

Cabinet**Thursday, 24 May 2007, County Hall, Worcester (10.15a.m.)****Minutes****Present:**

Dr G H Lord (Chairman), Mr S J M Clee, Mrs E A Eyre, Mr P W Gretton and Mr A I Hardman.

Also attended:

Mr R C Adams, Mr R W Banks, Mrs G E Blackmoor, Mr A N Blagg, Mr J W Buckley, Mr R A A Bullock, Mrs M L Drinkwater, Mr B P Gandy, Mrs J C Hodges, Mr P A Mould, Mrs B Passingham, Mr P J Pinfield, Mr C T Smith, Mrs E B Tucker.

Available papers:

The members had before them:

- A. The Agenda papers (previously circulated);
- B. The Minutes of the meeting of the Cabinet held on 10 May 2007 (previously circulated).

(A copy of the documentation referred to at A above will be attached to the signed Minutes).

674. Retirement of Chief Executive

At the invitation of the Chairman, the Chief Executive, Rob Sykes, announced that the Appointments Etc. Panel had met immediately before this Cabinet meeting and had agreed to his retirement with effect from 31 December 2007. A press conference had been held immediately following the Panel meeting and a bulletin would be sent to all employees.

675. Apologies and Declarations of Interest (Agenda item 1)

Apologies were given on behalf of Mr S E Geraghty and Mr D W Prodger.

676. Public Participation (Agenda item 2)

Mr Andy Roberts, Chairman of Governors, Northwick Manor Junior School, made representations in respect of Agenda item 4 (Northwick Manor Infants' and Junior Schools, Worcester). He raised a number of issues that the Governors wished to be addressed at the consultation stage. He urged for an open, balanced debate and that any changes would be for the better.

Mr Matthew Everett made written representations in respect of Agenda item 9 (134 Franche Road,

Kidderminster). In summary, he wished the proposed new scheme to include a communal lounge that could be used by the facility's residents and ex-residents, and also two rooms specifically where residents and ex-residents could have talking time with the facility's staff members.

**677. Confirmation of Minutes
(Agenda item 3)**

RESOLVED: that the Minutes of the Meeting held on 10 May 2007 be confirmed as a correct record and signed by the Chairman.

**678. Northwick Manor Infants' and Junior Schools, Worcester
(Agenda item 4)**

Northwick Manor Infants' and Junior Schools were separate schools on the same site. The headteacher of the Junior School had confirmed her intention to retire in July 2007. This provided an opportunity for the Council to consider the future organisation of these schools.

It was proposed to consult on the establishment of an all-through primary school on the current school site to open on 1 September 2008 with a Planned Admission Number of 90. It was recommended that the current catchment area for the schools should remain unchanged if the proposed change went ahead. All children currently on the roll at the two schools would be able to remain in the proposed primary school until they moved or transferred to high school.

At this stage, a figure could not be put on the capital cost. However, there would be no call on the Council's Capital Programme as this changeover, if approved, would be funded by the DfES modernisation grant. It was envisaged that there would not be any significant financial implications for the Council other than the possibility of redundancy costs should some staff not be appointed to the primary school and not be redeployed elsewhere. There would be efficiency savings.

A report detailing the outcomes of the consultation would be presented to the Cabinet in September 2007.

In the ensuing discussion, the following main points were made:-

- Both schools were already performing well and it was important to have a vision of how the proposed new school could raise current standards
- Officers were not aware of all the local issues and wanted to hear what all parties have to say. There was no intention to present a biased case through the consultation process

- The local member had made written representations that the consultation should give everyone concerned the opportunity to participate fully. Both schools were extremely popular and regularly achieve excellent results
- The comments from the local member and Governing Bodies would be taken into account in preparing the consultation documentation.

RESOLVED: that the Cabinet:-

- (a) gives approval for consultation to take place on the amalgamation of Northwick Manor Infants' and Junior Schools in Worcester City to establish an all-through primary school on the current school site to open on 1 September 2008 with Planned Admission Number of 90; and**
- (b) receives a report on the outcomes of consultation at its meeting on 28 September 2007.**

679. Fostering Inspection (Agenda item 5)

The fourth inspection of Worcestershire's Fostering Service took place over two weeks commencing 27 November 2006. The final report was received in January 2007.

