

CABINET

10 February 2023

Present:-

Councillors R Croad, A Davis, R Gilbert, J Hart (Chair), S Hughes, A Leadbetter, J McInnes (Vice-Chair), A Saywell and P Twiss

Members attending in accordance with Standing Order 25

Councillors J Bailey, J Brazil and C Whitton (in person)

Councillors F Biederman, J Hodgson, A Dewhirst and M Wrigley (remote attendance)

* 276

Minutes

RESOLVED that the minutes of the meeting held on 11 January 2023 be signed as a correct record.

* 277

Items Requiring Urgent Attention

There was no item raised as a matter of urgency.

* 278

Announcements

The Chair welcomed Mr Hodgins who was attending the meeting in his capacity as a Co-opted Member of the Council's Standards Committee to observe and monitor compliance with the Council's ethical governance framework.

The Leader welcomed Donna Manson (Chief Executive WEF 17th February 2023) to the meeting of the Cabinet and also thanked Jan Spicer for her contribution to the Council over the last six months and the Cabinet noted this would be her last Cabinet meeting.

* 279

Petitions

There was no petition received from a Member of the Public or the Council.

* **280** **Question(s) from Members of the Council**

In accordance with the Cabinet Procedure Rules, the relevant Cabinet Members responded to four questions from a Member of the Council on the following matters;

- the independent review of DCC's LADO safeguarding actions relating to John Humphreys and timescales regarding publication of the Report;
- John Humphreys review and the views of Senior Officers;
- John Humphreys review and multi-agency safeguarding meetings; and
- Feniton to Sidmouth Cycleway.

The Cabinet Members responded orally to any supplementary questions arising from the above.

[NB: A copy of the questions and answers are available on webpage for meeting and any supplementary questions and answers may be observed through the livestream of the meeting – see Notes below]

FRAMEWORK DECISION

281 **Revenue Budget, Medium Term Financial Strategy 2023/2024 - 2026/2027 and the Capital Programme for 2023/2024 - 2027/2028**

(Councillors Brazil, Dewhirst, Hodgson and Whitton attended in accordance with Standing Order 25(2) and spoke to this item).

The Cabinet considered and had regard to:

- the Report of the Chief Executive (DLS/23/2) summarising the outcomes of and comments/observations made at consultation meetings with representatives of Devon's Business Community, Trades Unions and Representatives of the Voluntary Sector;
- the discussions of the Council's Scrutiny Committees (DLS/23/3) held on 20th January, 26th January and 30th January 2023, the recommendations being summarised and attached to the agenda;
- Minute 79 of the Devon Education (Schools) Forum, held on 18 January 2023, relating to the budget and the recommendation to Cabinet outlined in those minutes *'that the transfer of 0.5% between blocks for 2023-24 through a one-off transfer of the growth fund surplus be supported (following its reconsideration as requested by the DfE)*.
- a 2023/24 Budget Impact Assessment, which had been circulated to all Members of the Council prior to the meeting and available at <https://www.devon.gov.uk/impact/budget-setting-2023-2024/> undertaken as part of the budget's preparation; and

- the Report of the Director of Finance and Public Value (DF/23/18) on the Revenue Budget for 2023/24, Medium Term Financial Strategy to 2026/27 and Capital Strategy 2023/24 to 2027/28. This included an assessment of the adequacy of reserves, a range of prudential indicators concerning the financial implications of the capital programme and an assessment that identifies risks associated with the budget strategy, together with how the risks would be managed.

The Cabinet noted that the budget book contained details of the County Council's revenue and capital budgets together with associated financial and operational information. The Council's financial plans had been drawn up with reference to the County Council's major policies and objectives, performance framework, demographic changes occurring within the County and consultation with local residents, businesses and other stakeholders.

The detail of the budget book included:

- Revenue Budget Overview;
- Statement on the Robustness of the Budget Estimates, the Adequacy of Reserves and Affordability of the Capital Strategy;
- Capital Programme Overview 2023/24 - 2027/28;
- Service Budgets;
- Fees & Charges;
- Medium Term Financial Strategy 2023/24 - 2026/27;
- County Fund Balance and Earmarked Reserves 2023/24;
- Treasury Management Strategy 2023/24 - 2026/27 and Prudential Indicators 2023/24 - 2027/28;
- Capital Strategy 2023/24 - 2027/28;
- Risk Analysis of Volatile Budgets; and
- Abbreviations.

