

Cabinet

Thursday 28 January 2021

Minutes

Attendance

Committee Members

Councillor Isobel Seccombe OBE (Chair)
Councillor Peter Butlin
Councillor Les Caborn
Councillor Jeff Clarke
Councillor Andy Crump
Councillor Colin Hayfield
Councillor Kam Kaur
Councillor Jeff Morgan
Councillor Heather Timms

Other Members Present

Councillors Adkins, Bell, Boad, Cooke, Gilbert, Golby, Kondakor, Parsons, Singh Birdi

1. General

(1) Apologies

No apologies were received for this meeting.

(2) Members' disclosure of Pecuniary and Non-Pecuniary Interests

There were no declarations of interest declared at this meeting.

(3) Minutes of the Previous Meeting

The minutes of the meeting held on 10 December 2020 were agreed as a true record.

(4) Public Speaking

Councillor Izzi Seccombe (Leader of Council and Chair of Cabinet) welcomed two members of the public to speak at the meeting.

Mr Richard Dickson, a resident of Kenilworth, spoke regarding agenda item 11 (Kenilworth to Leamington Cycle Project). He welcomed the report and thanked Councillor Jeff Clarke (Portfolio Holder for Transport and Planning) and officers for their hard work on the scheme. Mr Dickson stated that he had previously cycled from Kenilworth to Leamington along the

A452 and had found it to be a dangerous and unpleasant experience. To his knowledge the project had been under development from at least 2006. It was important to acknowledge the efforts of existing and past elected members. These include Councillor Bill Gifford and John Whitehouse and Margaret Begg (Warwick District Council). Finally, Mr Dickson welcomed that the recommendation before Cabinet sought to authorise the Strategic Directors for Communities and Resources to take all steps to complete the scheme.

Mrs Michelle Kondakor expressed her concern that the Covid recovery plan (agenda item 4) could lead to increased inequalities in some areas of Nuneaton. On the same item Mrs Kondakor emphasised the need to work on developing sustainable transport solutions.

Concerning the Bermuda Connectivity project (agenda item 9) Mrs Kondakor stated that in her view this would be a waste of public money and that it should be developed as a cycle and pedestrian route only. She expressed concern over the cost of the scheme adding that there would not be enough funds set aside for contingencies. Reference was made to a consultation exercise from 2018. The results from this showed a significant number of people being opposed to the scheme which would be contrary to stated aims regarding climate change, sustainability and inequality. Mrs Kondakor finished by challenging the need for £1.7m noise compensation if the project is environmentally friendly.

2. 2020/21 Quarter 3 Budget Monitoring Report

Councillor Peter Butlin (Deputy Leader – Finance and Property) introduced the report summarising its key elements including underspends, reserves, the implications of academisation, capital slippage and the impact of the Pandemic on the Council's ability to meet its savings targets.

Councillor Helen Adkins (Leader of the Labour Group) commented on the forced academisation of schools. Referencing Trinity School in Leamington Councillor Adkins acknowledged the need to mitigate for the £1m deficit at the school, Recognising that a total of £2.137m has been set aside she asked whether the remaining £1.137m would be used for schools in a similar situation. If so, she considered that it is unfortunate if the Council is having to compensate for shortfalls in funding from government. Cabinet was asked if it would not be better to provide more support for schools before they find themselves in financial difficulty. In response, Councillor Seccombe stated that the Council, whilst unable to provide direct financial support to schools in deficit does provide advice and other forms of support. Councillor Seccombe added that many secondary schools have elected to become academies as they can access more funding. However, all schools in Warwickshire, whether academies or not, are encouraged to be part of the County's education "family".

Concerning highways issues, Councillor Keith Kondakor observed that delegated budget projects are running late. The crossing project at Weddington Road, Nuneaton had been delayed and there was a need for resurfacing of the Old Hinckley Road. In reply, Councillor Jeff Clarke stated that a survey at Weddington Road had been delayed owing to the schools being on lockdown. The Old Hinckley Road would be surveyed soon. He assured Councillor Kondakor that the funding for the projects will be carried over into the next financial year adding that a new process for the administration of delegated budgets is in development.

