

Minutes of a meeting of the Cabinet held in the Council Chamber at County Hall at 10.15am on Tuesday 27 February 2024**Present:**

Councillor	Cabinet Member Responsibility
Cllr Kevin Bentley	Leader of the Council
Cllr Tony Ball	Education Excellence, Lifelong Learning and Employability
Cllr Tom Cunningham	Highways Infrastructure and Sustainable Transport
Cllr Mark Durham	The Arts, Heritage and Culture
Cllr Beverley Egan	Children's Services and Early Years
Cllr Peter Schwier	Climate Czar, Environment, Waste Reduction and Recycling
Cllr Lee Scott	Planning a Growing Economy
Cllr John Spence	Adult Social Care, Health and ICS Integration
Cllr Chris Whitbread	The Chancellor of Essex

Cllrs Mike Mackrory, Bob Massey, Mark Platt, Laureen Shaw and Holly Whitbread were also present. Cllrs Ivan Henderson, David King and Chris Pond attended remotely via Zoom.

1. Membership, Apologies, Substitutions and Declarations of Interest

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

1. Membership of the Cabinet was as set out in the report.
2. Apologies for absence had been received from Cllr Louise McKinlay, Deputy Leader and Cabinet Member for Levelling Up and the Economy.
3. There were no declarations of interest.

2. Minutes: Cabinet Meeting, 16 January 2024

The Minutes of the previous meeting, held on 16 January 2024, were approved as a correct record and signed by the Chairman.

3. Questions from the Public

None.

4. Future Strategy for Essex Cares Limited (FP/298/11/23)

The Cabinet's approval was sought for strategy priorities for the future of Essex Cares Limited (ECL).

The Cabinet Member for Adult Social Care, Health and ICS Integration, together with the Chancellor of Essex, responded to questions from Cllr Mike Mackrory on several issues, including the pressures arising from an increased demand for reablement services and clarification regarding Non-Executive Director appointment and remuneration. The Leader of the Council undertook to arrange for a written response to be provided to Cllr Mackrory on any outstanding issues.

Resolved:

1. Agreed to enter into a Memorandum of understanding with Essex Cares Limited (ECL) in the form attached at Appendix 1 to report FP/298/11/23.
2. Agreed that in future ECL's annual business plan, including its investment plan, will be approved by the Cabinet or a Cabinet Committee.
3. Agreed that the Executive Director for Adult Social Care will have the right to attend and speak at ECL board meetings but will not be a director of the company and therefore will not be entitled to vote.
4. Agreed that the Executive Director for Adult Social Care will hold the Managing Director of ECL to account through the setting, and review, of annual performance objectives with respect to ECC contracts.
5. Agreed the approach to distribution of surplus/dividends in relation to surpluses as set out in paragraphs 3.28 and 3.33 of report FP/298/11/23.
6. Agreed, as a shareholder of Essex Cares Limited, to pass a special resolution to amend the articles of association of the company to make the changes set out in Appendix 3 to report FP/298/11/23.
7. Agreed, as shareholder, that ECL can enter into a new three-year contract worth £11,096,793 (with a possible two year extension) for the provision of reablement services with the London Borough of Havering from 1 April 2024.
8. Agreed to take steps to ensure that future non-executive directors will be paid £13,000 per annum.

5. Increase in Fees for Working Age and Older Adults Care and Support Provision (FP/004/01/24)

The Cabinet's approval was sought for a series of varied uplifts for care providers that operate supported living, older persons residential and nursing care and extra care settings, and for those that work with working age adults with disabilities and mental health support needs.

Responding to questions by Cllrs Ivan Henderson and Mike Mackrory, the Cabinet Member for Adult Social Care, Health and ICS Integration confirmed

that the proposals contained within the report would not have a disproportionate adverse impact on service users and expressed confidence that implementing the strategy would minimise the risk of packages being returned by suppliers. He expressed confidence that care workers were also benefitting from the increased sums being paid by the Council to suppliers.

