

Cabinet

Tuesday 23 January 2024

Minutes

Attendance

Committee Members

Councillor Isobel Seccombe OBE (Chair)
Councillor Margaret Bell
Councillor Peter Butlin
Councillor Andy Crump
Councillor Yousef Dahmash
Councillor Kam Kaur
Councillor Sue Markham
Councillor Jan Matecki
Councillor Heather Timms
Councillor Martin Watson

Officers

Monica Fogarty, Chief Executive
Nigel Minns, Executive Director for Children and Young People
Mark Ryder, Executive Director for Communities
Benjamin Brook, Chief Fire Officer
Sarah Duxbury, Director of Strategy, Planning and Governance
Becky Hale, Executive Director for Social Care and Health
Rob Powell, Executive Director for Resources
Virginia Rennie, Head of Strategic Finance

Others Present

Councillor Judy Falp
Councillor John Holland
Councillor Jerry Roodhouse
Councillor Tim Sinclair

1. General

The Chair welcomed everyone to the first meeting of Cabinet of 2024.

(1) Apologies

There were no apologies for absence.

(2) Disclosures of Pecuniary and Non-Pecuniary Interests

Councillor Izzy Seccombe declared a non-pecuniary interest in Agenda Item 9, Safer Warwickshire Partnership Board Serious Violence Prevention Strategy 2024-30 because her husband was the Police and Crime Commissioner for Warwickshire.

(3) Minutes of the Previous Meeting

The minutes of the meeting of Cabinet held on 14 December 2023 were agreed as an accurate record.

(4) Public Speaking

There was none.

2. 2023-24 Financial Monitoring Report - Forecast Position as at Q3

Councillor Peter Butlin introduced the report which outlined the forecast financial position of the organisation at the end of 2023/24, based on the information known at the end of the third quarter. He reminded the meeting that this was the final quarter before budget setting in February 2024 and referred to the projected headline forecast overspend as detailed at 2.1 of the report.

Councillor Butlin highlighted the areas where finances were vulnerable and unsustainable across children's and adults social care services, education and home to school transport. The Dedicated Schools Grant (DSG) forecast overspend was also referred to with further details outlined in Section 4 of the report.

In addition, Councillor Butler noted the increased underspend in the Resources Directorate of £1.26m, Economy & Place of £0.6m and Peoples Directorate of £0.9m and praised those areas for working hard to help balance out some of the figures. He concluded by reiterating that the same pressures existed as were reported in December and urged everyone not to underestimate the pressures in those vulnerable areas.

Councillor Roodhouse referred to the recurring themes in adult social care, DSG, home to school transport and SEND which were an ever-increasing problem but noted that the Council was not alone in these challenges. He recognised that the County Council network had been lobbying with an aim to bring pressure on the government to address the difficulties but felt that he had never seen the situation as bad as this.

Councillor Judy Falp outlined her experiences as a school governor and described the increase in SEND pupils, the difficulties in finding suitable placements and felt that schools were doing everything they could to assist. However, the impact of covid was still impacting on primary age school children.

Councillor John Holland queried the recommendations made last year by the Director of Public Health in relation to Violence Against Women and Girls (VAWG) and a potential reduction in resources. The Leader asked for clarification as this had not been her recollection of the Cabinet report in December. Councillor Seccombe advised that the recommendations from the annual Director of Public Health report went to all partners and she reiterated the cost implications of providing free school meals. She concurred with Councillor Roodhouse's comments about the

financial difficulties, noting that any spending had to fit within the envelope of financial availability and encouraged all groups to put forward their proposals for budget setting next month.

In response to Councillor Holland, Councillor Andy Crump highlighted the Serious Violence Strategy was to be considered at Agenda Item 9 and included three key recommendations in relation to VAWG.

Councillor Butlin responded to the individual comments made and thanked Members for their input. He proposed the recommendations as written.

Resolved

That Cabinet

- 1) notes the forecast net service overspend of £7.281m (1.9%) that would need to be funded from the Directorate and General Risk Reserves at the end of 2023/24;
- 2) notes the forecast delivery of savings for 2023/24 of £6.857m, and the consequent shortfall against the target;
- 3) notes the forecast capital spend for 2023/24 of £151.389m; and
- 4) notes and approves the movement in the forecast spend on the capital programme of £51.256m from 2023/24 into future years and notes the carry forward of Corporate schemes of £31.950m and S278 contributions of £0.184m.

