

# AGENDA

## Cabinet

Date: **Thursday 5 April 2012**

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Time: **2.00 pm**

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Place: **The Council Chamber, Brockington, 35 Hafod Road,  
Hereford**

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Notes: Please note the **time, date** and **venue** of the meeting.

For any further information please contact:

**Sally Cole, Committee Manager Executive**

Tel: (01432) 260249

Email: [scole@herefordshire.gov.uk](mailto:scole@herefordshire.gov.uk)

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# Agenda for the Meeting of the Cabinet

## Membership

Chairman                      Councillor JG Jarvis

Councillor AJM Blackshaw  
Councillor H Bramer  
Councillor PM Morgan  
Councillor RJ Phillips  
Councillor PD Price  
Councillor DB Wilcox

## GUIDANCE ON DECLARING PERSONAL AND PREJUDICIAL INTERESTS AT MEETINGS

### What is a personal interest?

You have a personal interest in a matter if that matter affects the well-being or financial position of you, your relatives or people with whom you have a close personal association more than it would affect the majority of other people in the ward(s) to which the matter relates.

A personal interest can affect you, your relatives or people with whom you have a close personal association positively or negatively. If you or they would stand to lose by the decision, you should also declare it.

You also have a personal interest in a matter if it relates to any interests, which you must register.

### What do I need to do if I have a personal interest?

You must declare it when you get to the item on the agenda headed "Declarations of Interest" or as soon as it becomes apparent to you. You may still speak and vote unless it is a prejudicial interest.

If a matter affects a body to which you have been appointed by the authority, or a body exercising functions of a public nature, you only need declare the interest if you are going to speak on the matter.

### What is a prejudicial interest?

You have a prejudicial interest in a matter if;

- a) a member of the public, who knows the relevant facts, would reasonably think your personal interest is so significant that it is likely to prejudice your judgment of the public interest; and
- b) the matter affects your financial interests or relates to a licensing or regulatory matter; and
- c) the interest does not fall within one of the exempt categories at paragraph 10(2)(c) of the Code of Conduct.

### What do I need to do if I have a prejudicial interest?

If you have a prejudicial interest you must withdraw from the meeting. However, under paragraph 12(2) of the Code of Conduct, if members of the public are allowed to make representations, give evidence or answer questions about that matter, you may also make representations as if you were a member of the public. However, you must withdraw from the meeting once you have made your representations and before any debate starts.

**AGENDA**

Pages

**HEREFORDSHIRE COUNCIL - NOTICE UNDER REGULATION 15 OF THE LOCAL AUTHORITIES (EXECUTIVE ARRANGEMENTS ((ACCESS TO INFORMATION) REGULATIONS 2000 (AS AMENDED)**

Notice is hereby given that the following report contains a key decision. When the decision has been made, Members of the Overview and Scrutiny Committee will be sent a copy of the decision notice and given the opportunity to call-in the decision.

<b>Item No</b>	<b>Title</b>	<b>Portfolio Responsibility</b>	<b>Scrutiny Committee</b>	<b>Included in the Forward Plan Yes/No</b>
4	Supplementary Agreement and Deed of Variation to the Retail Quarter (Old Livestock Market) Development Agreement	Enterprise and Culture	Overview and Scrutiny	Yes

**1. APOLOGIES FOR ABSENCE**

To receive any apologies for absence.

**2. DECLARATIONS OF INTEREST**

To receive any declarations of interest by Members in respect of items on the Agenda.

**3. MINUTES**

To approve and sign the minutes of the meeting held on 16 February 2012.

1 - 4

**EXCLUSION OF THE PUBLIC AND PRESS**

In the opinion of the Proper Officer, the following item will not be, or is likely not to be, open to the public and press at the time it is considered.

**RECOMMENDATION:** that under section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Schedule 12(A) of the Act, as indicated below and it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

- 1 Information relating to any individual.
- 3 Information relating to the financial or business affairs of any particular person (including the authority holding that information).
- 5 Information in respect of which a claim to legal professional privilege

	<b>could be maintained in legal proceedings.</b>	
<b>4.</b>	<b>EXEMPT REPORT - SUPPLEMENTARY AGREEMENT AND DEED OF VARIATION TO THE RETAIL QUARTER (OLD LIVESTOCK MARKET) DEVELOPMENT AGREEMENT</b>	<b>5 - 22</b>
	To seek Cabinet approval to vary the terms of the retail quarter development agreement.	
<b>5.</b>	<b>OPEN REPORT - SUPPLEMENTARY AGREEMENT AND DEED OF VARIATION TO THE RETAIL QUARTER (OLD LIVESTOCK MARKET) DEVELOPMENT AGREEMENT</b>	<b>23 - 30</b>
	To seek Cabinet approval to vary the terms of the retail quarter development agreement.	
<b>6.</b>	<b>CORPORATE DELIVERY PLAN</b>	<b>31 - 50</b>
	To agree revisions to the strategic planning and reporting cycles, and agree the measures and projects within the 2012/13 corporate delivery plan.	
<b>7.</b>	<b>ROOT AND BRANCH REVIEW PROGRAMME</b>	<b>51 - 78</b>
	This report provides an update on progress to date on the Root and Branch Review Programme and invites Cabinet to agree the aims, scope and outline methodology for the reviews and that a community consultation exercise is undertaken to inform the Reviews.	
<b>8.</b>	<b>FORWARD PLAN UPDATE</b>	<b>79 - 92</b>
	To review the Forward Plan and consider whether any matters should be referred to the Overview and Scrutiny Committee.	
<b>9.</b>	<b>INTEGRATED CORPORATE PERFORMANCE REPORT</b>	<b>93 - 122</b>
	To provide Cabinet with an overview of performance against the Joint Corporate Plan 2011-14 for the first 11 months of 2011-12.	
<b>10.</b>	<b>BUDGET MONITORING REPORT 2011/12</b>	<b>123 - 148</b>
	To report the forecast financial position for both revenue and capital to 29 February 2012.	
<b>11.</b>	<b>UPDATE ON THE SHARED SERVICES PROGRAMME</b>	<b>149 - 156</b>
	The purpose of this report is to update Cabinet on the progress of the Shared Services Programme, including an update on the development of Hoople Ltd.	
<b>12.</b>	<b>SINGLE ENFORCEMENT POLICY</b>	<b>157 - 222</b>
	To agree the adoption of a Single Enforcement and Prosecution Policy for all relevant activities undertaken by Herefordshire Council.	
<b>13.</b>	<b>OPEN REPORT - COMPULSORY PURCHASE ORDER FOR PROPERTY KNOWN AS: 2 OVERROSS FARMHOUSE, 26 OVERROSS FARM, LEDBURY ROAD, ROSS-ON-WYE, HEREFORDSHIRE HR9 7BN</b>	<b>223 - 228</b>
	To seek Cabinet approval to resolve to Compulsory Purchase Order for the property known as 2 Overross Farmhouse, 26 Overross Farm, Ledbury Road, Ross on Wye, Herefordshire HR9 7BN under powers contained under Section 17 (1) (b) of the Housing Act 1985 as amended, and the Acquisition of Land Act 1981 and all other enabling powers for housing purposes.	
<b>14.</b>	<b>EXCLUSION OF THE PUBLIC AND PRESS</b>	
	In the opinion of the Proper Officer, the following item will not be, or is likely not to be, open to the public and press at the time it is considered.	

**RECOMMENDATION:** that under section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Schedule 12(A) of the Act, as indicated below and it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Information relating to the financial or business affairs of any particular person (including the authority holding that information).

**15. EXEMPT REPORT - COMPULSORY PURCHASE ORDER FOR PROPERTY KNOWN AS: 2 OVERROSS FARMHOUSE, 26 OVERROSS FARM, LEDBURY ROAD, ROSS-ON-WYE, HEREFORDSHIRE HR9 7BN**

229 - 232

To seek Cabinet approval to resolve to Compulsory Purchase Order for the property known as 2 Overross Farmhouse, 26 Overross Farm, Ledbury Road, Ross on Wye, Herefordshire HR9 7BN under powers contained under Section 17 (1) (b) of the Housing Act 1985 as amended, and the Acquisition of Land Act 1981 and all other enabling powers for housing purposes.



## **The Public's Rights to Information and Attendance at Meetings**

### **YOU HAVE A RIGHT TO: -**

- Attend all Council, Cabinet, Committee and Sub-Committee meetings unless the business to be transacted would disclose 'confidential' or 'exempt' information.
- Inspect agenda and public reports at least five clear days before the date of the meeting.
- Inspect minutes of the Council and all Committees and Sub-Committees and written statements of decisions taken by the Cabinet or individual Cabinet Members for up to six years following a meeting.
- Inspect background papers used in the preparation of public reports for a period of up to four years from the date of the meeting. (A list of the background papers to a report is given at the end of each report). A background paper is a document on which the officer has relied in writing the report and which otherwise is not available to the public.
- Access to a public Register stating the names, addresses and wards of all Councillors with details of the membership of Cabinet and of all Committees and Sub-Committees.
- Have a reasonable number of copies of agenda and reports (relating to items to be considered in public) made available to the public attending meetings of the Council, Cabinet, Committees and Sub-Committees.
- Have access to a list specifying those powers on which the Council have delegated decision making to their officers identifying the officers concerned by title.
- Copy any of the documents mentioned above to which you have a right of access, subject to a reasonable charge (20p per sheet subject to a maximum of £5.00 per agenda plus a nominal fee of £1.50 for postage).
- Access to this summary of your rights as members of the public to attend meetings of the Council, Cabinet, Committees and Sub-Committees and to inspect and copy documents.

### **Public Transport Links**

- Public transport access can be gained to Brockington via the service runs approximately every 20 minutes from the City bus station at the Tesco store in Bewell Street (next to the roundabout junction of Blueschool Street / Victoria Street / Edgar Street).
- The nearest bus stop to Brockington is located in Vineyard Road near to its junction with Old Eign Hill. The return journey can be made from the same bus stop.

## **HEREFORDSHIRE COUNCIL**

**BROCKINGTON, 35 HAFOD ROAD, HEREFORD.**

### **FIRE AND EMERGENCY EVACUATION PROCEDURE**

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HEREFORDSHIRE COUNCIL

**MINUTES of the meeting of Cabinet held at The Council Chamber, Brockington, 35 Hafod Road, Hereford on Thursday 16 February 2012 at 2.00 pm**

**Present:** Councillor JG Jarvis (Chairman)

**Councillors:** AJM Blackshaw, H Bramer, RJ Phillips, PD Price and DB Wilcox

**In attendance:** Councillors RB Hamilton, JA Hyde, AW Johnson, MAF Hubbard, TM James, RI Matthews and A Seldon

**148. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors: JG Jarvis, Leader of the Council and PM Morgan, Cabinet Member Health and Wellbeing.

**149. DECLARATIONS OF INTEREST**

There were no declarations of interest made.

**150. MINUTES**

**RESOLVED:** That the Minutes of the meeting held on 19 January 2012 be approved as a correct record and signed by the Chairman.

**151. CHILD POVERTY STRATEGY**

Councillor Hyde, Cabinet Support Team Member Children's Services presented the report to Cabinet on behalf of the Cabinet Member Health and Wellbeing. The following points were made during discussion:

- The Child Poverty Strategy is a statutory document. A partnership steering group that included the voluntary sector was formed to develop the strategy and provide a co-ordinated approach to tackling child poverty.
- Currently 4,685 under 16 year olds were in poverty. The figure was expected to increase in the present economic climate.
- The average working income for the county was less than £20k significantly below the average both regionally and nationally. Additionally rural families needed a 24% higher income to keep pace with urban families.
- Cabinet agreed it was the responsibility of the Council to ensure that there was an increase in skilled work in the county which would provide better incomes for families.
- The apprenticeship strategy was seen as a key element of addressing youth unemployment.
- In discussing housing it was noted that families could be in temporary accommodation for up to 12 months and it was felt that more could be done to address this issue.

Cabinet was reminded of the information that had recently been sent to all Members on the proposed changes to the use of Children's Centres. The Cabinet Member Enterprise and Culture moved the report which was seconded by the Cabinet Member Environment, Housing and Planning.

## RESOLVED

### THAT:

- a) the Child Poverty Strategy be approved; and,
- b) the approach to the delivery and accountability/governance arrangements of the strategy and the approach to updating the strategy and needs assessment be approved.

## 152. WASTE CONTRACT - VARIATIONS

The Cabinet Member Major Contracts presented the Waste Contract to Cabinet and made on the following points:

- This was a joint Cabinet report with Worcestershire County Council (WCC) on the integrated waste management PFI contract originally signed by both authorities in December 1998 to run for 25 years, December 2023.
- The report sets out the framework for Herefordshire Council's negotiating position, which includes the parameters for planning, finance, contractual and technical (see Appendices 1-4 of the report).
- Merica Waste Management and the two Councils are awaiting the decision of the Secretary of State on the planning application for an Energy from Waste Plant at Hartlebury, Worcestershire, which was the subject of a public inquiry in November 2011. This is due by 23 April 2012.
- The report does not financially commit the two Councils to any variation to the contract at this stage, this would be the subject of a further report. Any variation will need to be affordable and provide value for money.
- In the contractual parameters it is important that the two Councils agree to extend the joint working agreement insofar as it relates to this facility for a period commensurate with the intended life of the facility.

The Head of Special Projects reminded Cabinet that the existing landfill site would be full by 2023 and currently there was no alternative. He informed Cabinet that the report before them was a mirror of the report presented to WCC on 9 February, which was approved by the Cabinet.

Additional comments from Members:

- Since the commencement of the contract in 1998 considerable recycling is carried out in both counties thereby reducing the number of black bags sent for landfill.
- Cabinet was informed that the contractors had been advised that they would also need commercial waste to fulfil the contract at the plant.
- In response to a question Cabinet was advised that the plant would be able to supply electricity to the national grid and would also combine heat with power to the Hartlebury trading estate. The plant had the capacity to provide electricity for a substantial sized town.
- It was noted that should electricity prices rise there would be financial benefits from the electricity provided due to the increase.
- In response to a question on the alternatives if planning is rejected, Cabinet was advised that the options were limited and were outlined at Appendix 5 to the report with option G - energy from waste being located out of the county, being the worst case scenario.
- In referring to page 32 of the report and the possible under capacity of the plant. Cabinet was informed that should the plant be built there would be enough capacity to cope with the requirements of the plant and landfill.

**RESOLVED**

**THAT:**

- a) Cabinet noted progress since the reports to Cabinet in September 2009 and January 2010;
- b) Subject to recommendation (d) below the Director for Places and Communities be authorised, in consultation with the Chief Officer Finance and Commercial and Worcestershire County Council, to agree the negotiated form of a variation to the existing waste contract with Mercia Waste Management Ltd (Mercia) to put into effect Mercia's proposals for:
  - i) The provision of a residual waste treatment facility (RWTF) using Energy from Waste technology at Hartlebury Trading Estate; and
  - ii) Such other ancillary issues as are appropriate in relation to the waste contract (collectively 'the contractor's proposals') provided such a variation is in compliance with
    - a) The planning parameters
    - b) The financial parameters
    - c) The contractual parameters and
    - d) The technical parameters(all are set out in the report and collectively the 'parameters'); and
- (c) the Director for Places and Communities provide a further report to Cabinet seeking formal authority to execute such a variation when the Director considers, having regard to any advice from the appointed advisors, that the parameters have been materially satisfied; and
- (d) the authorisation under (b) is subject to Worcestershire County Council giving approvals substantially in the same form as those contained in the recommendations of this report and the two Councils agreeing in principle to extend the joint working agreement in so far as it relates to the Energy from Waste facility for a period commensurate with the intended life of the facility.

The meeting ended at 2.55 pm

**CHAIRMAN**



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<b>MEETING:</b>	<b>CABINET</b>
<b>DATE:</b>	<b>5 APRIL 2012</b>
<b>TITLE OF REPORT:</b>	<b>SUPPLEMENTARY AGREEMENT AND DEED OF VARIATION TO THE RETAIL QUARTER (OLD LIVESTOCK MARKET) DEVELOPMENT AGREEMENT</b>
<b>PORTFOLIO AREA:</b>	<b>ENTERPRISE AND CULTURE</b>

**CLASSIFICATION:** Open

### **Wards Affected**

Central Ward/County-wide

### **Purpose**

To seek Cabinet approval to vary the terms of the retail quarter development agreement.

### **Key Decision**

This is a Key Decision because it is likely to result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function to which the decision relates.

It was included in the Forward Plan.

### **Recommendations**

**THAT:**

- (a) regard be had to the matters contained in the separate exempt report;
- (b) the terms of the Deed of Variation, Deed of Novation and Option Agreement with Stanhope Plc and British Land Plc described in this report be approved; and
- (c) authority be delegated to the Director for Places and Communities to finalise the necessary documentation.

### **Key Points Summary**

- The retail quarter development agreement (the development agreement) was approved by Cabinet on 25 June 2009.
- The then Cabinet Member for Economic Development & Community Services approved amendments to that agreement in respect of the phasing of the project (and changes

consequent on that re-phasing).

- Approval is now sought for further amendments to secure funding for delivery of phase 1.

## **Alternative Options**

1. Not to agree the amendments. This would leave Stanhope Plc without funding to deliver Phase 1 of the old livestock market redevelopment. This would defeat the long-held ambition to see the redevelopment of the former livestock market site and the community and economic benefits that redevelopment will bring.
2. To agree some but not all of the amendments. The amendments proposed form a negotiated package and it is not open to the council to be selective in this regard. It is therefore considered that this option would have the same result as not agreeing any of the amendments.

## **Reasons for Recommendations**

3. Most of the pre-conditions to enable development work to commence have been, or are in the process of being met including securing of detailed planning permission, and securing pre-lets under offer for food store, department store, cinema and other restaurant/retail uses. After months of negotiation, Stanhope Plc are seeking variations to the development agreement to enable them to secure the funding necessary for the scheme to proceed.

## **Introduction and Background**

4. After a European procurement process and subsequent detailed financial and programming negotiations, on 25 June 2009 Cabinet approved the move to conclude negotiations and enter into a development agreement for the retail quarter on the old livestock market site. This agreement was completed in November 2009.
5. Further detailed financial, design and programming negotiations took place as a result of which, on 24 September 2010, the then Cabinet Member for Economic Development & Community Services approved arrangements for the completion of a supplementary agreement to provide for changes to the phasing of the scheme.
6. The development agreement, as amended, includes a number of pre-conditions to be met by both the council and Stanhope Plc before construction work can commence, most of which are now satisfied.
7. This report sets out the variations sought by Stanhope Plc in order to satisfy the remaining pre-conditions and enable work to commence.

## **Key Considerations**

8. The variations sought would enable:
  - the appointment of a joint venture company made up of Stanhope Plc and Sir Robert McAlpine as the principal building contractor;
  - the requirement in the development agreement to achieve pre-lets amounting to 50% of the total estimated rental value to be reduced to 40% whilst retaining the key requirement to achieve pre-lets of 50% of the total floor space by area;
  - certain profit provisions (overage) within the existing agreement to be aligned to those of the funding agreement negotiated between Stanhope and British Land plc;

- provisions within the existing development agreement for a funder/investor rather than Stanhope Plc to take the head lease post-completion to be brought into effect;
  - the Lettings and Displacement Strategy to be varied;
  - the options provisions in respect of phase 2 development to be varied.
9. The variations do not alter the fundamental outcomes of the development agreement; rather they enable its implementation.
  10. Subject to Cabinet endorsement of the proposed variations, it is recommended that approval be delegated to the Director for Places and Communities to finalise the necessary documentation.
  11. Further information in respect of the recommendations is included in the exempt report.

## **Community Impact**

12. Only one of the variations proposed (in respect of the Lettings and Displacement Strategy) has any potential impact on the community assessments already undertaken to inform previous decisions in respect of phase 1 of the development, and none adversely impact on the expected community and economic benefits expressed in previous reports.
13. In respect of phase 2, the variations do not of themselves impact either the community assessments or community and economic benefits previously expressed; however they do provide for a more flexible approach to further development to be considered better reflecting the current and projected economic climate.

## **Equality and Human Rights**

14. In the case of this report there is no direct impact on individuals or communities in terms of equality or human rights.
15. Stanhope Plc has signed up to the Hereford Futures Sustainability Policy which includes social sustainability indicators such as: demography, community involvement, accessibility, and equality and social justice.
16. Sir Robert McAlpine, as principal building contractor, will comply with all relevant equality and diversity legislation and will accord with the council's Equality and Human Rights Charter.

## **Financial Implications**

17. Under Phase 2 an additional car park with some 150 spaces will be built. The council will receive the net proceeds as a form of rent. These proceeds are estimated between £250k and £275k per annum. The developer will be responsible for the day to day management for which they will receive a management fee based on 7.5% of the gross parking revenue. The variation introduces a change to the lease extension for the Phase 2 car park. The differences are that in Years 1 to 5 the council can require the developer to buy a long lease of the site paying a capital receipt to the Council. If the Council choose not to require the developer to buy a long lease, at a point no sooner than 4 ½ years into the agreement a 15 year lease extension of the Phase 2 car park can be requested by the developer. Within the first 5 years of this 15 year extension, the developer can call for the purchase of a long lease of the car park at market value. The council can also require the developer to purchase a long lease of the site. A final 15 year right of renewal of the car park lease exists if the council or developer has not exercised their respective rights to sell or purchase a long lease of the site. The council will receive the net rental income if lease extension options are taken up.

18. The council's financial strategy assumes that a £5m receipt from the agreement will be received in the future; if the development does not go ahead the council will not receive this capital receipt. It is a matter for the council how it treats the receipts.

## **Legal Implications**

19. This development engages the European Procurement rules. The proposals outlined in this report represent a change to the contract as originally procured. It is therefore necessary to analyse whether the change is a material change, such that an entirely new procurement exercise should be commenced. The majority of the proposed changes are not material in this context and some steps can be taken to further reduce the effects and risk of challenge. Accordingly, officers would advise members that a re-procurement is not required.
20. The council may dispose of land held by them in any manner they wish by virtue of section 123, Local Government Act 1972. However there is a general obligation not to do so for a consideration less than the best that can reasonably be obtained. The advice of officers is that the proposed variation fulfils the statutory and fiduciary obligations of the council.
21. The exempt report includes a summary provided by Pinsent Masons, who have handled the legal negotiations and drafting throughout, describing how the elements of the variation will be structured in the documentation. That report was written at a recent stage of negotiations between the solicitors acting for the various parties. It is inevitable that negotiations and drafting will continue on the detail within that structure, and it will be necessary to authorise the Director for Places and Communities to approve final versions for execution. In doing so it will be necessary for him to obtain written confirmation from our external and internal advisors that they have completed their due diligence reports and are prepared to recommend the transaction to the council.

## **Risk Management**

22. Risks and opportunities arising from the proposed variations are included in the exempt report.

## **Consultees**

23. The Hereford Futures Board has reviewed and considered the terms of the proposed variations. The Board resolved to recommend that the council should support the amendments sought and sign the agreements listed on the terms reported herein. The development of the retail quarter has been subject to a significant consultation process, both through the selection of Stanhope Plc as preferred developer and as a part of the process to obtain planning approval.

## **Appendices**

Appendix 1 – Montagu Evans Commercial Report

## **Background Papers**

None identified



AKH/LM

26 March 2012

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Dear Sirs

**COUNTY OF HEREFORDSHIRE DISTRICT COUNCIL ("the Council")**  
**HEREFORD FUTURES LIMITED ("Futures")**  
**STANHOPE PLC ("Stanhope")**  
**DEVELOPMENT AGREEMENT RELATING TO THE RETAIL QUARTER SITE, EDGAR STREET, HEREFORD**  
**("Retail Quarter")**

#### Introduction

1. The Council have instructed Montagu Evans LLP ("Montagu Evans") to provide a review of the issues relating to the development of the Retail Quarter and that the Agreements entered into with Stanhope previously, still achieve the best obtainable outcome for the public interest with regard to the price and other conditions achieved.
2. The objectives of the Retail Quarter are to complete a development to meet demand from national multiples for modern floorplates not currently available within the city centre and provide an open-air retail led mixed-use scheme which is led by comparison shopping offer. In addition, the Retail Quarter will provide significant family leisure opportunities including a multi screen cinema and a number of family dining restaurants which will extend the trading hours of the area as a whole, creating a vibrant environment that will attract maximum repeat visits.

#### Selection of Stanhope

3. Montagu Evans were appointed at the initial masterplanning stage in 2006/7 and to then work alongside Futures and the Council to select a developer of appropriate standing to deliver a development that would secure the support of the Council as landowner and planning authority; stakeholders and potential funders and occupiers.
4. It was decided that to ensure an appropriate level of strategic control, by the Council over this important piece of land and surrounding ownerships, that an OJEU compliant process to procure a developer was adopted. This methodology was adopted as best practice by many other Local Authorities and continues to be so.
5. A comprehensive fully OJEU compliant procurement and marketing process was therefore initiated in early 2007 that resulted in some 18 national developers completing detailed Pre Qualification Questionnaires. 3 of the UK's leading retail led town centre developers demonstrated the appropriate experience and appetite to progress analysis and scheme development of the vision. A competitive process evolved where these 3 shortlisted bidders produced design, legal and financial proposals. After a stringent analysis, Stanhope was selected by the Council as the preferred developer.

6. A Development Agreement for the Retail Quarter was entered into by the Council and Futures with Stanhope on 4 November 2009. By way of a Supplemental Agreement dated 25 March 2011, the Development Agreement was varied to document the proposed phased development of the Site.

#### **Update on Best Obtainable Price**

7. This paper is a brief review on matters as they sit as at 26 March 2012, as it has been indicated by Stanhope that they are nearing a position where the Development Agreement can go unconditional as they are close to securing the necessary pre lets, funding, planning and other conditions of the Development Agreement.
8. The Council have always made clear to Montagu Evans that their statutory duties to secure Best Consideration are taken very seriously. This has resulted in a number of steps being taken within the Development Agreement to protect the Council from market factors.
9. Local Authorities are given powers under the 1972 Act to dispose of land in any manner they wish, including sale of their freehold interest, granting a lease or assigning any unexpired term on a lease, and the granting of easements. The only constraint is that a disposal must be for the best consideration reasonably obtainable, unless the Secretary of State consents to the disposal.
10. Since selecting Stanhope as the preferred development partner of the Council, there has been a significant deterioration to the global economic situation. This has had a material impact upon the conditions for commercial property in the UK with five of the key impacts upon the Retail Quarter development being:
  - 10.1 The lack of availability of bank debt and other funding options for development projects;
  - 10.2 Declining rental values;
  - 10.3 Declining commercial values;
  - 10.4 A lower level of demand from certain retail and leisure operators;
  - 10.5 Developers and investors seeking to take less risk but to secure greater returns.
11. To address these concerns a phasing agreement was entered into by the parties in March 2011 that allowed greater certainty to the Council and allowed the development to progress in a manner that would have the strongest likelihood of delivery and at the time reflected *"An increase in overall scheme value and net financial position to the Council but reduction in capital payment from Stanhope"*.
12. The financial agreements that the Council entered into March 2011 remain consistent with the structure of the deal currently being progressed and although the Council are bound to the commercial terms, it is prudent to evaluate the position as it stands at today's date.
13. In relation to financial aspects of the Development Agreement, the protections that the Council have with Stanhope include:
  - 13.1 **An upward only revaluation mechanism:** At the point that Stanhope are in a position to confirm that the pre-conditions of the Development Agreement can be met, the land value is assessed to consider the Net Residual Site Value in the context of the Development Agreement. We can confirm that we have undertaken the necessary work to consider the Net Residual Site Value under the mechanism in the Development Agreement. Montagu Evans LLP consider the terms negotiated by the Council within the prevailing market conditions, could not readily be replicated and even in attempting to do so would expose the Council to considerable timescale risk.
  - 13.2 **Overage:** where Stanhope must pay to the Council a one third share of any profit generated above the developers preferential profit of 15%. Based on the open book analysis, Montagu Evans do not believe that it is likely that Stanhope will reach its preferential profit level. Nevertheless, the Development Agreement provides a mechanism to allow the Council to share in profit, if the developer potential profit levels are exceeded.

14. Together with these protections, it is the view of Montagu Evans that by undertaking the development, Stanhope are taking considerable development risk. Their likely returns, against the level of development risks surrounding letting, construction and other developer factors that they are responsible for, appear low. It is possible that ongoing development issues will both reduce the value of the completed development and increase the cost to reach completion.
15. If Stanhope were not to meet their Development Agreement pre-conditions and the Council chose to progress an alternative route for the disposal of the site, at the point that the Development Agreement ceased to have effect, being up to November 2015, then it is likely that it would take a number of years to realise an alternative development that would be capable of securing a planning permission.
16. The risk associated with seeking an alternative development route for the site, added to the site holding costs, professional and management resources is significant and there is a high probability that it would not be possible to improve on the terms of the Stanhope deal based upon current and foreseeable market conditions, planning policy and qualitative need of the Council.

### Conclusion

17. It is therefore the view of Montagu Evans that:
  - 17.1 the Council have undertaken a marketing and procurement process that aligns with best practice for other similar projects involving local authority land. This has been comprehensively negotiated and involved significant competition from a financial and qualitative perspective;
  - 17.2 the Council have introduced a phasing agreement that was reported on in March 2011, that demonstrated the reduced risk and greater certainty and financial benefits to the Council;
  - 17.3 the Council have entered into an agreement with revaluation and overage provisions to protect potential enhanced returns by Stanhope;
  - 17.4 the Council are achieving a development that meets their wider economic and regeneration objectives.
  - 17.5 the Council are securing a developer who are committing to proceed to undertake the development at a reduced profit level whilst taking considerable development risk.
18. If Stanhope do not succeed in converting the conditional Development Agreement to an unconditional Development Agreement and thus do not start on site, the Council are going to be exposed to an unquantifiable level of time delay and it is likely, from the information that has been provided to us, that any new development proposals would require a developer to see a higher level of developer profit certainty which would have a direct impact on either the quality of the development and/or the receipt available to the Council.
19. **Montagu Evans LLP considers that the proposed transaction is the best obtainable outcome for the public interest at this time with regard to the price and other conditions achieved.**

Yours faithfully

Montagu Evans LLP

**MONTAGU EVANS LLP**



<b>MEETING:</b>	<b>CABINET</b>
<b>DATE:</b>	<b>5 APRIL 2012</b>
<b>TITLE OF REPORT:</b>	<b>CORPORATE DELIVERY PLAN</b>
<b>PORTFOLIO AREA:</b>	<b>CORPORATE STRATEGY AND FINANCE</b>

**CLASSIFICATION:** Open

### **Wards Affected**

County-wide

### **Purpose**

To agree revisions to the strategic planning and reporting cycles, and agree the measures and projects within the 2012/13 corporate delivery plan.

### **Key Decision**

This is not a Key Decision.

### **Recommendations**

**THAT:**

- (a) the proposed revisions to the strategic planning cycle be agreed; and**
- (b) the 2012/13 delivery plan be agreed.**

### **Key Points Summary**

- The revised strategic planning cycle enables the corporate plan to more accurately respond to the evidence of need, and to proactively inform future budget and delivery plan decision making.
- The delivery plan supports the three year Joint Corporate Plan agreed by Council in February 2011, and provides the basis against which in year performance can be measured; more focus is being placed in this delivery plan on achievement of outcomes as opposed to targets (although targets will not be ignored) and on how we work across Services and with partners to achieve this
- The delivery plan will be a living document and will be revised as necessary during the year to reflect and respond to changing circumstances, ensuring that resources continue to be directed to meet priorities.
- Further work is ongoing to improve the framework for performance management and reporting

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Further information on the subject of this report is available from  
Jenny Lewis, Assistant Director People, Policy and Partnership on (01432) 261855

as part of the People and Performance workstream of Rising to the Challenge.

## **Alternative Options**

1. It is open to Cabinet to amend or revise the proposals, but in doing so regard must be had to ensuring any changes continue to demonstrate how the joint corporate plan is to be implemented and that the proposals can be delivered within the agreed budget.

## **Reasons for Recommendations**

2. Cabinet is asked to approve the projects and measures that will be used to demonstrate how the joint corporate plan is to be delivered. Quarterly reports will be presented to Cabinet on performance against the agreed projects and measures.

## **Introduction and Background**

3. The Joint Corporate Plan is one of a suite of plans and strategies that form the Council's Budget & Policy Framework, and is therefore reserved to Council to approve. It incorporates the vision and the priorities for the Herefordshire Public Services (HPS) partnership and outlines a number of outcomes to be pursued to realise those priorities. The current plan (2011-14) was approved by Council on 4<sup>th</sup> February 2011 and is at Appendix A. It is supported by a delivery plan which is approved by Cabinet and sets out the projects and measures against which performance is reported.
4. This report seeks approval for proposals to amend the historic strategic planning cycle; seeks approval for the proposed 2012/13 delivery plan; and sets out the processes by which Members can be assured that performance is being robustly monitored.

## **Key Considerations**

### **Strategic Planning Cycle.**

5. Cabinet are required, by the constitution, to publicise a timetable for making proposals to Council for the adoption of any plan within the Budget & Policy Framework, and its arrangements for consultation after publication of those proposals.
6. As the overarching policy document for the council, the corporate plan should sit within the overall planning cycle in such a way that it is informed by an integrated evidence base (currently in development), and informs future service planning and budget setting. There is also value in ensuring that the plan is reviewed/refreshed at an appropriate time in the municipal year in relation to the electoral cycle.
7. The timetable for Council to set the budget, and consequently the council tax, is guided by statutory requirements and is set out in the council's constitution. In essence the Council Tax must be set in March, and to inform that decision the Council sets its budget in February.
8. The move towards establishing a live integrated evidence base, '*Understanding Herefordshire*', comprises an online resource with evidence being collected, analysed and reported throughout the year, with an annual overview provided to Cabinet in June. There is a two year implementation plan for the further development of a full online and interactive facility to maintain this evidence base and enable wider access to it.
9. A programme for consultation and engagement activity feeding into this overall evidence base is being developed, but the essential point of capturing this information is that it is used to influence and inform future decision-making. It is therefore proposed that, at the point when

that information is received by Cabinet, consideration is given to any consequent need to revise the corporate plan. Any proposals to make amendments will then need to be considered by Overview & Scrutiny Committee and other consultees as appropriate, before being recommended to Council in the autumn. The approved corporate plan is then in place to provide the policy framework within which the budget is set the following spring.

10. The first version of the ‘*Understanding Herefordshire*’ report, incorporating the current *State of Herefordshire* report and the Joint Strategic Needs Assessment, is being reported in June 2012, and will provide an opportunity for Cabinet to review the corporate plan to ensure it remains fit for purpose in light of:

- The evidence base already established
- A change in administration since the plan was approved, and the work recently begun by the administration to establish a longer term vision for Herefordshire 2020
- Increasing financial challenge
- Changing NHS environment

11. The proposed future annual cycle (not including consultation) is as below:

Cabinet approve 2012/13 Delivery Plan	5 <sup>th</sup> April 2012
Cabinet receive <i>Understanding Herefordshire</i> report and consider need for revisions to JCP	June 2012
Subject to above, Cabinet consider proposals re JCP amendments for recommendation to Council	October 2012
Council approve JCP	November 2012
Cabinet consider 2013/14 budget proposals	January 2013
Council approves 2013/14 budget	February 2013
Council sets 2013/14 Council Tax	March 2013
Cabinet approves 2013/14 Delivery Plan	March 2013

12. The planned ‘root & branch’ service reviews (as proposed elsewhere on Cabinet’s agenda today) will also contribute to the body of evidence informing this cycle, and delivery plans will need to respond to in-year changes as necessary.

### **Draft Delivery Plan 2012/13**

13. The draft delivery plan projects and measures are attached at Appendix B, although as already stated this plan will continue to evolve through the year. In addition to delivery of projects to meet the strategic aims of the council (i.e. those delivering change and improvement) the plan seeks to capture some wider ‘balanced scorecard’ performance measures. Further improvements in the first quarter will also ensure that strategic delivery partner (such as Amey, Hereford Futures, Hoople, and Wye Valley NHS Trust) contribution to outcomes and performance is clearly identifiable to provide a broader more transparent reporting framework than previously.
14. This is still a work in progress and a staged improvement plan, along similar lines to the staged improvement plan for the integrated evidence base, is currently being developed. The intention is to work towards an ‘annual report’ based largely, but not exclusively, on the measures and indicators in the integrated evidence base. This would provide a clear overview

of the overall strategic performance of the council (and its partners) i.e. how well we are delivering change and improvement. This would be supported by a range of management performance data to demonstrate how well we are managing the business to include value for money, customer experience, cost and workforce information.

15. Although targets are being established to support performance monitoring, it is proposed that Cabinet focuses attention on delivery of outcomes to ensure that activity is best directed to delivering improvement.

### **Monitoring Assurance**

16. It is proposed that Cabinet will receive the annual report (year end performance report) in June each year to coincide with the integrated evidence base report. There would also be three in-year reviews of performance (in July, November and February) based around the measures and targets within the delivery plan. To ensure focus is maintained of improvement, reporting will be by exception.
17. Sitting beneath the overall corporate delivery plan are more detailed directorate delivery plans, and below those yet more detailed service delivery plans; performance monitoring and review is carried out on a monthly basis within directorates; directors also meet regularly with their respective cabinet portfolio leads to review performance; and directors and assistant directors meet quarterly to review and monitor corporate delivery plan and budget performance.
18. These plans also form the basis from which personal objectives for staff are established and against which individual performance is monitored, ensuring a clear “golden thread” between the council’s aims and what staff do.
19. Discussions are ongoing with the Overview & Scrutiny Committee to explore how and where they can best add value to the performance review and improvement process.

### **Community Impact**

20. The delivery plan demonstrates how the council intends to achieve its vision for the people of Herefordshire.

### **Equality and Human Rights**

21. Reducing inequalities are clearly articulated outcomes within the agreed corporate plan. Individual elements of activity within the delivery plan undergo equality impact assessments as an integral part of their planning and implementation

### **Financial Implications**

22. Alterations to the timetable for reviewing the corporate plan have no financial implications. Proposals within the draft delivery plan will be delivered within the budget agreed by Council in February 2012. The council’s medium term financial strategy reflects the policy framework including the joint corporate plan.

### **Legal Implications**

23. Requirements for consultation and governance are set out in the council constitution.

### **Risk Management**

24. The corporate plan and its delivery plan are integral elements of the council’s risk



management framework. Risks associated with each objective and project are entered onto the relevant service or directorate risk register and escalated to the corporate register as appropriate. The corporate risk register is reviewed by the leadership team at the bi-monthly performance meetings and any significant risks are reported to Cabinet as part of the quarterly performance report.

## **Consultees**

25. The development of the delivery plan is informed by the evidence base already gathered during the year and which includes user, resident and partner feedback where available.
26. The chair and vice chairs of Overview & Scrutiny Committee were consulted on 26<sup>th</sup> March and made the following observations:
  - The corporate plan would benefit from clearly demonstrating the flow through from national policies/risks to local response (e.g. energy and fuel security)
  - The focus should be on setting measurable outcomes and quality measures rather than quantitative process-based indicators
  - More could be done to use localities to gather more qualitative feedback on service delivery and need
  - There should be a more demonstrable link between risks, delivery and performance management
  - Performance measures should be selected that demonstrate the degree to which council policies are being achieved.
  - Future performance reporting would benefit from the use of trend data to provide context.
  - An indication of the extent to which a particular activity demonstrates the council's values may be helpful.
27. These views will be taken into account in the development of the improvement plan.

## **Appendices**

Appendix A – Joint Corporate Plan

Appendix B - Draft Delivery Plan

## **Background Papers**

None.



## THE HEREFORDSHIRE PUBLIC SERVICES VISION

Working together to deliver efficient, excellent services and improve outcomes for the people of Herefordshire. We aim to put **PEOPLE** at the heart of everything we do.

Our shared values are;

- P**eople – treating people fairly, with compassion, respect and dignity,
- E**xcellence – striving for excellence and the highest quality of service, care and life in Herefordshire,
- O**penness – being open, transparent and accountable for the decisions we make,
- P**artnership – working together in partnership and with all our diverse communities,
- L**istening – actively listening to, understanding and taking into account people’s views and needs,
- E**nvironment – protecting and promoting our outstanding natural environment and heritage for the benefit of all.