Councillor Jerry Roodhouse (Leader of the Liberal Democrat Group) noted that if academy schools fail then it is the County Council that is required to intervene and address the matter. Referencing

page 38 of the document pack the pressures of £1.658m on mental health were highlighted as were pressures on domiciliary and residential care packages.

Councillor Dave Parsons (Deputy Leader of the Labour Group) noted that when a school becomes an academy all land and assets transfer from the Council to the academy. He asked that if an academy fails, is the land returned to the Council?

In closing Councillor Peter Butlin recognised that academisation is an emotive subject. He stated that the money set aside is for transference from the Council to an academy. If academies experience difficulties subsequently the Council cannot provide financial support. Regarding highways maintenance, this is not part of slippage. Maintenance happens throughout the year although much more can be done when the weather improves. The slippage identified in the report is on major projects. Not maintenance. The impact of Covid on mental health was recognised. Provision for this will be made in the budget for this.

Resolved:

That Cabinet:

- a) Notes the forecast underspend of £9.271m for the 2020/21 financial year on the Council's revenue budget, and the expected impact of an additional £11,526m will have on the Council's unringfenced reserves.
- b) Notes there is a forecast shortfall in delivery of the 2020/21 savings requirement with a value of £2.581m.
- c) Notes the decreases to the approved 2020/21 capital programme of £29.378m since the programme was last reported in Quarter 2.
- d) Approves the carry forward of the reprofiled spend on the capital programme of £31.996m in 2020/21 into future years.
- e) Approves the request to create a new earmarked reserve to recognise the impact on WCC of funding school deficits resulting from forced academisation; as noted in paragraph 2.5.9.
- f) Acknowledges that at the date of writing this report, the national and local response to Covid-19 is an ever-changing landscape. As such, it is important to note the inevitability of significant changes to the forecast position. This will be driven by changes to Covid-related income and expenditure pressures and also Covid funding changes.

3. 2021/22 Budget and 2021/25 Medium Term Financial Strategy - Updated Information

Councillor Peter Butlin reminded members that a report had been presented by Corporate Board to the December meeting of Cabinet concerning the budget. He particularly highlighted additional costs to the Council for children's placement costs and in relation to the Pandemic. A 3% increase in the Social Care levy is proposed. It had been expected that there would be a 0% increase in the tax base. However, the district and borough council figures have now been received and it is now expected that the tax base will be £650k. This is good news. Finally, Corporate Board has proposed £43 reserves to help smooth the Medium-Term Financial Strategy going forwards.

Councillor Jerry Roodhouse called for a better way to be found to fund social care costs. Levies do not provide a sustainable solution. Councillor Seccombe agreed with this point adding that funding is often raised in areas where the demand is lower than elsewhere.

Councillor Keith Kondakor observed that there is a risk if assumptions regarding Council tax growth are linked to population growth. Recent figures indicate that 1.3 million people have left the UK. This emigration will impact on income as well as employment areas such as social care where a shortage of staff may increase costs.

Regarding the funding of social care Councillor Butlin stated that many letters have been sent by the County Council to government highlighting the need to review funding arrangements.

To Councillor Kondakor, Councillor Butlin stressed that house building is a consideration, but as unemployed people do not pay Council Tax, an important aim to be to get them back in to work.

Resolved:

That Cabinet:

- 1) Notes the latest resource and spending information and the impact on the emerging budget proposals;
- 2) Notes the Strategic Director for Resources' risk assessment on the level of general reserves, as detailed in Appendix A;
- 3) Supports the creation of a Commercial Risk Reserve to mitigate the financial risks of the Authority's commercial activity, funded from the temporary saving on the Authority's borrowing costs as a result of the reprofiling of the capital programme;
- 4) Agrees to publish, in light of the information provided, their 2021/22 budget resolutions for recommendation to Council on 8 February 2021; and
- 5) Authorises the Strategic Director for Resources to incorporate the outstanding resource information into the budget resolutions to be considered by Council on 8 February 2021.

4. Council's COVID-19 Recovery Plan

Councillor Izzi Seccombe reminded Cabinet of the work undertaken by members and officers in the summer of 2020 regarding Covid-19 recovery. Since then the Pandemic had changed and it had been found necessary for the County Council to review its priorities accordingly. Officers were thanked for their continuing hard work particularly around test and trace, vaccination centres and support for schools and children.

