

DRAFT

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

EXECUTIVE

MINUTES OF THE MEETING HELD ON THURSDAY, 10 SEPTEMBER 2015

Councillors Present: Dominic Boeck, Keith Chopping, Hilary Cole, Roger Croft, Lynne Doherty, Marcus Franks, Graham Jones and Gordon Lundie

Also Present: Nick Carter (Chief Executive), Martin Dunscombe (Communications Manager), Mark Edwards (Head of Highways and Transport), Tandra Forster (Head of Adult Social Care), Mac Heath (Head of Children and Family Services), David Holling (Head of Legal Services), Robert O'Reilly (Head of Human Resources), Andy Walker (Head of Finance), Stephen Chard (Policy Officer), Councillor Lee Dillon, Councillor Mollie Lock, Councillor Alan Macro and Jo Reeves (Policy Officer)

Apologies for inability to attend the meeting: Councillor Alan Law, Councillor Garth Simpson and Rachael Wardell

PART I

22. Minutes

The Minutes of the meeting held on 23 July 2015 were approved as a true and correct record and signed by the Leader.

23. Declarations of Interest

There were no declarations of interest received.

24. Public Questions

There were no public questions submitted.

25. Petitions

There were no petitions presented to the Executive.

26. Council Performance Report 2015/16: Q1 (Key Accountable Measures and Activities) (EX2961)

The Executive considered a report (Agenda Item 6) concerning the Council's progress at quarter one against its key accountable performance measures and milestones. In doing so, it sought to provide assurance to Members that objectives laid out in the Council Strategy, and other areas of significance / importance across the Council, were being delivered.

Of the 27 reported measures, outturns were available for 19. 14 measures were reported as 'green', with the remaining five reported as 'amber' - behind schedule, but expected to be achieved by year end.

Councillor Gordon Lundie commented that four of the 'amber' measures related to targets within Children's Services, which was in a process of rebuilding following the OFSTED inspection in March 2015.

Councillor Alan Macro remarked that at the last Executive meeting on 23 July 2015, he had criticised the empty homes target and did not see that this measure had been included in the report. Councillor Lundie responded that whilst the number of empty homes being brought back into use had not been one of the 27 measures reported to the

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Executive it was still a target measured by the Council. He offered to have a conversation with Councillor Macro regarding the measures which had been selected to be reported to the Executive outside of the meeting.

Nick Carter advised Councillor Macro that there had been a change to the measures which were previously reported to the Executive. Councillor Macro stated that it was premature to remove some of the reported measures.

Councillor Macro raised a query regarding measure 22 'percentage change in numbers of businesses registered for National Non Domestic Rates', observing that Q3 of 2014/15 showed a sharp drop. Nick Carter agreed that the figures did not appear to be correct and suggested that numbers had been reported, rather than a percentage change. He agreed to clarify this issue with a written answer.

Councillor Macro questioned the narrative provided against the measure 'to maintain a high percentage of (single) assessments being completed within 45 working days' as the reason for amber was provided as 'our performance against this indicator has improved since the start of the year (61%)' however the 2014/15 year end figure was given as 70%. Councillor Lynne Doherty advised that she could not comment on the figure for 2014/15 but there had been an upward trend in the month-by-month figures she received as the Portfolio Holder for Children's Services. Councillor Macro added that if the correct figure was in fact 70%, a 1.2% increase was not much of an improvement. Councillor Roger Croft commented that there had been some teething problems with this new style of reporting of the Council's performance which he hoped to see rectified at quarter two.

Councillor Lee Dillon observed that the commentary on page 20 of the agenda explained that the numbers of enquiries relating to Child Protection Plans (CPP) and Looked After Children (LAC) had reduced, so questioned the amber targets relating to CPP and Pathway Plans for LAC and said that if numbers were reducing he would hope to see more improvement in meeting the targets.

Councillor Dillon went on to suggest that the report would be clearer if figures were provided alongside percentages in order to help contextualise the data.

Councillor Dillon sought clarification on the reason for a 'placeholder' inserted under priority 6: support communities to do more to help themselves. The detail provided in the report was that an additional measure was to be confirmed for supporting a communities approach linked to Health Visiting and School Nurse services. Councillor Marcus Franks confirmed that the contract for provision of these services would commence in October 2015.

Councillor Lundie agreed to provide written answers on the further points raised by Councillor Dillon:

- On page 21 of the agenda under '(iii) Affordable Housing', further information regarding the causes for peaks in demand for homelessness prevention would be useful.
- Page 22 of the agenda reported that capacity was an issue for Adult Social Care and Councillor Dillon asked if additional resources were required to reassess all existing clients.
- On page 29 of the agenda there was a cut off sentence so the remedial action being taken was not clear.
- Regarding page 34, Councillor Dillon disagreed that the maintenance of Discretionary Housing Payments enabled the completion of more affordable housing.
- The reporting date for this information was 23 July 2015 and Councillor Dillon would have liked this information to have been received by the Executive sooner.

