



## **273. UPDATE ON NEW HEREFORDSHIRE COUNCIL SCRUTINY ARRANGEMENTS**

The chairman introduced Councillor Carol Gandy, chairman of the children and young people scrutiny committee.

Councillor Gandy briefed the forum on the revised arrangements for scrutiny within Herefordshire Council which included the establishment of a scrutiny committee to focus on issues affecting children and young people.

Specifically the remit of the scrutiny committee included:

- children's social care including safeguarding;
- transitional arrangements between children and adult services;
- statutory education scrutiny powers;
- statutory health scrutiny powers where this is in relation to the planning provision and operation of health services for children and young people.

Councillor Gandy reported that all members of the new committee were enthusiastic about improving the lives of children and young people and that there would be benefits from having a single committee scrutinise these areas. Previously these issues had been split between two scrutiny committees, with the result that members of the committees could not have a relevant level of interest and knowledge of all issues considered.

The scrutiny committee included a number of education co-optees. There was currently a vacancy for a parent governor from the secondary sector. Councillor Gandy requested that any suggestions to fill this vacancy be sent to the clerk to the scrutiny committee.

The first meeting of the children and young people was held on 5 July 2017 at which the corporate parenting strategy was considered. The committee heard from two young people about their experiences of the care system as part of their scrutiny of the policy.

Mr Lewandowski welcomed the return to a dedicated scrutiny committee for children and young people. He asked whether there could be representation from unions on the committee. Councillor Gandy agreed to take this suggestion away.

In response to other questions Councillor Gandy confirmed that meetings of the scrutiny committee were open to the public and that anyone could submit questions to the meeting. She also stated that she or her vice-chairman would seek to attend schools forum as frequently as possible.

## **274. REPORT OF THE BUDGET WORKING GROUP**

The schools finance manager presented the report.

### Dedicated schools grant outturn 2016/17

The overall underspend of £211k was noted. It was recommended that this be added to balances with particular reference to pressure on the high needs budget. Work would take place over the summer on budget proposals for high needs expenditure in 2018/19. The outcome of this work would be brought to the forum in October for consideration.

### Apprentice Levy

The schools finance manager reported that total available funding was estimated to be £155k. He reported that take up of funding from schools had so far been low. If funds were not used they would be reclaimed by the government. A reminder had been sent to all schools explaining how to access the funding.

The schools finance manager anticipated that the introduction of teacher apprenticeships would lead to better take up of funding. It had been suggested that the authority ask the DfE for an extension of the timescale for allocation of the current funding until these teacher apprenticeships were available.

### Trade union facilities

The schools finance manager reported that the budget working group had discussed expenditure and de-delegation of trade union facilities. The school finance manager explained the changes made in the voucher system used. Comparison against national and “statistical neighbour” authority averages showed that Herefordshire was charging more per pupil. The schools finance manager noted that Herefordshire suffered from diseconomies of scale in comparison to other larger authorities.

The HR services manager had been requested to present a report to schools forum in October on trade union facilities. The schools finance manager would present plans for changes in de-delegation funding at a future meeting.

Mr Lewandowski recognised that there could be concern if Herefordshire was shown to be charging more than other authorities but cautioned that such comparisons might not be valid. For example the Herefordshire charge included facilities for non-teaching staff which might not be the case with other authorities. He also reported that other authorities were known to supplement the trade union facilities fund directly. The government was already investigating teacher facility time and was collecting data that could be directly compared.

It was acknowledged that pressure on school budget had led to more redundancies which incurred greater cost in union support during statutory processes. It was also noted that Herefordshire enjoyed good industrial relations and had a good HR department.

Mr Deneen asked what the background had been to the item being presented to the budget working group. He noted that the arrangements applied to local authority schools and those academies that chose to buy in. He supported the view that Herefordshire enjoyed good working relationships between schools, the authority and unions.

The schools finance manager explained that the chairman of the budget working group asked to be briefed in context of historical levels of expenditure and the changes to the voucher system. These changes would require Schools Forum to review the level of de-delegation.

