

**Minutes of the meeting of Cabinet held at The Council Chamber -  
The Shire Hall, St. Peter's Square, Hereford, HR1 2HX on  
Thursday 26 October 2017 at 2.00 pm**

**Present:** Councillor AW Johnson (Chairman)  
Councillor JG Lester (Vice-Chairman)  
  
Councillors H Bramer, BA Durkin, DG Harlow, PD Price and NE Shaw

Group leaders in attendance Councillors JM Bartlett, TM James, AJW Powers and J Hardwick

Scrutiny chairmen in attendance Councillors PA Andrews, WLS Bowen and CA Gandy

Other councillors in attendance: Councillors EPJ Harvey and D Summers

Officers in attendance: Alistair Neill, Geoff Hughes, Martin Samuels, Chris Baird, Andrew Lovegrove and Annie Brookes

**47. APOLOGIES FOR ABSENCE**

Apologies were received from Councillor Rone.

**48. DECLARATIONS OF INTEREST**

None.

**49. MINUTES**

**RESOLVED:** That the minutes of the meeting held on 28 September 2017 be approved as a correct record and signed by the Chairman.

**50. QUESTIONS FROM MEMBERS OF THE PUBLIC**

No questions were received.

**51. QUESTIONS FROM COUNCILLORS**

No questions were received.

**52. PASSENGER TRANSPORT SERVICES - DYNAMIC PURCHASING SYSTEM**

The cabinet member transport and roads introduced the report.

The head of transport and access services spoke to the report. He explained that the council had three current frameworks in operation, all of which would terminate in July 2018. He summarised the process and timelines for setting up the new dynamic

purchasing system and explained that there would not be an 'end' to the process as operators would be able to join the system at any time once it was in place.

In response to questions the head of transport and access services confirmed that existing contracts would not come to an end automatically when the current frameworks terminated. Each contract had its own individual termination date. He also confirmed that cross ticketing, especially where more than one operator ran the same route, would be negotiated on a contract by contract basis. It was not recommended to put these conditions in as blanket cover as it might not suit all situations.

Group leaders were invited to give the views of their group.

The leader of the liberal democrat group stated that the proposal sounded like a step forward but queried whether the process would be more bureaucratic and take more staff time. The head of transport and access services responded that in many ways the process was similar to that already in place. There would be some additional work in setting up the new system but once in place operators would be able to receive and submit tender information for contracts electronically which would streamline the process.

The leader of the it's our county group welcomed the proposal and the proposed best practice learning session with Cardiff City Council, although he queried whether there would also be consideration of best practice in other rural councils. He asked how the risks of insolvency of operators would be assessed as part of the due diligence on new operators joining the system. It was confirmed that the due diligence process would include a number of factors designed to ensure operators were suitable to include in the system and that being part of the new framework would not automatically guarantee work for an operator. Operators would have to tender for contracts as they were advertised and there would be further requirements to be met as part of each tender. With regards to rurality, it was explained that Cardiff City were one of the first councils to use the system and had a number of specific and generic areas that Herefordshire could learn from. There were other rural councils looking to use the same system and Herefordshire would look to pick up best practice from them as well, within the time available.

The leader of the green group stated her group were pleased to see that help would be provided to operators to use the e-tendering process and asked if more expressions of interest were expected through using the new system? She also asked if the category options would impact on the amount of work operators could pick up. In response the head of transport and access services confirmed that the category options were likely to reflect the size of vehicle needed for the work. Operators would be able to choose which categories of tenders they saw rather than receiving every tender that was put out. It was uncertain whether the new system would encourage more operators to come forward but it would reduce the pressure on operators to sign up to the framework in a specific window. Operators could join as and when they were ready and begin tendering for contracts straight away. It was anticipated that it would only take 10 days to turn around applications to join the new framework.

**Resolved that:**

- (a) a dynamic purchasing system be implemented to be effective from the termination of the current Passenger Transport Frameworks on 10 July 2018; and**
- (b) the assistant director environment and place be authorised to take all operational decisions necessary to establish and maintain the passenger transport dynamic purchasing system.**

**53. HEREFORDSHIRE'S APPLICATION TO BE A BUSINESS RATE POOL PILOT FOR 2018/19**

The cabinet member for finance, housing and ICT introduced the report. He noted that an invitation had been published by the Department for Communities and Local Government at the beginning of September for councils to apply to be included in the next set of pilots for retention of business rates. The focus for this set of pilots was to be on two-tier areas and rural councils and to look at pooling. It had subsequently been confirmed that a no detriment clause would be included so that councils taking part in the pilot could be assured that they would not be in a worse financial position than if they had not been part of the pilot. It was anticipated that being part of the pilot could result in some additional resources for Herefordshire Council.

The leader of the its our county group asked if Herefordshire stood a realistic chance of being accepted for the pilot when the main focus was on two-tier local government areas. The head of corporate finance responded that the government was also looking at pilots in rural areas which was in Herefordshire's favour. It was impossible to know how many applications the government would receive but the proposal to work in partnership with Shropshire and Telford and Wrekin councils was a unique arrangement which it was hoped would stand out.

With regard to scrutiny arrangements the head of corporate finance confirmed that the government had only published the call for applications on 1 September and that the deadline for applications was 27 October. Clarity on the no detriment clause had only been provided two weeks before the cabinet meeting. Subsequent to that each of the three partner councils had had to consider if they wished to proceed with a proposal application. Consequently it had not been possible to gather information and establish a proposed course of action in time to have the item considered by the general scrutiny committee before coming to cabinet. The deputy monitoring officer provided confirmation that the constitutional requirements for special urgency had been met and that, in coming to a judgement on this matter, weight had been given to the fact that the decision would not commit the council beyond the submission of an application.