Resolved:

1. Agreed to approve the price uplift approaches set out for each market segment in the table below:

Market	Recommendation:
Adults With Disabilities Supported Living Services	Uplift fees for providers on the Framework by 9.6% to £21ph for non-complex placements and £23.08ph for complex placements, from 31 March 2024.
Adults With Disabilities Residential Services	Uplift fees by a maximum of 6.24% for new and existing placements on the Complex Residential Framework from 1 April 2024 Uplift fees by 5.4% for all spot providers who have engaged with the Care Cubed assessment tool. No uplift to be applied until providers have engaged in this assessment process.
Mental Health Accommodation Services Contracts	Uplift fees by 8.46% for all existing and new packages delivered through the Mental Health Accommodation Pathway from 31 March 2024 Uplift fees by a maximum of 8.46% for spot and legacy contracted services from 31 March 2024 with no prices to exceed the agreed uplifted rates for comparable services under the new Mental Health Accommodation Pathway.
Mental Health Residential Services	Uplift fees by 5.4% from 31 March 2024 for 'spot' providers who have engaged with the Care Cubed assessment tool. No uplift to be applied unless and until providers have engaged with this process.
Extra Care Services	Uplift fees by 9.6% from 31 March 2024 for all existing care packages for older adults living within extra care accommodation. Give a new maximum rate of £23.04ph and minimum rate of £18.32ph, for the placement of adults into Extra Care Schemes with effect from 31 March 2024.
Day Services	Uplift fees by up to 7.12% for all existing placements made by the Council into Day Services within ECC's administrative area from 31

	March 2024.
Out of County Placements for all services listed in this table	Increase fees, from 1 April 2024, by an individually agreed amount not exceeding the 'host' authority uplift across all services included within this paper if: (a) the provider requests this and provides supporting evidence; and (b) in the case of Adults With Disabilities and Mental Health residential care, where the provider has completed the Care Cubed toolkit and submitted the results to the Council and the Council is satisfied that this demonstrates value for money.
Older People Residential and Nursing Services	<p>Reopen the IRN Framework to new providers and to allow existing providers on the IRN Framework to vary their price point as set out below:</p> <ul style="list-style-type: none"> a) Uplift each price by 7.38% for existing placements for residential care, with a new minimum rate of £695.36 per week, capped at the new maximum framework rate of £801.34 per week, from 1 April 2024; b) Uplift each price by 7.44% for existing placements for residential care with nursing, with a new minimum rate of £855.74 per week, capped at the new maximum framework rate of £1,084.50 per week, from 1 April 2024. c) IRN Framework placements for residential and nursing made between 1 April 2024 and 31 May 2024 will be made at the Provider's current rate uplifted as in (a) and (b) above, and should the Provider select a new rate as below, transition to the new rate will be on 1 June 2024. d) The new ranking and prices following the re-opening of the Framework will apply to placements made after 1 June 2024. e) Increase all existing IRN placements below the care homes new submitted rate to their new submitted rate from the 1 June 2024. f) Add an additional exceptional needs payment band of £70.00 per week for current and future approved placements via the IRN Framework with effect from 1 June 2024 to form a two-tier approach for enhanced payments including the existing

	<p>level of £140 per week.</p> <p>g) Agree to increase fees for spot care home placements in homes within the Council's administrative area which are below the new minimum framework rate, to the new minimum framework rate from 1 June 2024.</p> <p>h) Agree that the Director, Adult Social Care is authorised to agree the award of new framework agreements and prices following the re-opening of the IRN Framework Agreement.</p>
Direct Payments	Adjust guide rates from 1 April 2024 - calculated at £16.34ph for Personal Assistants and £23.84ph for Domiciliary Care.
Shared lives	Uplift fees by 4.1% for new and existing placements from 31 March 2024.

2. Noted that the financial impact of these recommendations has been calculated using the same assumptions for NLW (9.8%), CPI (4.1%) and RPI (4.1%), the blend once fed through each individual cost of care model gives a different output depending on the proportion of costs relating to each uplift element. The financial impact is expected to be £33m in 2024/25, £1.8m of which is to be drawn down from the Adults Investment Reserve.
3. Agreed to draw down £1.8m in 2024/25 and £2.5m in 2025/26 from the Adults Investment Reserve to fund the IRN framework additional recommendations in Resolution 1 above.