### Simplifying financial services to schools

The schools finance manager briefed the forum on proposed changes to three financial services provided to schools. He noted that these changes were required to reflect current staffing arrangements in the authority and the changes which had taken place in schools in recent years.

It was proposed that work take place to explore alternative arrangements for providing insurance for local authority schools. It was felt that schools could get better value

directly from the market rather than through a local authority tendering exercise. However the local authority would need to ensure that it had suitable cover for its own liabilities should any school find itself uninsured or unable to claim on its policy. A formal report would be commissioned from the local authority's brokers.

It was proposed that the school sickness absence scheme be revised. This scheme was used by primary schools and special schools only. Secondary schools were large enough to cover their own absences or buy cover from the market. The existing scheme was well supported and some academies bought in. The schools finance manager noted that benefits had been trimmed in recent years to keep costs the same. He stated that the scheme offered maternity cover in particular which was different from that offered by the market and that it was no longer possible to use Dedicated Schools Grant funds to cover any overspend. The scheme currently held reserves of £400k on the balance sheet to cover potential overspends. The schools finance manager intended to write to primary and special schools in September to ask for their views on moving the scheme to a de-delegated basis. This would require all primary schools to buy in but would allow overspends to be recouped the following year. Academies would be able to buy in on rolling five year contract.

Members expressed their support for the scheme and noted that primary and special schools generally had higher proportions of female staff and as such valued the maternity cover. It was noted that some schools used other schemes and said that these worked for them.

It was proposed that the local authority cease to operate a scheme claiming back school milk subsidies. Few staff at the local authority now knew how the scheme operated and schools could make their own claims. It was noted that for schools with very little subsidy it might not be worth the effort to claim. Some market providers would offer a claim service at no charge to the school but would increase the cost of milk to parents.

**Resolved that:**

- a) the Dedicated schools grant underspend of £211k for 2016/17 be added to balances; and
- b) net balances be retained to cover anticipated high needs pressures in the coming years.
- c) A reminder about how schools can access the apprentice levy funding be circulated to schools; and
- d) members of the BWG and school forum be encouraged to disseminate information through other groups.
- e) the issue of Trade Union facilities be added to the work programme for the schools forum for 2017/18 academic year.

**275. SCHOOLS FORUM CONSTITUTION AND ANNUAL REVIEW OF MEMBERSHIP**

The clerk to the forum presented the report. The constitution of the schools forum had last been reviewed in 2012 following changes in regulations governing the forum. No further significant changes in regulations had occurred but it was good practice that the constitution be reviewed periodically.

A draft revised constitution had been circulated to members of the forum for comments. Replies were detailed in appendix 2 to the report along with a response to each point and the draft constitution had been amended in light of feedback received.

The only changes proposed to the membership of the forum were to formally delete the seat for the 14-19 partnership which had been in abeyance since 2015 and to reflect the requirement for a specific seat for academy special school representative. The annual review of proportionality between academies and local authority schools had been carried out and no changes were required.

Other revisions related to arrangements for election and nomination of forum representatives and operational practices in regard to inquorate meetings and urgent decisions.

There being no comments, the forum was invited to recommend the draft constitution and its appendices to the Director for Children's Wellbeing.

**Resolved that:**

- (a) the schools forum note the outcome of the review of its constitution;**
- (b) that the Herefordshire Schools Forum be reduced to 26 members by the removal of the seat for the 14-19 partnership; and**
- (c) the revised constitution and all appendices, as set out at appendix 1 to the report, be recommended to the Director for Children's Services.**

**276. BRIEFING ON HEREFORDSHIRE COUNCIL BUDGET PRIORITIES CONSULTATION**  
(Pages 7 - 30)

The schools finance manager gave a presentation on the consultation taking place on the budget priorities of Herefordshire Council for 2018/19. He stressed the importance of schools engaging with the process even though focus was on the council budget. A questionnaire was available online or could be completed and returned in hard copy.

