

# Agenda

## Cabinet

Date: **Thursday 28 June 2018**

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Time: **10.00 am**

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Place: **The Council Chamber - The Shire Hall, St. Peter's Square, Hereford, HR1 2HX**

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

For any further information please contact:

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If you would like help to understand this document, or would like it in another format, please call Sarah Smith on (01432) 260176 or e-mail [sarah.smith1@herefordshire.gov.uk](mailto:sarah.smith1@herefordshire.gov.uk) in advance of the meeting.

# **Agenda for the meeting of Cabinet**

## **Membership**

**Chairperson** Councillor JG Lester, Leader of the Council  
**Vice-Chairperson** Councillor NE Shaw, Deputy Leader of the Council

Councillor H Bramer  
Councillor BA Durkin  
Councillor DG Harlow  
Councillor PD Price  
Councillor P Rone  
Councillor EJ Swinglehurst

## Agenda

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| 1.  | <p><b>APOLOGIES FOR ABSENCE</b></p> <p>To receive any apologies for absence.</p>  |           |
| 2.  | <p><b>DECLARATIONS OF INTEREST</b></p> <p>To receive any declarations of interest by Members in respect of items on the Agenda.</p>   |           |
| 3.  | <p><b>MINUTES</b></p> <p>To approve and sign the minutes of the meeting held on 7 June 2018.</p>  | 11 - 16   |
| 4.  | <p><b>QUESTIONS FROM MEMBERS OF THE PUBLIC</b></p> <p>To receive questions from members of the public.<br/> <i>Deadline for receipt of questions is 5:00pm on Friday 22 June 2018.</i><br/> <i>Accepted questions will be published as a supplement prior to the meeting.</i><br/> <i>Please see <a href="https://www.herefordshire.gov.uk/getinvolved">https://www.herefordshire.gov.uk/getinvolved</a> for information on how to submit a question.</i></p> |           |
| 5.  | <p><b>QUESTIONS FROM COUNCILLORS</b></p> <p>To receive questions from councillors.<br/> <i>Deadline for receipt of questions is 5:00pm on Friday 22 June 2018.</i><br/> <i>Accepted questions will be published as a supplement prior to the meeting.</i></p>   |           |
| 6.  | <p><b>FUTURE DELIVERY OF MUSEUM, LIBRARY AND ARCHIVE SERVICES</b></p> <p>To agree future delivery options for museum, library and archive services taking into consideration the results of a soft market test for the management of the services, capital works required for Hereford Library, next phase of delivery for the services and the review of the museum services conducted as part of the Resilient funding from Heritage Lottery.</p>           | 17 - 56   |
| 7.  | <p><b>CORPORATE PEER CHALLENGE</b></p> <p>To consider the findings of the recent Local Government Association (LGA) corporate peer challenge and agree how those findings will be used to inform improvement plans.</p>   | 57 - 82   |
| 8.  | <p><b>END OF 2017/18 CORPORATE BUDGET AND PERFORMANCE REPORT</b></p> <p>To review revenue and capital outturn for 2017/18, including the treasury management outturn report, debts written off and invite cabinet members to consider performance for the year.</p>   | 83 - 248  |
| 9.  | <p><b>ANNUAL REVIEW OF EARMARKED RESERVES</b></p> <p>To approve proposed changes to earmarked reserves following the annual review.</p>   | 249 - 256 |
| 10. | <p><b>CAPITAL PROGRAMME UPDATE</b></p> <p>To recommend to Council proposed in year adjustments to the capital programme including proposed investment additions for 2018/19, 2019/20</p>  | 257 - 268 |

and 2020/21. These items are in addition to the £92.418m for 2018/19, £48.078m 2019/20 and £8,484 2020/21 capital funding approved by Council in January 2018.

**11. LOCAL AUTHORITY SCHOOLS MAINTENANCE PROGRAMME**

269 - 282

To approve the proposed expenditure of capital grants for school building and maintenance works.

**12. BUDGET PLANNING / CONSULTATION**

283 - 288

To agree budget priority consultation arrangements to inform the budget setting process for the 2019/20 development of the medium term financial strategy (MTFS).



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The Chairperson or an attendee at the meeting must take the signing in sheet so it can be checked when everyone is at the assembly point.

## Guide to Cabinet

The Executive or Cabinet of the Herefordshire Council consists of a Leader and Deputy Leader and six other Cabinet Members each with their own individual programme area responsibilities. The current Cabinet membership is:

|   |                                       |
|---|---------------------------------------|
| Councillor JG Lester (Leader) (Conservative)      | Corporate Strategy and Budget         |
| Councillor NE Shaw (Deputy Leader) (Conservative) | Finance and Corporate Services        |
| Councillor H Bramer (Conservative)                | Contracts and Assets                  |
| Councillor BA Durkin (Conservative)               | Transport and Regulatory Services     |
| Councillor DG Harlow (Conservative)               | Economy and Communications            |
| Councillor PD Price (Conservative)                | Infrastructure                        |
| Councillor P Rone (Conservative)                  | Health and Wellbeing                  |
| Councillor E Swinglehurst (Conservative)          | Young People and Children's Wellbeing |

The Cabinet's roles are:

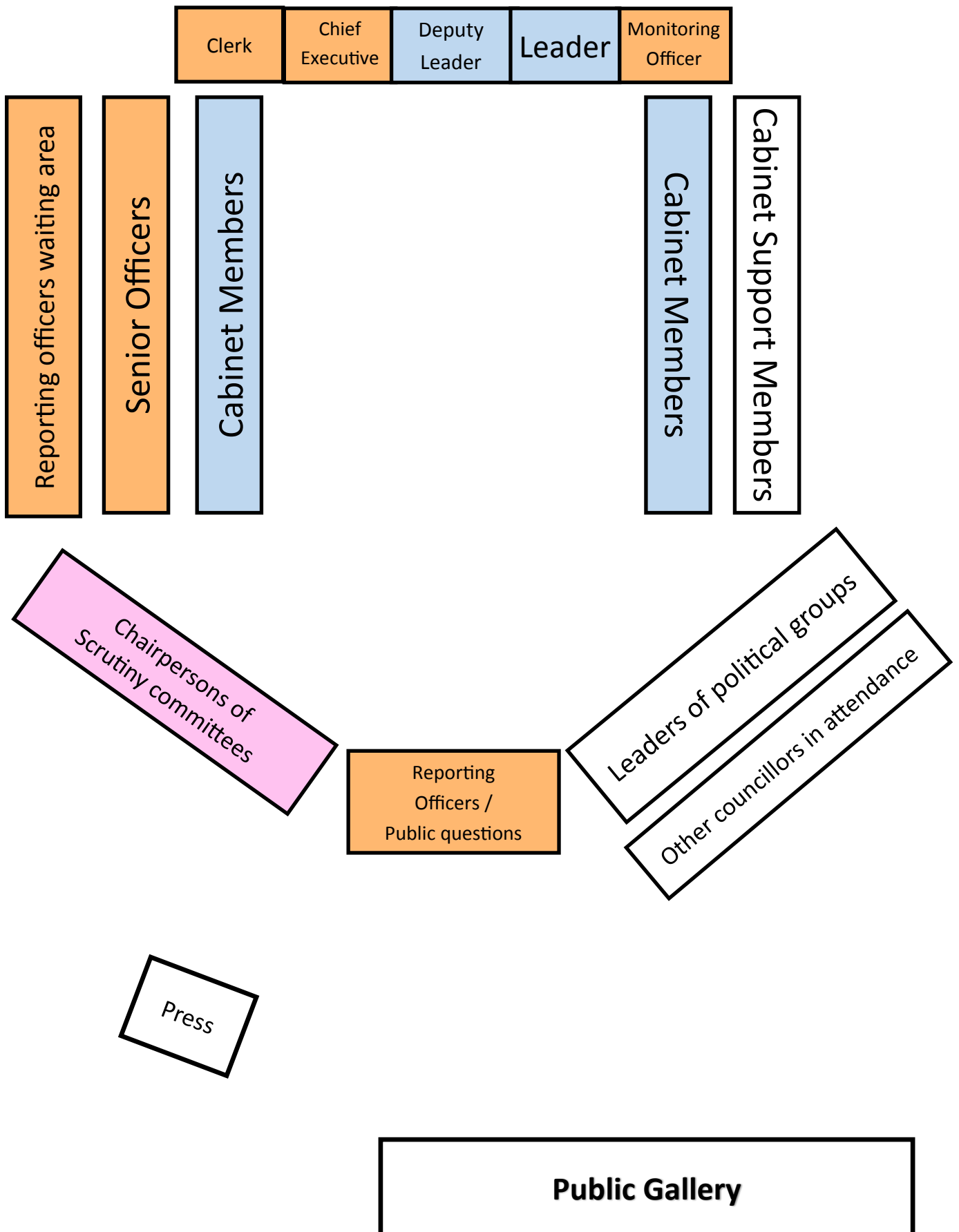
- To consider the overall management and direction of the Council. Directed by the Leader of the Council, it will work with senior managers to ensure the policies of Herefordshire are clear and carried through effectively;
- To propose to Council a strategic policy framework and individual strategic policies;
- To identify priorities and recommend them to Council;
- To propose to Council the Council's budget and levels of Council Tax;
- To give guidance in relation to: policy co-ordination; implementation of policy; management of the Council; senior employees in relation to day to day implementation issues;
- To receive reports from Cabinet Members on significant matters requiring consideration and proposals for new or amended policies and initiatives;
- To consider and determine policy issues within the policy framework covering more than one programme area and issues relating to the implementation of the outcomes of monitoring reviews.

### Who attends cabinet meetings?

On the next page you will find a layout plan of the room showing who is sitting where. Coloured nameplates are used which correspond to the colours on the plan as follows:

|           |  |
|-----------|--|
| Pale blue | Members of the cabinet, including the leader of the council and deputy leader – these are the decision makers, only members of the cabinet can vote on recommendations put to the meeting. |
| Orange    | Officers of the council – attend to present reports and give technical advice to cabinet members   |
| Pink      | Chairpersons of scrutiny committees – attend to present the views of their committee if it has considered the item under discussion  |
| White     | Political group leaders – attend to present the views of their political group on the item under discussion  |
|           | Other councillors may also attend as observers but are not entitled to take part in the discussion.  |







Herefordshire Council

**Minutes of the meeting of Cabinet held at The Council Chamber - The Shire Hall, St. Peter's Square, Hereford, HR1 2HX on Thursday 7 June 2018 at 10.00 am**

**Present:** Councillor JG Lester, Leader of the Council (Chairperson)  
 Councillor NE Shaw, Deputy Leader of the Council (Vice-Chairperson)  
 Councillors H Bramer, BA Durkin, DG Harlow, PD Price, P Rone and EJ Swinglehurst

Cabinet support members in attendance Councillors JA Hyde, AW Johnson and JF Johnson

Group leaders in attendance Councillors JM Bartlett, RI Matthews and AJW Powers

Scrutiny chairpersons in attendance Councillors PA Andrews and CA Gandy

Other councillors in attendance: Councillors ACR Chappell, PE Crockett and D Summers

Officers in attendance: Alistair Neill, Geoff Hughes, Chris Baird, Claire Ward, Andrew Lovegrove, Stephen Vickers and Adam Russell

**1. APOLOGIES FOR ABSENCE**

There were no apologies from members of the cabinet.

**2. DECLARATIONS OF INTEREST**

None.

**3. MINUTES**

**RESOLVED:** That the Minutes of the meeting held on 10 May 2018 be approved as a correct record and signed by the Chairman.

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

No questions were received from members of the public.

**5. QUESTIONS FROM COUNCILLORS (Pages 5 - 6)**

Questions received and responses given are attached as appendix 1 to the minutes.

## 6. LEARNING DISABILITY STRATEGY

The cabinet member health and wellbeing introduced the report and the interim director for adults and wellbeing and the senior commissioning officer set out the following key points:

- the figures in paragraph 31 of the report required correction, the total annual spend on health and social care services for adults with learning disabilities in Herefordshire was £30.7 million, broken down to £7.4 million from the CCG and £23.3 million from the council;
- the strategy aspired to enabling the same outcomes for people with learning disabilities as other residents;
- although there were no specific savings targets there was an understanding of the financial constraints and the need to use resources as efficiently as possible;
- the strategy had been produced in partnership with the CCG and the learning disability community, and both the adults and wellbeing scrutiny committee and the children and young people scrutiny committee had considered the strategy;
- there was a need for a long term strategy as learning disabilities could be a lifelong condition, needs could range from those with minimal difficulties to those with profound and complex needs;
- adults services would work with people with learning disabilities from the age of 14 as they prepared for the transition to adulthood;
- there was a focus on the aspirations of people with learning disabilities in recognition that many wanted and expected to live as independently as possible and, for example, have paid employment.

Members of the cabinet expressed their support for the strategy and commended officers on the work that had gone into the document. In discussion of the item it was noted that:

- the learning disability partnership board would have a significant role in delivering the strategy and work would take place to raise their profile;
- work was underway with the communications team to put together a PR campaign for the strategy, which would include working with people with learning disabilities and an easy access version of the strategy;
- the strategy was designed to be as flexible as possible so that it could react to emerging issues, the implementation plan would be refreshed every 2 years;
- enabling people with learning disabilities to reduce their dependence on funded services could deliver efficiencies in the longer term and expand the range of opportunities;
- Herefordshire was a high spending authority due to having a high proportion of people with learning disabilities in residential care, thresholds having been lower for admission in the past and it being complex to transition service users to other care models;
- officers from the adults and children directorates had worked closely together on the strategy, particularly in the approach to young people preparing for adulthood, and this cross working would continue;
- the council needed to work harder to be an exemplar of inclusive employment practice.

The chairs of the relevant scrutiny committees gave feedback from their consideration of the item.

The adults and wellbeing scrutiny committee were very happy to support the strategy but highlighted the challenges of keeping all partners on the same path and managing demands on the budget in the future. They supported the comment that the council should do more to employ people with learning disabilities.



The chair of the children and young people scrutiny committee reported that the committee had heard testimony from a young person who had recently been through the transition process and who had very positive things to say about the strategy. The committee had also heard from the service quality director of Aspire about some of the everyday challenges facing people with learning disabilities.

It was noted that the majority of the recommendations from the children and young people scrutiny committee had been accepted. The committee recognised that recommendation (h) covered an area which was not a function of the executive but had wanted to highlight the importance of holding partners to account for those elements of the strategy for which they were responsible. It was also acknowledged that recommendation (f) was perhaps not very clear. The chair of the committee clarified that the intent was to encourage GPs to work with other partners to provide support for people with learning disabilities to evidence their disability so that they could more easily access bus passes and other transport schemes. The responses from the executive would be discussed with the scrutiny committee.

Group leaders were invited to give the views of their groups. There was widespread support for the strategy and those who had worked on it were commended. Concern was expressed about the impact efficiency savings might have should they be required. It was considered important that the implementation of the strategy be monitored and that the relevant scrutiny committees reviewed progress.

In response to points raised it was noted that:

- the council had implemented the requirements of the Care Act 2014 very successfully and was meeting its obligations, the new strategy was about meeting ongoing obligations and how to make sure that the right mix of services was in place at the right time ;
- the strategy had been designed to be flexible to manage any changes such as revisions to NHS budgets;
- the strategy was not viewed specifically as an adults directorate document and the close working between staff from the adults and children directorates would continue, all commissioners would be challenged to think more broadly;
- it was widely regarded that Herefordshire had an excellent record of enabling home ownership for people with learning disabilities and was ahead of many other councils in this respect.

It was noted that the reference in recommendation (a) should be to paragraph 40, not 38 as originally published.

**Resolved that:**

- (a) the executive's response to the recommendations of the children and young peoples' scrutiny committee at paragraph 40 be approved; and**
- (b) the Learning Disability Strategy 2018-2028 (Appendix 1) be approved.**

The meeting ended at 11.10 am

**Chairman**



## Councillors' questions at Cabinet – 7 June 2018

### Question 1

#### **Councillor RI Matthews, Herefordshire Independents**

##### **To: cabinet member, infrastructure**

The cabinet member for Infrastructure has repeatedly stated that a very costly Western Relief Road, together with an extra 16,500 new homes is what is required to provide a sound and prosperous economic future for this county.

Can he now please inform me who, of any relevance locally, support his views apart from those with a vested interest like the church commissioners. After all, local businesses see no merit in travelling thirty miles north along a highly dangerous A class road when they can access the motorway within ten minutes in the opposite direction.

#### **Response**

I am more than happy to remind Councillor Matthews again of those 'of any relevance' who support the by-pass – who are primarily the Herefordshire electorate.

I appreciate that as ward member for Credenhill, one of the wards directly affected by the new road, Councillor Matthews will rightly be seeking to represent the views of those residents whose own homes may be affected. However in addition to representing the views of constituents in a particular ward, all councillors have a responsibility to serve the citizens of Herefordshire as a whole and to promote the economic, social and environmental wellbeing of not just their ward constituents but of those who live and work throughout the county.

In addition to the electorate, and those responding to the many consultations undertaken over many years who support a by-pass as an essential element of our plans for economic growth in Herefordshire, we have received considerable support including from both the county's MP's, the enterprise zone board, the Chamber of Commerce, the Marches Local Enterprise Partnership, Midlands Connect, the Herefordshire Business Board, the NMiTE university, and many local business whose operations are constrained by our current roads network.

The by-pass, the new homes that it will enable, together with many other activities which we are supporting will indeed assist in supporting the growth of Herefordshire, but our plans are not focussed solely on growth for its own sake. Economic prosperity is inextricably linked to overall health and wellbeing. Good quality jobs, good quality housing, effective transport systems supported by options that encourage cycling and walking and which reduce the impacts of air pollution in densely populated areas all contribute to ensuring the wellbeing of our residents – the most relevant local interests that I know of.

#### **Supplementary Question**

I disagree on a couple of points. I do not think that the public enthusiasm would be such if you had given them a democratic choice on which route to take. Secondly one of the county's MPs told me last week that he was still very much in favour of an eastern route. It is the view of a lot of people that large companies are not moving to Hereford because they have little or no confidence in the proposed infrastructure programme. Please explain your

views on this? The terrain where the western bypass is proposed to be constructed is extremely testing and trying. There was an overspend on a flat piece of road on the fringes of the city so I think it can be taken as read that the cost of the western bypass will be nearer £300 million than what has been proposed. Do you agree that if your proposals are to work satisfactory then you will need to provide 10 or 12,000 highly paid secure jobs for which you are building these houses for our bright and intelligent young people to remain locally?