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RESOLVED that progress against the key accountable measures and activities be noted.

Reason for the decision: This framework compiles and monitors progress in relation to the objectives laid out in the Council Strategy and on key activities and areas of risk from the Council's individual service delivery plans.

In doing so, it expresses the purpose and ambition of the Council and by extension the Council's main focus of activities and key measures of success against which the Council can assess itself and publicly report progress.

Other options considered: n/a

27. Home to School Transport Policies (EX2989)

The Executive considered a report (Agenda Item 7) which reviewed the consultation feedback on the proposed policies for 2015/16 and 2016/17 and which sought to determine the Council's policy.

Councillor Dominic Boeck explained that the Council reviewed its Home to School Transport Policy, post-16 Transport Statement and Fare Payer Scheme annually and publicly consulted on the proposals. The consultation began on 8th June 2015 and ended on 17th July 2015. A Consultation Summary Report was provided within Appendix A.

In relation to the 2015/16 policy, two matters had been raised, which had been addressed by amending the wording in the final version of the Policy:

- the process for responding to urgent need in relation to temporary re-housing
- the position for children of separated or divorced parents who lived in two households

The 2016/17 policy would mirror the 2015/16 policy in this regard.

The 2016/17 policy included a proposal to remove free entitlement to discretionary transport to secondary catchment schools and introduce a fee. There was no legal entitlement to free transport to the catchment school, only to the nearest school. The Council was not obliged to provide catchment transport without a charge. The proposed fee was £250 p.a. (equivalent to £1.32 per school day for a return journey).

Universal opposition had been voiced in response to the consultation on this proposal, which would affect c.400 students out of a cohort of 11500. The overwhelming majority of responses came from Curridge, Chieveley and Hermitage villages which fed The Downs school, which was the area most affected by the proposal. Other Local Authorities, including Oxfordshire, had withdrawn some or all aspects of discretionary transport.

Home to School Transport budgets had been reduced for the last 4 years, (from £3.9m p.a to £3.3m p.a.) through robust procurement and streamlining routes. The ability to continue to make savings on Home to School Transport without impacting on families had been exhausted.

The requirement to deliver a further £100,000 in savings in 2016/17 was the driver for the above proposal. The widening of the fare payer fee would generate between £57k and £90k income in a full year, although the proposal was being phased in and the actual amount of savings would depend on whether parents paid the fee to use the school bus or made alternative arrangements.

Councillor Hilary Cole explained that the proposal to remove free entitlement to discretionary transport to secondary catchment schools and introduce a fee was a matter of much concern for many residents in her Ward. As reported above, it was residents in

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her Ward, Chieveley, who would be particularly affected by this proposal and Councillor Cole had been contacted by many of her constituents with their concerns. However, Councillor Cole fully understood the need to make savings in this area and would therefore be supporting the recommended actions.

Councillor Mollie Lock was concerned as a child's catchment school was not always their nearest school and it could be the case that a child's nearest school was at capacity and could not accommodate them. She then queried whether pupils already within a secondary school in the 2015/16 academic year and in receipt of free transport would retain this throughout their time at the school. Councillor Boeck explained that the proposal, due to start in 2016/17, would not affect children already within a school. However, the fee would apply to new entrants to a school (from September 2016), including applying to younger siblings of those in receipt of free transport.

Councillor Alan Macro added to the point raised by Councillor Lock by stating that parental preference could be for the nearest school but this school could be oversubscribed. This would mean that a child might not be able to attend their nearest school, through no fault of their own, and would not meet the criteria for free entitlement to discretionary transport.

Councillor Macro then queried the length of time that seats could be guaranteed on school buses. He also questioned how long the fee of £250 p.a. would be retained and the potential for parents to spread this cost over a year to make it more affordable. It would be helpful to parents to know that a seat would continue to be available and affordable throughout their child's time at secondary school.

Councillor Boeck confirmed that an 'easy payment' was offered. He agreed to discuss with Officers the potential to spread costs as much as possible. The fare payer scheme had been in operation for some time and places/cost of places could not be guaranteed indefinitely. However, the policies, if approved, would be set for the two year period (i.e. 2015/16 Policy and 2016/17 Policy).

RESOLVED that:

1. The 2015/16 and 2016/17 policies be approved.
2. The specific proposal to remove free transport to the catchment school for secondary students be approved.

Reason for the decision: Statutory requirement to determine the Home to School Transport Policy and the post-16 Transport Statement.