The leader of the council stated that the role and importance of scrutiny was recognised and this was why the recommendation at this meeting was only to approve the expression of interest to DCLG. It was further recommended that the general scrutiny committee consider the arrangements for the pilot in the event that Herefordshire was successful in its application, before cabinet made a final decision on participation in the pilot.

The leader of the liberal democrat group expressed support for making the application. He queried the figures in the table on pages 38 and 39 of the agenda pack (paragraph 24 of the report). It was confirmed that the forecast gain from full rate retention pilot was £2.7m as stated, being the difference between the forecast income total if not a pilot (£42.6m) and the total forecast income if a pilot (£45.2m).

**Resolved that:**

- (a) the chief financial officer be delegated authority to submit an application for Herefordshire Council, together with Shropshire and Telford and Wrekin councils, to be a 100% business rate pool pilot area for 2018/19; and**
- (b) general scrutiny committee be requested, should the application be accepted, to consider the implications for Herefordshire of operating such a pool and to**

**make any such recommendations as it feels appropriate to inform a further decision on participation.**

**54. COMMISSIONING INTENTIONS FOR UNIVERSAL AND EARLY HELP SERVICES FOR CHILDREN, YOUNG PEOPLE AND FAMILIES**

The cabinet member for young people and children's wellbeing introduced the report. He noted that the first two priorities listed in the children and young people plan related to early help and 0 to 5 early years and that these proposals were about putting in place effective strategies to support these priorities.

The cabinet member thanked the children and young people scrutiny committee for the comments raised by them. He stated that it was regretted that some of the questions raised were not able to be answered at the time but confirmed that answers had since been provided on all matters. He stressed that consultation had taken place with partners in the clinical commissioning group (CCG) and elsewhere as this had been raised as a concern.

The director for adults and wellbeing stated that the proposals formed part of a wider package of early help for families and that responsibility for commissioning health visiting services (0 to 5's) fully transferred from the National Health Service (NHS) to councils on 1 October 2015. There was a need to change the perception of the service from being a purely clinical service to working in partnership with other organisations in the broad context of the CYPP.

Due to reductions in the public health grant the new contract would have to deliver some efficiency savings. There could be some perceived losses in the transformation of the service but it was deliberate national policy that health visiting services be seen as part of the public health package and not as part of the NHS.

The director also noted that a significant amount of engagement had taken place with events held with parents, carers and staff. Consultations were ongoing with GPs.

The director for children's wellbeing commented on the proposals for family mentoring services. He highlighted the preventative approach to be taken, seeking to prevent needs from escalating to higher levels by early intervention. The service would develop a sustainable approach going forward and continue to address the council's priorities.

The chairman of the children's scrutiny committee thanked cabinet members and officers for making the report available to the scrutiny committee. She highlighted the concerns which had been raised by the committee, including with regards to safeguarding, and commented that there would have been value in having a more detailed report available. The chairman confirmed that the information and responses provided since the scrutiny committee meeting had satisfied the committee going forward.

The cabinet member for young people and children's wellbeing noted the comments made and confirmed that any service the council contracted would be expected to have safeguarding embedded at the heart of everything they did. He also confirmed that contractors would be made aware of the rural nature of Herefordshire and the challenges that posed.

**Resolved that:**

**(a) the responses to the recommendations of the children and young people scrutiny committee at paragraph 40 be approved;**

- (b) a new 0 to 25 integrated public health nursing service for a period of up to five years, to commence on 1 April 2018 at a maximum cost of £13,070,700 over this term, be procured;**
- (c) the director for adults and wellbeing, following consultation with the directors for children's wellbeing and public health, be authorised to take all necessary operational decisions, including award of contract, to implement the above recommendation within the budget set;**
- (d) family mentoring services be procured for a period of up to two years at a maximum cost of £166k for 2018/19, with an option to extend for a further year, subject to continued funding being available;**
- (e) pending the procurement referenced at recommendation (d) above; existing service delivery arrangements, across the county, for family befriending services provided by Homestart and Vennture be extended to the end of March 2018 at a cost of £167k in 2017/18; and**
- (f) the director for children's wellbeing be authorised to take all necessary operational decisions including award of contract to implement recommendations (d) and (e) above.**

#### **55. NURSERY EDUCATION FUNDING AGREEMENT 2017**

The cabinet member for young people and children's wellbeing introduced the report. He stated that encouraging the take up of entitlement to 30 hours per week childcare would allow flexibility for families and support council priorities with regard to the wellbeing of children.

The leader of the green group queried the risk of providers pulling out of the 30 hour offer, particularly if the hourly rate paid was too low, and whether the proposals in relation to use of providers rated by Ofsted as requiring improvement would result in a lot of children accessing the 30 hour offer in such settings.

The director for children's wellbeing responded that work was ongoing to look at the hourly rate and that while the council would want all children to be in provision rated good or outstanding, it would not immediately withdraw funding for settings deemed to require improvement as this could be destabilising. The council would work with providers rated as requiring improvement and only look to withdraw funding if there was insufficient progress. The director noted that there was no immediate pressure for places across the county but this would continue to be monitored. The nursery education funding agreement attached as an appendix to the report was based on national guidance and had been checked by the council's legal department.

#### **Resolved that:**

- (a) the draft Herefordshire Nursery Education Funding Agreement 2017 (at appendix 1) be approved; and**
- (b) the director for children's wellbeing be authorised to take all necessary operational decisions to complete agreements with relevant providers, within approved funding allocations.**