

DRAFT

Note: These Minutes will remain DRAFT until approved at the next meeting of the Committee

EXECUTIVE

MINUTES OF THE MEETING HELD ON THURSDAY, 9 OCTOBER 2014

Councillors Present: Pamela Bale, Roger Croft, Marcus Franks, Alan Law, Gordon Lundie, Irene Neill and Graham Pask

Also Present: John Ashworth (Corporate Director - Environment), Nick Carter (Chief Executive), Sarah Clarke (Team Leader - Solicitor), Mark Evans (Head of Children's Services), Peta Stoddart-Crompton (Public Relations Officer), Andy Walker (Head of Finance), Rachael Wardell (Corporate Director - Communities), Claire White (Finance Manager (Schools)), Councillor David Allen, Councillor Jeff Brooks, Stephen Chard (Policy Officer), Councillor Adrian Edwards, Councillor Royce Longton, Councillor Alan Macro, Councillor Gwen Mason, Linda Pye (Policy Officer), Robin Steel (Group Executive (Cons)) and Councillor Keith Woodhams

Apologies for inability to attend the meeting: Councillor Dominic Boeck, Councillor Keith Chopping and Councillor Hilary Cole

PART I

32. Minutes

The Minutes of the meeting held on 4 September 2014 were approved as a true and correct record and signed by the Leader.

33. Declarations of Interest

Councillors Pamela Bale and Irene Neill declared an interest in Agenda Item 7, but reported that, as their interest was personal and not prejudicial or a disclosable pecuniary interest, they determined to remain to take part in the debate and vote on the matter.

Councillors Royce Longton, Alan Macro and Jeff Brooks declared an interest in Agenda Item 7, but reported that, as their interest was personal and not prejudicial or a disclosable pecuniary interest, they determined to remain to take part in the debate.

34. Public Questions

(a) Question submitted by Ms Judith Bunting to the Portfolio Holder Responsible for Safeguarding

A question standing in the name of Ms Judith Bunting which sought an assurance that the safeguarding systems, training and guidance in place at West Berkshire Council for Council Officers and elected Councillors were sufficiently robust to prevent an abuse scandal in West Berkshire of the type seen in Rotherham was answered by the Leader of the Council.

35. Petitions

There were no petitions presented to the Executive.

36. Treasury Management Annual Report 2013/14 (EX2875)

The Executive considered a report (Agenda Item 6) which informed Members of the treasury management activity and performance of the Council's investments for the financial year 2013/14.

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Councillor Alan Law explained that the CIPFA Code of Practice for Treasury Management in Public Services, revised in 2009, required the Section 151 Officer to provide an annual report to the Executive after the year end which reviewed the treasury management activity and performance for the previous year.

The net return on the Council's investments for 2013/14 (i.e. the amount of interest earned less the cost of short term borrowing) was £97,000 which represented a rate of return of 0.71% on the average sum invested. This compared with the Bank of England base rate, which remained at 0.5% throughout the financial year. In addition, a further £317,000 investment income had been achieved by early payment of pension contributions into the Berkshire Pension fund, in exchange for a discount of 3.25% on the contributions required to be paid. Total net investment income for the year was £414,000.

Councillor Law took the opportunity to thank both Officers and the Treasury Management Group for their excellent work in this area. Councillor Pamela Bale added to this point by commenting that the net investment income achieved was excellent, particularly when considering the financial constraints being experienced.

Councillor Alan Macro noted that the net amount of interest earned from the Council's investment and short term borrowing activities in 2013/14 was £97,000 compared with £154,000 in 2012/13 and questioned this reduction. Councillor Law stated that this figure fluctuated from year to year, but reiterated the point that the figure of £97,000 combined with the £317,000 investment income achieved by early payment of pension contributions achieved a total net investment income for the Council of £414,000 for 2013/14.

Andy Walker agreed that the average value of the fund did fluctuate. However, it was reducing year on year and this impacted on the potential interest that could be earned.

RESOLVED that the previous year's treasury management activities and performance of the fund be noted.

Reason for the decision: To ensure compliance with the updated CIPFA Code of Practice for Treasury Management in Public Services 2009 and in accordance with best practice.

Other options considered: n/a.

37. **West Berkshire Schools' Funding Formula 2015/16 (EX2891)**

(Councillor Pamela Bale declared a personal interest in Agenda Item 7 by virtue of the fact that she was a Governor of Pangbourne Primary School. As her interest was personal and not prejudicial or a disclosable pecuniary interest, she determined to remain to take part in the debate and vote on the matter).

