

Cabinet

Thursday 5 September 2024

Minutes

Attendance

Committee Members

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

Others Present

Councillor Sarah Boad
Councillor Sarah Feeney
Councillor Marian Humphreys
Councillor Jerry Roodhouse
Councillor Tim Sinclair

1. General

(1) Apologies

Councillor Kam Kaur

(2) Disclosures of Pecuniary and Non-Pecuniary Interests


None

(3) Minutes of the Previous Meeting

The minutes of the meeting of Cabinet held on 16 July 2024 were agreed as an accurate record subject to the inclusion of the attendance of Councillor Jerry Roodhouse.

(16) Public Speaking

Councillor Isobel Seccombe welcomed Mr Richard Dickson (a resident of Kenilworth) to the meeting to speak on agenda item 2 "2024/25 Financial Monitoring - Forecast position at Quarter 1".



Mr Dickson advised that he had some questions regarding the cost overruns on the A46 Stoneleigh Junction improvement (project number 11649000). He noted that the project had been announced in December 2020 and had been programmed to complete in the summer of 2022. In January 2023, the bridge had been installed but not connected and remained as such. He believed this provided for a visible symbology representing a level of disconnectiveness in the county. He noted that the report described cost overruns on the project and asked:

1. Can a breakdown of the cost overruns please be made available;
2. What level of confidence (in percentage terms) is there that the extra costs will not exceed the figure stated;
3. What level of confidence (in percentage terms) is there that the project will be complete by 31st December 2024 and that there will be no negative impact of the current delays on the adjacent HS2 bridge work, and
4. How will the Council review and implement the lessons learned in the management of this project from the cost overruns and delays in delivery of the completed bridgeworks?

Councillor Butlin responded that there were issues with the completion of this project and he would arrange for a detailed response to the questions to be shared by email.

2. 2024/25 Financial Monitoring - Forecast position at Quarter 1

Councillor Peter Butlin (Deputy Leader and Portfolio Holder for Finance and Property) explained to Cabinet that the quarter 1 position reflected a concerning overall picture due to ongoing demand and financial pressures in four key areas, which were also the cause of financial strain on this council last financial year – Adult Social Care; Children’s Social Care; SEND and Home to School Transport. Cabinet was asked to note the £47.5m overspend which one-off resources reduced to £27m and the 43% shortfall in forecast savings delivery largely relating to these four areas. Councillor Butlin noted that these four areas were areas of significant financial strain for all upper tier councils across the country and whilst mitigations were being put in place, national policy change and/or additional resources were essential. There was tension between the Council’s statutory duty to set a balanced budget, and the statutory requirements to provide services in these demand-driven areas to those who were eligible. However, as a well-run organisation, the Council had acted swiftly to mitigate the pressures in line with pre-existing plans and trigger points, and the long-term financial resilience which meant that there were resources set aside to assist efforts to deal with some of these pressures. Councillor Butlin advised that the Council had responded quickly and well to the additional controls.

In the current climate, Councillor Butlin informed Cabinet that the Medium-Term Financial Strategy (MTFS) would be more challenging for current year and it was expected that additional savings of £10m above those set out in the previous paper to Cabinet (July 2024) would be required. The Chancellor’s Spending Review and Autumn Budget would provide more clarity on the available resources and potential policy changes to fund and address the pressures identified as the Council progressed its preparations for setting the 2025/26 Budget and MTFS in February 2025.

Councillor Isobel Seccombe (Leader) commented that the Council had already engaged in lobbying the previous government and would continue with those efforts going forward. She noted



that the Local Government Association (LGA) had met with the Minister for Housing, Communities and Local Government to stress the need for funding settlements that were longer than one year but this would not wholly remedy the situation and emphasised the need for legislative change to enable the sector to manage and deliver all the services provided by local government, not just those which were demand-led. She noted the impact of a growing and aging population on demand for adult social care and welcomed conversations with the government to address these funding issues.

Councillor John Holland emphasised the need for political parties to work together on this issue and considered that the problem was not the result of budgets being exceeded, rather that they were not big enough. He noted that the sector was working with a budget set by the previous chancellor and the ability to make in-year changes was somewhat difficult. He observed that the new government had outlined plans for more house building and an increase in homes was aligned with an increase in population and demand for services. He therefore considered it would be essential to work within the district and borough's existing local plans.