3. 2024/25 Budget and 2024-29 Medium Term Financial Strategy - Updated Information

Councillor Peter Butlin introduced the report which updated Members on the 2024/25 Budget and 2024-29 Medium Term Financial Strategy. He also referred to the briefing note circulated after the publication of the agenda which updated Members on the information being awaited from the District and Borough Council's. An updated report had also been circulated and uploaded to the website for information.

Councillor Roodhouse queried the Risks Influencing the Level of General Reserves, particularly the Schools and Early Years Funding which was currently flagged as amber. Having read the narrative he wondered how close the risk was to being coded as red.

The Leader agreed that this was a very difficult time for Councils, particularly in demand led services and felt sorry for those authorities that were more financially challenged. She advised that she had written a long explanation letter to the Secretary of State about the challenges being faced in Warwickshire and the support needed. This was not just financial but legislative support and would be an ongoing conversation.

In response to Councillor Roodhouse, Rob Powell, Executive Director for Resources, explained the risks were the product of judgements about likelihood and impact and assured that the Council worked closely with schools to help avoid them tipping into deficit. The provision detailed was felt to be a reasonable amount on top of the Dedicated Schools Grant offset reserve.

Councillor Kaur highlighted the Allocation of 2024/25 Dedicated Schools Grant report at Item 5 of the agenda which provided further detail on the allocation of funding.

Councillor Butlin proposed the recommendations as laid out.

Resolved

That Cabinet

- 1) note the latest resource and spending information, the advice and the impact on the emerging budget proposals presented in this report;
- 2) note the Executive Director for Resources' risk assessment on the level of general reserves, as detailed in Appendix A; and
- 3) publish, in light of the information provided, their 2024/25 budget resolutions for recommendation to Council on 8 February 2024.

4. Treasury Management Strategy and Investment Strategy

Councillor Peter Butlin introduced the report which recommended the Treasury Management Strategy for 2024/25 and the Investment Strategy for 2024/25, along with additional requirements. He noted the influence that these strategies had on Council finances, enhancing the overall contribution to the Medium-Term Financial Strategy.

He expanded on the important role these played by ensuring there were adequate funds for running services whilst balancing accessibility and maximising returns. Councillor Butlin also noted the increased public scrutiny of Council's finances which highlighted where money was invested and ensured investments were not just chosen for yield.

Councillor Seccombe referenced investigative journalism in this area of finance and gave assurance that a robust view had always been taken where borrowing was required, with a view to either reduce down revenue costs or increase income.

Councillor Butlin agreed that it was a balancing act to manage borrowing and sustain the services the Council wanted to deliver. He was confident that the Treasury Team did an excellent job and he thanked them for their hard work.

Resolved

That Cabinet recommends to Council to:

- 1) Approve the Treasury Management Strategy for 2024/25 (Appendix 2) with effect from 1 April 2024;
- 2) Approve the Investment Strategy for 2024/25 (Appendix 3) with effect from 1 April 2024;
- 3) Require the Executive Director for Resources to ensure that gross borrowing does not exceed the prudential level specified (Appendix 2, Section 3.13, Table 12 "Authorised Borrowing Limit");
- 4) Approve the revised lending limits for the Warwickshire Property Development Group (WPDG) (Appendix 3, Annex 7);
- 5) Approve the revised lending limits for the Warwickshire Recovery Investment Fund (WRIF) (Appendix 3, Annex 7);
- 6) Require the Executive Director for Resources to ensure that gross investment in non-Treasury investments does not exceed the prudential levels specified (Appendix 3, Annex 7);
- 7) Delegate authority to the Executive Director for Resources to undertake such delegated responsibilities as are set out in Appendix 2, Annex 7, and Appendix 3, Section 2.5; and

- 8) Require the Strategic Director for Resources to implement the Minimum Revenue Provision (MRP) Policy (Appendix 2, Section 2.11-2.26).

