

Minutes of a meeting of the Cabinet held in Committee Room 1, County Hall, Chelmsford, CM1 1QH on Tuesday 16 October 2018

Present:

Councillor	Cabinet Member Responsibility
D Finch	Leader of the Council (Chairman)
S Barker	Customer and Corporate
R Gooding	Education and Skills
S Lissimore	Culture and Communities
L McKinlay	Finance, Commercial and Traded Services
J Spence	Health and Adult Social Care
S Walsh	Environment and Waste

Councillors J Beavis, I Henderson M Mackrory, C Pond and L Scordis were also present.

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 in membership since the last meeting;
2. Apologies for absence had been received from Councillors K Bentley (Deputy Leader and Cabinet Member for Infrastructure), D Madden (Cabinet Member for Children and Families) and G Mohindra (Cabinet Member for Economic Development).
3. No declarations of interest were made.

2. Minutes: 18 September 2018

The minutes of the meeting held on 18 September 2018 were agreed as a correct record and signed by the Chairman

3. Questions from the public

None.

4. 2018/19 Financial Overview as at the Half Year Stage (FP/085/02/18)

The Cabinet was updated on the forecast financial position of the Council's revenue and capital budgets as at the half year stage of the 2018/19 financial year. Members noted a forecast under spend of £238,000 (0.03%), against a

net budget of £915.9m, which was an improvement on the reported position at Quarter 1. The figure assumed full commitment of the Emergency Contingency (£4m), which if not required would result in a full year forecast under spend of £4.2m.

The Cabinet was also informed of an under spend of £8.9m on capital against the current budget of £300.1m. After taking account of budget change requests contained within the report, there would be an under spend of £198,000.

The following information was provided in response to questions by Councillors Henderson, Mackrory and Pond:

- There was no evidence linking the reported increase in bad debt with changes to the Social Care charging policy. The situation was likely to have arisen due to less rigorous enforcement during a time of staff change, and this was now being addressed. The Cabinet Member for Health and Adult Social Care undertook to meet with the Opposition Group Leaders to discuss the issue in more detail.
- The Leader of the Council welcomed Cllr Henderson's thanks to the Cabinet Member for Children and Families for following up the issues of gang culture and London local authorities' placement of homeless families in Essex.

The Leader had himself raised the issues with Jules Pipe, Deputy Mayor of London and was willing to raise them with other Council leaders where appropriate. He asked Members to make him aware of any confirmed examples. The Leader commented that placing local authorities were required to provide a S208 notice to receiving authorities, but this was frequently overlooked.

The Leader of the Council undertook to provide to Councillor Pond data to offering a best assessment of the overall financial impact of out-placement. The complexity of the task and the need to restrict the resources devoted to it was acknowledged

- The non-delivery of savings in respect of Grants to Voluntary Organisations reflected a decision not to implement a proposed reduction in grant levels due to the reduction in care that was likely result.
- The level of long term Council indebtedness referred to in Appendix E to the report would be affected by decisions yet to be taken regarding the 2019/2020 Capital Programme. The Capital Programme was currently being reviewed in full.
- An unprecedented increase in numbers of children with Special Educational Needs (SEN) had led to pressures on the SEN Home to School Transport budget. Work was in progress to review future

projections in relation to SEN, with a view to managing the situation more effectively.

- The Leader of the Council confirmed that everything possible was being done to progress recruitment to vacant posts in Economic Development, and to overcome any identified challenges.
- The need for effective enforcement of all bus lanes, including that at Loughton Station, was acknowledged. Car drivers using bus lanes at the expense of public transport should expect to be fined.

Cabinet Members undertook to provide written responses to Councillor Mackrory as set out below:

Leader of the Council

- To comment on the amount of contingency required to cover the cost of alternative placements in response to increasing instances of provider failure;
- To clarify whether individuals were being declared 'intentionally homeless' by their local authority prior to being moved out of London to Essex;
- To explain the reasons for the £5.4m reduction in the budget for the BDUK Superfast Broadband Programme, and detail the level of Programme activity to date during the current financial year;
- To explain the reasons behind seemingly repeated budget re-profiling in relation to the A414 Harlow to Chelmsford Route Based Strategy.

Cabinet Member for Education and Skills

- To report on the outcome of work by the Essex Partnership Board on the causes and impact of placement of homeless individuals and families in Essex;

Resolved:

1. That funds be drawn down from reserves as follows:
 - i. £150,000 from the Essex Education Service (EES) for Schools Reserve to the Education Traded portfolio for additional staff costs whilst a new team structure is put in place;
 - ii. £122,000 from the Local Projects Reserve to the Leader portfolio to cover costs incurred to date for the Essex Association of Local Councils;
 - iii. £103,000 from the Communities Initiative Fund Reserve to the Reserve for Future Capital Funding, via Culture and Communities portfolio, to match expenditure incurred to date in relation to grants to third parties for community improvements;
 - iv. £97,000 from the Community Initiatives Fund Reserve to the Culture and Communities portfolio to support expenditure incurred to date, in relation to grants to third parties for community improvements;

- v. £92,000 from the Transformation Reserve to the Children and Families portfolio in relation to redundancies resulting from the Adoption Review;
- vi. £47,000 from Reserve for Future Capital Funding to Customer and Corporate portfolio to fund revenue costs associated with accessible rooms;
- vii. £30,000 from the Transformation Reserve to the Children and Families portfolio to provide one off funding for the Dad Factor project which is part of the sustainability programme within Children and Families;
- viii. £30,000 from the Transformation Reserve to the Environment and Waste portfolio in respect of the Green Assets Country Park project (previously approved FP/633/04/14 however requesting re-approval in line with financial regulations given time lapsed) to cover costs incurred in the resurfacing works on car parks; and
- ix. £20,000 from the EES for Schools Reserve to the Education Traded portfolio to cover business improvement costs.