### OUR PRIORITIES TO MEET THE VISION ARE TO

<b>1. Create a thriving economy</b>	<b>2. Improve health care &amp; social care</b>	<b>3. Raise standards for children and young people</b>	<b>4. Promote self reliant local communities</b>	<b>5. Create a resilient Herefordshire</b>	<b>6. Commission the right services</b>
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We will ensure that our priorities are met by the achievement of the following long term outcomes

### LONG TERM OUTCOMES

1.1 The regeneration of Herefordshire with a particular focus on Hereford City	2.1 Improved intervention and support for older people and keeping them safe	3.1 Sustainable educational provision throughout Herefordshire	4.1 Vibrant cultural opportunities	5.1 The preservation and enhancement of our environment.	6.1 High quality assessments of need
1.2 The delivery and maintenance of key infrastructure including actions to reduce congestion	2.2 A robust & healthy provider market	3.2 Improved intervention and support for children & young people and keeping them safe	4.2 Safe places where people feel secure	5.2 Accessible services and countryside	6.2 Streamlined, working practices
1.3 Growing businesses, jobs & wage levels.	2.3 Financial balance across Herefordshire’s health & social care economy	3.3 Improved performance by early years and primary school pupils including vulnerable groups relative to their peers	4.3 Enhanced local democracy and community engagement.	5.3 A strong regional and national reputation	6.3 High levels of customer and citizen satisfaction
1.4 The development of employment skills, including access to higher education	2.4 The development of a new local commissioning infrastructure	3.4 Reduced child poverty	4.4 Ways of working that reflect the needs and priorities of people & place	5.4 The protection of people’s health & wellbeing	6.4 A high quality workforce
1.5 A reduction in health inequalities for the working age population	2.5 Good quality corporate and clinical governance standards are embedded in all services provided	3.5 Families & communities that are able to support all children & young people effectively	4.5 A balanced housing market to meet residents needs	5.5 Increased equality of opportunity	
1.6 Improved access to superfast broadband and wider use of technologies	2.6 A reduction in health inequalities for frail, elderly people	3.6 A reduction in health inequalities for children & young people		5.6 Sustainable public transport provision	
	2.7 More people retaining their independence through greater choice and control				

Ensuring that our policies improve the **localities** where we live, work and play

Ensuring that our policies are **evidence** based

Ensuring that our policies improve **well being** in Herefordshire

We will deliver our vision through the implementation of our “Rising to the Challenge” change programme which has the following five work streams:





1. Create a thriving economy					
1.1 The regeneration of Herefordshire with a particular focus on Hereford City	1.2 The delivery and maintenance of key infrastructure including actions to reduce congestion	1.3 Growing businesses, jobs & wage levels.	1.4 The development of employment skills, including access to higher education	1.5 A reduction in health inequalities for the working age population	
<b>PROJECTS</b>					
<ul style="list-style-type: none"> <li>Local Development Framework (S)</li> <li>Support the delivery of the Urban Village Development (S)</li> <li>Deliver City Centre Living Project (CCLP) in Hereford City and expand to market towns (S)</li> </ul>	<ul style="list-style-type: none"> <li>Local Transport Plan (S)</li> <li>Progress Hereford Relief Road in Core Strategy (S)</li> <li>Delivery of the Link Road (S)</li> <li>Delivery of Connect 2 Greenway Scheme (S)</li> <li>Deliver road safety Education and Training Programme (ETP) (M)</li> <li>Accident Investigation (M)</li> <li>SE1- Travel Promotion (Destination Hereford) (M)</li> <li>SE2- Workplace (Destination Hereford) (M)</li> <li>SE3- Schools (Destination Hereford) (M)</li> <li>SE4- Residents (Destination Hereford) (M)</li> <li>SE6- Rural Travel (Destination Hereford) (M)</li> <li>Delivery of Highways Programme (M)</li> <li>Winter Service Plan (S)</li> </ul>	<ul style="list-style-type: none"> <li>Support employment and skills attainment in the county (S)</li> <li>Site/locality specific work (S)</li> <li>Retail Quarter Development (S)</li> <li>Broad Street Refurbishment Project (S)</li> <li>Hereford Enterprise Zone (S)</li> <li>LEP and Business Board (S)</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of Raising the Participation Age Poverty Strategy (S)</li> <li>Implementation of new Integrated / Targeted Youth Support Service arrangements (S &amp; M)</li> <li>Meet people's potential through lifelong learning (S)</li> <li>Realisation of Higher Education Gateway (S)</li> <li>Support employment and skills attainment in the county (S)</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of Population Health Improvement Strategy – smoking cessations (S)</li> <li>Implementation of the Integrated Alcohol Harm Reduction Strategy 2012/13 (S)</li> <li>Healthchecks Implementation Project (M)</li> <li>Energy Efficiency (S)</li> <li>Enforcement and Housing Standards (S)</li> <li>Landlords and Letting Agents (M)</li> <li>Adaptations (M)</li> <li>Home Improvement (M)</li> <li>Strategic housing and health activity (S)</li> <li>Home Improvement Agency and Handyperson Service (M)</li> </ul>	<ul style="list-style-type: none"> <li>Residents and businesses to access better broadband across Herefordshire (S)</li> <li>Programme of demand stimulation to encourage more people and businesses to use the internet and take advantage of the network (S)</li> <li>Herefordshire Public Services Targeted activity (S)</li> </ul>
<b>MEASURES</b>					
<ul style="list-style-type: none"> <li>No. affordable homes delivered within the Urban Village</li> <li>No. of affordable homes delivered via the City Centre Living Project</li> <li>Net additional homes provided</li> <li>Supply of ready to develop housing sites</li> </ul>	<ul style="list-style-type: none"> <li>Local congestion- bus punctuality</li> <li>Bus patronage</li> <li>No. people killed or seriously injured in road traffic accidents</li> <li>Bi-annual multi modal cordon counts- internal trips</li> <li>ATC Peak hour vehicle flows</li> <li>Annual Public Transport Cordon Counts</li> <li>Tracking Study- Destination Hereford Project awareness</li> <li>A, B and C classified road condition</li> <li>Highway defects- Category 1</li> <li>Number of defects- categories 1, 2A, 2B and 3</li> </ul>	<ul style="list-style-type: none"> <li>LI.REGP.003 % of the working age population claiming out of work benefits</li> <li>LI.REGP.004 Overall employment rate</li> <li>Hereford City Shop Vacancy rate</li> <li>Area of plot sales</li> <li>No. of jobs created</li> <li>No. businesses attracted</li> </ul>	<ul style="list-style-type: none"> <li>Reduction in percentage &amp; actual number of NEET 16 - 19 years (25 years LDD)</li> <li>Achievement of 5 or more A*-C grades at GCSE or equivalent including English and Maths</li> <li>Participation of 17 year olds in education or training</li> <li>LI.REGP.001 Number of learners participating in Community Learning</li> <li>LI.REGP.002 Community learning achievement rate</li> <li>LI.REGP.003 % of the working age population claiming out of work benefits</li> </ul>	<ul style="list-style-type: none"> <li>Reduction in smoking-attributable admissions age 18-70</li> <li>Increased rate of smokers quitting for 4 weeks</li> <li>Slower rise in alcohol-related admissions</li> <li>% NHS Health Checks take up by people in the most deprived wards</li> <li>Average number of weeks taken to process DFG applications</li> <li>Total number of HIA jobs completed, of which: <ul style="list-style-type: none"> <li>You at Home (ICES/RR)</li> <li>Handyman (IHP/IHQ/ISA)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>% of homes and businesses with access to broadband speeds of 2mbps in the County of Herefordshire</li> <li>% access to superfast broadband speeds in the County of Herefordshire</li> </ul>

<sup>1</sup> S – Strategic; M – Management

<sup>2</sup> Places and Communities in Red; People's in Green; DCE and Corporate Services in Blue

	<ul style="list-style-type: none"><li>• Street lighting defects</li><li>• Footway condition</li><li>• Network usability- Category 1</li><li>• PROW routes</li><li>• Public satisfaction- winter gritting</li></ul>		<ul style="list-style-type: none"><li>• LI.REGP.004 Overall employment rate</li></ul>	<ul style="list-style-type: none"><li>• Number of vulnerable households assisted</li></ul>	
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2. Improve health care & social care						
2.1 Improved intervention and support for older people and keeping them safe	2.2 A robust & healthy provider market	2.3 Financial balance across Herefordshire's health & social care economy	2.4 The development of a new local commissioning infrastructure	2.5 Good quality corporate and clinical governance standards are embedded in all services provided	2.6 A reduction in health inequalities for frail, elderly people	2.7 More people retaining their independence through greater choice and control
<b>PROJECTS</b>						
<ul style="list-style-type: none"> <li>Implementation of Strategic Delivery Plan for Adult Services – personal budgets, reablement, assistive technology, new care pathways <b>(S)</b></li> </ul>	<ul style="list-style-type: none"> <li>Health &amp; Social Care market development project <b>(S)</b></li> <li>Implementation of Strategic Delivery Plan for Adult Services – market development <b>(S)</b></li> </ul>	<ul style="list-style-type: none"> <li>Improvement in adult social care financial processes and systems <b>(S)</b></li> <li>Implementation of Strategic Delivery Plan for Adult Services – effective commissioning and contracting <b>(S)</b></li> </ul>	<ul style="list-style-type: none"> <li>Public Health Transition <b>(S)</b></li> <li>Health and Wellbeing system leadership <b>(S)</b></li> <li>PCT and Cluster Transition Plan <b>(M)</b></li> <li>CCG Commissioning Support Arrangements <b>(M)</b></li> </ul>	<ul style="list-style-type: none"> <li>Development of service quality assurance programme jointly run by the Council/PCT/CCG <b>(M)</b></li> </ul>	<ul style="list-style-type: none"> <li>Implementation of Strategic Delivery Plan for Adult Services – dignity, respect and safeguarding <b>(S)</b></li> <li>Implementation of Population Health Improvement Strategy <b>(S)</b></li> <li>Energy Efficiency <b>(S)</b></li> <li>Enforcement and Housing Standards <b>(S)</b></li> <li>Landlords and Letting Agents <b>(M)</b></li> <li>Adaptations <b>(M)</b></li> <li>Home Improvement <b>(M)</b></li> <li>Strategic housing and health activity <b>(S)</b></li> <li>Home Improvement Agency and Handyperson Service <b>(M)</b></li> </ul>	<ul style="list-style-type: none"> <li>Implementation of Strategic Delivery Plan for Adult Services – reablement and enablement <b>(S)</b></li> </ul>
<b>MEASURES</b>						
<ul style="list-style-type: none"> <li>Proportion of people using social care who receive self-directed support, and those receiving direct payments (ASCOF 1C)</li> <li>Permanent admissions to residential and nursing care homes, per 100,000 population (ASCOF 2A)</li> <li>Proportion of older people (65 and over) who were still at home 91 days after discharge from hospital into reablement/rehabilitation services (ASCOF 2B)</li> <li>Delayed transfers of care from hospital, and those which are attributable to adult social care (ASCOF 2C)</li> <li>Amount of money saved</li> </ul>	<ul style="list-style-type: none"> <li>See indicators in 2.1</li> </ul>	<ul style="list-style-type: none"> <li>Achievement of budget plan</li> <li>See indicators in 2.1</li> </ul>	<ul style="list-style-type: none"> <li>Achievement of milestones in Public Health Transition Plan</li> <li>Number of SLAs agreed with the CCG</li> <li>Number of case studies produced to illustrate "The Herefordshire Story"</li> </ul>	<ul style="list-style-type: none"> <li>Percentage of care homes offering at least good standards of care</li> <li>People receiving services in their own homes - measure to be determined</li> <li>Number of adult safeguarding referrals</li> </ul>	<ul style="list-style-type: none"> <li>See indicators in 2.1</li> <li>Average number of weeks taken to process DFG applications</li> <li>Total number of HIA jobs completed, of which:                             <ul style="list-style-type: none"> <li>You at Home (ICES/RR)</li> <li>Handyman (IHP/IHQ/ISA)</li> <li>Number of vulnerable households assisted</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>See indicators in 2.1</li> </ul>

or recovered for consumers and businesses in Herefordshire									
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3. Raise standards for children and young people				
3.1 Sustainable educational provision throughout Herefordshire	3.2 Improved intervention and support for children & young people and keeping them safe	3.3 Improved performance by early years and primary school pupils including vulnerable groups relative to their peers	3.4 Reduced child poverty	3.5 Families & communities that are able to support all children & young people effectively
<b>PROJECTS</b>				
<ul style="list-style-type: none"> <li>Develop, agree and implement the plan for the vision and guiding principles for the Herefordshire Learning Community (S)</li> <li>Develop and implement a strategic school policy and funding mechanism (S)</li> </ul>	<ul style="list-style-type: none"> <li>Improvement in the identification, support and interventions provided to children and young people in need (S)</li> <li>Develop and implement Children In Need strategy (M)</li> <li>Multi agency safeguarding hub development (S)</li> <li>Development of Phase 2 of Looked After Children (LAC) Delivery Plan (M)</li> <li>Recruitment and Retention project (S)</li> </ul>	<ul style="list-style-type: none"> <li>Implement and evaluate a county wide early language support across early years and Key Stage 1 (M)</li> <li>Implement Children's Centre Review (M)</li> <li>Key Stage 2 attainment (M)</li> <li>Narrowing the gap project across Early Years and primary phases (M)</li> </ul>	<ul style="list-style-type: none"> <li>Implement the strategy which addresses the impact of child poverty (S)</li> </ul>	<ul style="list-style-type: none"> <li>Personalisation (S)</li> <li>Children with disabilities review (S)</li> <li>Community Budgets: Families that need extra help (S)</li> <li>Edge of Care Service (M)</li> </ul>
<b>MEASURES</b>				
<ul style="list-style-type: none"> <li>Number of schools/settings in a category</li> <li>Number of schools with deficit budgets</li> </ul>	<ul style="list-style-type: none"> <li>Number of children in Child Protection per 10,000 of population</li> <li>Number of children Looked After per 10,000 of population</li> <li>Number of FTE permanent Social Workers</li> </ul>	<ul style="list-style-type: none"> <li>NI 72: Percentage of children attaining a Good Level of Development by the end of the Early Years Foundation Stage</li> <li>NI 92: The gap between the lowest achieving 20% of children in the Early Years Foundation Stage Profile and the rest</li> <li>NI 73: Achievement at level 4 or above in both English and maths at Key Stage 2</li> <li>NI 102a: Achievement gap between pupils eligible for free school meals and their peers achieving the expected level at Key Stage 2</li> <li>NI 107: Key Stage 2 attainment for black and minority ethnic groups</li> </ul>	<ul style="list-style-type: none"> <li>NI 92: The gap between the lowest achieving 20% of children in the Early Years Foundation Stage Profile and the rest</li> </ul>	<ul style="list-style-type: none"> <li>Reduction in percentage of pregnant smokers smoking at time of delivery (SATOD)</li> <li>Percentage of primary schools implementing Change for Life</li> <li>Increase the percentage of mothers breastfeeding at 6-8 weeks</li> <li>Reduction in alcohol related hospital admissions under 18 years old</li> <li>% of 14-16 year olds aware of Foetal Alcohol Syndrome</li> <li>Number of under age sales test purchasing programmes undertaken</li> </ul>
<ul style="list-style-type: none"> <li>Maternity Services CQUIN project (S)</li> <li>Implementation of Population Health Improvement Strategy – childhood obesity, breastfeeding (S)</li> <li>Implementation of the Integrated Alcohol Harm Reduction Strategy 2012/13 (S)</li> </ul>				

4. Promote self reliant local communities			
4.1 Vibrant cultural opportunities	4.2 Safe places where people feel secure	4.3 Enhanced local democracy and community engagement.	4.4 Ways of working that reflect the needs and priorities of people & place
<ul style="list-style-type: none"> <li>Conduct a review of cultural services commissioned or delivered by the local authority (S)</li> <li>Masters House Heritage Lottery Funding (M)</li> <li>Integrated service design for Master House (M)</li> </ul>	<ul style="list-style-type: none"> <li>Ensure full engagement with multi agency groups to address risks around homelessness and access to accommodation e.g. MAPPA, MATAC, MARAC etc. (S)</li> <li>Reduce re-offending through effective partnership working (S)</li> <li>Reduce the number of repeat incidents of domestic abuse cases reviewed at MARAC (S)</li> <li>Produce and introduce the Empowered Localities Toolkit (S)</li> <li>Encourage communities to actively engage in making their communities safer (S)</li> <li>Deliver PHSE/Education to young people in Herefordshire (S)</li> <li>Support HIPEG in delivering and implementing the strategic requirements of the Community Safety Partnership (S)</li> <li>Deliver actions from the integrated alcohol-harm reduction strategy (S)</li> <li>Deliver road safety Education and Training Programme (ETP) (M)</li> <li>Accident Investigation (M)</li> <li>Implementation of Strategic Delivery Plan for Adult Services – safeguarding (S)</li> </ul>	<p><b>PROJECTS</b></p> <ul style="list-style-type: none"> <li>Secure EU funding for capital and revenue projects (S)</li> <li>Provide grant support for social and cultural activities through the LEADER programme (M)</li> <li>Implementation and review of Charter between local councils in Herefordshire (S)</li> <li>Review Herefordshire Council support for parish and town councils (M)</li> <li>Support Elections 15 task group (M)</li> <li>Support locality working (S)</li> <li>Support community led planning (S)</li> <li>Support community engagement framework (S)</li> <li>Responding to the Localism Act (S)</li> <li>Implementation of new opportunities to redesign local services – empowered to influence (S)</li> <li>Provide advice and support parish councils to develop solutions to identified local needs (M)</li> <li>Aid internal and external project development and securing external funding (S)</li> <li>Administer external funding packages for specific projects (M)</li> <li>Support the sustainability of community facilities (S)</li> <li>Maximise community involvement in management of Belmont and Haywood Country Park (M)</li> <li>Housing solutions service to hold surgeries within 5 market towns and city, with promotion of services at other localities (M)</li> </ul>	<p><b>4.5 A balanced housing market to meet residents needs</b></p> <ul style="list-style-type: none"> <li>Communities have a range of housing options which meet their local needs in terms of type, size, (S)</li> <li>Have a thorough understanding of current and future housing need and requirements for all types of housing (S)</li> <li>Promote access to the private rented sector, through private rented sector leasing and licensing schemes, as a housing option for households at risk of homelessness. (M)</li> <li>Review and develop new homelessness strategy for Herefordshire 2013 – 2018, incorporating Youth Homelessness strategy (16-25 year olds). (S)</li> <li>Following launch of Homelessness Prevention Support Service (Sept 2012) develop an enhanced options service, to be delivered by Housing Solutions Team, providing advice on housing options. (S)</li> <li>Investigate opportunities for advertising private rented property through Home Point, with Home Point partners. (M)</li> <li>Continue to build on joint working with 16+ service in preventing homelessness amongst 16/17 year olds (S)</li> </ul>
			<p><b>MEASURES</b></p> <ul style="list-style-type: none"> <li>Local Development Framework (S)</li> </ul>

	<ul style="list-style-type: none"> <li>No. of recorded crimes in the County</li> <li>Reoffending rate of prolific and priority offenders</li> <li>Repeat incidence of Domestic Violence</li> <li>% increase in the number who feel safe in their local area</li> <li>Violence against the person (VAP) with injury</li> <li>No. people killed or seriously injured in road traffic accidents</li> </ul>	<ul style="list-style-type: none"> <li>Spend against profile (LEADER)</li> <li>% vacancy reduction at Parish Council elections</li> <li>No. of locality plans produced</li> <li>No. of locality profiles produced</li> <li>No. residents participating in local democratic processes</li> <li>No of services designed/redesigned to reflect local need</li> <li>No. of new or updated Community Led Plans</li> <li>No. projects arising from Parish Plans supported</li> <li>No. of statutory and VCS enquiries</li> <li>% of known bids submitted that secure funding</li> <li>Net additional homes provided</li> <li>Supply of ready to develop housing sites</li> </ul>	<ul style="list-style-type: none"> <li>% vacancy reduction at Parish Council elections</li> <li>No. of locality plans produced</li> <li>No. of locality profiles produced</li> <li>No. residents participating in local democratic processes</li> <li>No of services designed/redesigned to reflect local need</li> <li>No. of new or updated Community Led Plans</li> <li>No. projects arising from Parish Plans supported</li> <li>No. of statutory and VCS enquiries</li> <li>% of known bids submitted that secure funding</li> </ul>	<ul style="list-style-type: none"> <li>No. affordable homes delivered</li> <li>Overall housing delivery across Herefordshire</li> <li>No. empty properties brought back into use in Herefordshire</li> <li>No. housing need assessments undertaken</li> <li>Number of Households in temporary accommodation</li> <li>No. households per thousand for which homelessness is prevented/relieved</li> <li>Number of households in B&amp;B</li> <li>Number of supported housing units in use</li> </ul>
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5. Create a resilient Herefordshire					
5.1 The preservation and enhancement of our environment.	5.2 Accessible services and countryside	5.3 A strong regional and national reputation	5.4 The protection of people's health & wellbeing	5.5 Increased equality of opportunity	5.6 Sustainable public transport provision
<b>PROJECTS</b>					
<ul style="list-style-type: none"> <li>Litter Campaign (M)</li> <li>Dog fouling campaign (M)</li> <li>Reduce the tonnage of residual household waste through delivery of effective waste prevention campaigns and diversion of waste to recycling (M)</li> <li>Increase the tonnage of waste recycled through continuous service improvement and effective communication initiatives (M)</li> <li>Reduce the tonnage of municipal waste landfilled through effective waste prevention campaigns and increased diversion of waste through recycling and residual waste treatment. (M)</li> <li>Reduce County wide CO2 Emissions (S)</li> </ul>	<ul style="list-style-type: none"> <li>Implementation and review of Charter between local councils in Herefordshire (S)</li> <li>Review Herefordshire Council support for parish and town councils (M)</li> <li>Support Elections 15 task group (M)</li> <li>Support locality working (S)</li> <li>Support community led planning (S)</li> <li>Support community engagement framework (S)</li> <li>Responding to the Localism Act (S)</li> <li>Implementation of new opportunities to redesign local services – empowered to influence (S)</li> <li>Provide advice and support parish councils to develop solutions to identified local needs (M)</li> <li>Aid internal and external project development and securing external funding (S)</li> <li>Administer external funding packages for specific projects (M)</li> <li>Support the sustainability of community facilities (S)</li> <li>Maximise community involvement in management of Belmont and Haywood Country Park (M)</li> <li>Housing solutions service to hold surgeries within 5 market towns and city, with promotion of services at other localities (M)</li> </ul>	<ul style="list-style-type: none"> <li>Secure EU funding for capital and revenue projects (S)</li> <li>Provide grant support for social and cultural activities through the LEADER programme (M)</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of Population Health Improvement Strategy – childhood immunisation (S)</li> <li>Implement Seasonal Flu Plan (M)</li> <li>Implement programme of risk rated inspections of food premises (M)</li> </ul>	<ul style="list-style-type: none"> <li>Delivery of the Public Sector Equality Duty through PSED and the procurement process (M)</li> </ul>	<ul style="list-style-type: none"> <li>SE1- Travel Promotion (Destination Hereford) (M)</li> <li>SE2- Workplace (Destination Hereford) (M)</li> <li>SE3- Schools (Destination Hereford) (M)</li> <li>SE4- Residents (Destination Hereford) (M)</li> <li>SE6- Rural Travel (Destination Hereford) (M)</li> <li>Community Transport Review (S)</li> <li>Local Transport Plan (S)</li> </ul>
<b>MEASURES</b>					
<ul style="list-style-type: none"> <li>Litter levels (Amey)</li> <li>No. of fly-tipping incidents</li> <li>No. Duty of Care inspections</li> <li>No. dog fouling incidents</li> </ul>	<ul style="list-style-type: none"> <li>% vacancy reduction at Parish Council elections</li> <li>No. of locality plans produced</li> <li>No. of locality profiles</li> </ul>	<ul style="list-style-type: none"> <li>Spend against profile (LEADER)</li> </ul>	<ul style="list-style-type: none"> <li>Increase uptake of childhood immunisation</li> <li>Increase uptake of seasonal flu immunisation</li> </ul>	<ul style="list-style-type: none"> <li>The proportion (value) of new contracts that have paid due regard to the Public Sector Equality Duty</li> </ul>	<ul style="list-style-type: none"> <li>Local congestion- bus punctuality</li> <li>Bus patronage</li> <li>No. people killed or seriously</li> </ul>

<p>reported</p> <ul style="list-style-type: none"> <li>• No. stray dogs seized</li> <li>• Residual household waste (kg) per household (LI.WAMA.001)</li> <li>• Percentage of household waste sent for reuse, recycling and composting (LI.WAMA.002)</li> <li>• Percentage of municipal waste landfilled (LI.WAMA.003)</li> <li>• Reduction in County CO2 emissions per head</li> <li>• CO2 reduction from Local Authority operations</li> </ul>	<p>produced</p> <ul style="list-style-type: none"> <li>• No. residents participating in local democratic processes</li> <li>• No of services designed/redesigned to reflect local need</li> <li>• No. of new or updated Community Led Plans</li> <li>• No. projects arising from Parish Plans supported</li> <li>• No. of statutory and VCS enquiries</li> <li>• % of known bids submitted that secure funding</li> </ul>	<ul style="list-style-type: none"> <li>• Percentage of high risk food premises inspected</li> </ul>		<p>injured in road traffic accidents</p> <ul style="list-style-type: none"> <li>• Bi-annual multi modal cordon counts- internal trips</li> <li>• ATC Peak hour vehicle flows</li> <li>• Annual Public Transport Cordon Counts</li> <li>• Tracking Study- Destination Hereford Project awareness</li> <li>• Community Transport Patronage</li> </ul>
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6. Commission the right services		
6.1 High quality assessments of need	6.2 Streamlined, working practices	6.3 High levels of customer and citizen satisfaction
6.4 A high quality workforce		
<b>PROJECTS</b>		
<ul style="list-style-type: none"> <li>• <b>New Integrated Needs Assessment project (S &amp; M)</b></li> <li>• Conduct a review of cultural services commissioned or delivered by the local authority (S)</li> <li>• Monitoring of major Commissioning Agreements/Contracts and SLA's to include (Halo; FOCSA; Severn Waste; Courtyard; Visit Herefordshire; Hereford Futures; HVOS) (S)</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Strategic Partner Review (S)</b></li> <li>• Conduct a review of cultural services commissioned or delivered by the local authority (S)</li> <li>• Monitoring of major Commissioning Agreements/Contracts and SLA's to include (Halo; FOCSA; Severn Waste; Courtyard; Visit Herefordshire; Hereford Futures; HVOS) (S)</li> <li>• Strengthen HPS policy led approach (to include the Localism Act, Budget and Policy Framework and Open Public Services) (M)</li> <li>• Resilience Improvement Plan (inc. risk, health &amp; safety and business continuity) (M)</li> <li>• Legal Services Practice Action Plan (M)</li> <li>• Fundamental review of s75 agreements (with WWT and 2gether) (M)</li> <li>• Information Governance Improvement project (S &amp; M)</li> <li>• Property services outsourcing project (S)</li> <li>• Support services commissioning project (M)</li> <li>• Commissioning Strategy and Framework (S)</li> <li>• Delivery of Rising to the Challenge benefits (S &amp; M)</li> <li>• Office Accommodation Project (S &amp; M)</li> <li>• ICT Strategy refresh (M)</li> <li>• Root and Branch Review programme design and resourcing (S &amp; M)</li> <li>• P+ implementation (M)</li> <li>• Policy and Budget Review Process 2013/14 (S)</li> <li>• Development of Herefordshire Partnership Plan (S)</li> <li>• Community resources project (S)</li> <li>• Locality teams proposals (S &amp; M)</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct a review of cultural services commissioned or delivered by the local authority (S)</li> <li>• Monitoring of major Commissioning Agreements/Contracts and SLA's to include (Halo; FOCSA; Severn Waste; Courtyard; Visit Herefordshire; Hereford Futures; HVOS) (S)</li> <li>• Customer Service Organisation project (S &amp; M)</li> <li>• Digital Channels project (S &amp; M)</li> <li>• Personalisation &amp; Choice Project (S &amp; M)</li> <li>• Reputation Management &amp; Communications Action Plan (M)</li> <li>• Change Champions programme (M)</li> </ul>
<b>MEASURES</b>		
<ul style="list-style-type: none"> <li>• <b>Contract projected outturns and performance measures</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Contract projected outturns and performance measures</b></li> <li>• Reduction in risk score in the partnership assurance framework</li> <li>• Compliance with information governance requirements</li> <li>• Number of business continuity plans in place</li> <li>• Balanced budget</li> <li>• Action plan and successful delivery of changes affecting benefits and business rates</li> <li>• Treasury management performance targets</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Contract projected outturns and performance measures</b></li> <li>• Proportion of customer contacts that get an answer to their query at first point of contact</li> <li>• Reduction in avoidable contact</li> <li>• Delivery of CSO savings</li> <li>• % increase in the number of web self-service transactions</li> <li>• Increase in customer satisfaction</li> <li>• % of people who engage in consultation events etc increases</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Contract projected outturns and performance measures</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Contract projected outturns and performance measures</b></li> <li>• Number of development and training days</li> <li>• Relevant measures from EOS (inc. senior management visibility; trust in management)</li> </ul>	

	<ul style="list-style-type: none"> <li>including management of council borrowing</li> <li>Audit Commission Opinion, including Value for Money judgement</li> <li>Audit Commission Management Letter</li> <li>New property strategic partner(s) in place by April 2013</li> <li>Number of SLAs in place</li> <li>Savings achieved by Hoople/other support services</li> <li>Satisfaction of internal customers with service levels</li> <li>Realisation of agreed RTTC benefits (i.e.: savings and service improvements)</li> <li>Implementation of Office Accommodation/Better Ways of Working on time and to cost</li> <li>Number of Root and Branch Reviews delivered to time</li> <li>Increase in the number of P+ sessions</li> <li>Proportion of performance measures improving</li> <li>Number of case studies illustrating better outcomes for residents</li> <li>Composite indicator re. wellbeing based on improvement against headline data in 'Understanding Herefordshire' dataset</li> <li>Number of ideas from the "Why?" scheme that are implemented</li> <li>SCS outcome measures</li> <li>Implementation of HPEG and HWB and Development Plans</li> <li>Number of locality teams in place</li> </ul>	<ul style="list-style-type: none"> <li>Satisfaction with Council / HPS increases</li> <li>Improvements in priority measures from EOS</li> <li>Net number of positive media stories about Herefordshire</li> </ul>	
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<b>MEETING:</b>	<b>CABINET</b>
<b>DATE:</b>	<b>5 APRIL 2012</b>
<b>TITLE OF REPORT:</b>	<b>ROOT AND BRANCH REVIEW PROGRAMME</b>
<b>PORTFOLIO AREA:</b>	<b>CORPORATE STRATEGY AND FINANCE</b>

**CLASSIFICATION:** Open

### **Wards Affected**

County-wide

### **Purpose**

This report provides an update on progress to date on the Root and Branch Review Programme and invites Cabinet to agree the aims, scope and outline methodology for the reviews and that a community consultation exercise is undertaken to inform the Reviews.

### **Key Decision**

This is not a Key Decision

### **Recommendation(s)**

**THAT Cabinet:**

- a) **Notes progress made to date on the Root and Branch Review Programme**
- b) **Approves the Root and Branch Review Programme as set out in the Project Mandate document at Appendix 1**
- c) **Agrees that a community engagement exercise is undertaken as outlined in paragraphs 17 to 22 in the report**

### **Key Points Summary**

The Root and Branch Review Programme, which forms part of "*Rising to the Challenge*", has been included within the Council's Medium Term Financial Strategy, approved by Council on 3 February 2012. The Council also agreed to allocate £1.16m of the 2012/13 Council Tax grant as a one-off Transformation Fund to support the Reviews and other transformational activity, in particular Adult Social Care.

The Root and Branch Reviews will:

- Build on the Rising to the Challenge framework

- Seek to “blend” delivery of current projects with more fundamental thinking about what we provide in the future
- Place engagement (resident, Member, employee, partner) at their heart
- Follow a common methodology for rigour, challenge and consistency, using five gateways for quality assurance purposes
- Ask fundamental questions about why we provide services, not just how we do things differently and save money
- Ensure that programme support will be developed where possible using existing skills and knowledge, working in partnership with Hoople

To support the objective of engagement, a community engagement exercise is proposed, which will provide an up to date view from residents and partners about the priorities for Herefordshire and a strong foundation for decision making for all the Reviews. There may also be some supplementary locality based consultation on aspects of certain Reviews. This will be alongside other initiatives to ensure employee and Member engagement

The project scope includes all services provided by Herefordshire Council, with strong links to other agencies and sectors as appropriate. The programme will consist of 12 review areas, based on cross cutting themes, undertaken in three phases from April 2012 to September 2013:

1. Housing, Economy and Regulation
2. Older People in Herefordshire
3. Customer Services
4. Herefordshire Streetscene
5. Supporting Vulnerable People in Herefordshire
6. Transport and Travel in Herefordshire
7. Children & Young People in Herefordshire
8. Safer and Stronger Herefordshire
9. Herefordshire’s Environment
10. Learning and Skills in Herefordshire
11. Living & Wellbeing in Herefordshire
12. Herefordshire 2020

The Reviews will also address six underpinning themes: *Localities – Sustainability – Inequalities – Partnerships - Prevention - Support Services.*

For further information see the Root and Branch Reviews Mandate in the Appendix.

## Alternative Options

- 1 The proposed aims and scope of the Review programme could be changed to reflect other priorities and/or different approaches. However, it is considered that a Root and Branch programme is essential for the future direction of the Council and to address the financial challenges ahead.

## Reasons for Recommendations

- 2 The recommendations are to ensure that there is a clear understanding of Root and Branch Reviews and for Cabinet to approve the proposed Review Programme, including aims, scope and outline methodology and a supporting community engagement exercise.

## Introduction and Background

- 3 The Root and Branch Review Programme has been developed to respond to the many challenges that the Council and other public services are facing over the next decade.
- 4 The Review programme will be part of the *Rising to the Challenge Programme*, closely linked to the *Better Services* workstream. The Reviews were also incorporated into the Council's Medium Term Financial Strategy at Council on 3 February 2012. The Reviews will seek to deliver the Council's Vision as set out in the Joint Corporate Plan and will also help to shape the future vision of Herefordshire 2020.
- 5 The aims, scope and methodology for the Reviews have been developed over the past three months through engagement with Members and officers and this is presented for Cabinet approval in the form of a Project Mandate - **Appendix 1**. The key points from the Mandate are set out below.

## Key Considerations

### Purpose of the Reviews

- 6 Root and Branch Reviews are required for the following reasons:
  - **Building on our achievements** - Rising to the Challenge has helped us to reduce operating costs and to make significant improvements to the way that we work, whilst also protecting front line services. It will remain the framework for the next two years. We will continue to deliver what we have said we will – but we must go much further. We will also continue to strengthen our evolving partnership arrangements
  - **Rethinking the role of public services** - there is a new relationship between Government and local government and between public services and local people, defined by localism and less “top down” prescription. This new paradigm requires us to rethink the role of the Council as a community leader and to review the role of public services in Herefordshire and what we expect people and communities to do for themselves
  - **Facing the challenges ahead** - as a country and in Herefordshire we are facing major changes. These changes involve a bigger financial challenge over the next decade that we must prepare for. We are also seeing many social changes that raise important questions about the role of public services in the future. These challenges require a fundamental review of everything we do, to question whether we need to do things at all and whether there are better ways or new models of service delivery

- **Long term planning** - the Root and Branch Reviews will provide us with a long term vision and plan for meeting the financial and social challenges ahead for Herefordshire. We will look and feel very different and we will be well placed to respond to further changes to 2020 and beyond

## Aims of the Reviews

- 7 The Reviews will continue to deliver the Rising to the Challenge Outcomes:
- *Greater Integration*
  - *Increasing efficiency & productivity*
  - *Managing with less funding*
  - *Better outcomes for residents*
- 8 But the Reviews will also deliver three additional outcomes, reflecting the fundamental purpose of the Reviews:
- *Redefine the role of Herefordshire Council and other public services*
  - *Set out the priorities for the next decade*
  - *Rebuild budgets, with clear links between spend and results*

## Key Principles

- 9 Root and Branch Reviews will be far reaching and comprehensive. In order to ensure that the Reviews achieve the desired Outcomes and that we have a consistent approach across all the Review areas, five key principles will be adopted by Review Teams:
- **Challenge everything...** *Reviews will question all that we do, why we do it, how we do it, whether others can do it better and how residents can be more self reliant*
  - **Think differently...** *the challenges ahead require a radical rethink about how the needs of Herefordshire residents are met in the future, including different models of delivery and how we use the totality of resources across Herefordshire*
  - **Focus on outcomes...** *it is vital that Reviews focus on the benefits of services for residents and communities and what outcomes will be required for the future*
  - **Evidence based solutions...** *decisions about using resources in the future must be based on evidence of what works and what provides the greatest public value*
  - **Engage and involve...** *at all stages of the Reviews we will demonstrate how services users, employees and partners have been involved*

## Scoping

- 10 The Reviews will consist of three phases of 6 months (some flexibility will be required) from April 2012 to September 2013 as follows:

### Phase 1 – April to September 2012

- Housing, Economy and Regulation (currently being used as a Pathfinder project)
- Older People in Herefordshire
- Customer Services
- Herefordshire Streetscene

#### **Phase 2 – October 2012 to March 2013**

- Supporting Vulnerable People in Herefordshire
- Transport and Travel in Herefordshire
- Children & Young People in Herefordshire
- Safer and Stronger Herefordshire

#### **Phase 3 – April 2013 to September 2013**

- Herefordshire's Environment
- Learning and Skills in Herefordshire
- Living & Wellbeing in Herefordshire
- Herefordshire 2020

- 11 The rationale for the Reviews and the key lines of enquiry are contained with the Project Mandate at Appendix 1.
- 12 The discovery, options and recommendations phases of the reviews are expected to last around 5 months. However, some reviews may be shorter and others may be longer, depending on complexity. Delivery of change and improvements will start as soon as practical, but some longer term actions are also likely.
- 13 Reviews will take account of current projects and plans, including any pending decisions. However, short term decisions should be avoided if this is likely to reduce future flexibility.

#### **Methodology**

- 14 The outline methodology for the Reviews is set out in the Project Mandate. Reviews will follow a common methodology for rigour, challenge and consistency. The methodology has been designed to ask fundamental questions about why we provide services, not just how we do things differently and save money.
- 15 It is proposed to use five gateways for quality assurance purposes based on:
- *Discovery*
  - *Challenge*
  - *Options*
  - *Proposals*
  - *Delivery and Benefits Realisation*

## **Cabinet will receive the final report for all Reviews.**

- 16 The programme will be delivered by using existing skills and knowledge where possible, working in partnership with Hoople. Additional capacity will be brought in where necessary, using the Transformation Fund.

## **Community Engagement**

- 17 A key principle of the Reviews is engagement and involvement. To support this objective, a community engagement exercise is proposed, which will provide an up to date view from residents and partners about the priorities for Herefordshire and a strong foundation for all the Reviews. It will also link closely to the development of the Vision for Herefordshire 2020.

- 18 The review process will be undertaken in 3 component parts:

1. **The Herefordshire quality of life survey:** This is a quantitative questionnaire based process which has been undertaken a number of times in various forms. The proposed 2012 version will include questions asked in previous exercises, as well as questions which will specifically inform the root and branch review process. The inclusion of the quality of life survey in this exercise will maintain the on-going integrity of the intelligence that the survey provides – allowing for trends over time to be identified.
2. **‘Your community, your say’:** The second process, which will run in conjunction with the quality of life survey, will be a series of qualitative events, using a range of externally supported engagement methods. This will include, for example, group sessions and web forums, which will be used to add more detailed intelligence to the quality of life survey and the root and branch process about issues at a locality level across the whole county. These events will also ensure that key hard to reach sections of the community are given the opportunity to contribute. It will be important to ensure that this component of the exercise is undertaken to a high standard, as it will form the basis for future social marketing activities and will be an essential tool in the development of self-sufficient communities across the county and increasing understanding of localism.
3. **Review Based Engagement:** Where very specific issues are identified and significant changes to services are proposed, bespoke engagement or consultation exercises will be undertaken. These processes will necessarily be iterative and will concentrate on very specific issues and/ or sections of the community. Results from recent consultations will be used where still relevant.

- 19 In order to inform the review programme it is proposed that the engagement exercise is undertaken immediately. The broad timeline for this will be from April-July. The schedule of other planned consultation will be aligned to avoid duplication.

- 20 Resident and partner engagement will run alongside other initiatives to secure employee and Member engagement. In relation to Members, engagement will be through:

- Lead Cabinet Member for each Review
- Overview and Scrutiny Committee
- Local Members – through locality discussions as appropriate

Maintaining good informal communication with and between Members will be a key success criteria for the Reviews.

- 21 Employee engagement will be through a variety of means, including:

- Team Talk
- The “Why?” initiative
- Change Champions network
- Engagement of employees involved in delivering the services for each review

22 A communications plan is being produced to complement engagement – see Appendix.

### **Transformation Fund**

23 The Council agreed to allocate £1.16m of the 2012/13 Council Tax grant as a one-off Transformation Fund to support the Reviews and other transformational activity, in particular Adult Social Care. The criteria and process for the allocation of the Fund is contained in the Project Mandate.

24. The Transformation Fund is designed to help deliver projects which support the emerging root and branch programme and the development of innovative services within the reduced funding envelope for local government. Significant elements of the transformation programme must help the Council deliver financial balance in 2012/13. This is a key risk for the Council going forward.

25. The priorities for the Transformation Fund will be to support:

- a. Delivery of the Root and Branch Review Programme
- b. Projects to implement the outcome from the root and branch review;
- c. Projects that seek to change service delivery and so reduce the longer term costs to the Council of services; and
- d. Projects that support the delivery of financial balance;

### **Community Impact**

26 The Root and Branch Review Programme is likely to have a significant impact for Herefordshire, residents and public services. It is expected that there will be changes to the delivery of services, which will have some impact on all or parts of the community. During the review process, community engagement will be paramount to ensuring that decisions are informed by residents’ views and that the impact of change is understood and is acceptable.

27 As part of the review (at the proposals stage) a Community Impact Assessment will be undertaken to ensure that sustainability, affordability and social responsibility are considered.

### **Equality and Human Rights**

28 An Equality Impact Assessment will be undertaken (as part of the Community Impact Assessment) to ensure a clear understanding about the impact on equality and human rights.

### **Financial Implications**

29 The anticipated financial benefits of this project are as follows:

- **Cashable:** a reduction of in scope budgets, to be assessed at the proposal stage of each Review and contained in the final report to Cabinet
- **Non Cashable:** increased efficiency and productivity from a flexible, resilient organisation that quickly adapts to market demands and delivers relevant and appropriate services to customers to the level of quality expected

30 A Transformation Fund of £1.16m has been established to ensure that the Root and Branch Review programme and other transformational change can be delivered. The approach proposed to access the Fund is detailed in the Project Mandate (Appendix 1).

## Legal Implications

31 None identified at present. Legal advice will be taken in relation to each review proposal before it is presented for approval.

## Risk Management

32 A Risk Register is being developed for the Review Programme. The current high level risks are set out in the Project Mandate. Risks can be grouped around:

- Resources
- Delivery
- Alignment of day to day operational management whilst undertaking fundamental reviews
- Alignment between Reviews and the Future Vision
- Engagement

## Consultees

33 Involvement and consultation to date:

- Cabinet Team
- Herefordshire Public Services Leadership Team
- Senior Management Team
- Leadership Academy

## Appendices

Appendix 1 – Root and Branch Review Mandate

## Background Papers

Council Budget Papers, 3 February 2012





Rising to the challenge

Customer Focus Communities First Streamlining the Business Better Services People and Performance

# Root and Branch Reviews

## Project Mandate

Version 0.6

### VERSION HISTORY

Version	Date Issued	Brief Summary of Change	Author
0.1	2 <sup>nd</sup> March 2012	Creation of document	Steve Crooks
0.2	8 <sup>th</sup> March 2012	Updated based on feedback	Steve Crooks
0.3	12 <sup>th</sup> March 2012	Updated based on feedback	Steve Crooks
0.4	20 <sup>th</sup> March 2012	Updated based on feedback	Steve Crooks
0.5	22 <sup>nd</sup> March 2012	Updated based on feedback	Steve Crooks
0.6	27 <sup>th</sup> March 2012	Updated based on feedback	Steve Crooks

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All AD's	For review/comment	Herefordshire Council

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## 1 PURPOSE THIS DOCUMENT

The purpose of this document is to bring together the key information needed to start the Root and Branch Reviews Project on a sound basis and to convey that information to all concerned with the project.

It addresses:

- What the project is aiming to achieve
- The key products the project will deliver
- Why is it important to achieve it?
- Who is going to be involved in managing the process and what are their responsibilities?
- What risks are to be faced and how will they be managed?
- How and when is it all going to happen?
- The information Project governance groups need to manage the project
- A baseline against which the progress of the project can be measured

## 2 MANDATE

### 2.1 Why the Reviews are required

The Root and Branch Review Programme, which forms part of Rising to the Challenge, has been included within the Council's Medium Term Financial Strategy, approved by Council on 3<sup>rd</sup> February 2012. The Council also agreed to allocate £1.2m of the 2012/13 Council Tax grant as a one-off Transformation Fund to support the Reviews and other transformational activity.

The Root and Branch Review Programme is required for the following reasons:

- **Building on our achievements** - Rising to the Challenge has helped us to reduce operating costs and to make significant improvements to the way that we work, whilst also protecting front line services. It will remain the framework for the next two years. We will continue to deliver what we have said we will – but we must go much further. We will also continue to strengthen our evolving partnership arrangements
- **Rethinking the role of public services** – there is a new relationship between Government and local government and between public services and local people, defined by localism and less “top down” prescription. This new paradigm requires us to rethink the role of the Council as a community leader and to review the role of public services in Herefordshire and what we expect people and communities to do for themselves
- **Facing the challenges ahead** - as a country and in Herefordshire, we are facing major changes. These changes involve a bigger financial challenge over the next decade that we must prepare for. We are also seeing many social changes that raise fundamental questions about the role of public services in the future. These challenges require a fundamental review of everything we do, to question whether we need to do things at all and whether there are better ways of service delivery

- **Long term planning** - the Root and Branch Reviews will provide us with a long term plan for meeting the financial and social challenges ahead for Herefordshire. We will look and feel very different and we will be well placed to respond to further changes to 2020 and beyond

## 2.2 Project objectives

The objectives of the project are to:

1. Build on the Rising to the Challenge framework
2. Seek to “blend” current (in flight) projects with more fundamental thinking about what we provide in the future
3. Place engagement (resident, Member, employee, partner) at their heart
4. Follow a common methodology for rigour, challenge and consistency, using five gateways for quality assurance purposes
5. Ask fundamental questions about why we provide services, not just how we do things differently and save money
6. Ensure that programme support will be developed using existing skills and knowledge, working in partnership with Hoople

## Aims of the Reviews

The Reviews will continue to deliver the Rising to the Challenge Outcomes:

- *Greater Integration*
- *Increasing efficiency & productivity*
- *Managing with less funding*
- *Better outcomes for residents*

But the Reviews will also deliver three additional outcomes, reflecting the fundamental purpose of the Reviews:

- *Redefine the role of Herefordshire Council and other public services*
- *Set out the priorities for the next decade*
- *Rebuild budgets, with clear links between spend and results*

## Key Principles

Root and Branch Reviews will be far reaching and comprehensive. In order to ensure that the Reviews achieve the Outcomes and that we have a consistent approach across all the Review areas five key principles will be adopted by Review teams:

- **Challenge everything...** *Reviews will question all that we do, why we do it, how we do it, whether others can do it better and how residents can be more self reliant*

- **Think differently...** *the challenges ahead require a radical rethink about how the needs of Herefordshire residents are met in the future, , including different models of delivery and how we use the totality of resources across Herefordshire*
- **Focus on outcomes...** *it is vital that Reviews focus on the benefits of services for residents and communities and what outcomes will be required for the future*
- **Evidence based solutions...** *decisions about using resources in the future must be based on evidence of what works and what provides the greatest public value*
- **Engage and involve...** *at all stages of the Reviews we will demonstrate how services users, employees and partners have been involved*

## 2.3 Roles and Responsibilities

The Project Sponsor is Dean Taylor, Deputy Chief Executive & Director of Corporate Services. This project has been commissioned to fundamentally review and consider alternative options in how services are delivered to customers. Executive sponsors for each of the Reviews will be identified in the resource plan.