5. Allocation of 2024/25 Dedicated Schools Grant

Councillor Kam Kaur introduced the annual report outlining the allocation of funding for schools and services for pupils from the Government Dedicated Schools Grant (DSG).

She referred to the Schools' Forum who made the final decision on central services block, advising that they had turned down the 0.5% disapplication decision for reasons outlined in section 3.5 of the report. The Council did have the option to refer this to the Secretary of State who had overruled their decision.

The report outlined the Schools Block DSG increase of £31m, which was mainly due to an increase in pupil numbers; outlined the Early Years Block DSG allocation of funding and the High Needs DSG budget. Councillor Kam highlighted that there was an expectation that the cost of schools and educational settings could be contained within the level of DSG but if spending continues at the current levels this would not be sustainable. She recognised the lack of viable options available without further external funding or a change in legislation.

Councillor Roodhouse queried the maintained nurseries recommendation against the government position, requesting an update setting out where WCC were. In response, Councillor Kaur advised that an early years setting briefing had been circulated recently but a further update could be provided. She was also meeting with early provider settings to understand if they were ready for the changes and the impact this would have on them.

Resolved

That Cabinet:

- 1) Endorses the Schools Block DSG allocation, as detailed in Section 3, following the Department for Education's (DfE) approval of the Council's disapplication to request a 0.5% transfer of funding from the Schools Block to the High Needs Block at a value of £2.283m;
- 2) Approves the Early Years Block DSG allocation of funding for all early years providers as outlined in Section 4;
- 3) Approves the allocation of the High Needs DSG budget, as set out in Section 5; and
- 4) Supports the proposals for allocating the Central School Services DSG budget, as set out in Section 6.

6. Strategic Risk Management Framework

Councillor Yousef Dahmash introduced the report which requested approval of the refreshed Strategic Risk Management Framework. He referred to the officer working group in place since last year which had been tasked with refreshing the risks and looking at the framework which had been in place since 2020/21.

Councillor Yousef highlighted that the majority of the document remained unchanged, but a summary of the changes had been included in section 4 of the report. These included updates to

reflect the current Council Plan, a revision of risk appetite and the use of simplified language to help make the document more accessible.

Councillor Sinclair welcomed the report and queried if it was possible to compare this with other authorities' risk management frameworks. The Leader reminded him that a lot of benchmarking took place through the Council's membership of the Local Government Association.

Councillor Sinclair agreed and felt it would be interesting to see what other Councils were perceiving as risks, in case it had not been taken into account at Warwickshire.

Councillor Yousef outlined the recommendations and it was

Resolved

That Cabinet approves the refreshed Strategic Risk Management Framework at Appendix 1 and supports the approach to risk management recommended by the Framework.

7. Creating Opportunities Update

The Leader, Councillor Isobel Seccombe, outlined a report which presented the progress made on Levelling Up and Community Powered Warwickshire.

In addition, she introduced the graduates present, who had been working in the Resources directorate alongside officers in preparation of this report.

Councillor Seccombe reminded Members of the Levelling Up paper considered two years ago, explaining that the next steps had been to take away and work on translating what this meant for Warwickshire. This had also been worked on in alignment with the Chief Executives and Leaders of the District and Borough Councils. She outlined a number of the opportunities that had emerged including 'Greenshoots' and the Community Social Fund and signposted Members to the appendices relating to the work undertaken with Nuneaton and Bedworth Borough Council and Stratford District Council.

Councillor Seccombe invited Members to visit the microsite set up which detailed ongoing and future projects. She noted there was still further work to do and thanked District and Borough colleagues for their contributions.

In response to a query from Councillor Sinclair relating to the change in leadership at Stratford District Council, the Chief Executive confirmed that this document had been considered by Stratford's Cabinet and was due to be submitted to Nuneaton and Bedworth's Cabinet in due course. This did not however, exclude the opportunity of working with other councils.

It was therefore,

Resolved

That Cabinet

- 1) Notes the progress made to date on Levelling Up and Community Powered Warwickshire and endorses the 'Journey So Far' Review document at Appendix 1 for publication; and
- 2) Supports the adoption of the Creating Opportunities approach going forward, noting the two plans agreed for Stratford District and Nuneaton & Bedworth Borough and WCC's contribution to them.

