

# AGENDA

## Cabinet

Date: **Thursday 13 March 2014**

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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, Governance Services**

Tel: (01432) 260249

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

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# **Agenda for the Meeting of the Cabinet**

## **Membership**

**Chairman**

**Councillor AW Johnson**

**Councillor H Bramer  
Councillor JW Millar  
Councillor PM Morgan  
Councillor GJ Powell  
Councillor PD Price**

**AGENDA**

Pages

**HEREFORDSHIRE COUNCIL**

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<b>Item No</b>	<b>Title</b>	<b>Portfolio Responsibility</b>	<b>Scrutiny Committee</b>	<b>28 Day Notice Given</b>
5	Home to School Travel	Young People and Children's Wellbeing	General Overview and Scrutiny Committee	General Exception
6	Retendering of Arts Commissioning Grants 2014/15	Contracts and Assets	General Overview and Scrutiny Committee	General Exception

**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 23 January 2014.

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**4. BUDGET MONITORING REPORT - JANUARY 2014**

To provide Cabinet with an updated position on the projected out-turn for 2013/14 and to propose the arrangements for future budget monitoring.

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**5. HOME TO SCHOOL TRAVEL**

To confirm a revised implementation date of September 2015 for the policy changes agreed by Cabinet in December 2013.

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**6. RETENDERING OF ARTS COMMISSION GRANTS FOR 2014/15**

To approve use of the one-off arts commissioning grant budget in 2014/15 to enable organisations to plan for reductions in funding.

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## **HEREFORDSHIRE COUNCIL**

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HEREFORDSHIRE COUNCIL

**MINUTES of the meeting of Cabinet held at the Council Chamber, Brockington, 35 Hafod Road, Hereford on Thursday 23 January 2014 at 2.00 pm**

**Present:** Councillor AW Johnson (Chairman)

**Councillors:** H Bramer, JW Millar, PM Morgan, GJ Powell and PD Price

**In attendance:** Councillors WLS Bowen, ACR Chappell, EMK Chave, J Hardwick, EPJ Harvey, MAF Hubbard, J Hyde, TM James, JLV Kenyon, RI Matthews, AJW Powers, P Rone, A Seldon, and GA Vaughan-Powell

**60. APOLOGIES FOR ABSENCE**

Apologies for absence had been received from Councillors.

**61. DECLARATIONS OF INTEREST**

Councillors Johnson, Morgan, Price, & Powell declared non prejudicial non pecuniary interests in item 63 as school governors.

**62. MINUTES**

It was noted that all members in attendance should be recorded in the minutes.

**RESOLVED:** That the minutes of the meetings held on 12 & 19 December 2013 be approved as a correct record and signed by the Chairman.

**63. RESPONSE TO CALL-IN: CHANGES TO HEREFORDSHIRE SCHOOLS AND POST 16 TRANSPORT POLICY**

Consideration was given to the recommendations of the General Overview & Scrutiny Committee made on 15 January 2014 following the call-in of Cabinet's decision made on 19 December. The Chairman of General Overview & Scrutiny Committee presented the recommendations of the committee, highlighting concerns raised regarding the potential impact on SEN pupils and schools budgets.

The Cabinet Member summarised the Executive's responses to the recommendations noting where recommended action was already underway. Further amendment or delay to the policy changes would not be recommended given the budgetary constraints and agreed charging principles, and in the interests of providing certainty for parents and schools alike.

In response to queries raised by Members in attendance the following observations were made:

- The decision had been informed by a full and robust equality impact assessment
- Working together with schools, parents and transport providers would improve service delivery in the future.

**RESOLVED:** That

- (a) **the proposed responses to the recommendations of the General Overview and Scrutiny Committee as set out at Appendix 1 are agreed; and the original decision taken by Cabinet on 19 December 2013 is confirmed.**

#### **64. TRANSPORT & TRAVEL REVIEW**

The Cabinet Member, Health & Wellbeing introduced the report of the Head of Transportation & Access, which sought approval of the approach to reducing subsidy and delivering significant savings for passenger transport services over the period 2014/15 and 2015/16.

The Cabinet Member, Health & Wellbeing highlighted the following key points:

- i. The savings requirement of £1m was over a two year period owing to the timing of contracts covering subsidised bus services across the county
- ii. The reduction of subsidies would not be a simple across-the-board reduction
- iii. The needs of service users with complex transport requirements would be addressed through the review
- iv. The review would seek to maximise the development and use of community transport schemes
- v. Commercially viable services should in principle not be subsidised
- vi. Feedback received through the recent budget consultation (centring on market day services) would inform the review, and further consultation with specific communities would be undertaken
- vii. There would be no changes to services before September 2014.

Members in attendance welcomed the proposals. The following responses were given to queries raised:

- Integration of services and savings associated with that integration had already begun; more could be achieved
- The value for money of amount of subsidy per passenger would inform future decision-making
- Routes involving out of county journey elements were recharged and therefore subsidies quoted were the net cost to Herefordshire
- Any decision to withdraw subsidy from a particular route would be informed by consultation responses and impact assessments as well as value for money considerations
- The review included social care transport costs
- Route details such as timings and stops should be a matter for discussion between providers and communities
- Many children already completed their journeys to and from school on public services rather than dedicated schools transport

#### **RESOLVED: That**

- (a) **the approach to reducing passenger transport subsidy and securing savings of £1M over the period 2014/15 to 2015/16 including a comprehensive review and re-planning of passenger transport services in an integrated way (including the approach to consultation) as outlined in this report be approved; and**
- (b) **authority be delegated to the Director of Economy, Communities & Corporate, in consultation with the Cabinet Member for Health and Wellbeing, to finalise and implement service changes following the public consultation and contract tendering**



## 65. CUSTOMER SERVICES & LIBRARIES

The Cabinet Member, Customer Services introduced the report of the Head of Community & Customer Services, which set out options for future delivery customer services and library centres and services for implementation in 2015/16. It was noted that, due to a proofing error, the points referenced in recommendation (a) should identify points 17-26 rather than 23-32.