The Senior Users for this project are the Council Assistant Directors. Each of the Assistant Directors will be responsible for delivering the reviews.

The interim Senior Supplier will be Steve Crooks whose main duty will be to set up the programme, establish the change management approaches required to support each stage of the reviews, develop and implement the resource plan, and ensure the gateways and governance is integrated into the RTTC governance structure. This should be completed by June 2012. Delivery of the overall Root & Branch Reviews needs to be considered as part of the resource plan.

There will also be key stakeholders including those from across the Council, Members and external partners who will have influential leadership roles during the project. Each review is likely to be different and therefore the detail will be included in the resource plan. The principle of having a lead Cabinet Member for each review has been established.

The need for external suppliers to work on the project will be assessed for each review and will be built into the resource plan.

## 2.4 Scope

The project scope includes all services provided by Herefordshire Council The Reviews will consist of three phases of 6 months (some flexibility will be required) from April 2012 to September 2013 as follows and will include a pathfinder project.

The pathfinder review in phase one is Housing, Economy and Regulation which is operating to slightly different timescales of January 2012 to July 2012.

A complete list of reviews included in each phase is set out below

It is anticipated that each of the Reviews will take 5 months, however there may be some differences in duration depending on their complexity.

Reviews will address six underpinning themes:

1. **Support services:** reviewed and adjusted as programme proceeds
2. **Sustainability:** are solutions future proofed and affordable in the long term
3. **Inequalities:** opportunities to address inequality of opportunity or outcomes
4. **Prevention:** including early intervention and increased social responsibility , a key driver for change in all Reviews
5. **Localities:** how Reviews can support the development/maturity of locality working, including community integration and responsibility/accountability
6. **Partnerships:** early engagement to establish opportunities for collaboration

The impact on corporate and support services will also be considered at the end as part of Herefordshire 2020 review.

The reviews will address:

- How the in scope budget can be reduced by 20% over 2 years
- How the in scope budget can be reduced by 30% over 5 years by prevention (with or without invest to save funding)
- The methodology includes a Review checklist of fundamental questions which will challenge existing thinking and behaviours
- The methodology is underpinned by the Commissioning Framework which will ensure rigour and consistency across all reviews
- Reviews will also be based on lessons learned during the Rising to the Challenge Programme

The project will deliver the following Products:

- a) Confirmed review scope
- b) Full service costs
- c) Discovery phase outcomes
- d) Findings from the Challenge phase
- e) Options appraisals with recommended approach
- f) Proposal(s)
- g) Benefits case
- h) Business case
- i) Delivery plans and supporting documentation
- j) Benefits delivery and realisation plan



The 12 review areas, undertaken in three phases from April 2012 to September 2013, are:

Phase 1		
Housing, Economy and Regulation		
Scope	Why	Key Issues
Economic development/inward investment  Business support & services  Housing strategy and provision  All regulatory functions across People and Place  Links with other agencies and providers	Top priority: economy and jobs  Budget principle: cutting bureaucracy  Growth in housing numbers  In flight review  Significant spend circa £16m	Future opportunities for jobs and increasing wages  Links between housing, the economy and vulnerable people  Challenge our future role in regulation  Opportunities to rationalise processes and teams

Phase 1		
Older People in Herefordshire		
Scope	Why	Key Issues
Services and care pathway for older people  Assessment, day, community and residential provision across all providers  Links to the Strategic Delivery Plan for the Transformation of Adult Services and the CCG Operational Plan  Benchmarking to inform Service Re-design opportunities	Top priority across Herefordshire  Existing transformation strategy  Major area of spend  Consensus for change across all parties and agencies	Prevention and early intervention  Empower older people to support themselves without reliance on statutory services  Efficient use of resources: changing the way we do things  Enable and support more care at home or in the community  Changing the market  Links to vulnerable people review  Opportunities to build on the existing



		transformation strategy Ways to support delivery
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Phase 1		
Customer Services		
Scope	Why	Key Issues
All channels of customer contact (phone, face to face, web etc)	Commitment to review future models of delivery	Potential for a Herefordshire solution
Customer insight	High impact on residents	Hoople development
Communications	Need to join up contact channels	Use of insight to drive service change
Links to other agencies customer services	Opportunities for savings and improvements	Communications to drive behavioural change
Links to suppliers customer contact		

Phase 1		
Herefordshire Streetscene		
Scope	Why	Key Issues
Roads and paths construction and maintenance	Significant spend circa £30m	What are the priorities for investment
Street cleaning, lighting, amenities	High resident priority	Relationship between spend and outcomes
Links with regeneration, LTP etc	Need for clear vision for streets in Herefordshire	Opportunities for collaboration, including with residents
Public sector property holdings, including locality asset plans	Significant impact on Council reputation	Opportunities for devolving services to parishes etc
	In flight review (Amey contract)	Links to Amey contract review

Phase 2		
Supporting Vulnerable People in Herefordshire		
Scope	Why	Key Issues
People out of work/low incomes Families at risk Learning disability Physical disability Sensory impairment	High priority area Budget principle: to protect vulnerable people and to target resources Safeguarding priority Scope for prevention and early intervention to reduce future spend	Potential for better joint working Links to older people and children's reviews Definition of vulnerable people varies across partners Engagement and building self reliance

Phase 2		
Transport and Travel in Herefordshire		
Scope	Why	Key Issues
All forms of transport (council, partners, community, private sector providers) Access to services Travel choices/ green travel Congestion Links to the LTP etc	High priority for residents Scope for reducing spend – VFM principle Links to economy, growth and jobs In flight review	Potential for joint solutions across the statutory sector Rationalisation of contracts Optimising route planning and vehicle utilisation How do we reduce travel e.g.: use of ICT Community solutions

Phase 2		
Children & Young People in Herefordshire		
Scope	Why	Key Issues
All services for C&YP (age banded)  Children at risk  Adoption/fostering  Children's centres  Youth services  VCS provision	Safeguarding is a high priority  Current reviews of youth service/children's centres  Variable effectiveness of current provision  Scope for prevention and early intervention to reduce future spend	Potential to improve performance/quality  Potential to reduce placement costs  Potential to reduce child protection cases  Links to vulnerable people review and learning and working  Striking a balance between cost and quality

Phase 2		
Safer and Stronger Herefordshire		
Scope	Why	Key Issues
Community safety/ASB  Domestic violence  Substance misuse services  Emergency planning  Community cohesion/equalities and human rights  Volunteering  Third sector	High resident priority  Budget principle: self reliance  Reducing inequalities  Opportunities for reduced spend through prevention	Creation of multi agency teams/interventions in priority areas  Opportunities for "big society" solutions  Links to vulnerable people and regulatory services reviews

Phase 3		
Herefordshire's Environment		
Scope	Why	Key Issues
Landscape and natural environment  Conservation  Historic buildings and sites  Historic records  Countryside, footpaths and country parks  Waste	High resident priority  Visit Herefordshire priority  Regeneration priority  High cost of waste	Opportunities to promote healthier lifestyles  Promotion of tourism and inward investment  Contribution of local communities  New models of deliver  Links to living and wellbeing

Phase 3		
Learning and Skills in Herefordshire		
Scope	Why	Key Issues
Early years  Schools  Further and Higher education  Adult and community education  Apprenticeships, skills training	Linkages between learning, skills, work, income and growth  High priority for the business community  Development of the "Herefordshire education offer"  A local response to national policy changes	Pathway from education to training to skills to work  Strategic role of the Council in education  Choice of FE/HE provision in the county  How we target scarce resources across the County

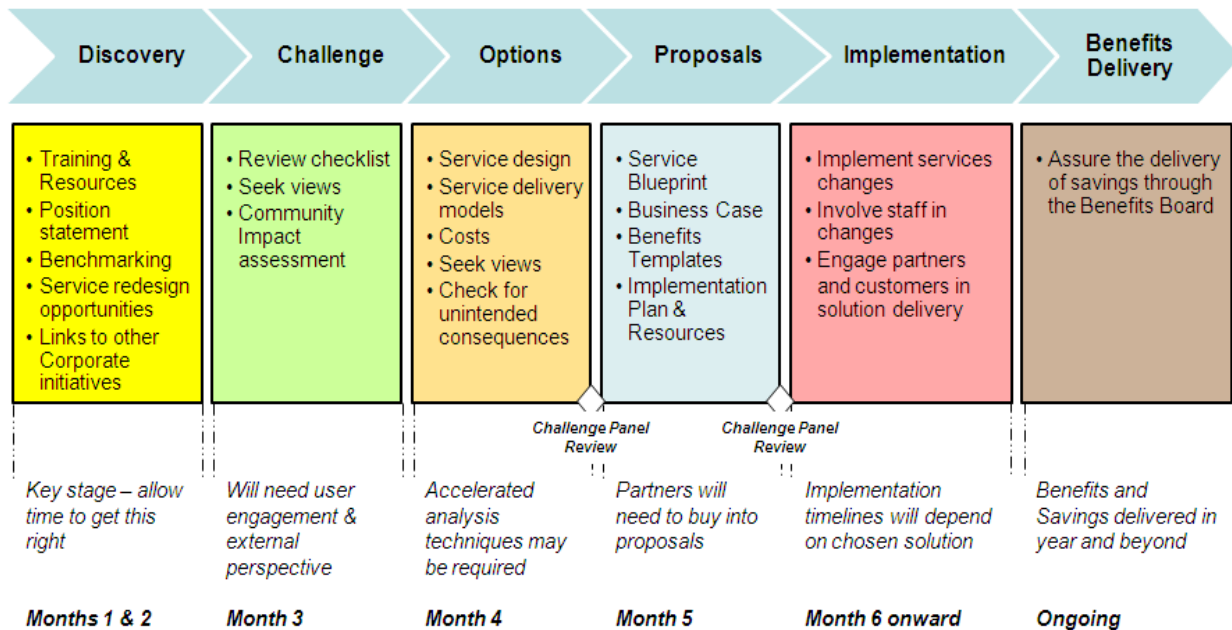
Phase 3		
Living & Wellbeing in Herefordshire		
Scope	Why	Key Issues
Culture and leisure services Community based health services Public health Links to services across other agencies, VCS and private sector providers	High priority: promotion of healthy lifestyles Budget principle: self reliance Opportunities for reduced spend through prevention	Strategies to change behaviour System leadership New public health responsibilities New models of service delivery Opportunities for collaboration Links to current review of cultural services

Phase 3		
Herefordshire 2020		
Scope	Why	Key Issues
Herefordshire Partnership(s) Council vision Council operating model Commissioning plan & market development New governance structures Links to other agencies	Partnership solutions to meet future challenges Council fit for the future Opportunities for further reduction in operating costs and third party spend Links to all other Reviews & underpinning themes	Defining the vision for 2020 – or beyond? A new operating model and locality structure Stop, Do, Buy decisions New models of delivery and markets Creating new partnerships across the county and beyond (including with residents)

## 2.5 Methodology

Reviews will follow a common methodology for rigour, challenge and consistency. The methodology has been designed to ask fundamental questions about why we provide services, not just how we do things differently and save money.

The methodology for the reviews consists of four phases: Discovery, Challenge, Options and Proposals as described in the following diagram and will be followed by Delivery and Benefits Realisation phases



The Discovery, Options and Recommendations phases of the reviews is expected to last around 5 months, however some may be shorter and some longer depending on complexity. The implementation (delivery) phase will start as soon as practical and may involve longer term actions. Implementation will be followed by Benefits Delivery which is a process to ensure that identified savings are delivered. Each review will be supported by the methodology as detailed above, the Commissioning Framework and a range of supporting templates, tools and checklists to ensure that each review is managed using a consistent approach.

## 2.6 Governance Arrangements

The governance arrangements for the project are detailed in Appendix 1.

For the purpose of reporting progress and issues, the Root and Branch Reviews will report in to the Rising to the Challenge Programme Board. For the delivery of savings the reviews will report in to the Benefits Board. Other governance arrangements are as defined Appendix 1.

## 2.7 Transformation Fund

The Council agreed to allocate £1.16m of the 2012/13 Council Tax grant as a one-off Transformation Fund to support the Reviews and other transformational activity, particularly ASC.

The Transformation Fund is designed to help deliver projects which support the emerging root and branch programme and the development of innovative services within the reduced funding envelope for local government. Significant elements of the transformation programme must help the Council deliver financial balance in 2012/13. This is a key risk for the Council going forward.

The priorities for the Transformation Fund will be to support:

- a. Delivery of the Root and Branch Review Programme
- b. Projects to implement the outcome from the root and branch review
- c. Projects that seek to change service delivery and so reduce the longer term costs to the council of services, and
- d. Projects that support the delivery of financial balance

See Appendix 2 for further details.

## 2.8 Constraints and Assumptions

The identified constraints of this project are:

- Lack of staff understanding of what the Root and Branch Reviews aim to achieve limiting the level of staff engagement achieved
- Availability of business leaders and the willingness of staff to become involved in and contribute to the reviews
- Ability of the business to be able to focus on the reviews whilst also ensuring effective operational management and delivery of 2012/13 savings.
- Timely, accurate and consistent communications to all affected parties aligned to an agreed communications strategy and plan
- Sponsorship and support by senior stakeholders
- Engagement of members and wider stakeholders

The identified assumptions of this project are:

- Senior staff will be made available to lead and support reviews
- Key (internal and external) data is there and of a quality to be of use during the reviews
- Funding remains available to backfill key resources and bring in external support where required
- There is a clear understanding of the need for change and the urgency required to deliver Reviews to agreed timelines



## 2.9 Risks and Issues

The identified risks of this project are:

Risk	Mitigation
<b>Resources</b>	
Availability of key members of staff to lead and support the reviews	Ensure that key members of staff are made available to support the reviews and back fill their current roles as and where required
Key members of staff required during the implementation phase are tied up on subsequent reviews	Phase reviews to ensure that key team members are available as, when, and where required to ensure reviews and implementations progress to plan
Insufficient experienced resource to deliver the reviews and subsequent implementations	Understand resource requirements as soon as possible for each review to ensure that key resources are freed up by the business and back filled as required
Availability of experienced project and change management resource	Use members of the Corporate Transformation Services team where available to mentor review leads and delivery teams on an as and when required basis during the reviews and subsequent implementations
<b>Implementation</b>	
Insufficient focus on implementation during the design and scoping stage of the reviews	Ensure that consideration is given to implementation requirements during each stage of the reviews
Understanding and managing the links between reviews	Throughout each review ensure that review sponsors and leads are looking for and understand links to other reviews and are aware of potential areas of conflict and links between reviews
Availability and quality of key (internal) data to support reviews	Work with internal teams as appropriate to ensure that relevant data is available and of a level of quality to be of use to the review teams
Availability and cost of relevant external benchmark data	Engage external data providers to ensure that relevant data is available during the Discovery stage of each review
Potential additional complexity and conflict as a result of 'dual leadership' of reviews	Ensure that the right combination of individuals is in place before each review commences. Make sure that roles and responsibilities are understood.
Methodology is not sufficiently well developed and robust enough to support the reviews	Sufficient time will be given at the beginning of the project to ensure that the methodology and supporting tools and templates are fit for purpose
Non delivery of identified savings to achieve ROI	The Benefits Board supported by the finance team will provide assurance that savings are delivered as agreed in business cases



Insufficient challenge and/or different solutions from the reviews	Ensure that external challenge from within and outside of the Council is used to push the boundaries during reviews
Non delivery to the agreed timeframe	Each review will be managed as a project in its own right and leads will be supported where/when required by experienced Corporate Transformation Service staff
<b>Business Conflict</b>	
Conflict between the reviews and business as usual could lead to slippage in the schedule	Ensure that the commitment of review leads and team members is understood and committed to buy the business and backfill where required to manage business as usual workload.
Recently let contracts or contracts soon to be competed could be in conflict with services being reviewed	Ensure that there is alignment between current commercial and procurement initiatives and the reviews to minimise impact of change and limiting options available during reviews.
Impact on the level and standard of services	Aim to sustain services to a high standard during the reviews, any subsequent implementation and during any period of transition.
Reputational as partners may not agree with recommended proposals	Early involvement and discussions with partner organisations to ensure understanding, support and buy-in.
<b>Alignment between Reviews &amp; the Future Vision</b>	
Not having a clear enough understanding of the 2020 Vision which is required as an input to the review process	Early engagement with relevant stakeholders to ensure that the 2020 Vision is developed and understood to inform subsequent reviews
Options from the reviews do not match the Council's Vision	As soon as there is a clear understanding of the Vision ensure that it is communicated to and understood by review leads and their teams
<b>Engagement</b>	
Ensuring that communications are accurate and timely	Communications will be managed in accordance with an agreed Communications Strategy and Plan
Stakeholder buy-in (including Cabinet)	Early transparent engagement of all stakeholders to ensure understanding, buy-in and commitment delivered in line with agreed plans
Failure to engage effectively with residents, service users and partners	Design and agree an engagement plan and act upon it

The identified issues of this project are to be completed once there is greater clarity and the reviews have commenced.

## 2.10 Communications and Engagement Plan

Communication and engagement will be a central feature of the Root and Branch Review Programme covering, residents, services users, employees, Members and partners.

The key features of our approach on communication and engagement are as follows:

- Engagement is central to all reviews and must inform decision making about options for the future
- Community engagement will be based on three interlinked processes:
  - The Herefordshire Quality of Life Survey: a postal based survey largely based on question we have used before to give trend data but with the addition of questions about future priorities
  - “Your community, your say”: a qualitative process designed to establish a deeper picture of local people’s views across each of the 9 localities and to reach harder to engage groups in the county
  - Review based engagement: targeted consultation with service users and interest groups linked to each Review
- Member engagement will be through:
  - Lead Cabinet Member for each Review
  - Overview and Scrutiny Committee
  - Local Members – through locality discussions as appropriate
- Employee engagement will be through a variety of means, including:
  - Team Talk
  - The “Why?” initiative
  - Change Champions network
  - Employee engagement in individual reviews
- Partner and other stakeholder engagement will be through existing partnership such as the Herefordshire Partnership and sub regional groupings

The proposed communications and engagement framework is set out in Appendix 3.

The objectives of this Communications and Engagement Plan are to:

- Ensure effective communication with stakeholders
- Promote employee ownership of the programme and its projects, keep staff informed and give timely opportunities for staff to engage and feedback
- Promote best practice in communication and engagement.

The Communications and Engagement Plan sets out the approach we will take to the formal aspects of communication and engagement with the wide range of stakeholders that we will be

working with throughout this project. The Plan summarises how we will seek to communicate effectively with members, partners, suppliers and our own staff and will help us to manage public perception and our reputation. In using this approach we will be able to better manage the delivery of the recommended option(s).

The Plan will be owned by the Assistant Director, Customer Services and Communications and once established and approved, under his guidance it will be managed and maintained by members of the Communications Team.

### 2.11 Scoping Stage Action Plan

A high level action plan (a day to day working document) for the scoping stage has been developed and is as set out in Appendix 4.

### 2.12 High Level Project Plan

A high level project plan for the reviews has been developed and is as set out in Appendix 5.

### 2.13 Outline Business Case

The anticipated financial benefits of this project are as follows:

- **Cashable:** a reduction of in scope budgets, to be assessed at the proposal stage of each Review and contained in the final report to Cabinet
- **Non Cashable:** increased efficiency and productivity from a flexible and resilient organisation that quickly adapts to market demands and delivers relevant and appropriate services to customers (via an appropriate channel) to the high levels of quality expected

A Transformation Fund of £1.16M has been established to ensure that the Root and Branch Review programme and other transformational change can be delivered. The approach proposed to access the Fund is detailed in the Project Mandate (Appendix 1).

### 2.14 Resources

Each review will have a team structure as follows:

- One Cabinet Portfolio Lead
- One or more Director level sponsor
- Two Assistant Directors or one Assistant Director and a Senior Manager
- Project Manager, and a
- Support team (details to be defined)

Lead roles are as set out Appendix 6.

A detailed resources plan is to be established as part of the programme setup.

### 3 Appendices

#### Appendix 1 Governance Arrangements



Root and Branch  
Governance Model

#### Appendix 2 Transformation Fund



Process for use of  
Transformation Fund

#### Appendix 3 Communication and Engagement Plan



Consultation Plan for  
Root and Branch Rev

#### Appendix 4 Scoping Stage Action Plan



Root and Branch  
High Level Action Plan

#### Appendix 5 High Level Project Plan



High Level Plan

#### Appendix 6 Resources



Root and Branch  
Reviews - Lead Roles

<b>MEETING:</b>	<b>CABINET</b>
<b>DATE:</b>	<b>5 APRIL 2012</b>
<b>TITLE OF REPORT:</b>	<b>REVIEW OF THE FORWARD PLAN</b>
<b>PORTFOLIO AREA:</b>	<b>CORPORATE STRATEGY AND FINANCE</b>

**CLASSIFICATION:** Open

### **Wards Affected**

County-wide

### **Purpose**

To review the Forward Plan and consider whether any matters should be referred to the Overview and Scrutiny Committee.

### **Key Decision**

This is not a Key Decision.

### **Recommendation(s)**

**THAT: Cabinet reviews the Forward Plan and gives a view as to whether any matters should be referred to the Overview and Scrutiny Committee.**

### **Alternative Options**

- 1 None. The Constitution requires that Cabinet reviews the Forward Plan.

### **Reasons for Recommendations**

- 2 To comply with the requirement in the Constitution that Cabinet reviews the Forward Plan and consideration is given to whether any matters should be referred to the Overview and Scrutiny Committee.

### **Introduction and Background**

- 3 Regulations require the Leader of the Council to produce a rolling Forward Plan containing details of all the matters likely to be the subject of key decisions in the relevant authority for a period of 4 months. The Forward Plan is to be updated on a monthly basis and a new Forward Plan is required to be produced at least 14 days prior to the Plan coming into effect.
- 4 The provision at section 3.3.5.1 of the Constitution, in accordance with Regulations and as amended following Council 18 November 2011, defines:

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Further information on the subject of this report is available from  
Sally Cole, Democratic Services, on (01432) 260249

a Key Decision shall only be taken by the Cabinet or Cabinet Member and is:-

- a Any decision in relation to an Executive function which results in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.
- b Any other Executive decision which in the opinion of the Monitoring Officer is likely to be significant in terms of its effect on:
  - Two or more wards or electoral divisions
  - One ward (unless the number of those affected is very small or it is impractical to treat this as a Key Decision)

And having regard to:

- The strategic nature of the decision
  - Whether the outcome will have an impact, for a better or worse, on the amenity of the community or quality of service provided by the authority to a significant number of people living or working in the locality affected.
- 5 Sections 3.3.5.2 and 3.3.5.3 of the Constitution explain factors to be taken into account in determining whether something is a key decision.
  - 6 Paragraph 4.4.12.2 of the Constitution states that *“The Forward Plan must be reviewed regularly at meetings of the Cabinet and the Chairman of the Overview and Scrutiny Committee will be asked to indicate those matters that in his/her view should be referred to the Overview and Scrutiny Committee. The Leader will determine which matters should be referred taking into account the views of the Chairman of the Overview and Scrutiny Committee. Referred matters will be subject to a report to the Overview and Scrutiny Committee prior to the decision being taken at Cabinet. The views of the Overview and Scrutiny Committee will be reported to the Cabinet before the decision is taken.”*
  - 7 It is intended that quarterly reports will be made to Cabinet on the Forward Plan in accordance with this provision. A copy of the current published Forward Plan dated 1 April to 31 July 2012 is appended.
  - 8 Whilst the constitutional requirement is specifically in relation to Key Decisions contained in the Forward Plan, given the Executive's wish to maximise the value that Overview & Scrutiny can add to policy development, and in the interests of good governance, a broader Cabinet work programme is being developed and will be used to inform future quarterly reports to Cabinet on this issue.

## **Community Impact**

- 9 The Forward Pan sets out key decisions which are significant having regard to the relevant budget or are significant in terms of their effect on communities.

## **Financial Implications**

- 10 The cost of the scrutiny of any issues arising from the Forward Plan will have to be met from within existing budgets.

## **Legal Implications**

- 11 The Council is required to produce a Forward Plan by the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 (as amended). The Constitution requires Cabinet to consider the Forward Plan.

## **Risk Management**

- 12 There is a reputational risk if the content of the Forward Plan is unsatisfactory.

## **Consultees**

- 13 None on this report.

## **Appendices**

- 14 Current Forward Plan 1 April – 31 July 2012

## **Background Papers**

- None.





## HEREFORDSHIRE COUNCIL FORWARD PLAN

**1 APRIL 2012 - 31 JULY 2012**

This Forward Plan gives notice of all those matters about which the Council proposes to take key decisions during the period 1 April 2012 - 31 July 2012.

Key Decisions are defined as:-

- a) Any decision in relation to an executive function which results in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant, or
- b) Any other decision which in the opinion of the Monitoring Officer is likely to be significant in terms of its effect on:
  - Two or more wards or electoral divisions
  - One ward (unless the number of those affected is very small or it is impractical to treat this as a Key decision).

Details of key decisions, which can be anticipated at this stage are set out in the Schedule. The Forward Plan covers a period of four months but is updated monthly on a rolling basis. Details of other key decisions will be included in the monthly updates of the Forward Plan as the need for them is identified.

The Schedule identifies, in relation to each item, details of whom it is proposed to consult; how representations can be made; and the documents, which have been submitted to the decision maker for consideration. Other documents may be submitted and, at least five clear days before the decision in question is taken, a report will be submitted to the decision maker, which identifies the options and the consultations undertaken. Copies of any such reports or documents, which do not contain exempt or confidential information, can be inspected or obtained by contacting:

Telephone: (office hours **(01432) 260249**)/e-mail: **scole@herefordshire.gov.uk**.

Please contact us if you require further guidance.

**\* Cabinet Members**

**Leader – JG Jarvis**

**Deputy Leader – PD Price**

**AJM Blackshaw**

**H Bramer**

**PM Morgan**

**RJ Phillips**

**DB Wilcox**

**Corporate Strategy and Finance**

**Corporate Services and Education**

**Highways, Transportation and Sustainability**

**Major Contracts**

**Health and Wellbeing**

**Enterprise and Culture**

**Environment, Housing and Planning**

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Herefordshire Council, Brockington, 35 Hafod Road, HEREFORD HR1 1SH

**Publication Date – 16 March 2012**

## HEREFORDSHIRE COUNCIL FORWARD PLAN

**1 APRIL 2012 - 31 JULY 2012**

Item No.	I50000194
Title:	<b>PROCUREMENT OF SERVICES TO SUPPORT THE DELIVERY OF HEREFORDSHIRE'S YES WE CAN PLAN FOR CHILDREN AND YOUNG PEOPLE</b>
This is a Key Decision because:	It is likely to result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.
Purpose:	To seek approval to commit funding over £500k in the procurement of services for children and young people, in line with the priorities set out in Herefordshire's Yes We Can Plan and based on evaluation of current contracts, equality impact assessments and information from the Joint Strategic Needs Assessment. Tenders for the contracts are currently being received and considered under the Council's procurement rules.
Decision Maker:	Cabinet Member Health & Wellbeing
Lead Cabinet Member	Councillor PM Morgan, Cabinet Member Health & Wellbeing
Date first entered onto Forward Plan	16 November 2011
Date of Decision:	28 March 2012
Proposed Consultation:	Consultation has already taken place.
Representations regarding consultation should be made in writing to:	Philippa Granthier, Head of Children's Services Commissioning 01432 260226
Representations regarding consultation should be made before:	Not applicable.
Relevant Documents:	Yes_We_Can_plan_2011

Item No.	I50001194
Title:	<b>SUPPLEMENTARY AGREEMENT AND DEED OF VARIATION TO THE RETAIL QUARTER (OLD LIVESTOCK MARKET) DEVELOPMENT AGREEMENT</b>
This is a Key Decision because:	It is likely to result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.
Purpose:	<p>To seek Cabinet approval for the signing of:-</p> <ol style="list-style-type: none"> <li>1. a Deed of Variation (of the Development Agreement) between Herefordshire Council, Hereford Futures and Stanhope Plc.</li> <li>2. a Deed of Novation between Herefordshire Council, Hereford Futures, Stanhope Plc and British Land Plc.</li> <li>3. an Option Agreement between Herefordshire Council and British Land.</li> </ol> <p>Cabinet approval of these Agreements, which will vary some of the terms contained in the 2009 Development Agreement, will enable Stanhope Plc to secure funding to deliver the Retail Quarter (Old Livestock Market) redevelopment from British Land Plc, one of the UK's largest property companies and the benefit of their long term approach and influential relationship with retailers.</p>
Decision Maker:	Cabinet
Lead Cabinet Member	Councillor RJ Phillips, Cabinet Member Enterprise & Culture
Date first entered onto Forward Plan	16 March 2012
Date of Decision:	5 April 2012
Proposed Consultation:	None as the report details the finalisation of the commercial negotiations between the Council, Hereford Futures and Stanhope Plc with regard to the Retail Quarter redevelopment.
Representations regarding consultation should be made in writing to:	None
Representations regarding consultation should be made before:	None

Relevant Documents:	Supplementary Agreement to the existing Hereford Futures Retail Quarter Development Agreement - Cabinet Member Report - 10 September 2010
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Item No.	I50000197
Title:	<b>PROCUREMENT OF SERVICES TO SUPPORT THE DELIVERY OF HEREFORDSHIRE'S ADULT SERVICES</b>
This is a Key Decision because:	It is likely to result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.
Purpose:	To seek approval to commit funding over £500k in the procurement of services for Adults in line with the Service Plan and based on an evaluation of current contracts, equality impact assessments and information from the Joint Strategic Needs Assessment. Tenders for the contracts are currently being received and considered under the Council's procurement rules.
Decision Maker:	Cabinet Member Health & Wellbeing
Lead Cabinet Member	Councillor PM Morgan, Cabinet Member Health & Wellbeing
Date first entered onto Forward Plan	16 November 2011
Date of Decision:	24 May 2012
Proposed Consultation:	Consultation has already taken place.
Representations regarding consultation should be made in writing to:	Anne Carswell, Interim Programme Director: Adult Social Care 01432 347622
Representations regarding consultation should be made before:	Not applicable.
Relevant Documents:	

Item No.	I50000198
Title:	<b>CHILDREN'S CENTRE REVIEW</b>
This is a Key Decision because:	It is likely to be significant in terms of its effect on: <ul style="list-style-type: none"> <li>• Two or more wards or electoral divisions</li> <li>• One ward (unless the number of those affected is very small or it is impractical to treat this as a key decision).</li> </ul>
Purpose:	The report will detail the results of a consultation on the future model for children centre delivery in Herefordshire. The options being consulted on are: <ol style="list-style-type: none"> <li>1. Local authority continues to run children centre delivery directly, through a strategic delivery model;</li> <li>2. A mixture of commissioned and directly delivered services</li> <li>3. Children centre delivery is fully commissioned</li> <li>4. A social enterprise model of delivery.</li> </ol>
Decision Maker:	Cabinet
Lead Cabinet Member	Councillor PM Morgan, Cabinet Member Health & Wellbeing
Date first entered onto Forward Plan	16 November 2011
Date of Decision:	14 June 2012
Proposed Consultation:	Under the compact agreement a 12 week consultation will be undertaken between January and March 2012
Representations regarding consultation should be made in writing to:	Tina McGrath, Head of Locality Services 01432 261921
Representations regarding consultation should be made before:	31 March 2012
Relevant Documents:	Children's Centre Review Consultation Document Providers Questionnaire Parent and Carer Questionnaire

Item No.	I50000789
Title:	<b>THE YOUTH SERVICE REVIEW</b>
This is a Key Decision because:	<p>It is likely to result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant:</p> <p><b>And</b></p> <p>It is likely to be significant in terms of its effect on:</p> <ul style="list-style-type: none"> <li>• Two or more wards or electoral divisions</li> <li>• One ward (unless the number of those affected is very small or it is impractical to treat this as a key decision).</li> </ul>
Purpose:	<p>A review of the Herefordshire Youth Service was commissioned following the budget setting process undertaken in February 2011. The purpose of the review was to:</p> <ul style="list-style-type: none"> <li>• identify ways in which the vision for young people's services could be achieved.</li> <li>• address how youth work could be directed more toward targeted intervention, and ensuring the needs of the most vulnerable are met, utilising youth work skills.</li> <li>• establish how communities and the voluntary sector could be better engaged in improving universal provision, and making it more locally relevant and available.</li> <li>• identify how reductions to the current youth service budget could be achieved.</li> </ul> <p>The purpose of this report is for Cabinet to be advised on the results of public consultation on recommendation made to Cabinet on 15<sup>th</sup> December 2011 and to seek agreement on a preferred model for the future delivery of youth service functions in Herefordshire.</p>
Decision Maker:	Cabinet
Lead Cabinet Member	Councillor PM Morgan, Cabinet Member Health & Wellbeing
Date first entered onto Forward Plan	16 November 2011
Date of Decision:	14 June 2012
Proposed Consultation:	Full public consultation taking place for 12 weeks between 30 <sup>th</sup> January and 20 <sup>th</sup> April 2012.
Representations regarding consultation should be made in writing to:	Kathy O'Mahony Assistant Director Children & Young People's Provider Services - 01432 260802

Representations regarding consultation should be made before:	20 April 2012
Relevant Documents:	

Item No.	I50001275
Title:	<b>EDGAR STREET GRID LINK ROAD AND URBAN VILLAGE</b>
This is a Key Decision because:	It is likely to result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.
Purpose:	To consider invoking appropriate powers to enable the making of a Compulsory Purchase Order (CPO) and Side Roads Order (SRO) for the acquisition of land, easements and rights of access over land for the construction of a link road between Edgar Street (A49) and Commercial Road (A465) and the subsequent creation of linked development plots.
Decision Maker:	Cabinet
Lead Cabinet Member	Councillor RJ Phillips, Cabinet Member Enterprise & Culture
Date first entered onto Forward Plan	16 March 2012
Date of Decision:	14 June 2012
Proposed Consultation:	Extensive consultation has been conducted on the Link Road project through the Edgar Street Grid Masterplan adoption and the obtaining of planning permission for the Link Road. No further consultation is proposed on the decision to make a CPO and SRO.
Representations regarding consultation should be made in writing to:	Consultation has taken place.
Representations regarding consultation should be made before:	Consultation has taken place.
Relevant Documents:	None

Item No.	I50001278
Title:	<b>FUTURE OF AMEY STRATEGIC PARTNERSHIP</b>
This is a Key Decision because:	<p>It is likely to result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant:</p> <p>And</p> <p>It is likely to be significant in terms of its effect on:</p> <ul style="list-style-type: none"> <li>• Two or more wards or electoral divisions</li> <li>• One ward (unless the number of those affected is very small or it is impractical to treat this as a key decision).</li> </ul>
Purpose:	To consider the future of the Amey Strategic Partnership.
Decision Maker:	Cabinet
Lead Cabinet Member	Councillor H Bramer, Cabinet Member Major Contracts
Date first entered onto Forward Plan	16 March 2012
Date of Decision:	14 June 2012
Proposed Consultation:	Consultation has already taken place.
Representations regarding consultation should be made in writing to:	Consultation has already taken place.
Representations regarding consultation should be made before:	Consultation has already taken place.
Relevant Documents:	None.



**POLICY FRAMEWORK**

<b>PLAN/STRATEGY</b>	<b>DATE OF CABINET</b>	<b>DATE OF COUNCIL</b>	<b>CONTACT</b>
Herefordshire Community Safety Strategy	16 April 2012	July 2012 (date to be confirmed)	Director for Places and Communities
Yes We Can Plan Refresh	14 June 2012	July 2012 (date to be confirmed)	Director for Peoples Services
Local Transport Plan	14 June 2012	July 2012 (date to be confirmed)	Director for Places and Communities
Local Development Framework	14 June 2012	July 2012 (date to be confirmed)	Director for Places and Communities

**Additional Information relating to Forward Plan Items:**

<b>Item</b>	<b>Reason for change</b>
Guiding Principles for the Herefordshire Learning Community	Item removed as is an important decision but not a key decision. The report will be tabled at the Cabinet meeting on 19 April 2012. This item has moved to 10 May 2012 Cabinet meeting.
Vision for Adults in Herefordshire – <b>Renamed Strategic Delivery Plan for Adults</b>	Item removed as is an important decision but not a key decision. The report will be tabled at the Cabinet meeting on 19 April 2012.
Joint Corporate Plan	This has moved to September 2012 Cabinet and November 2012 Council from its original March 2012 date to fit in with the Budget Process.
Yes We Can Plan	This item has moved to 14 June Cabinet and July Council (date to be confirmed).
Procurement of Services to support the delivery of Herefordshire's Yes We Can Plan for children and young people	The tendering process will not be completed within the time frame for a decision to be taken on 15 March 2012. Therefore the decision date will be 28 March 2012.
Procurement of Services to support the delivery of Herefordshire's Adult Services	This item has moved to 24 May 2012. This is the first year that the service has worked with the Centre of Excellence on procurement of this scale. It has taken more time than anticipated and for this reason the date of the decision has been moved to May. Please note an additional final sentence has been added to the Purpose of the Procurement Services item.



<b>MEETING:</b>	<b>CABINET</b>
<b>DATE:</b>	<b>5 APRIL 2012</b>
<b>TITLE OF REPORT:</b>	<b>INTEGRATED CORPORATE PERFORMANCE REPORT TO END OF FEBRUARY 2012</b>
<b>PORTFOLIO AREA:</b>	<b>CORPORATE SERVICES AND EDUCATION</b>

**CLASSIFICATION:** Open

### **Wards Affected**

County-wide

### **Purpose**

To provide Cabinet with an overview of performance against the Joint Corporate Plan 2011-14 for the first 11 months of 2011-12.

### **Key Decision**

This is not a Key Decision.

### **Recommendation**

**THAT:**

- (a) **Cabinet considers performance to the end of February 2012 and the measures being taken to address the areas of under-performance**

### **Key Points Summary**

- The proportion of performance measures achieving or better than target is 49.3%, compared to 54.4% at the end of October. The proportion improving against the same period last year is 50%, compared to 68% at the end of October. Performance against target is broadly similar to last year.
- The majority of projects are currently being delivered to schedule.
- The nature of indicators selected for the Joint Corporate Plan means that not all have data reported at the same time / frequency. Those that have data available at this point of the year are summarised by priority in paragraphs 7 to 10 below.
- The overall revenue budget position for the Council at the end of February shows a projected £634k overspend. The key area of concern continues to be the People's Services Directorate, with a projected £4.6m overspend. The major area of overspend within People's Services is commissioning of adult services, where there is an underlying overspend position and continuing demographic pressures.

## Alternative Options

1. The Joint Performance Improvement Framework provides that Cabinet will formally review performance against the Joint Corporate Plan quarterly. There are therefore no alternative options.

## Reasons for Recommendations

2. To ensure that progress against the priorities, targets and commitments, as set out in the Joint Corporate Plan 2011-14, are understood. Further, to ensure that the reasons for important areas of actual or potential under-performance are understood and are being addressed to the Cabinet's satisfaction.

## Introduction and Background





3. The Integrated Corporate Performance Report is a regular report, focusing on progress towards achievement of the six themes (34 outcomes) in the Joint Corporate Plan 2011-14. Progress is measured through the management and monitoring of selected performance indicators and projects.
4. The Joint Corporate Plan 2011-14 has 151 performance measures. Because of the nature of the indicators and the lag in data availability, only 71 have been reported on at the time of this report. The remaining 80 measures are primarily annual performance measures that are either reported for the calendar year, and should be available for the Cabinet report in March or financial year and should be available at year end.
5. The more detailed financial context for this report is set out in the budget monitoring report elsewhere on your agenda.
6. Broadly based on a balanced scorecard approach, the following six elements (A-F) have been identified to provide an overview of the key issues that enable HPS to achieve the desired outcomes of the Joint Corporate Plan. These elements are monitored bi-monthly by the Herefordshire Public Services Leadership Team.

## Key Considerations

### A – Performance against indicators

7. The nature of the indicators selected for the Joint Corporate Plan means that not all have data reported at the same time / frequency. In particular, some indicators are only reported annually. These are only reported at the appropriate time in the year. HPSLT can assure themselves that appropriate in year actions are being taken to maintain good performance or improve it where necessary through the delivery of the key projects in the JCP.
8. A large range of data is used to assess the quality of services provided and aid decision making. HPS is committed to ensuring that its performance data is both reliable and accurate. Performance against target is broadly similar to last year. The direction of travel is 50%, the same as at year-end last year, although significantly below the 68% reported at the end of October. When considering the direction of travel it needs to be recognised that the majority of performance measures in the JCP have no historic data to allow a judgement to be made, and comparisons with last year are made against a different indicator set.
9. Analysis of the figures illustrates a possible issue with our approach to target setting in some areas, with a need to balance our aspirations, with achievability.

10. Bi-monthly, HPSLT monitors performance against a range of indicators for each of the themes in the Joint Corporate Plan; this is summarised in the next 2 tables and full details are shown in Appendices 2a and 2b for those indicators that are significantly under or over achieving.

					
Theme	No. of indicators monitored this quarter	More than 10% ahead of target	Achieved or exceeding target by less than 10%	Up to 5% behind target	More than 5% behind target
Create a thriving economy	12	1 8.3%	4 41.7%	3 16.7%	4 33.3%
Improve health and social care	16	4 25%	6 37.5%	1 6.25%	5 31.25%
Raise standards for children and young people	19	1 5.3%	4 21.1%	2 10.5%	12 63.1%
Promote self reliant local communities	11	0	4 36.4%	0	7 63.6%
Create a resilient Herefordshire	8	4 50%	3 37.5%	0	1 12.5%
Commission the right services	5	3 60%	1 20%	0	1 20%
<b>Total</b>	<b>71</b>	<b>13</b> <b>18.3%</b>	<b>22</b> <b>31%</b>	<b>6</b> <b>8.5%</b>	<b>30</b> <b>42.2%</b>

	% of indicators improving compared to last year
Create a thriving economy	3 / 4 75%
Improve health and social care	4 / 5 80%
Raise standards for children and young people	3 / 5 60%
Promote self reliant local communities	1 / 7 14%
Create a resilient Herefordshire	1 / 5 20%
Commission the right services	2 / 2 100%
<b>Total</b>	<b>14 / 28</b> <b>50%</b>

## Directorate summary reports on performance

11. The following directorate reports provide a more in-depth overview of performance than the review of indicators and projects in appendices 2a and 2b alone. The directorate reports reflect not only on performance against the JCP, but also on other performance issues that may have an impact on delivery of the JCP.
12. **Places and Communities**

### *What has gone well?*

- February figures show positive performance in respect of both the number of crimes recorded in the County and the number of recorded assaults with less serious injury with reductions in the number of both bringing performance back on target and better than at the same period last year. There have also been significant improvements in the percentage of respondents to the crime and safety survey who feel completely/very safe in their local area up to the end of December 2011.
- The target for the number of properties improved as a result of direct action by the Local Authority or Home Improvement Agency has been achieved.
- The number of people killed or seriously injured in road traffic accidents has performed better than target within 2011, with a further reduction in the numbers achieved in 2009 and 2010. The challenge will be to sustain this level.
- There has been a very pleasing increase in street and environmental cleanliness represented by significant percentage decreases in the number of fly-tipping, litter, abandoned vehicles, fly-posting and dog fouling incidents reported.