Councillor Les Caborn (Portfolio Holder for Adult Social Care and Health) suggested that if it had not already been, the report should be shared with partner agencies. This will help to avoid duplication of effort whilst assisting in joined up thinking.

Councillor Keith Kondakor noted that around 1000 people in Warwickshire have died of Covid-19. He observed that whilst rates of the disease are decreasing at a reasonable pace in Stratford-on-Avon District the rate of decline in Nuneaton is slower. Work is needed to increase levels of take up of the vaccine in Nuneaton and Bedworth.

Councillor Jerry Roodhouse thanked officers for their hard work but counselled that fatigue will set in particularly with restrictions potentially lasting the rest of the year. Referencing page 123, Councillor Roodhouse expressed his disappointment that work on the performance framework is to be delayed. It is a means by which the Executive can be held to account and as such is very important he stated.

Councillor Kam Kaur (Portfolio Holder for Customer and Transformation) stated that she understood Councillor Roodhouse's frustration regarding the performance framework. She assured him that work is continuing on it in the background with a view to producing something that is innovative. There is a desire to press on with the project, but staff have been deployed to address other matters. Regarding the non-take-up of vaccination Councillor Kaur asked Councillor Kondakor to provide evidence of where this is.

Councillor Helen Adkins expressed her disappointment that a review into inclusion and inequalities was not progressing despite reference on page 125. Councillor Seccombe agreed to get an update from officers on this.

Councillor Adkins welcomed the ten recovery priorities and in particular the reference to education attainment. She requested a member session involving those who have been teachers to be able to explore this area further.

Councillor Seccombe agreed that having an effective performance framework is critical and that work should be progressed on this as appropriate in the current circumstances. Concerning vaccine roll-out, she observed that North Warwickshire has seen a high take up.

Resolved:

That Cabinet:

1. Notes the progress on the delivery of the Council's Recovery Plan included as Appendix B,
2. Notes the proposals for re-prioritising, timescales and next steps in Section 3.

5. Treasury Management Strategy and Investment Strategy

In introducing this report Councillor Peter Butlin explained that normally the Treasury Management Strategy and the Investment Strategy are presented to Cabinet as a matter of course. This year, however, there have been a number of changes brought about by the Pandemic. The Council has been required to seek ways to be more flexible with its funds. Borrowing has been required to assist recovery projects whilst low interest rates have made it necessary to keep moving money round. A further consideration has been the risk of negative interest rates where the Council could end up paying to have its money looked after.

Referencing page 196 of the document pack Councillor Jerry Roodhouse emphasised the need to closely monitor borrowing. In addition, he noted that there were fewer references in the document to measure to address climate change. These had been present two years ago but seemed to have disappeared.

Councillor Andy Crump (Portfolio Holder for Fire & Rescue and Community Safety) commended the report adding that it demonstrated that the County Council has a degree of flexibility built into its finances. He commended finance officers for their hard work.

Councillor Kondakor emphasised the implications of getting the Council's borrowing wrong. He suggested that some borough and district councils have under-borrowed and added that the County Council should work with them in managing their investments. Now, he suggested, is not the right time to be taking risks.

In closing Councillor Peter Butlin noted that green considerations are in the documents. Climate Change is at the forefront of what the Council does. Regarding the taking of risks, cabinet was assured that all decisions are carefully risk assessed.

Resolved:

That Cabinet recommends to Council that:

1. The Treasury Management Strategy for 2021/22 (Appendix 2) be approved with effect from 1st April 2021.
2. The Investment Strategy for 2021/22 (Appendix 3) be approved with effect from 1 April 2021.
3. That the County Council requires the Strategic Director for Resources to ensure that gross borrowing does not exceed the prudential level specified (Appendix 2, Section 3.2, Table 10 "Authorised Borrowing Limit").
4. That the County Council requires the Strategic Director for Resources to ensure that gross investment in non-Treasury investments does not exceed the prudential levels specified (Appendix 3, Annex 7).
5. That the County Council delegate authority to the Strategic Director for Resources to undertake delegated responsibilities in respect of both strategies (Appendix 2, Annex 7, and Appendix 3, Section 2.5).
6. That the County Council requires the Strategic Director for Resources to implement the Minimum Revenue Provision (MRP) Policy (Appendix 2, Section 2.4).

