

## **Minutes of a meeting of the Cabinet that took place in the Council Chamber at County Hall on Tuesday 19 July 2022**

### **Present:**

<b>Councillor</b>	<b>Cabinet Member Responsibility</b>
Councillor K Bentley	Leader of the Council (Chairman)
Councillor L McKinlay	Deputy Leader and Cabinet Member for Community, Equality, Partnerships and Performance (via Zoom)
Councillor B Egan	Children's Services and Early Years
Councillor Lee Scott	Highways Maintenance and Sustainable Transport
Councillor J Spence	Health and Adult Social Care
Councillor L Wagland	Economic Renewal, Infrastructure and Planning
Councillor C Whitbread	Finance, Resources and Corporate Affairs

Councillor G Butland, Cabinet Member for Devolution, the Arts, Heritage and Culture was present for some parts of the meeting and was therefore not included in the quorum.

Councillors M Durham, M Mackrory, B Massey, M Platt, A Sheldon and P Schwier were also present. Councillors I Henderson, D King, C Pond attended remotely, via Zoom.

Andrew Summers, Transport East, was also in attendance and addressed the Cabinet under Agenda Item 8 (Endorsement of the Transport East Transport Strategy) – minute 8 below refers.

### **1. Membership, Apologies, Substitutions and Declarations of Interest.**

The report of Membership, Apologies and Declarations was received and the following were noted:

1. There had been no changes of membership since the last report.
2. Apologies for absence had been received from Councillors Tony Ball, Cabinet Member for Education Excellence, Life-Long Learning and Employability, Malcolm Buckley, Cabinet Member for Waste Reduction and Recycling, Graham Butland, Cabinet Member for Devolution, the Arts, Heritage and Culture and Gavin Jones, Chief Executive, for whom Nicole Wood, Executive Director, Corporate Services, attended.
3. Councillor Bentley, Leader of the Council, declared a non-registerable interest in respect of item no. 8 – Endorsement of the Transport East Strategy, as he was the Chairman of Transport East. Councillor Bentley left the room for the duration of the item and did not participate in the debate or subsequent vote.

## **2. Minutes of Previous Meeting**

The Minutes of the meeting held on 21 June 2022 were approved as a true record and signed by the Chairman.

## **3. Questions from the public**

None.

## **4. 2022-23 Financial Overview as at the First Quarter Stage (FP303/02/22)**

The Cabinet received a report setting out the current forecast financial position of Essex County Council's (ECC) revenue and capital budgets as at the first quarter stage of the 2022/23 financial year. The report highlighted that, while there is a small forecast over spend of 0.5% against a net revenue budget of £1.1bn, the short to medium term outlook remains incredibly challenging, with demand uncertainty, market volatility and rising inflation alongside cost of living impacts.

The Leader of the Council, the Cabinet Member for Finance, Resources and Corporate Affairs, the Cabinet Member for Health and Adult Social Care, the Cabinet Member for Highways Maintenance and Sustainable Transport responded to questions from Councillors Mackrory, Henderson, King and Pond in relation to:

- Savings related to the proposal to exit from County Hall;
- Backlogs for assessments within Adult Social Care, the impact on hospital discharge rates and the delivery of savings not reflected in the forecast;
- The underspend within Highways Maintenance and Sustainable Transport and how the Council sought to encourage bus use since the pandemic;
- The breakdown of the additional inflation pressures and related risks for the current year and beyond;
- The assumptions made in relation to salary costs;
- The possibility of ringfencing the underspend within Passenger Transport to encourage use of public transport;
- The under recovery of income for the Park and Ride service.