In response to questions the schools finance manager stated that it was not clear how proposed savings for children's wellbeing would affect services to schools. The savings proposed for 2018/19 had not been fully developed but the forum would be briefed on any impact at a future meeting.

The meeting ended at 10.44 am

**Chairman**



# 2018/19 budget consultation

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MINUTE ITEM 276

# Priorities

- Enable residents to live safe, healthy and independent lives;
- Keep children and young people safe and give them a great start in life;
- Support the growth of our economy; and
- Secure better services, quality of life and value for money



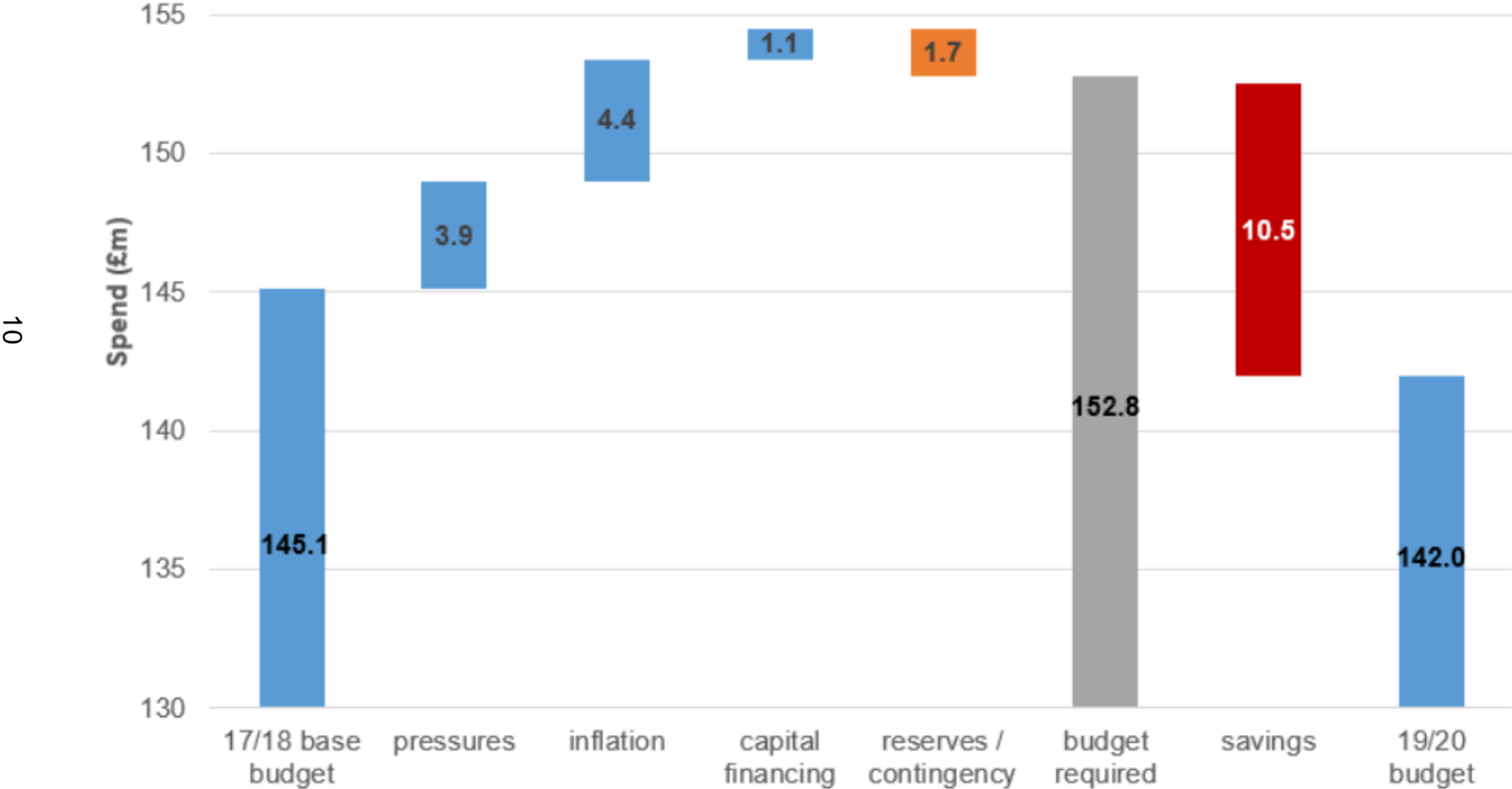
# Savings requirement

7 years through the austerity measures, £70m of savings to date and £10.5m planned 2018/19 to 2019/20....

## Total £87m of savings between 2010 and 2020

	2018/19 £m	2019/20 £m	Total £m
Net funding loss	3.8	3.8	7.6
Pressures	3.6	3.7	7.3
Other changes	(1.9)	(2.5)	(4.4)
<b>Total, saving requirement</b>	<b>5.5</b>	<b>5.0</b>	<b>10.5</b>

# Calculation of savings requirement



# The need to grow

- Protection of services by generating additional income
- ⇒• Address the local housing demand
- Diversifying the demographic profile
- Growing the local market for goods and services

# Feedback from business

- Finding it difficult to recruit and retain good quality staff
- There are skills gaps in certain sectors
- Infrastructure is key to opening up new markets and accessing services

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# The council's response

- A positive planning framework
- 16,500 new houses across the county