### **Response**

You have given a lot of opinions but not a question. Please tell me what companies have inferred to you that they will not move to Hereford because I would like to know who they are. If you are referring to the city link road, there was no overspend on that project. At this moment in time we have no reason to suppose there will be an overspend of well over £100 million as you are suggesting. All the consultations we have had going back to the core strategy and the recent HTP consultations and route options consultation, the local public and the residents of this county have clearly said that they want us to deal with this problem and they are the relevant people. It is my view that the county MPs are supportive of the western route as I can only go by what I know and they do not tell me that they are supporting an eastern route.



|                         |  |
|-------------------------|--|
| <b>Meeting:</b>         | <b>Cabinet</b>   |
| <b>Meeting date:</b>    | <b>Thursday 28 June 2018</b>                                   |
| <b>Title of report:</b> | <b>Future delivery of museum, library and archive services</b> |
| <b>Report by:</b>       | <b>Cabinet member contracts and assets</b>                     |

## Classification

Open

## Decision type

Key

## Wards affected

(All Wards);

## Purpose and summary

To agree future delivery options for museum, library and archive services taking into consideration the results of a soft market test for the management of the services, capital works required for Hereford Library, next phase of delivery for the services and the review of the museum services conducted as part of the Resilient funding from Heritage Lottery.

A number of reviews, cabinet and cabinet member decisions over the last five years have set the direction of delivery based on retaining services important to the public, meeting changing customer needs, self-funding where possible and creating efficiencies.

This report therefore, makes recommendations based on sustaining services whilst considering their future operation and longer term delivery.

In summary the recommendations if agreed would:

- Provide further investment in Hereford Library making the most of the site for community benefit;
- Provide commitment to keeping facilities open and services operating;
- Explore the commissioning of services as a way of maintaining current standards and aiming for improvement;
- Support services to be more self-sustaining through income generation.

## **Recommendation(s)**

**That:**

- (a) Up to £230k is invested in the development of the mezzanine floor at the Hereford Library and Museum creating a flexible community use space and multi-agency office, with external funding sought to highlight the historic features;**
- (b) A marketing plan for the Black and White House museum is instigated to increase visitor numbers at a cost of £20k and complete a review of opening hours of the Black and White House by December 2019 with any changes agreed by the cabinet member for contracts and assets;**
- (c) A policy is instigated that archives held at HARC be open to the public or alternative arrangements in place e.g. return, charging, lower cost storage, with delegated authority to the assistant director communities to implement;**
- (d) A procurement process is commenced for the future commissioning of museums, libraries and archives based on current standard of services with a further decision to be made by the cabinet member for contracts and assets on options for implementation;**
- (e) A car parking charging scheme is instigated at HARC in consultation with users;**
- (f) The principle of increased charging for digital archives is approved with delegated authority to the assistant director communities to agree fees;**
- (g) A review is conducted as to the delivery of the school library service including consultation with schools; and**
- (h) The response at paragraph 60 to the recommendations of general scrutiny committee is agreed.**

## **Alternative options**

1. Hereford Library – different options for investment in Hereford Library are outlined in appendix 3. These options range in level of investment needed – the preferred proposal uses available funds to create additional community facilities and multi-agency office.
2. Delivery of the Museum Resilient Report - this would specifically relate to delivery of the Museum Resilient Report which presents a model of an outsourced museum service (see later). This can form part of the procurement process as an option for potential partners.
3. Retain services within the council – this would involve the council continuing with the direct management of services rather than externally commissioned very much based on the current arrangements. However, this would mean the services would be required to find the remaining Medium Term Financial Strategy (MTFS) saving of £336k without exploring commercial opportunities, back office savings or rate relief that a commissioned arrangement could bring. All of the short term savings would need to be implemented and consider additional changes to meet savings requirements.
4. No further savings – the services have been involved in a planned change programme for a number of years implementing a range of improvements, income generation schemes,

sharing of sites, efficiencies and savings. An alternative option is to withdraw the further saving requirement needed to meet the MTFS savings which amounts to £336k. However, the council is required to create a balanced budget and savings would need to be identified from another service area. To date it is not apparent where this would be from considering services have their own targets and pressures.

5. Pursue further savings – that all the short term savings options are pursued. This is not recommended as these would have an impact on service standards and quality.
6. Archives – that status quo is retained with some archives hosted by the council (but not owned) not open to the public. This is not recommended as does not fit with the ethos of the publicly funded archive service and results in an expensive storage facility. However, records owned by families form an important element of the county's history and handing them back could mean they are left to deteriorate.
7. Non review of schools library service – that the council does not pursue a review of the schools' library service. This is not recommended as likely to see decreasing numbers if there is no intervention.

## Key considerations

8. Museums, libraries and archives (MLA) services operated by the council have been proactive in meeting the changing nature of the services, customer expectations and facing the challenges of creating a balanced budget in an environment of reducing funding for councils. Appendix 1 gives an overview of the decisions made with relevant links whilst Appendix 2 gives a profile of the services. Key activity is summarised below.
9. **Libraries and Museums** - Weobley, Peterchurch, Leintwardine, Colwall and Belmont libraries now operate as community libraries supported by volunteers, development groups and parish councils. Bromyard Library is operated under a commission to Halo as part of a dual use site. Ross-on-Wye Library has received investment to improve its layout and to accommodate children centre services as outlined in cabinet report of 14 September 2017. Hereford Library has been refurbished and Leominster Library is also due for refurbishment. The public access PC's have been upgraded and Wi-Fi is available in libraries. Self-service machines have also been installed so people do not have to wait to be seen by a customer service officer or library assistant to issue or return a borrowed item. The Black and White House was re-opened as a chargeable facility in February 2017 after investment in new displays and refurbishment (recently winning a Trip Advisor excellent award). Hereford Museum and Art Gallery has remained open through development of a volunteer stewarding programme.
10. **Herefordshire Archive and Records Centre (HARC)** - the archive service is the principal service at HARC and the building was constructed to comply with National Archives requirements for safeguarding archive collections. The centre also includes other related services (Biological Records, Historic Environment Record Archaeology) and has also become the planning search centre, the council's data centre, and recently available office space has been adapted to accommodate a multi-agency-office (MAO) to make the most of the building. Some modern records from the council were put in archive storage expansion space, to make the most of available space (many records have now been scanned to be electronically held with future scanning programme to follow). There is continuous availability of a year to 18 months storage as a way of ensuring provision for future archives balanced with efficient use of space.

11. **Volunteering** – the services have a strong track record in being supported by volunteers. This has continued in the last few years where people give their time to locally run community libraries; support collections care, documentation and archives records; conduct stewarding and assisting front of house at the museums; members of independent development and user groups. Some groups also provide financial contributions and provide opportunity to generate an income. In Colwall the parish council pays for staff via the library service to ensure opening hours which is also supported by volunteers.
12. **Local Government Association (LGA) Peer Challenge** – the LGA was invited to conduct a peer challenge of MLA services. The peer challenge took place in May 2017 and involved interviews with external groups / organisations, councillors and staff. The report and executive response was published on 26 October 2017 as part of a cabinet member report.
13. **Plans** - the peer challenge recommended that the council should communicate its plans for the MLA services. Recognising the detail of future direction is outlined in cabinet reports the plans for the individual services were published in October 2017.
14. **Redesign of services** – library and customer services, as a then combined service, were subject to a service redesign in 2017. This was primarily relating to the recommendation in the cabinet report of 13 October 2016. The museum service was also restructured to direct efforts on the Black and White House as a local attraction generating an income. The wider community services division also conducted a redesign of its management structure which supported the savings plans for the services.
15. **Savings plans** - the October 2016 cabinet decision approved a series of actions that delivered a saving for the library service of £510k to contribute to the target of £760k in the MTFS. During the course of the last two years additional activity has contributed to reducing the residual to £65k. For museums and archives the target savings of £500k was set in the MTFS to be achieved by 2019/20 financial year. A £222k savings plan was agreed by cabinet in the report of 10 March 2016. This included a mix of income generation and savings mainly from the museum service. Whilst management and operation changes have contributed in the last 2 years there is a remaining saving requirement of £250k.
16. The services are now looking at the next stage in creating a sustainable future to ensure all facilities remain open to the public. Cabinet reports and cabinet member reports in 2016 and 2017 addressed the issue of commissioning services as well as being part of a recommendation in the LGA peer challenge report for MLA services (sometimes referred to as contracted, outsourced or “spin-out” services).

### **Museum Resilient Project**

17. Herefordshire Council in partnership with Herefordshire Museum Service Support Group (HMSSG) was awarded funding from Heritage Lottery in 2017 to review opportunities for the museum service with an aim of meeting the challenges of changing audiences and funding to create a sustainable service. The grant was used for staff training, production of a funding strategy, fundraising activity and feasibility work. The latter was commissioned to a company called Prince and Pearce, with the final Museum Resilient Report (full title: The Future Resilience of Herefordshire Council Museum Service) published on the council website in January 2018 (see appendix 1 for link). As funded by Heritage Lottery at a cost of £20k the report could only cover museum services, though



reference was made to library and archives services along with wider initiatives in the county.

18. In summary its findings recommend that:

- The museum service is outsourced to a host organisation, with the collections and buildings retained by the council;
- After a period of time a separate trust is potentially established for the museum service;
- Five years of planned council funding is invested over three years giving early investment to an outsourced service with other sources of funding;
- Staff are transferred to the host organisation under current terms to concentrate on their skills set of managing collections and hosting exhibitions, whilst the expertise of the host organisation is maximised to create a more commercial footing for the service and use of back office services.

19. There is the opportunity to apply for further funding from Heritage Lottery to pursue the recommendations of the Museum Resilient Report. This will be to invest in audience development, marketing, pop-up exhibitions and transition arrangements to an external organisation.

#### **Commissioned services**

20. Soft market testing is a commonly used tool to gauge the market interest in operating services helping to inform decision making and options for procurement process. This is not a procurement in itself, with the suppliers providing feedback voluntarily in commercial confidence.

21. The soft market test took place towards the end of 2017 and the feedback results are published on the council website (see appendix one for link). There were 14 expressions of interest with five actual submissions received - one of these submissions was a statement rather than a completed form. The remaining four submissions were from two locally based organisations and two from outside the county – all having charitable status. Three of the organisations have a track record in running a range of culture and leisure services including library services. One submission outlined setting up a new “sister” trust, the others looked at services being part of their own operation as the lead provider but with potential partners. All expressed an interest in running all sets of services depending on terms.

22. The council has a statutory duty to provide a library service (see legal section) though no minimum provision is specified. There is also a range of statutory requirements linked to the archive service. These requirements would be included in any specification / commission along with any other important element related to service level. The historic artefacts and archives retained in the ownership of Herefordshire Council (with some items held by the council but not owned by the council) along with the premises.

#### **Hereford Library and Museum**

23. In January 2017 Hereford Library and Museum reopened after refurbishment in the library and atrium. Further works have been authorised to repair the roof and required redecoration. After these works there will remain in the region of £230k from the original allocation of £1m (current works on the roof and decoration will finalise the available sum).

24. Hereford Library Users’ Group (HLUG) presented proposals for the redevelopment of the site, with cabinet response on 9 May 2016 for HLUG to progress their plans to return to

the council with worked up proposals within a two year timescale, with the council holding funds to match any capital raised for development of the building. Under “31 Broad Street Project” HLUG developed feasibility with the financial support of a council grant. In September 2017 HLUG advised it had decided not to continue with the project at the current time as other work was taking place.

25. Appendix 3 reviews several different investment options of the library. The preferred option is based on creating flexible space in an under-utilised area to create:
- Study / work area – to expand the reference library area, with flexible shelving and desk space for study, to include wifi;
  - Consultation – at certain times the space can be used / hired for consultation;
  - Training – as a hireable space for training, seminars, events and conferences;
  - Displays – to include heritage image and displays;
  - Multi-agency office – create in the region of six desks as a multi-agency office.
26. **Archives held at HARC** – there are approximately 1 year to 18 months of available space for archive records. However, some archives are stored at HARC on behalf of estates and families but permission has not been given to make available to the public. In some circumstances authorisation will be given to named researchers. Therefore the alternative options are:
- To negotiate with the families / estates to be made available for public use;
  - To charge for their storage if not available to the public;
  - Make alternative arrangements for storage (e.g. closed storage);
  - Return to the family.
27. **Schools library service** - The school’s library service has been operated by the council for many years. However, there has been a decline in the schools purchasing the service having an effect on the income target of £66k. The decline is likely due to schools having to make choices regarding their expenditure and the nature of how children access books. It is proposed a review of service takes place to consider any future option in consultation with the schools.
28. There are a number of short-term measures that could create a saving as outlined below:
29. **Libraries:**
- Renegotiation of stock management system – the IT system is up for renewal and there is potential to renegotiate the cost of the system.
    - Estimated savings: £20k (variable depending on procurement).
    - This to proceed through procurement.
  - Rental space at Hereford Library – office space available for lease at the entrance of the library to a third party to create an income.
    - Estimated income: £1.5k.
    - Considering the low level of income to lease the space this is not progressed. Instead the room is hired on an adhoc basic to generate an income and used for consultation and promotional activity on a bookable basis.
  - Explore other options for earned income across sites depending on suitability.
    - Estimated income: (needs to be tested in the market).
    - Not to proceed at this time to spend time promoting existing income streams, but linked to any future commissioned operation.
  - Further reduce opening hours across sites – reduced hours were implemented in 2014 and have not changed since.
    - Estimated savings: £31k (based on closing one additional day in each of Ross, Leominster, Hereford and Ledbury).

- Not to proceed at this time as impact on service standards.
- Reduce the book fund – the book fund enables the purchase of new stock and electronic resources and has been previously reduced by £30K in 2017 supported by effective negotiations on purchase cost.
  - Estimated savings: £20k (based on 10% of the book fund).
  - Not to proceed at this time as impact on service standards.

### 30. **Museums and Archives:**

- Black and White House – drive increasing footfall to the museum to generate an income to support other parts of the service. This would need investment in some additional marketing and activity.
  - Estimated income: £20k (£40k income offset with £20k investment).
  - To proceed giving time to promote the Black and White House as a key attraction of the city and having a positive effect on tourism for the area.
- Car parking at HARC – to be cost effective this needs to have low management requirement and not affect parking impacts in the local area with consideration given to regular local users and volunteers.
  - Estimated income: £5k (based per search room visit / events).
  - To proceed in consultation with users.
- Reduce opening hours of the HARC search room by one day a week to the public. Mondays are already closed to the public and a review can take place to understand the quietest day whilst also catering for people who need to access the service out of working hours.
  - Estimated saving: £8k based on one staff day cover.
  - Not to proceed at this time but look to effective management of the front counter that could reduce costs.
- Additional charging linked to access to the archives and digital records, and room hire.
  - Estimated income: £10k.
  - To proceed with charging for a decision once proposals are established.

## **Community impact**

31. The profile of services in appendix 2 outlines the community participation in the different services. These are universal services open for anyone to use – often free of charge. The library service has the highest use in the region of 500,000 users, though the interactions with the services will be different in nature. The recommendations should not have impact on this level of use if current standards are retained.
32. The library service has specific provision for looked after children and foster carers. Looked after children and teenagers can have an “access” library card which entitles them to borrow books, talking books and DVDs free. Foster Carers can borrow 20 books (instead of the usual 12) and free talking books to help them support the children in their care. The library service also does outreach work with looked after children, youth groups, home educators and key organisations. Library fines (late return of items) has been withdrawn for children’s loans.
33. Published plans for each of the services outlined the role in delivery of the corporate plan linked to priorities, including:

### **Enable residents to live safe, healthy and independent lives**

- Provide volunteering opportunities specifically in museums and archives
- Run the delivered services reaching housebound residents, residential homes and sheltered housing with reading choices

- Provide information on wellbeing and operate books on prescription scheme
- Collaboration with health groups on specific projects and schemes
- Specific “access” membership for older people, vulnerable adults, residents with physical and mental disabilities, and carers
- National Reading Well offers for people with dementia, adult mental health, long-term conditions
- Books in alternative formats for visually impaired residents

#### **Keep children and young people safe and give them a great start in life**

- Family friendly sites providing a safe, welcoming environment
- Specific activities for children and families across the services
- Ceasing fines for children’s books
- Schools visits
- Booktrust’s bookstart programme for children to have their own reading resources
- Resources and events to support literacy and learning
- Schools Library service to primary school and library service to high schools
- Links with children centre services, including planned co-location at Ross
- Summer reading challenge and bounce and rhyme
- National Reading Well offer supporting young people’s mental and physical health
- Targeted school events for improving and reluctant readers
- Special reading collections for foster families

#### **Support the growth of our economy**

- Museum, archives and exhibitions part of the tourism offer, specifically the Black and White House
- Free wifi and public use PCs for job searches, plus IT courses
- Shared facilities at Ross Library for Job Centre+
- Apprenticeships and volunteer work placements to improve skills
- Resources and classes improving language and functional skills
- Promote local authors and artists through sales and exhibitions
- Support and promote local festivals and cultural events

#### **Secure better services, quality of life and value for money**

- Increased charging for services to offset expenditure
- Introduction of self-service points to reduce the need to queue
- Provide a courier scheme linked to the delivery of book stock
- Shared sites with external organisations, departments and hire of venues
- Part of regional consortium to reduce costs of stock purchases
- Fundraising partnerships and projects to support the objectives of the services
- Working with parish councils and library friends / user groups to operate community libraries

34. The operation of sites has a number of health and safety requirements. This should be considered as part of any commissioned service and physical changes to buildings.

## **Equality duty**

35. Under section 149 of the Equality Act 2010, the ‘general duty’ on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
  - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
36. The Equality Act 2010 established a positive obligation on local authorities to promote equality and to reduce discrimination in relation to any of the nine 'protected characteristics' (age; disability; gender reassignment; pregnancy and maternity; marriage and civil partnership; race; religion or belief; sex; and sexual orientation). In particular, the council must have 'due regard' to the public sector equality duty when taking any decisions on service changes.
37. The most affected characteristic is age based on high use of the library service by young children and older adults. The profile of services (appendix 2) gives an age breakdown of the different services where the data is available.
38. The services also impact on the characteristic of disability in the range of people who use the service, including for mental well-being.
39. The recommendations take into consideration minimising the negative impacts on the protected characteristics. This includes:
- Retaining standards of the service through any commissioning arrangements;
  - Maximise space at Hereford Library for the benefit of users, including improved facilities for young people's learning;
  - Retain current opening hours arrangements;
  - Continue to offer opportunity for volunteering.

## Resource implications

40. The resource implications relate to the recommendations within this report.
41. The resourcing of capital works on the mezzanine floor at the Broad Street site is part of an existing decision to allocate capital spend to the Hereford Library and Museum of £1m. To date this has been used to meet different requirements including current spend on the roof and redecoration leaving a residual in the region of £230k to be available for the mezzanine floor. The recommendation also seeks permission to apply for external funding to contribute on the historic features.
42. It is proposed that £20k is invested in a marketing plan for the Black and White House as a one off cost allocated from reserves.
43. The council will also look to continue its relationship with Heritage Lottery to further advance the recommendations of the Museum Resilient Report for investment in the services to support any potential transition of services to a partner organisation.
44. The recommendations based on short term income and efficiency activities could create in the region of £55k of revenue savings – though this depends on the outcome of procurement of the library book system and other estimated costs.