### **Resolved:**

1. To draw down funds from reserves as follows:
  - i. £2.2m from the Adults Transformation Reserve to the Adult Social Care and Health portfolio for the following Programme costs: Meaningful Lives Matter £1.3m, Newton Connects £367,000, Choice & Control £330,000, Physical and Sensory Impairment £170,000 and Transforming Community Care & Dementia £102,000 (section 5.1.v)

- ii. £1.5m from the General Risk Reserve to the Highways Maintenance and Sustainable Transport portfolio to cover increased energy prices from September 2022 (section 5.9.iii)
- iii. £1.2m from the Essex Climate Change Commission Reserve to the Leader portfolio towards the costs of implementing a programme to respond to the recommendations in the Essex Climate Action Commission Interim Report and to deliver the Essex Green Infrastructure Strategy. This is as per the previously approved CMA FP/898/11/20 which has now time lapsed (section 5.10.ii)
- iv. £999,000 from the General Risk Reserve to the Finance, Resources and Corporate Affairs RSSS portfolio to fund increased energy costs in 2022/23 owing to current energy price rises, inflation and new contract rates (section 5.15.iii)
- v. £964,000 from the Adults Transformation Reserve to the Adult Social Care and Health portfolio relating to investment in Business Support staff in the Countywide Duty Team, Welfare Independent Practitioners social work posts to support the tackling of the backlogs and increased volumes in activity (section 5.1.v)
- vi. £940,000 from the Covid Equalisation Reserve to the Economic Renewal, Infrastructure and Planning portfolio (£571,000) and the Education Excellence, Life Long Learning and Employability portfolio (£369,000). This relates to the Economic Recovery Programme, previously approved in Cabinet Member Action (CMA) FP/844/10/20 but has since time lapsed, as follows: Economic Growth £468,000, Employability and Skills £369,000 and Sector Development £103,000 (section 5.5.ii and 5.7.ii)
- vii. £818,000 from the Covid Equalisation Reserve to the Highways Maintenance and Sustainable Transport portfolio to cover the income shortfall as a result of the pandemic on the Park and Ride service (section 5.9.iii) Page 21 of 204
- viii. £665,000 from the Private Finance Initiatives (PFI) Equalisation Reserves to the Education Excellence, Life Long Learning and Employability portfolio in relation to Debden PFI (£495,000) and Clacton secondary schools PFI (£170,000) (section 5.7.ii)
- ix. £583,000 from the Covid Equalisation Reserve to the Finance, Resources and Corporate Affairs RSSS portfolio in relation to Covid pressures on: Transformation and Delivery service £218,000 originally approved via CMA FP/856/10/20 but has since time lapsed, People and Transformation service centre £143,000, Business Support £131,000 and Resource Strategy staffing £91,000 (section 5.15.iii)
- x. £562,000 from the Everyone's Essex Reserve to the Devolution, the Arts, Heritage and Culture portfolio for payments due to successful

bidders who have been awarded funding from the Arts and Culture Grant Fund. This relates to CMA FP/250/12/21 Arts and Cultural Fund which was previously approved but has since time lapsed (section 5.4.ii)

- xi. £439,000 from the Adults Transformation Reserve to the Adult Social Care and Health portfolio relating to the following projects; expenditure for Bedfinder £199,000, Mental Health staffing £86,000, Mental Health accommodation resource £80,000 and My Care Record £74,000 (section 5.1.v)
- xii. £324,000 from the Technology and Digitisation Reserve to Finance, Resources and Corporate Affairs RSSS portfolio for the Azure Technology £300,000 and for project staffing £24,000 (section 5.15.iii)
- xiii. £99,000 from the Community Initiatives Fund Reserve to the Community, Equality, Partnerships and Performance RSSS portfolio to fund payments to community groups that have been awarded small grants (section 5.13.ii)
- xiv. £85,000 from the Adults Transformation Reserve to the Adult Social Care and Health portfolio relating to the resourcing of the Adults Digital Programme (section 5.1.v)
- xv. £76,000 from the Children's Transformation Reserve to the Children's Services and Early Years portfolio in order to fund an Anti-Racism Service Manager (section 5.2.ii)
- xvi. £70,000 from the Covid Equalisation Reserve to the Leader RSSS portfolio relating to the Communications and Marketing team for pandemic related activity (section 5.16.ii)
- xvii. £40,000 from the Covid Equalisation Reserve to the Adult Social Care and Health portfolio for additional resources relating to the Specialist Page 22 of 204 Sensory Support Services contract with Essex Cares Limited (ECL) (section 5.1.v)
- xviii. £22,000 from the Adults Risk Reserve to the Adult Social Care and Health portfolio for Market Support expenditure (section 5.1.v)
- xix. £22,000 from the Quadrennial Election Reserve to the Community, Equality, Partnerships and Performance RSSS portfolio relating to costs of the May 2021 elections (section 5.13.ii)