There were improved ratings in 13 standards. The score did not drop in any standards. For the standards inspected the outcomes were as follows:-

Standards exceeded – 3
Standards met – 18
Standards almost met – 3
Standards not met – 0

A summary of the main points of the inspection was given. The Fostering Service considered that the report accurately reflected the improvements in service delivery since the last inspection. The areas requiring attention were addressed in the action plan. The good practice recommendations were also being addressed. The next inspection was due in October 2007.

In the ensuing discussion, the following main points were made:-

- The report showed the service was performing to a high standard and all the staff concerned deserved credit
- There was a suggestion that the support given to

foster carers by children's social workers may need improving and Officers were addressing this through the action plan.

RESOLVED: that the Cabinet:-

- (a) notes the contents of the November 2006 Commission for Social Care Inspection report in respect of the Fostering Service; and**
- (b) endorses the action plan drawn up to meet the requirements and recommendations of that report.**

680. Scrutiny Report on Managing Exclusions in Worcestershire (Agenda item 6)

The Cabinet considered the Scrutiny Report on Managing Exclusions in Worcestershire. The Scrutiny Task Group had now completed its work and the Lead Member for this scrutiny, Councillor Hodges, presented the findings and recommendations to the Cabinet. The Cabinet Member with Responsibility for Children's Services presented her response.

In the ensuing discussion, the following main points were made:-

- This was a very thorough and well presented Scrutiny Report and the Task Group was thanked for its work on this issue
- The Cabinet Member with Responsibility for Children's Services supported all but two of the recommendations. In respect of recommendation 15, she understood the value of incentives was open to debate but wished Officers to look further at this issue. In respect of recommendation 18, there was no evidence to suggest that individual schools took a disproportionate number of permanently excluded pupils, but she asked that any allegations made to the Task Group be forwarded to the Director of Children's Services
- The information provided by schools through the scrutiny had been given in confidence and should not be passed on without consent. Schools should therefore be invited to refer any concerns about the placement of permanently excluded pupils to the Director of Children's Services
- The Chairman of the Overview and Scrutiny Steering Committee wished to be made aware of any such allegations submitted by schools

- Ballots by teachers to decide whether to teach permanently excluded pupils had not been investigated as part of the scrutiny
- The suitability of the current accommodation for Pupil Referral Units was under review and there would be a programme to refurbish where appropriate
- All County schools were working hard to try and meet the needs of pupils at risk of permanent exclusion.

RESOLVED: that the Cabinet:-

- (a) receives the Scrutiny Report on Managing Exclusions in Worcestershire Schools, together with the response from the Cabinet Member with Responsibility for Children’s Services; and**
- (b) welcomes the Report’s recommendations and adopts the response of the Cabinet Member with Responsibility as the way forward.**

681. Implementing the Libraries Review (Agenda item 7)

In 2005 Cultural Services moved from Corporate Services to form part of the new Adult and Community Services Directorate. This move brought significant opportunities for developing the Library Service’s role in the community. To consider the best way to fulfil this role, an external review was commissioned from Kentwood Associates using Invest to Save funds and following the Council’s procurement procedures. They were set with a challenging target of identifying service improvements as well as identifying a minimum of £250,000 of efficiencies.

The review was completed in February 2007. Kentwood Associates found a library service in Worcestershire that fulfilled the Government’s objectives for public libraries and made an important contribution to most of the Council’s core objectives. However, Kentwood also found that the Library Service needed to change by focussing on key groups and being clear about its vision, in order to meet the challenges it faced now and in the future.

The report had been well received in Adult and Community Services. It proposed significant service improvements and managed to exceed the efficiencies target the consultants were set.

The recommendations separated into staffing changes and service delivery changes. The Directorate was

currently implementing the staffing structure changes. Kentwood were able to exceed their target and had identified potential cost efficiencies and income improvement of up to £460,000 per annum together with significant improvements in service without recommending any branch closures.

It was proposed to consult with the public and Councillors over the summer months on the recommendations for changes to service delivery, and in order to deliver a library service fit to meet the challenges of now and the future:

- (a) re-provisioning of certain libraries;
- (b) restructuring of mobile routes;
- (c) formation of neighbourhood consultation panels (linked into Local Strategic Plan consultation mechanisms);
- (d) consideration of charges for internet use.

The results of the consultation would then be brought back to the Cabinet in Autumn 2007 for decisions to be taken.

In the ensuing discussion, the following main points were made:-

- The make-up and aims of the proposed neighbourhood consultation panels need to be considered carefully
- Views from members regarding the re-provision of particular libraries should be made known and considered through the consultation process
- Concerns had recently arisen regarding Wythall library following the decision of the Health Authority to vacate these shared premises and Officers were asked to investigate this situation as a matter of urgency
- Efficiencies would not be released until a full branch by branch review had been completed.