The Cabinet Member, Customer Services drew attention to the proactive approach being taken to ensure that services and facilities could, with the support of local communities, adapt to the changing budgetary situation.

Cllr Powell received assurance that, in light of the proposals which did not involve any closure of library services there was confidence that a comprehensive local library service was being maintained.

In response to queries from Members in attendance the following observations were made:

- The model proposed for customer services in Hereford city had already proved successful in other locations and would be explored
- The proposals set out a direction of travel for the development of library and customer service delivery and ideas for more radical delivery models would be welcomed to ensure a library service was retained and fit for the future
- Staffing of libraries was not currently routinely undertaken by professionally qualified librarians and future models would explore use of a mix of volunteers and staff
- Options for location of Ledbury library service within the Masters House were being explored
- Customers not using cashless payment options would continue to be able to make payments through facilities such as the Post Office and the proposals allowed for a transition period
- As the pattern of customer contact changes the facilities for face to face contact needed to change to reflect that.

### **RESOLVED: That**

- (a) authority be delegated to the Director for Economy, Communities and Corporate, in consultation with the Cabinet Members for Corporate Services and Contracts and Assets, to implement changes to service delivery (points 17-26) in order to release savings for April 2015;**
- (b) consideration be given to closing the customer services centre at Franklin House and offering a combined customer and library service at the Broad Street site; and**
- (c) should the decision taken in respect of recommendation (b) above be to progress a combined customer and library service at the Broad Street site, the cost of modernising the premises be financed through capital receipts from the disposal of selected operational properties to avoid extending the council's borrowing requirements**

*As proposed by the Chairman, the order of the following two items on the agenda was reversed.*

## 66. REDUCTION OF PUBLIC FACING MUSEUM DELIVERY

The Cabinet Member, Contracts & Assets introduced the report of the Cultural Services Manager and Archives & Collections Manager, setting out proposals for a reduction in opening hours of the museum service front of house delivery across the sites of the museum in Broad Street and the Old House in High Town, Hereford.

In response to questions from Members in attendance, the following observations were made:

- Limitations on the interaction with the museum collections caused by restrictions in opening times could be offset by specific open days or activities
- A wider fundraising strategy for the service including greater use of the collections was being developed.

**RESOLVED: That**

- (a) the opening hours for the Hereford Museum and Old House be reduced to achieve the required savings; and**
- (b) authority be delegated to the Director of Economy, Communities and Corporate to determine the detailed implementation of this reduction**

**67. PROPOSED TRUST STATUS FOR MUSEUMS**

The Cabinet Member Contracts & Assets, introduced the report of the Cultural Services Manager and Archives & Collections Manager, which set out the proposal and options for moving Herefordshire museum services to Trust status, noting there was a heartening degree of interest from a number of existing trusts.

In response to queries from Members in attendance the Cabinet member noted that negotiations with the Courtyard, as with other trusts, were welcomed

**RESOLVED: That a procurement process is undertaken to solicit tenders from charitable trusts for the purpose of delivering the museum service in Herefordshire.**

**68. WITHDRAWAL OF ARTS COMMISSIONING GRANTS**

The Cabinet Member, Contracts & Assets introduced the report of the Cultural Services Manager proposing the withdrawal of the Arts Commissioning Grants to external organisations from 2014-15.

Councillor Powell acknowledged that none of the bodies referenced were in receipt of continuing funding arrangements and queried whether potential existed to maintain a contingency should any of the bodies be at risk of closure as a consequence of the decision. The Cabinet Member noted that support would be offered to enable groups to access alternative sources of funding; whilst a 'disaster' fund would exist exceptional circumstances would need to be evidenced to access this fund given the overall budgetary position and the agreed council priorities.

Members in attendance expressed concern at the impact of such funding reductions on the broader contribution made by the arts to the quality of life in the county.

Cllr Morgan stressed that the quality of the service offered by the organisations listed was not in question, but the use of public funding must be focussed on the essential priority services.

**RESOLVED:** That the payments of Arts Commissioning Grants made by Herefordshire Council to external arts organisations are withdrawn from April 2014

**69. PROGRAMME FOR INVESTMENT AT HEREFORDSHIRE COUNCIL LEISURE FACILITIES**

The Cabinet Member, Contracts & Assets introduced the report of the Cultural Services Manager proposing in principle the investment of £9m capital, funded by prudential borrowing for improvements at Herefordshire Council leisure facilities as part of a package of changes to the contractual arrangements between the council and Halo Leisure to support the delivery of financial savings whilst enhancing service quality by increasing income levels.

Cllr Powell sought clarification as to whether the proposed improvements would reduce the outstanding planned maintenance costs. The Cabinet Member Contracts & Assets confirmed this would be the case.

The Cabinet Member, Contracts & Assets endorsed the view of a Member in attendance that the performance of Halo was to be welcomed.