Other options considered: None

28. Treasury Management Annual Report 2014/15 (EX3016)

The Executive considered a report (Agenda Item 8) concerning the treasury management activity and performance of the Council's investments for the financial year 2014/15.

The aim of the Council's Treasury Management Strategy was to manage the Council's cash flow to ensure sufficient funds were available on a day to day basis for the Council's operations. Any surplus funds were invested to generate the most interest, while minimising the exposure of investments to risk.

The average level of funds invested by the Council in 2014/15 (net of short term borrowing) was £12.7 million. Funds were invested in instant access deposit accounts with Natwest, Bank of Scotland, and the Goldman Sachs Global Liquidity money market, which paid rates of interest of up to 0.43%; a deposit account with Santander UK which paid 0.8% in 2014/15 but was now reduced to 0.4%; and fixed term deposits with UK

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Building Societies for an average period of 42 days and an average rate of 0.55%. The maximum amount invested with any one institution was £5 million.

The Council earned total interest on these investments (net of interest paid on short term borrowing) of £93,000 or 0.73% of the average fund value. The Council also received a discount of 3.1% or £298,000 on its contributions to the Berkshire Pension Fund, by paying the contributions in advance. Taking into account this saving, the total net amount earned through cashflow management was £391,000.

During the course of the year, the Treasury Management team arranged a number of short term loans from other Local Authorities to cover short term cashflow needs. The average length of loan was 12 days and the average rate of interest paid was 0.41%. The team also arranged £17.7 million new longer term loans from the Public Works and Loans Board (PWLB) to fund capital expenditure in 2014/15 and earlier years. The loans were for between 5 years at 1.5% interest and 40 years at 3.21%, with the length of loan linked to the estimated useful life of the asset funded. £3.4 million repayments were made on existing capital financing loans, bringing the Council's total long term capital financing debt with the PWLB to £115.7 million.

The Treasury Management Group (which included the Portfolio Holder for Finance and the Head of Finance) would continue to monitor and review the Council's investment and borrowing activities during 2015/16, with a view to ensuring the security and liquidity of and return on the Council's funds and to financing the Council's Capital Programme at the most advantageous rates available.

Councillor Dillon asked if a Member of the Opposition might be invited to participate in the Treasury Management Group; Councillor Croft advised he would consider the suggestion.

In response to a query regarding the Berkshire Pension Fund, Councillor Croft advised that investment was made on a year-by-year basis and so long as inflation was static the current investment arrangements would continue. Investment would also depend on the trustees offering the pre-payment bonus.

Councillor Dillon asked if there had been an evaluation of any loans held above current interest rates and if so, whether refinancing had been considered. Councillor Croft advised that the rate paid to the PWLB had been reviewed and he was not aware of any recommendations to make changes.

Councillor Dillon further asked whether the Council lent to other local authorities; Councillor Croft replied that the Council was actively seeking to do so.

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 the Public Services 2009 and in accordance with Best Practice.

Other options considered: n/a

29. **Financial Performance Report 2015/16 - Quarter One (EX3019)**

The Executive considered a report (Agenda Item 9) concerning the financial performance of the Council at quarter one of 2015/16.

Councillor Roger Croft explained that at Quarter One, the forecast revenue position was an overspend of £987k.

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The overspend came predominantly from Children's Services who were forecasting an overspend of £1.9m. The Service and Communities Directorate were putting a range of actions in place to help bring this overspend down by year end. Adult Social Care was forecasting an under spend of £877k, as a result of releasing £400k from the risk reserve and capitalising over £400k of equipment expenditure which was previously funded from revenue budgets.

All other services were reporting close to budget.

Councillor Gordon Lundie sought to understand whether the forecast overspend was indeed expected by year end. Councillor Croft explained that the position would be clearer by Quarter Two and stated that the Executive was not at all comfortable with the Quarter One position. Councillor Lundie added that improvements would continue to be sought throughout the year in an attempt to get as close as possible to balancing the budget .

Councillor Alan Macro noted the mitigation measure to release £400k from the Adult Social Care risk reserve and queried the amount left in this particular reserve. Councillor Croft, while not able to confirm the precise figure, did confirm that the level of flexibility on the use of reserves was getting tighter. Councillor Lundie made the point that this reserve was separate to the Council's general reserve.

Councillor Macro then referred to paragraph 4.4 of the report which stated that a feasibility study was being undertaken for the redevelopment of the Four Houses Corner gypsy and travellers' site. It was also stated that a contribution towards the cost of this scheme would be made from the Disabled Facilities Grant and Councillor Macro queried the accuracy of this statement. Councillor Hilary Cole made the point that some residents on this site had disabilities, this was therefore legitimate use of the Disabled Facilities Grant.