RESOLVED: that the Cabinet:-

- (a) notes the contents of the Libraries Review and the implementation of the staffing re-structure; and**
- (b) approves consultation on the following recommendations from the Review:-**

- re-provisioning of certain libraries
- restructuring of mobile routes
- formation of neighbourhood consultation panels (linked in to Local Strategic Plan consultation mechanisms)
- consideration of charges for Internet use.

682. Service Changes and Budget Management in 2007/8 and Beyond – Adult and Community Services (Agenda item 8)

In difficult circumstances the Council committed £4.6m growth monies to the Adult and Community Services budget for 2007/8. This was in recognition of the pressures facing services and had proved invaluable in meeting some of those pressures. Nevertheless, there were high levels of existing and new demands for services, which actually totalled £10.967m. Therefore there was a requirement to identify compensating proposals equal to £6.367m to ensure that the budget expenditure was kept within the revenue resources allocated (£118.622m).

A summary of the main proposals was as follows:

| | £000 |
|---|-------|
| a) Re-negotiated costs with external providers in adult social care | 1,146 |
| b) Job Deletions or Changes (33 posts) in Operational Services | 600 |
| c) Reducing external placements and people funded in care homes in learning disability services, plus reducing community care packages where possible | 550 |
| d) Finance, Admin, BSBS and Information Services – staff reductions | 437 |
| e) Reducing costs and increasing income in Cultural Services, including the review of the Library service | 906 |
| f) Funding equivalent to one care home place per week for older people discharged from hospital | 300 |
| g) Charging Policy. Change (reduction in the 20% disregard to 10%) and increase in transport charges (from £2 to £3). Other increases to be at the rate of 3.3% | 203 |
| h) Cessation of funding for Luncheon Clubs in Very Sheltered Housing Schemes | 265 |

| | |
|--|----------------|
| i) Cancelling Older Adult Mental Health Service Development – specialist care home service | 250 |
| j) Joint Funding with the Primary Care Trust for Rehabilitation Care in a Nursing Home – withdrawal of ACS element | 92 |
| k) Restructuring Adult Mental Health Services | 66 |
| l) Other miscellaneous reductions including Learning Disability Services (£0.654m) and across all other services (£0.898m) | 1,552 |
| TOTAL | £6.367m |

The report particularly noted charging policy changes. Currently service users of non-residential services were allowed to have 20% of their available income subject to charges disregarded. It was proposed to reduce this to 10% and also to increase transport charges above inflation from £2 to £3 with other increases for non-residential services being at the rate of 3.3%. These charges were consistent with the charges levied by other Local Authorities.

The proposals were put forward due to the absolute necessity to manage demand for the Directorate's services within the available resources in 2007/8. Discussions would also continue with the PCT on joint commissioning and other partnership arrangements that combine resources and services where possible, in order to improve outcomes for patients and the more efficient use of respective budgets. Also, further work would be done in preparation for the corporate planning week in order to produce a three year budget and service strategy that reflected both the demand pressures and the resource constraints faced by the Council and the Adult and Community Services Directorate.

In the ensuing discussion, the following main points were made:-

- There appeared to be a lack of awareness from central government of the increasing demands on social care services and there was a need to lobby through the Local Government Association for increased funding for all local authorities to meet the growing need for these services

- The report reflected the demographic and service pressures flagged up by the Home Care Scrutiny
- All members need to be aware of the implications of the changes proposed and it was questioned whether they should be debated at full Council
- It was important that the proposed strategy was approved now in order to ensure that the Adult and Community Services budget for 2007/08 remained within the resources allocated.

RESOLVED: that the Cabinet:-

- (a) approves the overall strategy to achieve financial balance in the budget for Adult and Community Services in 2007/8;**
- (b) approves the changes in the charging policy for non-residential services and the increase in transport charges above inflation (paragraph 14g of the report); and**
- (c) endorses the plan to further examine demand pressures for adult social care services in order to inform any future reviews of the Council's medium term financial strategy.**

**683. The Future of
134 Franche
Road,
Kidderminster
(Agenda item 9)**

On 30 November 2006, the Cabinet had authorised a formal consultation process to be conducted on the future of 134 Franche Road. This was a Mental Health Unit in Kidderminster which had provided rehabilitation services in its current format since 1976.