**RESOLVED:** That

- (a) subject to Council approval of the Capital Programme in February, up to £9m of capital funding for investment in improvement programmes at the following leisure facilities across the county: Hereford Leisure Centre, Hereford Leisure Pool, Leominster Leisure Centre, Ledbury Swimming Pool and Ross-on-Wye Swimming Pool be approved;**
- (b) the investment to be funded via prudential borrowing and repaid by the leisure operator, currently Halo Leisure, via a rental charge over 25 years using increased income;**
- (c) authority be delegated to the Director for Economy, Communities and Corporate, in consultation with the Chief Finance Officer and Cabinet Member Contracts and Assets to approve fully costed business cases and implementation arrangements for individual schemes within the programme prior to any draw down of capital;**
- (d) authority be delegated to the Solicitor to the Council, in consultation with the Director for Economy, Communities and Corporate to conclude and execute revised legal agreements between the council and Halo Leisure to reflect the complete package of revised arrangements between the parties;**
- (e) subject to the completion of a Sports Facilities Strategy application is made to the Sport England facilities funding programme for up to £2m for larger schemes and £0.5m for smaller schemes; and**
- (f) that further investigation is continued regarding funding through a planning application for the redevelopment of Ledbury swimming pool to assist with mitigation of the total amount of borrowing subject to Council approval of the Capital Programme in February, up to £9m of capital funding for investment in improvement programmes at the following leisure facilities across the county: Hereford Leisure Centre, Hereford Leisure Pool, Leominster Leisure Centre, Ledbury Swimming**

**Pool and Ross-on-Wye Swimming Pool be approved.**

**70. FUNDING FOR LADY HAWKINS' AND WIGMORE LEISURE CENTRES**

The Cabinet Member, Contracts & Assets introduced the report of the Cultural Services Manager proposing future funding arrangements for Lady Hawkins' Community Leisure Centre and Wigmore Leisure Centre.

**RESOLVED: That**

- (a) authority be delegated to the Director for Economy, Communities and Corporate, in consultation with the Chief Finance Officer, to pursue negotiations to implement the asset transfer of the Lady Hawkins Community Leisure Centre by September 2014; and**
- (b) the funding for Wigmore Leisure Centre be reduced to £15,000 pa from 2014-15.**

**71. WITHDRAWAL OF FUNDING FOR INFRASTRUCTURE SUPPORT (VOLUNTARY AND COMMUNITY SECTOR AND PARISH COUNCILS)**

The Cabinet Member, Corporate Services introduced the report of the Sustainable Communities Manager proposing withdrawal of funding support for infrastructure support services for parish councils, currently provided by Herefordshire Association of Local Councils, and infrastructure support services to the Voluntary and Community Sector, currently provided by Herefordshire Voluntary Organisations Support Services (Hvoss). Attention was drawn to an error in the response to the budget consultation appended to the following budget report which was misleading in regard to the funding proposals for Hvoss and Cllr Morgan apologised for this error.

In response to queries raised by Members in attendance the following observations were made:

- Clarification would be sought regarding any unpublished organisational responses to the budget consultation
- In house strategic commissioning capability for communities and volunteers including support and co-ordination was being developed within the adult wellbeing directorate

**RESOLVED: That**

- (a) the Service Level Agreement is not renewed for Herefordshire Association of Local Councils (HALC) with effect from 1st April 2014, leading to a saving of £3,000 in 2014/15; and**
- (b) withdrawal of dedicated funding for infrastructure support services to the Voluntary and Community Sector when current contract with Herefordshire Voluntary Organisation's Support Services (Hvoss) ceases on 31st July 2014, leading to a saving of £97,000 in 2014/5 and a further £38,500 in 2015/16.**

**72. BUDGET 2014/15 AND MEDIUM TERM FINANCIAL STRATEGY**

The Leader of the Council introduced the report of the Chief Financial Officer proposing the medium term financial strategy for 2014/15 to 2016/17 and proposals to finalise the 2014/15 revenue and capital budget to be recommended to Council on 7 February 2014.

The Chief Financial Officer provided an overview of the budget proposals in the context of the legal requirement placed on local authorities to approve a balanced budget and in light of significantly reducing government funding.

The Cabinet Member, Corporate Services drew attention to the consultation responses and equality impact assessments and placed on record thanks to all who contributed to these significant pieces of work.

It was noted that the report would be updated before presentation to Council to take account of the decisions taken by Council on 17 January.

**RESOLVED: That Cabinet recommends to Council on 7 February:**

- (a) Approval of the revenue budget set out in Appendix 1; and**
- (b) Approval of a band D council tax of £1,251.32, a council tax increase of 1.9%, therefore rejecting the 2014/15 council tax freeze grant; and**
- (c) Approval of the medium term financial strategy shown in Appendix 3 ;**
- (d) Approval of the Capital Programme outlined in Section 4.13 of the medium term financial strategy; and**
- (e) Approval of the Treasury Management Strategy for 2014/15 attached as Appendix 4.**

The meeting ended at 4.25pm

**CHAIRMAN**





<b>MEETING:</b>	<b>CABINET– Cllr Anthony Johnson</b>
<b>MEETING DATE:</b>	<b>13 MARCH 2014</b>
<b>TITLE OF REPORT:</b>	<b>BUDGET MONITORING REPORT – JANUARY 2014</b>
<b>REPORT BY:</b>	<b>CHIEF FINANCIAL OFFICER</b>

## 1. Classification

Open

## 2. Key Decision

This is not a key decision

## 3. Wards Affected

County-wide

## 4. Purpose

To provide Cabinet with an updated position on the projected out-turn for 2013/14 and to propose the arrangements for future budget monitoring.