RESOLVED that the report be noted.

Reason for the decision: To ensure that Members are fully aware of the latest financial position of the Council.

Other options considered: None

30. Implementing the Living Wage (EX3038)

The Executive considered a report (Agenda Item 10) which responded to the Conservative Manifesto pledge to implement a Living Wage.

It was proposed that no employee directly employed by the Council (excluding schools) was paid less than "The Living Wage" set by The Living Wage Foundation each November.

There were 17 corporate employees currently paid below the Living Wage rate of £7.85 ph. Many more employees were paid below the Living Wage rate in schools.

The report explained the current situation; the case for change; set out three options; and made a proposal. The proposal would see the Council shadow the Living Wage (not to be confused with the government's new "national living wage") by using a West Berkshire Council "Living Wage Supplement" which would increase each 1st November. The report looked at the higher costs for schools and set out a proposed approach for schools. The National Living Wage (NLW) would be set at £7.20 per hour from 1 April 2016 outside London and would rise to £9.00 per hour by 2020. Only those over 25 would be entitled to the NLW. Although the NLW would rise to £9.00 per hour by 2020 it was likely that the voluntary 'Living Wage' set by the Living Wage Foundation would always be higher than the compulsory NLW set by the government. There was concern amongst local

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authorities that the introduction of the NLW would mean increased costs in the system which would either need to be met by the providers, the local authority or a combination of both. The report set out the likely increase in costs in ASC of £2m per year due to the introduction of the NLW from 2016/16 to 2020 and this could be higher if the Council formally pledged to become a Living Wage employer.

The cost increase could either be absorbed by services affected or met from a central fund. It was recommended that the cost be absorbed by the relevant services.

It was also recommended that the Council commend the introduction of the "Living Wage Supplement" to schools. It would be up to individual governing bodies to decide if their school could afford to implement the "Living Wage Supplement".

Councillor Lundie stated that this was a symbolic step for the Conservative Party and the Council to ensure fair pay.

Councillor Macro declared that he supported the policy as it was a good initiative. He observed that the Council had modelled the financial implications when all those contracted by Adult Social Care were paid the National Living Wage as being £2m. When the National Living Wage was enforced in April 2016, contractors would also have to pay the National Living Wage. Councillor Lundie stated that this policy was just the start of the discussion around fair pay in West Berkshire. The national policy would take six months to come through. The Council were not proposing to become nationally accredited and therefore force contractors to pay a Living Wage but would be encouraging other organisations such as schools to adopt Living Wage policies.

Councillor Dillon enquired whether potential contractors might be asked at the pre-qualification questionnaire stage whether they were a Living Wage employer and use this information to determine whether to appoint the contractor. He went on to add that this would not cost the Council more money as the tender price would include associated wage costs and would help the Council to ensure it was contracting to organisations with similar values. Councillor Lundie agreed that the question could form part of the pre-qualification questionnaire but there were many factors to be taken into account when appointing a contractor.

RESOLVED that the Council adds a West Berkshire Council "Living Wage Supplement" to the pay of all employees who would otherwise receive an hourly rate below The Living Wage with effect from 1st October 2015.

That schools are encouraged to use the "Living Wage Supplement" for their employees who would otherwise receive an hourly rate below The Living Wage.

Reason for the decision: To meet a manifesto commitment to raise low pay thresholds.

Other options considered: Formally sign up to the Living Wage Foundation -rejected because that would also mean forcing contractors to pay The Living Wage to the contracted workforce.

To abolish the use of spinal column points below The Living Wage- rejected because schools not following the Council's example will still need these spinal column points.

31. **Members' Question(s)**

There were no Members questions submitted.

32. **Exclusion of Press and Public**

RESOLVED that members of the press and public be excluded from the meeting for the under-mentioned item of business on the grounds that it involves the likely disclosure of exempt information as contained in Paragraph 3 of Part 1 of Schedule 12A of the Local

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Government Act 1972, as amended by the Local Government (Access to Information)(Variation) Order 2006. Rule 8.10.4 of the Constitution also refers.

33. Progress on smoking cessation service procurement and request for delegated authority to Strategic Director of Public Health for approving final provider of services (EX3043)

(Paragraph 3 - information relating to financial/business affairs of particular person)

The Executive considered an exempt report (Agenda Item 13) which provided an update of the procurement process to date and which sought delegated authority to award the contract for the provision of a smoking cessation service to the successful provider via the Joint Commissioning Team (Bracknell).

RESOLVED that the recommendation in the exempt report be agreed.

Reason for the decision: as set out in the exempt report.

Other options considered: as set out in the exempt report.

(The meeting commenced at 6.00pm and closed at 6.40pm)

CHAIRMAN

Date of Signature