
Minutes of the meeting of the Cabinet, held in Committee Room 1 County Hall, Chelmsford, CM1 1QH on Tuesday, 17 October 2017

Present:

Councillor	Cabinet Member Responsibility
David Finch	Leader of the Council (Chairman)
Susan Barker	Culture, Communities and Customer
Ian Grundy	Highways
Louise McKinlay	Resources
Dick Madden	Children and Families
John Spence	Health and Adult Social Care
Simon Walsh	Environment and Waste

Councillors T Ball, J Beavis, M Buckley, S Canning, P Channer, R Gadsby, A Goggin, T Hedley, I Henderson, M Mackrory, C Pond and A Turrell also attended.

1 Apologies for Absence

Apologies for absence were received from Councillor Kevin Bentley (Deputy Leader and Cabinet Member for Economic Growth, Skills, Infrastructure and Digital Economy), Councillor Sue Lissimore (Cabinet Member Housing, Property and Planning) and Councillor Ray Gooding (Cabinet Member for Education).

2 Minutes: 19 September 2017

The minutes of the meeting held on 19 September 2017 were agreed as a correct record and signed by the Chairman subject to an amendment of Councillor Turrell being made to the list of councillors in attendance.

3 Declarations of Interest

Councillor M Mackrory declared a Code interest in agenda item 5 (Financial Overview) in that he is a director of Boswells multi-academy trust - item 5 below refers.

Councillor C Pond declared a Code interest in agenda item 7 (Spend of improved Better Care Fund) in that he is a member of the North-East London Joint Health Overview & Scrutiny Committee - item 7 below refers.

Councillor M Mackrory declared a Code interest in agenda item 7 (Spend of improved Better Care Fund) in that he is a company member of Farleigh Hospice - item 7 below refers.

Councillor J Spence declared a Code interest in agenda item 9 (Medtech accelerator investment) in that he is a governor of Anglia Ruskin University - item 9 below refers.

4 Questions from the Public

There were none.

5 2017/18 Financial Overview as at the Half Year Stage (FP/745/02/17)

The Cabinet considered report FP/745/02/17, which set out the forecast financial position of Essex County Council's (ECC) revenue and capital budget as at the half year stage of the 2017/18 financial year. This reported a full year forecast overspend on revenue of £1.4 million (0.1%) against a net budget of £914.5m. This assumed that the balance of the Emergency Contingency (of £4m) was fully committed; if there were no further calls, then the full year forecast under spend was expected to be £2.6m. This position is an improvement on the Quarter 1 report of £3.5m.

The report also set out an underspend of £1.1m on capital against the current budget of £264.7m. Assuming that the capital budget requests were approved, there would be an underspend of £560,000.

Councillor Louise McKinlay, Cabinet Member for Resources and Councillor Dick Madden, Cabinet Member for Children's and Families provided the following information in response to questions by Councillors Mackrory, Henderson, Turrell and Pond.

- The error with the Rochford District Council tax issue amount is an estimate.
- Rechargeable support services costs are kept under constant review; however we do have a large share of the market for support services.
- The Chairman will speak to the Chief Executive about the wording used in paragraph 11.2, under Financial Implications, with regard to its being perceived as a political statement
- A written answer will be provided to Councillor Turrell in relation to the transit site provision.
- There has been an increase in the delivery of outreach services following the closure of some of the Children's Centre's across Essex with an increase of 40-70% outreach delivery. It was agreed that Councillor Madden would speak to Councillor Henderson outside the meeting on the specific issues raised.
- The savings from support services will not be fully achieved in 2017/18 but will be full year savings in 2018/19.
- We constantly review the budget and will be working with Scrutiny in the budget setting process.
- Councillor Madden will speak to Councillor Henderson separately after the meeting regarding the provision for hard-to-reach families.
- A reference to Epping will be checked as to whether it should be Epping or Epping Forest within the report and report back to Councillor Pond.

Resolved:

1. That there be a draw down of funds from reserves as follows:

- a. A sum (not to exceed £5m) determined by the Section 151 Officer from the Transformation Reserve to portfolios as required to fund redundancy costs arising from Organisational Design subject to services not being able to mitigate this expenditure
- b. £1.6m from the Quadrennial Reserve to the Leader portfolio attributable to costs associated with the local elections held in May 2017
- c. £432,000 from the Capital Receipts Pump Priming Reserve to the Resources Recharged Support Services portfolio in relation to funding for the Capital Receipts team
- d. £301,000 from the Community Initiatives Fund Reserve to the Reserve for Future Capital Funding, via the Environment and Waste portfolio, to match expenditure incurred to date in 2017/18 in relation to community projects.

2. That funds to reserves are appropriated as follows:

- a. £116,000 to the Transformation reserve from Highways portfolio in relation to 2017/18 savings identified in the recent LED Street Lighting Final Business case.

3. That the following adjustments are made:

- a. To transfer £4,598 from the Carry Forward reserve to the General Balance. This is the remaining balance from 2016/17 which is no longer required
- b. To vire a total of £1.2m to the Resources Recharged Support Services portfolio from Health and Adult Social Care (£665,000), Culture Communities and Customer (£178,000), Education (£172,000), Housing, Planning and Property (£101,000), Environment and Waste (£55,000) portfolios and a further £454,000 unused balance from the Grant Equalisation reserve, relating to mitigations for the Organisational Development savings
- c. To vire a total of £160,000 from Deputy Leader and Economic Growth, Skills, Infrastructure and the Digital Economy (£46,000), Health and Adult Social Care (£34,000), Children and Families (£23,000), Leader (£23,000), Leader Recharged Support Services (£23,000) and Education (£11,000) portfolios to the Resources Recharged Support Services portfolio as a contribution towards Business Support for Executive Directors

- d. To vire a total of £1.0m from Other Operating Costs interest receivable budgets to Resources (£996,000) and Leader (£50,000) portfolios to mitigate unachieved savings
- e. To amend the capital budget which allows for capital slippage of £8.2m, capital budget additions of £7.4m, capital budget reductions of £6.2m and advanced works of £6.4m.