## 5. Recommendations

**THAT:**

- (a) Cabinet notes the council is projected to spend on budget, an improvement of £2.4m on the October position; and
- (b) Cabinet agrees the proposed arrangements for future budget monitoring

## 6. Alternative Options

6.1 There are no alternative options.

## 7. Reasons for Recommendations

7.1 The forecast outturn for the year, based on spend to the end of January, is a break-even position. The overall position in Directorates has remained broadly the same but the forecast position has improved due to two areas:

- The successful bid for a capitalisation direction on one-off expenditure on

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Further information on the subject of this Report is available from  
Peter Robinson on Tel (01432) 383319

transformation. The bid has been referred to in previous monitoring reports and the council learnt of its success in January. This has meant that £1m of one-off costs, previously included in the forecast have now been capitalised.

- The integration of the Public Health Service within the council has led to successful joint working with resultant efficiencies in Public Health, Adults and Childrens Wellbeing. A number of these initiatives, planned for 2014/15, have been accelerated by the Director of Public Health into 2013/14, generating efficiencies of an additional £1m not previously forecast for the current year.

## 8. Key Considerations

- 8.1 This report sets out the forecast out-turn position based on information as at the end of January 2014;

Service	Budget Exp.	Budget (Income)	Net Budget	January Forecast Outturn	Projected (Over)/ under spend
	£'000	£'000	£'000	£'000	£'000
Adults Wellbeing	70,170	(15,169)	55,001	58,001	(3,000)
Children's Wellbeing	43,181	(14,673)	28,508	27,813	695
Economy, Communities and Corporate	111,853	(67,439)	44,414	44,309	105
Chief Executive and Organisational Development	8,033	(707)	7,326	7,268	58
Public Health	7,941	(7,753)	188	188	0
<b>Total Directorates</b>	<b>241,178</b>	<b>(105,741)</b>	<b>135,437</b>	<b>137,579</b>	<b>(2,142)</b>
Treasury Management	15,239	(259)	14,980	14,730	250
Change management*	1,311		1,311	311	1,000
Government grants		(3,534)	(3,534)	(4,634)	1,100
Contingency	773		773	773	0
Other central budgets	280	(951)	(671)	(436)	(235)
Transfer to general balances	2,000		2,000	2,000	0
<b>Total Budget</b>	<b>260,781</b>	<b>(110,485)</b>	<b>150,296</b>	<b>150,323</b>	<b>(27)</b>

\* Change management budget after allocations to directorates

- 8.2 Further details of the Directorate figures are shown in Appendix A

- 8.3 As previously reported, the 13/14 budget includes an additional £2m to increase reserve levels, which has now been set aside for unbudgeted costs, including pending court cases.

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Further information on the subject of this Report is available from  
Peter Robinson on Tel (01432) 383319



## **Future Budget Monitoring Arrangements**

- 8.4 It is proposed that after the January budget monitoring report, there are no further formal reports for 2013/14 until the out-turn position is reported in July 2014.

### **2014/15 Budget**

- 8.5 The proposed cycle of reporting to Cabinet for the financial year 2014/15 is set out below;

<b>Reporting period</b>	<b>Cabinet meeting</b>
May 2014	July 2014
August 2014	October 2014
October 2014	December 2014
December 2014	February 2015
March 2015 – Final Position	July 2015

- 8.6 Budgets will continue to be monitored on a monthly basis and in addition to the formal reporting out-lined above it is proposed to produce monthly summaries reported to Leaders' Briefing, subsequently circulated to Group Leaders and General Overview and Scrutiny Committee. This has the advantage of slicker, more timely reporting as well as reducing the amount of officer time involved in producing reports.

### **Exception Reporting**

- 8.7 If a significant issue or variance against the budget plan arises then a report will be presented to Cabinet on that specific item.

## **9. Community Impact**

- 9.1 None.

## **10. Equality and Human Rights**

The recommendations do not have any equality implications

## **11. Financial Implications**

- 11.1 These are contained within the report.

## **12. Legal Implications**

- 12.1 The Local Government Finance Act 1988 makes it a legal requirement that the council's expenditure (and proposed expenditure) in each financial year must not exceed the resources (including sums borrowed) available to the authority. If this principle is likely to be breached, the Chief Financial Officer is under a statutory duty to make a formal report to Members.

### **13. Risk Management**

- 13.1 Monthly reporting gives the Chief Finance Officer assurance on the robustness of budget control and monitoring, highlighting key risks and identifying any mitigation to reduce the impact of pressures on the council's overall position.

### **14. Consultees**

- 14.1 None

### **15. Appendices**

- 15.1 Appendix A – Directorates Budget Monitoring

### **16. Background Papers**

- 16.1 None identified.