6. Capital Investment Fund 2020/21 Q4

Councillor Peter Butlin described each of the projects that were for consideration by Cabinet.

Councillor Jeff Clarke welcomed the projects speaking in support of the schemes that fall into his portfolio. Councillor Seccombe proposed a member briefing on electric vehicles. This was agreed.

Councillor Keith Kondakor suggested that a ride on an electric bus would be informative. He challenged why the electric bus scheme had not received a score of 10/10 as it was so good. Regarding the proposed bridge at Stoneleigh Councillor Kondakor asked that provision be made for cyclists and pedestrian. On this latter point it was noted by Councillor Clarke that there is reference in the report to cycle and pedestrian provision on the bridge.

Councillor Heather Timms (Portfolio Holder for Environment and Heritage & Culture) welcomed the electric bus proposal adding that of 19 schemes put forward to the Department for Transport only two had been accepted. One of these was the one before Cabinet. She welcomed the potential impact on air quality and charging point provision.

Resolved:

That Cabinet:

- 1) Approves £0.800 million from the Capital Investment Fund to increase the existing budget for the Lawford Road/Addison Road, Rugby Casualty Reduction Scheme and add to the Capital Programme;
- 2) Approves £0.409 million from the Capital Investment Fund for the contribution to HS2 Ltd to enable future adoption as public highway of the Southern Accommodation Bridge at Stoneleigh Business Park and add to the Capital Programme;
- 3) Approves £1.366 million from the Capital Investment Fund to contribute towards electric charging infrastructure for buses in partnership with Coventry City Council and Transport for West Midlands and add to the capital programme, conditional on the full business case being approved by Department for Transport;
- 4) Approves £3.855 million from the Capital Investment Fund to increase the existing budget required for renovation work at the new SEND school in Nuneaton (Warwickshire Academy) and recommend to Council as part of the 2021-22 capital budget resolution to add to the Capital Programme, and;
- 5) Authorises the Strategic Director for Communities to procure and enter into any agreements to give effect to the proposals on terms and conditions acceptable to the Strategic Director for Resources.

7. Revenue Investment Funds 2020/21 December Report

Councillor Peter Butlin provided a brief introduction on this item.

Resolved:

That Cabinet:

- 1) Supports the progress made on the Commercial Strategy with the Ecology Licence project for Great Crested Newts approved by Corporate Board under the authorisation delegated to Chief Executive at a cost of £0.072m.

2) Approves the bid as detailed in section 2, amounting to £0.169m from the Sustaining Prevention Fund.

3) Authorises the Strategic Directors for People and Communities to procure and enter any agreements to give effect to the above proposals on terms and conditions acceptable to the Strategic Director for Resources.

8. Civil Parking Enforcement Contract 2021

Councillor Jeff Clarke introduced this report noting that any contract awarded will have to include North Warwickshire.

Resolved:

That Cabinet:

(1) approves proceeding with the procurement of a Civil Parking Enforcement (CPE) Contract by means of Competitive Procedure with Negotiation for a period of seven years and an option for three further years;

(2) authorises the Strategic Director for Communities to run a tender exercise and to enter into the relevant contract(s) for the provision of CPE and second line maintenance on terms and conditions acceptable to the Strategic Director for Resources.

9. Bermuda Connectivity

Councillor Jeff Clarke introduced this report summarising the key element of the project and stating that even with increased costs it still offers good value for money. It will assist with economic recovery, provide shorter journey times and provide cycle way connectivity.

Councillor Keith Kondakor raised objections to the scheme stating that proposed developments on the Arbury Estate will provide a link road that when completed will render the Bermuda Connectivity road redundant. He challenged whether a scheme that is environmentally sympathetic should require £1.5m to be set aside for noise compensation. Cabinet was asked to defer its decision to provide time to explore different options.