### *Examples of projects/schemes currently progressing well are:*

- The project to determine the future delivery of Cultural Services is progressing well; three options for the future management of Cultural Services were presented to cabinet in December 2011, with agreement to conduct further activity to consider the options. Overview and Scrutiny Committee took place on 21st February 2012 with a recommendation to pursue of Option 2. The Public consultation ran until 16th March, and will be part of a package of information that will shape the final recommendation.
- An Agreement has been signed to hold a Paralympic Torch Event in Herefordshire over the 24/25/26 August 2012.
- In the area of Regeneration Programmes a significant amount of external funding has been secured for Herefordshire, initial calculations suggest in excess of £2 million, by both voluntary and community sector and statutory partners following the intervention of project development advice and support from the service. Early indications suggest that this figure could increase again before the end of the current financial year.
- The Destination Hereford Project has now begun with the Scheme Elements ready for the official launch of 'Destination Hereford' in April 2012. The Sustainability Team have been successful in a joint expression of interest with the Bulmer Foundation to the Big Lottery's Sustainable Communities Fund and have been awarded £10k to develop a 5 year, £1m bid in order to embed carbon awareness and management across the County.
- In respect of the South Wye Locality Working project; work at Belmont Haywood Country Park continues to progress well while Belmont Pools has been written up as a case study,

that has delivered on a number of levels; including excellent partnership working, improving the local environment and reducing antisocial behaviour. In addition the joint project to set up a National Skills for Construction Academy between Herefordshire Council, Hereford Futures and South Wye Regeneration Partnership is also progressing well.

- Building work is progressing well on the establishment of a Tennis Kiosk and Bike Hire facility on the King George V Playing Fields and is on target for completion at the end of March 2012.

*What has not gone so well?*

- Significant challenges remain in respect of Repeat Instances of Domestic Violence. Work is underway to investigate the issues and background to performance against this indicator with a number of partners. It will continue to be a focus for discussion at the joint HPSLT/SMT performance meetings. The main focus of the Domestic Abuse forum is to prevent and reduce the risk of domestic abuse and sexual violence. By identifying issues early it is hoped that this will enable people to make positive changes in their lives. The forums role is also about ensuring that victims have access to the right information, advice and support. The forum is responsible for the local delivery of MARAC and any performance and issues. It should be noted that having a high number of repeat cases may not be necessarily negative. It may also evidence that agencies and partners are working well together and that they are getting those high risk cases back into the system quickly.
- Housing market conditions remain extremely challenging and significant effort has resulted in affordable housing delivery despite the broad housing development market having stagnated. The target for 2012/13 is being set with this in mind, however it is likely that the revised in-year target of 90 will be met. Performance on bringing empty properties back into use is positive and the team have been successful in securing funding for empty property work from the HCA in partnership with 2 of our leading RSL's and the HCA remain impressed with our empty property approaches.
- The challenge in the area of Private Sector Housing remains the degree to which the withdrawal of national renewal funding has removed the ability of Handyperson services through the HIA to offer small grants to fund small works of improvement, safety or adaptation. The Private Sector Housing Team successfully bid for £187k funding recently to support vulnerable/older people to stay warm and safe in a partnership with the voluntary sector. Discussions with Peoples Services are exploring what opportunities exist to continue with Handyperson works to support prevention strategies beyond 2011/12.; and we have discussed the recycling of equipment etc.
- The number of households in temporary accommodation are currently still over the target level of 82; however, the Housing Solutions service is performing well in keeping homelessness levels and temporary accommodation usage broadly stable and B+B use is being closely controlled. The focus for the remainder of the financial year will be to reach target of 82 through the continued use of prevention activities.
- In terms of the processing of major planning applications it appears that the target of 70% will not be met. However, we are dealing with small numbers of applications on which often detailed negotiations and legal agreements are required which inevitably prolong the process. The processing of both minor and other planning applications are both performing noticeably better and are both above target to date.

*What has been done to rectify these problems?*

- In addition to the actions above we review all areas of performance on a regular basis and concerns are raised with assistant directors and service managers to ensure that remedial actions are put in place to ensure we can deliver against agreed or revised targets in agreement with HPSLT, and Cabinet Members.
- As a directorate we continue to review our action plans and targets for the forthcoming period through performance sessions at DMT.

*Major Contract/Commissioning Agreements update:*

- In terms of performance all former National Indicator and Corporate Plan targets relating to the waste collection and disposal contracts continue to be met. A number of initiatives are underway that lie within the scope of the current waste collection budget and are aimed to reduce landfill costs and pressures on the waste disposal budget. Halo commissioning framework is being developed for 2012-13 to consider performance and funding arrangements. In terms of the Amey Contract the business is now running at 148 days RIDDOR free (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations). The sickness percentage has improved from November to December, mainly as a result of a major focus on both long and short term absenteeism within the business. Improvements to GIS and asset information continue to remain the focus of the business with key data being used to feed into the development of the innovation strategy. Focus will be made on implementing a number of the ideas through the work innovation forum.
- Areas of concern include the risks associated with not securing planning permission of the proposed Energy from Waste (EfW) plant in Worcestershire; Worcestershire County Council's Planning Committee unanimously agreed to approve a "minded to grant Planning Permission" decision for a new 200,000 tonne Energy from Waste plant at Hartlebury in Worcestershire. The Planning Application has been called in by the Secretary of State and the Planning Inquiry was held on the 20th November 2011 at County Hall, Worcester with a decision expected by 23rd April 2012. Outside of this the Contractors continue to meet or exceed the targets contained within the Waste PFI (and relevant variations) for diversion from Landfill. A long list tender process for EPC contractor to build the new EfW plant is currently being evaluated.
- Waste collection and the Amey Service Delivery Partnership are delivering outcomes required and are expected to deliver in accordance with the budgets. Discussions are underway with Amey to consider the future development of the partnership in the light of performance.

**13. People's Services**

*What has gone well?*

- Seasonable flu vaccination is the highest in the West Midlands for over 65s and second highest for all other vulnerable groups.
- Progress is being made with personal budgets which now stand at 19%. This means more people in Herefordshire have choice and control over their support. Herefordshire is part of a regional quality initiative to improve the work and impact of personalisation, and the outcomes of that work will be fed into the performance reporting during the spring.
- Service specifications for commissioned services for adults and children have been developed. Providers are now being engaged in this work and the service specifications have improved.



- The Ageing Well project (undertaken in conjunction with the Office for Public Management) has commenced in Bromyard, identifying locality solutions for older people.
- Children's budget management is improving. With regard to the Complex Needs Solutions budget this is tightly managed and there is more robust challenge and multi agency solutions. The LAC strategy and edge of care work is providing benefits to children and families as well as assisting with the budget pressures.
- Timeliness of core assessments and initial child protection conferences in children's social care has now improved following focused action to address performance concerns.
- Children's Centre Ofsted inspections in this quarter have been solid. The Bromyard Children's Centre which is managed by HOPE was rated Good with outstanding features. The Kington Children's Centre was rated Good.
- The Community Safety Partnership and Health & Wellbeing Board have agreed to have a single alcohol harm strategy for Herefordshire.
- Under the Trading Services Redress service, £87,428 has been recovered for residents of Herefordshire who have complained about traders in Herefordshire.
- There have been improvements in outcomes across the Early Years Foundation Stage and Primary Schools in the published 2011 assessments and tests.
- Pupil Referral Unit provision is improving and the executive head teacher role across pupil referral units has been very successful.

*What has not gone so well?*

- a) Although progress continues to be made in relation to childhood immunisation, smoking cessation and health checks, we are not yet at target. Work is being undertaken with the providers to improve performance in these areas.
- b) The number of children with Child Protection Plans continues at its high level. This has workload and cost implications for all agencies. There has been a 60% increase in the number of children subject to Child Protection Plans. Although there has been a rise nationally, the number of children in the Herefordshire Child Protection system is 50% higher than statistical neighbours. There has also been a 23% increase in looked after children over the last three years, which is just below the national average, but is 20% higher than statistical neighbours. The most recent national data is being analysed, although it is clear the growth in looked after children is also a national trend.
- c) A Care Quality Commission Inspection of the Adult Placement Scheme, managed by Wye Valley Trust, found that service users support plans had not been kept under review.
- d) Vacancies in children's social care and the use of agency workers are still causing budgetary pressures. Due to location, pay, house prices and some issues relating to immigration rules, Herefordshire finds it more difficult than other authorities to attract experienced social workers. Conversely, recruitment of newly qualified social workers is better than many other authorities.
- e) The percentage of young people not in education, employment or training (NEET) stands at 7.2% or 336 16-18 year olds at the end of December 2011. This compares to 6.7% or 314 16-18 year olds in December 2010.

- f) The adult transformation programme and QIPP delivery is still a very high risk. The NHS transition changes are having an impact on the local commissioning arrangements, with a potential negative impact in areas such as senior capacity for Safeguarding Board work.

*What has been done to rectify these problems?*

- a) The Local Medical Committee has agreed to all GP practices operating a standardised Failsafe system to identify children not yet immunised, Wye Valley NHS Trust has improved timeliness of data entry into the child health system and options are being developed for Health Visitors to immunise children whose parents do not respond to repeated requests to bring their child to the GP surgery for immunisation. Benchmarking data is being sent regularly to all practices to identify those practices that are not achieving the failsafe system standards, and poor performance is being followed up with the individual practices concerned. Following a training event in March all GP Practices covering 93% of the population have now signed a contract and been provided with necessary equipment and software to provide Health Checks and will all have started to offer Health Checks by the end of March 2012. A further 4.2% of the population are covered by practices that do not want to provide Health Checks but are willing to send out the offer of a Health Check at another practice. The barriers to offering Health Checks to the last 2.6% of the population are being explored to find a resolution. There is large variation in the quit rate between providers of smoking cessation support. The focus of activity to improve performance is to improve the quit rate of the poorly performing providers. A No Smoking Day social marketing campaign has been developed to run in March, and national Quit Kit campaigns are being locally enhanced.
- b) Substantial analysis of the issues contributing to the rise in the number of children subject to child protection plans and looked after has been undertaken. This has led to a greater, and shared, understanding of the issues across all agencies. The Herefordshire Safeguarding Children Board has commissioned an action research project to understand and address the issues. The report will be available by the end of April. Both Safeguarding Adults and Children Boards are developing their approach to system wide performance improvement and will be ensuring that safeguarding features more strongly within the coming year's integrated needs assessment, in order to address these trends.
- c) An action plan to improve the quality of the Adult Placement Scheme has been developed by Wye Valley Trust, agreed with Care Quality Commission and monitored in the Section 75 review meetings. Joint reviews with Social Workers and Adult Placement support workers have commenced and are being prioritised by outstanding review date.
- d) In terms of social worker recruitment a clear strategy has been developed in conjunction with Corporate Services to alleviate the pressure over a three year timeframe.
- e) The Council has secured an external grant to fund in-depth research into the NEET population to inform a new action plan for 2012-2013.
- f) In relation to financial management arrangements, whilst some changes have been made, KPMG have completed their analysis of systems within the Council, PCT, Hoople, 2gether and Wye Valley to enable a more robust improvement plan to be drawn up to take effect from April 2012. Action is being taken to maximise the use of uncommitted monies to offset pressures. Joint planning is taking place between the HealthCare Commissioners, the Council and providers to build on the changes to reablement, enablement, neighbourhood teams and market development this year, to ensure the ongoing implementation delivers the very challenging financial requirements facing the council and the NHS, whilst ensuring quality and dignity in care is not compromised.

## 14. Corporate Services

An overview of performance for Finance, Customers and Employees appears in Sections C, D and E. For other areas of Corporate Services:

### *What has gone well?*

- The Customer Relationship Management System (CRM) is now live and this has immediately reduced costs. The new system provides us with a flexible platform, which is easier to integrate to back office IT systems. The integration of front and back office systems will allow further cost reduction as business processes are streamlined.
- The new web content management system, Beta.herefordshire.gov.uk, is now live and publicly available listing the full waste and recycling service. The web page content has been changed to a more user friendly format. Feedback from the general public on the changes has been very positive. This feedback has also helped inform the implementation of further web pages.
- An internal audit of the treasury management function has provided a **Substantial Assurance** Audit Opinion, which is the highest level of assurance. It concluded that the Council has a good control framework in place, clear and effective high level controls and robust day to day operational controls.
- Work is continuing between Council and NHS colleagues on managing the transition from the PCT to the new Clinical Commissioning Group and the transfer of public health responsibilities. This involves significant change for employees. In parallel, the local support services offer to the clinical commissioning group, based on our current integrated services within the Council and Hoople, is being developed in conjunction with other NHS functions at a national and cluster level.
- A new telephony system for the customer services centre which will support a faster response time for customers has been selected. The work on the new telephony system, together with the Single Active Directory for the Intranet and Electronic Document Management systems, are key foundations enabling more flexible ways of working for staff with much lower ratios of workstations to people – this is a key pre-requisite for the accommodation project.
- A number of engagement sessions across the organisation have helped to shape the structure and approach to the Root and Branch Reviews (see separate report on the Cabinet agenda).

### *What has not gone so well?*

- a) The public satisfaction rating of locality engagement events was not as good as expected. This was largely due to a short timescale for advertising and an adequate process for agreeing questions and formatting of information not being in place.
- b) A deterioration in the results from the 2011 Employee Opinion Survey.

### *What has been done to rectify these problems?*

- a) A new consultation policy and guidance is currently in draft and will be used in conjunction with the engagement strategy for the Root and Branch Reviews from April onwards.
- b) Action planning is taking place across all Directorates and corporately to address the critical issues and make improvements.

## **B – Delivery of projects**

15. The majority of projects are being delivered to plan, although four are currently reported as being behind schedule. These are listed in Appendix 2b.

### **C – Finance**

16. As at 29 February 2012 the overall revenue budget position for 2011/12 shows a £634k projected overspend, which is approximately 0.4% of the council's £146.3m revenue budget (excluding Dedicated Schools Grant funding). Any potential overspend will put pressure on the council's reserves.

The key area of concern continues to be the People's Services Directorate, with a projected £4.6m overspend. The major area of overspend within People's Services is commissioning of adult services, where there is an underlying overspend position and continuing demographic pressures.

A detailed report on financial outturn appears elsewhere on today's agenda.

### **D – Customers** (*Corporate Plan indicators identified in bold*)

17. **Service Delivery**

**Organisational Reputation (target: Council 40%, PCT 65% approval rating):** Performance against both measures are derived from annual/ bi-annual surveys. On-going performance therefore needs to be measured by proxy. In this instance this is progress against the Organisational Communications and Reputation Management Strategy action plan. Progress against each of the 6 sections of the plan continues to be on track.

**Better Connects annual website audit (target: 4\* rating):** Herefordshire Council has achieved the highest 4\* rating in the 2011 survey, and we are now in the top 20 nationally. This was significantly higher performance than was expected and was the result of the implementation of a targeted action plan throughout autumn of 2011. The commentary provided in the assessment report indicated that some areas of the website such as the jobs on-line section could still be improved. All of the areas identified are being addressed through the digital channels project.

**LICS02 % of calls answered within 15 seconds (target: 70%):** Performance continues to be consistent throughout the year. As with a number of indicators, new data has not been available since the December CRM transition. However, the most up to date data indicates that performance is comparable to that year on year. With performance in the contact centre continuing to improve due to a series of management actions, it is expected that the direction of travel for this indicator will remain positive to the end of the year.

**LICIU1 Satisfaction of complaint handling (target: 90%):** The number of satisfaction surveys returned is low, however, all have been positive and performance is therefore currently 100%. This can be attributed to the work of the Customer Insight Unit acting and advocating on behalf of complainants to get issues resolved quickly and definitively. Work is underway to increase the overall level of returns.

18. **Service Quality**

**LICS4 'Overall satisfaction with the service provided' (target: 80%):** Year on year performance of this measure is marginally lower in this period. Analysis of the reasons cited by customers for this answer is underway. Where issues are clearly identified, customer service managers will work with service managers to rectify the problems through the review of information and service delivery processes.

**LICS2 'Whether you felt listened to and understood' (87%) and LICS3 'Politeness and courtesy of staff' (95%):** Performance in both areas year on year is favourable. A formal training package to improve service quality will be rolled out later in the year.

## 19. Service Failure

**LICS7 Call Centre Abandon Rate (target: 5 %):** Performance in the year to date is circa 6.4%. Changes in management in the central customer services teams, support on the new CRM system and strengthened performance management are expected to restore performance to target levels by the end of the year

**LICS5 – Reduction in avoidable contact (target: 20%):** There has been a significant improvement year to date compared with 2010/2011, where performance was regularly around 30% or more. The most recent data indicates that performance is 17.59%. Further improvements to processes through the Customer Organisation project should maintain this level of performance.

**Number of complaints escalated to the ombudsman (target: council 5%, PCT 5%):** Performance against this measure is strong with just 1.93% of complaints escalated to the local government ombudsman and 2.84% to the Health and Parliamentary Ombudsman. This demonstrates an increase in performance compared to previous years. No complaints have been upheld by either ombudsman since January 2010.

## E – Employees

20. The key headline is that there has been a slight increase in sickness levels, although the target is still being achieved.

## F – Risks

21. Key performance risks are covered in the directorate reports in paragraphs 12-14 above.

## Community Impact

22. Delivering the Joint Corporate Plan is central to achieving the positive impact the Council wishes to make across Herefordshire and all its communities.

## Equality and Human Rights

23. It is considered that there are no implications in relation to public sector equality duty.

## Financial Implications

24. None.

## Legal Implications

25. None.

## Risk Management

26. By highlighting progress against the Joint Corporate Plan, including the major risks to achievement and how they are being mitigated, this report is an essential component of the Council's management of risks.

## Consultees

27. None.

## **Appendices**








*Appendix 1* a key to what the symbols used in Appendices 2a and 2b represent and a list of the themes and outcomes with lead directors

Appendix 2a exception report for those measures and projects that are ahead of target; and

Appendix 2b exception report for those measures and projects that are behind target

## **Background Papers**

- None.

Measures	Symbols	Projects
More than 10% ahead of target		Ahead of Plan
Achieved or exceeded target by less than 10%		On schedule
Up to 5% behind target		N/A
More than 5% behind target		Behind Plan
Better than the same period last year		N/A
Same performance as last year		N/A
Worse than the same period last year		N/A

**List of Joint Corporate Plan themes and outcomes**







Theme and Outcome	Lead Director
<b>Theme 1 Create a thriving economy</b>	
HPS 1.1 The regeneration of Herefordshire with a particular focus on Hereford City	Places and Communities
HPS 1.2 The delivery and maintenance of key infrastructure including actions to reduce congestion	Places and Communities
HPS 1.3 Growing businesses, jobs & wage levels.	Places and Communities
HPS 1.4 The development of employment skills, including access to higher education	Places and Communities
HPS 1.5 A reduction in health inequalities for the working age population	People's Services
HPS 1.6 Improved access to superfast broadband and wider use of technologies	Places and Communities
<b>Theme 2 Improve health care and social care</b>	
HPS 2.1 Improved intervention and support for older people and keeping them safe	People's Services
HPS 2.2 A robust & healthy provider market	People's Services
HPS 2.3 Financial balance across Herefordshire's health & social care economy	People's Services
HPS 2.4 The development of a new local commissioning infrastructure	DCX and Corporate Services
HPS 2.5 Good quality corporate and clinical governance standards are embedded in all services provided	TBC
HPS 2.6 A reduction in health inequalities for frail, elderly people	People's Services
HPS 2.7 More people retaining their independence through greater choice and control	People's Services
<b>Theme 3 Raise standards for children and young people</b>	
HPS 3.1 Sustainable educational provision throughout Herefordshire	People's Services
HPS 3.2 Improved intervention and support for children & young people and keeping them safe	People's Services
HPS 3.3 Improved performance by early years and primary school pupils including vulnerable groups relative to their peers	People's Services
HPS 3.4 Reduced child poverty	People's Services
HPS 3.5 Families & communities that are able to support all children & young people effectively	People's Services
HPS 3.6 A reduction in health inequalities for children & young people	People's Services
<b>Theme 4 Promote self reliant local communities</b>	
HPS 4.1 Vibrant cultural opportunities	Places and Communities
HPS 4.2 Safe places where people feel secure	Places and Communities
HPS 4.3 Enhanced local democracy and community engagement.	Places and Communities
















Theme and Outcome	Lead Director
HPS 4.4 Ways of working that reflect the needs and priorities of people & place	Places and Communities
HPS 4.5 A balanced housing market to meet resident's needs	Places and Communities
<b>Theme 5 Create a resilient Herefordshire</b>	
HPS 5.1 The preservation and enhancement of our environment.	Places and Communities
HPS 5.2 Accessible services and countryside	Places and Communities
HPS 5.3 A strong regional and national reputation	DCX and Corporate Services
HPS 5.4 The protection of people's health & wellbeing	People's Services
HPS 5.5 Increased equality of opportunity	DCX and Corporate Services
HPS 5.6 Sustainable public transport provision	Places and Communities
<b>Theme 6 Commission the right services</b>	
HPS 6.1 High quality assessments of need	NHS Resources and Delivery
HPS 6.2 Streamlined, working practices	DCX and Corporate Services
HPS 6.3 High levels of customer and citizen satisfaction	DCX and Corporate Services
HPS 6.4 A high quality workforce	DCX and Corporate Services



Key Performance Indicators – Exceptions (Green – 10% or more ahead of target)						
Theme & Measure	Frequency of reporting	Performance (Year to Date)	Do T since last year	Date of Judgement	Actual (Year to Date)	Target (Year To Date)
<b>CREATE A THRIVING ECONOMY</b>						
LI.REGP.001 Number of learners participating in Community Learning	l) Annual – 30/9			30/09/2011	1,500	1,670
<b>IMPROVE HEALTH CARE AND SOCIAL CARE</b>						
LI.IC.S.002a Comply with Healthcare Acquired Infection targets - C.diff	d) Monthly			31/07/2011	34.25	34.67
LI.IC.S.002b Comply with Healthcare Acquired Infection targets - MRSA	d) Monthly			31/08/2011	0	2
LI.P.SC.HSC.07 Proportion of people who have had a stroke who spend at least 90% of their time in acute hospital on a stroke unit	d) Monthly			30/11/2011	90.9	80
VSA14_06 %People having TIA scanned & treated within 24hrs	d) Monthly			30/11/2011	83.3	60
<b>RAISE STANDARDS FOR CHILDREN AND YOUNG PEOPLE</b>						
LI.CYP.3201 Percentage of Initial Assessments completed in 10 working days	d) Monthly			31/01/2012	82.8	75
<b>CREATE A RESILIENT HEREFORDSHIRE</b>						
LI.SUST.001 Number of Schools taking part in Schools Energy Challenge	d) Monthly			31/01/2012	12	10
LI.PCIU.002 % of complaints received that are referred to the ombudsman (LA)	d) Monthly			29/02/2012	1.93	5

Key Performance Indicators – Exceptions (Green – 10% or more ahead of target)							
Theme & Measure		Frequency of reporting	Performance (Year to Date)	Do T since last year	Date of Judgement	Actual (Year to Date)	Target (Year To Date)
	better						
LI.PCIU.003 % of complaints received that are referred to the ombudsman (Health)	Smaller is better	d) Monthly			29/02/2012	2.84	5
NI047 Proxy - No. of people killed or seriously injured in road traffic collisions	Smaller is better	d) Monthly			30/11/2011	75	100
<b>COMMISSION THE RIGHT SERVICES</b>							
LI.CUS.012 Avoidable Contact	Smaller is better	d) Monthly			29/02/2012	14.31	20
LI.PCIU.001 Satisfaction with Complaint Handling	Bigger is Better	d) Monthly			29/02/2012	100	90
LI.HRO.001 Average sickness FTE (Council)	Smaller is Better	d) Monthly			31/01/2012	3.5	4.1

Projects – Exceptions (Green – ahead of schedule)			
Project	Responsible Officer	Latest rating	Due Date
<b>IMPROVE HEALTH CARE AND SOCIAL CARE</b>			
Enhancing Safeguarding Governance and Procedures	Interim Programme Director, Adult Social Care		31/03/2012
<b>RAISE STANDARDS FOR CHILDREN AND YOUNG PEOPLE</b>			
Develop framework/policy for sustainable school system	Assistant Director, People's Services Commissioning		31/03/2012
Review of the provision to meet complex needs	Head of Provider Services (Additional Needs)		01/04/2012
Reconfiguration of multi-agency referral and assessment arrangements	Assistant Director, Children and Young People Provider Services		31/03/2012
Review of model of interventions to CP & CIN	Assistant Director, Children and Young People Provider Services		31/03/2012
Development and implementation of the integrated LAC Strategy	Assistant Director, Children and Young People Provider Services		31/03/2012
School improvement policy, protocols and practices to support settings causing concern	Head of Provider Services (Learning and Achievement)		31/12/2011

<b>Projects – Exceptions (Green – ahead of schedule)</b>			
<b>Project</b>	<b>Responsible Officer</b>	<b>Latest rating</b>	<b>Due Date</b>
Closing the achievement gap of vulnerable children and young people	Head of Provider Services (Additional Needs)		31/03/2012
Raise educational achievement and outcomes of children in early years and primary schools	Head of Provider Services (Learning and Achievement)		
Supporting the development of setting leadership at all levels	Head of Provider Services (Learning and Achievement)		30/09/2011
Strengthening of CAF/assessment of need	Head of Provider Services (Locality Services)		01/03/2014
<b>PROMOTE SELF RELIANT LOCAL COMMUNITIES</b>			
Future delivery of Cultural Services	Project Director		26/03/2012
<b>CREATE A RESILIENT HEREFORDSHIRE</b>			
Customer Insight Unit Project	Head of Public Experience		01/06/2011








Key Performance Indicators – Exceptions (Red and Amber - behind target)						
Theme & Measure	Frequency of reporting	Performance (Year to Date)	DoT since last year	Date of Judgement	Actual (Year to Date)	Target (Year To Date)
<b>CREATE A THRIVING ECONOMY</b>						
LI.TRAN.003 Local Congestion - Average Peak Journey Time	j) Annual - 31/12 Smaller is better			31/12/2011	20.14	19
Congestion surveys are undertaken across the 4 main arterial routes in Hereford every June and October over a two week period. The surveys involve using GPS equipment which monitors the time and speed of the vehicle as it travels along each route from its start to end point during both the AM (8-9am) and PM (5-6pm) peak periods. The average peak journey time for 2011 was 20 minutes and 14 seconds which is below our target of 19 minutes. During the next LTP period (2012-2015) we will be focusing on reducing congestion in Hereford city through our Destination Hereford project. This will focus on reducing short commuter trips in the city that are less than 5km long through a variety of sustainable transport measures and behaviour change tools focusing on certain targeted segments of the population. More information can be found on our website <a href="http://www.herefordshire.gov.uk/transport/53397.asp">http://www.herefordshire.gov.uk/transport/53397.asp</a>						
LI.EDEV.006 Gross workplace based earnings	j) Annual - 31/12 Bigger is better			31/12/2011	385.1	390
In 2011, the median weekly earnings for people who work in Herefordshire were £385.10 (± £36.99) significantly lower than those in the West Midlands region £470.60 (± £9.22) and England £507.20 (± £2.98). Actions to improve this include: Enterprise Zone going live in April 2012; Broadband Project continues to progress well- provider contract to be let May 2012; Steady progress continues to be made with plans to develop Blackfriars in order to improve access to Higher Education provision in the County.						
LI.REGP.003 Working Age People on out of work benefits	e) Quarterly Smaller is better			30/06/2011	9.1	8.2
December 2011 data not available until at least June 2012. Latest outturn from May 2011 (9.1%) is 2.7% below the national average (target 2.9% below); this is a slight improvement on the previous quarter. Actions include Herefordshire Council working with EOS, the contracted private learning provider, to deliver employability skills as part of the 'Supporting Families with Multiple Problems' - a Department for Work and Pensions / European Social Fund co-financed project, which is aimed at getting long term unemployed people closer to the workplace and the world of work. Negotiations are also now underway with Shaw Trust to identify barriers to employment and how best to assist unemployed people back into the work place.						
LI.HWS.PH.01 Number of smokers that quit for a	d) Monthly Bigger			31/10/2011	41	80

Key Performance Indicators – Exceptions (Red and Amber - behind target)						
Theme & Measure	Frequency of reporting	Performance (Year to Date)	DoT since last year	Date of Judgement	Actual (Year to Date)	Target (Year To Date)
period of 4 weeks or more  Significant work is being undertaken to enable the target for the number of smokers quitting smoking to be achieved for the first time since 2008, and there has been a reduction in admissions to hospital due to diseases caused by smoking. This improved performance follows the establishment of a new network of providers of smoking cessation support services, achieving county wide coverage and a choice of services through a network of GP practices, community pharmacies and HALO Leisure centres. In addition more than 80% of NHS frontline staff in a range of hospital outpatient clinics, community services and mental health services have been trained in structured brief intervention to encourage smokers to quit and to seek help from smoking cessation services to do so.	is better					
LI.HWS.PH.02 Proportion of the population aged 40-74 to be offered an NHS Health Check	e) Quarterly	▲		31/12/2011	1.63	18.2
19 GP practices have signed an agreement to deliver NHS Health Checks providing 90% coverage of the eligible population over a five year period. Latest information indicates that between October and December, 226 invitations were sent and a monthly reporting system set up. Training has taken place for health professionals delivering the service. Starting in February 2012, patients identified with a high risk score will be offered a twelve week healthy lifestyle support programme delivered by HALO that builds on the 'New Year, New You' promotion. Additional remedial action plans include planning to contract outreach NHS Health Checks to increase coverage and take up, and continuing to work closely with practices to encourage high levels of uptake and quality assurance.						
LI.HWS.PH.03 Proportion of NHS Health Checks offered to individuals living in most deprived areas	e) Quarterly	▲		30/09/2011	0	16
19 GP practices have signed an agreement to deliver NHS Health Checks providing 90% coverage of the eligible population over a five year period. Latest information indicates that between October and December, 226 invitations were sent and a monthly reporting system set up. Training has taken place for health professionals delivering the service. Starting in February 2012, patients identified with a high risk score will be offered a twelve week healthy lifestyle support programme delivered by HALO that builds on the 'New Year, New You' promotion. Additional remedial action plans include planning to contract outreach NHS Health Checks to increase coverage and take up, and continuing to work closely with practices to encourage high levels of uptake and quality assurance						
LI.HWS.PH.08 Alcohol related admissions	e) Quarterly	▲		30/09/2011	360.7	328.5



Key Performance Indicators – Exceptions (Red and Amber - behind target)						
Theme & Measure	Frequency of reporting	Performance (Year to Date)	DoT since last year	Date of Judgement	Actual (Year to Date)	Target (Year To Date)
better						
A training programme in Identification and Brief Advice (IBA) for patients drinking harmful amounts of alcohol has been completed for selected Wye Valley NHS Trust NHS (WVNHST) staff and this training programme will next be rolled out to GP Practice staff ready for the introduction for a new Locally Enhanced Service (LES) agreement with GP Practices to fund them to provide IBA for their patients.						
<b>IMPROVE HEALTH CARE AND SOCIAL CARE</b>						
NI132 Timeliness of social care assessment (all adults)	d) Monthly			29/02/2012	69.05	88
A significant data cleansing exercise and a refresh of the reporting processes has been undertaken in relation to this indicator to ensure accurate reporting. This has led to a seemingly significant dip in performance. However, with this refreshed information, performance and data quality issues are now being more robustly managed and challenged through the Section 75 Agreement monitoring arrangements with Wye Valley NHS Trust and 2gether Foundation NHS Trust.						
VSB18_01 Patients receiving primary dental services, 24mnts	d) Monthly			31/12/2011	97,366	114,252
There is still an underperformance against target. Currently there is a 14.8% gap/ variance from target. Patient experience/ success rate of getting an NHS dentist = 92% (SHA average =94) In Herefordshire we will not meet the trajectory set. The PCT have participated in the discussions at a Regional level, via Primary Care Dental Leads, and it has been acknowledged that once a PCT has fallen behind on its trajectory it is impossible to recovery without commissioning additional activity which in this austere financial climate has not been deemed appropriate. The expectation is that access to dentistry in NHS will continue on an upward trend and this will be monitored and reviewed on a monthly basis.						
LI.PSC.FT.01 QIPP savings plan	e) Quarterly			30/09/2011	93.9	100
Latest monitoring indicates that the Quality, Innovation, Productivity and Prevention (QIPP) plan is achieving over 90 per cent of planned projected savings to date. This is a significant improvement from June and indicates mitigation plans put into place are delivering improvements.						
LI.PSC.FT.02 ASC Cost Improvement Plan	e)			30/09/2011	70	100

Key Performance Indicators – Exceptions (Red and Amber - behind target)							
Theme & Measure	Frequency of reporting	Performance (Year to Date)	DoT since last year	Date of Judgement	Actual (Year to Date)	Target (Year To Date)	
	Quarterly						
is better							
Approx 70 per cent projected savings have been achieved to date, with some budget schemes likely to over achieve i.e. Charging and reviews. Remedial action plans are in place to robustly monitor delivery.							
LI.PSC.HSC.10 Reduce Emergency Admissions	e) Quarterly			30/06/2011	18	17	
Smaller is better							
Data currently not available for September.							
NI130 Social care clients receiving Self Directed Support	d) Monthly			29/02/2012	27.59	40	
Bigger is better							
The number of clients receiving self directed support continues to rise, albeit at a slow rate. A new workflow was implemented in Frameworki in January 2012 which is already evidencing improvement in throughput and the current year-end projection is between 30 to 40 per cent.							
<b>RAISE STANDARDS FOR CHILDREN AND YOUNG PEOPLE</b>							
LI.CYP.3101 Number of schools in an Ofsted category	d) Monthly			29/02/2012	1	0	
Smaller is better							
St James moved out of an Ofsted category in February 2012 and is now judged to be satisfactory. Withington is the only Herefordshire school currently in an Ofsted category of concern – the first monitoring visit of Her Majesty's Inspectors (HMI) took place in February 2012 and the school was judged to be making good progress in everything apart from leadership and management which was outstanding. The revised Ofsted Inspection Framework which was introduced in January 2012 will place schools under greater scrutiny. Those below floor standard in particular, will be at greater risk of failing inspection.							
LI.CYP.3103 All PRU pupils have 25 hours of provision available	d) Monthly			29/02/2012	89	100	
Bigger is better							
The progress continues to be made against this target but 100% is not likely to be met. The current year end projection is 90%.							
LI.CYP.3202 Reducing the number of contacts and	d) Monthly			29/02/2012	20.95	30	
Bigger is better							

Key Performance Indicators – Exceptions (Red and Amber - behind target)						
Theme & Measure	Frequency of reporting	Performance (Year to Date)	DoT since last year	Date of Judgement	Actual (Year to Date)	Target (Year To Date)
referrals not resulting in social care services	is better					
<i>Significant work to reduce the number of contacts and referrals has continued throughout the year and the year end target of 30 is projected to be met.</i>						
LI.CYP.3203 Reduction in high cost agency placements for LAC	d) Monthly			31/12/2011	2.88	3
<i>Since September, work has continued to reduce costly agency placements. Both fostering placements and residential placements have reduced, seeing the overall overspend on agency placements reduce.</i>						
NI073 Achievement at level 4 or above in both English and Maths at Key Stage 2 (Threshold)	i) Annual - 30/9			30/09/2011	72.5	79
<i>There has been strong improvement on 2010 outcomes and Herefordshire's figures are now in line with national averages. Work continues to drive up standards in literacy and numeracy in primary schools but cuts in national funding of intervention programmes make this more difficult to co-ordinate and provide professional development and training for teachers.</i>						
NI099 Children in care reaching level 4 in English at Key Stage 2	j) Annual - 31/12			31/12/2011	50	60
<i>5 out of 10 children achieved level 4+ in English. This is an improvement on 2010 and 2009 and compares to 53% nationally for 2011. The new appointment of the executive head has resulted in a RAG rating system to target resource at those at risk of not meeting the threshold as well as all LAC at risk of underachievement.</i>						
NI104 The SEN/non-SEN gap - achieving Key Stage 2 English and Maths threshold	j) Annual - 31/12			31/12/2011	49.9	42
<i>In order to understand this gap data better, we are introducing a system to track all children who are under-achieving at the end of the previous key stage and taking action with each setting accordingly.</i>						
LI.CYP.3401 Percentage of 16 - 18 year olds whose	j) Annual -			31/12/2011	5.5	4

Key Performance Indicators – Exceptions (Red and Amber - behind target)						
Theme & Measure	Frequency of reporting	Performance (Year to Date)	DoT since last year	Date of Judgement	Actual (Year to Date)	Target (Year To Date)
participation activity is not known.	31/12					
<i>We hold monthly meetings to discuss the current list of young people not in education, employment or training (NEET) and young people whose participation activity is unknown in order to devise new approaches. This process has enabled us to query issues concerned with data, to utilize the locality-based Multi-Agency Group (MAG) meetings to try to find more of the unknown cohort, and apply a new approach to get destination information on college leavers.</i>	is better					
NI102i Achievement gap between pupils eligible for free school meals and their peers (KS2)	j) Annual - 31/12	▲		31/12/2011	19.9	15
<i>The performance gap has decreased considerably over the past few years from a gap of 27% in 2009 to 19.9% in 2010. Schools are consistently challenged and supported to close this achievement gap and 1 to 1 tuition programmes have impacted positively on this measure.</i>	Smaller is better					
NI117 16 to 18 year olds who are not in education, employment or training (NEET)	j) Annual - 31/12	▲	↕	31/12/2011	7.2	4.7
<i>The December 2011 figure of 7.2% equates to 336 young people. As at December 2010 we reported a NEET percentage of 6.7 which accounted for 314 young people. The 0.5 percentage point rise is obviously concerning; however an increase of 22 NEET young people is not surprising given the tough economic climate which persists. The following actions are being taken to address the NEET issue: We are developing a Risk of NEET Indicator (RONI) - school data on pupils is interrogated using a series of identified risks (poor attendance, unemployment in the family, free school meals etc) to identify those who may need additional support. This is currently being trialled at Lady Hawkins. A proposed HPS approach for Apprenticeships has been to HPSLT and approved, this includes HPS acting as an exemplar authority to develop apprenticeships. In conjunction with the National Apprenticeship Service (NAS) we have held a "100 apprenticeships in 100 days" exercise with a promotional event in High Town and a series of articles in the Hereford Times. We generated 82 apprenticeships in the 100 days. We are maintaining our Connexions pages on the YouthZone website with up to date information, advice and guidance on careers and support packages. The website contains a list of local vacancies and also links to the NAS Apprenticeship site. The Connexions Drop In operates on three days a week (Monday, Wednesday and Friday) to provide information, advice and guidance during office hours. Individual appointments are available with Connexions PAs. We are also maintaining a Connexions presence in all High Schools, Academies, PRUS, Special Schools and Colleges until the end of this financial year.</i>	Smaller is better					



Key Performance Indicators – Exceptions (Red and Amber - behind target)						
Theme & Measure	Frequency of reporting	Performance (Year to Date)	DoT since last year	Date of Judgement	Actual (Year to Date)	Target (Year To Date)
<i>We will be producing a Raising of Participation Age (RRA) in the new year following the issue of central guidance. This will link to all of the above and also be concerned with the overall planning of education and training opportunities for the Post 16 age group and the participation age raising through 17 years to 18 in 2015.</i>						
<i>The Council has secured an external grant to fund in-depth research into the NEET population to inform a new action plan for 2012-2013.</i>						
LI.CYP.3501 Percentage of CYP supported through CAF and MAGs	e) Quarterly			31/12/2011	48.33	50
<i>Over half of CAFs are now supported through MAGs rather than by holding individual team around the child meetings.</i>						
LI.CYP.3601 Increase the uptake of Healthy Start Vitamins.	e) Quarterly			31/12/2011	3.55	25
<i>The re-launch of Healthy Start in Herefordshire using local media and raising awareness with midwives and health visitors has resulted in some improvement in uptake and eight pharmacies are involved. Further work will be undertaken with Early Years integrated support leads to improve uptake by the relatively small number of eligible people in the county.</i>						
NI113i Percentage of the resident population aged 15-24 accepting a test/screen for chlamydia	d) Monthly			31/12/2011	12.3	35
<i>Processes are in place to embed Chlamydia screening within mainstream services. These include - Within the service specification being developed for school nursing. Encouraging opportunistic screening within routine GP consultations. Contracting with new providers with experience of working with 15 - 24 year olds.</i>						
<b>PROMOTE SELF RELIANT LOCAL COMMUNITIES</b>						
LI.CULT.001 Total number of Library visits in the County	d) Monthly			29/02/2012	617,227	671,011
<i>Preliminary figure- data still to be received, expected by 10/03/2012</i>						
LI.SAFE.003 Repeat incidence of domestic violence	e)			31/12/2011	39.33	30

Key Performance Indicators – Exceptions (Red and Amber - behind target)							
Theme & Measure	is better	Frequency of reporting	Performance (Year to Date)	DoT since last year	Date of Judgement	Actual (Year to Date)	Target (Year To Date)
Qtr 3 outturn shows an increase in the percentage of repeat cases heard at the Multi Agency Risk Assessment Committee (MARAC) (currently 41%). A selection of MARAC repeat cases are being looked at in more detail to establish what more can be done, and each repeat case will be allocated additional time for discussion at MARAC in an aim to reduce the number of repeat cases.							
LI.SCOM.003 Number of Communities producing new or updating Parish Plans	Bigger is better	e) Quarterly	▲		31/12/2011	4	7
4 plans have been published during 2011/12 to date; 2 of the plans due to complete in Quarter 3 are now anticipated for completion during Quarter 4 (Bodenham and Brampton Abbots & Foy), while that of Brimson, Wyson & Little Hereford is at an advanced stage of development and is expected to complete at some stage during 2012 along with several others. While the aspirational target of 13 updated or completed plans by the end of 2011/12 may not be achieved the service is still predicting that the overall target of 30 new or updated Parish Plans will be achieved by June 2013.							
LI.SCOM.005 Number of additional Parish and Town Councils implementing Participatory Budgeting	Bigger is better	f) Half yearly	▲		30/09/2011	8	10
Following an invitation through Herefordshire Association of Local Councils (HALC), 8 parish councils have responded positively. There will be a need to widen the consultation to the general public in line with the Cabinet paper of 28 July. The Chief Financial officer has this in hand.							
LI.HNDE.001 Number of affordable homes delivered	Bigger is better	e) Quarterly	▲	↓	31/12/2011	52	67.5
Progress remains slow with potential not to achieve revised target of 90. Seeking to attract additional funding to increase delivery.							
NI156 Temporary Accommodation	Smaller is better	d) Monthly	▲	↓	29/02/2012	87	82
Homelessness levels and temporary accommodation usage are broadly stable. Numbers in temp are marginally above the target level of 82 and B+B use is being closely controlled. The team focus for the remainder of the financial year will be to reach target of 82 through the continued use of prevention activities.							