The Cabinet noted the role of the Corporate Infrastructure and Regulatory Services Scrutiny Committee on 30th January 2023 (Minute *93) in reviewing and endorsing the Report of the Director of Finance and Public Value (DF/23/06) on the Treasury Management and Investment Strategy for 2023/24. The Treasury Management and Investment Strategy had been prepared in accordance with the revised Treasury Management Policy Statement and revised CIPFA Code of Practice for Treasury Management. The Treasury Management and Investment Strategy set out the minimum revenue provision (MRP) policy, capital expenditure funding, prudential indicators, the current treasury position, debt and investments; prospects for interest rates; the borrowing strategy; and the investment strategy.

The Corporate Infrastructure and Regulatory Services Scrutiny Committee had endorsed and commended the Treasury Management and Investment Strategy 2023/24 to the Cabinet.

The Autumn Statement of 17th November 2022 and the Local Government Finance Settlement that followed on 19th December, were relatively favourable compared to recent years and had contributed towards enabling the Authority to budget an unprecedented increase in funding for services of £114 million for 2023/24, to respond to pressures driven by high inflation and post pandemic demand for public services.

Whilst this was welcomed, it was not enough for the Authority to set a balanced budget for 2023/24 without making significant budget savings and therefore a cross organisational programme of transformation had identified £47.5 million of savings and new income for 2023/24 within service budgets.

The final Local Government Finance Settlement 2023/24 was published on 6th February 2023 and was a single year settlement.

When the Government's Autumn Statement was delivered on 17th November 2022, it had been more positive for Local Government than expected. It included a £1 billion national adult social care discharge fund, deferred the introduction of the adult social care charging reforms by 2 years, allowed an additional 1% above the normal referendum limit of 1.99% for Council tax rises (therefore allowing 2.99% increases) as well as being able to raise the Adult Social Care Precept by an additional 1% above the 1% already announced, meaning upper tier Councils could raise Council Tax by up to 4.99% in total for 2023/24.

The Chancellor also announced that the National Living Wage (NLW) would also increase by 9.7% in April 2023, which had a significant financial impact for the Authority as the increase was expected to add £22.5 million of additional cost across the Authority's budgets.

Overall, the Local Government Finance Settlement produced a 9.8% increase in the Authority's Core Spending Power, but this had to be considered in the context of inflation.

The table on page 6 set out the final settlement for Devon's Core Funding of £107.2 million and other grants such as the New Homes Bonus, Rural Services Delivery Grant, Social Care Grant, Improved Better Care Fund, Adult social care Market Sustainability and Improvement Fund, Adult Social Care Discharge Fund and Services Grant.

Detailed budgets had been produced within the Targets set by Cabinet in January 2023 which were shown on pages 40 to 85. The targets set for each service area had been subject to different pressures and influences. The table on page 7 showed the 2023/24 Budget Targets by service area.

Since the setting of budget targets, an opportunity to reduce the budget pressures in Integrated Adult Social Care services by £1.6 million had been identified. If this change to pressures targets was approved, the budget savings could also be reduced by the same amount. The detailed budgets on

pages 40 to 85 complied with the Targets set by Cabinet on 11th January, adjusted by £1.6 million as just described. The net total remained at £696 million.

The risks associated with the delivery of the 2023/24 budget and the mitigating action needed to try to contain that risk was detailed on pages 151 to 175.

Key Table 1 on page 9 showed the estimated level of spending on services and other items such as Capital Financing and Interest on Balances. Capital Financing Charges were dependent on the authority's Capital Programme explained on pages 20 to 36.

Factors that influenced the income gained from balances were set out on pages 120 to 138 that explained the Authority's Treasury Management Strategy.

Key Table 2 set out the Council Tax Requirement, Tax Base, Council Tax by band and individual District Precepts. The proposal was for a rise of 4.99% which included the social care precept.