45. In relation to rate relief and based on the figures provided above the council pays rates of £292k for MLA services. In turn the council receives a proportion of the rates at 49% of the current billed amount. Therefore if the buildings were successfully transferred to an organisation eligible for rate relief a net cost saving of £149k would be achieved. However, from 2020/21 the arrangement is set to change with Herefordshire Council retaining 75% of rates, which means the savings will fall to £73k
46. All of the organisations that made submissions as part of the soft market test would be able to apply for charity rate relief in the operation of buildings. Registered charities can receive an 80% mandatory relief on business rates if the property is used for charitable purposes. Registered community amateur sports clubs (CASCs) are also entitled to 80% relief on any non-domestic property that is mainly used for the purposes of that club. Groups / charitable organisations may also be entitled to up to 20% discretionary rate relief top up.

## Legal implications

47. Section 7 of the Public Libraries and Museums Act 1964 (PLMA 1964) states that 'it shall be the duty of every library authority to provide a comprehensive and efficient library service for all persons desiring to make use thereof.' When fulfilling its duty under section 7, a local authority must have regard to the desirability:
  - Of securing that facilities are available for the borrowing of or reference to books and other printed matter, pictures, gramophone records, films and other materials
  - That these facilities are sufficient in number, range and quality to meet the general and special requirements of adults and children
  - Of encouraging children and adults to make full use of the library service.
48. If the secretary of state is concerned that a library authority is in breach of this duty s/he may order a public inquiry. The remodelling of library services across the country has generated several legal challenges in recent years. These legal challenges have tended to focus on whether the authority has complied with its obligations under the Equality Act 2010 - the public sector equality duty (PSED). This duty imposes a positive obligation on local authorities to promote equality and to reduce discrimination in relation to any of the nine 'protected characteristics' (age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex, and sexual orientation). In particular, the council must have due regard to the PSED when taking any decisions on service changes. However, it is also recognised that local authorities have a legal duty to set a balanced budget.
49. The Council has a statutory duty to make proper arrangements for all archives in its custody by ensuring their preservation and availability for access by the public (Local Government Act 1972 S.224-229). These include the archives of the council and its predecessors; public records (for example records of courts, coroners, hospitals and prisons held on behalf of central government); archives given to or purchased by the council, or deposited with the council on long term loan. The Herefordshire Archive and Records Centre is appointed by the Lord Chancellor as a place of deposit for the custody of public records (Public Records Act 1958 S4(1)). The Council must satisfy the National Archives that certain conditions are being met in order to keep the licence as a place of deposit valid. The Act requires that reasonable provision be made for the inspection of public records by the public.
50. HARC is designated a Diocesan Record Office by the Bishop of Hereford (Parochial Registers and Records Measures 1978 S.7(3) & (4)). This instrument ensures that

archives such as parish registers, bishop’s court books and probate records shall be deposited at HARC and made available for the public to inspect. The Council is empowered to collect, preserve and make available for public inspection local archives of historical interest and to promote their use (Local Government (Records) Act 1962 S.1(1&2). Further specific statutory duties are imposed for public access to manorial court records (Law of Property Act 1922 Part V1 s.144) and Tithe records Tithe Act 1936 S.36(2). Lastly, the Freedom of Information Act 2000 also requires records in the Council's care to be made available to the public for inspection including provision of copies.

51. The library and museum site at Broad Street is in the ownership of the council but is subject to covenants on the title, restricting its use in some areas, such as a section that cannot be used ‘for any purpose whatsoever other than for the purpose of a free library’.
52. In the event that the library, museums and archive services are commissioned, there may be a transfer of employment of a number of affected staff as a result of the TUPE Regulations and a new provider would be required to maintain the terms and conditions of the employment of the transferring staff as well as providing access to the Local Government Pension Scheme.
53. The commissioning of services will be via an open process with potential partners needing to meet particular criteria of experience and capability. This could include a staff proposition through the process.

## Risk management

54. The table below outlines some of the potential risks based on the recommendations:

| Risk / opportunity  | Mitigation  |
|---|---|
| Lack of interest from partners with experience to operate services. | Test through the procurement process against current provision. |
| Reduction in standards affecting quality of service to users.       | To include current standards in any specification / commission. |
| Capital spend on Hereford Library and Museum agreed allocation.     | Project manage cost and report any unforeseen expenditure.      |
| Short term savings and income not achieving goals.                  | To recognise this risk and test through implementation.         |

## Consultees

55. Consultation has taken place with key user and interest groups through (please see appendix one for links to relevant consultations):
56. **Review of Museums and Archives Service** (February 2016). Independent study into the future operation and savings plans for museums and archives, including public meeting attended by 150 interested parties.
57. **LGA Peer Challenge** for Museums, Libraries and Archives (May 2017). During the course of the peer challenge the team spoke to more than 45 people including a range of council staff, councillors, external partners and stakeholders including the HLUG

(Hereford Library Users' Group), JAHL (Joint Action for Herefordshire Libraries), HMSSG and Friends of Herefordshire Archive. The results are included in the peer challenge report.

58. **Museum Resilient Report** run in partnership with the HMSSG (January 2018). During the course of the study 38 people were consulted including museum staff and relevant council officers, along with 18 representatives of external groups including HLUG, Friends of Herefordshire Archive, and JAHL.
59. **Feedback for the Museum Resilient Report and Soft Market Test** (March 2018). Responses received from Unison, Ross Library Development Group, HMSSG, JAHL, Friends of Herefordshire Archive, HLUG, Woolhope Naturalists' Field Club, there were also staff comments.
60. Three key questions were asked (see below for responses) and the respondees were able to add any additional comments with 41 pages of responses:

| Stakeholder responses   | yes | no | Not stated, don't know or other |
|---|-----|----|---------------------------------|
| Do you agree with the principles for the way forward outlined in the Resilient Heritage Report? | 1   | 2  | 4                               |
| Do you agree with the preferred operating model in the Resilient Heritage Report?               | 1   | 2  | 4                               |
| Do you agree with the conclusions of the soft market test?                                      | 1   | 6  | -                               |

61. Common concerns raised with commissioning the services to a partner organisation are as below.

| Issue raised  | Response  |
|---|---|
| The assets and objects should not be managed by an external company.                            | Assets and objects remain in the ownership of Herefordshire Council.  |
| Any change should bring the museum, library and archive services together.                      | The services current operate within one management structure.   |
| The services should be recognised for their difference and distinctness and treated separately. | There are outline future plans for each of the services recognising their differences and contributions to economic and social life.  |
| Level of funding of concern and should not be an expectation of zero funding.                   | The aim is to explore the service being self-sustaining as much as possible to secure their long term future.   |
| Accountability of an external organisation.   | This would be through a commissioning agreement.  |
| Not experience in museums or archives.  | To be tested through the procurement process.   |
| Lack of financial justification.  | The procurement process will test the financial justification.  |
| Need stability in the services.   | The council is aiming to explore the different options to ensure long term sustainability and stability. Local government is working in a changing environment to meet pressures on services and changing nature of service delivery. |
| Concerns over future staffing.  | Staff will be treated through proper process,   |



|   |   |
|---|---|
|   | with fairness and dignity.  |
| Not enough detail to make comment.                      | Feedback document on the council website ( <a href="#">link</a> ) pulling together each answer for each submission. |
| Specification requirement included to protect services. | To be part of the service standards partners would expect to meet.  |

62. The issues affecting the service were considered by General Scrutiny Committee on 9 April 2018. The committee resolved:

- (a) The case for bringing the first floor room in Hereford library into use should be set out in more detail for cabinet to consider, including an assessment of community benefit.  
Response: Agreed. Appendix 3 includes business case profile with community benefit and options.
- (b) Cabinet is requested to ensure that whilst recognising the need for services to be sustainable any proposals should aim to preserve and/or enhance quality of services and provide for their development.  
Response: Agreed. Included in recommendation to retain service standards for any contracted service and short-term savings have minimum impact on quality of service.
- (c) The resource implications of the report to cabinet should be expanded and clarified in relation to the impact of charitable relief.  
Response: Agreed and additional information included in the resources section:
- (d) The option of not outsourcing the services should be fully explored in the cabinet report.  
Response: Agreed. The alternative options to recommendations included in the report, also refer to appendix 2 for profile of services.
- (e) The different nature of the three services should be fully recognised and taken into account in considering future options in whatever process is pursued.  
Response: Agreed.
- (f) The legal implications section of the report should be reviewed to ensure it fully reflects provisions relating to archives.  
Response: Agreed and additional information included in the legal section.
- (g) Income generation opportunities should be explored including charges for those using archive services and the scope for shared use of council buildings with commercial and charitable operations.  
Response: Agreed and reflected in the recommendations.
- (h) The opportunity to secure income from those storing records at HARC but not making them available for public use is explored.  
Response: Agreed. Reflected in the recommendation in first making records available to the public and charging as an option.
- (i) The breakdown of the various usage figures in the report should be revisited and clarified for cabinet.  
Response: Agreed. See appendix 2 for full range of usage figures.

63. Group leader comments and responses as below:

| Comment   | Response  |
|---|---|
| <b>Consultee: Independent Group</b>   |   |
| <p>These services were never set up or designed to be commercially self-sufficient but were public services, set up to benefit the whole community. As a consequence, I do not think that we should expect these services to be profit generators for a private, profit making company. If we do go down the route of outsourcing management of these services, it should go to an experienced and reputable not for profit organisation, which has wide and successful expertise in this field. A not for profit company may make a surplus but any surpluses are ploughed back into the managed entities and not distributed to shareholders.</p>   | <p>Local government and libraries particularly, have changed considerably since the services it provides were first established. As central government resources are removed and council's must become increasingly self-sufficient it is imperative alternative delivery models are explored. It is also important to note that there are many examples across the country and county where adopting a more self-sufficient delivery model has resulted in better services that meet community needs more effectively. The commissioning process will ensure that the skills and experience of potential partners is thoroughly tested and the value for money elements of any bid are fully explored.</p> |
| <p>The Museums, Libraries and the Archives are very different creatures and it is unlikely that exactly the same management system will suffice for them all. It should be noted that each of these services has a lively and enthusiastic user group. We should make sure that these user groups are used to the greatest advantage and always consulted.</p>  | <p>The commissioning process will provide options to come forward from potential partners to deliver all or some of the services to maintain maximum flexibility. The value of service users input is important and the views of service user groups have been sought through various consultations (as outlined in the report).</p>  |
| <p>It is vital that the buildings and assets always remain in the ownership of the Council and are not allowed to be sold off by whoever is running them.</p>   | <p>There are no proposals to dispose of the freehold of any of the current premises and the ownership of the historic objects will be retained by the council.</p>  |
| <p>Whilst acknowledging that these services were not designed or expected to make a profit; we should encourage as much sensible, reasonable and appropriate commercial activity as possible. I think that there is scope for making some money by selling services, food and drink outlets, and any other appropriate means. For instance, the Archive Service should make a reasonable charge for the storage of private archives if they are not to be made available for public research. Also, they could explore what reasonable charges they can make for the copying and selling of copies of archive material. Should users be charged a nominal fee for the use of the archive facilities? I do not want to deter people from using the outstanding facilities but rather encourage</p> | <p>Charges are already made for some services at HARC such as photocopying and photography in line with council fees and charges (<a href="#">link</a>). Proposals for charging for other services such as storage of archives not open to the public are included in the recommendations and other options will continue to be explored in consultation with users and having regard to benchmarking information from other similar services.</p>  |

Further information on the subject of this report is available from  
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| a greater use of them.  |   |
| I do not think that reducing the hours that any of these services are open is beneficial. It might be worth looking at the current opening hours and discussing if they are the most appropriate times for the people who might want to use them.   | The recommendations do not include reduced opening hours. The council will continue to seek the views of current and potential users to ensure the opening hours meet customer needs.   |
| I think it would be of benefit to the public if more of the Museum's artefacts and treasures could be on wider public display. I have suggested in the past that it was a missed opportunity not to insist that all the new shops in the Old Market scheme should have some secure display areas in each one of them, for instance.   | The council will continue to explore options for making artefacts more widely available having regard to the costs of insurance and management of such arrangements and the requirements of museums registration. Recent projects that displayed museum objects off-site included: <ul style="list-style-type: none"> <li>• Ferrous displays in Hereford City shops c.90,000</li> <li>• Blenheim Palace 70,000 visitors</li> <li>• Forest Charter exhibition at Hereford Cathedral c.15,000 visitors</li> </ul> |
| We should listen carefully to the supporting user groups: they have much expertise and experience and some good ideas. I hope that we will always make use of their expertise and enthusiasm. At the same time, we must remember that they are volunteers and we must not expect or demand that they replace professional staff, who must always remain at the heart of the services. Volunteers can come and go of their own volition and though extremely valuable, should not be taken for granted. Also, volunteers, giving of their own time, do have costs associated with them. However, these costs are almost certainly very good value. | User groups and the many volunteers who give their time and commitment to support the services are indeed highly valued. They do not replace the role of paid employees but certainly volunteers enhance the services that the council can provide and we are very grateful for their input.  |
| There are opportunities for greater commercialisation and a more business oriented approach but not at the cost of destroying the very services we are trying to protect and improve. We must also ensure that they are appropriately publicised and are available at appropriate times for the public to make best use of them.  | The recommendations are intended to achieve this result. There is no intention or desire to destroy the services; rather to find a way in which they may not only be sustained but enabled to thrive and grow within Herefordshire. The council has actually invested in the assets to meet changing customer expectations.   |
| It may be that some investment in these services will pay off in increased use of them.   | The recommendations include proposals to invest in the Hereford Library and Museum on-top of the investment already made. Investment made in Ledbury Library has seen an increase in user numbers; and the investment in an award winning new archive and record centre.  |

|   |   |
|---|---|
| <p>It should be remembered that the Archive Centre also houses the Diocesan archives. I am cannot remember what are the arrangements for paying for the storing of these archives. This should be investigated.</p>   | <p>There is no charge for diocesan archives with HARC a designated Diocesan Record Office under the terms of the Parochial registers and Records Measure 1978. The records are open to the public.</p>  |
| <p>Also, money should be set aside on a regular basis to help pay for the eventual extension of the storage space. The possibility of extending the storage space was allowed for in the original design and will, one day, become necessary.</p>   | <p>At the current time there is limited business case for setting aside more money for extending HARC which was completed in 2015. The most is being made of the available storage at the archive and records centre through a managed process rather than having “dead” / used space.</p>  |
| <p><b>Consultee: Green group</b></p>  |   |
| <p>Ideally the three services should remain joined into one ‘in-house service’ and not be broken up or outsourced. That said we recognise their individuality and that the shortfall savings gaps in the MTFS varies greatly across the three services, with the biggest shortfall being in the Archives service.</p>   | <p>The services are currently managed under one structure with the individual components, qualities and character of the services recognised and respected. The recommended procurement process will give the option of keeping services together or being operated separately.</p>   |
| <p>The museum service has produced a compelling business case for its future, but the timing of this puts further pressure on seeking to keep all three services together.</p>  | <p>The council working with the HMSSG with funding from Heritage lottery commissioned the report The Future Resilience of Herefordshire Council Museum Service (<a href="#">link</a>). This recommends an outsourced host model and can be incorporated into any procurement process; and therefore tested to see if viable. The three services together have the potential of creating economies of scales, specifically regarding back office services.</p> |
| <p>Pinning down the level statutory duties is quite hard, but never the less we do have to provide them. The level of investment in HARC, the new Archive Centre and the ongoing investment in libraries underpin these duties. These levels of investment should not be bartered away in any outsourcing exercise.</p>   | <p>Please refer to legal section which aims to outline the legal requirements of the services. The recommendation includes additional investment in Hereford Library and there is an existing decision on investment in Ross and Leominster Libraries to update the facilities to meet changing customer needs and create co-located places.</p>  |
| <p>The savings targets seem split between savings through cuts in staff time and hours, and reducing shortfall’s through income generation.</p> <ul style="list-style-type: none"> <li>• We do support the income generation proposals and think more could be done in this realm. There seems to be a good case for charging for the archive services listed in the report.</li> </ul> | <p>The recommendations include additional charging at HARC. The option presented to scrutiny for closing HARC for one day a week is no longer included. Colwall Parish Council pays for library staff supported by volunteers; other parish councils run or contribute to the running of the community libraries. The recommendations do not include reduced</p>  |

|   |  |
|---|--|
| <ul style="list-style-type: none"> <li>We do not support making savings by closing one day a week. It is counterproductive as no income can be generated on that day. Library staff hours are already financially supported by some parishes. We would urge you to have a conversation with the market town parishes to look at buying in staff hours rather than losing a day's opening. The same argument applies to HARC when closed, income can best be generated in an open building.</li> </ul> | <p>opening hours for libraries (the last reduced opening hours was in 2014). Market town councils are open to contribute to the running of libraries though the issue remains that not just residents in those market towns use that particular library, as residents are open to use multiple libraries and reside in rural areas.</p>  |
| <p><u>IT Systems</u><br/>Renegotiating IT systems seems like an obvious opportunity to create better value for money across the service. This spend to save should not be bartered away either in any outsourcing exercise.</p>   | <p>The recommendation includes eProcurement of the library IT management system.</p>   |
| <p><u>School Library Services</u><br/>We welcome the proposed consultation with schools before any decision is made. We recognise that this service is under pressure and may have to be fundamentally altered or curtailed.</p>  | <p>The schools will be consulted for their views on any changes to the service prior to implementation.</p>  |
| <p><u>Soft market testing / outsourcing</u><br/>We do not support the outsourcing of libraries, especially as no business case has been drawn up for NOT outsourcing the service.<br/>We fully support the recommendations made by General Scrutiny and would expect them to be fully incorporated into the final cabinet report.</p>   | <p>The alternative options outline the non-commissioning option. No decision will be made until a procurement process has taken place with the current standards of service being retained (e.g. opening hours) or improved. This final decision will be made benchmarked against current operation.<br/>The report outlines response to General Scrutiny recommendations.</p> |
| <p><b>Consultee: It's OUR County</b></p>  |  |
| <p>It is vital to recognise the key positive contributions of this sector (MLA) to:</p> <ul style="list-style-type: none"> <li>Economic development</li> <li>Tourism and the visitor economy</li> <li>Community health and wellbeing</li> <li>Development of NMiTE's objectives</li> <li>Herefordshire's cultural identity and profile</li> </ul>   | <p>Each of the plans for the services outlined their contribution to the corporate plan priorities (plans published on the council website). Investment has been made in centres to support economic, community and cultural appeal including at HARC, the libraries and Black and White House (which as recently won a Trip Advisor award).</p>                               |
| <p>In view of these a model, or a proposal, that is focussed purely on cost-saving risks overlooking the benefits – economic, social and cultural – of these services. It would therefore be wrong for the council to prioritise outsourcing MLA without being fully confident of the capacity and capability of the component services to be properly sustainable and resilient in the</p>   | <p>(See above on contribution to economic, social and cultural benefits). The services have been involved in a transformation programme for at least five years and though includes savings has also involved investment to create resilient services. The procurement process will give the opportunity to fully explore if commissioning is a realistic option rather</p>    |