(Councillor Irene Neill declared a personal interest in Agenda Item 7 by virtue of the fact that she was a Member of the Pupil Referral Unit (PRU) Management Committee. As her interest was personal and not prejudicial or a disclosable pecuniary interest, she determined to remain to take part in the debate and vote on the matter).

(Councillor Royce Longton declared a personal interest in Agenda Item 7 by virtue of the fact that he was a Governor of The Willink School. As his interest was personal and not prejudicial or a disclosable pecuniary interest, he determined to remain to take part in the debate).

(Councillor Alan Macro declared a personal interest in Agenda Item 7 by virtue of the fact that he was a Governor of Theale Primary School. As his interest was personal and not prejudicial or a disclosable pecuniary interest, he determined to remain to take part in the debate).

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(Councillor Jeff Brooks declared a personal interest in Agenda Item 7 by virtue of the fact that he was a Governor of Kennet School. As his interest was personal and not prejudicial or a disclosable pecuniary interest, he determined to remain to take part in the debate).

The Executive considered a report (Agenda Item 7) which set out the recommended formula for allocating funding to schools in 2015/16.

Local authorities were required to review the current formula and guidelines, and agree the funding formula for 2015/16 following consultation with the Schools' Forum and all schools (including Academies) in West Berkshire. The consultation with schools closed on 11th September 2014 and the Schools' Forum considered and agreed the final proposals at its meeting on 29 September 2014.

The report set out the proposed formula for 2015/16 with very little change from the current year, but with an addition to give an exceptional premises factor to schools where their share of the cost of the joint use of leisure centres exceeded 1% of their delegated funding. It was noted that this factor applied to only one school. The funding factors were mainly dictated by the Department for Education with a limited amount of headroom for local formula variation.

A further small change was in relation to the removing of the 'cap' on school gains which was put in place to cover the costs of funding protection for losers under the new formula introduced a couple of years ago and this only affected a very small number of schools.

Councillor Neill confirmed that she, along with Officers and the local MP, continued to push for a change in the ruling around the sparsity factor allocation for small schools. At present this only applied to schools which were more than two miles from their nearest school and West Berkshire had some rural schools which were closer but where the distance could not be safely walked.

Once the 2015/16 schools block of the dedicated schools grant funding allocation was known any shortfall in funding or additional funding available would be allocated by an adjustment to the basic per pupil rate and this was expected by mid December 2014.

Councillor David Allen thanked Claire White for all her work on the allocation of funding to schools. He referred to the sparsity factor and felt that West Berkshire was unfairly penalised and he asked for assurances that both Officers and Members would continue to pursue this issue. Councillor Irene Neill confirmed that pressure would continue to be applied around the sparsity factor and that she and Officers had recently visited the DfE to attempt to effect a change.

Councillor Alan Macro queried the removal of the gains cap and the table set out in Appendix B which showed the detail for each school. Councillor Irene Neill stated that in order to pay for the minimum funding guarantee (MFG) in 2013/14 and 2014/15, local authorities had been required to place a cap on the per pupil funding increase where schools benefitted from the change in the formula. When the new formula was introduced for 2013/14 the DfE stated that the MFG would be for two years only, thus the cap on gains would apply for just two years. However, the DfE had decided that they would now continue the MFG protection, and in 2015/16 funding per pupil could not drop by more than 1.5%. However, schools with a gains cap would have been planning their budgets assuming the cap would be removed in 2015/16 and it was therefore proposed to no longer operate the gains cap in 2015/16. Appendix B set out those schools affected and the likely cost which would be £52k, based on the same pupil numbers and formula as the current year. This would only affect a small number of schools and in particular Calcot Junior School.

RESOLVED that the funding formula for 2015/16 be approved.

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Reason for the decision: The Executive is required to approve the formula and submit it to the Education Funding Agency by their deadline of 31 October 2014.

Other options considered: As detailed in the consultation to schools.

38. **Proposal for Berkshire Shared Adoption Service (EX2738)**

The Executive considered a report (Agenda Item 8) which outlined a proposal for establishing a Berkshire Shared Adoption Service (West Berkshire, Bracknell Forest, Wokingham and Royal Borough of Windsor and Maidenhead). This was being suggested as a cost neutral way of improving services and responding to new legislative requirements.