- New employment allocations at Hereford and market towns
- Associated infrastructure including bypasses for Leominster and Hereford

# Moving forward

- Council investment in infrastructure
- Public investment in providing higher education and addressing the skills gap
- <sup>14</sup>• Building new 'assets' that support indigenous business growth and attract inward investment
- Looking to develop the relationship between public and private sectors

# Savings

Directorate Savings	2018/19 £000s	2019/20 £000s	Total £000s
Adults and wellbeing	1,950	1,500	3,450
Children's wellbeing	1,572	1,050	2,622
Economy, communities & corporate	1,800	1,060	2,860
Corporate savings	500	1,200	1,700
<b>Total Savings</b>	<b>5,822</b>	<b>4,810</b>	<b>10,632</b>

# £1.95m adults and wellbeing savings required in 2018/19

Savings Proposal	£000
Decommissioning block contracts / re-design of service provision	400
Review of package costs and diverting demand	350
Price banding in 3yr settlement	200
Review high cost packages in Learning Disabilities	700
Workforce re-design	200
Income generation – zero cost of telecare	100
<b>Total adults and wellbeing</b>	<b>1,950</b>



# Local support of adults services

## Social Care Precept

- The social care precept levied at 2% raises £1.8m
- If increase to 3% for 2018/19 – additional £0.9m

## Improved Better Care Fund Funding

- 2017/18 received £3.7m additional funding from Spring Budget – reduces to £2.5m in 18/19, but
- £2.2m of additional funding from Comprehensive Spending Review 2015
- Net increase of £1m for Adult Social Care in 18/19 – subject to grant conditions

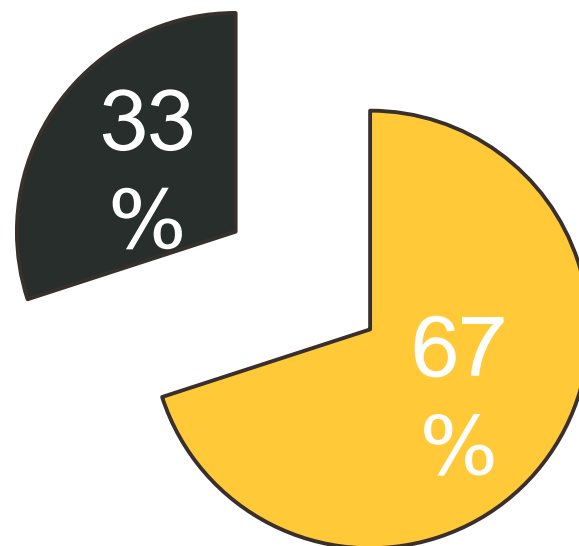
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# Current Care Packages