|   |  |
|---|--|
| longer term.  | than theory, speculation or feasibility.   |
| MTFS savings requirements (£336k remaining from £760k target) should not be the sole lens through which the optimum future of MLA is seen: a transitional spend-to-save approach may be needed – whether via diversion of other expenditure or prudential borrowing – to build resilience and to take account of the council's many strategic objectives to which MLA contributes.  | The investment the council has made in museums, libraries and archives sites in the last five years: <ul style="list-style-type: none"> <li>• Hereford Library refurbishment</li> <li>• New build of Archives and Records Centre</li> <li>• Ross Library development</li> <li>• Leominster Library (due 2018)</li> <li>• Kington Library refurbishment</li> <li>• Black and White House exhibition displays and refurbishment</li> <li>• New Ledbury Library at Masters House</li> <li>• Self-service machines in libraries</li> <li>• Wifi in libraries and upgrade of public access PCs</li> </ul> |
| Whilst there has been considerable work on the future model for museums, notably the Prince and Pierce report <i>The Future Resilience of Herefordshire Council Museum Service</i> whose findings we support, it is not yet clear that a comprehensive model for all three services has been achieved.  | Please see appendix one of the report for the list of consultants, decision and reports completed for the services. This includes an LGA peer review for all three services. Each of the services has a forward plan for 2017-20 published on the council website. Previous cabinet reports outline direction of travel for services. The Museum Resilient Report was funded by Heritage Lottery at £20k.  |
| Strong synergies exist between the needs of the MLA services, but each also has its own service-specific needs and requirements: in effect a 'Venn diagram' of overlaps and differences. Any future trust model with the aim of an overarching single trust has to be designed to recognise this, and to accommodate a process which enables each service to maximise its own potential, initially if necessary through three separate but linked trusts whose stated objective is eventual merger. | The difference in nature, customer experience, statutory requirement, funding opportunities and income generation is recognised as being different between the services. This is reflected in the plans produced for each service. However, there is also synergy between customer cross-over and back office costs. The procurement process will allow for a single or separate partnerships depending on the best proposals.   |
| Has the option of not outsourcing the services been fully explored and evidenced?   | The current services are operated in-house providing a bench-mark of service standards as a minimum and this will be reflected in any final decision to enter a commissioned agreement. The alternative options for this report look at retaining services as is.  |
| Have the findings from soft market testing of MLA been used to inform this decision? And where are these findings on the HC website (a search does not reveal them)?  | The soft market test enabled the council to understand if there was a market for the services (not a procurement in itself). This showed that there were legitimate organisations with experience interested in the operation of the services. The   |

|  |  |
|--|--|
|  | council decided to publish a feedback document on the website in January 2018, sent to user and friends groups directly, and highlighted on ward member update on 31 January. Document: <a href="#">Link</a>   |
| Have the principles and scope of different trust models been worked on?  | Previous cabinet report ( <a href="#">15 December 2011</a> ) explored different trust models. Report to cabinet on <a href="#">10 March 2016</a> on Museum and Archive Services reviewed trust option as part of a wider report. “Spin Out” option was also recommendation (no. 6) from LGA peer challenge for the services - reference executive response 26 <sup>th</sup> October 2017 ( <a href="#">link</a> ). |
| Have the Herefordshire Cultural Partnership’s proposals for a ‘cultural quarter’ in the city been given due consideration? | Herefordshire Council is a member of the Cultural Partnership. Any involvement in promoting museums, libraries and archives through the partners is something the council would want to be involved in.  |
| Are Heads of Terms/Memoranda of Understanding being developed with partner organisations including NMiTE?                  | Herefordshire Council has a formal partnership with NMiTE through a joint delivery board. See <a href="#">link</a> .   |

64. Unison and Herefordshire Local have instigated a petition on the 38Degree website based on “Stop the privatisation of Herefordshire’s Libraries, Museums and Archives”. To date (14.6.18) 1,246 signatures have been registered.

## Appendices

- Appendix 1- Summary of decisions and documents
- Appendix 2 – Profile of the Services
- Appendix 3 – Business Case Profile

## Background papers

None





## Appendix 1 Summary of decisions and documents

| Title   | Date              |
|---|-------------------|
| <p><a href="#">Options for Museums, Customer Services and Libraries (cabinet report)</a><br/>The purpose of this report was to present to cabinet the options for the future operation of museums, customer services and libraries.</p>   | 19 September 2013 |
| <p><a href="#">Customer Services and Libraries (cabinet report)</a><br/>The purpose of this report was to outline options for customer services and libraries in the light of continued budget pressures and for cabinet to consider future delivery of centres and services.</p>   | 23 January 2014   |
| <p><a href="#">Hereford Library and Museum (cabinet report)</a><br/>This report considered choices regarding Hereford library and museum in light of the temporary closure and impacts on overall library, museums and customer services provision. The decision agreed capital works on Hereford Library and invited the Hereford Library Users' Group (working with other relevant stakeholders) confirm by the end of February 2016 options for the library.</p>   | 3 December 2015   |
| <p><a href="#">Museum and Archive Services (cabinet report)</a><br/>The purpose of this report was to consider initial options for future operation of the museum and archive service, specifically savings and income plan, agree investment in the Old House (now renamed Black and White House), and longer term options for future sustainable delivery of the service be developed to include exploration models of service delivery. The report also outlined the principles of the library and museum support fund.</p>  | 10 March 2016     |
| <p><a href="#">Hereford Library and museum response (cabinet report)</a><br/>The purpose of this report was to consider the response to the proposals submitted by Hereford Library Users' Group (HLUG) regarding the future operation of Hereford library and museum. The decision was to conduct necessary capital works and remaining funds to be used as match funding for a development scheme, led by HLUG or other partner, subject to the development scheme progressing within a two year period.</p>  | 9 May 2016        |
| <p><a href="#">Customer Services and Libraries (cabinet report)</a><br/>The purpose of the report to present the model for future operation of customer services and libraries across the county. This led to the decision to retain library service in Hereford city and the five market towns with an appointment based approach in the market towns customer service function; Belmont Library becoming a community library and Bromyard library managed under contract by Halo; capital investment in Ross and Leominster libraries; and soft market test of the library service.</p>   | 13 October 2016   |
| <p><a href="#">Response to the LGA Peer Review of Museums, Libraries and Archives (cabinet member report)</a><br/>The report outlined progress in the service areas of museums, libraries and archives in light of the recommendations of the LGA (Local Government Association) peer challenge; and associated decisions in relation to the services under review. The report responded to recommendations including producing plans for the services and exploring outsourcing the services. The report also seeks agreement of two key expenditure items relating to the services – namely requirements to repair the roof in Hereford to prevent weather damage and one-off investment in the Weeping Window project.</p> | 26 October 2017   |
| <p><a href="#">Soft Market Test Feedback</a><br/>The feedback document brought together submissions made by four organisations who provided information. The soft market test was launched on 7th November 2017 with a deadline of 4th January 2018.</p>  | 24 January 2018   |
| <p><a href="#">Museum Resilient Report</a><br/>The report was commissioned in partnership with HMSSG (Herefordshire Museum Service Support Group) with funding from Heritage Lottery. The work was conducted by Prince and Pearce to review the options for the museum service to support sustainability of the service.</p>  | 24 January 2018   |



## Appendix 2 - Profile of the Services

### 1. An overview of Libraries, Museums and Archives

The following information aims to give an overview of the services for museums, libraries and archives operated by Herefordshire Council. There is a greater concentration on library data as this is collected for benchmarking by CIPFA (The Chartered Institute of Public Finance and Accountancy).

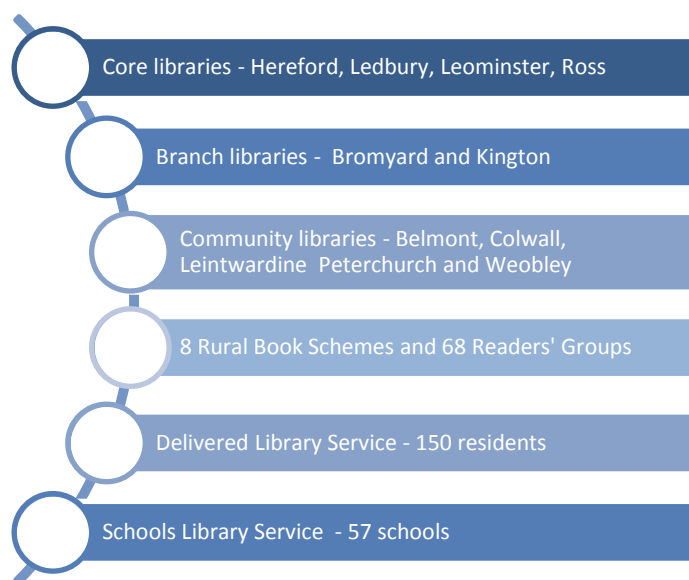
The profile should also be considered in relation to the plans produced for each service:

- [Library Plan 2017-20](#)
- [Museum Plan 2017-20](#)
- [Archive Plan 2017-20](#)

### 2. The library service

There were over 500,000 visits to the libraries in the county in 2017-18. There are 11 libraries in Herefordshire, ranging from core libraries in the largest towns, to our smallest community library housed in a church bell tower. The service also supports 8 rural book schemes based in community facilities such as community shops and parish halls. The County Libraries Unit is based in Hereford, and Herefordshire Libraries rare book collections are held in the climate-controlled store in HARC.

The Schools Library Service provides books and project material to 45 primary schools and 12 high schools that purchase the service. The Delivered Library Service is also a targeted service that supplies books and talking books to people who are housebound and unable to access a library. The service delivers to around 150 individuals and 31 residential homes and sheltered housing units.



The County Library Service manages all the systems and stock services and supports the frontline libraries. The service also operates the Readers' Group scheme for 68 groups and the rural book schemes, the inter-library loans service, work with library Friends groups, and provides support and training for the community libraries.

## 2.1 Visits and Issue Numbers

The table below shows the visitor numbers at our libraries over the past 5 years.

| Table 1: <b>Library visits</b> | <b>Opening hours p.a. 2017-18</b> | <b>Library visits 2017-18</b> | <b>Library visits 2016-17</b> | <b>Library visits 2015-16</b> | <b>Library visits 2014-15</b> | <b>Library visits 2013-14</b> |
|--------------------------------|-----------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Hereford                       | 1,976                             | 153,029                       | 92,330                        | 96,692                        | 184,434                       | 196,325                       |
| Leominster                     | 1,846                             | 88,786                        | 91,028                        | 102,011                       | 109,082                       | 115,108                       |
| Ross                           | 1,846                             | 88,477                        | 98,823                        | 103,683                       | 116,789                       | 120,599                       |
| Ledbury                        | 1,690                             | 96,079                        | 99,677                        | 110,450                       | 48,308                        | 67,099                        |
| Bromyard                       | 3,848                             | 68,604                        | 11,016                        | 12,448                        | 18,669                        | 34,678                        |
| Kington                        | 936                               | 16,043                        | 20,163                        | 20,769                        | 22,082                        | 31,619                        |
| Belmont                        | 1,170                             | 22,673                        | 36,915                        | 34,697                        | 22,527                        | 23,750                        |
| Colwall                        | 832                               | 11,288                        | 11,516                        | 11,138                        | 11,362                        | 13,731                        |
| Weobley                        | 312                               | 2,474                         | 2,628                         | 2,491                         | 2,210                         | 3,168                         |
| Leintwardine                   | 528                               | 2,876                         | 2,853                         | 2,769                         | 2,897                         | 2,456                         |
| Peterchurch                    | 624                               | 2,345                         | 2,002                         | 1,890                         | 1,940                         | 2,266                         |
| <b>Totals</b>                  | <b>15,608</b>                     | <b>552,674</b>                | <b>468,951</b>                | <b>499,038</b>                | <b>540,300</b>                | <b>610,799</b>                |

Notes:

In September 2015 Hereford Library closed for 18 months for building work, compensated by additional opening hours at Belmont and a small temporary library operated at Hereford Town Hall.

The table shows the total number of visits to the Bromyard Centre, which is home to Bromyard Library. Since April 2017 the library is open the same times as the rest of the Centre. At the moment we cannot differentiate between customers visiting to use the library and other services in the Bromyard Centre – refer to issue numbers to give additional information on use.

Another important indicator of library usage is the amount of stock borrowed (library issues). Libraries offer many different services e.g. shared site with Job Centre Plus, provision for children centres, activities, community programmes. However, the most common reason customers say they come to the library is still to borrow books and other items (including DVDs, audio books and large print books).

| Table 2: <b>Library issues</b> | <b>Library Issues 2017-18</b> | <b>Library issues 2016-17</b> | <b>Library issues 2015-16</b> | <b>Library issues 2014-15</b> | <b>Library issues 2013-14</b> |
|--------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Hereford                       | 143,289                       | 72,809                        | 101,493                       | 175,618                       | 191,255                       |
| Leominster                     | 92,785                        | 103,224                       | 109,912                       | 114,507                       | 126,836                       |
| Ross                           | 85,793                        | 93,319                        | 97,997                        | 106,134                       | 115,550                       |
| Ledbury                        | 48,144                        | 51,216                        | 57,545                        | 50,202                        | 62,389                        |
| Bromyard                       | 15,721                        | 15,305                        | 17,560                        | 20,582                        | 28,769                        |
| Kington                        | 16,235                        | 17,179                        | 17,037                        | 22,967                        | 29,011                        |
| Belmont                        | 28,367                        | 46,843                        | 45,877                        | 26,100                        | 24,483                        |
| Colwall                        | 12,155                        | 12,017                        | 13,241                        | 13,950                        | 16,684                        |
| Weobley                        | 4,789                         | 5,519                         | 4,454                         | 4,114                         | 7,039                         |
| Leintwardine                   | 5,147                         | 4,924                         | 5,183                         | 4,706                         | 4,603                         |
| Peterchurch                    | 4,087                         | 3,533                         | 3,108                         | 3,586                         | 3,616                         |
| Delivered Services             | 17,968                        | 22,420                        | 22,218                        | 23,155                        | 23,895                        |
| Stock Unit                     | 2,223                         | 1,571                         | 5,692                         | 1,304                         | 1,566                         |
| <b>Totals</b>                  | <b>476,703</b>                | <b>449,879</b>                | <b>501,317</b>                | <b>566,925</b>                | <b>635,696</b>                |
| eBook issues                   | 2,263                         | 1,205                         | 547                           | n/a                           | n/a                           |
| eAudio issues                  | 1,256                         | 1,493                         | 426                           | n/a                           | n/a                           |
| <b>Total issues</b>            | <b>480,222</b>                | <b>452,477</b>                | <b>502,290</b>                | <b>566,925</b>                | <b>635,696</b>                |

As well as improving sites and stock, the library service has been actively developing additional services to extend access and help customers to help themselves. This includes Online Reference Library, our eBooks and eAudio service, and the digital local studies website [www.herefordshirehistory.org.uk](http://www.herefordshirehistory.org.uk).

## 2.2 Self-service kiosks

In 2015 the council introduced self-service kiosks at the larger libraries. The below, Table 3 shows the number of self-service “issues” per year:

| Library       | 2017-18        | 2016-17       | 2015-16       | 2014-15      | % of items at site issued via self-service<br>2017-18 |
|---------------|----------------|---------------|---------------|--------------|---|
| Hereford      | 40,768         | 16,027        | 3,203         | n/a          | 28.5%   |
| Leominster    | 20,417         | 15,981        | 2,129         | n/a          | 22.0%   |
| Ross          | 19,603         | 14,714        | 1,791         | n/a          | 22.9%   |
| Ledbury       | 12,121         | 9,489         | 9,972         | 1,201        | 25.2%   |
| Bromyard      | 7,273          | 1,728         | 781           | n/a          | 46.3%   |
| Kington       | 8,022          | 10,804        | 2,718         | n/a          | 49.4%   |
| Belmont       | 5,463          | 8,390         | 5,436         | n/a          | 19.3%   |
| <b>Totals</b> | <b>113,667</b> | <b>77,133</b> | <b>26,030</b> | <b>1,201</b> | <b>23.9%</b>  |

## 2.3 Use of library computers and library WiFi

Increasingly customers rely on access to computers for studying, information, access to advice and services, and applying for jobs and benefits online. Libraries are one of the few places where customers can use free public computers and can be used as a first step into computer use. Fastershire has been running courses in libraries to help customers learn and improve essential IT skills as part of the county’s digital inclusion programme. The free availability addresses the cost barrier to people going on-line, though there has been a decrease in use potentially linked to the significantly increased superfast broadband in the county through the Fastershire project (currently just over 85% of premises can access a fibre service compared to 0.6% in 2012)

| Table 4: Library computers and library WiFi | 2017-18       | 2016-17       | 2015-16       | 2014-15       | 2013-14       |
|---|---------------|---------------|---------------|---------------|---------------|
| Use of library computers (sessions)         | 42,238        | 34,352        | 45,862        | 54,002        | 81,765        |
| Use of library WiFi (sessions)              | 9,431         | 5,987         | n/a           | n/a           | n/a           |
| <b>Total computer and WiFi sessions</b>     | <b>51,669</b> | <b>40,339</b> | <b>45,862</b> | <b>54,002</b> | <b>81,765</b> |

The library service has also developed more digital services including notifications and reminders, reservations, payments, reference resources all on-line, library websites and social media accounts to reflect the growth of internet transactions and use.

## 2.4 Online reservations

The service manages library stock as a county-wide resource, with free reservations. Customers can request titles online and collect from their nearest Herefordshire library. In 2017-18 nearly 67% of items were reserved online.

| Table 5: Online reservations  | 2017-18 | 2016-17 | 2015-16 | 2014-15 | 2013-14 |
|-------------------------------|---------|---------|---------|---------|---------|
| Total reservations            | 33,565  | 35,516  | 39,018  | 41,238  | 43,576  |
| Reservations ordered online   | 22,402  | 22,229  | 25,004  | 26,285  | 23,758  |
| % reservations ordered online | 66.74%  | 62.59%  | 64.08%  | 63.74%  | 54.52%  |

## 2.5 Library websites and social media

Library websites and social media sites (Facebook and twitter) enable customers to engage and access services in new ways.