Councillor Irene Neill explained that this paper had been produced following several months of discussion and negotiation with colleagues in Bracknell Forest, the Royal Borough of Windsor and Maidenhead, and Wokingham on the formation of a Berkshire Shared Adoption Service.

The paper set out the rationale for developing a shared service which would offer an opportunity to improve the service, provide greater resilience and widen the pool of potential adopters.

A pan-Berkshire arrangement, the Berkshire Adoption Advisory Service, was already in place and this was hosted by the Royal Borough of Windsor and Maidenhead. It was therefore proposed that the Royal Borough would also host the enhanced service, if approved, with commencement scheduled for 1 November 2014.

While the new arrangement would not necessarily secure any financial savings, it would reinforce the resources of the four participating authorities, thus benefitting the quality and scale of this very important work.

It was also proposed that a Management Board would be established with representatives from all four Councils to provide direction and monitoring for the new shared service. The representative from West Berkshire was proposed to be the Head of Children's Services.

The drivers for making these proposed changes were the need to speed up the adoption process and suggestions from Government that there should be fewer organisations involved in adoption recruitment.

Alternative options had been considered which included joining with another local authority partner, joining with a voluntary adoption agency partner or making no change at all. For various reasons, these were rejected in favour of the proposal outlined in the report. Costs, draft budget, objectives and the agreement were all detailed within the report.

Councillor Graham Pask gave his full support to the proposals, a key benefit of which would be the availability of a wider pool of adopters. It would also serve to enhance the excellent role already undertaken by adopters and foster carers.

Councillor Gwen Mason added her support to the proposals which she hoped would enable the Council's Adoption Service to improve further. She did however query why Slough and Reading Borough Councils had not participated in these discussions. Councillor Gordon Lundie explained that a Berkshire wide arrangement would have been preferable, however Slough and Reading opted not to be included and he believed this to be due to the different requirements of an adoption service for these two local authorities.

Councillor David Allen stated that he too was pleased with the proposals. He did however note from the report that 'hot desking' arrangements would be in place at the central base for the service located at Riverdale in Wokingham and he was concerned at the impact

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this could have on undertaking work of such a confidential nature. Rachael Wardell clarified that it was her expectation that an area of the central base would be identified and have the necessary space for Officers. The reference to 'hot desking' related to the need for Officers to work in the individual local authority areas (external to Wokingham) as and when needed.

RESOLVED that the transfer of the Council's Adoption Service into a Berkshire Shared Service (West Berkshire, Bracknell Forest, Wokingham and Royal Borough of Windsor and Maidenhead) hosted by the Royal Borough of Windsor and Maidenhead be approved. The new arrangement would commence from 1 November 2014. In addition, agreement was given to establish a Management Board with representatives from all four Local Authorities which will provide direction and monitoring for the new shared service.

Reason for the decision: To allow the Council to enter into a formal shared service arrangement.

Other options considered: A number of other options have been considered and they are explored in section 3 of the report.

39. **Looked After Children - 'Staying Put' Policy (EX2894)**

The Executive considered a report (Agenda Item 9) which sought approval to establish a policy for managing requests from Looked After Children who wished to remain in their foster care placement past the age of 18.

The Children and Young Persons Act 2008 and the Planning Transition to Adulthood for Care Leavers 2010 (Regulations and Guidance) required each local authority to have a 'Staying Put Policy' which set out arrangements to promote the extension of foster care placements beyond a young person's eighteenth birthday.

West Berkshire Council had never formally adopted such a policy and the report therefore proposed a 'Staying Put' policy which was in line with the latest government guidance and which would provide the best outcome for the very small number of young people for whom the Council had previously acted as Corporate Parent. As well as providing clear guidance to the young person, the carer and the Officers involved, a clear policy would be essential should the Council find itself subject to any form of legal challenge around decisions taken. These young people were more vulnerable and less able to adapt to looking after themselves by virtue of the insecure background many of them had had and therefore the Council had to take the role of Corporate Parent as seriously as that of parents.

The Staying Put arrangement applied to all young people who were previously living in foster care and looked after immediately prior to their 18th birthday. The young person could stay put until their 21st birthday or if in an agreed programme of education or training on their 21st birthday until the course was completed. If an eligible young person had a disability then their placement could become a shared lives/staying put placement.

Councillor Neill stated that when a young person went to University and the hosts were able to provide accommodation then they could return during vacations. However, the Council would not be able to hold places open and this would only be possible if the host had the capacity. The Council would pay the same rate as for a 20-21 year old and if the student was working they would be expected to contribute towards the cost of the placement.