6. Future Highways Programme – Drawdown from Reserves and approval of the recommended Highways Services model (FP/008/01/24)

Cabinet's approval was sought for a proposed future service model for highways and transportation (HST) following expiry of the existing contract in March 2027. Approval was also requested for financial arrangements to support implementation of the recommended service model and meet the costs for ECC associated with taking back responsibility for the management and maintenance of that part of the A130 currently operated by County Route.

In presenting the report, the Cabinet Member for Highways Infrastructure and Sustainable Transport expressed thanks to the officer team involved in working on the proposed new contract and to the Members (including his predecessor as Cabinet Member, Cllr Lee Scott, for their work as part of the Member Reference Group. Cllrs Ivan Henderson, Mike Mackrory and Chris Pond associated themselves with these comments and expressed their appreciation for opportunities offered by the establishment of the Member Reference Group.

The Cabinet Member, supported by the Leader of the Council, provided the following information in response to questions by Cllrs Henderson, Mackrory and Pond:

- The new contract would include an emphasis on the quality assessment of work carried out, bearing in mind that this was likely to involve new approaches linked to the availability of new technology.
- The decline in the condition of highway infrastructure through factors including overuse was acknowledged as a national issue, beyond the scope of the contract and requiring consideration at a higher level.
- Although maintenance of highways assets such as verges, hedges and trees would be included in the design phase of the contract, many issues related to this were the responsibility of landowners rather than ECC. It was hoped that a planned increase in enforcement action would help to address current challenges.
- The potential implications of sustainable transport, including a possible increase in demand for repairs to footways and streetlighting, would be considered as part of the design phase of the contract.
- The implementation of LED street lighting was continuing across the County.
- The County Council did not have the legal power to restrict pavement parking.

Resolved:

1. Agreed in principle the mixed economy for the highways service as the recommended model for further design as detailed in paragraph 3.9 of report FP/008/01/24.
2. Noted that:
 - 1) Indicative costings show that this model will require additional recurring revenue investment of circa £3m per annum from year 2 of the new contract, primarily as a result of increasing the ECC staff base compared to the status quo.
 - 2) There will be a resulting reduction in Capital expenditure of circa £3.4m per annum from year 2 as detailed in section 4.1 of report FP/008/01/24. However, the first 4-year MTRS period of notional borrowing savings total £500,000, based on current interest rate assumptions, and therefore will not fully offset the proposed additional annual ECC staff costs.

- 3) There will be a further decision taken to Cabinet to agree the final design of the model and approve proceeding to tender the relevant contracts.
 3. Agreed to approve the reallocation of £913,000 of transformation reserve funding to this project, which is currently allocated to support the Ringway Jacobs Contract Extension Decision (FP/479/07/19), bringing the total transformation funding envelope to £5.776m.
 4. Agreed to endorse the rephasing of £2.8m approved transformation funding, being the unutilised funding from that allocated in FP/465/07/22, up until the end of 2027/28.
 5. Agreed to draw down a further £1.462m of funding from the Transformation Reserve to fund new resources to deliver and embed the next service delivery model for the Highways and Transportation Service to be used in the period up until the end of 2027/2028 and to bring under ECC control the element of the A130 currently managed through a PFI arrangement up until 2030, taking the total investment for the programme to £7.2m over five years until the new contract is embedded.
- 7. Approval to Place Contractual Task Orders with Ringway Jacobs for values of £2m and over (FP/305/12/23)**

Cabinet's approval was sought to issue those task orders likely to exceed £2.0m to Ringway Jacobs for the 2024/25 financial year. Approval was also requested to draw down sums from the Highways Reserve and the Everyone's Essex Reserve (as outlined in paragraph 3.9 and Appendix 3 to report FP/305/12/23), and to add sums to the Capital Programme in respect of works funded by the Network North Grant and the Traffic Signal Obsolescence Grant.

The Cabinet Member for Highways, Infrastructure and Sustainable Transport responded to questions by Cllr Mike Mackrory and Ivan Henderson, undertaking to update opposition councillors on the proposed future structure and remit of Local Highways Panels. Cllr Mackrory was invited to make the Cabinet Member aware of any specific concerns arising from the proposed reduction in carriageway resurfacing treatments.