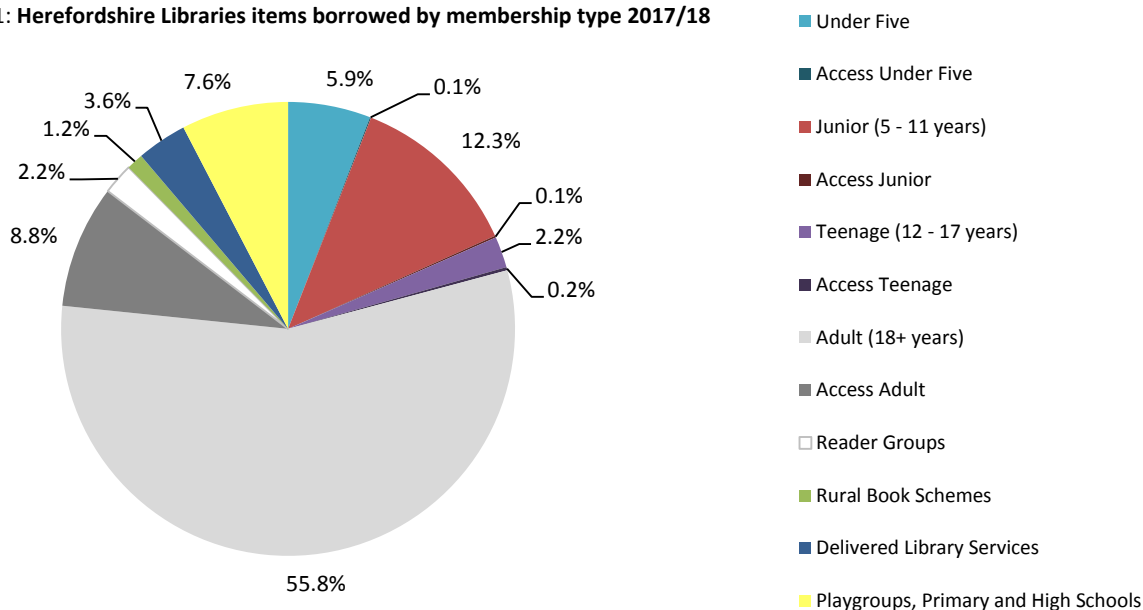
| Table 6: Herefordshire Libraries websites usage 2017-18       | Users  | New users | Sessions | Page views |
|---|--------|-----------|----------|------------|
| Library pages on Herefordshire Council website                | 10,421 | 5,607     | 10,255   | 9,179      |
| Library catalogue (Prism)                                     | 18,426 | 18,121    | 98,784   | 208,649    |
| Herefordshire History website (digital local history library) | 25,372 | 23,482    | 27,241   | 830,053    |

| Table 7: Herefordshire Libraries social media sites usage 2017-18 | Customer engagement |
|---|---------------------|
| Herefordshire Libraries Facebook account                          | 1,495 likes         |
| Herefordshire History Facebook account                            | 4,073 likes         |
| Herefordshire Libraries Twitter account                           | 3,240 followers     |

## 2.6 Profile of Library Users

Libraries are used across age groups- the following chart shows the range of use by age of the library service.

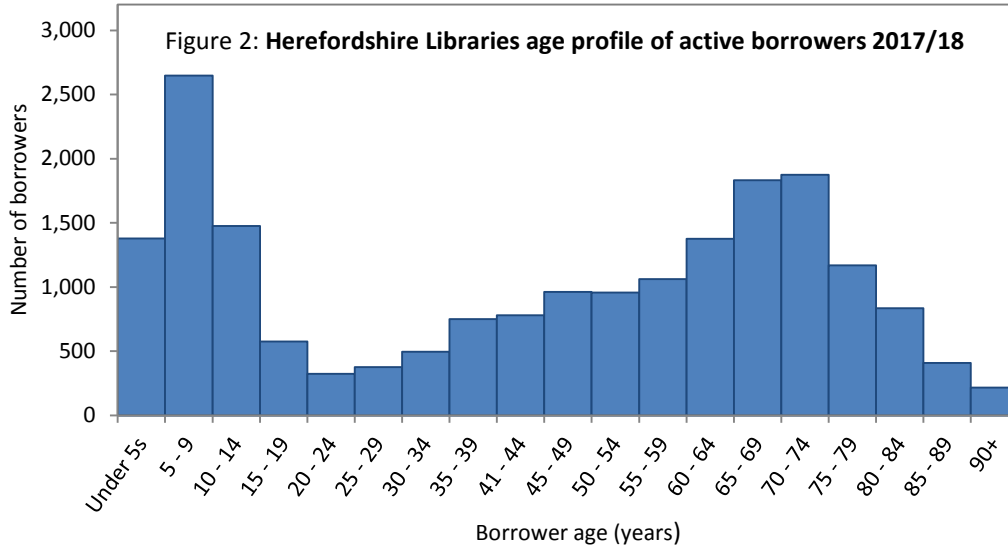
Figure 1: Herefordshire Libraries items borrowed by membership type 2017/18



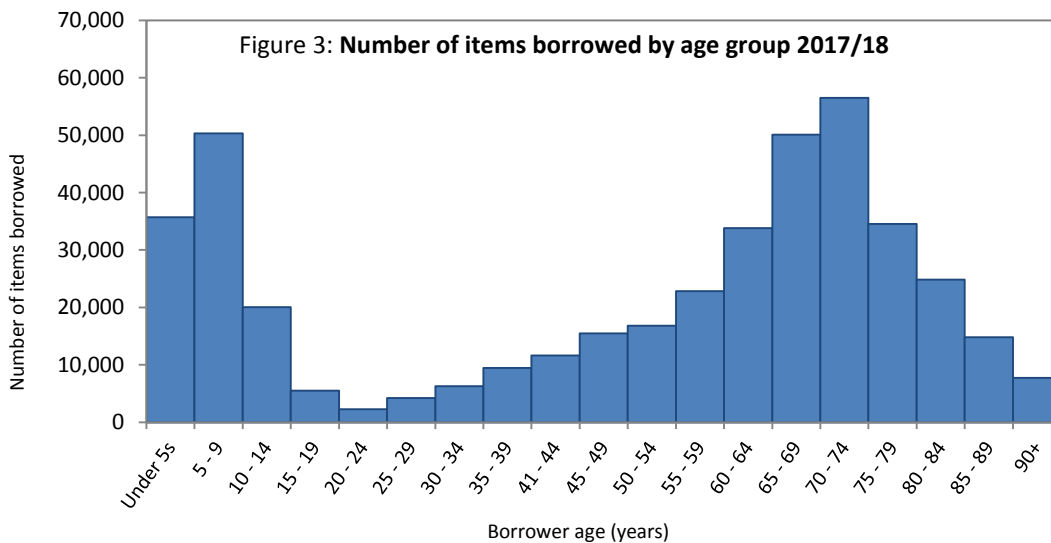
The above chart shows a high percentage of library use by children and young people compared to the number of children in the county population – children 17 years and under accounted for 22.6% of public library loans, whereas 19.0% of the Herefordshire population are aged 17 and under.

The “active borrowers” data gives a good indication of the age groups who use the library service. This data is based on transactions where individuals have supplied a date of birth. This includes borrowers with active status who have loaned at least one item in 2017/18 – it does not include group members, e.g. playgroups, readers groups, rural book schemes, residential homes, etc.

## 2.7 Herefordshire Libraries age profile of active borrowers 2017/18

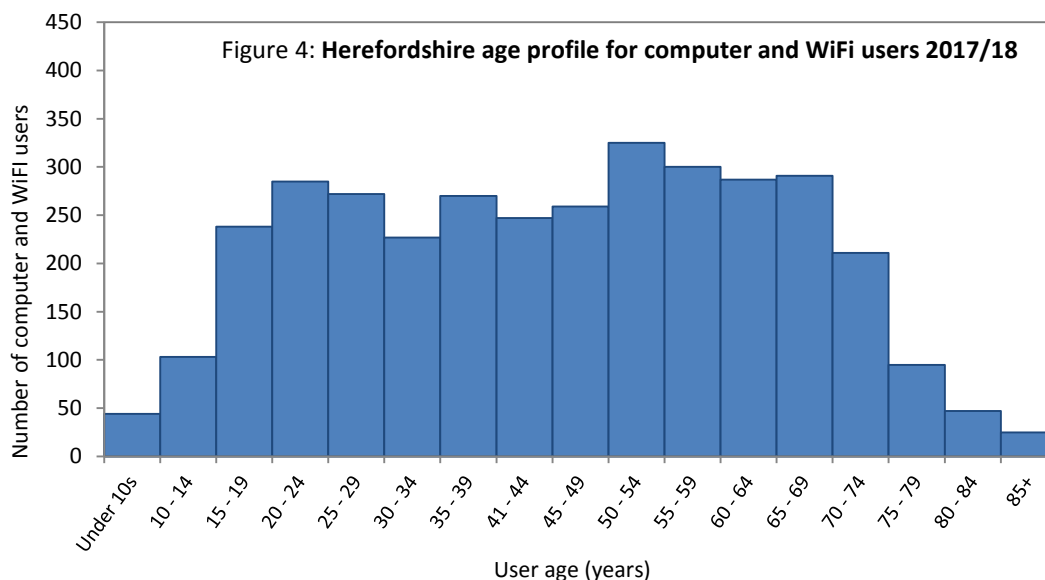


476,703 physical items were borrowed from public libraries in Herefordshire last year. The library loans by borrower age graph below shows how many items each age group borrowed. All age groups borrowed books and other items, but the groups that borrowed multiple items per person were children and over 65s.



## 2.8 Herefordshire library computer and WiFi use by age 2017/18

The following graph shows the age breakdown of Herefordshire library members who have used a library computer or Wi-Fi in the last two years. This shows that members from across age groups use library ICT, with the highest use by adults aged 15 to 69.



## 2.9 Schools Library Service

Primary schools can sign-up to a service level agreement (SLA) with the library service for an annual provision including two visits by the schools’ mobile library van. The alternative option is to have a more adhoc arrangement through “topic boxes” on specific areas of interest, known as “pay as you go” (PAYG). This is illustrated below.

| Table 8: Primary Schools Library Service | 2017   | 2016   |
|--|--------|--------|
| School with SLA                          | 45     | 50     |
| School purchased PAYG service            | 4      | 3      |
| Total schools                            | 49     | 53     |
| Individual students reached PAYG         | 2,198  | 1,999  |
| Individual Students reached via SLA      | 8,356  | 9,568  |
| Total students                           | 10,554 | 11,567 |
| Books borrowed through SLA               | 35,224 | 38,072 |
| Books borrowed PAYG                      | 22,728 | 25,264 |
| Total books issued                       | 57,952 | 63,336 |

Note: service is also used by 2 out-of-county primary schools

There is also a service to high schools based on book stock (rather than visits) involving 12 high schools, reaching 13,789 of numbers of pupils on the school roll with 39,655 number of books borrowed.

## 3. The Museum Service

Over 180,000 historic objects are in the care of the museum service of Herefordshire Council. These collections give an insight into the history, identity and uniqueness of the county. As well as caring and preserving those collections for future generations the museum service also ensures access to an array of artefacts through events, the operation of sites and on-line. The service has been awarded accreditation from the Arts Council.

The focus of the collection is based on understanding Herefordshire’s archaeology, social and natural history. The collections themselves are housed in one of the finest dedicated museum stores in the country, which was established in 2008 supported by major investment by Herefordshire Council and the Heritage Lottery Fund.



### 3.1 Figures for Black and White House

In April 2017 entrance fees were introduced for the Black and White House to support the sustainability of the service and enable the care of the collections. This has changed the nature of visits (with a drop in attendance) but does mean a significant increase in average spend per visitor and shop user numbers. Table 9 shows the changes in use over the years next to level of income, followed by detail of 2017/18 visit profile. In total there were 10,944 (via public visits, groups, school groups and visits to the shop).

Table 9

| Month | Total  | Average visitors per Month | Takings for year £ | Average takings per month £ | Average takings per visitor £ |
|-------|--------|----------------------------|--------------------|-----------------------------|-------------------------------|
| 2009  | 35,665 | 2,972                      | 4,825              | 402                         | 0.14                          |
| 2010  | 35,113 | 2,926                      | 5,628              | 469                         | 0.16                          |
| 2011  | 35,075 | 2,923                      | 5,013              | 417                         | 0.14                          |
| 2012  | 35,562 | 2,964                      | 5,382              | 448                         | 0.15                          |
| 2013  | 29,700 | 2,475                      | 4,219              | 351                         | 0.14                          |
| 2014  | 16,662 | 1,389                      | 1,716              | 143                         | 0.10                          |
| 2015  | 19,014 | 1,585                      | 2,230              | 185                         | 0.12                          |
| 2016  | 27,806 | 2,317                      | 5,450.34           | 454                         | 0.20                          |
| 2017  | 10,944 | 1,094                      | 23,735             | 1,829                       | 2.16                          |

The following tables show the 2017/18 profiles.

| Table 10: Black and White House Public Visits 2017/18 | Adults | Children | Under 5s | Total |
|---|--------|----------|----------|-------|
| April   | 731    | 139      | 0        | 870   |
| May   | 773    | 69       | 16       | 858   |
| June  | 558    | 41       | 8        | 607   |
| July  | 648    | 66       | 17       | 731   |
| August  | 848    | 206      | 31       | 1085  |
| September   | 807    | 56       | 9        | 872   |
| October   | 603    | 74       | 18       | 695   |
| November  | 433    | 29       | 12       | 474   |
| December  | 237    | 33       | 3        | 273   |
| March   | 620    | 49       | 19       | 688   |
| Total   | 6,258  | 762      | 133      | 7,153 |

| Table 11: Black and White House School Visits 2017/18 | Adults | Children | Total |
|---|--------|----------|-------|
| April   | 0      | 0        | 0     |
| May   | 5      | 37       | 42    |
| June  | 10     | 69       | 79    |
| July  | 12     | 85       | 97    |
| August  | 0      | 0        | 0     |
| September   | 5      | 26       | 31    |
| October   | 3      | 18       | 21    |
| November  | 18     | 87       | 105   |
| December  | 0      | 0        | 0     |
| March   | 0      | 0        | 0     |
| Total   | 53     | 322      | 375   |

| Table 12: Black and White House Group Visits 2017/18 | Adults | Children | Total |
|--|--------|----------|-------|
| April  | 0      | 0        | 0     |
| May  | 35     | 4        | 39    |
| June   | 22     | 0        | 22    |
| July   | 0      | 0        | 0     |
| August   | 2      | 3        | 5     |
| September  | 12     | 0        | 12    |
| October  | 20     | 0        | 20    |
| November   | 0      | 0        | 0     |
| December   | 5      | 3        | 8     |
| March  | 31     | 7        | 38    |
| Total  | 127    | 17       | 144   |

| Table 13: Black and White House Total Visits 2017/18 | Adults | Children | Shoppers | Total  |
|--|--------|----------|----------|--------|
| April  | 731    | 139      | 470      | 1340   |
| May  | 813    | 126      | 417      | 1356   |
| June   | 590    | 118      | 307      | 1015   |
| July   | 660    | 168      | 357      | 1185   |
| August   | 850    | 240      | 441      | 1531   |
| September  | 824    | 91       | 296      | 1211   |
| October  | 626    | 110      | 264      | 1000   |
| November   | 451    | 128      | 225      | 804    |
| December   | 242    | 39       | 180      | 461    |
| March  | 651    | 75       | 315      | 1041   |
| Total  | 6,438  | 1,234    | 3,272    | 10,944 |

### 3.2 The Museum and Art Gallery

The outlet for viewing the wider history of Herefordshire through a range of museum collections along with special exhibitions is the Museum and Art Gallery at Broad Street in Hereford. There has been some period of closure due to works on site so the following tables show the months the museum and art gallery were open. These figures are largely in-line with previous years if accounting for the closed months. This is a free service now largely staffed by volunteers.

| Table 14: Hereford Museum and Art Gallery Visits 2017/18 | Open Days | Adults | Children | Total         |
|--|-----------|--------|----------|---------------|
| July   | 18        | 935    | 312      | 1247          |
| August   | 23        | 1289   | 593      | 1882          |
| September  | 22        | 835    | 137      | 972           |
| October  | 25        | 1575   | 224      | 1799          |
| November   | 23        | 836    | 111      | 947           |
| December   | 5         | 83     | 15       | 98            |
| February   | 17        | 950    | 343      | 1293          |
| March  | 24        | 1761   | 414      | 2175          |
| Total  | 157       | 8264   | 2149     | <b>10,413</b> |

### 3.3 The Museum Resource and Learning Centre and collections (MRLC)

The MRLC as referenced above is where the county collections are stored. It also provides a place for school visits, research centre, workshop and talks. The figures for 2017-18 are as below – the majority of sessions are chargeable with target income set for the service:

- Young people/students (16-18 years) = 155
- School children sessions = 457
- Adult workshops/tours/talks/collections = 573

In addition the service will show collections in “outreach venues”. For 2017/18 this included:

- Hereford City shops - Ferrous displays – at least 90,000+ visitors (3 weeks)
- Blenheim Palace – 70,000 visitors (5 months)
- Cathedral, Forest Charter exhibition – c.15,000 visitors (5 months)

## 4. The Archive Service

The Archive Service based at HARC (Herefordshire Archive and Records Centre) holds in the region of 7,800 archive collections occupying over two miles of shelving, with archives dating back as far as the twelfth century.

Herefordshire Council took the step to create a purpose built centre for archives which opened in 2015, which has been recognised for its innovation and quality through numerous awards. The core purpose in creating the building was to improve the visitor experience when researching the collections along with providing the right environment for the longevity of archives.

The service also has a role in conservation of the archives and records, repairing damage created in the past and preventing any further deterioration. The service also runs events to raise awareness of the archives, using them as a source of education and learning. Increasingly the archives are being made available on-line to support people’s access if unable to travel to HARC.

HARC is accredited by the National Archives and is designated a place of deposit for the custody of public record. It is also the designated Diocesan Record Office.

Records held fall into the following categories:

**Diocesan** covers parishes in Herefordshire, South Shropshire, and parts of Worcestershire, Monmouthshire and Powys.

**Parish** - registers and records of Church of England parishes within the county of Herefordshire, as well as those of several parishes outside the county.

**Local Government** - the historic records of Herefordshire Council, and its predecessors; also Hereford City and Leominster Borough, as well as district and parish councils.

**Private** – these form a large portion of the holdings and relate to all aspects of the history and development of the geographical county of Herefordshire, and its inhabitants.

**Public** - The National Archives has designated Herefordshire Archive Service as a Place of Deposit for public records.

### 4.1 Use of HARC and the Archives

The archive service is the principal service at HARC, though the centre also includes the archaeology unit, the historic environment records and the biological records with their respective teams. It has also become the planning search centre, the council’s data centre, and recently available office space has been adapted to accommodate a multi-agency-office (MAO) to make the most of the building.

Table 15 shows the user numbers relating to the Archive Service between 2016 and 2017. There is a reduced number of in person visits using the Search Room balanced with increase in distance enquiries – this can relate to two elements in that people visited in 2016 as curious to see the new build and in 2017 more provision made on line to access the archives.

| Table 15: Use of HARC    | 2016  | 2017  |
|--------------------------|-------|-------|
| Search room visits       | 3,156 | 2,889 |
| Talks, exhibitions, etc. | 4,601 | 7,108 |
| Distance enquiries       | 2,523 | 3,317 |

The Archive Service charges for its services – see [link](#) to the council website for charging breakdown.