# Appendix A

## Adults Wellbeing

Service	Annual Budget			January Forecast Outturn	January Projected (over)/under spend	October Projected (over)/under spend	Change to forecast (Adv)/Fav	Main reasons for change since October
	Budget Expend	Budget (Income)	Net Budget					
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Adult Operations	4,071	(516)	3,555	3,646	(91)	(535)	444	Community equipment store income £274k moved form Other services to Operations, due to the end of the S75 contract with Wye Valley Trust and back as 'in house' provision, also vacancy savings
Mental Health	9,106	(1,932)	7,174	7,364	(190)	(138)	(52)	increased number of new packages for residential and nursing care
Learning Disabilities	17,227	(1,318)	15,909	15,582	327	161	166	Extra backdated client contributions based on recalculation of housing benefit and reduction in packages
Older People	19,206	(5,365)	13,841	14,792	(951)	(1,040)	89	Actual winter pressures contingency budget was greater than the actual costs as at the end of January.
Physical Disabilities	7,969	(753)	7,216	7,584	(368)	(298)	(70)	Increased Residential and Nursing packages
Adult Commissioning	1,020	0	1,020	1,208	(188)	(266)	78	Fee payable to KPMG(£20k) based on savings identified, and increased costs for agency staffing
Other Services	8,017	(4,660)	3,357	4,507	(1,150)	(1,171)	21	
<b>Adult Social care excluding outstanding decisions</b>	<b>66,616</b>	<b>(14,544)</b>	<b>52,072</b>	<b>54,683</b>	<b>(2,611)</b>	<b>(3,287)</b>	<b>676</b>	
Planned savings schemes outside directorate	(876)	0	(876)		(876)	(876)	0	
<b>Total for adult social care</b>	<b>65,740</b>	<b>(14,544)</b>	<b>51,196</b>	<b>54,683</b>	<b>(3,487)</b>	<b>(4,163)</b>	<b>676</b>	
Homelessness	2,916	(210)	2,706	2,389	317	125	192	SHYPP contract funded by use of Public Health Grant
Housing Needs and Development	280	(8)	272	228	24	4	20	
Home point	282	(282)	0	0	20	20	0	
Housing and independent living management	225	0	225	209	16	14	2	
Healthy Housing	727	(125)	602	492	110	115	(5)	
<b>Housing and Independent living</b>	<b>4,430</b>	<b>(625)</b>	<b>3,805</b>	<b>3,318</b>	<b>487</b>	<b>278</b>	<b>209</b>	
<b>Adults well-being Directorate</b>	<b>70,170</b>	<b>(15,169)</b>	<b>55,001</b>	<b>58,001</b>	<b>(3,000)</b>	<b>(3,885)</b>	<b>885</b>	

## Children's Wellbeing

Service	Annual budget			January Forecast Outturn	January Projected (Over)/underspend	October Under / (Over) Spend	Change to forecast (Adv) / Fav	Main reasons for change since October
	Budget Expend	Budget (Income)	Net Budget					
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	
Directorate Costs	2,561	(318)	2,243	2,145	98	60	38	
<b>Directorate Costs</b>	<b>2,561</b>	<b>(318)</b>	<b>2,243</b>	<b>2,145</b>	<b>98</b>	<b>60</b>	<b>38</b>	
Service Management	127	0	127	120	7	(18)	25	Reduction in interim staff costs
Children's Safeguarding *	13,571	(283)	13,288	14,378	(1,090)	(1,067)	(23)	Public Health Grant contribution of £68k to intensive family support service, Reduction in allowances, court costs and vacancies offset by increases in agency fostering (3), secure remand (1) and extension of placement £91k
Early Help	2,922	(395)	2,527	1,851	676	234	442	Collaborative use of Public Health Grant of £362k in children centres, Increase in vacancies within locality and children centres £80k
<b>Safeguarding and Early Help</b>	<b>16,620</b>	<b>(678)</b>	<b>15,942</b>	<b>16,349</b>	<b>(407)</b>	<b>(851)</b>	<b>444</b>	
Service Management	512	(5)	507	451	56	56	0	
Additional Needs	6,356	(4,004)	2,352	2,256	96	30	66	Change due to vacancies within Additional Needs
Education Improvement	1,140	(746)	394	192	202	162	40	Vacancy savings and delay in school improvement plan
Youth Services	312	(168)	144	69	75	85	(10)	
Children's commissioning	1,811		1,811	1,642	169	41	128	Investment of Public Health funding of £70k in addition to reduction in short breaks commitment of £47k and staff costs of £11k
Development and Sufficiency	13,869	(8,754)	5,115	5,492	(377)	(303)	(74)	Home to school transport; Invoices, additional routes and snow days
<b>Education and Commissioning</b>	<b>24,000</b>	<b>(13,677)</b>	<b>10,323</b>	<b>10,102</b>	<b>221</b>	<b>71</b>	<b>150</b>	
<b>Education Support Grant</b>				<b>(783)</b>	<b>783</b>	<b>900</b>	<b>(117)</b>	Review of grant in line with Academies (adjusted for projected year-end top-slice)
<b>Children's Wellbeing Directorate</b>	<b>43,181</b>	<b>(14,673)</b>	<b>28,508</b>	<b>27,813</b>	<b>695</b>	<b>180</b>	<b>515</b>	

## Economy, Communities and Corporate

Service	Annual Budget			January Forecast Outturn £'000	January Projected (over)/under spend £'000	October Projected (over)/under spend £'000	Change to forecast (Adv)/Fav £'000	Main reasons for change since October
	Budget Expend £'000	Budget (Income) £'000	Net Budget £'000					
	Economic, Environment and Cultural services	12,592	(8,596)					
Placed Based Commissioning	32,436	(4,531)	27,905	27,678	227	227	0	risks
Law Governance & Resilience	3,798	(890)	2,908	3,390	(482)	(504)	22	
Chief Finance Officer & Corporate Management	52,014	(48,056)	3,958	3,723	235	247	(12)	
Property Services	6,162	(4,525)	1,637	1,791	(154)	(148)	(6)	
Community & Customer Services	4,578	(805)	3,773	3,734	39	55	(16)	
Director & Management	273	(36)	237	208	29	36	(7)	
<b>Economy, Communities and Corporate</b>	<b>111,853</b>	<b>(67,439)</b>	<b>44,414</b>	<b>44,309</b>	<b>105</b>	<b>5</b>	<b>100</b>	