Meal Preparation	✓
Social Activities	✓
Social isolation	✓
Prompt For Medication	✓
Cleaning	✓
Community Access	✓
Transport	✓

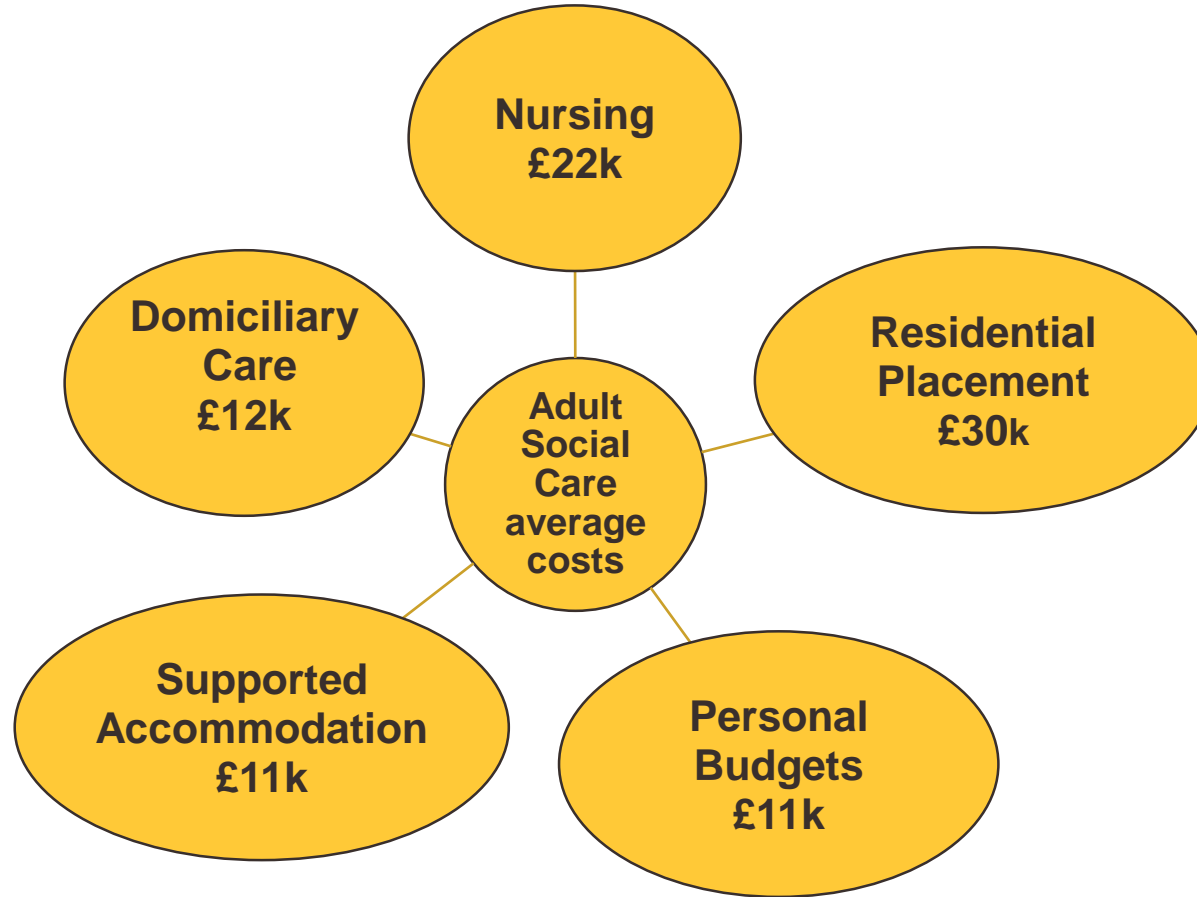
In some areas these types of care amount to up to 33% of the current formal care provision.