Pages 114 to 119 explained the Authority's strategy for its reserves and balances and Key Table 3 summarised the Authority's Reserves and Balances.

The Authority's approach to the Medium Term Financial Strategy (MTFS) was detailed on pages 87 to 113 and Key table 4 was the financial representation of the current MTFS.

The Authority not only received Core Funding but also specific grants that related to particular activities and these were detailed in Key Table 5 on pages 13 and 14. The most significant being the Dedicated Schools Grant.

The Cabinet Member highlighted to the Cabinet the current market difficulties with inflation and also the progress the Council had made with budget deficits. He outlined that Core Spending Power had increased by 9.8%, but that a lot of work still had to be done to make savings.

However, he added that since the service budgets had been approved an additional £2 million would be invested in drainage and cyclic maintenance, an increase of £100,000 in grants to Citizens Advice Bureaux and an extra £150,000 into the Growing Communities Together Programme.

The Leader and Cabinet Member joined with other Members speaking under Standing Orders and paid tribute to the hard work of the Finance Team in putting together a budget, with added complexity in these challenging times.

The matter having been debated and the options and/or alternatives and other relevant factors (e.g. financial, sustainability (including carbon impact), risk management, equality and legal considerations and Public Health impact) set out in the Director of Finance and Public Value's Report and/or referred to above having been considered:

it was **MOVED** by Councillor Twiss, **SECONDED** by Councillor Hart, and

RESOLVED

- (1) that Cabinet has full regard to the responsibilities placed upon the Authority in the exercise of its Public Sector Equality Duty under s149 of the Equality Act 2010 (as set out in the 'Budget 2023/24 Impact Assessment' - <https://www.devon.gov.uk/impact/published/budget-impact-assessments/> circulated previously for the purposes of this meeting, and specific impact assessments undertaken as part of the budget's preparation) in considering the proposals and their impact, before making a decision;
- (2) that Cabinet regard the views of the Authority's Scrutiny Committees, the Devon Education Forum, the Business Community, the Voluntary Sector, and the Trades Unions and other consultees on the budget (as set out on the agenda);
- (3) that the Finance Settlement Core Funding of £107.2 million be noted;
- (4) that the amended budget targets set out on page 7 be approved;
- (5) that the budgets (pages 40 to 85) within the amended targets set be approved;
- (6) that the Net budget of £607.7 million as set out in Key Table 1 on page 9 be recommended to the Authority;
- (7) that approval to a 2% increase to the Adult Social Care Precept as set out in Key Table 2 page 10 be recommended to the Authority;
- (8) that the Council Tax requirement be set at £491,805,166.53 as set out in Key Table 2 page 10 be recommended to the Authority;
- (9) that the precepts required from each District Council and the levels of County Council Tax for each of the eight property valuation bands consequent upon the budget as amended by adjustments in collection in the current year, as set out in Key Table 2 on page 10, be recommended to the Authority;
- (10) that Members note there are no new Fees & Charges proposed for 2023/24;
- (11) that Members note in line with the Authority's Financial Regulations, changes to existing charges will be agreed by the appropriate Cabinet

Member and Chief Finance Officer via a Delegated Decision;

(12) that the Medium Term Financial Strategy 2023/24 - 2026/27 as set out on pages 87 to 113 be noted;

(13) that the risks outlined on pages 151 to 175 be taken account of in determining the final service budgets, levels of reserves and Council Tax figure to be recommended to the Authority;

(14) that the County Fund Balance and Earmarked Reserves 2023/24 as set out on pages 114 to 119 be noted;

(15) that the Capital Programme Overview 2023/24 - 2027/28 set out on pages 20 to 37 be recommended to the Authority;

(16) that the Capital Programme for 2023/24 of £172.5 million and how it is financed as shown in Summary Table D on page 28 be recommended to the Authority;

(17) that, for planning purposes, the indicative Capital Programmes for, 2024/25, 2025/26, 2026/27 and 2027/28 shown in summary Table D on page 28 be approved; and these levels will be reviewed in the light of the overall level of revenue and capital resources available to the Authority for each year;

(18) that the Treasury Management Strategy 2023/24 - 2026/27 as set out on pages 120 to 138 be recommended for adoption by the Authority;

19) that the Prudential Indicators for 2023/24 to 2027/28 contained on pages 123 to 138 be recommended to the Authority;

20) that authority to effect movements between the separately agreed limits for borrowing and other long term liabilities be delegated to the Director of Finance and Public Value; and

21) that the Capital Strategy 2023/24 - 2027/28 contained on pages 139 to 150 be recommended to the Authority.