2. To appropriate funds to reserves as follows:

- i. £3.8m to the Transformation Reserve from the Highways Maintenance and Sustainable Transport portfolio to support future work in the Passenger Transport service (section 5.9.iii)

- ii. £151,000 to the Private Finance Initiatives (PFI) Equalisation Reserves from the Education Excellence, Lifelong Learning and Employability portfolio in relation to Building Schools for the Future (section 5.7.ii)
  - iii. £114,000 to the Commercial Investment in Essex Places Reserve from the Finance, Resources and Corporate Affairs portfolio to protect against tenancy voids (section 5.8.ii)
3. To approve the following adjustments:
- i. Vire £465,000 from within the Highways Maintenance and Sustainable Transport portfolio from Essex Highways Operations to Essex Highways Commissioning, following the Essex Highways re-organisation (sections 5.9.iii)
  - ii. Adjust the profile of spend of the Children and Families Covid-19 Response as originally set out and approved in CMA FP/072/05/20 to £1.9m in 2022/23 and £132,000 in 2023/24 in order to reflect the current anticipated spend
  - iii. Adjust the profile of spend of the Impacts of Covid ASC as originally set out and approved in CMA FP/886/11/20 to £1m in 2022/23 in order to reflect the current anticipated spend
  - iv. To amend the capital budget as shown in Appendices C (i) and C (ii) which allows for capital slippage of £4m, with £3.7m slipped into 2023/24 and £324,000 into 2024/25. Capital budget additions of £10.9m, capital budget reductions of £17m and advanced works of £663,000 (£4.8m to be advanced from 2024/25, £663,000 into 2022/23 and £4.1m into 2023/24 (see section 7.2).

**5. Procurement of Social Care Case Management Platform (FP/406/05/22)**

The Cabinet received a report seeking approval to procure an integrated social care case management platform for adults, children and finance to satisfy all the Council's social care case management requirements.

The Cabinet Member for Finance, Resources and Corporate Affairs and the Cabinet Member for Health and Adult Social Care responded to a question from Councillor Mackrory in relation to the length of the contract and the absence of a break clause.

**Resolved:**

1. Agreed to procure an integrated Social Care Case Management Platform (SCP) for adults, children and finance to satisfy all the Council's social care case management requirements.

2. Agreed that the contract length will be seven years with the opportunity to extend for up to a further three years.
3. Agreed that the contract will be procured using the restricted procurement procedure and that the high-level evaluation criteria will be 20% price: 80% quality (of which 5% of the quality score will assess social value).
4. Agreed that Executive Director, Adult Social Care, is authorised to approve the detailed evaluation model.
5. Agreed to drawdown the following funding from the Technology and Digitisation Reserve to procure and implement the new Social Care Platform: 2022/23 £1.846m 2023/24 £6.123m 2024/25 £3.551m.
6. Agreed to ring-fence an additional £1m from the Technology and Digitisation Reserve for contingency for the programme, which, if required, would be subject to a further decision to draw down.
7. Agreed that the Cabinet Member for Finance, Resources and Corporate Affairs is authorised to agree the terms of, and award the contract to, the successful supplier following completion of the procurement process.

#### **6. Health and Care Act 2022 – Adult Social Care Reforms (FP/421/05/22)**

The Cabinet received a report which set out the Council's proposals to prepare for two elements of the reforms to be introduced by the Health and Care Act 2022, specifically the charging reforms and the new national assurance regime. Approval was sought for investment to ensure that the Council can implement these changes successfully and for the benefit of Essex residents.

The Cabinet Member for Health and Adult Social Care responded to questions from Councillors Henderson, Mackrory, King and Pond in relation to:

- The one-off funding required through to October 2023 and the impact on the Medium Term Resource Strategy;
- The review to the Council's fees and charges policies and whether the scrutiny function should consider this matter;
- The potential impact should the Government proposals to increase National Insurance contributions not be proceeded with.
- The modelling undertaken in relation to the Fair Cost of Care cap and the impact on the Council.