Councillor Clare Golby (Member for Arbury) commended the Arbury Link Road proposal adding that it had been her idea along with the government Inspector. Concerning the Bermuda Connectivity project, reductions over time in the VCR were noted as were increases in the anticipated cost of the scheme. The project, Councillor Golby suggested, should have been cancelled but instead it was subject to a value engineering review to reduce costs. However, the elements of the project that were removed to reduce costs were potentially those that could help to mitigate the project eg the resurfacing of the length of Bermuda Road and changes to the Bermuda Road/Heath End Road junction. Councillor Golby added that money has been spent from the delegated budget to make the junction of Heath End Road safer but these are often knocked down by heavy lorries. It was noted that the VCR calculation had concluded that the new road would lead to the creation of over 4000 jobs. However, as land on the Coventry Road has already been allocated for employment development job creation is not reliant on the proposed link.

Cabinet was informed that the public consultation exercise held previously had resulted in widespread rejection of the scheme by local residents. Councillor Golby suggested that the link should be developed only for active transport ie cycling and walking. This would support the Council's aims and be more affordable. It would also provide a better link to Bermuda station.

Councillor Jeff Morgan (Member for Bulkington and Whitestone) disagreed with Councillor Golby adding that delays would to the scheme would be counterproductive. There was a clear case for pressing on with it.

Councillor Peter Butlin cited the late Councillor Bill Olnier who had recognised the need for the scheme and advocated it. Councillor Butlin suggested that the project will have a positive impact on people's lives.

Councillor Jeff Clarke closed the discussion by observing that the cost benefit ration is 6.0 which is good. The people of Bermuda, he concluded, need the link road.

Resolved:

That Cabinet:

- 1) Approve £1.459million from the Capital Investment Fund to increase the existing budget for the Bermuda Connectivity project from £8.900million to £10.359million and add it to the Capital Programme
- 2) Approve the award of the Bermuda Connectivity construction contract at a cost of £4.833million.

10. Better Care Fund Plan 2020/21 (Decision Being Made Under the Urgency Procedure)

Councillor Izzi Seccombe drew Cabinet's attention to the fact that the decision to be made would be done so using the Council's Urgency Procedure. Councillor Les Caborn added that this was because the National Policy Framework had only been received in December 2020. A sub-committee of the Health and Wellbeing Board would complete the sign off on Friday 29 January.

Councillor Jerry Roodhouse recognised the urgency adding that it is important to agree the funding. Regarding paragraph 2.3 Councillor Roodhouse stated that with the establishment of a single CCG it will be interested to see how funding sources evolve.

Councillor Keith Kondakor expressed his disappointment at the delay in issuing the national Policy Framework. He wondered if the pandemic would have an impact on staffing.

Councillor Caborn replied he would prefer the funding to be put in the base budget. Staffing, he said to Councillor Kondakor is not an issue.

Resolved:

That Cabinet:

1) Approves the proposed pooled contribution of £14.688m by the Council to the Better Care Fund Plan (known as the Warwickshire Cares Better Together programme plan) for 2020/21 and the plan for resources as set out in paragraph 2.3.

2) Delegates authority to the Strategic Director for People to enter the proposed section 75 NHS Act 2006 agreement, on terms and conditions acceptable to the Strategic Director for Resources, with Coventry and Rugby Clinical Commissioning Group, South Warwickshire Clinical Commissioning Group and Warwickshire North Clinical Commissioning Group for the delivery of the Better Care Fund Plan once completed.

3) Approves the County Council continuing as the pooled budget holder for the fund.

4) Notes that this is classed as an urgent report to enable sign off by the Health and Wellbeing Board on 29th January 2021 and to enable funding to be released. Consent of the Chair of the Adult Social Care and Health Overview and Scrutiny Committee has therefore been requested for an urgent decision.

11. Kenilworth to Leamington Cycle Project

Councillor Jeff Clarke explained the nature of the proposed cycleway as set out in the report adding that it was frustrating that it had taken so long to reach this stage in the development process.

Councillor Sarah Boad (Deputy Leader of the Liberal Democrat Group) expressed her enthusiasm for the project stating that it had first been mooted in 1986. Recognising the complexity of the project in engineering and land ownership terms she paid tribute to the campaigners and officers who had brought it this far.

Councillor John Cooke welcomed the recommendations.

Councillor Keith Kondakor explained that the route is the right length for encouraging people to cycle. He suggested that more should be done to develop cycle routes in town as well as between towns. He was concerned over delays and hoped that Design Services were able to appoint enough staff to manage their workload.