KEY DECISIONS

* **282** **Admission Arrangements: Approval to admission arrangements for subsequent academic year**

(Councillors Brazil and Whitton attended in accordance with Standing Order 25(2) and spoke to this item).

(Councillor Brazil declared a personal interest in this matter by virtue of being a Governor at Kingsbridge Community College).

The Cabinet considered the Report of the Schools Planning, Pupil Placement and Commissioning Manager, Education and Learning Service (EL/23/03) seeking approval for the school admissions policies for 2024/2025, the Report having been circulated prior to the meeting in accordance with regulation 7(4) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Consultation on the Local Authority admissions arrangements had been held ahead of the statutory deadline for consideration by Cabinet. Schools which were their own Admissions Authority (Foundation, Voluntary Aided, Academies and Free schools, University Technical Colleges and Studio Schools) were responsible for their own arrangements and determined by the governing boards and academy trusts.

Admission arrangements for 2022-23 and 2023-24 had already been amended to note minor revisions to the School Admissions Appeals Code, which came into force for appeals submitted from 1 October 2022. There had been no further changes to legislation or guidance and so admission arrangements for 2024-25 were principally based on the arrangements for 2023-24.

The Report detailed the outcome of the consultation on primary and secondary school admission arrangements for 2024-25 and the co-ordination of primary and secondary school admissions. Admission to special schools and fee-paying independent schools fell outside the scope of these arrangements.

Section 4 of the Report outlined the detail of the consultation arrangements including adverts, liaison with schools, website and individual letters. The number of responses received remained low as Devon's arrangements had been consistent for a number of years. A number of responses had been received with regard to specific local admissions issues, detailed at www.devon.gov.uk/admissionarrangements. This was common with neighbouring Local Authorities.

The Cabinet noted that equality of access to education opportunities was a fundamental feature of school admission arrangements. All policies for consideration had been subject to an Equality Impact Needs Assessment, at www.devon.gov.uk/admissionarrangements

The Council had a broad and constantly changing role in school admissions with a priority for ensuring timely access for statutory aged education.

The recommendations would ensure that the Council met its statutory responsibilities with regard to school admissions and travel to and from school as well as its broader role in supporting children and young people.

The matter having been debated and the options and alternatives and other relevant factors (e.g. financial, sustainability and carbon impact), risk management, equality and legal considerations) set out in the Head of Service's Report having been considered:

it was **MOVED** by Councillor Leadbetter, **SECONDED** by Councillor Hart, and

RESOLVED

(a) that the 2024-25 admissions policies for community and VC schools including their Published Admission Numbers (PAN) in Appendix One be approved and the changes to catchment areas within Appendices Two (and replicated below) which include responses from the consultation as well as detailing all Devon-wide changes be endorsed.

- amend the boundary between Countess Wear and Wynstream primary schools as consulted;
- amend the boundary between Newton Poppleford and West Hill primary schools and the boundary between Sidmouth College and The King's School, informed by the consultation responses;
- amend the boundary between Willand and Halberton primary schools, informed by the consultation response;
- amend the boundary between Hatherleigh and The Clinton primary schools, informed by the consultation response;
- amend the boundary between Berrynarbor and Combe Martin primary schools, informed by the consultation response;
- amend the boundary between Berrynarbor and Ilfracombe Infant and Junior schools, informed by the consultation response;
- not amend the boundary of Berrynarbor, Combe Martin, and Ilfracombe Infant and Junior schools so that the entire parish of Berrynarbor falls into the Berrynarbor school catchment;
- amend the boundary between Filleigh and South Molton Community Primary schools, informed by the consultation response; and
- not refer the extension of Uffculme School's catchment area and inclusion of Willand School to the Office of the school Adjudicator.