## 5. Resourcing the Services

The table below gives a break-down of costs of running the services.

| Sites and Services                | Rent           | Rates          | Utilities     | Revenue Budget | Income          | Staffing         | County Book Fund | Total            |
|-----------------------------------|----------------|----------------|---------------|----------------|-----------------|------------------|------------------|------------------|
| Hereford Library & Museum         |                | 21,708         | 10,606        | 2,822          | -27,912         | 149,314          | 57,900           | 214,438          |
| Ross Library                      | - 19,300       | 21,553         | 8,496         | 1,795          | -14,552         | 112,491          | 25,090           | 135,573          |
| Leominster Library                | 188            | 24,908         | 7,973         | 1,688          | -17,067         | 127,611          | 30,880           | 176,181          |
| Ledbury Library                   |                | 7,107          | 8,611         | 4,796          | -15,172         | 47,131           | 13,363           | 65,836           |
| Kington Library                   |                | 5,825          | 3,478         | 141            | -1,440          | 18,588           | 7,916            | 34,508           |
| Bromyard Library                  |                |                |               | 18,038         | -1,382          | 4,276            | 6,215            | 27,147           |
| Schools / Delivered Library       |                |                |               | 11,401         | -66,093         | 100,036          | 31,771           | 77,115           |
| Community libraries               | 1,029          |                |               |                | -13,637         |                  | 15,494           | 2,886            |
| County Library Team               |                |                |               | 91,569         |                 | 211,615          | 17,370           | 320,554          |
| Black and White House             |                | 7,511          | 690           | 12,600         | -40,800         | 53,221           |                  | 33,222           |
| Heritage Management / collections |                | 38,320         | 2,318         | 10,430         | -14,016         | 69,481           |                  | 106,533          |
| HARC / Archive Service            |                | 167,063        | 24,816        | 20,530         | -28,545         | 240,150          |                  | 424,014          |
| MLA Management Costs              |                |                |               | 5,524          |                 | 104,458          |                  | 109,982          |
| <b>Grand Total</b>                | <b>-18,083</b> | <b>293,995</b> | <b>66,988</b> | <b>181,334</b> | <b>-240,616</b> | <b>1,238,372</b> | <b>205,999</b>   | <b>1,727,989</b> |

### Notes:

- Figures are rounded up.
- Site costs are based on actuals for 2017/18 financial year and revenue based on 2018/19 budget.
- The staffing for market town libraries is the north and south teams which work flexibly across sites. North: Kington and Leominster; South: Ledbury, Ross and Colwall.
- Rates for Hereford Library are typical for the year. Rates suspended due to not being open.
- Community libraries – a high level of income is shown because the council receive an income from Colwall Parish Council to cover for staffing. Small levels of income are from stock charges. Not shown is the contribution from the county library service to the community libraries for stock management, training and IT access.
- The county book fund is one budget but shown here as divided between the sites and services to give the value of operating costs.
- The cost of running the county courier service is included in the delivered services costs as an integrated cost.

## Hereford Library and Museum – Mezzanine Development

### Business Case Profile

#### 1. Introduction

This business case is an assessment of the development of the mezzanine at Hereford Library and Museum (also referred to as the first floor). The estimated expenditure is £180K-£230K to turn the space into a community and council use facility.

#### 2. Context

Hereford Library is the most used library in Hereford, often referred to as the County Library. It has a long history of public usage, since its establishment in 1837 and its purpose as a library is covered by a covenant (in subsequent years agreement was put in place to include a museum).

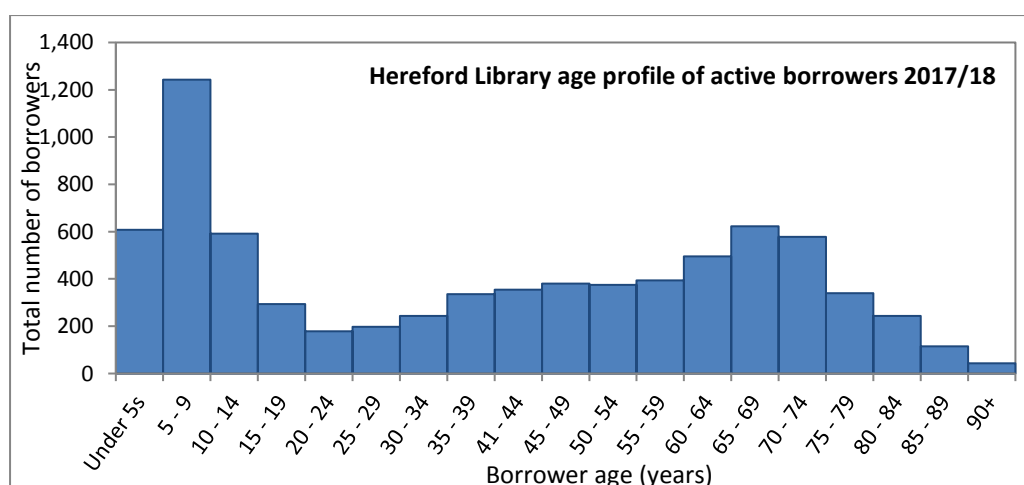
The visitor numbers and number of issues over the last 5 years are as below:

| Library visits | 2017-18 | 2016-17 | 2015-16 | 2014-15 | 2013-14 |
|----------------|---------|---------|---------|---------|---------|
| Hereford       | 153,029 | 92,330  | 96,692  | 184,434 | 196,325 |

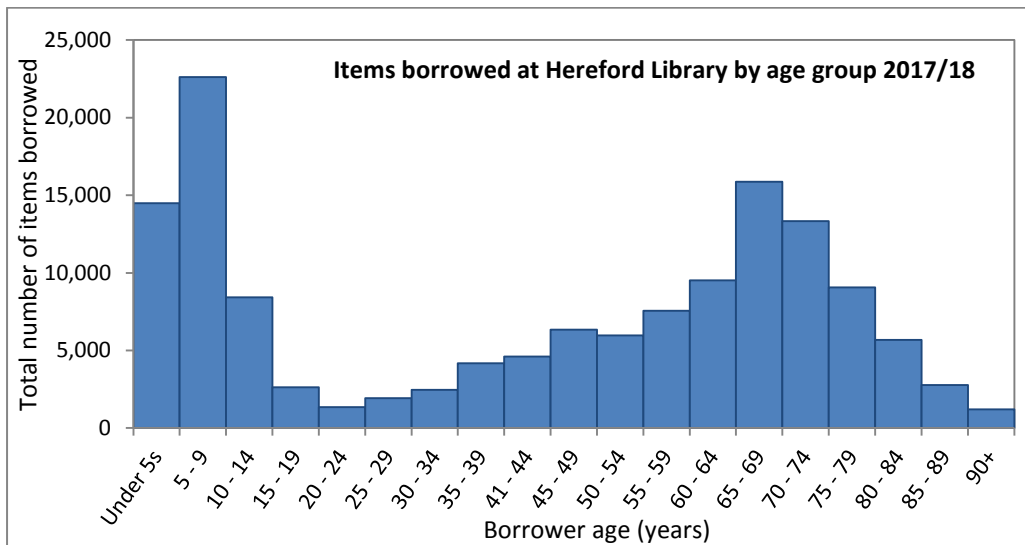
| Library issues | 2017-18 | 2016-17 | 2015-16 | 2014-15 | 2013-14 |
|----------------|---------|---------|---------|---------|---------|
| Hereford       | 143,289 | 68,755  | 101,493 | 175,608 | 191,255 |

The charts below aim to give an overview of the age profile of Hereford Library use. This is based on active borrowers (who have borrowed one or more items from Hereford Library between 1 April 2017 and 31 March 2018 with each borrower only counted once). This is not the total number of active borrowers who use Hereford Library; this data set only includes borrowers who have a date of birth recorded.

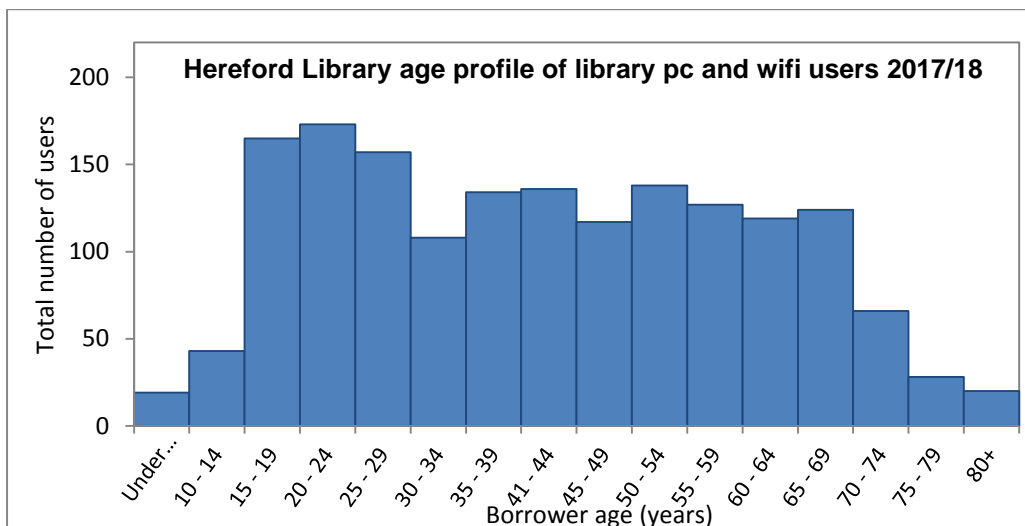
The first chart shows the age profile of active borrowers at Hereford Library.



The following chart shows the total number of items borrowed from Hereford Library between 1 April 2017 and 31 March 2018 by borrower age group. This is not the total number of items borrowed from Hereford Library; this data set only includes loans to borrowers who have a date of birth recorded.



The final chart shows the age profile of the total number of library computer and library WiFi users at Hereford Library between 1 April 2017 and 31 March 2018. Each customer is only counted once and only includes users who have a date of birth recorded and does not include library guest users.



The figures on user numbers tell us three key things:

- That use (borrowing and visits) from children between the ages of 0-10 is high, specifically 5-9 years which are formative years to children’s education preparedness.
- The usage is also important for people 65+
- Though there is a dip in use between 15 years to 60 years, the wifi and PC is important across those ages.

The annual cost of running Hereford Library is as below:

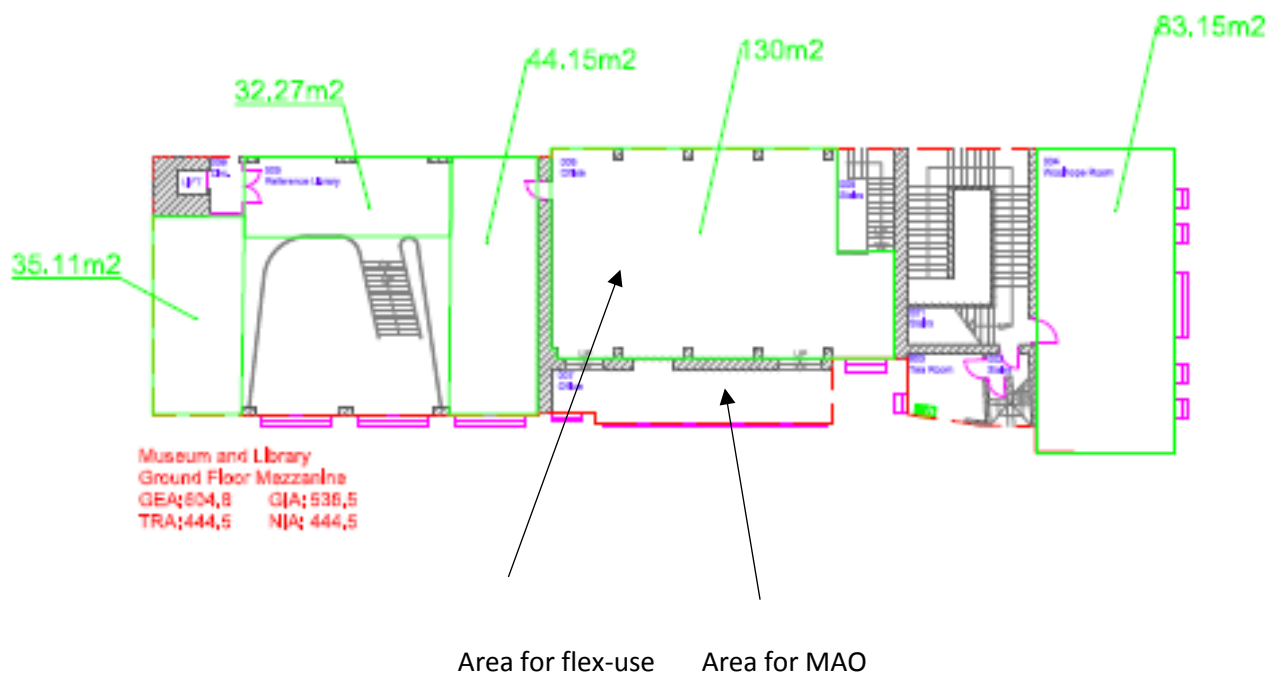
| Service / function        | £      |           |                |         |          |           |         |
|---------------------------|--------|-----------|----------------|---------|----------|-----------|---------|
|                           | Rates  | Utilities | Revenue Budget | Income  | Staffing | Book Fund | Total   |
| Hereford Library & Museum | 21,708 | 10,606    | 2,822          | -27,912 | 149,314  | 57,900    | 214,438 |

(figures composed from 2017/18 property cost and revenue based on 2018/19 budget)

In September 2015 Hereford Library was closed for a period of 18 months to allow the removal of asbestos from the site; a small pop-up library operated at Hereford Town Hall during this time and extra opening at Belmont. That would account for the dip in visitor numbers and issue numbers. Since reopening on 30 January 2017 issues and visitor figures have continued to rise and are approaching pre-closure targets. As the busiest library in the county, Hereford Library has the most capacity for increased usage and income generation, but both are currently limited by lack of space within the building.

Cabinet agreed on 9<sup>th</sup> May 2016 ([Hereford Library and museum response](#)) that capital investment would be used to invest in refurbishing the site. In the course of doing this work the first floor space (previously used as storage and work room) was cleared in preparation for further works to extend public access. Access to the space is via three routes – stairway at the front to the library, stairway towards the back of the library through the reference area, and by the lift at the back of the library and through the reference area. This provides an opportunity to create a flexible multi-purpose space within the building.

The floor plan as below:



### 3. The Proposal

The current space is unused space (with the exception of storage). The purpose would be to create a flexible space in the main area to be used as:

**Study / work area** – to expand the reference library area, with flexible shelving and desk space for study in its different forms – to include wifi.

Demand: to support children and young people with homework / course work within a positive and quiet environment. To include wifi as increasingly study work is conducted on-line – a barrier to access services on-line is the cost of equipment and subscription which these proposals will aim to address. The space will also provide a study area for students as part of the university.

**Consultation** – at certain times the space can be used / hired for consultation.

Demand: As a city centre location this will be ideal (part of the library was used recently for just that purpose). It can also be an information point for major projects.

**Training** – as a hireable space for training, seminars, events and conferences.

Demand: Again as a city centre location this will suit people using Hereford and provides good public transport links. The council and the library service itself could also use the space to run events including children's holiday workshops.

**Displays** – to include heritage image and displays.

Demand: As a shared site with the museum service there is opportunity to show more of the collection of historic objects. Also, images from the Herefordshire History website (managed by the Library Service) to promote sale of images.

**Multi-agency Office** – in one area creating in the region of six desks as a multi-agency office.

Demand – as the council reduces its property portfolio and adopts more flexible working policies, the desks at the library would create work space for officers / members needing to work from Hereford. These will operate as similar to other MAO in the county in providing bookable desk space.

### 4. Outcomes

The above points regarding "demand" outlines some of the need. This fits with the agreed objectives of the library service:

There are four key principles influencing the delivery of the library service:

- Provide and enable a free core library service across Herefordshire, supporting social interaction and reducing isolation.
- For centres to provide shared spaces as part of the community life of an area, fostering local regeneration and local identity.
- Promote reading for all ages and access to books, supporting learning and discovery.
- Work with the community to provide the level of library service want through support of community-run libraries and volunteering.

The outcomes would then be:

- Improved study space for children and young people supporting educational attainment
- Create space for concentrated work such as job applications and CVs
- Support the council and other agencies on engagement / consultations
- Assist the council's approach to flexible working and efficient use of time / resources



- Form a space at the library, as a trusted and safe place, for community events
- Known as a “go to” place for information on key consultations
- Increase use of the library, creating better value for money for revenue spend for the council

The expenditure is based on works and purchase for:

- Build work including widening the door way to allow for wheelchair access
- Fixtures and fittings
- Lighting, heating, power
- Furniture
- Redecoration
- Wifi

## 5. Alternative Options

### Alternative Option 1 – do minimum

|  |   |
|--|---|
| Do basic works required to lighting, power, flooring, etc. – this is to ensure compliance, not to make the investment in bringing the space into use. The library would continue to operate as is. |   |
| Pros   | Cons  |
| <ul style="list-style-type: none"> <li>• The council does not need to allocate additional expenditure that will not net a return of many years.</li> </ul>   | <ul style="list-style-type: none"> <li>• Would not meet the outcomes as outlined above.</li> <li>• Basic fit-out would still need to be done.</li> <li>• Would not extend public space or generate income.</li> </ul> |
| Estimated cost   | £75K  |

### Alternative option 2 – minimum and Multi Agency Office (MAO)

|  |   |
|--|---|
| To use the large room to create MAO for staff use, with smaller community use space. There would be the need to include widening door, box in staircase, power, lighting, flooring and IT. |   |
| Pros   | Cons  |
| <ul style="list-style-type: none"> <li>• The council supports its approach to flexible working and de-commission of properties for office use.</li> <li>• Would cost less.</li> </ul>      | <ul style="list-style-type: none"> <li>• Would reduce the community benefit.</li> <li>• Would not generate income.</li> </ul> |
| Estimated cost   | £150K   |

### Alternative option 3 – Major redevelopment

|  |   |
|--|---|
| A large scheme to redevelop the whole site linked to proposals made by Hereford Library User’s Group.  |   |
| Pros   | Cons  |
| <ul style="list-style-type: none"> <li>• Would create an iconic library for Hereford.</li> <li>• Opportunity for greater community use.</li> </ul> | <ul style="list-style-type: none"> <li>• High cost.</li> <li>• Timescale in terms of raising funding could be some considerable time.</li> <li>• Risk of not happening at all with the space remaining under-utilised.</li> </ul> |
| Estimated cost   | £5-10m  |

### Alternative option 4 – Apply for funding

|   |   |
|---|---|
| To seek external funding to progress proposals.   |   |
| Pros  | Cons  |
| <ul style="list-style-type: none"> <li>Means no or less spend for the council.</li> <li>Make the most of the building.</li> </ul> | <ul style="list-style-type: none"> <li>Takes investment to apply for funding with risk of not accessing funding after the effort of applying.</li> <li>Takes time and could lead to delay in implementing for public benefit.</li> <li>Need to meet criteria of funders which could change the nature of the scheme.</li> <li>Limited opportunity for external funding for libraries (though some through heritage for historic features).</li> </ul> |
| Estimated cost  | £50k (to cover revenue cost of fundraiser depending on the level of the scheme)   |

## 6. Financial Return

The financial benefit in terms of generating an income would be:

| Income  | Per annum £ |
|---|-------------|
| Hire of the space for events, seminars and consultations                  | 7,000       |
| Herefordshire Histories website additional sales through raised awareness | 1,000       |
| Net revenue from council operated events                                  | 3,000       |

Other in-direct savings:

- Provide MAO space in Hereford for staff to work effectively
- Increase use of the library making the most of the building
- Benefit to children’s education, adult learning and inclusion for all ages

## 7. Risks

The risks are based on the proposal of redevelopment of the First Floor Space.

|  |   |
|--|---|
| Risk: Spend on capital   | Mitigation  |
| <ul style="list-style-type: none"> <li>That the expected expenditure is higher than estimated costs</li> </ul> | <ul style="list-style-type: none"> <li>Confirm costs via tender process</li> <li>Further decision agreed process</li> </ul> |

|  |   |
|--|---|
| Risk: Income less than planned   | Mitigation  |
| <ul style="list-style-type: none"> <li>That income level to the services is less than estimated</li> </ul> | <ul style="list-style-type: none"> <li>Promote opportunities for hire space and general promotion of the library</li> </ul> |

| Risk: No opportunity for further development  | Mitigation   |
|---|--|
| <ul style="list-style-type: none"> <li>Proposals give little opportunity for further development of the library and museum in the future</li> </ul> | <ul style="list-style-type: none"> <li>The proposals allow for any longer term plans as a base to build from if funding is raised for further development of the site</li> </ul> |

## 8. Equality Impact Assessment

The equality duty (PSED) set out in Section 149 of the Equality Act 2010 relates to different groups who share any of the “protected characteristics” of age, sex, pregnancy and maternity, disability, race, marriage and civil partnership, religion or belief, sexual orientation.