The council commissions formal care at home @ c£16 per hour



■ Formal Care  
■ Informal Care

# Annual cost of Care Packages

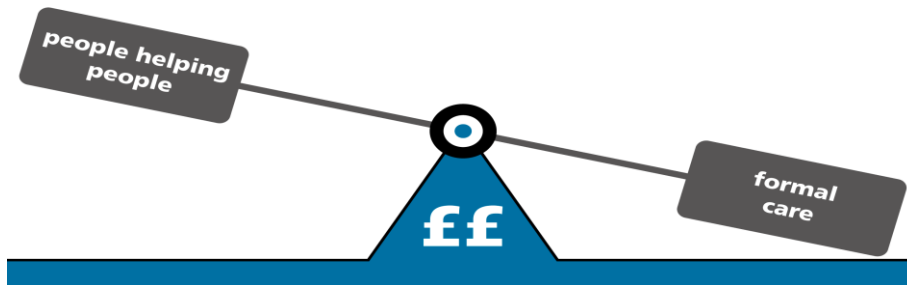


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# How can you help

- Get to know and use our community advice and directory tool – WISH;
- Encourage your local groups and volunteers to register their skills and activities on WISH;
- Direct people to WISH if they are looking for some help or support that they or their families or carers could organise themselves;
- Find out about local projects or activities that are building networks of support and offer your local knowledge and insights to support them e.g. Connecting Communities – Leominster – Golden Valley

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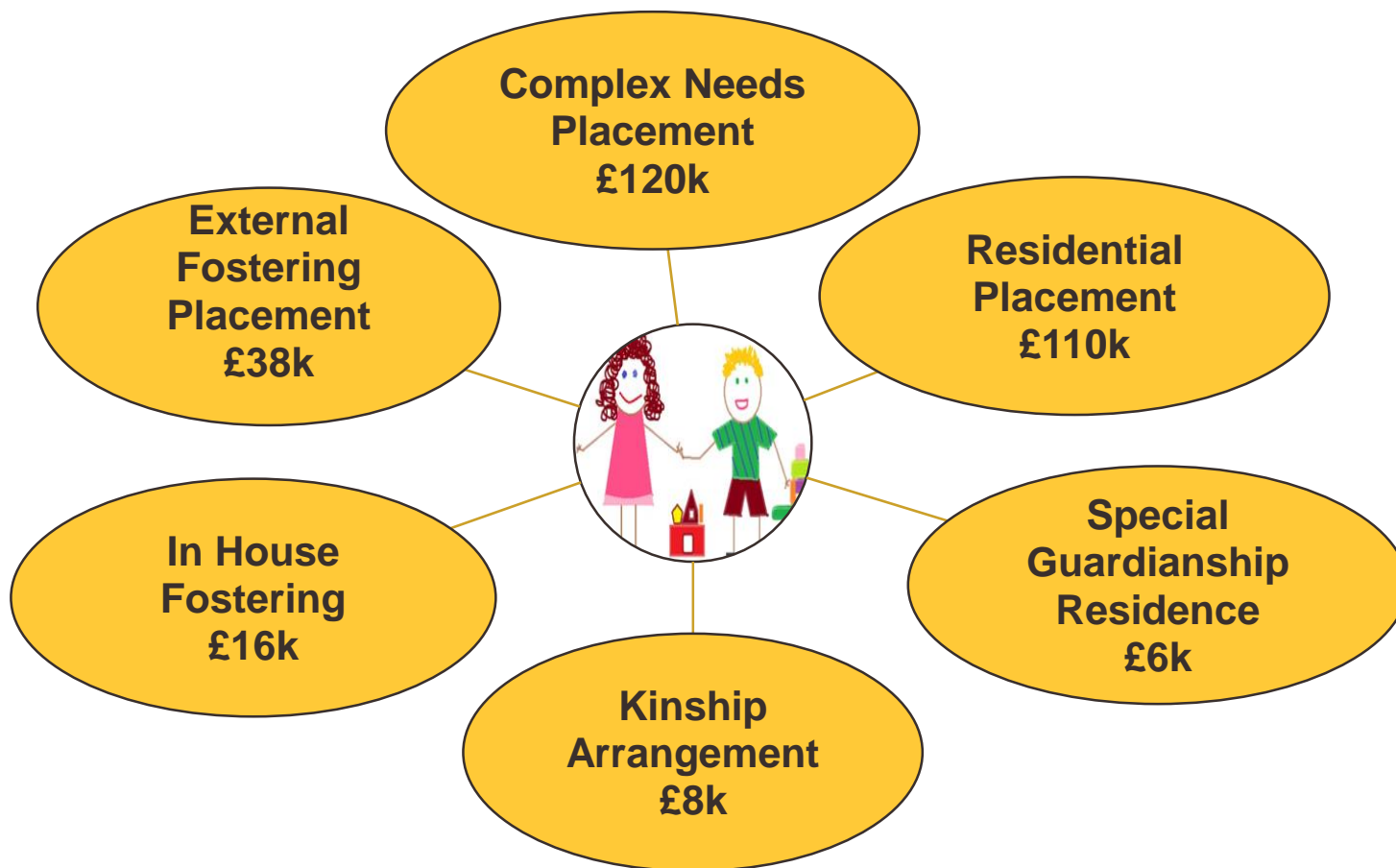