Key Performance Indicators – Exceptions (Red and Amber - behind target)						
Theme & Measure	Frequency of reporting	Performance (Year to Date)	DoT since last year	Date of Judgement	Actual (Year to Date)	Target (Year To Date)
<b>CREATE A RESILIENT HEREFORDSHIRE</b>						
NI196 Improved street and environmental cleanliness - fly tipping	Smaller is better e) Quarterly	▲	▲	31/12/2011	2	1
<p><i>This is the old NI196 indicator that is still being used as a local measure of effectiveness notwithstanding the 'flaws' in the weightings used. Projected grade shown as 2 - effective. On the face of it this may be perceived as disappointing against the grade 1 in 2010/11. HOWEVER, within the context of what is happening there is good news, the 'score' reflects the strange nature of the indicator and the way it weights activity. YTD - 537 incidents compared to 571 is same period 2010/11.</i></p> <p><i>This represents a 6% decrease and maintains the downward trend seen over the last 3 years. This is good news and reflects well on the enforcement and educative work of the Community Protection Team. Often high profile activity can result in increased confidence and increased reporting. Indeed the 3rd quarter has seen an increase over the 3rd quarter of last year and this will need to be monitored closely. Reported incidents are responded to in a timely way with the offending waste being cleared quickly. The impact of this work on the environment and on community confidence should not be under-estimated. The reason the 'score' is predicted at 2 at this point of the year is that there have been less enforcement actions. This is partly the consequence of there being less incidents, and partly the consequence of judgements having to be made on the value of investigating every report (for example a site visit to a report of tyres is unlikely to result in evidence), and a drop in the number of duty of care inspections being carried out.</i></p> <p><i>The important point is that context is critical - what is happening on the ground - with a need to look beyond the 'score'.</i></p>						
<b>COMMISSION THE RIGHT SERVICES</b>						
LI.CUS.005a Overall satisfaction with the service provided (bi-mthly)	Bigger is better o) Bi-monthly	▲		31/01/2012	80.6	85
<p><i>Work continues with the Customer organisation project to develop the CRM system and training programmes. Customer Services Organisation Design work, and SLA engagement will also support overall development for our customers.</i></p>						

Projects – Exceptions (Red – behind schedule)			
Project	Responsible Officer	Latest rating	Due Date
<b>IMPROVE HEALTH CARE AND SOCIAL CARE</b>			
CIP Plan	Interim Programme Director: Adult Social Care	▲	31/03/2012
<i>Approximately 50% budget savings have been made to date. Reviews and charging are still likely to over achieve. Additional budget schemes have been added to contribute to the shortfall. The whole plan is being monitored on a weekly basis.</i>			
Supporting People into Accommodation	Interim Programme Director: Adult Social Care	▲	31/03/2012
<i>Additional resource identified, tender document being developed.</i>			
<b>CREATE A RESILIENT HEREFORDSHIRE</b>			
Commission Waste to Energy Plant	Waste Services Manager	▲	31/03/2012
<i>Awaiting planning decision from secretary of state; this is expected on or before 23<sup>rd</sup> April 2012.</i>			
Produce King George V Park Management Plan	Parks, Countryside and Leisure Development Manager	▲	31/03/2012
<i>Awaiting tree survey results and strategic plan of how to manage the historical beech trees.</i>			



<b>MEETING:</b>	<b>CABINET</b>
<b>DATE:</b>	<b>5 APRIL 2012</b>
<b>TITLE OF REPORT:</b>	<b>BUDGET MONITORING REPORT 2011/2012</b>
<b>PORTFOLIO AREA:</b>	<b>CORPORATE SERVICES AND EDUCATION</b>

**CLASSIFICATION:** Open

### **Wards Affected**

County-wide

### **Purpose**

To report the forecast financial position for both revenue and capital to 29 February 2012.

### **Key Decision**

This is not a Key Decision.

### **Recommendation(s)**

**THAT:**

- (a) **the report and the forecast deficit position be noted; and**
- (b) **the Chief Executive's requirement that Directors deliver recovery plans to ensure a balanced revenue budget be noted;**

### **Key Points Summary**

- As at 29 February 2012 the overall revenue budget position for 2011/12 shows a £634k projected overspend, which is approximately 0.4% of the council's £146.3m revenue budget (excluding Dedicated Schools Grant funding). Any potential overspend will put pressure on the council's reserves.

### **Alternative Options**

- 1 There are no Alternative Options

### **Reasons for Recommendations**

- 2 To keep Cabinet informed about the projected revenue and capital out-turn position for 2011/12 including Treasury Management activities.

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Further information on the subject of this report is available from Heather Foster, Head of Corporate Finance, on (01432) 260284

## Introduction and Background

- 3 Cabinet receives regular budget monitoring reports. The last report was presented to Cabinet on 15 December 2011, which included the revenue and capital projected out-turn as at October 2011.

## Key Considerations

1. Appendix A includes the detailed revenue budget monitoring report. As previously reported, the key area of concern continues to be the People's Services Directorate, with a projected £4.6m overspend. The major area of overspend within People's Services is commissioning of adult services, where there is an underlying overspend position and continuing demographic pressures.
2. The council's overall financial performance has a direct bearing on the level of reserves balance at year end, as any overspend on the revenue account would be funded from this source.
3. A detailed review of "central" budgets has identified areas where a contribution can be made to offset directorate pressures. These are as follows:

	<b>£,000</b>
<b>Redundancy capitalisation</b>	520
<b>Contract savings</b>	641
<b>Inflation savings</b>	283
<b>Waste disposal contingency</b>	395
<b>Unallocated contingency budget</b>	213
<b>Other central budgets</b>	70
<b>Procurement</b>	(1,683)
<b>Projected underspend</b>	439

The projected savings from procurement activity within centrally held budgets have been re-phased and carried forward to 2012/13 due to the timing of the realisation of benefits. It should be noted this area has made a contribution to activity reflected in directorate budgets.

4. The report reflects an updated position as of end February 2012. It is appropriate that the key risks going forward are confirmed if the council is to deliver a balanced position without using general or specific reserves
  - a. The Adult Social Care position now assumes that £1m of the recovery plan will not be delivered.
  - b. The savings associated with the commercial strategy have been rephased as per previous discussions at Leadership Team.
5. The leadership team has worked to work to deliver financial balance for the council for 2011/12. This has been necessary to ensure the flexibility afforded by the general fund and financial support from specific reserves continues.

6. Appendix B includes the position on the capital programme for 2011/12, which is a forecast out-turn spend of £58.7m.
7. As previously reported, the overall revenue position is mitigated by savings on borrowing and investments. The Treasury Management projected out-turn is an underspend of £1.07m on borrowing costs and £229k on interest received. The savings on the cost of borrowing are due to slippage on the capital programme, lower borrowing rates than forecast and the timing of taking out loans. The treasury management function has worked to ensure this critical area continues to make decisions about refinancing and timing of borrowing that assist the overall financial position. Additional interest earned is due to both higher cash balances and improved returns through investing in longer term deposits at the beginning of the financial year. In accordance with accounting policy and to support the overall revenue position the council intends capitalising interest costs totalling around £100,000 and this figure has increased the forecast surplus at the end of the year. Appendix C includes a detailed analysis.

## **Community Impact**

8. Not applicable.

## **Financial Implications**

9. These are contained in the report.

## **Risk Management**

10. Effective financial reports, used to facilitate robust budget monitoring are an essential element in the management of risks and the delivery of the council's and Herefordshire Partnership's priorities.

## **Legal Implications**

11. None.

## **Alternative Options**

- There are no Alternative Options.

## **Appendices**

Appendix A – Revenue Budget Monitoring

Appendix B – Capital Monitoring

Appendix C – Treasury Management



**REVENUE BUDGET MONITORING**
**Summary**

1. The following table summarises the 2011/12 projected outturn based on the financial position as at 29<sup>th</sup> February 2012.

£'000	Budget	Projected (over) or under spend
People's Services	75,605	(4,606)
Places and Communities	35,516	695
Corporate Services	23,423	850
<b>Directorate Position</b>	<b>134,544</b>	<b>(3,061)</b>
Capital funding	16,436	1,070
Investments	(249)	229
Revenue contribution to capital	108	0
WMS Profit Share	(624)	(70)
Centrally Held Budgets	777	439
Government grants	(3,758)	(70)
Transfer to/from Reserves	(921)	829
<b>Total</b>	<b>146,313</b>	<b>(634)</b>

2. As of the end of January 2012 the overall revenue budget position for 2011/12 shows a projected £634k overspend. This is approximately 0.4% of the council's £146m revenue budget (excluding Dedicated Schools Grant funding).
3. The most significant overspend relates to commissioning of adult services, which relates to the brought forward budget issues plus increasing service pressures.
4. Net savings have been identified within central budgets as follows;

	£,000
<b>Redundancy capitalisation</b>	520
<b>Contract savings</b>	641
<b>Inflation savings</b>	283
<b>Waste disposal contingency</b>	395
<b>Unallocated contingency budget</b>	213
<b>Other central budgets</b>	70
<b>Procurement</b>	(1,683)
<b>Projected underspend</b>	439

The projected savings from procurement within centrally held budgets have been re-phased and carried forward to 2012/13 due to the timing of the realisation of benefits.

5. In addition to the revenue overview the forecast outturn spend on capital schemes is £58.7m (detailed in Appendix B)
6. The Treasury Management projected out-turn is an underspend of £1.07m on borrowing costs and £229k on interest received. The savings on loan charges are due to slippage on the capital programme, lower borrowing rates than forecast and the timing of taking out loans. Additional interest earned is due to both higher cash balances and improved returns through investing in longer term deposits in the first half of the year. In accordance with accounting policy the council intends capitalising interest costs totalling around £100,000 and this figure has increased the forecast surplus at the end of the year. Appendix C includes a detailed analysis.

### Revenue Reserves Position

7. The general reserve balance as at 31st March 2011 was £6.3m. This amount is above the council's policy of maintaining a minimum of £4.5m of general reserves as a contingency against unforeseen emergencies and events.
8. At 1st April 2011 the council held £17.6m of earmarked reserves, which are detailed in the table below. The specific nature of those reserves means that some are not available for reclassification as general reserves. One such example is the balance held for schools.

### Earmarked Reserves

<b>31<sup>st</sup> March 2011</b>	<b>£,000</b>
<b>Balances held by schools under a scheme of delegation</b>	<b>6,002</b>
Grange Court	41
Commuted sums	36
Industrial Estates - maintenance	400
Schools Balance of Risk	175
ICT	595
Members ICT	40
Planning	24
College Hill Community Centre	180
Waste Disposal	2,907
Invest to Save	305
Contingent liabilities	300
Hereford Futures	482
Whitecross school PFI	331
LPSA 2 reward grant	210
Schools Rates Reserve	217
Economic Development	168
Insurance reserve	296
Pool car reserve	10
Unused Grants carried forward	4,853
	<b>17,572</b>

9. The 2011/12 budget includes the use of £500k of the waste disposal reserve and a review of the reserves has identified a further £829k to mitigate the overall out-turn position. The level of reserves at 31<sup>st</sup> March 2012 is estimated to be around £10.3m, the largest anticipated reductions being in schools balances and unused grants at the year-end.

## DIRECTOR FOR PEOPLE'S SERVICES

### Overall Projected Outturn

£'000	Annual Budget	Under / (Over) spend
Services Commissioning – Adults	48,310	(5,216)
- Childrens	3,303	28
Health & Wellbeing- Env Health & Trading Standards	2,132	210
Children's and Young People Provider Services*	21,860	372
<b>Total</b>	<b>75,605</b>	<b>(4,606)</b>

*The forecast shown in the table above is the latest projected outturn.*

### Services Commissioning - Adults

11. The outturn position of £5.216m includes £3.614m deferred to 12/13 as part of the target to achieve a balanced budget by March 2013. The opening gap of £7.179m was split over a two year period with a plan to deliver £3.565m in 11/12 and £3.614m in 12/13. Therefore the adjusted actual forecast overspend for 11/12 is £1.602m
12. The overspend of £1.602m includes in-year pressures of £2.937m, and a £1m slippage in the 2011/12 cost improvement programme target of £3.565m. This is mitigated by NHS funding of £1.043m and further opportunities of £1.292m.
13. Total savings achieved to date are £2.261m, against the adjusted savings target of £2.565m leaving further savings of £304k to be achieved.
14. There has been a change in outturn since the January report of £324k. This is largely due to an increase in domiciliary care of £119k, new and backdated residential and nursing packages of £94k and an increase in personal budgets of £24k. There are also savings built into the projections which have not been set against the cost improvement plan of £226k. This has been offset by the reduction of a `budget top-slice` risk totalling £85k for central savings. This will not be taken in 11/12 due to a delay in delivery of savings. Transport projections have been reduced by circa £54k after a review of current payments.
15. The projections are based on current commitments and include demographic pressure. This is based on the last four weeks panel results and assumes the current trend will continue until the end of March. However, there are further risks of emergency and urgent placements.
16. A summary of the major in-year pressures totalling £2.665m out of the £2.937m above are:  
Domiciliary Care – total pressure £1.966m
17. Intensive homecare support packages have been put in place for learning disability clients transferring from residential care. A planned care pathway has been put in place to reduce costs appropriately below the clients previous residential care package. The process of monitoring the reduction in costs is managed by care management who provide regular progress reports. Also, the assessments of people who were previously funded through Supporting People has resulted in circa 94 service users deemed eligible for Adult Social Care Services. The combined effect results in a total pressure of £743k.



18. The, overspend, within mental health of £196k is due to packages put in place for intensive support.
19. Pressures of £1.027m within older people and physical disabilities are due to supporting early discharge from hospital, breakdown of main carer support, and again people previously receiving Supporting People services. Development of a robust reablement team will reduce pressures in 12/13 from October 2012.

Residential and Nursing Care – total pressure £699k

20. Nineteen nursing care placements above projected activity of 11 within mental health is due to a particular ward closure and have contributed to a pressure within the service of circa £509k. This has been addressed within the Section 75 meetings. The outcome of this challenge is to ensure a more planned approach in future for the impact on social care when wards are planned to close or reduce numbers. This will allow time to consider alternatives to residential and nursing care wherever possible.
21. Pressures within older people residential and nursing care budgets of £290k are as a result of hospital discharge and backdated packages. A review of the reason for placements for older people has been completed and results are shown in the table below:

<b>Reason</b>	<b>Number of Clients</b>	<b>Cost for 11/12 (£)</b>
<b>Carer breakdown</b>	2	5,388
<b>Discharge from Hospital</b>	34	164,489
<b>No longer meeting Continuing Healthcare Criteria</b>	1	6,080
<b>Previously funded own care</b>	13	102,023
<b>New Clients meeting Eligibility Criteria</b>	3	9,673
<b>Increase in Package Costs</b>	1	2,171
<b>Total</b>	<b>54</b>	<b>289,824</b>

22. There are further net opportunities of £1.292m included in the projections as follows:
  - Use of capital grants of £634k
  - DOH passported funding to the PCT for winter pressures of £547k which is set against the current increase in pressures to avoid delayed discharge.
  - Potential underspend within the former Supporting People programme budget of £111k.

Cost Improvement Programme Progress Report

23. To date the plan has achieved £2.261m as at the end of February from the original target of £3.565m. A review of the programme in September identified that £1m would not be achievable in this financial year due to delays in some of the schemes requiring longer lead times for delivery. Therefore a further £304k is planned to be delivered by the end of the financial year through the following:
  - Reviews of service users continue to take place, targeting high cost placements This will result in a £10k saving in 11/12 with further savings delivered in 12/13.

- Work continues to identify personal budget clients who currently have account surpluses. Action is being taken to recover these surpluses and to review packages of care.. Based on monthly figures achieved this could range from £10k to £57k.
- Further savings through a more robust financial assessment process is forecast to deliver a further £25k in March.
- Reductions in some contracts to providers involved in the former Supporting Peoples programme are yet to be included within the outturn position.
- Work is concluding to evidence savings made by the use of reablement team (through the Section 256 investment from the DOH).
- Collation of reviews undertaken by the learning disability team which have resulted in reductions in care packages is being completed
- Work on the benefits of telecare have identified between £3.439m and £4.586m of non-cashable savings from the support to 1,267 clients. This amount reflects of the cost of care avoided by using this preventative support. Further work to extend the use by 50% in 12/13 is being worked on in order to realise future cashable and non-cashable benefits.

### **Children's Services Commissioning**

24. There is currently no change in the outturn for which Children's Commissioning is expected to be under spent by £28k as a result of the utilisation of £34k of standards funds grants for nursery education funding. This is a non-recurrent saving. There may be some additional opportunities to offset costs against additional Early Intervention grant receipts.
25. In addition the service has delivered the budget target savings figure £111k (which represented 5% of pay costs).

### **Health and Wellbeing – Environmental Health and Trading Standards**

26. The service is estimated to be £210k under budget at year end.
27. £34k of the savings relate to a holding a vacant consultants post, and management costs savings from in year changes will save £42k.
28. Savings for landfill sites have increased from £40k to £60k as costs have not been incurred (related to mild winter to date).
29. Pollution controls are expected to deliver savings of £48k through a combination of additional income, savings on burial costs and agency staff.
30. A further £10k of savings are anticipated from deferring non-essential expenditure into 2012/13.

### **Children's Provider Services**

31. Children's Provider Services is currently predicting a net under spend of £372k, a reduction of £381k compared to a £9k overspend reported in January. This is a significant achievement given the £1.371m of pressures within the Children's Safeguarding area.
32. In order to deliver a balanced budget across Children's Provider Services savings of £518k (representing 5% of pay costs) were included across Local Authority and Early Intervention grant budgets. These savings have been delivered.
33. In offsetting the Safeguarding pressures the service has utilised £435k of additional transport

grant, £300k of Standards Funds grants, and £57k of other grants, a total of £792k, however this means that other service led savings on top of the £518k target of £951k have been delivered.

34. The key savings which have been achieved since the January report include a reduction of £133k in the Safeguarding pressure. The key components are:
- Within the fostering service a reduction in the over spend of £66k is forecast. £44k of this relates to one off repayment of foster care fees, with a further £22k of savings of which £16k relates to a duplicate payment of court costs,
  - A further £33k of savings are expected in the adoption service,
  - The Children with Disabilities underspend has increased by £15k to £71k, due to staff savings,
  - There is a reduction of £29k in residential placements as the work to reduce the number of high cost placements starts to deliver savings. Numbers have reduced in each of the last 4 months across both residential and agency foster placements as shown below:

	March /11	June	July	August	September	October	November	December	January/12	February
<b>Agency Numbers</b>	42	37	49	47	45	49	48	46	41	39
<b>Residential Numbers</b>	15	12	12	13	13	15	13	12	11	9

35. Within Locality Services Children’s Centres expenditure has been reviewed and the updated forecast is now to achieve savings of £218k, this is an additional saving of £136k compared to the January position. This is largely due to staff vacancies being held and some additional income generation.
36. A further £70k of savings within short break services are now being forecast due, this is in part due to the personalisation project and delay in recruiting the project manager.
37. A further £85k of savings have been delivered due to staff vacancies within the School Improvement service, these posts have now been filled.
38. The locality youth service has delivered additional savings of £76k by holding vacancies, holding all non essential expenditure and achieving additional income from charging for services.
39. The forecast currently includes a contingency of £100k for expected corporate budget top slices arising from procurement savings in year.
40. Further opportunities to maximise grant utilisation are currently being explored and may deliver some additional savings which cannot yet be quantified.

#### Edge of Care savings

41. The Edge of Care contract with Action for Children is working with 10 cases who were at the

point of becoming looked after. This has successfully kept some children from becoming looked after, or delayed proceedings by a number of weeks. Up to 9<sup>th</sup> February 2012 the cost mitigation saving (after the cost of the AFC contract) is £236k. Further costs will be avoided until the end of the year with the ongoing interventions.

## DIRECTOR FOR PLACES AND COMMUNITIES

### Overall Projected Outturn

£'000	Annual Budget	Under / (Over) Spend
Economic, Environment and Cultural Services	7,192	(75)
Homes and Community Services	1,663	85
Place Based Commissioning	26,390	650
Director and Management	271	35
<b>Total</b>	<b>35,516</b>	<b>695</b>

42. The Directorate is expected to underspend by £695k, an increase in underspend of £45k since last reported at £650k.
43. Current pressures detailed below are already being managed within the Directorate along with the £2.2m savings target for the year.

### Economic, Environment & Cultural Services

44. Building control income to the end of January 2011 is 26% lower than the same period in the previous financial year however Development Control income is 14% higher than the previous year. Based on income patterns over the last two years, it is projected that there will be a net income shortfall in 2011/12 of planning income of £115k after taking account of a virement from within the Directorate of £75k to help mitigate the pressure. This fall in income is due to the economic climate and the impact of the change in the timing of fee collection implemented in 2010/11.
45. There are one off staff savings within the Planning Service of £38k.
46. There is an additional one off pressure in Planning of £75k as a result of the loss of a recent case at the Court of Appeal where the Council were ordered to pay the complainant's costs. These can be managed within the Directorate's budget in 2011/12.
47. There are further one off savings identified in this service of £77k in relation to the hold on all discretionary spend, which result in the balanced budget position with the service.

### Homes & Communities

48. Car parking charges were increased from 1<sup>st</sup> November and income for the four months to February 2012 is 24% higher than the same period last year. Based on income patterns for the last two years, income is unlikely to achieve the 11/12 budget by £195k. This shortfall reflects the slippage in the introduction of price increases from the original implementation date of 1<sup>st</sup> September 2011. This pressure can be partly mitigated by £60k underspend due to other parking income exceeding income budget and staff vacancy savings within the parking team.
49. This pressure will be mitigated by one off savings within the services achieved through staff vacancy management and the halt on discretionary spend leading to a net underspend for the service of £85k.

## **Place Based Commissioning**

50. The cost to Herefordshire of the joint Waste Disposal contract for 2011/12 is expected to be £9.13m based on tonnage levels managed this year. Whilst the annual budget is £8.73m, there is additional funding available of up to £790k set aside as part of the 2011/12 budget to meet this pressure.
51. There are contract savings of £105k within the Waste budgets in relation to collection contracts with FOCSA and Amey due to reduction in collections from 'bring' recycling sites following the extension of kerbside recycling in previous years. Latest estimates of the income from Trade Waste collection have identified additional income of £130k along with further savings of £80k on discretionary spend budgets.
52. There is pressure on the Public Transport budget for the year due to contract inflation increases being higher than initially estimated, however this is being managed within Transportation budgets through reductions in discretionary spend and staff vacancy management resulting in a net underspend of £70k.
53. There are further one-off savings of £180k in relation to the settlement of contract disputes under the Amey MAC arrangements.
54. The halt on discretionary spend and staff vacancy management has also realised further one-off savings of £85k.
55. Latest estimates of the costs of Winter Maintenance are an underspend of £55k. The annual budget for 11/12 is £1.3m and this is just £200k more than the expected costs of a 'normal' winter. A 'normal' winter would typically include 50 priority gritting runs. So far this Winter, there have been 65 priority gritting runs.
56. As previously reported there continues to be pressure on the Street Lighting budgets in relation to energy costs which is now estimated at £74k however this is expected to be managed by a plan to replace 2,000 street lights in residential areas of Herefordshire with alternative lights sources (Light Emitting Diode – LED) along with the replacement of 959 halogen traffic signals with LEDs. This forms part of the Carbon Management Action Plan. We have sought the acceleration of this to maximise the contribution to energy savings in this financial year and beyond, and the level of mitigation through this in 2011/12 is £20k.

## **Director and Management**

57. There is currently £35k underspend in relation to the Directorate's annual non pay inflation budget which is currently available to help mitigate the pressures within the Directorate.

## DEPUTY CHIEF EXECUTIVE AND DIRECTOR OF CORPORATE SERVICES

### Overall Projected Outturn

£'000	Annual Budget	Under / (Over) Spend
Customer Services and Communications	2,968	250
People, Policy and Partnership	7,865	(220)
Law, Governance and Resilience	3,019	25
Chief Finance Officer and Commercial	8,963	495
Directors	608	300
<b>Total</b>	<b>23,423</b>	<b>850</b>

58. The net underspend for the Directorate is £850k compared with a net underspend previously reported of £678k. The increase in savings mainly relates to Customer Services and Communications.
59. The savings target for the Directorate in 2011/12 is £1.5m. All savings plans are on track.
60. The budget includes the elements contracted to The Shared Services Partnership and the provider of Internal Audit.

### Customer Services and Communications

61. The Customer Organisation project will introduce a new system and look at our business processes for delivering front line services; this project will deliver savings targets in 2011/12.
62. There are further savings within Web Services relating to a policy of achieving one off savings in software and technology expenditure and the LINK Project relating to a transitional management which has been necessary as a result of NHS changes.
63. As previously reported, the funding model for elements of the above project is currently being reviewed and has provided further savings of £55k in 2011/12 by funding through prudential borrowing. This will also release funds currently held in reserve to help mitigate the council overall budget position.

### People, Policy and Partnership

64. One off savings of £135k have been identified within the services mainly in respect of staff vacancy savings.
65. A review of the ICT Strategy has been carried out to identify projects that can be put on hold to help mitigate the Council's overspend position and £44k savings have been identified.
66. The current funding model for Corporate Transformation is based on full costs recovery from internal income and is no longer sustainable as funding for this work in directorates is no longer available and the expertise and capacity in the CTS needs to be focussed on supporting our major change area; most of which are currently overspent. This is resulting in a current year pressure of £399k. This issue is being resolved for 2012/13 with a significant

reduction in corporate transformation fixed staff costs and base lining of the core budget.

### **Law, Governance and Resilience**

67. There is a pressure within the Legal Services budget of £136k mainly relating to the cost of temporary cover of a senior management post due to sickness. These costs will be mitigated by savings within the service.
68. There is a pressure in Land Charges of £82k mainly related to the shortfall of income due to reduced activity reflecting the current economic climate. However, these are also mitigated by additional income in Registrars. Legal proceedings have been commenced against the Council (and other Councils) by private search companies which could result in this Council having to repay around £200k. The outcome of this claim will have an impact on the way we deliver this service in the future.
69. There are one off savings within the Resilience Team and Governance Services in relation to staff vacancy management. There are also savings in 2011/12 in relation to Members Expenses due to the reduction of number of special responsibility allowances required and the provision of more in house training.
70. There is an additional overspend in the Coroners Service of £500k which reflects an increase in post mortems and specifically specialist cases.

### **Chief Finance Officer and Commercial**

71. The Property Services budget is expected to underspend for the year by £12k. This assumes that there is no reactive maintenance expenditure later in the year. The loss of income from the former Cattle Market will be compensated for by revenue from the new Livestock Market where activity has been at a higher level.
72. The current system of Housing Benefit provides a financial incentive for authorities to recover overpayment of benefits from recipients. The Department for Works and Pensions pays Housing Benefit Subsidy to authorities based on benefits disbursed inclusive of overpayments (subject to conditions). Authorities effective in recovering overpayments may therefore receive a higher level of subsidy. It is estimated that the subsidy received will result in a net underspend of £400k, even after taking into account the reduction in the government subsidy for administering benefits. Reductions in the level of benefits payable and changes to the subsidy system are likely to mean that this level of surplus will not continue in future years.
73. There are further savings in relation to the Chief Executive's direction that there is a halt on discretionary spend of £83k.

### **Other**

74. A further £310k has been identified in relation to the Directorate's non pay inflation budgets and reduction in discretionary spend for the year to contribute to the council's overspend position.



## Capital Forecast

1. The capital forecast for 2011/12 totals £58.7m. A summary by directorate and funding source is provided in Table A below.

**Table A – Funding of 2011/12 Capital Forecast**

Directorate	2011/12 Forecast £'000	Prudential Borrowing £'000	Revenue Contribution £'000	Grants & Contributions £'000	Capital Receipts Reserves £'000
People's Services	21,752	1,014	-	20,524	214
Places & Communities	28,423	3,001	13	21,578	3,831
Corporate Services	8,187	6,878	95	612	602
Contingency	383	383	-	-	-
<b>Total</b>	<b>58,745</b>	<b>11,276</b>	<b>108</b>	<b>42,714</b>	<b>4,647</b>

2. The changes from the previous forecast are due to the following:-
- The funding awarded to refurbish Ross library was returned to the corporate funding pot in 2010/11 however additional costs have fallen due in 2011/12 so this funding has been released.
  - Further changes expected between now and the financial year end include the capitalisation of ICT costs incurred in year regarding PC standardisation and software development costs and the permitted capitalisation of borrowing costs incurred during the year of approximately £100k.

3. **Table B - Schemes with a forecast exceeding £500k in 2011/12**

Scheme	Spend to end February £'000	2011/12 Forecast £'000	Comments
<b>People's Services</b>			
Hereford Wyebriidge Academy	3,125	5,852	Scheme within budget and on schedule, new building open with official opening scheduled for September 2012
Schools Devolved Capital Programme	2,522	3,755	Devolved funding allocations and brought forward capital funding to schools, any slippage can be carried forward
Condition property works	1,788	2,696	Annual programme of works at various sites committed on a highest need first basis
SEN Targeted Capital Fund	1,306	2,417	Block funding allocation towards SEN provision at Hampton Dene, Barrs Court and Blackmarston
Basic Need – Schools	3	2,154	This funding has been allocated to schools through a structured bidding process with remaining funds contributing to the Leominster primary new build

Primary Grant	268	1,731	To provide an all through primary school provision in Leominster, some slippage in the programme has been incurred in finalising scheme details
<b>Places &amp; Communities</b>			
Local Transport Plan	7,366	10,506	Annual programme of capital works to highways, footways and bridges
Yazor Flood Alleviation Scheme	2,756	3,285	Grant funded flood alleviation works in association with Hereford Futures
Grange Court	975	2,213	Refurbishment works underway, expected completion date slipped by contractor
Disabled Facilities Grant	685	1,727	There is a large demand for these grants, applications are progressed through an approval process
Rural Enterprise Grant	1,969	1,667	Various wholly grant funded schemes
Livestock Market	2,181	1,608	New market provision open, additional funding expected
Affordable Housing Grants	486	766	Various grants awarded to approved schemes
Ledbury Library	326	600	This scheme being progressed and £600k spend anticipated
Rotherwas Enterprise Zone	791	653	Spend is being incurred on the enterprise zone in advance of realisation of capital receipts
Ross Library	303	596	Additional costs incurred
Street lighting	-	560	New revenue financed capital budget
Connect 2	347	509	Non-motorised connection between the city centre and Rotherwas
Putson Community Building	50	500	S106 funded new build
<b>Corporate Services</b>			
Hereford Leisure Pool	2,333	3,306	Phase 2 works to complete in May
Capitalisation direction	844	1,543	To fund the statutory element of redundancy costs paid during this financial year
Corporate accommodation	1,460	1,350	Works at Plough Lane and Franklin House, budget will be brought forward to fund
Herefordshire's ICT efficiencies	1,078	846	Improved ICT provision to generate efficiencies, additional funding expected
Smallholdings	585	672	Improvement works to smallholding estate to generate capital receipts
<b>Sub Total</b>	<b>33,547</b>	<b>51,512</b>	
<b>Schemes with a budget &lt;£500k in 2011/12</b>	<b>3,689</b>	<b>7,233</b>	
<b>Total</b>	<b>37,236</b>	<b>58,745</b>	

## Prudential Borrowing

4. A summary of the forecast Prudential Borrowing (PB) position is set out below.

	£'000	£'000
2011/12 Original Prudential Borrowing Forecast		10,920
Add: Halo loan	1,790	
Ross library	596	
Street lighting and traffic signals upgrades	776	
Capitalisation direction	1,543	
		4,705
Less: Slippage into future years		(4,349)
Expected use of Prudential Borrowing in 2011/12		11,276

5. The slippage of capital funds into future years relates to the corporate accommodation and Ledbury library budget re-profiling.

## Capital Receipts Reserve

6. The opening capital receipts reserve balance was £6.8m as at 1st April 2011. During 2011/12 £4.6m is expected to fund the capital forecast and receipts are expected from the sale of Hillrise and the Stanhope retail development agreement.



This report ensures the council is embracing best practice in accordance with CIPFA's recommendations, by keeping members informed of Treasury Management activity.

**1. The Economy**

1.1. Recent economic events and statistics show the following:

- The second estimate of economic growth in the final quarter of 2011 confirmed that the UK economy contracted by 0.20%. Year on year growth was revised down from 0.80% to 0.70%.
- Inflation is currently 3.60% and is expected to fall further to gradually drop back towards the 2% target. However, further oil price rises may impact on this.
- There was a further deterioration in domestic employment data with the number of unemployed increasing by 28,000 in the three months to January. However this represented the lowest increase in almost a year and government sees this as an encouraging sign of stabilisation.
- Over the short-term gilts will retain their "safe-haven" status. This should keep the interest rates available on loans from the Public Works Loan Board at relatively low levels.
- No change in the Bank Base Rate on the horizon which is expected to remain at 0.50% throughout 2012/13.

**2. The Council's Investments**

2.1 As at 29<sup>th</sup> February 2012 the council held the following investments:

Investment	Term	Maturity Date	Interest Rate	Amount invested	
				£m	£m
<u>Instant access Money Market Funds:</u>					
Prime Rate	N/A	N/A	0.88%	3.50	
Ignis	N/A	N/A	0.85%	3.50	
Deutsche	N/A	N/A	0.76%	2.97	
Insight	N/A	N/A	0.70%	4.25	
Blackrock	N/A	N/A	0.57%	0.12	14.34
<u>Rolling monthly programme of £1 million one year term deposits (now discontinued):</u>					
Newcastle City Council	364 days	15/03/12	1.55%	1.00	
Bank of Scotland	364 days	05/04/12	2.05%	1.00	
Bank of Scotland	364 days	02/05/12	2.05%	1.00	
Barclays	364 days	14/06/12	1.52%	1.00	
Lloyds TSB	364 days	25/07/12	2.05%	1.00	5.00
<u>Rolling monthly programme of £1 million six month term deposits (now also discontinued):</u>					
Barclays	189 days	23/03/12	1.20%	1.00	1.00
<u>Other fixed term deposits:</u>					
Barclays	328 days	20/03/12	1.47%	1.00	
Lloyds TSB	449 days	27/07/12	2.65%	0.50	
Lancashire C C	274 days	01/08/12	0.90%	3.00	4.50
<b>Total</b>					<b>24.84</b>

No term deposits placed between 01/11/11 and 29/02/12

- 2.2 As advised in the previous report, due to stress in the financial markets, coupled with uncertainty over the extent to which the government could and would support the banks should there be another financial crisis, the credit rating agencies have reduced the credit ratings of nearly all the major UK banks. Most banks are now rated at a level below the minimum acceptable long-term credit rating stipulated in the council's 2011/12 Treasury Management Strategy Statement (TMSS).
- 2.3 In accordance with our advisors' (Arlingclose) advice, the 2012/13 TMSS includes a minimum acceptable long term credit rating (using Fitch's ratings) of A- rather than A+ which will mean that, based on current credit ratings, most of the suspended institutions will be reinstated with effect from 1<sup>st</sup> April 2012 (the exception being Clydesdale bank which will still not meet the minimum criteria).
- 2.4 Until 1<sup>st</sup> April 2012 there are only two UK banks on the council's lending list, being:
- | <u>Bank</u> | <u>Maximum maturity for new investments</u> |
|-------------|---|
| HSBC        | 6 months                                    |
| Santander   | 35 days                                     |
- 2.5 On a more positive note, very recently the council's treasury advisors (Arlingclose) have extended their recommended maximum maturity limits for new term deposits. Looking at the two banks above, they have recommended extending the limits from overnight to 35 days for Santander and from 3 months to 6 months for HSBC. The reason is increased stability or improvement in most of the credit risk indicators which they monitor (such as the price of credit default swaps and share prices).
- 2.6 Another recent and significant development has been the £1.1 trillion of 3-year funding made available by the European Central Bank which has allowed European financial institutions access to low cost funding at 1%. Long-Term Refinancing Operations saw £489 billion borrowed by 520 banks in December 2011 and £530 billion borrowed by 800 institutions in the February 2012. It is recognised however that some banks will not immediately pass on the benefit of the cheaper funds and it may be several months before the Eurozone feels the benefit of the cheap loans in the wider economy.
- 2.7 The crisis in Greece has temporarily abated following the programme of debt restructuring and the approval of the new £174 billion bailout package. However worries persist that these measures will not be enough if Greece does not deliver on pledges to reduce the government workforce, sell government assets and overhaul its tax system. Meanwhile, European governments are turning their attention to protecting other vulnerable economies, including Portugal, Spain and Italy.
- 2.8 There is no change in the forecast of the Bank Base Rate provided by Arlingclose. As noted in the January report, Arlingclose have advised that it could be 2016 before the first increase in the rate. Their forecast (issued 1<sup>st</sup> March 2012) is as follows:

Bank Rate	Mar-12	Jun-12	Sep-12	Dec-12	Mar-13	Jun-13	Sep-13	Dec-13	Mar-14	Mar-14
Upside risk					+0.25	+0.50	+0.50	+0.50	+0.50	+0.50
Central case	050	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Downside risk										

2.9 The council has earned interest on its investments as follows:

Month	Average Invested £m	Average rate of interest earned	Amount of interest earned
April 2011	40.6	1.08%	£36,046
May 2011	47.4	1.15%	£46,099
June 2011	47.0	1.17%	£45,261
July 2011	48.2	1.17%	£47,788
August 2011	48.0	1.23%	£49,707
September 2011	42.6	1.28%	£44,914
October 2011	38.0	1.30%	£42,061
November 2011	40.0	1.27%	£40,728
December 2011	36.7	1.24%	£39,028
January 2012	36.2	1.17%	£36,075
February 2012	32.4	1.11%	£29,859
<b>Total to date</b>			<b>£457,566</b>
<u>Forecast:</u>			
March 2012	25.0	1.00%	21,000
<b>Estimated total for year</b>			<b>478,566</b>
<b>Budget</b>			<b>249,070</b>
<b>Surplus</b>			<b>229,496</b>

- 2.10 The interest received has exceeded budget due to both higher investment balances and higher average interest rates, due principally to the placement of term deposits for up to twelve months (and then six months) during the first part of the year.
- 2.11 Due to the restricted number of eligible counterparties (banks we can deal with), term deposits maturing before the end of March have resulted in surplus funds being placed in the council's Money Market Funds or in the Santander instant access account or on term deposit with other Local Authorities. The lack of counterparties in recent months is reflected above in the falling average rate of interest earned. This reduction in rate would have been greater had it not been for falling balances in February and March following the cessation of council tax receipts.
- 2.12 The actual surplus will depend upon various factors including the amount and timing of any additional borrowing taken out before the year end and the net interest payable to trusts and other third parties. However, as previously reported, investment income should exceed the budget by around £230,000.

**3. The Council's Borrowing**

3.1 So far this year the council has borrowed the following amounts from the PWLB:

Date	Amount	Interest rate	Term	Type of loan
14/07/11	7,500,000	3.59%	15 years	EIP
03/11/11	3,000,000	3.35%	20 years	EIP
*EIP = Equal Instalments of Principal (with the loan being repaid in equal instalments over the term of the loan)				

- 3.2 The financial concerns in the Eurozone means UK government sterling gilts have remained relatively attractive to investors keeping interest rates on loans offered by the Public Works Loan Board relatively low.
- 3.3 The approval of the new Greek bailout package and the provision of cheap loans by the European Central Bank have reassured financial markets to a degree and have led to a recent fall in the demand for gilts. As a result the interest rates provided by gilts, and hence the rates charged on loans from the Public Works Loan Board, have increased. In the last two days the 20 year EIP rate has increased from 3.17% to 3.44%. The council's treasury adviser, Arlingclose, believes that the increase is not the start of a longer-term upward trend but that the underlying issues in the Eurozone remain and that PWLB rates will fall back again.
- 3.4 Because of the large difference between borrowing rates and the rates earned on investments the council generally postpones borrowing for as long as possible to avoid the large cost of carry. In addition, in the current financial climate there are relatively few good quality counterparties where funds may be placed. However, recent events show how quickly PWLB rates can increase and so, when rates are at low levels, there is also an argument for taking out loans sooner rather than later in the belief that the cost of carry will be outweighed by interest savings over the period of the loan.
- 3.5 Economic events and PWLB rates will continue to be monitored and advice will be sought from the council's treasury advisers regarding the best time to take out new loans. This will inform the Chief Finance Officer's decision making.
- 3.6 As previously reported, the long-term borrowing budget was set in January 2011 at a time when PWLB rates were steadily increasing and there was concern over the interest rates that would need to be paid on future borrowing. Arlingclose's forecast was for the 20 year PWLB rate to reach 6% in the third quarter of 2011. In order to set a prudent budget, and give the council flexibility with regard to maturity periods, the budget was set using an interest rate of 5.75%. With actual borrowing rates being much lower than the forecast the borrowing budget will result in a surplus for the year which is analysed below.



	Budget	Forecast	Surplus
	£m	£m	£m
Minimum Revenue Provision	9.87	9.61	0.26
Interest on existing loans (January 2011 position)	5.43	5.43	-
Borrowing of £5m taken out before the end of 2010/11 (Budget 4.00%; Actual 3.71%)	0.20	0.18	0.02
Borrowing requirement for 2011/12 of £7m £7.0m borrowed 14/07/11 at 3.59%	0.40	0.18	0.22
Borrowing of £10m to externalise net internal borrowing used in 2008/09 and 2009/10: £0.5m borrowed 14/07/11 at 3.59% £3.0m borrowed 03/11/11 at 3.35% £3.5m to borrow at say 4.00% or less £3.0m balance not now required due to slippage in capital programme from when the budget was set	0.03 0.17 0.21 0.17	0.01 0.04 0.01 -	0.02 0.13 0.20 0.17
Provision for refinancing of LOBO loans at a higher rate (Now unlikely that lenders will increase rates)	0.12	-	0.12
<b>Original budget</b>	<b>16.60</b>	<b>15.46</b>	<b>1.14</b>
<b>Agreed budget virement to property disposal costs</b>	<b>(0.05)</b>	<b>-</b>	<b>(0.05)</b>
<b>Budget adjustment relating to a reduction in capital financing contributions from directorates</b>	<b>(0.12)</b>	<b>-</b>	<b>(0.12)</b>
<b>Adjustment for capitalised interest</b>		<b>(0.10)</b>	<b>0.10</b>
<b>Forecast budget surplus as at 31 March 2012</b>	<b>16.43</b>	<b>15.36</b>	<b>1.07</b>

- 3.7 The council is able to capitalise interest costs relating to interest paid on borrowing used to fund large capital schemes that take substantial periods of time to get to the point at which the assets may be utilised. Such interest, incurred at the construction or installation phase, may be capitalised and added to the cost of the associated asset. In accordance with accounting policy the council intends capitalising interest costs totalling around £100,000 and this figure has increased the forecast surplus at the end of the year.
- 3.8 The anticipated surplus for the year on capital financing costs is estimated to be in the region of £1.07 million, as detailed above.



<b>MEETING:</b>	<b>CABINET</b>
<b>DATE:</b>	<b>5 APRIL 2012</b>
<b>TITLE OF REPORT:</b>	<b>UPDATE ON THE SHARED SERVICES PROGRAMME</b>
<b>PORTFOLIO AREA:</b>	<b>CORPORATE SERVICES &amp; EDUCATION</b>

**CLASSIFICATION:** Open

### **Wards Affected**

County-wide

### **Purpose**

The purpose of this report is to update Cabinet on the progress of the Shared Services Programme, including an update on the development of Hoople Ltd.

### **Key Decision**

This is not a Key Decision

### **Recommendation(s)**

**THAT the Cabinet Notes:**

- a) progress to date with the development of Hoople Ltd;**
- b) that an annual shareholders' report will be produced by Hoople Ltd; and**
- c) progress on the implementation of the remainder of the Shared Services Programme and the proposal to reappraise options for support services as part of the Root and Branch Review Programme.**

### **Key Points Summary**

- This report outlines progress made on the Shared Services Programme and the implementation of Hoople Ltd. The continued reduction of support services costs is a key aspect of meeting the future funding challenges and helping us to protect front line services
- Hoople Ltd was established by the three partners, Herefordshire Council, NHS Herefordshire and Wye Valley Trust, in April 2011. The company provides finance, human resources, information technology, revenues and benefits and procurement services. It is committed to delivering savings for all partners, including £467k for the Council in 2011/12
- There has also been good progress with the remainder of the shared services programme: legal, communications, internal audit, emergency planning, communications, property services, transport and corporate transformation. Benefits of £543k from these services will be

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Further information on the subject of this report is available from  
Dean Taylor, Deputy Chief Executive, on (01432) 260037

delivered for the Council in 2011/12, with an additional £300k forecast from procurement.