Hereford Library is available to any member of the public to access and does not discriminate in terms of protected characteristics. However, it is worth considering impact on “age”, specifically children high percentage use and 65+ year use.

The key specific benefit is increased area for study and homework of age groups and more generally. Another positive impact is widening the doorway to the larger room to cater for wheelchair users. Generally, there is expanded space to meet demand from specific group groups.

## 9. Summary Findings

Additional income generated via the services will not cover the capital costs for the redevelopment of the larger room and creation of an MAO. However, to take into consideration is the added benefit of maximising the space at the library and museum. Creating a flexible space will need managing, but is the best approach making use of a city centre location. The benefits to the community and the council is difficult to measure in financial terms, but creates wider social benefit. This is specifically for the high use age groups of children and older adults, with the library service presenting well being benefits for users of the library service<sup>1</sup>.

The proposal also allows for the service to apply to funders to bring out the historic features of the large first floor room (and this can be done in tandem with preparing for the works). It also allows for any large scale scheme to be progressed by Hereford Library User’s Group or other body.

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<sup>1</sup> The Health and Well Being Benefits of Public Libraries (2015), Arts Council England: [link](#)





|                         |   |
|-------------------------|---|
| <b>Meeting:</b>         | <b>Cabinet</b>                                      |
| <b>Meeting date:</b>    | <b>Thursday 28 June 2018</b>                        |
| <b>Title of report:</b> | <b>Corporate Peer Challenge</b>                     |
| <b>Report by:</b>       | <b>Cabinet member corporate strategy and budget</b> |

## Classification

Open

## Decision type

Non-key

## Wards affected

(All Wards);

## Purpose and summary

To consider the findings of the recent Local Government Association (LGA) corporate peer challenge and agree how those findings will be used to inform improvement plans.

Herefordshire Council recently took up the offer of an LGA corporate peer challenge, recognising the opportunity this provided to have an independent and objective assessment of the council's achievements and plans to continue the journey of improvement.

The report of the peer team's findings identifies areas of success and good practice, and suggests actions that could be taken to enable us to achieve more. The recommendations propose ways in which those suggestions can be taken forward.

## Recommendation(s)

That:

- (a) **the approach (at appendix 1) to responding to the recommendations from the corporate peer challenge be approved.**

## Alternative options

1. To take no action. This is not recommended because the value of considering the issues raised by the peer team as part of the council's commitment to continuous improvement would be lost.
2. To develop a specific action plan in response to the peer team's recommendations. This is not recommended because improvement activity is already underway or planned in many areas. The recommendations of the peer challenge team will inform this work; establishing a separate action plan would add to the bureaucracy of monitoring and reporting without necessarily adding value to the improvement.
3. It is open to Cabinet to agree different approaches to taking forward the recommendations; in doing so regard should be had to existing and planned improvement activity to ensure alignment of activity and best use of resources.

## Key considerations

4. Towards the end of 2017 Herefordshire Council invited the Local Government Association (LGA) to carry out a corporate peer challenge. The corporate peer challenge is the most robust independent, external full council assessment, review and challenge process available to local government and is strongly advocated by government. It is seen as an important opportunity for councils to benefit from external objective assessment of its leadership, its performance, its achievements and its plans – and to receive suggestions on how it could improve further. Herefordshire Council is committed to continuous improvement so we saw this as vital. We were delighted that the peer challenge team were very positive about so much that they saw in our council; we were also pleased to receive the helpful suggestions as to how we can keep improving.
5. There are five core elements reviewed in all corporate peer challenges:
  - local place and priority setting;
  - capacity to deliver;
  - leadership of place;
  - organisational leadership and governance; and
  - financial planning and viability
6. In addition the peer team were asked to provide their views on scrutiny, organisational culture, policy development, and decision making. A full list of the questions that the team were invited to consider is on pages 35 and 36 of the council's [position statement](#).
7. The challenge team consisted of seven peers - elected member and officers whose experience and expertise reflected the requirements and focus of the challenge. The team prepared for the peer challenge by reviewing the council's position statement together with a range of supporting documents and information, to familiarise themselves with the council and its challenges in advance of a four day site visit in February 2018. During their time in Herefordshire the team spoke to over 100 people including elected members and staff from across the council and a range of partners, and gathered information from almost 40 meetings. Full details of the team and their findings are contained in their report attached at appendix 2.

## Key messages from the peer challenge

8. The results of the peer challenge are positive finding a number of strong foundations for progress in place which can be summarised in three broad areas:

### *Commitment to and understanding of place*

- ✓ Comprehensive understanding of the county and its challenges demonstrated by members and officers;
- ✓ Clear documentation of knowledge and vision in the corporate plan and joint strategic needs assessment;
- ✓ Clear identity with and commitment to Herefordshire across the council;
- ✓ An engaged workforce proud to work for Herefordshire.

### *People and resources*

- ✓ Relatively secure financial position over the medium term provides a platform to realise the county's ambitions;
- ✓ Increased reserves;
- ✓ Officer and member relationships professional and sound;
- ✓ Evidence of effective cross-council working.

### *Delivery and improvement*

- ✓ Within the council there is an appetite to learn, a desire to improve and awareness of key areas for change;
- ✓ Good understanding of the importance of scrutiny;
- ✓ CPIP (the council's continuous performance improvement programme) has a welcome focus on supporting better outcomes;
- ✓ Activity to make the council more digital;
- ✓ Many examples of successful service-based change projects;
- ✓ Successfully delivered significant financial savings;
- ✓ Evidence of improving revenue budget management and reporting;
- ✓ Review of the constitution;
- ✓ Directorate performance challenge sessions that encourage cross party member engagement;
- ✓ Strong evidence of the council working proactively with others;
- ✓ The 'One Herefordshire' approach to health and social care system transformation;
- ✓ Active role in assisting schools;
- ✓ Examples of strong place-based working;
- ✓ The council is a well-respected player at sub regional level punching above its weight to secure resources for the county.

9. The peer team also identified areas where activity or change would enable us to achieve more; these can be summarised in three broad areas:

10. *Taking the 'One Herefordshire' approach further* to develop a compelling narrative with our strategic partners setting out how the county needs to change and why, including developing and defining the council's relationship with communities and community engagement in order to achieve improved community resilience. The report noted opportunities to:

- Continue to look outwards to secure investment and other benefits;
- Develop and communicate Herefordshire's 'unique selling point' (USP);

- Focus on how we support communities - developing a more strategic, collaborative and corporate approach to building more resilient communities including the relationship we have with parish councils;
  - Ensure partnership working is embedded across all parts of the organisation.
11. *Developing a 'One Council' approach* which would help us be more effective through planning and acting more consistently as a whole council rather than in directorates or services – the whole being greater than the sum of the separate parts. The report noted opportunities to:
- Carry out a strategic review of resources and financial planning to ensure resources are aligned to strategic priorities;
  - Develop a more corporate approach to identifying, scrutinising, delivering and monitoring savings;
  - Continue steps to improve governance and project management complemented with corporate learning and development activity;
  - Develop a strategic cross-council approach to transformation, including a strategic approach to workforce activities;
  - Invest in member and employee development to support achievement of the council's corporate priorities;
  - Create more space for the political and officer leadership to work together strategically;
  - Define and embed the right values and behaviours as well as carry out structural changes.
12. *Underpinning the One Herefordshire and One Council approaches with clear and confident communications.* The report noted opportunities to:
- Build on our success and be confident in our political and community leadership;
  - Develop a council-wide communications plan to deliver a more proactive and co-ordinated approach to external communications so that key messages are shared and achievements celebrated.
13. The peer team made nine key recommendations to the council and the initial assessment of the response to those recommendations is provided at appendix 1.
14. It is not proposed to have a corporate peer challenge action plan but rather to ensure the recommendations are used to inform strategic and operational planning going forward.
15. As part of the LGA corporate peer challenge offer all councils have the opportunity for a follow up visit around 18 months after the initial challenge has taken place. It is anticipated that this follow up visit will be scheduled for summer 2019.

## **Community impact**

16. In accordance with the adopted code of corporate governance, Herefordshire Council is committed to promoting a positive working culture that accepts, and encourages constructive challenge, and recognises that a culture and structure for scrutiny are key elements of accountable decision making, policy development, and review.
17. Inviting a corporate peer challenge, and publically reporting its outcome helps to ensure that the council establishes and maintains appropriate systems, processes, culture and values in order to achieve the council's vision of "people, organisations and businesses



working together to bring sustainable prosperity and well-being for all, in the outstanding natural environment of Herefordshire” and uphold its values of striving for excellence, and the appropriate quality of service, care and life in Herefordshire whilst being open, transparent and accountable.

## **Equality duty**

18. Under section 149 of the Equality Act 2010, the ‘general duty’ on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
  - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
19. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying ‘due regard’ in our decision making in the design of policies and in the delivery of services. As this decision does not directly affect the council’s policies or delivery of services, we do not believe that it will have an impact on our equality duty.

## **Resource implications**

20. There are no resource implications arising from the recommendation. The approach proposed is to integrate the response to the recommendations into existing or planned improvement and corporate planning activities. Any resource implications associated with individual activities will be subject to the normal governance processes before being progressed.

## **Legal implications**

21. The council’s duty under the Local Government Act 1999 to secure best value in the delivery of all its services and functions is effectively a duty to seek continuous improvement and to invite scrutiny of the council’s performance in delivering for the communities of Herefordshire. This corporate peer challenge informs and supports the council in meeting its legal duties.
22. There are no significant legal implications arising from this report; if, as a result of the recommendations of the corporate peer challenge, changes to council services or to the council’s workforce are proposed, these will be subject to appropriate levels of engagement and consultation as specifically required in each individual situation.

## Risk management

23.

| Risk / opportunity  | Mitigation   |
|---|--|
| If the recommendations are not responded to there is a risk that opportunities for improvement are not taken. | The proposed response to the recommendations ensures that the issues raised will be taken into consideration as part of the councils strategic and operational planning. |

## Consultees

24. The peer challenge team took account of the views of elected member representatives, employee representatives, and a wide range of partners and stakeholders to inform their recommendations.
25. Political group leaders have been advised that their suggestions on ways of taking forward the improvement activity would be welcomed for consideration. The It's Our County and the Green groups have provided their groups' views about the recommendations made by the peer challenge team. The It's Our County group included the following specific suggestions:
- Basing a 'USP' for Herefordshire on its unique rurality and positioning the county, in economic and wellbeing terms, as a high-end 'quality of life' location: unspoilt countryside, good small schools, niche high-tech, engineering and creative sectors, world-class food and drink production, caring communities;
  - An approach to developing resilient communities that includes: Participatory budgeting for parish councils; a proper dialogue about resourcing valued local services through, for example, enabling the city and market towns to retain income from car parking to support local service delivery; recognising the community well-being dimension of services such as libraries, culture and leisure; enabling volunteers and community groups to feel properly supported and empowered to achieve what the council needs them to provide; and
  - Considering a restructuring of directorates to ensure inter-connectedness.
26. The Green group included the following specific suggestions:
- Herefordshire's outstanding natural environment should be at the heart of the council's long term vision and the county's USP and the council could develop a 'three-legged' (social, economic and environmental) vision for the county;
  - Scrutiny committees could play an enhanced role in checking the impacts of policies;
  - Improve communications with members re council performance and implementation of improvement activity; and

- Develop a more strategic, long-term vision for in-house provision of public services, and invest in developing the council's workforce accordingly.
27. The response to the recommendations proposed at appendix 1 recognises that much of the work to progress the improvement activity is already underway or planned and the views of stakeholders, including members, will inform the development of future strategies.

## **Appendices**

Appendix 1 – Proposed response to recommendations

Appendix 2 – Local Government Association Corporate Peer Challenge

## **Background papers**

None identified



|    | <b>Recommendation</b>   | <b>Initial response</b>  |
|----|---|--|
| 1. | Articulate a longer term vision for Herefordshire including the development of a compelling narrative with your strategic partners under the banner of One Herefordshire. This will help clarify your ambition and establish your 'USP' | <p>The longer term vision for the county: <i>"People, organisations and businesses working together to bring sustainable prosperity and well-being for all, in the outstanding natural environment of Herefordshire"</i>, was originally developed with stakeholders through the sustainable community strategy process in 2010.</p> <p>Although there has not been a substantial re-testing of this overarching vision, supporting plans such as the <a href="#">Health and Wellbeing Strategy</a> and <a href="#">Economic Vision</a> have been developed with stakeholders and provide further depth to the vision specifically in relation to wellbeing and economic prosperity.</p> <p>The council's corporate plan is scheduled for review in 2019/20 and the vision will be tested more widely at that stage. Consideration will be given to including a representative residents' survey to test alignment between residents' priorities and those of the council.</p> <p>There is more to be done in clearly articulating how the council and partners' activities contribute to achieving the vision and communicating the distinctiveness of Herefordshire plans. There is also more to be done in ensuring a whole council understands the ambitions for the county and how they can contribute to achieving those ambitions. This will be progressed through the existing strategic and business planning processes to ensure that members, employees, and stakeholders have the opportunity to contribute and challenge as appropriate. In addition a communications and engagement plan is being developed to ensure that agreed messages are clearly and consistently articulated.</p> |
| 2. | Ensure consistent delivery and follow through to turn the positive rhetoric into reality – including relationships with communities and engagement with strategic partners  | <p>The peer challenge team recognised there were examples of strong place-based working using a systems approach.</p> <p>However there is more to be done to embed these approaches throughout the organisation. Through our management development programme planned for implementation in the autumn we need to promote the culture and support development of managers' skills to ensure consistent and effective partnership working, system leadership, and community engagement.</p> <p>We have introduced a corporate project management system for capital project management. We will maintain focus on delivery against agreed outcomes and objectives through the corporate performance reporting processes.</p> <p>The scrutiny committees will have the opportunity to review and challenge savings plans relevant to their areas as part of the budget setting process and may review delivery performance of particular projects or plans as appropriate.</p>   |

|    |  |  |
|----|--|--|
|    |  | A member development policy and programme is being developed; as part of that programme we will provide elected members with development opportunities to further build their skills in understanding and interrogating data, and in effective questioning and challenge.  |
| 3. | Undertake a strategic review of your finances so that the potential to resource your ambition and priorities over the medium term is maximized | <p>The peer challenge team highlighted the council's successful delivery of financial savings in recent years, which, together with an increase in general and earmarked reserves has placed the council in a relatively secure financial position over the medium term and provides a platform to realise the county's ambitions.</p> <p>A review of general and earmarked reserves has been undertaken as part of the process for preparing the end of year accounts and a report proposing use of some of those reserves in order to deliver priority outcomes appears elsewhere on Cabinet's agenda today.</p> <p>The annual budget setting cycle will provide a further opportunity to review alignment of resources to strategic priorities and a more fundamental review of the council's medium term financial strategy is planned for 2019/20 alongside the planned review of the corporate plan.</p> |
| 4. | Consider expanding your presence, profile and influence on the regional stage (and beyond) using your narrative and USP                        | <p>The peer challenge team recognised that the council is a well-respected player at the sub-regional level with a track record of success.</p> <p>It has been disappointing to note that consideration of Herefordshire Council's application to become a non-constituent member of the West Midlands Combined Authority will not be progressed in the short term. However, both individually and as a key partner in the Marches Local Enterprise Partnership, the council continues to actively engage in relevant regional bodies including the Midlands Engine, Midlands Connects and West Midlands Rail to secure investment and other benefits for the county and region.</p>   |
| 5. | Develop a more strategic, collaborative and corporate approach to building more resilient communities  | <p>The peer challenge team recognised there was evidence of effective work at a local level but there is more to be done to ensure there is a co-ordinated approach to engagement and locality working.</p> <p>We are developing a communications and engagement plan which will ensure a consistent approach to engagement.</p> <p>There are a number of community or locality based initiatives already in operation across the council, but these have largely been service led – for example developing a community commissioning model for public realm service delivery; the establishment of a health and wellbeing</p>   |