Four models were the subject of consultation, with Model 4 – demolish the existing facilities and look to rebuild the facilities in conjunction with a local housing agency to provide a transitional housing scheme – being proposed as the preferred model.

Outline plans had been developed and it was estimated that this scheme would cost approximately £775,000 (exclusive of VAT) if funded by County Council resources. However, this option could be developed in conjunction with a registered social landlord and financed from Housing Corporation capital. It was also likely that short-term Supporting People funding would be available to manage transitional support costs during the development and that long-term Supporting People resources may be available as a result of joint commissioning work between the Mental Health Service and the Supporting People Partnership.

During the course of the consultation process, there were no objections raised by those that responded to the consultation regarding the preferred option. The concerns that were raised revolved around the need for a mental health residential rehabilitation facility for Kidderminster, albeit recognising the need for change to the existing service.

If approved, the estimated duration of the programme was now two years as opposed to a 12 month period that was initially report to the Cabinet. This was due to the timescales of the Housing Corporation bidding process.

In addition to the Franche Road scheme in Kidderminster, a number of other programmes of work were in the process of being developed. These developments would not only increase the spectrum of choice around housing that would be available to people with mental illness, but would also increase the effectiveness of the new Franche Road facility by providing alternative accommodation options.

Further advice would be sought from Property Services about the appropriate future position for the land ownership as the Housing Corporation was unlikely to agree to funding that would provide a capital receipt to a public authority.

In the ensuing discussion, the following main points were made:-

- One of the reasons for supporting Model 4 was that Kidderminster did not have the range of alternative options for service users that was available in the south of the County
- Officers would reply to the questions raised by Mr Everett under the public participation item.

RESOLVED: that the Cabinet approves the redevelopment of 134 Franche Road as outlined in the preferred Model (Model 4).

The Cabinet took into account the factors outlined in the report from the Director of Adult and Community Services.

The Cabinet had approved the development of the detail of options for the future of the Pershore Day Service at its meeting on 18 December 2006, which was to include

684. Pershore Day Service - Feedback from Consultation on the Options for the Future

(Agenda item 10)

significant consultation with users, carers and staff. This had now taken place.

Three options were identified in the initial report to Cabinet and these had been considered as part of the initial consultation process. These were:-

Option 1 – Pershore Day Service to continue to provide a day service and to remain largely unchanged.

Option 2 – to explore any potential reconfiguration or expansion of the existing service to increase its cost effectiveness.

Option 3 - to cease day service provision at Pershore, to re-provide the service to the individuals in alternative day services in Evesham, Worcester City and Malvern.

There had been a formal re-assessment of the needs of each of the four service users, including the views of their carers, staff and involved professionals. There had been two meetings with the Friends of Pershore Service, acting on behalf of carers and service users, and three meetings with staff as part of the consultation process. The main findings and issues raised within the consultation so far were set out in the report and individual correspondence was available for inspection in the Member Support Unit.

The consultation showed that carers and staff favoured Option 1, as they believed this would continue to deliver the highest level of service, which they believed was appropriate. However the Director of Adult and Community Services considered Option 1 to be inconsistent with the experience of other service users within Worcestershire whose needs were met entirely appropriately with staffing levels not in the same quantity as those at Pershore. The cost of providing this service appeared disproportionate to that of all other day services and did not represent value for money.

Having regard to the consultation so far, the Director was minded to recommend that Option 3 enabled the re-provision of the service to the four people at Pershore. It also had a number of other benefits. It was felt at this stage that this option maximised the use of resources and enabled the ongoing provision of day service to the four people concerned.

If the Cabinet were eventually to decide on Option 3, then in addition to the re-provision of the day service, the Directorate would seek to reuse the building (excluding the respite service) for supported living

accommodation for people with learning disabilities.

However, no decision had yet been made and the Cabinet was being asked to approve the development of a formal consultation document assessing the three options and including a business case for Option 3 as the basis for further consultation.