Former foster carers would be given information about income tax and national insurance implications of the Staying Put arrangement. Financial guidance and other funding support information was set out on pages 89-93 of the agenda.

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The Staying Put arrangements would end when the young person no longer met the criteria, if the young person breached the agreement or was ended by the young person, or the former carer gave the relevant notice. Page 78 of the agenda set out the modelling around the cost of the policy which was anticipated to be around £210k per annum and would be dependent on the cohort needs and size. The Government had indicated that they would provide additional funding to meet this new burden. However, to date no indication of the funding level had been received.

Councillor Graham Pask stated that he was happy to second the report. He was part of the Corporate Parenting Panel and confirmed that these young people needed the Council's support as some had gone through traumatic experiences. The Council was the Corporate Parent and as such took its role seriously.

Councillor Gwen Mason also welcomed the report. She referred to paragraph 4.4 of the policy in relation to university placements and asked if the Council would pay anything towards the cost of residential fees. Mark Evans responded that a range of support would be available for the young person, for example grants and funds might be available from the university itself or in some cases they might waive fees.

Councillor David Allen referred to paragraph 5.7 of the policy which stated that safeguarding arrangements would need to be put in place when a young person became 18 and was Staying Put and where foster children remained living in the household. A criminal record check should be undertaken and safeguarding strategies discussed. Mark Evans stated that the Council was required to assess all adults in residential units and therefore it was necessary to undertake a check when an individual became 18 years of age if there were other children in the same household.

RESOLVED that the recommended policy be adopted and the financial risk, should the new funding from the Government not prove sufficient to meet the expected costs, be noted.

Reason for the decision: To enable a clear policy to be established.

Other options considered: None.

40. **Local Government Association Peer Challenge - West Berkshire (EX2893)**

The Executive considered a report (Agenda Item 10) which served to publish the results of the Local Government Association (LGA) Peer Challenge for West Berkshire Council undertaken in early July 2014.

Councillor Gordon Lundie introduced the item by stating that it was important as part of good governance arrangements to undertake regular peer reviews and it was a useful process to enable Executive Members and senior Officers to assess how well the Council was functioning and performing.

The peer review team spent four days in West Berkshire and included the Chief Executive of Bath and North East Somerset Council, a Cabinet Member from Herefordshire Council and the Head of Policy and Performance at Luton Borough Council. The process included a number of interviews with Members, Officers and the Council's partners.

The findings of the peer review team were contained in a detailed letter which had been appended to the report and this highlighted the current strengths of the Council's current leadership, which was reported as being solid and well respected; the Council's governance arrangements were felt to be strong; the Council's track record of sound

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financial planning arrangements was also highlighted; as was the Council's close working arrangements with partner organisations.

Recommendations for improvement were also outlined in the report and these included:

- the need for a consistent, shared narrative across the Member and Officer leadership;
- considering opportunities for joint 'top team' development for the political and managerial leadership of the Council and to achieve a common understanding of the roles of Members and Officers; Councillor Lundie pointed out that leadership training was being arranged for the Council's senior Officers and Members would be involved in this process;
- considering the creation of a single programme board to direct all major transformational activity across the Council;
- a review of overview and scrutiny arrangements with a potential need for a more strategic approach;
- a need to strengthen relationships with health; progress had been made in this area, but more work was needed to integrate health and social care more effectively.

Councillor Lundie explained that work had already begun on addressing some of the recommendations, all of which would be built into the new Council Plan 2015-2018.

Councillor Keith Woodhams referred to a section of the letter which related to the potential to do more to establish shared services. It was suggested in the letter that the Council might need to be more willing to relinquish direct control if West Berkshire was to reap more of the benefits that could be achieved from sharing services, rather than only looking to share services where West Berkshire continued to provide the service. Councillor Woodhams therefore questioned whether efforts would be undertaken to identify further shared service opportunities where the Council was not necessarily the lead local authority.

Councillor Lundie responded that he felt this to be a fair criticism by the peer review team. Efforts had been made to progress shared services further and these would continue, but there were concerns in relation to a loss of control over the Council's services, the potential for services to be delivered less effectively to West Berkshire's residents as part of a shared service and it was also important to retain the same level of accountability for services provided to residents. However, the Berkshire Shared Adoption Service, approval for which had been given earlier in the meeting, was a good example of a shared service where West Berkshire was not the lead local authority. It was also the case that the most recent Ofsted inspection rated the Council's Adoption Service as excellent.