(b) that the normal round co-ordinated admissions and the in-year co-ordinated admissions schemes for 2024-25 in Appendix Three be approved;

(c) that the admissions relevant area for Devon for 2024-25 and 2025-26 as detailed in section 7 be endorsed; and

(d) that the admissions timetable for the year ahead, see Appendix Four, be approved.

(The Impact Assessment is available at www.devon.gov.uk/admissionarrangements)

OTHER MATTERS

*** 283 Establishment of an Equality Commission**

(Councillors Bailey, Biederman, Brazil, Hodgson and Whitton attended in accordance with Standing Order 25(2) and spoke to this item).

The Cabinet considered the Report of the Director of Legal and Democratic Services, the purpose of which was to agree the Council's approach to tackling inequalities and discrimination and the wider County through establishing a Devon Equalities Commission.

Appendix 1 set out the Terms of Reference for the Equalities Commission and Appendix 2 the statement of intent. The Commission would agree the Diversity and Inclusion Action Plan and the Equality Strategy and monitor progress.

Equality, Diversity and Inclusion remained a key priority for the Council and this had been made more evident by the Race Audit in 2021. Movements such as 'Me Too' challenge and Black Lives Matter, further demonstrated inequality in society.

In terms of Governance Arrangements, the Commission would remain in place for two years and report to the Leader of the Council and Chief Executive. The key role of the Commission would be to work with internal departments, trade unions and external organisations to help achieve the 8 equality objectives (Appendix 1). The Commission membership would of course include Elected Members.

The proposal aligned closely with the vision and priorities in the Council's Strategic Plan 2021 – 2025, ensuring that Devon was the best place to live well and prosper. The Commission had an ambitious agenda to embed equalities in all the Council does to create a fairer Devon which was inclusive, compassionate and caring where everyone was safe, connected and resilient.

It was important that the Council was an inclusive employer with a diverse workforce that reflected the communities of Devon. This would bring a wealth of perspectives to ensure Devon was an excellent performing Council.

In summary, the Council was committed to driving improvement with regards to the equalities agenda, underpinned by the Equality Act 2010 (“the Act”), where under section 149 of the Act, public bodies such as the Council need to have 'due regard' to equalities in everything they do.

It was **MOVED** by Councillor Croad, **SECONDED** by Councillor Hart and

RESOLVED

(a) that the formation of the Devon Equalities Commission and its Terms of Reference as set out in Appendix 1 be approved;

(b) that the Equality statement of intent as set out at Appendix 2 also be approved; and

(c) that the considerable work already undertaken to date, highlighting the Council’s commitment to advancing equalities, be acknowledged.

STANDING ITEMS

* **284** **Question(s) from Members of the Public**

There was no question from a Member of the public.

* **285** **Minutes**

RESOLVED that the Minutes of the following be endorsed and any recommendations to Cabinet therein be approved:

Farms Estate (Interviewing) Committee – 9th January 2023
Devon Education Forum – 18 January 2023 (except minute 79 was dealt with under minute 281).

* **286** **Delegated Action/Urgent Matters**

The [Registers of Decisions taken by Members under the urgency provisions or delegated powers](#) were available for inspection, in line with the Council’s Constitution and Regulation 13 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012. [Decisions taken by Officers](#) under any express authorisation of the Cabinet or other Committee or under any general authorisation within the Council’s Scheme of Delegation set out in Part 3 of the Council’s Constitution.

* **287** **Forward Plan**

In accordance with the Council's Constitution, the Cabinet reviewed the [Forward Plan](#) and determined those items of business to be defined as key and framework decisions and included in the Plan from the date of this meeting onwards reflecting the requirements of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

NOTES:

1. *Minutes should always be read in association with any Reports for a complete record.*
2. *If the meeting has been webcast, it will be available to view on the [webcasting site](#) for up to 12 months from the date of the meeting*

* **DENOTES DELEGATED MATTER WITH POWER TO ACT**

The Meeting started at 10.30 am and finished at 11.22 am