## Chief Executive and Organisational Development

Service	Annual Budget			January Forecast Outturn £'000	January Projected (over)/under spend £'000	October Projected (over)/under spend £'000	Change to forecast (Adv)/Fav £'000	Main reasons for change since October
	Budget Expend £'000	Budget (Income) £'000	Net Budget £'000					
	ICT	5,402	(495)					
Human Resources	1,412	(132)	1,280	1,280	0	0	0	
Communications and Web Management & Support	622	(80)	542	542	0	0	0	
<b>Organisational Development Team</b>	<b>7,653</b>	<b>(707)</b>	<b>6,946</b>	<b>6,946</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Chief Executive	380	0	380	322	58	58	0	
<b>Chief Executive &amp; Organisational Develop</b>	<b>8,033</b>	<b>(707)</b>	<b>7,326</b>	<b>7,268</b>	<b>58</b>	<b>58</b>	<b>0</b>	

**Public Health**

Service	Annual Budget			January Forecast Outturn £000's	January Projected (over)/under spend £000's	October Projected (over)/under spend £000's	Change to forecast (Adv)/Fav £000's	Main reasons for change since October
	Budget Expend £000's	Budget (Income) £000's	Net Budget £000's					
Public Health Grant	0	(7,753)	(7,753)	(7,753)	0	0	0	
Pay Budget	1,918	0	1,918	1,918	0	184	(184)	Collaborative use of grant within Children's and Adults
Commissioning Budget	5,522	0	5,522	5,522	0	5	(5)	Collaborative use of grant within Children's and Adults
Contingency Budget	350	0	350	350	0	73	(73)	Collaborative use of grant within Children's and Adults
<b>Public Health Grant</b>	<b>7,790</b>	<b>(7,753)</b>	<b>37</b>	<b>37</b>	<b>0</b>	<b>262</b>	<b>(262)</b>	
Research Team	151		151	151	0	0	0	
<b>Public Health LA</b>	<b>151</b>	<b>0</b>	<b>151</b>	<b>151</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Public Health Directorate</b>	<b>7,941</b>	<b>(7,753)</b>	<b>188</b>	<b>188</b>	<b>0</b>	<b>262</b>	<b>(262)</b>	



<b>MEETING:</b>	<b>CABINET</b>
<b>MEETING DATE:</b>	<b>13 MARCH 2014</b>
<b>TITLE OF REPORT:</b>	<b>HOME TO SCHOOL TRAVEL</b>
<b>REPORT BY:</b>	<b>DIRECTOR OF CHILDREN'S WELLBEING</b>

## Classification

Open

## Key Decision

This is a key decision because it is likely to be significant in terms of its effect on communities living or working in an area comprising one or more wards in the county.

NOTICE has been served in accordance with Part 3, Section 10 (general exception) of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) Regulations 2012.

## Wards Affected

County-wide

## Purpose

To confirm a revised implementation date of September 2015 for the policy changes agreed by Cabinet in December 2013.

## Recommendation(s)

**THAT:**

- (a) the implementation date for the policy changes agreed by Cabinet in December 2013 be amended to September 2015, having the following effect:**
- (b) to withdraw the Herefordshire free home to school transport policy eligibility based upon nearest and catchment school and replace with eligibility based upon:**
  - i) nearest suitable school with places,**
  - ii) where the nearest suitable school is in Wales, transport will be provided to that nearest school or the nearest school in England;**

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Further information on the subject of this report is available from  
Chris Baird, Assistant Director, Children's Wellbeing on Tel (01432) 260264

- (c) To withdraw from September 2015 free transport for Herefordshire post 16 years with SEN and replace with the requirement for all post 16 years with SEN to pay the same contribution as all other post 16 students.
- (d) To apply the policy change in (b) only to those children newly entering a school from September 2015.
- (e) The implications of these policy changes are reviewed annually or sooner in the event that the impact of the proposed changes is materially worse than anticipated.

## Alternative Options

- 1 Not to amend the implementation date. Council have approved a budget with a view to enabling a change in implementation date to allow schools and parents greater time to plan for change; although not to amend the date would deliver savings it would not allow for the planning time desired.
- 2 The policy changes be introduced in September 2015 but exclude some year groups. Parents/carers who had made choices about school based on transport entitlement would be faced with having to make further choices while their child was settled at a school.

## Reasons for Recommendations

- 3 To determine how the one-off funding approved by Council as part of the budget is to be applied and to ensure that any period of uncertainty for parents, schools and transport operators is minimised.

## Key Considerations

- 4 On 19 December 2013 Cabinet agreed changes to home to school transport policies; this decision was confirmed on 23 January 2014 following call-in by General Overview & Scrutiny Committee.
- 5 When setting the budget at its meeting on 7 February, Council approved one-off funding of £112,000 to re-instate the element of the budget for providing free home to school transport based upon nearest in county or catchment school and for post 16 year olds with SEN planned for the academic year September 2014.
- 6 The following elements of the decision taken by Cabinet 19 December 2013 remain unchanged:
  - To continue to charge parents for a seat on a school bus (because the child is not eligible for free transport) but reduce the Council's subsidy by increasing annual charge by £60 (£1.58 a week) from £660 to £720 (£17.36 - £ 18.95) in September 2014 and to annually review the subsidy each September thereafter to take account of operating costs;
  - To continue to charge post 16 transport but to reduce the Council's subsidy by increasing the annual charge by £60 (from £660 to £720) in September 2014 and to annually review the subsidy each September thereafter to take account of operating costs.