Nick Carter agreed that the view of the peer review team was a fair reflection in relation to shared services. While some Berkshire wide shared services had been working well since the formation of the six Berkshire unitary authorities in 1998, more recent successes had come from arrangements with a smaller number of other local authorities. It was acknowledged that sharing services was important in helping the financial situation faced by West Berkshire and others, and there was therefore a need for the Council to have greater confidence in the ability of other local authorities to manage shared services.

Councillor Royce Longton referred to a section of the letter which made the point that members of staff had suggestions for improvement, however many staff members did not believe that such suggestions would be listened to. The letter stated that there was a

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need to demonstrate that such suggestions would be listened to and good ideas acted upon. Councillor Longton was concerned by this statement, particularly in relation to staff morale, and asked what action was being taken in response.

In response, Councillor Lundie advised that it could be a challenge to respond to/acknowledge feedback, particularly in cases where it originated from anonymous comments in the staff satisfaction survey. He therefore acknowledged that while there were gaps in this area, the improvements needed were to the way in which ideas and feedback were communicated rather than an issue of staff suggestions not being listened or responded to. Staff suggestions were listened to and Councillor Lundie did not feel there was evidence to suggest that feedback was not acted upon, i.e. in the staff satisfaction survey.

Nick Carter added that the results of the biennial satisfaction survey, which were benchmarked against other local authorities, suggested that staff morale was above average in comparison to other local authorities. He did however advise that additional methods would be considered for gathering ideas. In addition, the Council was overly modest and more needed to be done to showcase the successes of the Council.

Councillor Jeff Brooks referred to the comment made in the letter that the Council's procurement resources were thin and the approach to this and commissioning was fragmented. Councillor Brooks agreed there was a need for a more robust procurement process and questioned whether improvements would be put in place. In responding to this question, Councillor Law took the opportunity to state that this was an excellent peer review with many areas of Council activity considered outstanding, i.e. financial strength. The recommendations were welcome as there was always room to improve. Turning to the specific point on procurement, Councillor Law explained that there were three aspects to the Council's procurement process – centrally held administration, negotiation conducted by service areas and decision making at Procurement Board. This process was evolving as the importance of procurement in making improvements/identifying savings was recognised and greater efficiencies were being sought.

Councillor Brooks then referred to the point made in the letter that 'the organisation may need development to adjust to a more politically assertive leadership'. He felt this was a common thread throughout the report which was potentially concerning. The need was also highlighted for the Council to do more to demonstrate that staff were valued and Councillor Brooks was concerned that this was felt to be the case. He also gave the view that staff views needed to be a consideration beyond the satisfaction survey.

In response to the point made about politically assertive leadership, Councillor Lundie felt it was important to have a clear view on important areas of Council activity. In addition, Councillor Lundie made it clear there was a shared sense among the Executive and senior Officers of what needed to be achieved and areas of priority and this would continue.

Councillor Gwen Mason made reference to the point made in the letter in relation to the zero based budgeting (ZBB) process where it was stated that this was an example of where political and managerial understanding and expectations appeared to be mismatched. She therefore questioned whether this had been rectified. Councillor Law explained that at the time of the peer view (early July 2014) the ZBB trial process, being undertaken in Highways and Transport, was in its very early stages and he accepted that at that time there was a need to more fully understand the principle of the process. However, work had progressed since that time and the Head of Highways and Transport and the Portfolio Holder were both clear on the process to be followed. Councillor Pamela Bale added her agreement that this was the case.

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Councillor Alan Macro returned to the point made in the report that more needed to be done to demonstrate that staff were valued and he queried how this would be taken forward. Councillor Lundie explained that the appraisal system was being looked at as a way of recognising and rewarding good performance, and the use of honoraria payments was a consideration as part of this. The successful annual staff recognition event would also continue. Councillor Lundie also stated that it was important to say thank you to staff for doing a good job.

In summarising the item, Councillor Lundie was pleased at the many positive areas that had been highlighted and that there were no areas of particular concern identified. He also reiterated the point that work was already ongoing to respond to the recommendations of the peer review.

RESOLVED that the report and the actions that are being taken to address the recommendations be noted.

Reason for the decision: To raise the visibility of the report and enable debate of the content and recommendations.

Other options considered: None.

(The meeting commenced at 5.00pm and closed at 5.50pm)

CHAIRMAN

Date of Signature

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