The Cabinet Member for Health and Adult Social Care also agreed to provide a written response to Council King in relation to the funding gap figures provided in the report.

#### **Resolved:**

1. Agreed to the drawdown of £2m from the Adult Transformation Reserve for the purpose of funding resources to support the Council to prepare for the

changes arising from the Health and Care Act 2022 in relation to charging reform and the CQC assurance framework related to Adult Social Care as set out in section 6.1.3

2. Agreed to the drawdown of £3.3m from the Council's Transformation Reserve for the purpose of funding resources to support the Council to prepare for the changes arising from the Health and Care Act 2022 in relation to charging reform and the CQC assurance framework.
3. Noted that any further government funding received in relation to implementation of these reforms will be applied to replenish the draw on the Corporate Transformation Reserve.
4. Noted the scale of work required to prepare for, and implement, these reforms and that any ongoing resource requirement will be considered as part of the future MTRS work once the final guidance is fully understood and learning from our implementation is able to inform future need.

**7. Beaulieu Park Railway Station – Commissioning of Network Rail GRIP Stages 6-8 (FP/434/06/22)**

The Cabinet received a report seeking approval for an updated Procurement Strategy, designed to bring it in line with the Everyone's Essex priorities.

The Cabinet Member for Economic Renewal, Infrastructure and Planning responded to questions from Councillors Pond and Mackrory in relation to options to maximise travel to the station by public transport, the risk to the Council should costs overrun, the financial liability of the Council should usage of the station not meet expectations and the naming of the station.

**Resolved:**

1. Agreed subject to paragraph 2.2 of report FP/434/06/22, to authorise the Director, Highways and Transportation, in consultation with the section 151 officer and the Director, Legal and Assurance to enter into the Implementation Agreement (IA) with Network Rail for GRIP (Governance in Rail Investment Projects) stages 6 to 8.
2. Agreed that the authorisation in paragraph 2.2 of report FP/434/06/22 does not apply until the final GRIP Stage 4 total project Anticipated Final Cost (AFC) has been ascertained and is equal to or less than £157.07m.
3. Noted the risks set out in report FP/434/06/22.

**8. Endorsement of the Transport East Strategy (FP/409/05/22)**

The Cabinet received a report seeking formal endorsement for the Transport East Transport Strategy.

The Cabinet Member for Economic Renewal, Infrastructure and Planning responded to questions from Councillors Henderson, Pond and Mackrory in relation to:

- The suggestion that plans for the A120 / A12 Link Road to Braintree had been discontinued;
- The use of shipping to alleviate pressures on road and rail travel;
- The Government's lack of prioritisation for reopening rail stations;
- The consideration given to cross border issues and engagement with Local Enterprise Partnerships;
- How the promotion of air traffic could be reconciled with Net Zero ambitions.

**Resolved:**

Agreed that Essex County Council endorses the Transport East Transport Strategy in the form appended to report FP/409/05/22.

**9. Decisions taken by or in consultation with Cabinet Members (FP/414/06/22)**

The Cabinet Member for Highways and Sustainable Transport responded to a question from Councillor Mackrory in relation to points raised by bus operator in respect of the implementation of 20mph speed limits. The report was noted.

**10. Date of the next meeting**

The next meeting of the Cabinet was scheduled at 10.15am on Tuesday 13 September 2022 at County Hall, Chelmsford, CM1 1QH.

**11. Urgent Business**

There was no urgent business.

**Exclusion of the Press and Public**

**Resolved:**

That the press and public be excluded from the meeting during consideration of the remaining item of business on the grounds that it involves the likely disclosure of exempt information as specified in paragraph 3 of Schedule 12A of the Local Government Act 1972 – information relating to the financial or business affairs of any particular person).

**12. Confidential Appendix: Procurement of Social Care Case Management Platform (FP/406/05/22)**

The confidential appendix to report FP/406/05/22, to which minute 5, above, refers, was agreed.



**13. Urgent Exempt Business**

There was no urgent exempt business.

There being no further business, the meeting closed at 12.05pm.