Councillor Jerry Roodhouse considered that this was the most challenging situation he had observed since he was first elected to the County Council. He noted that the trajectory of an aging population had been identified some years ago but the level of frailty and need was not and this was now combining with the demand for support for Special Educational Needs and Disabilities (SEND) to create significant budgetary pressure. This was a concern across the whole local government sector and the County Councils Network (CCN) would continue to lobby on this issue. Despite evidence that the government was listening, his experience was that it would be at least 2 years before additional funding was provided. Additionally, he echoed statements that additional funding would not fix the structural and systemic issues associated with an aging population. It would be important to consider how services could be provided more in the community. Councillor Roodhouse asked for clarity on the phrasing "more flexible medium term financial risk reserve" in relation to the High Needs Block and Councillor Butlin agreed that officers would provide a briefing note on this.

Councillor Sarah Feeney echoed Councillor Holland's comments regarding the political groups working together to ensure the continuation of services for those who needed them. She noted the overspend on children in care placements, and whilst she was aware that there was a lengthy inspection process to bring the council's own homes into use, she considered that there was a need to press and support the County Treasurer's position for regulation of the children's care market. Noting the underspends in foster care, Councillor Feeney was aware of excellent work that had taken place around the recruitment of foster carers, but she considered that the current budget position suggested that there was still work to do. She also expressed surprise regarding the overspend on the Special Educational Needs and Disabilities Assessment & Review Service (SENDAR) together with increased legal fees and mediation work and queried if this needed further review.

Councillor Seccombe noted the comments from Councillors Roodhouse and Feeney, sharing the view that children had better outcomes when they remained with their family support since the impact of breaking up families was significant and the life impact should not be underestimated. To this end she stated that the Council had commenced a programme of developing its own children's homes which were residential properties rather than institutions which supported the children in a family-feel environment. The opening of these homes not only provided an opportunity to keep the children in the county, but also provided choice in the market at a time

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when demand nationally was driving inflation. Councillor Seccombe recounted her recent experience of canvassing for the general election and the concerns that residents shared about increased house building. She explained that the impact of an aging and growing population coupled with Warwickshire's successful economy with low rates of unemployment was driving demand for more housing. The cost of care placements for older people and SEND remained a significant pressure whilst government funding was diminishing. The report presented a very challenging situation but she applauded officers for the work they were doing to drive down costs.

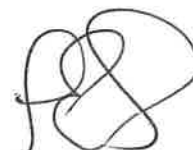
Noting Councillor Holland's comments regarding budget provision, Councillor Butlin responded that the Dedicated Schools Grant did not provide enough funding with SEND being the most significant area of demand which had an associated effect on home to school transport. He reiterated that the problem was related to a combination of poor legislation and an increase in demand which the government had not been able to quantify and therefore was failing to provide adequate funding for. Noting Councillor Roodhouse's comments regarding demographics, he considered that this was again an issue with the absence of adequate legislation and reform in this area was very much needed. Building on the comments of Councillor Seccombe, Councillor Butlin explained the protracted process of bringing forward a children's home in terms of planning, inspection and certification by OfSTED. Councillor Butlin advised that more mainstream provision was needed for SEND and £20m was being made available for this across the county but again this took time to bring to fruition with schools and partners. Councillor Butlin noted that the adult social care precept was a "sticking plaster approach" to provide funding but due to the increase in demand this was no longer sufficient. He welcomed lobbying by CCN and the LGA. A long term solution was needed and he was hopeful that the new government would address financial concerns in the local government sector.

Councillor Seccombe thanked those present for their comments, noting that staff were being asked to do more with less and she was keen to ensure all universal services required by a growing population were retained. The Cabinet would be monitoring the situation.

Resolved:

That Cabinet:

1. Notes the forecast net service overspend of £26.998m (6.7%) that would need to be funded from reserves at the end of 2024/25;
2. Notes the forecast delivery of savings for 2024/25 of £9.255m (57%), and the consequent shortfall against the target;
3. Notes the forecast capital spend for 2023/24 of £161.759m;
4. Notes and approves the movement in the forecast spend on the capital programme of £26.404m from 2024/25 into future years;
5. Approves the drawdown of £0.472m from the Revenue Investment Fund as detailed in Section 6 of the report; and
6. Notes and endorses the financial recovery strategy to mitigate the emerging 2024/25 financial position, as outlined in Section 2 of the report.



3. Additions to the Education Capital Programme 2024/25

Councillor Peter Butlin (Deputy Leader of the Council) opened this item and set out the further additions to the Education Capital Programme as detailed in the report: Shipston High School, delivery of a New Primary School at Callendar Farm Nuneaton, Early Years Schemes at Kenilworth Nursery School, Little Learners Day Nursery (Nuneaton), Happy Days Nursery (Southam) and Shipston Pre-School, and the former radio station mast site at Houlton in Rugby.