- The partners are also exploring a range of other opportunities to share support and business services. For the Council, this will form part of the Root and Branch programme so that we can challenge what support services are provided in the future and how.
- The future development of the Shared Services Programme is taking account of wider national and local organisational changes, including those within the NHS. Whilst the nature of the partners will clearly change, the strong partnership in Herefordshire between local government and the health services will continue. Discussions will also take place with other organisations in Herefordshire to explore the opportunities for wider joint working

## Reasons for Recommendations

1. To ensure that the Cabinet is briefed and is able to give guidance as appropriate on the work on Shared Services, to enable the projected benefits and cost savings to be delivered.

## Introduction and Background

2. Herefordshire Council and its NHS partners have led the UK in their unique and pioneering approach to partnership working. Good progress has been made in integrating services to the public and, in parallel, to integrate and share the corporate and support services on which the partners' public services depend.
3. The Shared Services programme has the commitment of the Council, the Primary Care Trust and the Wye Valley NHS Trust. The aims of the programme are to:
  - Enable the three partners to work in true partnership, and be able to focus on their priorities, such as achieving a better quality of life, and improved health and wellbeing;
  - Revitalise local public services to help them become more efficient, joined up, customer focused and responsive;
  - Pool resources - such as human resources, information technology, finance, purchasing, estates management, transport and customer services - across organisations;
  - Strengthen investment in new ways of working, so that employees are supported by modern systems, training and development, as we redesign our services more around the individual needs of local people;
  - Boost employee skill levels, achieve best practice, increase capacity and flexibility, and improve communication and collaboration between organisations and service areas.
4. Cabinet (and the PCT and Wye Valley Trust Boards) has received a number of reports on the Shared Services Programme. Cabinet last received a progress report on 28 July 2011 and agreed the key steps required to implement the project. The following recommendations were approved:
  - a. Delegate the necessary authority to the Chief Executive of Herefordshire Council, who are the sole owners and shareholder in The Shared Services Partnership Ltd to make a gift of shares in The Shared Services Partnership to NHS Herefordshire and Wye Valley NHS Trust;
  - b. Delegate the necessary authority to the Chief Executive of Herefordshire Council to

exercise the voting rights in respect of the Council's shareholding in The Shared Services Partnership.

## **Key Considerations**

### **ESTABLISHMENT OF HOOPLE LTD**

5. In October 2010, Cabinet and the PCT and WVT Boards agreed to enter into formal shared services arrangements with its partners, adopting a 'multi-source' approach and the establishment of a Joint Venture Company. This recommendation was approved at the Full Council Meeting in November 2010.
6. Herefordshire Council established the company under the name of "The Shared Services Partnership Ltd" (TSSP) on 30 March 2011. The company delivers the following services:
  - Human Resources
  - Training & Education
  - ICT
  - Financial Services
  - Procurement
  - Revenue & Benefits
  - Payroll
7. On the 1 April 2011, 315 Herefordshire Council staff transferred to The Shared Service Partnership Ltd.
8. On the 12 October 2011 the TSSP was renamed "Hoople Ltd" which meets the aspirations of the partners and provides an innovative brand identity to support the development of a wide range of services.
9. On 1 November 2011, 31 PCT and 33 WVT Staff transferred to Hoople Ltd, triggering the partnership agreements and commitment between the partner organisations to co-operate to make a success of Hoople Ltd. The share ownership of the company is as follows:

Herefordshire Council – 62%

NHS Herefordshire (PCT) – 17%

Wye Valley NHS Trust – 21%

### **THE PARTNERSHIP PENSIONS ARRANGEMENTS UPDATE**

10. The Council successfully applied for "admitted body" status to allow Council employees who were TUPE transferred to The Partnership to continue membership of their current Local Government Pension Scheme (LGPS).
11. The Partnership, as the admitted body, and Herefordshire Council, as the letting authority, worked with Worcestershire County Council, as the Local Government Pension Scheme (LGPS) administering authority, to finalise the signed and sealed Admission Agreement that ensures that council staff retained their LGPS membership following their TUPE transfer to The Partnership on 1 April 2011.
12. The Partnership sought and successfully obtained "direction body" status from the DoH which allowed staff employed by the NHS to continue membership of their current NHS Pension

Scheme when they transferred to Hoople Ltd.

## HOOPLE UPDATE

13. The initial management focus has been on stabilising the Company to ensure it continues to deliver effective services to the current shareholders.
14. The business case savings have been fully delivered and opportunities are being explored to deliver beyond this in the coming year. On top of the savings, a small surplus is forecast for 2011/12 which will be reinvested in the business subject to shareholder approval.
15. Under the direction of the new Managing Director the company has started a change programme known as "MakeOne". This will have three distinct phases, the first to streamline the organisations management structure, the second to improve the way we work and the third to align staff terms and conditions.
16. Work is underway to develop awareness of the Hoople brand and the company's range of services. The new website recently went live and this will be developed as new opportunities come on stream. A small amount of tactical external sales activity has been undertaken to take new and existing services to new markets. This is very promising and demonstrates that the company's low cost base and delivery heritage is a real asset to be maximised. To date the company has secured additional work in payroll, recruitment and CRB checking activity.
17. Hoople Ltd has been created to support the public services in Herefordshire. It is working in a competitive market place and much of the information within the company would be of significant interest to our competitors. Given the interest from the market in our unique configuration and service offer it is important that all stakeholders continue to constructively support the company's development.
18. In this spirit, the Board is discussing how best to communicate with and inform shareholders and it is proposed that, as part of this, an annual shareholders' report is produced.
19. There continues to be significant external interest in what Herefordshire is doing on shared services. For example, the Local Government Association is undertaking a national best practice project involving five shared services case studies, one of which is Hoople.

## SHARED SERVICES SUPPORT TEAM

20. Following the successful creation of the Joint Venture Company and an agreed direction for the remaining shared services, the Shared Services project team was wound down and the project formally closed on 31 October 2011. As part of the project closure process, the project handed over a number of tasks associated with the operational set up of the company and a number of 'business as usual tasks' have been handed over to the retained client for on-going management. Key aspects of the original programme are summarised below.

## UPDATE ON WAVE 2 SHARED SERVICES

21. Cabinet agreed in October 2010 to adopt a "multi-sourcing" approach for the in-scope shared services. The key focus was on the Joint Venture Company for delivering back office services across all partners, but other more effective delivery models were established for the remaining support services, under the banner WAVE 2.
22. The current position on 'Wave 2' services is listed below:
  - a. **Audit services:** The partners agreed to outsource their audit services through a joint

procurement exercise. KPMG were appointed as Strategic Partner in 1 April 2011 and this exercise has resulted in savings of which the Council has received £80k. Benefits realisation is being tracked through the Benefits Board

- b. **Legal services:** A 'Lead Provider/Commissioner' model was agreed, with Herefordshire Council as the lead service for the NHS partners. Implementation is almost complete, with initial service level agreements in place. Income and savings of £90k for the Council have been generated for 2011/12.
- c. **Transport:** a business case is being developed for a review of all aspects of transport in Herefordshire, including other public sector providers and community transport. Because of the strategic nature of this review it will be undertaken as part of the Root and branch Review Programme. Initial proposals are expected in the summer.
- d. **Asset Management and Property:** a specification for the full range of property and asset management related functions is nearing completion. Informal market testing will take place shortly to establish the market interest in these functions and how best to undertake the procurement for one or more external partners. In 2011/12 savings of £209k for the Council are estimated from staff reductions and accommodation rationalisation.
- e. **Emergency Planning:** This service transferred into Legal, Governance and Resilience service area on April 1st and is now part of a wider Resilience Unit, also covering risk management business continuity management and health and safety; services are provided to NHS partners and Hoople. In 2011/12 the Council achieved additional income of £100k through the provision of services to NHS partners.
- f. **Communications:** the Council is the lead provider for the communications service and has been working with the PCT, Wye Valley Trust and the Clinical Commissioning Group on key messages around the health and social care changes. A service level agreement with WVT for communication and web services is being discussed. Similar arrangements are being discussed with the CCG as part of the future commissioning support services offer. From which £69k savings are projected.
- g. **Corporate Transformation:** Corporate transformation services across the Council and the PCT have now been integrated; this team provides an ICT project management service to WVT. An option appraisal is now taking place to determine the appropriate delivery option for Corporate Transformation Services; one of the options is to transfer part of the function to Hoople. There are also discussions with WVT about the benefits of further integration of team engagement with service and organisational change.
- h. **Information Governance:** this is currently a shared service managed by the Council. This is an area where commitment to continuing to share expert knowledge of this area is key. The ongoing structure and responsibility for the service is being considered as part of the local Commissioning Support offer
- i. **Customer Services:** excellent progress has been made in developing the Customer Service Organisation across the Council and PCT, including the implementation of a new customer relationship management system, operational improvements to Info by Phone and the Info Shops and the development of the customer insight unit. A new website will be launched in July 2012. An initial list of joint projects has been agreed with WVT. An option appraisal will be undertaken as part of the Root and Branch Reviews to determine the best solution for the future delivery of customer services.

23. Options for the future delivery of shared support services will be reappraised as part of the

Root and Branch Review Programme.

## **FUTURE REPORTING ARRANGEMENTS ON SHARED SERVICES**

24. Reporting and performance monitoring of the shared services programme is as follows:
- **Shared Services Programme Wave 2:** The transitional aspects of implementing the Shared Services model is reported through the Corporate Transformation Team. The Council continues to manage its overall benefits via the Benefits Board, which includes the WAVE 2 work streams.
  - **Hoople Performance:** The operational and performance reporting aspects of Hoople Ltd are managed by the company's Board of Directors and through the partners' commissioning functions. The Managing Director meets with the Council's lead commissioner (Chief Officer - Finance and Commercial Services) six-weekly to review overall contract performance and service leads meet more frequently. Hoople performance against key indicators will be reported to Cabinet through the Integrated Corporate Performance Reporting process.
  - **Other Shared Services Performance:** The operational and performance reporting aspects of other support services outside of Hoople (audit, legal, communications etc) are undertaken through agreed service level agreement mechanisms, including regular client review meetings. Work to integrate and improve reporting will be led by Corporate Services during 2012, linked to the Root and Branch Review Programme.

## **Community Impact**

25. The implementation of Shared Services is delivering improved quality and more efficient and effective back office support to front line services across the three partner organisations; is releasing savings to deal with financial constraints and/or for reinvestment in front line services; and is protecting jobs and investment in the County in future. In particular, the preferred options provide an opportunity for the partners to provide those services to other public services providers in Herefordshire in line with the 'localities' agenda, maintaining and building on the strong sense of place that is characteristic of the county.

## **Financial Implications**

### **Review of the Business Case**

26. The shared services programme delivered £1.095m savings for all partners in 2010/11, the programme is on track to deliver further savings in 2011/12 and in the future.
27. The validity of the shared service programme was predicated on the original business appraisal model, building up costs and benefits over a ten year period. Through this approach it was recognised that a significant return on investment would be achieved for the partners.
28. In practice, the partners are monitoring the delivery of the benefits monthly and are focused on ensuring the immediate targets are delivered over the next three years, when the bulk of the benefits were expected. This approach allows a more realistic plan to be implemented, linked to the medium term financial planning process, with close attention being paid to slippage and timelines in delivery.
29. The table below summaries the benefits already delivered and the targets in place across Hoople, the Council and the partners since 1 April 2011. The Council have profiled these targets through their Medium Term Financial Strategy and delegated to the relevant budget



holders for delivery.

£'000		Delivered	Projected	Target	Target	Total
		2010/11	2011/12	2012/13	2013/14	
<b>Council</b>	Hoople	** 311	467	413	340	1,531
	Other	328	843	1,758	0	2,929
	<b>Total</b>	<b>639</b>	<b>1,310</b>	<b>2,171</b>	<b>340</b>	<b>4,460</b>
<b>Partners</b>	Hoople	0	152	25	0	177
	Other	456	626	285	129	1,496
	<b>Total</b>	<b>456</b>	<b>778</b>	<b>310</b>	<b>129</b>	<b>1,673</b>
<b>Total</b>	Hoople	311	619	438	340	1,708
	Other	784	1,469	2,043	129	4,425
	<b>Total</b>	<b>1,095</b>	<b>2,088</b>	<b>2,481</b>	<b>469</b>	<b>6,133</b>

**\*\* Note these savings were delivered from back office services, but pre Hoople set up**

30. Herefordshire Council has already realised substantial savings through the Shared Services programme. In addition to the £639k delivered in 2010/11, the Council expects to achieve a further £1,310k in 2011/12 via procurement, property, internal audit, legal, emergency planning and communications. £467k of this target will be delivered by Hoople. This is replicated in 2012/13 with a further target of £2,171k being set within the Medium Term Financial Strategy, excluding Hoople, the bulk of which will be delivered via Procurement.
31. Hoople benefits are on target to be delivered across all partners. Hoople Board have been assured that £619k has been achieved in 2011/12, with a further £438k for 2012/13 already identified from service budgets. £340k is required for 2013/14 and it is hoped this can be delivered by new business opportunities. Based on the partners SLA funding envelope, £619k savings for 2011-12 equates to a 5.5% saving.

## Legal Implications

32. It should be noted that Hoople Ltd is a separate legal entity and that the Council can influence decisions by the exercise of its shareholding at a company general meeting. Day to day decisions are taken by a board of directors, which includes shareholder nominees and the executive directors. The Council does send an observer to Board Meetings. The Company is able to undertake work for the Council without formal procurement because of the high level of legal control and the volume of work performed for the public shareholders. Future growth in the external customer base will need the control position to be reviewed as it occurs.

## Risk Management

33. Within the Council's Benefits Board a full risk analysis has been undertaken and is subject to weekly review. Each project has its own risk register. Hoople also has a separate risk register.

## Consultees

34. Consultations have been undertaken and will continue to take place during the Shared Service Review with Members, Directors, and Heads of Service, Service Managers, staff, Unions, non-executive directors and across our partners. A comprehensive communications strategy has been developed to support this on-going work.
35. Overview & Scrutiny views were sought when the plans for shared services were agreed in

October 2010.

36. All Political Groups received a presentation on the Shared Services programme at that time.

## **Appendices**

37. None

## **Background Papers**

28<sup>th</sup> July 2011 – Item 6 - “Shared Services – Update on Shared Services Programme” (Cabinet Report)

<b>MEETING:</b>	<b>CABINET</b>
<b>DATE:</b>	<b>5 APRIL 2012</b>
<b>TITLE OF REPORT:</b>	<b>SINGLE ENFORCEMENT AND PROSECUTION POLICY</b>
<b>PORTFOLIO AREA:</b>	<b>HEALTH &amp; WELLBEING; ENVIRONMENT HOUSING &amp; PLANNING; HIGHWAYS, TRANSPORTATION &amp; SUSTAINABILITY</b>

**CLASSIFICATION:** Open

### **Wards Affected**

County-wide

### **Purpose**

To agree the adoption of a Single Enforcement and Prosecution Policy for all relevant activities undertaken by Herefordshire Council.

### **Key Decision**

This is not a Key Decision.

### **Recommendation(s)**

**THAT:**

**(a) a Single Enforcement and Prosecution Policy be adopted**

### **Key Points Summary**

- one of the council's budget principles is 'reducing bureaucracy' (including less regulation and red tape)
- Reducing bureaucracy, simplifying rules and regulations, and supporting business by being more 'business friendly' will benefit those who live and work in Herefordshire by.... (say how)
- 'Regulatory' services are in the first phase of the Root and Branch review programme – having a single policy for all such services will focus on what is important to the organisation and to the customer
- Enforcement policies and practices have a significant effect on the ways enforcement activities are undertaken across a varied range of services throughout the county
- Being transparent about how we approach enforcement and, where necessary, prosecute individuals and/or businesses is important in giving assurance to those who have duties to

comply with the law and those who are protected by the law.

- Whilst there is a wide ranging spectrum of enforcement activity across the organisation, nevertheless there is a need to ensure that the principles that apply to all enforcement are visible and applied appropriately and consistently across the County.
- All of the council's enforcement activities operating to and within one single policy is not only in line with good practice but will help boost confidence amongst the public, business and members.

## **Alternative Options**

1. Do not support the principle i.e. continue to operate at least five separate policies. This would mean the systems remain more complex and less transparent than necessary.

## **Reasons for Recommendations**

2. To provide a single, overarching policy that sets out clear principles to both those within the organisation engaged in enforcement activities and to our customers and partners.

## **Introduction and Background**

3. The government set a clear aim: to reduce the overall burden of regulation.
4. Nationally, a number of steps to reduce regulatory burden have been started including:
  - The introduction of the Red Tape Challenge, which gives the public and business an opportunity to review the entire stock of regulations
  - The One-in One-out process and the Statement of New Regulation, both introduced to restrict the volume of new regulation
  - The creation of the Reducing Regulation Committee (RRC)
  - Commitment for the implementation of Lord Young's proposals to reform the enforcement of health and safety law
  - A consultation paper produced by the Department for Business, Innovation and Skills (BIS) on the subject of transforming regulatory enforcement.
5. Locally, the council has identified reducing bureaucracy (including less regulation and red tape) as one of its budget principles for the future.
6. in support of this principle the 'Reducing Red Tape' project began in 2011. Its brief was:
  - a) To consider ways in which the regulatory burden for people and business in Herefordshire may be reduced and efficiency savings or other improvements may be made
  - b) To revisit enforcement practice across the authority and make recommendations for any changes required to introduce a "light touch" approach.
  - c) To recommend changes to existing byelaws and local legislation which eliminate obsolete provisions and produce a set of relevant provisions which are no more than are required to ensure the quality of life for Herefordshire residents, reflecting the principle of Reducing Red Tape.

- d) To recommend any changes to how regulatory functions are currently managed across the Council to improve co-ordination, communication and overall efficiency.
7. Whilst policy on enforcement is an Executive function, both Regulatory Committee and Planning Committee have been consulted because:
- most enforcement-related activity is undertaken by services that report to either of these committees - both committees have responsibilities with respect to the overseeing of enforcement-related activity and periodically receive reports on such activity; and
  - the governance of enforcement lies with those committees

## Key Considerations

8. Part of the second task of the 'Reducing Red Tape Project' was to gain understanding of enforcement practice. It was evident that there were a number of policies followed in various parts of the organisation that whilst not necessarily inconsistent, made it confusing to the public and business.
9. A single policy makes it easier for those that enforce to be consistent, easier for those who want enforcement, and easier for those who are the subject of enforcement – one place to go to where all parties can understand the principles we all follow. It allows greater challenge to be made – parties can ask questions. It will assist Regulatory Committee and Planning Committee to better scrutinise and ensure that enforcement, of whatever type, is consistent, transparent etc.
10. The following is taken from the project report:

*“Any ‘enforcement’ should be targeted, proportionate, risk-based, transparent, and consistent. It should aim at achieving the following: Helping Businesses and Others to Compliance thus Supporting Economic Progress; Openness through Clear Accessible Advice and Guidance, and Helpfulness through Clear Accessible Guidance. This can be better achieved by Working with Other Enforcement Agencies, and Adopting Good Enforcement Procedures*

*Council service areas which are responsible for enforcement activities frequently need to demonstrate that the actions they take are consistent with legal requirements, public interest and government guidance. Enforcement Policies have been used to provide a decision making framework that enables officers to consider issues in an effective way.*

*Guidance on prosecution such as the Code for Crown Prosecutors has existed for some time. Successive governments and their various departments have produced more and more guidance for regulatory and enforcement services to follow, particularly those dealing with businesses. The Enforcement Concordat and Regulatory Code are examples of these.*

*Latterly, the Department for Business, Innovation and Skills (BIS) has proposed drawing any separate policies together and removing the duplicated information. This has the advantage of simplicity, consistency and easier management.*

*Within the Council each individual service area has historically had its own enforcement policy. This was primarily driven by the need of each service area to demonstrate to its stakeholders that the issue had been addressed. This has resulted in a total of six area specific enforcement policies being used by the Council - Planning Enforcement, Building Control, Private sector housing, Public rights of way, Environmental Health & Trading Standards (inc. Community Protection), and Housing & Council Tax Benefit.*

*The opportunity now therefore exists for a single Herefordshire Enforcement and Prosecution Policy containing, where necessary, service specific appendices to give service area specific information and guidance where required. By introducing an overall enforcement and prosecution policy it is felt that consistency in enforcement within service areas and across the different service areas will improve.”*

11. A single, overarching Enforcement and Prosecution Policy would not only bring this organisation into line with most other local authorities and mean that we are following best practice, but give the public and business a clearer view of the principles that underpin our decision making as it relates to enforcement and prosecution. The draft policy is at Appendix 1.
12. Visibility and understanding of the policy is key to assisting committees discharging their responsibilities with respect to ‘regulation’. Consistency and fairness across all enforcement activities is essential.
13. Whilst the single policy will be a more condensed and thorough document than its predecessors, nevertheless it is recognised that a further ‘easy read’ summary document would be helpful and, to that end, a summary will also be published and available.

## **Community Impact**

14. It is envisaged that greater openness will result from the adoption of a single, more transparent approach. In addition, any such improvement in openness should facilitate greater adherence to a better ‘level playing field’ environment for business regulation and support. This supports many of the issues highlighted as being in need of change to reduce burden but improve regulation when it is needed.

## **Equality and Human Rights**

15. Adopting a single policy improves transparency, constancy and will reduce the risk of not fulfilling our public sector equality duty.

## **Financial Implications**

16. Any costs associated with the adoption and implementation of a single Enforcement and Prosecution Policy will be insignificant and will be part of ‘business as usual’.

## **Legal Implications**

17. Any changes from current enforcement and/or prosecution policies to a consolidated single policy will need to be supported by changes (if any) to processes and procedures followed by the various parts of the organisation.

## **Risk Management**

18. No risks associated with supporting the recommendations have been identified.

## **Consultees**

19. The draft single enforcement and prosecution policy has been reviewed by a readers’ panel to ensure that it was clear and precise. The draft policy was also hosted on the council’s e-consult pages to enable the public an opportunity to comment on the policy based on the following criteria:

- Is the Enforcement and Prosecution Policy easy to understand?

- Does the policy appear to reflect a fair approach?
  - Does the Enforcement and Prosecution Policy make sense when linked to the service specific policies?
  - Does it help manage expectations for those initiating enforcement (e.g. complainants) and those who are the subject of enforcement?
  - Do you think there is anything we can do to make the policy better?
20. Other agencies that are responsible for regulation/enforcement in the county have had the opportunity to consider and comment upon the policy. As a result of this consultation a number of minor amendments to the wording of the draft policy were suggested. The Gambling Commission and AHVLO also requested that they be included at paragraph 2.6 of the draft policy.
21. Regulatory Committee and Planning Committee have been consulted and support the adoption of the single policy.

## **Appendices**

22. Appendix 1 - The Single Enforcement and Prosecution Policy

## **Background Papers**

20111011 - Cutting Red Tape in Herefordshire – Report





# **Herefordshire Council**

## **Enforcement and Prosecution Policy**

**March 2012**

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# 1. Introduction

- 1.1 This policy sets out the general principles that Herefordshire Council will follow in relation to regulation, enforcement and prosecution. In particular it sets out what businesses, individuals and the community as a whole can expect from the council's regulatory services and its enforcement/investigation officers.
- 1.2 The policy will be complemented, where appropriate, by service area specific policy or procedure.
- 1.3 The primary function of the council's regulatory and enforcement work is to protect the public, public funds, the environment and groups such as consumers, residents and tenants, workers and businesses. At the same time, carrying out such activity in an equitable, practical and consistent manner helps to maintain a level playing field for local businesses, individuals and our other service users. Good regulation and enforcement will help to promote a thriving local economy.
- 1.4 This policy has been developed with due regard to the 'Principles of Good Enforcement' set out in the following guidance documents:
  - Central and Local Government Enforcement Concordat
  - The Regulators' Compliance Code issued under the Legislative and Regulatory Reform Act 2006
  - The Code for Crown Prosecutors issued by the Director of Public Prosecutions under the Prosecution of Offenders Act 1985.
- 1.5 In certain circumstances we may conclude that a provision contained in one or more of the above-mentioned documents is either not relevant or is outweighed by another provision or relevant factor. We will ensure that any decision to depart from policy guidelines is properly reasoned and based on material evidence.
- 1.6 For the purposes of this policy the following definitions are given to the terms 'regulatory' and 'enforcement':
  - 'Regulatory' encompasses the council's numerous powers and duties enabling the behaviour of individuals and/or organisations to be controlled in the public interest.
  - 'Enforcement' includes any action carried out in the exercise of, or against the background of, statutory powers and duties of regulation. This is not limited to formal enforcement action such as prosecution in the criminal Courts or the giving of Statutory Notices. It also includes, among other things, the inspection of premises for the purpose of checking compliance with regulations and conditions, the imposition of conditions on any licence, consent or similar formal permission, the issue of fixed penalty notices, the giving of cautions and the making of applications to the Courts for Orders to control the conduct of individuals and/or organisations.
- 1.7 All enforcement activities, including investigation and formal actions, will always be conducted in compliance with the council's statutory obligations. Council enforcement officers should act within the scope of their delegated authority and with due regard to the provisions of the Police and Criminal Evidence Act 1984, the Criminal Procedures and Investigation Act 1996, the Human Rights Act 1998, the Data Protection Act 1998,

the Regulation of Investigatory Powers Act 2000, the Legislative and Regulatory Reform Act 2006, and any other legislation relevant to specific service areas and legislation designed to tackle discrimination and promote equality.

## **2. Principles of enforcement – Policy**

### **2.1 Supporting Economic Progress through Compliance**

The effectiveness of legislation in protecting consumers, other businesses and the community depends crucially on the compliance of those regulated. We recognise that most people and most businesses want to comply with the law. We will, wherever practicable, take care to help businesses and others meet their legal obligations without unnecessary expense.

We will strive to ensure that when information is needed from businesses that it is assessed to avoid duplication of requests and amended where necessary. We aim to seek feedback on the forms we use to collect information from business.

Whenever practicable we will promote positive incentives for businesses that comply, such as 'Scores on the Doors'.

### **2.2 Openness through Clear Accessible Advice and Guidance**

2.2.1 We will provide information and advice in plain language on the legislation that we enforce and disseminate this as widely as possible, through information leaflets, newsletters, training schemes and on the Council website at [www.herefordshire.gov.uk](http://www.herefordshire.gov.uk).

2.2.2 Within the limits imposed by law, we will be open about how we carry out our work, including any charges that we make for services. We will make a point of seeking appropriate consultation with business, voluntary organisations, charities, landlords, tenants, consumers and workforce representatives about the services that we provide and about our enforcement policies and procedures. We will discuss general issues, specific compliance failures or problems with those experiencing difficulties.

### **2.3 Helpfulness through Clear Accessible Guidance**

2.3.1 We believe that it is in the interests both of regulated businesses and the wider public to get things 'right first time', and that therefore our enforcement role should involve actively working with all those subject to regulation, especially small and medium sized businesses, to guide and assist with compliance. We will provide a courteous and efficient service and our staff will identify themselves by name and carry proof of their identity. We will provide a contact point and telephone number for further dealings with us and we will encourage businesses and others to seek guidance or information from us. All requests for service, including applications for approval of establishments, licences, registrations, etc, will be dealt with efficiently and promptly within the resources available. We will ensure that, wherever practicable, our enforcement services are effectively co-ordinated to minimise unnecessary overlaps and time delays. This reflects our approach to delivering services in an efficient way.

### **2.4 Targeted, Proportionate and Risk-based Enforcement**

2.4.1 We will minimise the costs of compliance by ensuring that any action we require is proportionate to the risks. We will adopt a risk-assessment approach to target resources where most needed. In line with the codes referred to above, we will take account of the

circumstances of the case and the response of those subject to regulation when considering action. We will take particular care to work with small businesses and with voluntary and community organisations, to help them meet their legal obligations without unnecessary expense. At the same time we will use intelligence and direct resources to identify those who flout the law or act irresponsibly and take firm action against them, including prosecution where appropriate.

## **2.5 Consistent Enforcement**

2.5.1 We will carry out our duties in a fair, equitable and consistent manner. While officers are expected to exercise judgement in individual cases and to treat each case on its own merits, we will have arrangements in place to promote consistency. We support and will promote arrangements for effective liaison with other authorities and enforcement bodies through schemes such as the Home Authority principle, the Lead Authority principle and the Primary Authority principle.

## **2.6 Working with Other Enforcement Agencies**

2.6.1 Some regulatory activity involves consultation with other agencies before deciding on the most appropriate course of action. Sometimes there is more than one agency that can act in response to a problem. If there is a shared enforcement role with other agencies, whenever possible our enforcement activities will be co-ordinated with these agencies in order to minimise unnecessary duplication or delays and to increase our overall effectiveness. For example, joint working may be carried out with the Police, Fire Service, Health and Safety Executive, Office of Fair Trading, Environment Agency, Revenue and Customs, Gambling Commission, Animal Health and Veterinary Laboratories Agency other local authorities and government departments. Persistent offenders may also be reported, for example, to the Office of Fair Trading for further action. Equally, there are instances when more than one part of the Authority may have enforcement options in respect of the same issue. We will ensure that appropriate liaison occurs and that the 'best option' for enforcement is taken.

- Wherever we have a statutory duty to report regulatory matters to another body or agency, we will have procedures in place to ensure that this happens;
- If we become aware of an enforcement issue that would be of legitimate interest to, or more properly be dealt with by, another enforcement agency, we will ensure that the information is passed to that agency in good time.
- Occasionally an offence can be dealt with under more than statute. In these cases a decision will be made between officers as to which is the most effective course of action.

## **2.7 Adopting Good Enforcement Procedures**

2.7.1 Guidance from an officer will be put clearly and simply, explaining why any remedial work or action is considered to be necessary and over what time-scale, and making sure that legal requirements are clearly distinguished from best practice advice. Such guidance will be confirmed in writing.

## **2.8 Complaints about service**

- 2.8.1 We provide a dedicated Customer Insight Unit to help with any complaint about council services. This team can be contacted by telephone on 01432 260535 or by email at [feedback@herefordshire.gov.uk](mailto:feedback@herefordshire.gov.uk).

## **3. Principles of Enforcement - Procedures**

- 3.1 Wherever possible officers will provide an opportunity to discuss the relevant circumstances before any decision to take formal enforcement action is made. Examples of where it may not be appropriate to discuss the matter may include cases where immediate action is required in the interests of health and safety or environmental protection, or cases where it is necessary to prevent evidence being destroyed.
- 3.2 Where immediate action is considered necessary, an explanation of why such action is required will be given at the time and where reasonable confirmed in writing within 5 working days.
- 3.3 Where there are rights of appeal against formal action, advice on the appeal mechanism will be clearly set out in writing at the time the action is taken (whenever possible this advice will be issued with any enforcement notice).

## **4. Investigation**

- 4.1 The council will carry out risk assessments to ensure that our regulatory efforts are targeted where they would be most effective. Inspections and other visits will be in accordance with the risk assessment, except where visits are requested, or we are required to investigate.
- 4.2 All Officers will have regard to the principles contained in this policy when making enforcement decisions. Regard will also be had to any approved statutory, governmental or other national guidance, and to any internal quality procedures.

## **5. Enforcement options**

- 5.1 There are a variety of enforcement actions available to the council:

- compliance advice and support
- review of any licence and/or licence conditions
- written warning
- legal enforcement notice
- fixed penalty notice
- work in default/cost recovery action
- seizure/application for forfeiture
- the issue of a caution
- administrative penalty
- prosecution or other legal proceedings including injunctive action
- Proceeds of Crime Act confiscation proceedings
- Community resolution

This is not an exhaustive list and other options may be available under legislation relevant to specific areas.

- 5.2 In choosing which enforcement option(s) to take the council will aim to change the inappropriate behaviour causing the problem and to deter future non-compliance. The enforcement option(s) chosen will be proportionate to the nature of the non-compliance/alleged offence and the harm caused by it, and appropriate to the individual or business which the action is taken against. Enforcement action will be followed up as appropriate and will result in further enforcement options being pursued if the initial action has not achieved the appropriate result.
- 5.3 In some circumstances matters may be referred to another agency for enforcement action, or officers may liaise and take joint action with other council departments and/or external organisations in order to achieve enforcement aims.

## **6. Prosecution**

- 6.0.1 The Attorney General's guidelines on criteria for prosecution endorsed the principle that suspected criminal offences should not automatically be the subject of prosecution.
- 6.0.2 Herefordshire Council acknowledges that the decision to prosecute a business or an individual is serious. The policy is designed to ensure that the council makes fair and consistent decisions about prosecutions. In doing so it will pay full regard to the criteria set out in The Code for Crown Prosecutors issued by the Director of Public Prosecutions.
- 6.0.3 A decision to prosecute will only be made by an officer not involved with the investigation, and authorised in such a capacity in line with the council's scheme of delegation.
- 6.0.4 Council officers charged with investigating alleged offences must give due regard to the provisions of this policy when making recommendations to authorised officers.

### **6.1 General Principles**

- 6.1.1 Whilst each case is unique and will be considered on its own facts and merits, there are certain general principles that authorised officers will follow in their approach to every case.
- 6.1.2 They will be fair, independent and objective. They will not let any personal views about a suspect's, victim's or witness's ethnic or national origin, disability, sex, religious beliefs, political views, or sexual orientation influence their decisions.
- 6.1.3 Authorised officers have a responsibility to ensure that the right person is prosecuted for the right offence. They will always act in the interests of justice and not solely for the purpose of obtaining a conviction.

### **6.2 The Decision to Prosecute**

- 6.2.1 In making a decision on prosecution the authorised officer will apply two tests. Application of these tests will ensure that all relevant factors are considered and that fair consistent decisions are made about each potential prosecution.
- 6.2.2 The first test is consideration of the evidence. If the case does not pass the evidential test a prosecution must not go ahead no matter how serious the case is. If the evidential test is satisfied the authorised officer will consider if it is in the public interest to prosecute. A prosecution will only be taken if both tests are satisfied.

### **6.3 The Evidential Test**

6.3.1 Authorised officers must be satisfied that there is sufficient admissible reliable evidence to provide a realistic prospect of conviction.

#### **Sufficient**

6.3.2 There is only sufficient evidence to provide a realistic prospect of conviction if, when presented with that evidence, a jury or bench of Magistrates properly directed in accordance with the law, is more likely than not to convict the defendant of the charge alleged. This is an objective test and when applying it to the case the authorised officer will aim to be completely impartial. They will also have regard to any statutory defence that is available

#### **Admissible**

6.3.3 There are legal rules which might not allow evidence that appears relevant to be given at a trial. If the authorised officer believes that some of the evidence falls within this category, he/she will satisfy him/herself that there is enough other evidence for a realistic prospect of conviction.

#### **Reliable**

6.3.4 Evidence may be regarded as unreliable for a number of reasons. It may be affected by factors such as age, intelligence or level of understanding, by the background of the witness, for example, a motive that may affect his or her attitude to the case, or a relevant previous conviction, or a general concern over the accuracy or credibility of the evidence.

6.3.5 Where there are such concerns, authorised officers will not ignore the evidence, but will look at it closely in conjunction with the other evidence to decide whether there is a realistic prospect of conviction.

### **6.4 The Public Interest Test**

6.4.1 The general principle of this policy is that a prosecution will usually take place unless the public interest factors against prosecution clearly outweigh those in favour of prosecution, or it appears more appropriate in the circumstances to divert the defendant from prosecution.

6.4.2 The public interest factors will vary from case to case. Not all factors will apply to each case and there is no obligation to restrict consideration just to the factors listed.

#### **Public Interest Factors in Favour of Prosecution**

6.4.3 The more serious the offence, the more likely it is that a prosecution will be needed in the public interest. A prosecution is likely to be needed if:

- a) a conviction is likely to result in a significant sentence;
- b) a conviction is likely to result in a confiscation or any other order;
- c) a weapon was used or violence was threatened during the commission of the offence;
- d) the offence was committed against a person serving the public;



- e) the risk presented to the public, trade or environment by the commission of the offence was serious or widespread;
- f) the defendant has failed to comply, in part or in full, with a statutory notice;
- g) the defendant acted fraudulently, wilfully or negligently;
- h) harm was caused to human health, animal health or the environment;
- i) the defendant was in a position of authority or trust;
- j) the evidence shows that the defendant was a ringleader or an organiser of the offence;
- k) there is evidence that the offence was premeditated;
- l) there are grounds to believe that the defendant was motivated solely by personal gain;
- m) there is evidence that the offence was carried out by a group;
- n) the victim of the offence was vulnerable, has been put in considerable fear, or suffered personal attack, damage or disturbance;
- o) the offence was motivated by any form of discrimination against the victim's ethnic or national origin, disability, sex, religious beliefs, political views or sexual orientation, or the suspect demonstrated hostility towards the victim based on any of those characteristics;
- p) there is a marked difference between the actual or mental age of the defendant and the victim, or if there is any element of corruption;
- q) the defendant is alleged to have committed the offence whilst under an order of the court;
- r) the offence was committed in the presence of or in close proximity to a child;
- s) the defendant's previous convictions or cautions are relevant to the present offence;
- t) there are grounds for believing that the alleged offence is likely to be continued or repeated;
- u) the offence, although not serious in itself, is widespread in the area where it was committed;
- v) a prosecution would have a significant positive impact on maintaining community confidence;
- w) the outcome of the prosecution might establish an important precedent or draw public attention to national or local campaigns or issues.

### **Public Interest Factors against Prosecution**

#### 6.4.4 A prosecution is less likely to be needed if:

- a) the alleged offence was committed as a result of a genuine mistake or misunderstanding of the circumstances or of the law;
- b) the loss or harm can be described as minor and was the result of a single incident, particularly if it was caused by a misjudgement;
- c) the defendant has put right the loss or harm that was caused (but defendants must not avoid prosecution simply because they have offered compensation);
- d) there has been a long delay between the alleged offence taking place and the decision made to prosecute, unless:-
  - i) the alleged offence has only recently come to light;
  - ii) the offence is serious;
  - iii) the complexity of the offence has meant that there has been a long investigation;
  - iv) the delay has been caused in part by the defendant;
- e) the Court is likely to impose a very small or nominal penalty;
- f) a prosecution is likely to have a bad effect on the victim's physical or mental health, always bearing in mind the seriousness of the offence;
- g) the defendant is elderly or is, or was at the time of the offence, suffering from significant mental or physical ill health;
- h) details may be made public that could harm sources of information, international relations or national security.

#### 6.4.5 Deciding on the public interest is not simply a matter of adding up the number of factors on each side as some factors will be more important than others. As such authorised officers will 'weight' factors in making an overall assessment.

## 6.5 Diversion from Prosecution

- 6.5.1 When deciding whether a case should be prosecuted authorised officers will consider the alternatives to prosecution in pursuit of the aim to change inappropriate behaviour and to deter future non-compliance.
- 6.5.2 A conviction can have wide ranging and long lasting effects, and particular care will be taken when deciding whether it is in the public interest to prosecute in cases involving a young person. For the purposes of this policy a young person is someone under the age of 18 years.

## 7. Publicity

- 7.1 In order to deter others the council will aim to publish any prosecution or other enforcement action.

## 8. Review

- 8.1 This policy will be reviewed annually, or sooner if necessary, to reflect statutory changes or national guidance.

## 9 Appendices

Appendix A – Housing and Council Tax Benefits Supplementary Enforcement Policy

Appendix B – Building Control Supplementary Enforcement Policy

Appendix C – Planning Supplementary Enforcement Policy

Appendix D – Public Rights of Way Supplementary Enforcement Policy

Appendix E – Public Sector Housing Supplementary Enforcement Policy

### Version Log

<i>Version</i>	<i>Status</i>	<i>Date</i>	<i>Description of Change</i>	<i>Reason for Change</i>	<i>Pages</i>
1.0	Draft	May 2011	Document Creation		
2.0	Draft	June 2011	Various content	Comments from EHTS and Housing & Council Tax Benefit	All
3.0	Draft	July 2011			
4.0	Draft	August 2011	Various Content	Review of Regulatory Burden	All
5.0	Draft	January 2012	Various Content	Consultation with Cabinet Members	All
6.0	Draft	February 2012	Various Content	Consultation with Chair and Vice Chair of Overview and Scrutiny	All
7.0	Draft	March 2012	Addition to para 2.6	Addition of AHVLA and the Gambling Commission following consultation.	4

## **Appendix A**

### **Housing and Council Tax Benefit**

### **Supplementary Enforcement Policy**

**September 2011**

# 1. Introduction

- 1.1 This document should be read in conjunction with Herefordshire Council's overarching 'Enforcement and Prosecution Policy'.
- 1.2 Herefordshire Council is committed to taking a proactive approach to preventing and reducing the level of Housing and Council Tax Benefit fraud. This policy reflects the Council's vision to reduce the levels of fraud and error and in particular to take a zero tolerance approach to benefit fraud. The Council has a duty to protect the public funds it administers from abuse and is aware of the risks within the benefits system for fraud, error or other irregularity. In carrying out this duty, the authority may use legally obtained information provided for the purpose of the prevention and detection of fraud. It may also share information with other bodies administering public funds solely for these purposes where a legal gateway exists.
- 1.3 Wherever possible, effective internal controls will be incorporated to minimise the risk of fraud occurring. However, despite this, fraud can be perpetrated and appropriate procedures need to be in place.
- 1.4 This policy outlines the approach to be followed with regard to the sanction and prosecution of benefit offences perpetrated for example by benefit claimants, landlords, employers, contractors, or Members. This list is not prescriptive. It will serve as a policy statement and will support an operational guide for Benefit Fraud Officers. This will ensure that offences are dealt with consistently in line with best practice.
- 1.5 It is clear that some people will attempt to deliberately obtain benefit to which they are not entitled. Where an investigation provides evidence of such an offence the Council will consider if criminal proceedings are appropriate.
- 1.6 Where it is decided that criminal proceedings are appropriate but the offence(s) involved are considered to be minor, the Council will consider the offer of a formal caution or administrative penalty as an alternative to proceedings. The policy on formal cautions is included at **Section 3** and the policy on administrative penalties is at **Section 4** of this policy statement.
- 1.7 All sanctions will be authorised by the Benefit Fraud & Interventions Manager following consideration of the evidential and public interest tests outlined in the council's 'Enforcement and Prosecution Policy'..
- 1.8 The policy will be reviewed annually to take account of any legislative changes and to provide assurance that the policy is being correctly followed.
- 1.9 Wherever possible the Council will work jointly with the 'Department for Work and Pensions (DWP) Counter Fraud Investigation Service (CFIS)'. In these cases the combined overpayment from both DWP and Herefordshire Council will determine the appropriate sanction. Where appropriate the Council will authorise the DWP to carry out prosecution on its behalf.

## **2. Courts**

2.1 Where a decision is made that prosecution is the most appropriate sanction, the majority of cases will be dealt with at Magistrates Court. However, in more serious benefit fraud cases, trial at Crown Court will be considered. When considering Crown Court the following criteria will be applied:

- i) The benefit claim was fraudulent from the outset
- ii) The fraud was sophisticated in concept or execution
- iii) The fraudulent overpayment in most cases exceeds £20,000

***Every case will be considered on the known facts and the appropriate jurisdiction will be recommended as appropriate.***

## **3. Local Authority Formal Caution**

3.1 A formal caution is a written warning given to a person who has committed an offence as an alternative to prosecution. It may not be made conditional upon the satisfactory completion of a specific task such as reparation or payment of compensation.