Councillor Peter Butlin noted that the project carries some financial risk, but he was confident that the scheme would be completed on time and that officers would monitor expenditure.

In closing Councillor Clarke welcomed the involvement and support of the public and thanked members and officers for their work.

Resolved:

That Cabinet;

Approve the development of the Kenilworth to Leamington Cycle Project and authorise the Strategic Directors for Communities and Resources to take all steps required for the implementation of the scheme including:

- (a) in the case of the Strategic Director for Communities:
 - (i) finalising designs and determining land requirements;
 - (ii) negotiating terms and entering agreements for any necessary alterations to private accesses;
 - (iii) securing all necessary statutory consents (including licences and planning permissions) and entering any necessary agreements with other regulatory bodies;
 - (iv) exercising any statutory rights of entry for the purposes of carrying out surveys, examinations or other investigations or executing works;
 - (iv) undertaking public consultation;
 - (v) inviting tenders and entering contracts on terms and conditions acceptable to the Strategic Director for Resources.
- (b) in the case of the Strategic Director for Resources:
 - (i) making any necessary side road orders under sections 14 and 125 of the Highways Act 1980;
 - (ii) acquiring by agreement the land required for the implementation of the scheme.

12. Direct Payments Approval to Tender Report

Councillor Peter Butlin summarised the report. There were no questions from members.

Resolved:

That Cabinet authorises:

- 1) The Strategic Director for People to commence a procurement process for the provision of Direct Payment Support Services which will come into effect from 1st September 2021
- 2) The Strategic Director for People to enter relevant contracts for the provision of Direct Payment Support Services on terms and conditions acceptable to the Strategic Director for Resources.

13. Warwickshire Fire & Rescue Service - Strategic Direction for Property

Councillor Andy Crump explained the key elements of the report and added that it complied with the principles of the Integrated Risk Management Plan to be consider at a later meeting of Cabinet.

The proposals he said, were evidence of a desire to work more closely with colleagues in the other blue light services. Public safety was the principal driver for any proposals being made.

Councillor Peter Butlin explained that the County Council is reviewing all of its property requirements. This report is about developing a Fire and Rescue Service that is fit for the future. It is important to ensure that fire stations are in the right place to meet current and future needs. In addition, there is a proposal to relocate Fire and Rescue headquarters to Shire Hall.

Councillor Jerry Roodhouse requested that as plans move forward, elected members are kept involved in discussions.

Referencing the fire station in Nuneaton, Councillor Keith Kondakor suggested that better use could be made of what is a large urban site.

In closing, Councillor Crump agree that members should be involved in any discussions and cited the example given by Councillor Kondakor who has useful local knowledge to share.

Resolved:

That Cabinet:

- 1) Supports the proposed future direction for the development of the property estate for Warwickshire Fire & Rescue Service (WFRS) in alignment with the Warwickshire County Council Property Strategy as set out in this report
- 2) Agrees the strategic principles set out in Section 3.0 of this report and supports these principles informing the IRMP that is presented to Cabinet in March 2021

14. Targeted Youth Support - Strategic Approach

Councillor Jeff Morgan explained that over the last decade youth services had struggled. Now, however, additional funding was enabling new and exciting projects to be developed. He explained how there will be opportunities for projects to bid for funds and that young people will be at the centre of the design and operation of services.

The report was welcomed by Councillor Pam Williams who recognised the importance to provide support for young people.

In response to a question from Councillor Jerry Roodhouse, Cabinet was informed that the funds would be available for 2 to 3 years. However, if it proved successful it may be possible to build the resources into the base budget.

Resolved:

That Cabinet:

- 1) Endorses the Warwickshire Targeted Youth Services Approach 2020-2023 set out in the Appendix.
- 2) Asks that the Children and Young Peoples Overview and Scrutiny Committee agree to including in its work programme consideration of an Annual Report detailing outcomes and progress in 12 months' time.

15.Exclusion of the Press and Public

16.Exempt Minutes of the Cabinet Meeting held on 10 December 2020

The exempt minutes of the meeting of 10 December 2020 were agreed.

17.(Exempt) Council Property Company

The recommendations were agreed as set out in the exempt report.

The meeting rose at 16.32

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Chair