sum for 2020/21 to WCF as set out in paragraph 15 of the report and noted the indicative contact sum for 2021/22 and 2022/23 included in the Business Plan.

The Cabinet considered the transfer of WMS pension liability to a new 'employer body' within the Shropshire County Pension Fund, called 'WMS Pension'. The Deputy Leader explained that some companies had been cautious about doing business with West Midland Energy (WME) due to their apparent pension fund deficit, so it was proposed to transfer the liability back to the owning authorities – even though it had already been underwritten by the Owing Authorities.

RESOLVED that subject to the Executives of Shropshire County Council, Telford & Wrekin Council and Herefordshire Council agreeing to the same recommendations, the Cabinet agreed:

- (a) to remove the responsibility for the discharge of its function in relation to the pension deficit liability in relation to former WMS employees (including Compensatory Added Years Benefits) as identified in the report from the business of the WME Joint Committee with effect from 1 April 2020;
- (b) to allocate the pension deficit liability identified in (a) above to a new employer within the Shropshire County Pension Fund, called 'WMS Pension';
- (c) to establish a joint committee pursuant to section 101(5) of the Local Government Act 1972, with Shropshire County Council, Telford & Wrekin Council and Herefordshire Council known as the WMS pension joint committee and delegate responsibility with effect from 1 April 2020 to the WMS Pension Joint Committee to discharge the functions of Worcestershire County Council relating to the pension deficit liability from former WMS

employees (including Compensatory Added Years benefits) as set out in paragraphs 9 to 19 of the report allocated to the WMS Pension Employer within the Shropshire County Pension Fund;

- (d) to approve the proposed governance arrangements set out in the Appendix to the report, and that the Council's appointed Executive Members to the WMS Pension Joint Committee shall be the Deputy Leader and Cabinet Member with Responsibility for Adult Social Care and the Cabinet Member with Responsibility for Health and Wellbeing, as the council's current representatives on the West Mercia Energy Joint Committee;
- (e) to delegate authority to the Chief Financial Officer to progress and agree the arrangements as set out in paragraphs 9 to 19 of the report, including a relevant payment mechanism and finalise a joint agreement for the WMS Pension Joint Committee incorporating the terms set out in the appendix to the report, in consultation with section 151 officers from the remaining Owning Authorities;
- (f) to approve the treatment of the WME asset share to be fully funded with effect from 1 April 2020 using IAS19/FRS102 actuarial assumptions with the resulting additional cost of this funding option allocated to the WMS pension employer within the Shropshire county pension fund; and
- (g) to delegate authority to the Chief Financial Officer to agree the final figures, of which estimates are set out in paragraphs 20 to 32 of the report, and in consultation with the Section 151 Officers from the remaining owning authorities.

1975 Resources Report - Revenue and Capital Budget Monitoring - Month 10 (31 January) 2019/20

The Cabinet considered a number of financial matters as set out in the agenda report. The Cabinet Member with Responsibility for Finance (also the Leader of the Council) explained that due to the developing position with regard to Covid 19 some additional information and recommendations had been circulated the day before. Due to the flooding in January and the Covid 19 virus it was unlikely that the previously expected overspend would be fully resolved at year end and additional resources would be required. Additional funds were being

made available by the Government and it was expected that all the funds would be required to respond to the virus within the County, for example by setting up hubs to arrange for support for vulnerable people. The County Council was prepared to do whatever it took and therefore spend whatever was needed.

The Cabinet Member for Adult Services clarified that an extra £15 million would be made available for adult care and the Council would not run out of money, however planning was underway to accommodate people who would not be accepted to nursing homes unless they had been tested for the virus. Community resilience forums had been set up and money was available for 10 weeks.

The Cabinet Member for Education and Schools pointed out that the wording of recommendation G needed to be updated to refer to the Act rather than Bill. The Higher Needs block overspend could not be written off and could not be covered by either using mainstream council tax funding or top slicing the amount from the National funding formula. Additional money had been made available for schools but the Council would continue to lobby for more money for the DSG.

The Cabinet Member with responsibility for Communities wished to thank volunteer groups and individuals who were helping within their communities. The Council had launched Here to Help and all groups were asked to register what they were doing so people offering help could be matched to those who needed it. The Council was setting up hubs, aiming for one in each postcode, to support and deliver to the most vulnerable which was expected to be around 15,000.

The Leader thanked Healthwatch who had made their staff available to help. He thanked the Chairman of the Overview and Scrutiny Performance Board for allowing the new information to be dealt with as an urgent item at short notice.

RESOLVED that Cabinet:

- (a) noted the 2019/20 revenue and capital budget monitoring up to 31 January 2020;**
- (b) noted that £0.25 million has been made available from earmarked reserves to provide support for communities directly affected by the recent flooding incidences and that further updates will be brought back to cabinet on this**

**1976 Corporate
Landlord and
Facilities
Management**

spend and any Bellwin claim;

- (c) agreed that up to £0.7 million expenditure (the amount beneath the Bellwin scheme threshold) is allocated from earmarked reserves to support recovery expenditure from recent flooding;
- (d) noted that £0.2 million has been made available this financial year from earmarked reserves as an initial sum to contribute towards costs arising in response to the covid-19 outbreak – recognising that further support including from central government is likely to be available as circumstances continue
- (e) noted the current situation regarding the development of the covid-19 virus and the council's response to this
- (f) noted the receipt of un-ringfenced grant for dealing with the impact of coronavirus in the county, and the Chief Financial Officer be authorised to include in the revenue budget
- (g) delegated authority to the relevant Strategic Director, or in their absence Assistant Director or in their absence the Chief Executive, in consultation with the Chief Financial Officer, Monitoring Officer, Chief Executive, Leader of the Council and relevant CMR, to take appropriate action in relation to the coronavirus pandemic, including authorising expenditure and making temporary changes to council policies arising from the Coronavirus Act, and any other legislation, national guidelines and government directions and report back to Cabinet.

The Cabinet considered a report which enabled the Council to discharge its responsibilities as Corporate Landlord and oversee its facilities management.

Exclusion of the Public and Press

RESOLVED that pursuant to Section 100A of the Local Government Act 1972, the press and public shall be excluded from the meeting during item 7 on the grounds that there would be disclosure to them of information relating to the financial or business affairs of any particular person (including the authority holding the information) and the public interest in maintaining the exemption outweighs the

public interest in disclosing the information.

Summary of the proceedings of the meeting during which the press and public were excluded

The Cabinet considered the background to, and conclusions from, an appraisal and analysis of the commissioning arrangements for delivery of property services and facilities and project management.

RESOLVED that Cabinet

- (a) authorised the Strategic Director for Commercial and Change to serve notice on Place Partnership Limited (PPL) by 31 March 2020 of its intention to withdraw from the service agreement with effect from 31 March 2021**
- (b) agreed to give up the Council's shareholding in Place Partnership Limited with effect from 31 March 2021**
- (c) authorised the Strategic Director for Commercial and Change, in consultation with the Leader of the Council, to work with appropriate partners and support services to draw up an alternative model for delivery to be in place by 31 March 2021, including consideration of any TUPE considerations and business needs**
- (d) receives a further report, subject to and following prompt pre-scrutiny, to approve the alternative model for delivery referred to in (c) above**
- (e) notwithstanding the intention for Cabinet to further consider the alternative model ((c) above) authorised the Strategic Director for Commercial and Change, in consultation with the Leader, to take all necessary all financial and contractual actions necessary to ensure the continued delivery of property services; and**
- (f) authorised the allocation of £500,000 within the Financial Risk earmarked reserve to support the project.**

The meeting ended at 10:54am.

Chairman