# £1.57m children's wellbeing savings required in 2018/19

Savings Proposal	£000
Manage contract inflation and secure contract efficiencies.	250
Re-unifying children with their families or an alternative family based permanent home including adoption where appropriate.	822
Accessing government grant to focus early help on the most vulnerable families to reduce the need for higher cost services.	150
Organisational structure to reflect the service needs	350
<b>Total Childrens Wellbeing</b>	<b>1,572</b>

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# Annual cost of child placements



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# Local support of children's services

- Support families and communities to encourage healthy eating, particularly for children
- Encourage good dental health, visit your dentist, register, campaign about to be launched
- What you can do to offer apprenticeships, work opportunities for young people – help them into employment

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# £1.8m economy, community & corporate savings required in 2018/19

Savings Proposal	£000
Efficiency savings, service redesign and restructures	100
Contract economies within ICT and corporate property rationalisation	450
Efficiencies and innovation within the Public Realm contract	215
Public and community transport contract efficiencies	240
Remodelling of customer and library services	380
Commercialisation and remodelling of the museums and archive services to provide a self-sustaining delivery model	150
Non-domestic waste management income generation	30
Income realisation from previous car parking charges and provision of additional supply	235
<b>Total Economy, Communities and Corporate</b>	<b>1,800</b>



# Improving efficiency and commercialisation

- Public transport review and efficiency improvements across contracts secured early delivery of savings
- Achieving income targets from car parking will be challenging and will require increase / replacement of supply
- Commercialisation of services to reduce levels of subsidy remains challenging in relation to Libraries, Museum and Heritage savings

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# Investing in growth

- Infrastructure investment to release development potential
- Procurement of Development Partner
- Realising the potential value of assets

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# Treasury Management Review

- Cost of borrowing
- Loan portfolio
- 27 • Impact of inflation

# Have your say

- Complete the budget consultation online
- We want to hear:
  - Your views on how we can continue to provide value for money in our service delivery
  - We welcome feedback to help inform our budget setting

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# Budget consultation

- The main method for people to give their views will be via digital channels
- Promoted through a mixture of social and conventional media
- Key stakeholder groups will also be targeted (health partners, schools, businesses, voluntary and community sector)

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# Timetable

- 29 June to 30 September
  - Budget consultation open
- 14 November
  - General Scrutiny Committee
- 14 December
  - Cabinet (budget, Medium Term Financial Strategy, Treasury management and capital budget)
- 26 January
  - Council (budget, Medium Term Financial Strategy, Treasury management and capital budget)
- 9 March
  - Council (council tax setting)

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