7 In straightforward terms, the changes mean that:

- The Council is to change the home to school transport policy to the statutory minimum it is required to provide.
- **The policy change will come into effect a year later than originally planned, i.e. September 2015.**
- In addition, the policy will be introduced on a phased basis:
  - Parents/carers free transport entitlement for the current Year 6 moving into Year 7 and YR children (those starting schools in September 2014) will be on the basis of their nearest and catchment school).
  - All pupils will be able to keep their current entitlement to transport through to when they leave their school (subject to point 4 below). A table is attached to show this diagrammatically.
- For children starting or transferring school from September 2015 their transport entitlement will be on the basis of nearest school only.
- All post 16 SEN students will be asked to contribute the same as other post 16 students from September 2015.
- The level of charging for vacant seats and post 16 transport in September 2014 will go up as already agreed by cabinet from £660 to £720. The level of charge for these services in September 2015 has not yet been agreed because it changes annually and is moving towards full cost recovery. Officers are investigating the introduction of payment methods which mean parents who elect to buy a vacant seat can pay easily and through regular payments.

## Community Impact

8 The change in implementation date for the agreed policy changes will provide additional planning time for young people, parents/carers, schools and transport providers to prepare for the changes whilst still ensuring that the council continues to direct its resources at the agreed corporate priorities.

## Equality and Human Rights

9 Public sector equality duty (PSED) implications of the policy changes were explored when Cabinet took the decision in December 2013; the change to the timing of the implementation with the slower phasing will mitigate further some of the impacts.

## Financial Implications

10 Council has approved one-off funding of £112k in 2014/15 budget (£62k nearest school policy and £50k for Post 16 SEN for the Autumn 14 and Spring 15 terms).

11 The policy change will also impact financially in 2015/16 by £96k.

## Legal Implications

12 The council is required under section 508B of the Education Act 1996 ("the Act") to

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Further information on the subject of this report is available from  
Chris Baird, Assistant Director, Children's Wellbeing on Tel (01432) 260264

make and provide free of charge, such home to school travel arrangements as they consider necessary having regard for the Department for Education's statutory Home to School Travel and Transport Guidance, 2007.

- 13 Section 149 of the Equality Act 2010 imposes a duty on local authorities 'when exercising public functions' to 'have due regard to' the need to: eliminate discrimination and advance equality of opportunity (and foster good relations) between persons who share a relevant protected characteristic and persons who do not. This is generally referred to as the Public Sector Equality Duty (PSED). The nine 'protected characteristics' are: age; disability; gender reassignment; pregnancy and maternity; marriage and civil partnership; race; religion or belief; sex; and sexual orientation). SEN students are likely to share the 'relevant protected characteristic' of disability.
- 14 The concept of due regard requires a proper and conscientious focus on what the public sector equality duty requires. The decision maker must be clear precisely what the equality implications are when they put them in the balance. The decision-maker must recognise the desirability of addressing the equality implications, but ultimately it is for them to decide what weight they should be given in the light of all relevant factors.
- 15 In certain situations a local authority may conclude that other considerations outweigh the equality ones. This could include, for example, local priorities or available resources. However, the weight given to countervailing factors by the decision maker can be challenged in court if the decision is irrational or based on irrelevant considerations or facts.
- 16 As referenced in paragraph 9 of this report, the courts have established the following principles which a body subject to the PSED should take into account in making decisions to which the duty applies:
  - The duty means that the potential impact of a decision on people with different protected characteristics is always taken into account
  - Where large numbers of vulnerable people – very many of whom share a relevant protected characteristic – are affected consideration of the matters set out in the duty must be very high.
  - However, even if the number of people affected by a particular decision may be small, the seriousness or extent of discrimination and harassment might be great. The weight given to the aims of the duty is not necessarily less when the number of people affected is small.
- 17 The courts have made it clear that decision makers must have due regard to the PSED implications when they take their decision. Councils cannot try to justify decisions retrospectively if they are challenged.

## **Risk Management**

- 18 The delayed implementation date and phasing mitigates further some of the risks identified by allowing additional planning time. Schools and transport providers have already started to come forward with proactive proposals

## **Consultees**

- 19 There have been ongoing discussions with group leaders and schools regarding the

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Further information on the subject of this report is available from  
Chris Baird, Assistant Director, Children's Wellbeing on Tel (01432) 260264

change in implementation date and communications have been issued to all schools and to all elected members.

## **Appendices**

None

## **Background Papers**

None identified.





<b>MEETING:</b>	<b>CABINET</b>
<b>DECISION DATE:</b>	<b>13 MARCH 2014</b>
<b>TITLE OF REPORT:</b>	<b>RETENDERING OF ARTS COMMISSIONING GRANTS FOR 2014-2015</b>
<b>REPORT BY:</b>	<b>CULTURAL SERVICES MANAGER</b>

### 1. Classification

Open

### 2. Key Decision

This is a key decision because it is likely to be significant in terms of its effect on communities living or working in an area comprising one or more wards in the county.

NOTICE has been served in accordance with Part 3, Section 10 (General exception) of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) Regulations 2012.

### 3. Wards Affected

County-wide

### 4. Purpose

To approve use of the one-off arts commissioning grant budget in 2014/15 to enable organisations to plan for reductions in funding.