8. New Music Hub Arrangements

Councillor Kam Kaur introduced a report requesting consideration of an options appraisal between Warwickshire County Council, Coventry City Council and Solihull Metropolitan Borough Council Music Services to establish and operate a new regional Music Hub.

Councillor Kaur explained that the options appraisal would explore joint management arrangements which would be reported back to Cabinet in June or July. She reminded Members that over 12,000 children accessed the music service each week, which should be applauded and encouraged everyone to attend the concerts where possible. Coventry City Council had agreed to lead the collaborative with Warwickshire and Solihull Councils and the outcome of the bid was expected in April 2024.

Councillor Roodhouse welcomed the report and recognised that this was a small but dynamic service who should be recognised for the contribution they made.

Councillor Seccombe supported the comments made and reiterated the important addition that music brought to children and their education. The service was often accessed by children who would never have had the opportunity otherwise and many had benefitted over the years. It was noted that this was not a statutory service but had been proven to improve student's outcomes in education and the team involved should be congratulated for their commitment.

Councillor Kaur thanked Members for their comments and proposed the recommendations as laid out in the report.

Resolved

That Cabinet

- 1) Approves the development of an options appraisal between Warwickshire County Council, Coventry City Council and Solihull Metropolitan Borough Council Music Services to establish and operate a new regional Music Hub that encompasses all three local authority areas from 1 September 2024; and
- 2) Authorises the Executive Director for Children and Young People in consultation with the Executive Director for Resources to work with Coventry City Council and Solihull Metropolitan Borough Council to develop the options appraisal with a report back to Cabinet on the preferred model, its establishment and operating arrangements.

9. Safer Warwickshire Partnership Board Serious Violence Prevention Strategy 2024-30

Councillor Crump addressed the meeting and outlined the Safer Warwickshire Partnership Serious Violence Prevention Strategy 2024-30. He explained that the strategy ensured that statutory duties were met and addressed the occurrences and underlying causes of violence. He gave

assurances that Warwickshire was one of the safest places to live with localised incidents arising from a variety of factors.

Councillor Crump went on to explain the work undertaken with a variety of partners and the Community Safety Team and the limited period of funding from the Home Office. He reiterated the strong links the County had with partners which enabled a robust approach and the ambitions to enhance the current offering. He looked forward to continuing this work across the County.

Councillor Judy Falp praised the partnership working and the input from the report author, Jonathan Toy, Head of Trading Standards and Community Safety. She reiterated the concerns raised regarding the limited funding from government as the hope was to carry on with the work.

Councillor Roodhouse echoed the funding issue and supported the comments made about strong partnership working. He described the difficulties experienced by the Health and Wellbeing Board who often had to balance different priorities with the ICB relating to Domestic Abuse and Mental Health services.

Councillor Crump thanked Members for their comments and recognised the team of officers involved in bringing the strategy together. He outlined the recommendations as per the report.

Resolved

That Cabinet

- 1) Endorses the Safer Warwickshire Partnership Serious Violence Prevention Strategy 2024-30 (Appendix 1) and the summary document (Appendix 2); and
- 2) Supports the approach being taken to address the Serious Violence Duty in Warwickshire and the County Council's contribution to meeting the duty.

10. Reports Containing Exempt or Confidential Information

Resolved:

That members of the public be excluded from the meeting for the items mentioned below on the grounds that their presence would involve the disclosure of exempt information as defined in paragraph 3 of Schedule 12A of Part 1 of the Local Government Act 1972.

11. Exempt Minutes of the 14 December 2023 Meeting of Cabinet

The exempt minutes of the Cabinet meeting held on 14 December 2023 were agreed as an accurate record.

12. Warwickshire Recovery Investment Fund Investment Strategy and Business Plan

Councillor Martin Watson, Portfolio Holder for Economy, introduced the exempt report.

Resolved

That the recommendations as set out in the report be approved.

13. Warwickshire Property & Development Group (WPDG) - Site Specific Business Case 5

Councillor Peter Butlin, Portfolio Holder for Finance and Property, introduced the exempt report.

Resolved

That the recommendations as set out in the report be approved.

The meeting rose at 15:05

.....
Chair