Councillor Sarah Feeney asked if the Council had considered the impact of the government's proposals for increased nursery places and Councillor Butlin replied that he would seek a response to this question from the Portfolio Holder who had given apologies for the meeting.

Councillor Yousef Dahmash welcomed the collection of developer contributions towards school facilities at Houlton. Councillor Butlin responded that Urban and Civic had done a good job on the site.

Resolved:

That Cabinet:

1. Recommends to Council the addition to the capital programme of £2.188m to the capital programme to deliver the scheme at Shipston High School. This will be funded by developer contribution;
2. Recommends to Council the addition of £16.500m to the capital programme to deliver the new primary school at Callendar Farm to be funded by developer contributions and education capital funding from the Education Capital Investment Fund;
3. Approves the addition to the capital programme of £0.418m to the capital programme to deliver the Early Years schemes at Kenilworth Nursery, Little Learners Day Nursery (Nuneaton), Happy Days Nursery (Southam) and Shipston Pre-School to be funded by developer contributions and the DfE Childcare Expansion Capital Grant; and
4. Approves the addition to the capital programme of £1.660m to be transferred to Urban & Civic towards the delivery of Houlton School to be funded by collected developer contributions.

4. Integrated Performance Report Quarter 1 2024/25

Councillor Yousef Dahmash (Portfolio Holder for Customer and Transformation) introduced the published report which presented a combined picture of the Council's delivery against corporate objectives, performance indicators, human resources, and risk. Councillor Dahmash noted that the Council's overall performance remained strong, despite the challenging financial environment which had an impact on resources and demand. There also remained some uncertainty regarding the government's policy direction and clarification on this was awaited. However, 80% of Council Delivery Plan actions were on track and in terms of the Performance Management Framework, 55 of the 67 Key Business Measures were available for reporting with 76% on track and an overall



forecast of stability. Staff sickness levels remained an area of challenge and work to address this was ongoing.

Councillor Tim Sinclair highlighted the interest that Resources and Fire and Rescue Overview and Scrutiny Committee had taken regarding staff absence, which received a positive response from Cabinet.

Councillor Jerry Roodhouse noted that the statistics regarding Education Health and Care Plans (EHCPs) reflected the level of pressure. In terms of workforce, he noted that there was some stabilisation regarding mental health and stress but overall this was still above performance levels. He noted that work was in progress but with more pressure in sight, it was important to do more to support staff and keep focus on this area.

Resolved:

That Cabinet:

1. Notes the Quarter 1 2024/25 organisational performance; and
2. Agrees to refer the report to Overview and Scrutiny Committees to consider, in detail, the information relevant to their individual remits.

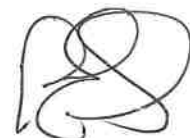
5. Warwickshire ZEBRA2 Scheme

Councillor Jan Matecki (Portfolio Holder for Transport and Planning) explained that following a successful bid to support provision of 27 electric buses on routes operated by Stagecoach Midlands and the provision of depot charging infrastructure, it was recommended that Council make an addition to the Capital Programme of £13.864m to be funded from Department for Transport (DfT) grant funding (£4.577m), Stagecoach Midlands and Section 106 developer contributions in respect of the Warwickshire Zero Emission Bus Regional Areas (ZEBRA)2 Scheme. The Warwickshire ZEBRA2 Scheme was being funded entirely by external partners. The new fleet would support Carbon net-zero targets and have environmental benefits in terms of improving air quality.

Councillor Sarah Boad, a member of the Bus Service Improvement Plan (BSIP) Working Group, welcomed this positive news. She noted that Stagecoach had attended a recent meeting of the Working Group and had advised that there had been increased bus usage, rising to levels above those seen pre-Covid-19 pandemic.

Councillor Tim Sinclair echoed these comments, and further commented on the need to encourage more older people to make use of bus services. He noted the diligence of the Council's Bus Team. Whilst welcoming the scheme, he was disappointed that Stafford-upon-Avon's Park and Ride Scheme had not been included which may have attracted more usage to this service.

Councillor Sarah Feeney endorsed the comments made and thanked Councillor Sinclair for the role he had played on the Marketing Strategy Group. She commended the work of officers.



Councillor Martin Watson welcomed the initiative and requested that consideration be given to bus provision in North Warwickshire as the scheme was rolled out further.