### 5. Recommendation(s)

**THAT:**

- (a) the arts commissioning grant budget be allocated in a single bidding round open only to those organisations which received funding from Herefordshire Council in 2013/14; and
- (b) tenders for the commissions are prioritised on the basis of the proportionate impact upon groups with protected characteristics, contribution to achievement of the council's priorities and degree to which the applicants can demonstrate how the funding will be used to support the organisation move to sustainability without future funding from Herefordshire Council.

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Further information on the subject of this Report is available from Mick Ligema, Cultural Services Manager on Tel (01432) 260631

## **6. Alternative Options**

- 6.1 The payment of arts commissioning grants is continued at the level of 2014-15 with an annual bidding round open to any organisation based on the criteria used in previous rounds. Given timescales for promoting such a bidding round and assessing applications this would not be practicable to deliver spend in year.
- 6.2 The same level of funding for 2013-14 is offered to the same groups for 2014-15. This would not ensure that organisations are moving towards a financially sustainable model of operation.
- 6.3 The payment of arts commissioning grants are continued for 2015-16 at 50% decrease in the total funding available for 2014-15, reducing to zero funding by end of 2015-16. This is not possible as the budget adjustment is for one-year only rather than an adjustment to the base budget.
- 6.4 In relation to the potential disproportionate impact upon groups with Protected Characteristics an option would be to maintain 50% of the funding and commission it to organisations which focus their activity on these groups.

## **7. Reasons for Recommendations**

- 7.1 On 7 February Council passed an amendment to the budget which had the effect of re-instating on a one-off basis the arts commissioning grants budget of £58,000.
- 7.2 The council's financial position is such that, to enable essential services for its most vulnerable residents to be maintained, it must reduce both the range and the level of services provided to the minimum necessary whilst meeting statutory requirements, unless there are clear reasons to do otherwise. In view of this Cabinet had, in January, take the policy decision to end funding for commissioned arts organisations, although in taking that decision it was recognised that the immediate withdrawal of grant funding would have a disproportionate negative impact on groups within the community with protected characteristics and that a phased approach would enable organisations to better plan and manage their financial affairs.

## **8. Key Considerations**

- 8.1 Herefordshire Council signed one year commissioning agreements with local arts organisations for a total of £58,200 of grants in 2013-14 for the delivery of cultural activities which support the council's strategic priorities.
- 8.2 The purpose of the grants is to use cultural activity to support people to lead fulfilled lives and to support the wider county economy.
- 8.3 It is proposed that a tendering process for the commissioning of the grants for 2014-15 be started open only to those organisations which have received funding for more than one year including 2013/14. This is because the budget is only available for one year and is primarily to mitigate the effect of the loss of council funding. The tender assessment criteria will include consideration of how the arts organisations will use any grant money as transition funding to plan for their financial and organisational sustainability. Additionally there will be criteria to assess the impact on participants and/or audiences with protected characteristics should the transitional funding not be awarded.

- 8.4 The tendering process will include an assessment and discussion about the critical value of the funding to each organisation in relation to their wider funding portfolio.
- 8.5 The assessment of tenders for the commissioning of arts grants will consider the contribution each organisations makes in relation to their impact and support for groups in the community with protected characteristics.
- 8.6 The assessment of tenders for the commissioning of arts grants will consider the following elements in relation to supporting vulnerable people :
- Enable residents to be independent and lead fulfilling lives.
  - Sustain people to be physically and mentally healthy and stay healthy for longer.
  - Support outcomes for children and young people improve.
  - Support access to excellent education and learning opportunities at all levels (includes early years/schools/FE/HE/adult learning).
  - Enable people to take more responsibility for themselves (includes making healthy choices & focus on prevention).
  - Enable people to be more active in their communities and look out for the more vulnerable so they live independently.
- 8.7 Herefordshire Council will further support the future business planning for arts organisations by providing sustainability advice surgeries.

## **9 Community Impact**

- 9.1 The community impacts of the previously funded organisations were set out in the cabinet report of 23 January. It is proposed that the criteria for assessment of tenders as set out in section 8 above will include assessment of the degree to which the proposal supports achievement of the council's priorities.

## **10. Equality and Human Rights**

- 10.1 An assessment of the equality impacts of withdrawing funding was included in the cabinet report of 23 January. As set out in section 8 above, the criteria for assessment of tenders will include equality impacts.

## **11. Financial Implications**

- 11.1 The funding available is for one year only and to a maximum of £58,000. The criteria for assessment of tenders as set out in section 8 above includes the degree of financial leverage achieved by the council's funding and, crucially, the degree to which any funding this year can be used to enable the organisation to plan for future financial sustainability.

## **12. Legal Implications**

- 12.1 The assessment of tenders for the commissioning of services in 2014-15 must take account of the impact of activity on the protected characteristics of age and disability.

## **13. Risk Management**

- 13.1 The risks for the Arts organisations would be an inability to continue with their current level of programme due to insufficient funding and further reducing their ability to draw in further funding. The risks are that due to the withdrawal of these grants, the Arts organisations are unable to continue with their current programme of

activity and that this may affect their ability to draw in other funding.

- 13.2 These risks would be mitigated through early communication to the organisations, enabling them to make the necessary strategic plans to manage the removal of the grants. It is planned to hold sustainability advice surgeries to support organisations in how they attend to their future financial planning.
- 13.3 There would be damage to the council's reputation with the local organisations and the cultural community, as well as regionally and nationally with the Arts Council England.

## **14. Consultees**

- 14.1 n/a

## **15. Appendices**

- 15.1 None

## **16. Background Papers**

- 16.1 None