6 Extension of Section 75 Partnership Agreement with Essex Partnership University NHS Foundation Trust (FP/906/08/17)

The Cabinet considered report FP/906/08/17, which asked for an extension of the two Section 75 Partnership Agreements relating to the provision of an integrated mental health service with Essex Partnership University NHS Foundation Trust (EPUT) for a 12 month period from 1 April 2018 to allow time for a commissioning exercise to take place.

Councillor John Spence, Cabinet Member for Health and Adult Social Care provided the following information in response to questions by Councillors Mackrory and Pond.

- The Child Assessment and Delivery Unit (CADU) is not covered within the agreement; however a clear way forward has now been established and an announcement will be made shortly on this.
- Councillor Spence will reply directly to Councillor Pond regarding the precise geographical net for EPUT.

Resolved:

1. That the two Section 75 Partnership Agreements with Essex Partnership University NHS Foundation Trust (EPUT) are extended for the 12 months period from 1 April 2018, subject to the right of the Council or EPUT to terminate at any time on six months' written notice. The total annual contract value is £5.6m, split between the North Essex Section 75 Partnership Agreement £3.6m and South Essex Section 75 Partnership Agreement £2.0m.
2. That a report will be brought back to Cabinet no later than May 2018 to enable it to make a decision on how these services will be commissioned after the expiry of the extension.

7 Approve Spend of Improved Better Care Fund (FP/932/09/17)

The Cabinet considered report FP/932/09/17 by the Director for Adult Social Care, presented by the Cabinet Member for Health and Adult Social Care and were asked to agree the allocation of the additional £24.7m in 2017/18 and the £16.8m in 2018/19 and £8.3m in 2019/20.

Councillor John Spence, Cabinet Member for Health and Adult Social Care, responded to the questions received by Councillors Mackrory, Henderson and Pond.

- Issues are dealt with as they arise and it has become increasingly evident that late transfers are a problem; this is the right investment decision now.
- The funding is supplementary on top of the main funding we receive. In three years money will be invested where it is needed.
- A review of the implementation of the new charging policy has been requested.
- Health service provision is complex across the county including in Epping Forest District.

Resolved:

1. That the 65% of the additional social care monies announced in the March 2017 Budget be used to maintain investment in services and offset pressures and that, subject to the amounts being received from central government, these amounts be £16.126m in 2017/18; £11.054m in 2018/19; and £5.482m in 2019/20.
2. That £8.6m be made available for new initiatives in 2017/18 with the funding being available for these initiatives reducing to £5.733m in 2018/19 and to £2.867m in 2019/20.
3. That £2.371m be committed in 2017/18 for the initiatives detailed in paragraph 3.12 of the report.
4. That the per capita allocations for each CCG area outlined in paragraph 3.11 of the report can be spent on schemes as set out in the BCF plan.
5. That we enter into section 75 agreements with the five Essex CCGs to reflect the above decisions and on such other terms as agreed by the Director, Adult Social Care.

8 Extension of the Foster Care Select List Contracts (FP/783/03/17)

The Cabinet considered report FP/783/03/17 by the Director for Commissioning, Children, presented by the Cabinet Member for Children and Families Care and were asked to agree to the extension of the current Select List Agreements with services providers for external foster care for a period of 12 months.

In response to a question from Councillor Mike Mackrory, Councillor Dick Madden, Cabinet Member Children and Families confirmed the use of foster families in London but they are largely located in Essex and the support that is provided is the same wherever the child is located.

Resolved:

1. Agreed to extend the current Select List Agreements with the current providers from 21 November 2017 to 20 November 2018.
2. Agreed that the Cabinet Member for Children and Families be authorised to approve the new Select List following an annual review to be undertaken in January 2018 with existing providers only.

9 Medtech Accelerator Investment (FP/912/08/17)

The Cabinet considered report FP/912/08/17, which sought approval for ECC to invest £500,000 into Medtech Accelerator Ltd (Medtech Accelerator) in return for the issue of 500,000 in shares in Medtech Accelerator Ltd, representing a 20% stake in the company and a position on the Medtech Accelerator Board.

In response to a question from Councillor Turrell, Councillor Finch, Leader of the Council confirmed that the paper had been through a rigorous legal and financial process.

Resolved:

1. That the Executive Director, Economy, Localities and Public Health may enter into an agreement to subscribe for or purchase at face value 500,000 ordinary £1 shares into Medtech Accelerator Limited, representing a 20% of the shares of the Company, subject to his being satisfied, after taking legal advice, that the Company's articles of association provide appropriate protection for the Council's investment.
2. That the purchase be an addition to the capital programme funded from borrowing.
3. That the Leader will make a decision about the identity of ECC's representative as a director of Medtech Accelerator Limited.

10 Decisions taken by or in consultation with Cabinet Members (FP/930/09/17)

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

11 Date of Next Meeting

It was noted that the next meeting of the Cabinet would take place on Thursday 23 November 2017 at 10.00am at County Hall, Chelmsford, CM1 1QH.

There being no further business, the meeting closed at 10:35am.

Chairman