Councillor Heather Timms welcomed this step forward to Carbon Net-Zero, commending the role of Stagecoach.

Councillor Jan Matecki thanked Officers, Stagecoach Midlands and Warwick District Council for their contribution. Regarding Stratford-upon-Avon Park and Ride he noted that there were issues with the depot at Stratford-upon-Avon for Stagecoach and, although the District Council had requested electrification, when asked for a contribution a response had not been forthcoming.

Resolved:

That Cabinet:

1. Recommends to Council the addition to the Capital Programme of £13.864million to be funded from the confirmed Department for Transport (DfT) grant funding, Stagecoach Midlands and Section106 developer contributions in respect of the Warwickshire Zero Emission Bus Regional Areas (ZEBRA)2 Scheme; and
2. Authorises the Executive Director for Communities, subject to Council's approval of the addition to the Capital Programme, to conclude all agreements that he considers necessary to implement the scheme on terms and conditions acceptable to the Executive Director for Resources.

6. Approval to Tender for Day Opportunities for Older People and People with Dementia

Councillor Margaret Bell (Portfolio Holder for Adult Social Care and Health) introduced this report which requested approval to commence procurement for the provision of Day Opportunities for Older People and People with Dementia. The contract would be for an initial period of three years, with options to extend for periods up to 24 months.

Councillor Marian Humphreys noted that respite facilities and facilities to ensure individuals could stay independent at home for as long as possible were very much needed by the community.

Councillor Jerry Roodhouse linked this to previous discussions about what it was possible to do in communities or do differently, for example around the use of buildings and he expressed hope that this tender process would bring this to light.

Councillor Bell welcomed enthusiasm for these services, noting the benefits of respite in particular.

Resolved:

That Cabinet:

1. Authorises the Executive Director for Social Care and Health, in consultation with the Portfolio Holder for Adult Social Care and Health, to commence a procurement process for the provision

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of Day Opportunities for Older People and People with Dementia by Warwickshire County Council as set out in the report; and

2. Authorises the Executive Director for Social Care and Health to enter into all relevant contracts for the provision of Day Opportunities for Older People and People with Dementia on terms and conditions acceptable to the Executive Director for Resources.

7. WorkWell Mental Health Employment Support Programme

Councillor Martin Watson (Portfolio Holder for Economy), explained that WorkWell was a programme to deliver the Government's vision to create a healthier nation where an individual's disability or health should not define whether they remained in the workplace. The Council, with Coventry City Council and the Integrated Care Board (ICB) were successful in May 2024 in becoming one of 15 Vanguards to receive funding to mobilise local work and health integration across the ICB area. The programme was a pilot lasting 18 months from October 2024.

£1.75m had been secured from the Department for Work and Pensions with the accountable body being the ICB for Coventry & Warwickshire. This funding would be shared with the Council via the variation to the Better Care Fund Section 75 agreement. Subject to the terms of the variation, 60% of the funding would be passed to the Council, with the other 40% being related to performance-based payments and the report identified the mitigations in place to manage this risk.

Councillor Sarah Feeney expressed the view that this was a key step to support individuals back into work and asked for more information about how the service would be delivered.

Councillor Marian Humphreys welcomed the scheme, noting the different causes and levels of stress and further welcomed the societal changes which were removing the stigma associated with talking about stress.

Councillor Isobel Secombe noted that there was a lot of good work for the Council to build upon in delivering this programme, including the Thrive to Work scheme across the West Midlands.

In response, Councillor Watson advised that the programme would build upon the Council's existing offer and it was planned to visit workplaces to meet with individuals face-to-face.

Resolved:

That Cabinet:

1. Authorises the Executive director for Communities in consultation with the Executive Director for Social Care and Health to vary the existing Better Care Fund Section 75 agreement with the Integrated Care Board to accommodate WorkWell on terms and conditions acceptable to the Executive Director for Resources;
2. Approves the Council acting as lead delivery partner for elements of the WorkWell funding and for the Council to lead on the commissioning of joint programmes across Coventry & Warwickshire;



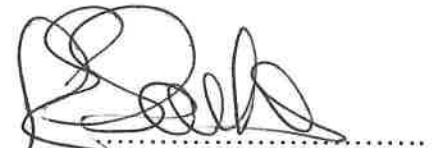
13. Procurement of Client Records and Information Systems for Social Care and Education

Councillor Yousef Dahmash (Portfolio Holder for Customer and Transformation) introduced this item and summarised the exempt report.

Resolved:

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

The meeting rose at 3.24pm



Chair