2. That funds be appropriated to reserves as follows:

- i. £2.1m to the Adult Digital Programme reserve from the Health and Adult Social Care portfolio due to the delayed implementation of the Digital Programme Project; to be utilised in 2019/20;
- ii. £128,000 to be returned to the A130 PFI Equalisation Reserve from the Infrastructure portfolio in respect of an over estimated accrual at the end of 2017/18; and
- iii. Transfer of £4.9m to the carry forward reserve from the following portfolios, to bank under spends in the current year to support the delivery of next year's budget:
 - a. £3.6m from Finance, Commercial and Traded RSSS
 - b. £736,000 from Leader RSSS
 - c. £350,000 from Customer and Corporate RSSS and
 - d. £202,000 from Leader portfolio.

3. That the following adjustments be approved:

- i. Move of the School Advertising Scheme currently operating as a Traded Service within EES for Schools (Finance Commercial and Traded portfolio) to Education and Skills portfolio;
- ii. Amendment of the capital budget as shown in Appendices C (i) and C (ii) to report FP/085/02/18, which allows for capital slippage of £12.4m, capital budget additions of £7.4m, capital budget reductions of £10.9m and advanced works of £1.3m;
- iii. Transfer of £48,000 from the Carry Forward reserve to the General Balance – this is the remaining balance from 2017/18 which is no longer required;
- iv. Virement of £198,000 to Customer and Corporate RSSS from Central and Other Operating Costs to offset non-delivery of savings;
- v. Virement of £142,000 from Finance, Commercial and Traded Services RSSS to Customer and Corporate RSSS following a transfer of posts into the function;

- vi. Virement of £42,000 from Health and Adult Social Care portfolio to Children and Families portfolio to part fund the Head of Essex Social Care Academy post; and
- vii. Virement of £26,000 from Customer and Corporate RSSS to Culture and Communities portfolio following the re-assignment of one member of staff back to Trading Standards.

Cabinet Secretary's note

Following the meeting, it was noted that the table which had been published at Appendix D of report FP/085/02/18 was incomplete. An updated, correct version of the report has been published with the agenda on the [Essex County Council website](#).

5. Sourcing of Integrated Community Equipment Service (FP/235/08/18)

The Cabinet's authority was sought to enter into a contract with Essex Cares Limited (ECL) for provision of the Integrated Community Equipment Service (ICES) until 31 March 2020. Cabinet's agreement was also sought to the proposed sourcing options for the equipment contract.

In presenting the report, the Cabinet Member for Health and Adult Social Care announced a change to recommendation 2.2 regarding the timescale for extension of the Section 75 Agreement with Essex Clinical Commissioning Groups. This is reflected in Resolution 2 below.

In response to a question by Councillor Mackrory, the Cabinet Member for Health and Adult Social Care advised that an extension to the current contract was being sought to allow consideration of all options for future delivery of the service, with a view to achieving maximum value for money. He commented that public concern regarding the proposed destruction of equipment had now been addressed, and that customer satisfaction ratings were high.

Resolved:

1. That it be agreed to contract with Essex Cares Limited (ECL) for provision of the Integrated Community Equipment Services (ICES) until 31 March 2020.
2. That it be agreed to extend the Section 75 Agreement with Essex Clinical Commissioning Groups relating to Equipment Contract until 31 March 2020 or until the termination of the Pressure Area Contract.
3. That procurement of the Pressure Area Care element only of the procurement package approved by Cabinet on 20 February 2018 (FP/048/01/18) be continued, including increasing the contract length to up to eight years.
4. That up to £1m of equipment held by ECL in their stockroom be purchased at the expiry of the contract for onward progression to the future provider

of ICES, and a potential scrap risk of £600,000 be accepted in respect of those items in the decontamination process at point of transfer to a future provider, if required.

5. That the Director, Adult Social Care, in consultation with the Cabinet Member for Adults and Health, be authorised to award the Pressure Area Care contract for up to eight years, following completion of the OJEU procurement process, providing he is satisfied that a formal evaluation and due diligence has been completed.
6. That a further report be submitted to the Cabinet in 2019 to agree the future of the ICES service upon expiry of the arrangements with ECL.

**6. Decisions taken by or in consultation with Cabinet Members
(FP/241/09/18)**

The report of decisions taken by or in consultation with Cabinet Members since the last meeting of the Cabinet was noted.

7. Date of Next Meeting

It was noted that the next meeting of the Cabinet would take place on Thursday 22 November 2018 at 10.00am.

There being no further business, the meeting closed at 10.30am.

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Chairman

22 November 2018