3.2 Before a formal caution can be offered the evidential test must be satisfied, the offence must have been admitted at an interview under caution and informed consent from the person being cautioned must be obtained. A formal caution is a deterrent, and does not affect the recipient unless they re-offend when it may be cited in Court on conviction. Where a caution has been declined the case must then be referred for criminal proceedings.

3.3 Other considerations to be taken into account before offering a formal caution is:

- i) what action the Department for Work & Pensions is taking on any part of the benefit it administers
- ii) all public interest criteria

3.4 For an effective regime of sanctions to be successful it is essential that accurate records of all convictions, administrative penalties and formal cautions are maintained. This will enable the correct decisions to be made, taking full account of the defendant's background. Therefore, it is important that an acceptance record of each is maintained.

3.5 The 'Benefit Fraud & Intervention Manager' in consultation with the 'Benefit Fraud Officer' will determine whether a formal caution is appropriate.

## **4. Administrative Penalty**

4.1 Section 15 of the Social Security Administration (Fraud) Act 1997 inserted Section 115a into the Social Security Administration Act 1992 introducing administrative penalties as an alternative to prosecution. A financial penalty amounting to 30% of the adjudicated overpayment can be offered in a fraud case if the following conditions are met:

- i) There is a recoverable overpayment of benefit under, or by virtue of, Section 75 or 76 of the Social Security Administration Act 1992
- ii) the cause of the overpayment is attributed to an act or omission on the part of the defendant; and

- iii) there are grounds for instituting criminal proceedings for an offence relating to the overpayment upon which a penalty is based

4.2 Other considerations to be taken into account before offering an administrative penalty are:

- iii) what action the Department for Work & Pensions is taking on any part of the benefit it administers
- iv) all public interest criteria
- v) the ability of the claimant to pay the penalty.

4.3 The offer of the penalty must be by written notice in accordance with Section 115A (2)(a) and (2)(b). If the offender declines the offer of an administrative penalty or the offender withdraws his agreement to pay the penalty the case must be considered for prosecution.

4.4 The Benefit Fraud Officer in consultation with the Benefit Fraud & Interventions Manager will determine whether an administrative penalty is appropriate having regard to the amount of fraudulent overpayment.

## **5. Alternatives to Prosecution – the Exceptions**

5.1 Sanctions are broadly based on financial losses that have been incurred as a result of a fraud.

5.2 In exceptional cases the Benefit Fraud & Interventions Manager may decide that none of the sanctions options of Administrative Penalty, Formal Caution or Prosecution, set out in the policy, are appropriate. In such cases where the Benefit Fraud & Interventions Manager considers the sum overpaid is insufficient to warrant the sanctions referred to above and there is little or no evidence to suggest that the commission of the offence was committed knowingly or dishonestly, the following options may be considered:-

- i) an informal caution sent by letter; or
- ii) no further action be taken

5.3 As a general rule the following cases should not be considered for an alternative to prosecution:

- i) the defendant is a Council Member, employee or contractor of the Council at the time of the offence.
- ii) the defendant has declined to accept, or has withdrawn from their agreement to accept, an administrative penalty
- iii) the defendant has declined a formal caution
- iv) the defendant has already received an administrative penalty or formal caution for a previous offence
- v) the amount of the fraudulent overpayment is greater than £2,000
- vi) the defendant has previous convictions for similar offences

## **6. Publicity**

6.1 It is the Council's intention to positively promote this policy as well as the outcome of any prosecutions, which should deter others from fraudulent activity.

- 6.2 The Council will promote this policy and benefit fraud prosecutions both internally across the Council and externally. In addition, the **Benefit Fraud Hotline Tel. 0800 592 953** and an on-line fraud referral form on the Herefordshire Council website will be available for people to make referrals.

## **7. Diversity**

- 7.1 Herefordshire Council recognises its moral and statutory obligation to meet the needs of a diverse population and to supply a service that embraces these values. All fraud cases are assessed on their individual merits based upon the prosecution criteria outlined within this policy document and adopts Herefordshire Council's diversity policy.

## **8. Recovery**

- 8.1 In appropriate Crown Court cases the Council will seek to apply the 'Proceeds of Crime Act 2002'.
- 8.2. In all other cases recovery of fraudulent overpayments will be pursued through the civil courts.

## Version Log

<i>Version</i>	<i>Status</i>	<i>Date</i>	<i>Description of Change</i>	<i>Reason for Change</i>	<i>Pages affected</i>
1.0	First final version	May 09		Annual review	
1.1	Final version	Sep 11	Revised in accordance with the introduction of the Council's overarching enforcement policy	Removal of duplication	



## **Appendix B**

### **Building Control**

### **Supplementary Enforcement Policy**

**September 2011**

## **1. Introduction**

- 1.1 This procedural document should be read in conjunction with Herefordshire Council's 'Enforcement and prosecution Policy'

## **2. What is Enforcement?**

- 2.1 It is a formal procedure available to Local Authorities which enables them to ensure that building work complies with the national Building Regulations.
- 2.2 Section 91 of the Building Act 1984 requires the local authority to carry out its duties to enforce the Building regulations.
- 2.3 Sections 35 and 36 contain the powers for Local Authority Building Control to take enforcement action.

## **3. When are these procedures used?**

- 3.1 When an inspecting Building Control Surveyor sees that either work carried out does not comply with the Building Regulations or work, which would normally be required to be inspected at specified stages has been covered over without the Council having been given the opportunity to inspect the work at that stage.

## **4. How do the procedures work?**

- 4.1 In the majority of cases, the inspecting Building Control Surveyor will try and solve the problem informally with your builder if you have employed one or with you personally if you are organising or doing the work yourself. This will usually involve having the incorrect work already done altered or, if an inspection has not been carried out when it should have been due to a failure to give the Council the necessary notice, it will mean that the work not inspected will need to be opened up for an inspection. These informal methods usually mean that the problem is sorted out within two or three days.
- 4.2 If these informal methods are unsuccessful, the inspecting Building Control Surveyor will issue on site to your builder a list of the offending items and the builder will be given a period of time to rectify the offending work or open up work as necessary. You will automatically be given a copy, a further copy is placed upon the Council's file and a fourth copy is held by a more senior member of the Building Control team. His job is to regularly monitor the progress being made to put the work right.
- 4.3 Irrespective of whether or not the Council decides to invoke statutory enforcement procedures, the existence of such a list of unresolved outstanding work on the file will mean that a Completion Certificate will not be issued.

## **5. What could happen next?**

- 5.1 Depending upon the nature of the outstanding work, the Council has a discretion to use powers contained in an Act of Parliament called The Building Act 1984. Two options are available:
- Any contravention of Building Regulations is a criminal offence. Under section 35 of The Building Act 1984, the Council can prosecute anyone who fails to comply with the regulations. This could be your builder, or even you as the owner, particularly if you are organising the work yourself using different sub-contracted trades.. Anyone convicted of contraventions of Building Regulations will usually be fined and the

Court can also order that that person pay a fine for each day that passes following conviction until the work is put right.

- Even if the Council doesn't prosecute anyone for the contravention, it can also serve a formal notice under section 36 of The Building Act 1984 upon you as the building owner. This notice specifies the extent of the offending work and the timescale within which it must be put right.

## **6. What sort of contraventions of Building Regulations could lead to the Council serving a notice on me under section 36 of The Building Act 1984?**

6.1 Each building project is different and so it is difficult to be completely specific about a full list of circumstances where a Notice would be served. However, as a general rule, they would be used as a tool of last resort where:

- The building was structurally defective.
- Means of escape and other fire safety precautions were defective.
- Where relevant, if sound insulation was inadequate, and
- Where relevant, suitable access and facilities for disabled people have not been provided.

## **7. What happens if I don't put the work right within the time allowed by the Council?**

7.1 The Council may choose to do the work itself. It doesn't have to, but if it does do the work, it will then send you a bill for it.

## **8. Are there any ways to question what the Council is doing?**

8.1 Yes. At any stage in the process you are entitled to use the Council's complaints procedures, details of which are available on-line. If the problem gets to the stage where a notice under section 36 of The Building Act 1984 is served on you, you can challenge the Council by obtaining a specialist report to try and demonstrate that the Council was wrong in serving the Notice on you in the first place. The way of doing this is specified in section 37 of The Building Act 1984.



## **Appendix C**

### **Planning**

### **Supplementary Enforcement Policy**

**September 2011**

## **1. AIMS OF POLICY**

- 1.1 To control unauthorised development, works and operations and ensure effective compliance with planning permissions, listed building and other related consents and regulations through an approach to enforcement that is proportionate, targeted, consistent and clear.
- 1.2 This document should be read in conjunction with Herefordshire Council's overarching 'Enforcement and Prosecution Policy'.

## **2. ENFORCEMENT POWERS**

- 2.1 There are several tools available to the Council to deal with breaches of planning control under the Town and Country Planning Acts.
  - Requisition for Information - often served to gather information on ownership of land or buildings prior to serving one of the notices listed below.
  - Planning Contravention Notice - can be served where it appears that there may have been a breach of planning control and the Council requires information about activities on the land or nature of the occupier's interest in the land.
  - Breach of Condition Notice - can be served where there is a failure to comply with any condition or limitation imposed on the grant of planning permission.
  - Enforcement Notice - can be served to remedy an actual breach of planning control by requiring an unauthorised use to stop or building works to be removed. A notice can also be served to restrict or condition a particular operation, which is otherwise unacceptable. There is a right of appeal against the notice.
  - Stop Notices - can be served in conjunction with an Enforcement Notice to require unauthorised activities to cease before the Enforcement Notice comes into effect. In practice the threat of claims for compensation are a real deterrent to serving this type of notice.
  - Temporary Stop Notices - can be served to require unauthorised activities to cease for 28 days, they are not required to be served with an enforcement notice.
  - Injunctions - can be sought in the County Court or High Court to restrain any actual, or expected, breach of planning control.
- 2.2 The Council may initiate a prosecution in all cases where the requirements of a notice or injunction are not met in the stated timescale.
- 2.3 In addition to the powers outlined above, Planning Services is also responsible for investigating and controlling the following:
  - Unauthorised works to Listed Buildings - It is an offence to carry out unauthorised works to a Listed Building or demolish it without consent. Prosecution can be pursued under Section 9 of the Planning (Listed Buildings and Conservation Areas) Act 1990. Alternatively the Act also includes the power to serve a Listed Building Enforcement Notice to which there is a right of appeal.

- Unauthorised works to protected trees - It is an offence to carry out unauthorised work to trees protected by a Tree Preservation Order. Works to trees in a Conservation Area should be notified to the Local Planning Authority in advance. In both instances the Council has power to prosecute offenders and require the planting of replacement trees.
- Unauthorised removal of hedgerows - Under the Hedgerow Regulations 1997, the Council is responsible for protecting 'important' hedgerows. It is an offence to remove a rural hedgerow if the owner has not served a Hedgerow Removal Notice on the Council or where the Council has served a 'Hedgerow Retention Notice'. Enforcement of the Regulations may involve prosecution, requiring the planting of a replacement hedgerow or the service of an injunction to restrain any actual or apprehended offence.
- Unauthorised advertisements - The Council may prosecute any person who displays an advertisement in contravention of the Advertisement Regulations.
- Land adversely affecting amenity - Section 215 of the Town and Country Planning Act 1990 enables a Local Planning Authority to serve a notice requiring steps to be taken to remedy the condition of land where it is not being suitably maintained and is an eyesore as a result. There is a right of appeal to the magistrates' court.
- Contraventions of Hazardous Substances Control - It is a criminal offence under the Planning (Hazardous Substances) Act 1990 to exceed controlled quantities of hazardous substances or fail to comply with a condition on Hazardous Substances Consent. Prosecution is through the Magistrates Court. The Council can also serve a contravention notice and apply for an Injunction.
- Within Hereford Area of Archaeological Importance it is an offence to undertake any operations which disturb the ground, flood or tip without giving 6 weeks notice to the Council who are the administering authority.
- The Council also has powers to carry out works to protect listed buildings under Section 54 of the Planning (Listed Buildings and Conservation Areas) Act 1990.

### **3. ENFORCEMENT PRACTICE IN HEREFORDSHIRE**

- 3.1 A wide variety of enforcement enquiries are received by the Council each year. Many of these are dealt with quickly as investigation reveals there is either no breach of control, or a minor technical breach is discovered which can be easily resolved. More serious cases may require formal enforcement action.
- 3.2 The types of enforcement cases encountered in Herefordshire vary widely. They include breaches of planning conditions, unauthorised development and changes of use such as the siting of mobile homes on agricultural land.
- 3.3 The Council is also responsible for taking action against unauthorised works to listed buildings, works to or the removal of protected trees without consent, the removal of hedgerows in contravention of the Hedgerow Regulations, and contravention of procedures that operate within Hereford Area of Archaeological Importance.

- 3.4 The Enforcement Team is based in the Development Management team. It investigates cases from initial complaint through to the service of formal notices, appeals and court action. Historic Buildings Officers are closely involved in cases involving unauthorised works to Listed Buildings.
- 3.5 Other officers in the Service take the lead where the unauthorised removal of trees and hedgerows are involved.
- 3.6 The Enforcement team and other officers also work closely with the Building Control team who inform them when work has started on site and make an initial check on whether development is proceeding in accordance with the approved plans.
- 3.7 The Legal Practice Manager and senior officers in the Service have powers delegated by the Planning Committee to make decisions on whether to take enforcement action. In addition, the decision to prosecute rests with the Legal Practice Manager. The Council's Legal Services team provides legal advice on cases as required and handle the serving of Enforcement Notices and prosecutions.

## **4. ENFORCEMENT STRATEGY**

- 4.1 Public confidence in the development management process is quickly undermined if unauthorised development is allowed to proceed without any apparent attempt by the local planning authority to intervene before serious harm to amenity results from it.
- 4.2 The Council has discretion to take enforcement action when it regards it as expedient. In taking action the Council will be guided by the following considerations that are set out in Planning Policy Guidance Note 18.
- The Council has the primary responsibility for taking whatever enforcement action is necessary in the public interest.
  - The Local Government Ombudsman may find 'maladministration" If the Council fails to take effective enforcement action which is plainly necessary within a reasonable timescale.
  - In considering any enforcement action under the Planning Acts the decisive issue should be whether the breach of control would unacceptably affect public amenity or the existing use of land and buildings meriting protection in the public interest.
  - Enforcement Action should always be commensurate with the breach of planning control to which it relates. For example, It is usually inappropriate to take formal enforcement action against a trivial or technical breach of control which causes no harm to amenity in the locality of the site.
  - The local planning authority will normally make an initial attempt to seek a negotiated solution by persuading the owner or occupier of the site to make an application and/or cease work. However, negotiations will not be allowed to hamper or delay whatever formal enforcement action may be required to make the development acceptable on planning grounds, or to compel it to stop.
- 4.3 Early identification of breaches of planning control is important to ensure that in the longer term as little potentially abortive work as possible is undertaken. This means that



potential remedies are less costly to the contravener and use less officer time and hence make best use of available resource. To this end upon commencement of development, as notified by the Building Control team, planning file will be checked for compliance with conditions. Any found to be outstanding will result in an initial letter seeking resolution of those breaches. Failure to take action within the prescribed period could result in the service of breach of condition notices and against which there is no appeal.

- 4.4 Enforcement action under the Hedgerow Regulations and within Hereford Area of Archaeological Importance will be pursued in accordance with Government guidance and accepted best practice. All officers will continue to work together to ensure a unified approach to planning enforcement matters.

## 5. **ASSESSING THE NEED FOR ENFORCEMENT ACTION OR PROSECUTION**

In deciding whether enforcement action or prosecution is expedient the Council will take the following steps:

- 1 Establish the facts - to find out what is happening on a site or in a building, to establish the identity of the owner/occupier and the relevant planning history of the site.

In doing this the Enforcement Officer may do any or all of the following:

- Visit the site. This will usually be unannounced and photographs may be taken. Where circumstances require it the site visit may be done under warrant.
- Interview the owner and/or occupier. Such interviews are used to obtain information about the alleged breach of planning control and to give information about the enforcement process and options available.
- Occasionally, in serious cases where an offence may have been committed, it may be necessary to conduct an interview under caution as required by the Police and Criminal Evidence Act 1984.
- Issue of Planning Contravention Notice or other statutory request for information.
- Check the Council's files for planning permission, planning conditions or other correspondence, which may be relevant to the alleged breach of planning control.
- Make enquiries with other statutory bodies and enforcement agencies to co-ordinate action.

2. Analyse the information gathered - Enforcement officers will discuss their findings with planning officers, Historic Buildings Officers and other professionals as appropriate.

The Enforcement Officers will consult relevant legislation and the development plan for Herefordshire to establish the degree of harm to interests the Council has a duty to protect.

In addition, before any formal enforcement action is taken the provisions of the Human Rights Act 1998 will be taken into account Essentially this will involve

consideration of whether taking action, or not taking action, will interfere with one of the convention rights. The rights of both the complainant and the offender have to be taken into account.

3. Decide which of the following categories the breach of control falls into:-
  - a) Development that does not constitute a breach of planning control.
  - b) Development that is permitted development and therefore does not require a planning application
  - c) Development that is exempt from enforcement action due to the passage of time and is considered lawful.
  - d) Development or works judged to be of a type or degree that it would not be expedient to take enforcement action.
  - e) Development or work that requires permission or consent and there is a reasonable chance that permission or consent will be granted
  - f) Development or unauthorised works that require enforcement action or prosecution (in appropriate cases) to be commenced immediately.
  - g) Development or works that appear to fall within the remit of another enforcing agency will be referred to the agency concerned.
4. Prepare a report - Where it is decided to take action a report will be written for consideration by a named senior officer who has delegated powers to authorise enforcement action or prosecution. A report is also prepared where a breach has occurred but it is not considered expedient to take formal action.

## **6. Service Standards**

- 6.1 The following service standards and priorities are set for dealing with complaints.
  - a) In general, complaints will be accepted by telephone, via the Council's website or directly by email, via the Info shops, or in writing and recorded on a Complaints Form. There are occasions when the complainant will be requested to submit their complaint in writing particularly where it is anticipated that a serious breach has occurred. Anonymous calls and letters will be dealt with at the discretion of the Enforcement Officer in consultation with the Team Leader and/or Development Manager.
  - b) The Enforcement Officers will endeavour to acknowledge written complaints within 5 working days, where appropriate in a manner consistent with the Council's published customer standards, which apply across all services.
  - c) Complainants will normally be informed of progress in writing, by email or by telephone within 10 working days of the alleged breach being reported. They will be updated as appropriate and informed of proposed action, if any, within 10 working days of a decision on the case being made. In protracted cases the case officer/enforcement officer will keep the complainant advised of progress at

appropriate intervals, and which in any event should not be greater than 3 calendar months.

- d) Local Members will be notified by e-mail of investigations being undertaken within their Ward and advised of progress at appropriate intervals.
- e) The Council will not divulge the details of the complainant to any person against whom the complaint is lodged. There may however be cases where the complainant's evidence will be crucial to successful enforcement action and an approach will be made to request that they act as a witness.

6.2 Where a breach of planning control has taken place it will be dealt with in accordance with the priorities set out in Section 7 of this Policy.

## 7. Priorities for Action

**Level 1 - High priority** where there is a serious and urgent risk that the breach will result in irreversible damage to material planning interests. A site visit and investigations will be commenced within 1 working day for:

- Breaches of Listed Building control where demolition or alterations are taking place which are known to detract severely from the special architectural and historic interest of the listed building.
- Breaches of planning control in Conservation Areas or AONBs where there is clear evidence that immediate, irreparable and significant damage would be caused to the character or appearance of the Conservation Area, or the special landscape character of an AONB.
- Removal of hedgerows, works to trees protected by a Tree Preservation Order and works to trees in Conservation Areas, where these hedges or trees make a major contribution to the County's natural heritage and are under immediate threat.
- Breaches of control or conditions causing significant irreversible damage to the environment.
- Breaches of planning control which are resulting in serious damage to the biodiversity of a site in an area subject to special protection such as an SSSI, SAC or SWS.
- Breaches of Planning Control which are resulting in permanent and serious damage to the archaeological interest of a site, especially where it is a Scheduled Ancient Monument.

**Level 2 - Medium priority** for breaches involving building operations. A site visit and investigations will usually be commenced within 5 working days for:

- Breaches of planning control involving building work which would be significantly contrary to landscape and conservation policies set out in the development plan.
- Breaches of planning control or conditions which results in serious harm or loss of amenity or nuisance to a neighbourhood.

**Level 3 - Low priority** where investigations and, if necessary, a site visit will be commenced within 10 working days for:

- Breaches of Advertisement control
- Development involving small domestic structures such as sheds or fences.
- Breaches of control where the use is likely to be temporary and capable of being resolved without formal action.
- Breaches not included in levels 1 and 2 above.

Following the initial investigation it is possible that individual cases will be re-classified to a different priority level and the programme of action adjusted accordingly.

## **8. Monitoring of Planning Conditions and Legal Agreements**

- 8.1 Monitoring planning conditions is an integral part of a pro-active enforcement policy. Enforcement Officers will monitor conditions on planning permissions and other consents and approvals to ensure they are complied with in consultation with Building Control Surveyors and officers from the Conservation section.
- 8.2 The increasing use of legal agreements under section 106 of the Town and Country Planning Act and section 278 of the Highways Act is generating significant work in monitoring their implementation. Agreements may require work to be carried out within a specific timescale, control occupancy, make financial contributions or involve the provision of facilities such as open space.
- 8.3 Monitoring is an important function in the Council's role in development management. Within the resources of the team the investigation of reported breaches of planning control will be dealt with in line with the priorities set out above. In some cases the 'development team' approach, involving officers from outside the Planning Service and project management techniques will be used to ensure the proposed scheme is implemented in accordance with the approved plans and agreements.

## **9. Case Management**

- 9.1 All complaints will be recorded on the Council's Civica computer system. Action will follow the steps set out in this Policy. The Enforcement Officer will investigate, consider and make a recommendation on each case. The decision whether or not to take action will be made by the Enforcement Officer in consultation with the appropriate senior officer and recorded on the Civica system. All current cases will be reviewed with the Enforcement Team Leader on a regular basis.
- 9.2 In cases where action is proposed a review of the case will be set out in a report and signed by an officer named in the Council's Scheme of Delegation in order that the action is properly authorised. Where an Enforcement Notice or prosecution is involved the case is sent to Legal Services for the appropriate notice or summons to be issued.
- 9.3 Enforcement appeals will be dealt with jointly by enforcement officers and the case officer for any related planning application or such other planning officer as allocated by the Enforcement Team Leader.

9.4 The enforcement officers will also work in partnership with officers from Environmental Health and Community Protection where direct action is required to deal with fly posting and other unauthorised advertisements.

## **10. Information and Publicity**

10.1 Complainants will be informed of any action, or otherwise, the Council is proposing to take in accordance with this policy.

10.2 Where appropriate, publicity will be given to cases where enforcement appeals have been successful or have resulted in a successful prosecution.

## **11. Performance Monitoring**

11.1 A report setting out enforcement statistics will be submitted to the Planning Committee every six months. Reports will include:

- Numbers of complaints received
- Number and types of notices issued
- Details of outcomes of cases
- Results of enforcement appeals



## **Appendix D**

### **Public Rights of Way**

### **Supplementary Enforcement Policy**

**September 2011**

## 1. Enforcement Procedures – General

- 1.1 This procedural document should be read in conjunction with Herefordshire Council's overarching 'Enforcement and Prosecution Policy.
- 1.2 Keeping rights of way open and unobstructed is a vital element in ensuring that paths are well used and enjoyed by all. Much of the legal responsibility for keeping the paths clear of various obstructions rests with the occupiers over whose land the rights of way pass. Unfortunately certain occupiers do not fulfil their responsibilities with a result that many rights of way in the county are obstructed despite there being adequate furniture and waymarking.
- 1.3 In order to ensure that Herefordshire Council is seen to be dealing with breaches of legislation in a fair and open manner, it is important to set out the Council's approach to enforcement. It is also important to ensure that this approach is widely communicated to occupiers so there can be no confusion or doubts.
- 1.4 Occupiers will generally be given the opportunity to remove obstructions from paths without recourse to enforcement action by the Council. However, Herefordshire Council have themselves a legal duty to ensure rights of way remain unobstructed and available to use and have been given the tools to carry out this duty. These tools are a wide variety of enforcement powers which allow the Council to serve notice, re-claim costs for direct action and to prosecute.
- 1.5 There are two offences which occur regularly within the county; these are ploughing and cropping of rights of way. A more robust approach to enforcement is required if the cycle of repeated non-compliance and requests for improvement is to be broken.
- 1.6 The following procedures set out the way breaches of legislation will be dealt with and provide a timescale for doing so. It is important to recognise that it may not be possible to strictly adhere to these timescales due to the circumstances of some cases, factors beyond the Council's control and resources.

## 2. Procedures for dealing with various obstructions

- 2.1 In most cases, the occupier will be requested to remove an obstruction within two weeks or a time agreed with the officer dealing with the case. If, after the expiry of that period, the obstruction still remains, the occupier will generally be served a notice or the matter will be referred to the magistrate's court depending on the type of offence. The following are the procedures that will be applied to number of common offences.

### OVERHANGING HEDGES, TREES OR SHRUBS

- 2.2 In the event of the landowner not carrying out the work as requested, the following will normally apply. If a hedge, tree or shrub (commonly referred to as vegetation) overhangs a right of way to such an extent that it obstructs or endangers users such that an offence is committed under **section 154 of the Highways Act 1980**, the occupier of the land from which the offending vegetation is growing will be required, by notice, to cut back as much of the vegetation as is required to allow for free passage. In the event of non-compliance the Council can arrange to have the work carried out and recover the costs incurred from the occupier.



## FENCES

- 2.3 New fences constructed across a right of way can only be authorised by the Council where they are required for stock control purposes. A fence will be regarded as being new if it is not shown on the current 1989 definitive map. If an occupier wishes to erect a new fence and it is for the purpose of stock control, they should apply to the Council for authority to erect the fence under **section 147 of the Highways Act 1980**. If the Council is satisfied that the fence is required for stock control purposes, they may authorise the fence line. This will generally be on the condition that a gate, provided by the occupier, is erected on the legal line. Stiles will only be authorised in exceptional circumstances and following consultation with a senior rights of way officer. Any unauthorised fences will be regarded as an unauthorised structure (see 2.10 below)

## FALLEN TREES

- 2.4 Generally trees that fall across rights of way belong to the occupier of the land adjoining the right of way. The occupier will normally be requested in writing to remove the tree within 14 days. If the occupier subsequently fails to comply, the matter will be regarded as an unlawful deposit (see 2.9 below)

## DAMAGE TO THE SURFACE

- 2.5 Damage caused to the surface of a right of way that causes an inconvenience to users is an offence under section **131A of the Highways Act 1980**. The person responsible will normally be asked to make good the damage within 14 days. If the person responsible fails to comply, the Council will consider a prosecution.

## MISLEADING SIGNS

- 2.6 A person who erects a sign on or adjacent to a public right of way, aimed at deterring users, or provides misleading information, is committing an offence under either **section 132 of the Highways Act 1980**, or **section 52 of the National Parks and Access to the Countryside Act 1949**, depending on the circumstances. The occupier on whose land the notice is erected will in most cases be required to remove the notice within 14 days. If the occupier fails to comply the Council will consider arranging for the notice to be removed within a further 14 days after a notice **under section 69 of the Road Traffic Regulations Act 1984** has been served. Costs will be recovered from the occupier.

## DANGEROUS ANIMALS

- 2.7 Any reports of dangerous animals or attacks on users of a right of way by dangerous animals will be either reported to the Police to be dealt with or passed on to the Health and Safety Executive.

## BULLS

- 2.8 Any reports of bulls at large in a field that is crossed by a right of way will normally be followed up within 2 working days to ascertain if an offence has been committed. Bulls are permitted in the following circumstances:

All breeds less than 10 months old, alone or with others.

Non-dairy breeds over 10 months accompanied by cows or heifers.

The following are not permitted:

Dairy breeds over 10 months alone or with others  
Non-dairy breeds over 10 months alone

Upon identification, or following discussion with the occupier, the occupier will be advised of the legislation and requested to comply. A letter will be sent confirming the discussion and advising the owner that any further offences will be reported to the Health and Safety Executive for action. If the landowner cannot be contacted, the matter will be referred directly to the Health and Safety Executive.

### **UNLAWFUL DEPOSIT**

- 2.9 In the event of report being received of something having been deposited on a right of way, which is considered a danger to users, the Council will remove it immediately. If they consider it has been deposited deliberately or as a result of neglect, they may seek to reclaim the costs involved. In most other circumstances the occupier will be requested to remove the deposit within two weeks. In the event of the deposit not being removed, the Council will seek to serve notice under either **sections 149 or 150 of the Highways Act 1980**. Costs will be recovered from the occupier of the land

### **UNAUTHORISED STRUCTURE**

- 2.10 In the event of a report being received of some form of structure being set up on a right of way and causing an obstruction, the occupier will be asked to remove the structure within 14 days. In the event of non-compliance the Council will serve a notice under **section 143 of the Highways Act 1980**. If the structure remains after one month time the Council will carry out the work and recover the costs from the occupier.

### **DAMAGED OR INOPERABLE STILE AND GATES**

- 2.11 In the event of the occupier being requested to install the furniture the following will apply. The occupier will be requested to make appropriate repairs within a reasonable time agreed with the warden / officer but not more than 4 weeks. If the occupier fails to carry out the work, the Council may serve notice under **section 146 of the Highways Act 1980** on the occupier requiring them to comply within 14 days. Non-compliance will result in the Council carrying out the work and recovering costs and **may result in the Landowner losing the opportunity to claim the minimum 25% grant.**

### **DANGEROUS SITUATIONS**

- 2.12 If Herefordshire Council considers an obstruction on a rights of way an immediate danger to the public, or it considers that something adjoining a right of way is a danger to users of the right of way, it reserves the right to remove of the source of danger immediately and claim the costs for doing so from the occupier.

### **OTHER TYPES OF OBSTRUCTION**

- 2.13 Other obstructions will be dealt with in accordance with the general procedures set out in paragraph 2.1 and in line with statutory legislation and guidance notes.

### **3. Ploughing and cropping offences**

- 3.1 A large proportion of the Herefordshire countryside is cultivated and planted with various types of crops. All crops across a right of way have the effect of deterring users, causing an inconvenience and in many cases a total obstruction. It is for this reason the government issued legislation in 1990 to provide local authorities with the ability to deal with the problem. Experience has identified that many occupiers will not comply with the legislation until requested to do so by the Council. The Council takes the issue of ploughing and cropping rights of way seriously and land occupiers should be in no doubt that a robust and consistent approach to keeping rights of way clear will be taken. The essence of the procedure set out below is that occupiers will normally be given two warnings and then may be prosecuted without prior notice on the third breach of legislation.

#### **First Breach of Legislation**

- 3.2 If it is the occupier's first breach of legislation they will be asked to reinstate the path both verbally (if possible) and in writing, advised of their legal obligations and issued details of Herefordshire Council's Enforcement and Prosecution Policy and any associated procedures. If they comply, no further action will be taken. Note: - In the case of ploughing, an occupier will be deemed to have been advised even if they receive appropriate paper work from the Council before the statutory 14 days allowed to reinstate the path expires.

#### **Second breach of legislation**

- 3.3 If the occupier has been advised, in writing, of their legal responsibilities in relation to a breach of legislation once in the past 5 years, they will automatically be served a notice under schedule 12a of the Highways Act 1980.

#### **Third breach of legislation**

- 3.4 If the occupier has been advised of their legal responsibilities at least twice in writing or has been served a schedule 12a notice in the past 5 years, evidence will be gathered with a view to prosecuting the occupier or issuing a formal caution. This applies regardless of whether the occupier has complied with any paper work that has been served on them in the past.
- 3.5 In some cases, particularly where the path in question is a field edge path, the occupier may be advised at the second breach of legislation stage that the matter will be referred to the County Secretary and Solicitor for consideration to prosecute, rather than serve a notice.

### **4. Procedures for dealing with Ploughing and Cropping Offences**

#### **Initial action**

- 4.1 Upon receipt of a reported breach of legislation, the report will be logged onto the database. If the report is by letter, email or fax the report should be acknowledged and the reportee advised of the defect number.

#### **First stage - advisory action**

- 4.2 The Area Rights of Way Warden (the Warden) will inspect the site of the alleged breach within 10 working days of notification. If this is not possible the Warden should advise their line manager of the reasons and agree a timescale for inspection or an alternative approach.
- 4.3 Upon confirmation of a breach of legislation the Warden will ascertain the details of the occupier of the land at the date of inspection. The Warden will then ascertain whether the occupier has been informed about a breach of legislation in the past five years or if a notice has been served.
- 4.4 If it is the occupier's first offence, the Warden will try to seek a meeting with the occupier on site within 5 working days to explain the details of the offence and the occupier's obligations. A confirmation letter will be sent as soon as is practicable following any meeting, such letter to include:
- confirmation of the issues discussed at the site meeting
  - details of the offence
  - a plan showing the location of the offence
  - what is required to comply with the legislation
  - details of the Council's enforcement policy and ploughing and cropping procedures
- 4.5 The occupier will be advised, in the case of a ploughing offence, that the path should be reinstated within 14 days and in the case of a cropping offence reinstatement should be completed within 7 days
- 4.6 If the occupier has been advised of their obligations in writing in connection to a breach of legislation before within the last 5 years the matter will be considered for enforcement action
- 4.7 The Warden will re-inspect the right of way within 5 working days of the expiry of the time given to the occupier to reinstate the path. If the work has been carried out to reinstate the path in line with legislation, the Warden will write to the occupier thanking them for cooperation and advising what future action would be taken should any further breaches of legislation be confirmed on land in their occupation.
- 4.8 If no work has been carried out, the Warden will pass on the details of the case to the Area Officer

### **Second Stage – Enforcement Action**

- 4.9 The Area Officer will ascertain how many times the occupier has been contacted in writing and advised of their duties in regards to the legislation in the past.
- 4.10 If the occupier has been advised of their obligations once in the past 5 years, the Area Officer will inspect the path within ten working days. If a breach of legislation has occurred, they should write to the occupier setting out the occupier's obligations, and including a Schedule 12a Enforcement Notice. The covering letter should include details of what works are required to reinstate the path. The Enforcement Notice will set out the Council's intention to take direct action and recover costs if reinstatement works are not carried out within the specified period. The specified period will normally be 7 days. The Notice will contain the following:

- That the Council intends to enter onto the land to carry out the necessary reinstatement work.
  - The earliest date and time that the work will be undertaken.
  - The nature of the work, and the equipment to be used.
  - The lines of access that will be used (this does not have to be along the line of the right of way).
  - The final date by which the occupier can complete the work and inform the Area Officer without being liable to incur any costs. This date will be 4.00 p.m. two working days prior to the enforcement action being carried out.
- 4.11 The Area Officer will advise the occupier that the reinstatement work by the Council will only be cancelled subject to: -
- The work having been carried out to the satisfaction of the Area Officer, and;
  - The Area Officer being advised two working days prior to any enforcement action being carried out that the occupier has completed the works.
- 4.12 The Area Officer will provisionally arrange for the work team to carry out the reinstatement work, with confirmation being given the day before the works are to be undertaken. If the Area Officer is of the opinion that the occupier may cause a breach of the peace, the local police will be requested to attend. A final letter will be sent to the occupier setting out the date the Council intends to carry out reinstatement works. Ideally this will be no more than 5 days after the earliest time set out in the notice.
- 4.13 A final inspection of the right of way will be undertaken the day before the enforcement works are to be carried out to ascertain whether or not the work has been completed. In the event of the works having been completed and the Council not informed, any costs that have been incurred will be recovered from the occupier.
- 4.14 On the day of the enforcement works, if the works have been completed by the occupier to the satisfaction of the Area Officer, any costs that have been incurred will be recovered from the occupier of the land. If the works have not been completed, the Area Officer will meet the work team (and the police if requested) reasonably close to the site where the works are to be undertaken. The Area Officer will brief the work team and, if present, provide the police with copies of the appropriate information.
- 4.15 The following information will be made available: -
- A copy of the Definitive Map and Statement relating to the right of way in question.
  - Copies of the schedule 12a notice(s).
  - Copies of all other relevant correspondence.
- 4.16 Once briefed, the work team will proceed to the prearranged access point while the Area Officer and the Police, if present, visit the occupier of the land to inform them that the works are to be carried out. The work team will not enter onto the land or commence any work until authorised to do so by the Area Officer.
- 4.17 Before any works are carried out the Area Officer will mark out the line of the path to be reinstated for the work team. This will include the width to be reinstated which will be within the maximum width but no less than minimum width as set out below.

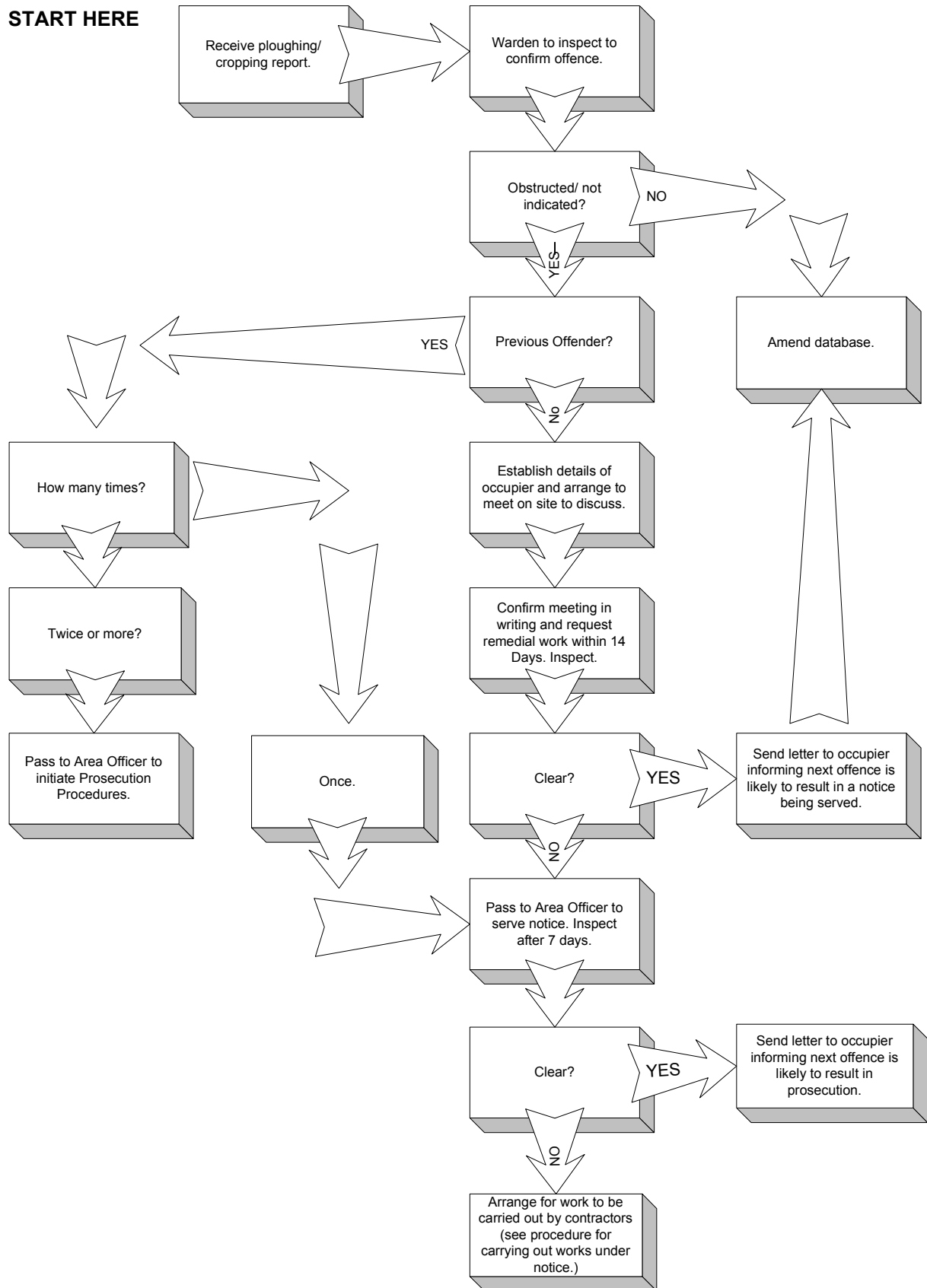
Status	Minimum width*	Maximum width*
Cross-field footpath	1.0m	1.8m
Field-edge footpath	1.5m	1.8m
Cross-field bridleway	2.0m	3.0m
Field-edge bridleway	3.0m	3.0m
*Widths as stated in Rights of Way Act 1990		

- 4.18 The Area Officer will supervise the work team at all times with particular attention being made to the correct line. In the event of any threat of violence, the Area Officer and work team will take the advice of the Police if they are present, or withdraw from the site immediately and contact the Police
- 4.19 Once the works have been carried out, a letter and bill will be forwarded to the occupier of the land who will be recharged all reasonable costs incurred. The letter will advise the occupier of the action that will be taken should the Council become aware of another breach of legislation occurring on land they occupy.
- 4.20 The actions will be recorded on the database and the case closed.
- 4.21 If the occupier has been advised of their legal responsibilities twice or more within the last five years, including the serving of a schedule 12a notice, the Area Officers will discuss the matter with the rights of way manager with a view to initiating prosecution proceedings (see section 5.0)

## **5. Responsibility for implementing policy**

- 5.1 The Head of Service is responsible for ensuring that policy and procedure is implemented and that all staff that might deal with enforcement are fully trained.
- 5.2 The service manager and Rights of Way Manager are responsible for ensuring officers wanting to carry out enforcement duties follow the procedures and appropriate Home Office guidelines.
- 5.3 Legal Services will be responsible for offering, guidance and legal representation / support to officers wishing to carry out enforcement.
- 5.4 Officers with an enforcement role must be aware of the policy and guidelines for prosecution.
- 5.5 The decision as to whether to proceed with a prosecution will be taken by the rights of way manager in consultation with the Service Manager and the County Secretary and Solicitor after full consideration of the case.
- 5.6 The decision as to whether to proceed with direct action can be made by the Area Officers.

## Ploughing and Cropping Flow Chart







## **Appendix E**

### **Private Sector Housing**

### **Supplementary Enforcement Policy**

**September 2011**

## 1.1 Introduction

Herefordshire Council carry out a wide range of legal duties under various Housing related legislation. These are applied by carrying out programmed inspections of premises, responding to complaints and offering advice.

This Policy outlines the approach we take when considering enforcement action. It is intended to ensure that we deal with everyone in a consistent way. It applies to all private rented properties including houses in multiple occupation (HMOs).

This policy should be read in conjunction with Herefordshire Council's overarching 'Enforcement and Prosecution Policy'.

## 2.0 Policy intention and purpose

The aim of the Private Sector Housing Enforcement Service is to ensure good quality, healthy housing for all residents of Herefordshire. We will do this by:-

- having a staged proportionate response to complaints and enquiries ranging from information and advice to full inspection and enforcement,
- taking action in respect of those properties which present the greatest risk to the health and safety of vulnerable occupants,
- ensuring that we enforce the law in a fair, equitable and consistent manner,
- working with landlords and other to improve housing conditions and improve the quality of housing management in Herefordshire,
- assisting landlords and others in meeting their legal obligations,
- taking firm action against those who flout the law or act irresponsibly, and
- reviewing housing conditions in the County in order to come to well informed judgements.

## 3.0 Enquiries and Inspections

### 3.1 Enquiries

The Council will not normally investigate anonymous requests for service unless there are other sources of information to indicate the likelihood of a Category 1 hazard within the dwelling or serious breaches of housing law. Enquiries will be passed through a triage system to ensure urgent action is directed to the highest risk cases.