In the ensuing discussion, the following main points were made:-

- The local member was concerned that the report did not put the facts in the right context. It was not fair to compare £53,000 to £11,000. She understood similar services were provided elsewhere in the County at above the average cost. Other facilities would not be able to provide a comparable level of support. She believed that the proposed staffing savings did not take account of current vacancies, nor the need for additional staffing in alternative facilities
- The Director of Adult and Community Services confirmed that the cost of £52,910 per place per year was accurate. The average unit cost for all of the other Learning Disability day services using the same accounting process is £11,267 per annum
- The Director accepted there is always room for argument over like-for-like comparisons, but other day service facilities in Worcestershire support users with needs similar to the current users of Pershore Day Centre
- It was important to make sure we were not double-counting savings and were aware of likely future demand
- The business case for Option 3 will set out the costings in detail for consultees to see and comment on
- The Chairman reminded the Cabinet that it was important to keep an open mind on the proposals, which would be reconsidered in the light of further consultation.

RESOLVED: that the Cabinet:-

- (a) notes the findings of the initial consultation process undertaken in respect of Pershore Day Service;**

- (b) **authorises the Director of Adult and Community Services to develop the detail of a formal consultation document;**
- (c) **approves a further period of formal consultation for a period of up to 2 months on the options for the future of Pershore Day Service; and**
- (d) **receives a final report on the future of Pershore Day Service for consideration following that consultation.**

**685. Money Matters
(Agenda item 11)**

Provisional Financial Results for 2006/07

The accountants had completed the first phase of the process of compiling working papers to support the statutory financial statements. Revenue spending by Directorates was within the overall operating cash limit of £254.965 million. There had again been some modest use of between year budget flexibility.

The accountants were due to complete the statutory financial statements for submission to the Audit Commission's independent external auditors on 21 May. Following the completion of external audit work the statutory financial statements would be submitted to the Audit and Governance Committee for approval on behalf of the County Council on 22 June.

The Director of Financial Services concluded that the Council's Medium Term Financial Strategy for the period beginning on 1 April 2007 had a firm foundation based on the closing position at 31 March 2007.

Borrowing and Lending Transactions 2006/07

In accordance with Financial Regulations and the Council's Treasury Management Policy Statement, the Director of Financial Services was required to report annually on the activities of the Treasury Management operation. He submitted a report detailing the borrowing transactions undertaken by the Council for the 2006/07 financial year. Also included were the lending transactions comprising short-term investments on the London Money Markets.

The Director of Financial Services concluded that the management of capital debt and short-term investments continued to be cost effective.

Updating the Capital Programme

On 9 June 2006 a valid Blight Notice was served on the County Council by the owners of Greenlands, Timber

Lane, Stourport. The safeguarded line of the proposed Stourport Relief Road passed through the land belonging to this property and this land would need to be purchased in the future should the scheme be constructed. A purchase price had now been agreed with the owners and together with associated fees, the cost to the Council was estimated to be £465,000. It was recommended that this scheme be added to the capital programme.

The Department of Transport had confirmed that the allocation for street lighting purposes for 2007/08 had been increased by £139,000. This represented additional grant funding for new capital expenditure and therefore it was recommended that this be added to the capital programme.

Formula Grant Review – Area Cost Adjustment Submission

The Department for Communities and Local Government (CLG) was currently undertaking a limited review of the operation of the Area Cost Adjustment (ACA) using the formula grant distribution. The current review had provided an opportunity to re-submit the reports prepared previously by Professors Blanchflower and Oswald, providing a strong case for Worcestershire to receive the ACA.

Schools Funding Review – Submission to DfES

On 7 March 2007, the DfES had issued a detailed consultation document entitled 'Consultation on School, Early Years and 14-16 Funding 2008-11.' Details of the areas included within the consultation and the key issues for inclusion in the Council's response were provided.

In the ensuing discussion, the following main points were made:-

- The success in keeping revenue spending within the overall operating cash limit and the improvement in the reporting timescale were noted
- The CLG had acknowledged receipt to the reports supporting the case for Worcestershire to receive the ACA
- Although there had been a slight increase in school balances there was flexibility in which financial year some grant funding could be spent. Governing bodies of schools with balances above the DfES guidelines would again have to justify the reasons

why the balances were being held.

RESOLVED TO RECOMMEND: that the Council approves revisions to the Capital Programme as set out in Section 3 of the Report.

RESOLVED: that the Cabinet:-

- (a) endorses the conclusions of the Director of Financial Services concerning financial performance for the financial year ending 31 March 2007;
- (b) endorses his conclusions concerning cost effective money market activities for 2006/07;
- (c) endorses the re-submission of the Council's case for area cost adjustment changes to the Government; and
- (d) approves the submission of a response to the Department for Education and Skills (DfES) consultation concerning how the funding of schools could be improved and to include the key areas outlined in this report.

The meeting ended at 12.38p.m.

Chairman