Resolved:

1. Agreed that the Director, Highways and Transportation will issue the task orders to Ringway Jacobs as outlined in Table 1, Appendices 1 and 3 to report FP/305/12/23 after taking legal advice about the form and content of the task orders.
2. Agreed to add £2.4m to the Capital Programme and £600,000 to be applied to the revenue budget in 2023/24 to enable additional roads maintenance activity as set out in paragraph 3.9 to report FP/305/12/23,

funded by a drawdown of £3.0m in 2023/24 from the highways Reserve.

3. Agreed to add £110m to the Capital Programme and for £961,854 to be applied to the revenue budgets in 2024/25 to enable additional roads maintenance activity as set out in Appendix 3 to report FP/395/12/23, funded by a drawdown of £12.0m in 2024/25 from the Everyone's Essex Reserve.
4. Agreed to add £7.7m to the Capital Programme in 2024/25 to enable additional roads maintenance activity as funded by the Network North Grant.
5. Agreed to add £242,000 to the Capital Programme in 2024/25 to enable further replacements to obsolescent traffic signals as funded by the Traffic Signal Obsolescence Grant.
6. Agreed that the Cabinet Member for Highways Infrastructure and Sustainable Transport may change the work to be undertaken under the task orders.

8. Introduction of a Permanent Recycling Centre Booking Process (FP/006/01/24)

The Cabinet received a report which presented the results of the Recycling Centre Process Pilot evaluation and public consultation and recommended permanently retaining a booking process at all 21 recycling centres across the county.

The Climate Czar and Cabinet Member for Environment, Waste Reduction and Recycling responded to questions by Cllrs Ivan Henderson, Mike Mackrory and Chris Pond, noting that a large majority of respondents to the consultation had favoured the introduction of the booking system. It was proposed to introduce the system at all recycling centres in order to provide a consistent approach across the County.

Resolved:

Agreed to retain a booking process at all 21 Essex recycling centres for all vehicles (cars and vans) across all operating hours on a permanent basis, in line with the proposals consulted upon.

9. Essex Housing Development LLP annual Delivery Plan 2024-25 (FP/254/09/23)

This report was considered in conjunction with a Confidential Appendix (minute 13, below, refers).

Cabinet's approval was sought for the Essex Housing Development LLP (EHDLLP) Annual Delivery Plan for 2024/25. Approval was also sought for an increase in the Working Capital Loan paid by ECC to EHDLLP from £5m to £12m, as requested by the LLP.

In presenting the report, the Cabinet Member for Planning a Growing Economy thanked the Officers and Board Chairman of Essex Housing for their hard work. He went on to respond to questions by Cllr Mike Mackrory concerning work with housing associations and social landlords to encourage tenants to downsize to smaller properties.

Resolved:

1. Agreed to approve the Essex Housing Annual Delivery Plan 2024/25 as set out in the confidential appendix to report FP/254/09/23.
2. Agreed to increase the Working Capital Loan facility provided by ECC to Essex Housing Development LLP from £5m to £12m with immediate effect.
3. Noted that further formal decisions will continue to need to be taken for each site for development, financing and land disposal to Essex Housing Development LLP for 2024/25, as set out in paragraph 3.10 to report FP/254/09/23.
4. Agreed that all project specific loan offers made to the LLP will expire within six months of being made and will have to be renewed after that time.

10. Decisions taken by or in consultation with Cabinet Members (FP/001/01/24)

The report was noted.

11. Date of next meeting

Noted that the next meeting of the Cabinet would take place at 10.15am on Tuesday 26 March 2024 in the Council Chamber at County Hall, Chelmsford, CM1 1QH.

NB: this meeting was subsequently cancelled, and the business carried forward to the next scheduled date on 23 April 2024.

12. Urgent business

None

Exclusion of the Press and Public

Resolved:

That the press and public be excluded from the meeting during consideration of the remaining items of business on the grounds that it involves the likely disclosure of exempt information 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.

13. Confidential Appendix: Essex Housing Development LLP Annual Delivery Plan 2024-25 (FP/254/09/23)

The confidential appendix to report FP/254/09/23, to which minute 9, above, refers, was noted.

There being no further business, the meeting closed at 11.21am.

Chairman
23 April 2024