#### 3.1.1 Emergency/Life and Limb requests:

Emergency/Life and Limb requests are usually generated where premises are rented from a private landlord\*. Private Sector Housing will endeavour to contact the complainant or person requesting assistance within 24 hours during the normal working week. Issues to be treated as an emergency include:

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\* a private landlord includes Registered Social Landlords (usually Housing Associations): In these instances Private Sector Housing will intervene on behalf of tenants if requests for repairs are unheeded.

- Collapsed ceilings
- Gas, water or electricity disconnections where the owner or agent has failed to pay the bill.
- Defective gas electrical installations
- Lack of suitable fire precautions

For the above reasons, where there is a danger to life or limb, we aim to respond by inspecting the premises or contacting the complainant as soon as possible. The response will generate the appropriate course of action for the circumstances, be it informal advice, intervention or the service of a notice. Private Sector Housing aim to respond to the request for assistance, including the service of any Notices requiring urgent works within **7 working days** of site inspection.

### 3.1.2 Non-Emergency Cases

Other requests for service emanating from premises which are rented from a private landlord\* will be responded to within triage arrangements. Less urgent enquires that require an inspection will be carried out within **20 working days**. In order to empower tenants, most non urgent cases will be sent a tenant self help pack within **5 working days**. This triage response will initially involve advice to the tenant and landlord in writing but will ultimately lead to inspection if an informal resolution is not achieved. Requests for advice will be addressed within **28 working days**.

Longer-term improvements to a property may include repairs, works for means of escape in case of fire and other fire precautions works and significant defects caused by poor management.

## 3.2 Housing Inspections

### 3.2.1 General Housing Inspections

The Housing Act 2004 introduced a new system for assessing housing conditions, known as the Housing, Health and Safety Rating System (HHSRS), which is to be used in the enforcement of housing standards in all types of residential accommodation.

The system is structured around an evidence based risk assessment procedure, which considers those hazards that may be present in a dwelling from a list of 29 hazards. The risk that any such hazards may present to the most vulnerable potential occupant of that dwelling are then used to generate a hazard score. That score is, on the basis of a numerical value, then classified as a Category 1 hazard or a Category 2 hazard. Category 1 hazards can further be sub-divided into those banded A - C. Category 2 hazards can be sub-divided into those falling within bands D – J and which reflect a lower risk.

Under the Housing Act 2004 The Herefordshire Council has a duty to take appropriate enforcement action where there is a Category 1 hazard, and has the discretionary power to take appropriate enforcement action where there is a Category 2 hazard. Therefore, to ensure a consistent approach to housing enforcement by Officers, the Council has adopted a formal policy for enforcement under the Act.

### **3.2.2 Overcrowding Inspections**

HHSRS provisions of the Housing Act 2004 includes 'crowding and space' and these will be used to determine overcrowding in preference to the statutory overcrowding standard in Part 10 of the Housing Act 1985

The HHSRS operating guide outlines the ideal conditions for space depending on age and gender mix, and the size and number of the rooms available for sleeping; these generally mirrors the bedroom standard. Unlike all other housing risks, crowding and space hazard is assessed in two stages by considering the property with and without the current occupants.

An Order prohibiting use of the property should only to be served in the event of a Category 1 hazard where there is "severe overcrowding" (the property lacks 2 or more bedrooms based on the bedroom standard) and there is a strong threat to health or safety. In these cases, action should be co-ordinated between all parties including the landlord, Homeless Prevention Team, Homepoint and Private Sector Housing to re-house affected individuals as soon as possible.

### **3.3 Inspection of Houses in Multiple Occupation (HMO)**

All Houses in Multiple Occupation (HMOs) and Flats in Multiple Occupation (FMOs) will be inspected pro-actively on the basis of risk to the occupier(s) using the Private Sector Housing's hazard ranking system.

Proactive inspections will also be a function of the HMO Licensing scheme so that these properties comply with the Council's standards and are appropriately managed by a fit and proper person. The Council is required to inspect and address housing hazards within 5 years of issuing a HMO licence for a property.

In addition to the HHSRS, Herefordshire Council will use Management Regulations under Section 234 of the Housing Act 2004 to impose duties on Landlords and Managers in Houses in Multiple Occupation, whether or not it is subject to Licensing. Decisions as to whether it is appropriate to prosecute Landlords for breach of the Regulations will be considered in accordance with the Enforcement Policy.

## **4.0 Authority to take Action and Powers of Entry**

### **4.1 Authority to take action**

Herefordshire Council has authorised officers to carry out inspections of dwellings and HMOs using the Housing, Health and Safety Rating System and relevant housing Regulations. All officers may act on behalf of the Council where they consider housing conditions and their associated hazards impact the health and safety of occupants and visitors or that there have been breaches of relevant housing legislation.

Those officers who have successfully completed training courses accredited by the Communities and Local Government (CLG) are authorised to sign and serve notices as detailed in the Private Sector Housing authorisation document in appendix A. Where mention is made in this Policy to action by the Council, the Council will act through its officers in accordance to the level of authorisation given.

## 4.2 Powers of entry under the Housing Act 2004

Section 239 and Part 1 of the Housing Act 2004 enable the Council to carry out inspections to see if Category 1 or 2 hazards exist.

Before entering the property, 24 hours notice must be given to the owner/landlord and occupier(s). However, where the Council consider that any premises need to be entered for the purpose of ascertaining whether an offence has been committed under section 72 (HMO licensing), 95 (selective HMO licensing) or 234(3) (HMO management Regulations) no prior notice need be given.

Section 240 allows the Council to apply to a Justice of Peace for a warrant which can include forced entry.

A person exercising power of entry under the Housing Act 2004 may:

- (a) take other persons with them;
- (b) take equipment or materials with them;
- (c) take measurements or photographs or make recordings;
- (d) leave recording equipment on the premises for later collection;
- (e) take samples of any articles or substances found on the premises.

Section 235 gives the Council power to require production of documents to enable them to carry out enforcement functions.

## 5.0 Enforcement Options

Prior to any formal enforcement action, it will be necessary for Private Sector Housing to undertake a full investigation into the condition, occupation and ownership of a property in order to determine on whom a Notice should be served and copies made available. Where the Council intends to serve a Works Notice in respect of long-term improvements of a property, we shall aim to serve this within **three months** of the inspection of the property. Enforcement action will be:

- i) Proportionate to the risk to health and safety;
- ii) Applied consistently by all officers;
- iii) Targetted;
- iv) In accordance with any guidance issued by Communities and Local Government.
- v) To consult Hereford and Worcester Fire and Rescue Service as appropriate before taking enforcement action in respect of prescribed fire hazards in a House in Multiple Occupation (HMO) and in the common parts of a building containing flats. The procedure will extend to premises covered by the Regulatory Reform (Fire Safety) Order 2005 relating to fire authorities and any agreed protocol between the two authorities;
- vi) To consult Listed Buildings team as appropriate,

- vii) To ensure that inspectors follow the enforcement policy when making enforcement decisions, that variations from the policy are justifiable in terms of the risk to health and safety and are taken after full consultation with the appropriate senior officer. Ensure that all Officers are kept up to date with the requirements of the Policy;
- viii) To maintain documented policy on enforcements. The Policy will be reviewed at regular intervals and when there are relevant changes to the legislation or guidance. Any review will be considered in accordance with the Council's procedure for reviewing these Policies and will include consultation with relevant stakeholders;
- ix) To ensure that all Officers have received suitable training and are confident in carrying out their duties;
- x) To make the Housing Enforcement Policy or a summary of the Policy available to any interested parties. (i.e. web site);
- xi) To produce any further procedures that promote consistency of enforcement amongst its officers;
- xii) To produce procedures to enable persons aggrieved by officers actions to make representations to the Council;
- xiii) To consult with the owner and occupier, and any other relevant person prior to pursuing enforcement action.

It is the Policy of Herefordshire Council to ensure that enforcement action is always taken in a fair and consistent manner and in proportion to the risk to health and safety. To help achieve this, the Council will make reference to guidance from Communities and Local Government.

## **5.1 When deciding which level of enforcement to take, the Council will consider the following criteria:**

- i) The risk to health and safety
- ii) The current occupants and their views
- iii) The turnover rate of tenancies
- iv) The likelihood that the property will become occupied by a member of a group who could be at particular risk.
- v) The relevant person's attitude towards the hazards identified
- vi) The consequences of non-compliance.
- vii) The cost of compliance
- viii) The likely effectiveness of enforcement options under consideration.
- ix) The history of past compliance

For the purposes of this Policy the "relevant" person can be taken to refer to the individual or company who could be the subject of enforcement action.

## **5.2 Enforcement options available to The Herefordshire Council are:**

- i) To issue Hazard Awareness notices
- ii) To serve Improvement Notices
- iii) To serve Prohibition Orders
- iv) To take Emergency Remedial Action (not available for Category 2 hazards)
- v) To serve Emergency Prohibition Orders (not available for Category 2 hazards)
- vi) To make a Demolition Order (not available for Category 2 hazards)
- vii) To declare a Clearance Area (not available for Category 2 hazards)

The above actions are not exclusive when dealing with the same hazard in the same premises. However, the Council can take a different course of action, or the same course of action again, if the initial action has not proved satisfactory. Emergency measures are the exception to the above rule.

For example, where Emergency Remedial Action is required followed by an Improvement Notice or Prohibition Order, it is considered to be a single course of action.

When taking Enforcement Action the Council will prepare and serve with any Notice or Order under Part 1 of the Act, or any copy of a Part 1 Notice or Order, a statement of reasons for the decision to take enforcement action.

The statement will include an explanation as to why a particular course of action is taken in preference to the other forms of available action.

When enforcement action leads to the Declaration of a Clearance Area, a statement of reasons must be published after the resolution, declaring that the area will be defined as a clearance area under Section 289 of the Housing Act 1985.

A reasonably practicable, proposed enforcement action will be discussed with the relevant person prior to the service of any notice or order under Part 1 of the Act, and representations sought.

### **5.2.1 Hazard Awareness Notices (Sections 28 and 29)**

A Hazard Awareness Notice under Section 29 (notice relating to a Category 2 hazard) may be a reasonable response to a less serious hazard, where the authority wishes to draw attention to the desirability of remedial action.

A Hazard Awareness Notice under Section 28 (notice relating to Category 1 hazard, and no Management Order is in place under Part 4) may be an appropriate course of action as a means of advising the relevant person that a Category 1 hazard exists on the residential premises. This would be appropriate in circumstances where remedial action or prohibition is unreasonable or impractical.

A Hazard Awareness Notice may be the preferred course of action, instead of an Improvement Notice, where the relevant person has agreed to take remedial

action and the Council are satisfied that the work will be done within a reasonable time scale.

When taking informal action of any nature, inspectors will clearly differentiate to the alleged offender what is legally required and what is recommended as good practice.

In summary, it is The Herefordshire Council's policy that Hazard Awareness Notices will be the preferred course of action on residential premises where:

- i) the hazard(s) are all of Category 2; or
- ii) in the case of Category 1 hazards the Council is fully satisfied that the relevant person will take suitable remedial action within a suitable timescale; or
- iii) the circumstances are such that improvement or prohibition is unreasonable or impractical.

The service of a Hazard Awareness Notice does not preclude formal action, should an unacceptable hazard remain.

All Notices and accompanied documents will be sent as soon as possible.

Hazard Awareness Notices will be drafted in accordance with the relevant sections of the Housing Act 2004 as determined by the category of hazards.

### **5.2.2 Improvement Notices (Sections 11 and 12)**

An Improvement Notice under Section 11 will be an appropriate course of action where a Category 1 hazard exists in a residential premises, where no management order is in place under Part 4 of the Act. An Improvement Notice served under this section must be for a Category 1 hazard.

An Improvement Notice under Section 12 may be an appropriate course of action where a Category 2 hazard exists on residential premises, where no management order is in place under Part 4 of the Act. A Notice served under Section 12 requires the relevant person to take suitable remedial action in respect of the hazard(s).

In summary, Improvement Notices will be the preferred course of action on residential premises where:

- i) There is a Category 1 hazard(s) present
- ii) There is limited confidence that the relevant person will respond to a Hazard Awareness Notice within a reasonable time; or
- iii) There is no confidence in an unprompted offer by the relevant person to undertake necessary remedial action associated with that risk (Category 2 only); or
- iv) The relevant person will not confirm in writing their unprompted offer to undertake the necessary remedial action (Category 2 only).



Improvement Notices will be drafted in accordance with Section 13 of the Housing Act 2004.

When the Notice becomes operative there will be a Local Land Charge on the premises to which it relates. This means that it will be recorded on the Register of Local Land Charges kept by the Council. This register is public and anyone can search for entries upon payment of a fee. House purchasers will normally search this register.

Inspectors will not issue Improvement Notices unless they are confident that there is sufficient evidence to defend an appeal against the Notice.

All notices will be accompanied by information on the appeal procedure and the time limits for such an appeal.

### **5.2.3 Suspension of Improvement Notices (Section 14)**

An Improvement Notice, may, for the operation of the Notice be suspended until a time, or the occurrence of an event specified in the Notice. The purposes of suspension will normally be to allow the Council to prioritise action. Suspension of an Improvement Notice may be the preferred course of action where:

- i) It is appropriate to wait until a person of a particular description begins, or cease to occupy the premises; or
- ii) In the case of an event where a person on whom the Notice was served, does not comply with an undertaking given to the Council.

### **5.2.4 Revocation or Variation of Improvement Notices (Section 16)**

Where the Council are satisfied that the Improvement Notice has been complied with, any such Notice will be revoked. The Herefordshire Council, may also, at their discretion, revoke an Improvement Notice where it is deemed that there are special circumstances (except of a Category 1 hazard), or where (Category 2 hazard) it is considered appropriate.

In the case of a Notice that applies to more than one hazard, requirement of the preceding paragraph will apply to each of the hazards individually.

The Council may also vary Improvement Notices in the following circumstances:

- i) Where parts of a Notice, which relates to more than one hazard have been revoked, the remainder of the Notice may also be varied as considered appropriate; or
- ii) With the agreement of the person on whom the Notice was served; or
- iii) In the case of a suspended Improvement Notice, so as to alter the time or event specified that triggers the end of suspension.

### **5.2.5 Renewal of Suspended Improvement Notices (Section 17)**

Suspended Improvement Notices will be approved in accordance with Section 17 Housing Act 2004.

### **5.2.6 Prohibition Orders (Sections 21 and 22)**

A Prohibition Order made under Section 21 may be an appropriate course of action, where a Category 1 hazard exists on residential premises, where no management order is in place under Part 4 of the Act. An order made under this section may prohibit the use of part or all of the premises for some or all purposes, or occupation by a particular number or descriptions of people.

Section 22 makes an equivalent provision for a Prohibition Order to be made where a Category 2 hazard exists on residential premises, where no Management Order is in place under Part 4 of the Act.

Prohibition Orders will be the preferred course of action relevant to the actual premises where:

- i) there may be a serious threat to health and safety and remedial action is considered unreasonable or impractical, i.e. where the work cannot be carried out with the tenant in residence; or
- ii) the dwelling is overcrowded as regard space and/or amenities numbers in occupation; or
- iii) where a dwelling presents a serious threat to the health and safety to a specific group of persons, which is relatively safe for occupation; or
- iv) the relevant person will not confirm in writing the unprompted offer of voluntary prohibition (Category 2 hazards only).

Prohibition Orders will become operative in accordance with Section 22 of the Housing Act 2004.

When the Notice becomes operative there will be a local land charge on the premises to which it relates. This means it can be recorded in the Register of Land Charges kept by the Council. This register is public and anyone may search for entries in it upon payment of a fee. House purchasers will normally search this register.

Inspectors will not issue Prohibition Orders unless they are confident that they have sufficient evidence to defend an appeal against the Order.

### **5.2.7 Suspension of Prohibition Orders (Section 23)**

A Prohibition Order may, for the operation of the order, be suspended until a time when the occurrence of events specified in the order have been dealt with. Suspension of a Prohibition Order is at the discretion of the Council and it may be the preferred course of action when:

- i) it is appropriate to wait until a particular circumstance ends, or a person departs, or ceases to occupy the premises; or
- ii) in case of an event, where a prohibition notice was served, was not complied with by an undertaking being given to the Council.

### **5.2.8 Emergency Prohibition Orders (Section 43)**

If the Council are satisfied that a category 1 hazard exists on any residential premises, and that the hazard involves an **imminent risk of serious harm** to the health or safety of any of the occupiers of those or any other residential premises, then the making of an Emergency Prohibition Order is a course of action available.

An Emergency Prohibition Order imposes, **with immediate effect**, prohibition(s) on the use of any premises in a similar manner to a standard Prohibition Order.

### **5.2.9 Revocation and Variation of Prohibition Orders (Section 25)**

Where the Council is satisfied that a hazard, in respect of which a Prohibition or Emergency Prohibition Order was made, no longer exists, any such order will be revoked. The Herefordshire Council may also, at their discretion, revoke a Prohibition Order where it is deemed special circumstances exist (in respect of Category 1 hazard), or where (in the case of a Category 2 hazard) it is considered appropriate.

### **5.2.10 Emergency Remedial Action**

Where the Council is satisfied that a Category 1 hazard exists on a residential premises and is further satisfied that the hazard presents an imminent risk of serious harm to the health and safety of any occupiers, the Council will enter the premises at any time in order to take emergency remedial action.

This power will only be used where there is:

1. an imminent risk of serious harm
2. limited action that could be taken under an Improvement Notice under S.11 or an Improvement Notice that has not been complied with.

### **5.2.11 Clearance Areas**

The Council may decide to declare a clearance area where it is satisfied that:

- i) Individually, each of the residential buildings in the area contain a Category 1 hazard, and
- ii) that the other buildings (if any) in the area are dangerous or harmful to the health or safety of the inhabitants of the area; or
- iii) the residential buildings in the area are dangerous or harmful to the health or safety of the inhabitants of the area as a result of their bad arrangement or the narrowness or bad arrangement of the streets; and
- iv) the other buildings (if any) in the area are dangerous or harmful to the health or safety of the inhabitants of the area.

The Council may decide to declare a clearance area where it is satisfied that:

- i) each of the residential buildings in the area contains a Category 2 hazard,

- ii) that the other buildings (if any) in the area are dangerous or harmful to the health or safety of the inhabitants of the area.

### **5.2.12 Prosecution (Section 30 and 32)**

Prosecution will (only) be considered as a course of action where there has been a failure to comply, “without reasonable excuse” with requirements of an operative improvement notice or prohibition order. The decision or timescale to prosecute may be influenced by the presence of one or more of the following criteria:

- i) where there is a history of similar offences
- ii) where as a result of failure to comply there is a risk of an accident or a case of ill-health
- iii) where there appears to be a reckless disregard for the health and safety of occupants and/or others;
- iv) false information has been supplied wilfully, or there has been an intent to deceive, in relation to a matter which gives rise to a serious risk;
- v) inspectors have been intentionally obstructed in the lawful course of their duties.

All evidence will be gathered in accordance with the Police and Criminal Evidence Act 1984 and associated codes of practice.

Before a decision to prosecute is taken, the officer, together with the Private Sector Housing Manager and, where necessary, the Council’s solicitor must be satisfied that both the “Evidential Tests” and the “Public Interest Tests”, as contained within the code for Crown Prosecutors, is in general terms satisfied.

When a prosecution is proposed, the case file will be submitted to the Council’s solicitor as soon as possible for consideration.

### **5.2.13 Formal Cautions**

The purpose of a caution is:

- i) To deal quickly and simply with less serious offences.
- ii) To divert less serious offences away from court
- iii) To reduce the chance of repeat offences.

The following conditions will be fulfilled before a caution is administered:

- i) There must be evidence of the suspected offenders guilt to give a realistic prospect of conviction, and
- ii) The suspected offender must admit the offence, and
- iii) The suspected offender must understand the significance of the formal caution and give an informed consent to being cautioned.

A formal Caution will not be used if there is insufficient evidence to consider taking a prosecution or where the suspected offender does not make a clear and reliable admission of the offence. There is no legal obligation for any person to accept the offer of a formal caution and no pressure will be applied to the person to accept a caution.

Formal Cautions will be used in accordance with Home Office Circular 59/1990. All Formal Cautions will be issued in accordance with the Council's scheme of delegated powers.

Where a person declines the offer of a Formal Caution, the appropriate officer will reconsider the case.

## **6.0 Works in default (Section 31, Schedule 3)**

The Council may in certain circumstances carry out works detailed in an Improvement Notice. Such action may be taken with or without the agreement of the person on whom an Improvement Notice was served.

When taking action with the agreement of the person on whom an Improvement Notice has been served, the Council may take any action that is required in relation to the Notice. However, taking action by agreement, will only generally be considered where it is felt that the relevant person is for whatever reason incapable of organising, executing and overseeing the necessary works. Any such work undertaken will be at the expense of the person on whom the Improvement Notice was served.

Taking action without the agreement of the person on whom an Improvement Notice has been served, will be considered as a course of action in any of the following circumstances:

- i) where a person has failed without "reasonable excuse" to comply with the requirements of an Improvement Notice,
- ii) reasonable progress, in relation to the requirements of the Notice is not being made

## **7.0 Power to charge for enforcement action (Section 49)**

The Housing Act 2004 allows Councils to charge for taking enforcement action. Some other legislation also allows Councils to recover costs for officer's time and expenses needed to determine what works need to be carried out in default. It will be the Policy of The Herefordshire Council to make a reasonable charge for taking enforcement action in the following circumstances:

- i) where the relevant person has failed to fulfil an undertaking to carry out the necessary works appertaining to hazard(s) (for example in a formal consultation letter) or to carry out a Prohibition which otherwise would have been the subject of formal enforcement,
- ii) where the relevant person has failed to comply, without reasonable excuse, with the requirements of an Improvement Notice, Prohibition Order or Demolition Order, or

- iii) in the case of emergency remedial action or an Emergency Prohibition Order, where matters giving rise to the hazard(s) were reasonably foreseeable and/or due to the failure to suitably manage the premises.

The Private Sector Housing Service will recover costs and fees when formal action is taken where it is reasonable to expect the owner to pay for the charges in the circumstances. Costs will be charged on the basis of the following table:

<b>Standard Charge (Per Property)</b>	
a) Single Family Dwelling (SFD) Notices	£320
b) Houses in Multiple Occupation Notices	£520

<b>Supplemental Fees</b>	
a) Prohibition or Emergency Prohibition Order Served	£100
b) Variation of a Notice	£55
c) Emergency Remedial Action	£100

<b>Fee Calculation</b>	
First Notice	Standard Charge a) or b) plus any supplements
Subsequent Notices	Supplemental fees only

There will be discretion to waive the charge when it is not reasonable to expect a person to pay for the enforcement action taken i.e. where the reason for the charge was outside of the control of the person charged or persons acting on their behalf. Where expenses are to be charged they will be made relating to all stages of enforcement as detailed in Section 49 in the Housing Act 2004.

Expenses will be recovered in accordance with Section 50 of the Housing Act 2004, by a demand for payment of the charge.

At the time that the demand becomes operative, the sum recoverable together with the interest accrued will, until recovered, be registered as a local land charge on the premises concerned. Interest will be added to outstanding charges at 4% above the current bank rate calculated on a daily basis.

## **8.0 Power to recover certain expenses (Schedule 3)**

The Council is given powers to carry out works in default where a person has been required to do works but has failed to do so. The work in default powers are provided in the legislation being used in relation to a case.

In most circumstances a person will be given notice of the Council's intention to carry out works in their default. The cost of the works will be recovered in accordance with the relevant statutory provisions. It should be noted that such charges are an addition to the administrative and other costs to be recovered as laid out above.

Expenses will be recovered by demanding a payment of the charge. At the time that the demand becomes operative, the sum recoverable together with the interest accrued will, until recovered, be registered as a local land charge on the premises concerned. Interest will be added to outstanding charges at 4% above the current bank rate calculated on a daily basis.

## **9.0 Houses in Multiple Occupation**

### **9.1 Licensing of Houses in Multiple Occupation**

Part 11 of the Housing Act 2004 covers the Mandatory and Discretionary Licensing of Houses in Multiple Occupation.

The Housing Act 2004 Section 254 provides a new definition of an HMO.

A "House in Multiple Occupation" means a dwelling, or part of a building:

- that is occupied by more than 1 household sharing an amenity such as bathroom, toilet or cooking facilities (the standard test); or
- is occupied by more than one household, which is a converted building, which does not entirely comprise self-contained flats (whether or not they are sharing amenities); (the self contained flat test) or
- comprises entirely of converted self-contained flats and the standard conversion does not meet that required by the 1991 Building Regulations and more than one third of the flats are occupied under short tenancies. (the converted building test).

### **9.2 Exemptions**

Certain types of buildings will not be HMOs. These include:

- i) Managed or owned by a public body (such as the NHS or Police) or a local Housing Authority or a Registered Social Landlord.
- ii) Where the residential accommodation is ancillary to the principal use of the building e.g. religious establishments, conference centres etc.
- iii) Entirely occupied by freeholders or long leaseholders and their households.
- iv) Occupied by no more than two households each of which comprise a single person (i.e. two person flats).

### **9.3 Licensing and the link with Housing Health and Safety Rating System**

HMO Licensing is linked to the HHSRS. Section 55 gives local authorities a duty to ensure that there are no Category 1 hazards in an HMO within 5 years of licensing.

## **9.4 HMO Declarations**

Under Section 255 where the Council is satisfied that a building or part of a building is being occupied by persons as their only or main residence which has a mixture of uses, the Council can declare the building an HMO.

## **9.5 Mandatory Licensing of HMOs**

Mandatory Licensing applies to three or more storey properties occupied by five or more persons comprising of two or more households.

Storeys include basements, attics, commercial units and mezzanine floors. Mixed used properties will be counted by storey e.g. shop ground floor with two storey HMO above equals a three storey HMO.

For the purpose of HMO Licensing, a person includes children from birth.

It is an offence, under section 72 to operate a HMO that should be licensed under the provisions of Part 2 without a licence.

## **9.6 Temporary Exemption from Licensing**

Under Section 62 the Council may grant a Temporary Exemption Notice (TEN) where it is satisfied that the owner is taking steps to stop using the property as an HMO e.g. if the owner has applied for planning permission to convert the property back into a single family dwelling.

A TEN can be granted for a maximum of three months but in exceptional circumstances may be granted for a further 3 months. No more than two consecutive TEN's can be granted.

## **9.7 Applications for Licences**

Under Section 63, a person owning or managing an HMO which is required to be licensed must apply to The Herefordshire Council for a Licence for each property.

The Herefordshire Council must grant a licence if it is satisfied that:

- The HMO is reasonably suitable for occupation by the number of persons permitted on the Licence.
- The Licence Holder is a fit and proper person.
- The proposed Licence Holder is the most appropriate person to hold the Licence.
- The proposed manager, if not the licence holder is fit and proper and the proposed management arrangements are satisfactory, including that the person involved in the management of the house is competent and the structures and fundings for the management are suitable.

## **9.8 Fit and Proper Person**

Under section 66, the local Authority has to decide whether a Licence Holder or Agent is fit and proper.

The Council must have regard amongst other matters to:



- Any previous convictions relating to violence, sexual offences, drugs or fraud.
- Whether the proposed Licence Holder has contravened any laws relating to housing or landlord and tenant issues
- Whether the person has been found guilty of unlawful discrimination practices
- Whether the person has managed HMO's otherwise in accordance with any approved Code of Practice.

Relevant convictions do not automatically mean a person cannot be deemed fit and proper. The Council must give consideration to any convictions alongside a Landlord taking training or engaging with Council initiatives.

## **9.9 Additional Licensing**

Herefordshire Council's additional licensing scheme under Section 58 of the Housing Act 2004 came to an end in April 2009.

There is every intention to reinstate additional licensing in Herefordshire pending Government review and consultation with stakeholders in 2010-2011. This will allow the continuation of good work undertaken by landlords as a result of the previous Registration Schemes, which significantly raised standards in all HMOs.

## **9.10 Refusal of Licence**

If under Section 64, the Council is not satisfied that it cannot grant a licence under the above conditions then it must refuse to grant the Licence and make an Interim Management Order. The Council must give the applicant reasons in writing and allow 14 days for representations.

## **9.11 Appeals**

All appeals against Licensing, (fit and proper person), TEN's and HMO declarations will go to the Residential Property Tribunal which is part of the Lands Tribunal.

An appeal may be made if the Council:

- Refuse to grant a licence
- Grant a licence but impose conditions
- Vary a licence
- Revoke a Licence,
- Refuse to vary or revoke a Licence.

There is a 28 day appeal period.

## **9.12 Contents of Licence**

Under Section 67 and Schedule 4 of the Housing Act 2004 an HMO Licence will specify the maximum number of occupants who may occupy the HMO.

It will always include conditions requiring the Licence Holder to:

- Produce a Gas Safety Certificate on an annual basis

- Keep electrical appliances and furniture in a safe condition and supply on demand to the Council a declaration to that effect.
- Ensure smoke alarms and any other fire detection is kept in proper working order and supply on demand a declaration as to the condition and positioning of the alarms.
- The occupiers will have a written statement of terms on which they occupy the property.

Further conditions can be attached to the Licence regarding work required within specified periods to meet the Authority's adopted standards for the number of occupants.

A Licence may also include conditions relating to:

- The management of the house, including taking such steps within reason to deal with anti-social behaviour of the occupants and people visiting the property.
- The condition of the house, its contents and the amenity standards other than those under the HHSRS.
- A requirement to carry out specific works or actions within such time as is specified in the Licence.
- A requirement for landlords to attend training courses relating to the Codes of Practice.
- Management Regulations setting out general requirements as to the management of properties.

Where there are hazards in the HMO these will be dealt with by the HHSRS provisions rather than Licensing.

### **9.13 Breaches of Licence Conditions**

Under Section 72 the Licence Holder or Manager of an HMO who allows it to be occupied by more persons than the Licence permits, commits an offence and is liable to a fine up to £20,000. Breaching Licence conditions is also an offence and fines are up to a maximum of £5,000. Prosecution of these offences is without prejudice to the Council's power to revoke the Licence.

### **9.14 Duration of Licence**

Under Section 68 a Licence will normally last for 5 years but the Council can grant a 12 month licence where there are management or structural issues to be resolved.

### **9.15 Variation/Revocation/Cessation of Licence**

Under Sections 69 and 70 variations may be done by agreement, but the Council may not impose higher or different standards than the original Licence except if new amenity standards are prescribed by regulations. Licences may be revoked by agreement and automatically cease after 5 years or within a specific period.

A Licence ceases to be in force on the death of the Licence Holder and for the first three months following their death. The HMO is not licensable within that period, the Council

can grant a TEN. After this period a new Licence application must be submitted or the Council must make an Interim Management Order.

Other than in those circumstances a licence may be revoked if:

- There has been a significant breach of Licence conditions
- Or the Licence Holder and others involved in the management of the house are no longer fit and proper persons.
- Or the property ceases to be a HMO subject to Licensing.
- Or the Council would not have granted a new Licence for the HMO at the time it terminates the Licence because of reasons relating to the structure of the HMO which would render the property unsuitable for Licensing on similar terms.

On revocation of a Licence (unless this is because the HMO no longer requires Licensing) the Council must grant another Licence or make an Interim Management Order.

On receipt of an application for a Licence for a House in Multiple Occupation, Herefordshire Council will carry out all necessary checks as soon as practicable.

## **10.0 Interim or final empty dwelling management orders and compulsory purchase**

Subject to prescribed exceptions, The Herefordshire Council may seek authority from a Residential Property Tribunal to make Interim or Final Empty Dwelling Management Orders (EDMO).

This course of action will only be pursued:

- if a dwelling has been wholly unoccupied for at least six months or such longer period as may be prescribed.
- if there is no reasonable prospect of it becoming occupied in the near future.
- if an Interim EDMO is made, there is a reasonable prospect that the dwelling will become occupied.
- if Herefordshire Council has made reasonable effort to notify the relevant owner that they are considering making an Order and to ascertain from him (if any) what action he is taking, or is intending to take, to ensure that the dwelling is occupied.
- if any prescribed requirements have been complied with.

The Council reserves the right to consider the option of Compulsory Purchase where it is appropriate to do so.

## **11.0 Environmental Protection Act 1990**

The Council will use relevant powers to deal with specific issues covered by the Environmental Protection Act 1990 under Section 79 dealing with statutory nuisances, where a premises is in such a state to be prejudicial to health or a nuisance.

## **12.0 Other Legislation**

Other housing and tenancy related legislation will be used as appropriate in accordance with the approach outlined in this Policy.

<b>DECISION:</b>	<b>CABINET</b>
<b>DATE:</b>	<b>5 APRIL 2012</b>
<b>TITLE OF REPORT:</b>	<b>COMPULSORY PURCHASE ORDER  FOR PROPERTY KNOWN AS: 2 OVERROSS FARMHOUSE, 26 OVERROSS FARM, LEDBURY ROAD, ROSS ON WYE, HEREFORDSHIRE HR9 7BN</b>
<b>PORTFOLIO AREA:</b>	<b>ENVIRONMENT, HOUSING AND PLANNING</b>

**CLASSIFICATION:** Open, with a separate exempt report

### **Wards Affected**

Ross on Wye, West Ward

### **Purpose**

To seek Cabinet approval to resolve to Compulsory Purchase Order for the property known as 2 Overross Farmhouse, 26 Overross Farm, Ledbury Road, Ross on Wye, Herefordshire HR9 7BN under powers contained under Section 17 (1) (b) of the Housing Act 1985 as amended, and the Acquisition of Land Act 1981 and all other enabling powers for housing purposes.

### **Key Decision**

This is not a Key Decision.

### **Recommendations**

**THAT:**

- (a) Herefordshire Council resolve to Compulsory Purchase Order the property known as 2 Overross Farmhouse, 26 Overross Farm, Ledbury Road, Ross on Wye, Herefordshire HR9 7BN in order to bring the property back into residential use;**
- (b) the Assistant Director of Law Governance & Resilience be authorised to:**
  - execute a General Vesting Declaration should the Compulsory Purchase Order be confirmed.**

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Further information on the subject of this report is available from  
Jane Thomas; Housing Manager (Development) on (01432) 261910

- to the vesting of the property into Council ownership, subsequently offer the property for sale, with terms of sale to include covenants that the house is improved to Decent Homes Standards within a specified timescale.

(c) That the Chief Officer Financial and Commercial be authorised to:

- recover such administrative and other charges incurred in any purchase and subsequent sale of the property as permitted by the Compulsory Purchase regulations, together with any other outstanding charges on the property.

## Key Point Summary

- To bring a property that has been empty for over 34 years back into residential use
- Resolve the on-going problems for the adjoining neighbours and community
- Meet local housing demand
- Demonstrate to other empty property owners that the Council is committed to returning empty properties back into use.

Information regarding the value of the property and costs associated with a CPO are contained in the EXEMPT Report

## Alternative Options

1. The owner has been offered extensive advice and assistance (see Introduction and Background) but has not made any progress in bringing the property back into use. He has expressed interest in selling the property to the Council at a price which is above market value (See EXEMPT Report)
2. The property would not be suitable for an Empty Dwelling Management Order due to the large volume of work required to bring it into a habitable condition. The property is in derelict condition with no internal walls, floors, plumbing, wiring, glazed windows or fixtures and fittings.
3. Failure to bring the property back into use will continue to be a detriment to the adjoining property and neighbourhood as well as the loss of a housing unit.

## Reasons for Recommendation

4. This report seeks approval for the Compulsory Purchase of one residential dwelling known as 2 Overross Farmhouse, 26 Overross Farm, Ross on Wye, Herefordshire HR9 7BN under provisions of Part II of the Housing Act 1985.
5. It is considered that the Compulsory Purchase of this house under these powers is the most appropriate way of ensuring its improvement and subsequent occupation.
6. This property is located in the market town of Ross on Wye in a residential cul-de-sac position and has stood vacant and neglected since at least 1977. It is a semi-detached property, but the adjoining property is occupied and the owner has been blighted by the poor condition of 2 Overross Farmhouse and is affected by the value and saleability of her own property. All

attempts to encourage the owner to take steps that would see it ultimately repaired and brought back into use have failed.

7. The Herefordshire Local Housing Market Assessment, show the Net Housing Need for 2011-2016 for the Ross on Wye area is 271, with an estimated 93 requirements for 3 and 4 bed properties.

## **Introduction & Background**

8. Cabinet member approval was given in August 2007 for the Compulsory Purchase Order to be undertaken. However it was originally the Council's intention to work in partnership with a Housing Association in a back to back purchase and develop the property into new affordable accommodation. This would be achieved with financial assistance from the Council through the Affordable Housing Grant, for the possibility of two units being developed.
9. Further investigation showed it was not possible to obtain planning permission for two units as there is insufficient parking for the number of units, due to its detached location to the town centre it could not be developed as a "car free" scheme.
10. Following this, a review was carried out by the Housing Association and the decision was taken that the scheme was not financially viable to develop one unit and therefore the Housing Association withdrew their interest.
11. On confirmation of the Compulsory Purchase Order it is proposed to sell the property with a condition to complete renovation of the property to decent homes standard in order to ensure that the property is reoccupied as soon as possible and provides good quality accommodation for the open market in Ross on Wye.

The evidence below shows there to be a compelling case for this course of action.

- i. A Completion Notice was served by the Council to the owner of the property on 26<sup>th</sup> February 1997, to complete the planning permission with 12 months of the notice or the permission would cease. The Secretary Of State wrote to the Council on the 26<sup>th</sup> June 1997 to confirm they were in agreement, that he did not believe the works will be completed within a reasonable time and confirmed the notice. The owner did not respond or complete the works required.
- ii. During 1999-2001 the Council wrote to the owner on a regular basis offering advice and assistance to bring the property back into use – The owner did not respond other than the completion of the Information Required Notice, which confirmed he was the sole owner of the property and there was no mortgage or other debts outstanding against the empty property.
- iii. In August 2001 a Repairs Notice was served Under Section 189 of the Housing Act 1985 – no work started but owner engaged an Architect and in May 2002 the owner was advised if planning application was not submitted a CPO would be pursued.
- iv. In January 2003 planning permission was obtained by the owner to complete the property, with the support of the Housing Needs & Development Team.
- v. During June 2004 to September 2005 various letters were sent, chasing the owner as work had not started, offering advice and assistance and that a Compulsory Purchase Order would be pursued if no progress was made. By 2006 the owner failed to undertake the work and the planning permission expired.

- vi. In November 2006 Herefordshire Council wrote to the owner to advise they would be interested in purchasing the property at the current full market value, but the owner did not respond.
- vii. In January 2007 Herefordshire Council wrote to the owner to confirm its intention to apply for cabinet approval to seek the Compulsory Purchase Order of the property under Section 17 of the Housing Act 1985. No response was received to this letter.
- viii. In June 2008 Herefordshire Council formally offered to purchase the property from the owner but this was not accepted as the owner did not respond. (See EXEMPT Report)
- ix. In March 2009, following further legal advice, Herefordshire Council again formally offered to purchase the property from the owner based on the District Valuer's valuation (See EXEMPT Report). This offer was also not accepted
- x. During June and July 2011 Herefordshire Council sent letters to owner offering advice and assistance and requested to meet on site.
- xi. In August 2011 Herefordshire Council met the owner on site and offered advice and assistance to try and bring the property back into use. The owner indicated no willingness to work with the Council and expressed no intention in bringing the property back into use.
- xii. In September 2011 Herefordshire Council wrote to the owner again making a formal offer based on the District Valuer's valuation. The letter also advised him that if no progress was made to bring the property back into use a Compulsory Purchaser Order would be pursued. The owner did not respond. (See EXEMPT Report)

## **Key Considerations**

### **The owner will lose his property**

- 12. Consideration should be given to the taking away of a person's right to own property. However, this property is not the owner's principle home and the owner has made little effort to look after or improve this property, despite numerous offers of assistance from the Council. He has allowed planning permission to lapse without action. The dilapidated condition of the property is a detriment to the neighbourhood.
- 13. Consideration should be given to the needs of the County in terms of the number of families in need of accommodation and the need of the Overross Farm residents who have had their neighbourhood blighted for over 30 years.
- 14. For the avoidance of doubt, the owner will not be considered as homeless as his main residence is another property.
- 15. The owner has been contacted on numerous occasions and has met with Council staff but is unwilling to take any significant action to return this property into use despite the offer of various voluntary options and despite informing the council that he would undertake works and bring the property back into residential use. This course of action does not prevent the owner from taking action to resolve the matter ahead of any Confirmation of the Order.
- 16. Complaints have been received from the local community regarding the negative impact this property is having upon their properties, and the recommended course of action will be for the



benefit of the neighbourhood.

## **Community Impact**

17. Over the years this property has been a source of complaint from local residents and is blight on the local area. The property is in an area of housing need with a high demand for family accommodation of this size. Bringing the property back into use can only enhance the community.
18. A communication strategy will be developed, in liaison with the Public Relations team, and upon the order being granted the Town Council and community will be consulted.

## **Equality and Human Rights**

19. Human rights need to be considered in this situation. Under the Human Rights Act 1998, Article 1 of the first protocol provides that “Every person is entitled to the peaceful enjoyment of his possessions”, and that “No one shall be deprived of his possessions except in the public interest and subject to the conditions provided by law”.
20. Article 8 also provides that “Everyone has the right to respect for his private and family life and his home” and “There shall be no such interference with the exercise of this right except as in accordance with the law and necessary in a democratic society for the prevention of disorder and crime, for the protection of health and morals, or for the protection of the rights and freedom of others.
21. When considering the use of Compulsory Purchase powers, the local authority has to have regard to their impact in relation to the above Articles. The council has considered the above articles, and in line with the “doctrine of proportionality” considers that given the circumstances and extensive efforts made to engage with the owner and persuade him to take steps to bring the property back into use, that use of Compulsory Purchase powers, in this situation, is not a breach of human rights.
22. By taking this course of action, the Council will not be denying the owner his home, as this property is vacant and has been for over 34 years. Whilst the council acknowledges that if the order will be confirmed it will be depriving him of a long term investment, the Council has offered the owner various options to prevent this course of action, which is a last resort. The owner will not suffer financial loss as he will be compensated for the loss of the property upon completion of the CPO.

## **Financial Implications**

23. The financial details are contained in the EXEMPT Report

## **Legal Implications**

24. The Council has the power to acquire houses or land compulsorily with the consent of the Secretary of State under section 17 of the Housing Act 1985.
25. Compulsory Purchase Orders are only taken as a last resort when all attempts to persuade owners to bring properties back into use have failed. The approval of this report does not preclude negotiations for an agreed sale being resumed nor the opportunity for the current owner to bring the property back into use themselves.

26. Please refer to 18-21 Equality & Human Rights

## **Risk Management**

27. The risks below will have minimum impact and can be managed within the Homes & Communities Division.
- i. CPO presents a lengthy time-consuming procedure. - The property would be sold on as soon as possible to recover funding at the earliest opportunity.
  - ii. The property doesn't reach its reserve price and doesn't sell, the Council are responsible for the maintenance - The estimated sale price (see EXEMPT Report) cannot be guaranteed but the property is in an area of housing demand and evidence does suggest that renovation projects are still selling well.
  - iii. The purchaser fails to renovate the property and it remains empty - The property will be sold with covenants requiring its refurbishment and reoccupation within a specific timescale.
  - iv. The owner could appeal against the CPO and prevent the order. - There is a large body of evidence to show the Council has attempted to persuade the owner to either sell it on or bring it back into use.
  - v. Updated valuation reports are required if delays are incurred – budget is available to cover additional costs.

## **Consultees**

28. The Ward member and local residents adjoining the property have been in regular contact and involved since 1999.
29. Internal colleague from Legal Services, Development Control and Transportation Planning have been consulted throughout this case.

## **Appendices**

30. Confidential Financial EXEMPT Report

## **Background Papers**

Housing Act 1985 (as amended)

Cabinet Member Approval (August 2007)

Document is Restricted