|    |   |  |
|----|---|--|
|    |   | <p>network; the provision of Wellbeing Information and Signposting in Herefordshire (WISH); children's wellbeing local area co-ordinators, adults' wellbeing community brokers. However the benefits of a strategic approach to the development of more resilient communities are recognised. This work has been started and we have established a CPiP group tasked with identifying opportunities for bringing this work together.</p>   |
| 6. | <p>Further cultivate 'One Herefordshire' by developing a 'One Council' approach, specifically:</p> <ul style="list-style-type: none"> <li>• Create more space for the political and officer leadership to work together strategically</li> <li>• Give your managers the space to think and do</li> <li>• Build a 'top table' (Strategic Management Team)</li> <li>• Continue to strengthen your governance</li> <li>• Shift the strategic and operational focus from Directorates to One Council</li> </ul> | <p>A One Council approach is being developed through a combination of structural and cultural change.</p> <p>The political leadership (Cabinet) and managerial leadership (Chief Executive's Management Board) are reviewing their working arrangements to ensure that there are sufficient opportunities to collectively develop strategic thinking.</p> <p>The employee personal performance development process has put the council's values and expected behaviours as a key component of employee development and the central importance of values and behaviours will be included in the manager development programme to be implemented in the autumn, reinforcing the whole council approach.</p> <p>New terms of reference for Management Board have been agreed which make clear the strategic nature of the board and its role in ensuring the coordination of activities and resources to maintain a coherent council-wide approach to delivering the council's priorities.</p> <p>The council's plans to strengthen governance, specifically in relation to capital project implementation and monitoring, and more widely as identified in the annual governance statement are being progressed and overseen by the Audit and Governance Committee. The council's constitution has been reviewed, following consultation with all elected members and employees, and amendments agreed by Council in May to ensure it remains fit for purpose.</p> <p>The development of a corporate services centre under the leadership of the chief executive is being progressed. The structure of the directorate performance challenge sessions is being reviewed to ensure that a whole council response to performance challenges can be developed and that opportunities to secure wider benefits from service planning or delivery can be identified and realised.</p> <p>The review of the corporate plan and medium term financial strategy planned for 2019/20 will provide an opportunity for further ensuring that a whole council strategic focus.</p> |

|    |  |  |
|----|--|--|
| 7. | Build on your success and have the confidence to work with your top team to drive and deliver your political priorities  | <p>The Cabinet's priorities have been clearly articulated in the corporate plan approved by Council and are reflected in the annual corporate delivery plan.</p> <p>The Cabinet team will continue to work with senior managers to drive and deliver these priorities and will ensure that our plans and the successes which we collectively achieve are effectively communicated.</p>   |
| 8. | Within the context of a corporate transformation programme, develop a more strategic approach to your workforce to ensure alignment with ambition and priorities | <p>The peer challenge team found that employees they met appeared happy, engaged and passionate about working for the Council and were positive and committed to the organisation and Herefordshire as a place. As the team noted these elements provide a good platform for our improvement journey, and we can be proud of the many committed individuals who work with us to achieve our ambitions for the county.</p> <p>We have recognised the need for a more co-ordinated approach to developing and deploying our workforce and already increased organisational development capacity within the human resources team.</p> <p>A workforce strategy is being developed which will provide the framework within which we will ensure that our employees have the right skills, and that capacity is in the right place within the organisation to support delivery. This will include building in flexibility and development of generic skills as well as identifying and resourcing specific skills requirements, all set within the context of the council's values and behaviours.</p> <p>In addition an Equality in Employment action plan is being developed to help ensure that our workforce is representative of the community it serves and that our employment practices help us to meet our public sector equality duties.</p> |
| 9. | Use your communications more proactively to build support and understanding of your vision, ambition and direction of travel                                     | <p>The council has agreed a communications strategy and protocols and reviewed the structure of the corporate communications team to ensure resources are aligned to the strategic priorities.</p> <p>A communications and engagement plan is being developed to guide how the strategy is implemented.</p> <p>Effective communication of the council's key messages is something that all elected members, employees and contractors can contribute to and we need to ensure they are supported in doing so, making the essential links between the vision, the outcomes, and the activity.</p>   |



# Corporate Peer Challenge **Herefordshire Council**

6<sup>th</sup> – 9<sup>th</sup> February 2018

Feedback Report

## 1. Executive Summary

The Council has a good understanding of the county and strong ambitions for Herefordshire. Some of this knowledge and vision is clearly documented, including within the Council's Integrated Needs Assessment and Corporate Plan. In addition, we were impressed by the comprehensive understanding of the county, and its challenges, demonstrated by both members and officers during the peer challenge. There is a clear identity with, and commitment to, Herefordshire across the Council and key partner organisations.

The Council is a well-respected player at the sub-regional level with a track-record of success. For example, the Council has secured significant benefits through the Marches Local Economic Partnership (LEP) and close working with Gloucestershire has improved broadband provision. We would encourage the Council to continue to look outwards to secure investment and other benefits for the county, including through its ongoing engagement with a range of regional and sub-regional partners.

There is a willingness within the Council to proactively work with local partners to deliver change. This includes initial activity under the heading of 'One Herefordshire' to support the closer integration of health and social care, and activity with schools to improve attainment levels.

The Council should further evolve its relationships with communities, including through parish and town councils. While the Corporate Plan includes an explicit aim to enhance community resilience, we could not identify a coordinated approach. Given the importance of enhancing resilience, both in terms of managing demand and supporting a thriving county, there needs to be a strategic approach and potentially further investment.

The Council has successfully delivered financial savings in recent years, while at the same time increasing general and earmarked reserves. As a result, the Council is in a relatively secure financial position over the medium term which provides a platform to realise the county's ambitions.

Within the Council there is an appetite to learn, a desire to improve, and an awareness of key areas for change. A range of externally supported arrangements have been put in place to assist its improvement journey. This includes a peer review of children's safeguarding, and sub-regional work to support adult and children's social care. Internally, there are directorate performance challenge sessions and a continuous performance improvement programme. Significantly, the importance of supporting future economic growth has been recognised.

The organisation should be more corporate (i.e. whole organisation rather than directorate focused), and take a joined-up approach to engagement, partnerships and delivery. The Council's default way of working is service and directorate based. As a result, the Council's approach can be fragmented and sometimes may appear so to residents. Performance challenges are typically addressed at a directorate level, rather than corporately, which means the benefits of improved coordination and reduced duplication

can be lost. There may be value in reviewing whether existing governance structures and the allocation of resources supports a 'One Council' approach.

The Council should be confident in its political and community leadership role. This report identifies a number of significant successes for which the Council should be proud. In order to realise its future ambitions – whether it be in terms of delivering growth, driving performance improvement or supporting community resilience – the Council will need to demonstrate strong leadership. This is likely to include a clearer narrative of how both the place and organisation will change, and a renewed focus on organisational delivery.

The Council benefits from an engaged workforce that is proud to work for Herefordshire. The Council has recently taken positive steps to focus more on organisational development. In recognising the need to support staff to have the right mix of skills and behaviours for changing service demands, the Council should seek to support a workforce that is resilient, creative, collaborative and empowered.

External communications should be more proactive and coordinated to better promote the Council's achievements and increase awareness of its vision. We found that the Council's communications were typically reactive and service-led. This means that the organisation is often not effective at communicating its key messages or engaging with residents.

## 2. Key recommendations

There are a range of suggestions and observations within the main section of the report that will inform some 'quick wins' and practical actions. In addition, many of the conversations onsite provided ideas and examples of practice from other organisations. The following are the peer team's key recommendations to the Council:

- 1. Articulate a longer term vision for Herefordshire including the development of a compelling narrative with your strategic partners under the banner of One Herefordshire. This will help clarify your ambition and establish your 'USP'.** The existing focus on bringing some key partners together, 'One Herefordshire', is encouraging and should be developed further. A strong, clearly communicated narrative – agreed by stakeholders across the county – will help sharpen the focus on local priorities and assist when seeking to secure benefits at a national, regional and sub-regional level.
- 2. Ensure consistent delivery and follow through to turn the positive rhetoric into reality – including relationships with communities and engagement with strategic partners.** The Council can point to a number of achievements and good intentions in relation to community engagement and partnership working. However, in order to fully realise its ambitions, the Council should focus more on how it supports communities at a local level and ensure that partnership working is embedded across all parts of the organisation.
- 3. Undertake a strategic review of your finances so that the potential to resource your ambition and priorities over the medium term is maximised.** 2018/19 is an opportune time for the Council to undertake a review of its resources and financial

planning. This review should ensure that resources are explicitly linked to priority outcomes and consider further the Council's existing allocation of general and earmarked reserves.

4. **Consider expanding your presence, profile and influence on the regional stage (and beyond) using your narrative and USP.** The Council has been active in the Marches LEP, as well as engaging with the Midlands Engine, Midlands Connect and the West Midlands Combined Authority. Given the importance of economic growth to the county's future ambitions, the Council must seek to expand its influence, and continue to develop strong relationships at a national, regional and sub-regional level.
5. **Develop a more strategic, collaborative and corporate approach to building more resilient communities.** While supporting resilience is an explicit corporate aim, we found that this priority was often pursued without a coherent approach and with limited corporate commitment.
6. **Further cultivate 'One Herefordshire' by developing a 'One Council' approach, specifically:**
  - Create more space for the political and officer leadership to work together strategically
  - Give your managers the space to think and do
  - Build a 'top table' (Strategic Management Team)
  - Continue to strengthen your governance
  - Shift the strategic and operational focus from Directorates to One CouncilThe Council would benefit from greater central coordination – with more emphasis on cross-council rather than directorate-led approaches. Officers and members need to find sufficient time to come together to plan strategically.
7. **Build on your success and have the confidence to work with your top team to drive and deliver your political priorities.** The Council's political leadership should work closely with senior officers to ensure that political priorities are translated into plans, programmes and delivery. This includes a clear narrative of how the place and organisation will need to change.
8. **Within the context of a corporate transformation programme, develop a more strategic approach to your workforce to ensure alignment with ambition and priorities.** The Council does not currently have a corporate transformation programme; service change projects are currently planned and delivered within directorates. There is benefit to a cross-council approach to organisational change which explicitly aligns the Council's workforce activities to its priorities. This would include planning for and developing a workforce with the right skills and behaviours necessary to deliver on your ambitions.
9. **Use your communications more proactively to build support and understanding of your vision, ambition and direction of travel.** The Council acknowledges that a more proactive and coordinated approach to external communications would improve the organisation's ability to share its key messages.

### 3. Summary of the Peer Challenge approach

#### The peer team

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected your requirements and the focus of the peer challenge. Peers were selected on the basis of their relevant experience and expertise and agreed with you. The peers who delivered the peer challenge at Herefordshire Council were:

- Nick Carter, Chief Executive, West Berkshire Council
- Glen Sanderson, (Con) Cabinet member (Local Services and Environment), Northumberland Council
- Helen Isaacs, Director of Governance and Democracy, North East Lincolnshire Council
- Kevin Jones, Strategic Director, Local Partnerships
- Sarah Messenger, LGA Workforce Consultant
- Paul Clarke, Programme Manager, LGA
- Kevin Kewin, Programme Manager, LGA

#### Scope and focus

The peer team considered the following five questions which form the core components looked at by all Corporate Peer Challenges (CPCs). These are the areas we believe are critical to councils' performance and improvement:

1. Understanding of the local place and priority setting: Does the council understand its local context and place and use that to inform a clear vision and set of priorities?
2. Leadership of Place: Does the council provide effective leadership of place through its elected members, officers and constructive relationships and partnerships with external stakeholders?
3. Organisational leadership and governance: Is there effective political and managerial leadership supported by good governance and decision-making arrangements that respond to key challenges and enable change and transformation to be implemented?
4. Financial planning and viability: Does the council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?
5. Capacity to deliver: Is organisational capacity aligned with priorities and does the council influence, enable and leverage external capacity to focus on agreed outcomes?

In addressing these questions, the Council asked the peer team to consider some particular issues, including in relation to scrutiny, organisational culture, policy

development and decision making. We have included observations on these elements, where relevant, within the appropriate section of the report.

### **The peer challenge process**

It is important to stress that this was not an inspection. Peer challenges are improvement focused and tailored to meet an individual council's needs. They are designed to complement and add value to a council's own performance and improvement arrangements. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The peer team prepared for the peer challenge by reviewing a range of documents and information in order to ensure they were familiar with the Council and the challenges it is facing. The team then spent four days onsite at Herefordshire Council, during which they:

- Spoke to more than 100 people including a range of council staff together with councillors and external partners and stakeholders.
- Gathered information and views from more than 40 meetings, visits to key sites in the area and additional research and reading.
- Collectively spent more than 250 hours to determine their findings – the equivalent of one person spending more than seven weeks in Herefordshire.

This report provides a summary of the peer team's findings. It builds on the feedback presentation provided by the peer team at the end of their on-site visit (6<sup>th</sup> – 9<sup>th</sup> February 2018). In presenting feedback to you, they have done so as fellow local government officers and members, not professional consultants or inspectors. By its nature, the peer challenge is a snapshot in time. We appreciate that some of the feedback may be about things you are already addressing and progressing.

## **4. Feedback**

### **4.1 Understanding of the local place and priority setting**

Members and officers have a good understanding of the county, including the strengths and challenges related to its rurality and demography. The Council's Corporate Plan was informed by local engagement and a strategic needs assessment, and reflects key local issues. Positively, the Council has acknowledged the importance of economic growth to the organisation and Herefordshire, and has taken a number of steps to progress this. However, despite the strong local understanding and commitment, the Council has not undertaken a representative survey of residents for more than five years. We would suggest undertaking a robust survey to test alignment between residents' priorities and those of the Council.

There is potential to develop a more coherent and compelling narrative, with strategic partners, about your ambition for Herefordshire. The Corporate Plan sets out a local authority narrative, the Economic Vision sets out the broad investment picture and there are a number of other key council and partnership strategies. However, the overall narrative – for the Council and place - could be refined and better communicated. It is notable, for example, that the recent staff survey found that many employees did not think the Council had a clear sense of direction.

Strategic priority setting and planning appears to typically take place at a directorate rather than corporate level. This is evident from financial planning processes as well as performance management arrangements. We would advocate a more joined up approach that supports greater coordination of key issues, such as community resilience and how diversity is recognised and valued. It would also encourage services to consider fully council or county-wide benefits, such as broader social value gains from procurement.

The Council recognises that it needs to take a more coordinated approach to engagement and locality working. While there is evidence of effective work at a local level – including more than thirty neighbourhood development plans – there is limited corporate oversight of engagement activity. Engagement work is led by the relevant service area which can risk duplication and consultation fatigue. The level of close locality working with parish and town councils appears to be an area for further development and there is learning in the sector to bring to this issue. This provides a significant opportunity for the Council which it could explore further with ward members and wider stakeholders

### **4.2 Leadership of Place**

The Council is a well-respected player at a sub-regional level. For example, Herefordshire has secured significant benefits for the county through its close working with the Marches Local Enterprise Partnership. The Council has also recently been awarded national funding, including investment from the Department of Transport to improve local road connections.

There is strong evidence of the Council proactively working with others to respond to and realise opportunities. For example, the Council has helped achieve funding for a new university, secured a private development on the old livestock market site and supported



the Hereford Enterprise Zone. The Council has also maintained an active role in assisting schools, despite limited resources, including positive work with head teachers and governors.

However, there is not currently a consistent articulation of Herefordshire's 'unique selling point', which potentially constrains the Council's impact at a regional level and beyond. Although the Council has a good understanding of the area's current and potential future economic specialisms, it would benefit from a stronger articulation of the county's proposition, to fully capitalise on the county's geographical links, including to the Midlands, the South West and Wales. This will involve further consideration of the Council's enabling role and a clear explanation of investment opportunities that will contribute to local growth.

The Council is seeking to develop a 'One Herefordshire' approach to public service reform and economic development. This is a sensible direction of travel as the Council will increasingly need to work beyond the boundaries of its direct authority. There are examples of strong place-based working, using a systems approach, including recent progress in relation to health and social care integration. It is not unusual that system-wide leadership is reliant on a small number of individuals, but the Council will want to consider further how it can embed such approaches. There is potential for the Council to foster a more system leadership focus, including through its forthcoming management development programme. This could include support for managers to work through networks and with stakeholders, including residents.

### **4.3 Organisational leadership and governance**

We found officer and member relationships to be professional and sound, although recent incidents – including difficulties surrounding the refurbishment of Blueschool House – have caused tensions. Positively, there has also been a cross-party review of the constitution, with the Audit and Governance Committee overseeing that it remains fit for purpose.

The Council has a good understanding of the importance of scrutiny and challenge, and an appetite to make the new arrangements work. Feedback on the new scrutiny structure, including the additional new committee, was favourable. External partners were also positive of their experience of scrutiny. Non-executive members set the scrutiny agenda and it was felt scrutiny has informed and influenced decision making.

The Council's directorate performance challenge sessions are an example of innovative practice. While many councils operate performance groups, the active participation of cabinet members, relevant scrutiny chairs and political group leaders within them is a very positive style of working. It is an interesting approach that shows a commitment to engaging members on a cross-party basis. This was welcomed, and appreciated, by members, and can be further developed to ensure non-executive councillors are informed of key announcements more generally, including those that relate to activity in their wards.

There is a need to move from directorate leadership to corporate leadership and ensure that organisational capacity is clearly linked to corporate priorities. The Council's current organisational structure does not foster a coordinated approach to key challenges. Key



corporate functions – such as finance, legal, policy and communications – currently sit within Economy, Communities and Corporate (ECC) – one of the Council’s three Directorates. Although we found evidence of effective cross-council working, a different structure would support more systematic and embedded co-ordination. Budget, performance and risk management are currently directorate-led activities; greater corporate oversight will support a more joined-up approach and sight of the emerging strategic issues.

The organisation’s culture appears to have evolved rather than been defined. Although the Council has articulated a set of core values, the existing directorate-led approach may not foster a corporate culture. The recently revised Personal Performance Development Plan (PPDP) process, which includes a specific section on values and culture, provides an opportunity for managers and all staff to consider these issues further. The recent staff survey findings also provide insight into the culture of the organisation as experienced by staff. We would recommend that the Council analyse and address key differences between directorates. In considering potential actions, the Council should consider the importance of defining and embedding the right values and behaviours as well as structural changes.

It is not completely clear where strategic thinking and strategic decision making happens. The membership of the existing Management Board is large – including heads of service. The Board’s primary focus appears to be facilitating reports through the decision making process rather than providing a forum for leadership. Similarly, the informal executive meeting (Leader’s briefing) often responds to officer reports rather than instigating horizon scanning and longer-term thinking. We would recommend that these structures are reviewed to place more focus on providing senior officers and members with greater opportunities to lead collaboratively, including by setting the agenda for what is discussed and shaping the Council’s strategic thinking.

There were some comments from external stakeholders of slow decision-making or delivery within the Council. It was not possible – within the time available – to investigate the particular examples to ascertain whether the concerns were legitimate or reflected necessary Council processes, including due diligence. It may be worth the Council testing this perception further with partners, including as it develops its One Herefordshire approach.

#### **4.4 Financial planning and viability**

Financial statements suggest that the Council should be financially sustainable over the medium term; this view has also been supported by the external auditor. While the Council has delivered significant financial savings, we found that financial planning could be more explicitly linked to the Corporate Plan. The budget setting arrangements, and identification of savings proposals, appears to be a directorate-led process. As a result, there is a potential to test whether resources are fully aligned with priority outcomes.

In addition to successfully delivering financial savings in recent years, the Council’s general fund balance and earmarked reserves have increased. Council reserves are held for a range of purposes including to cover the costs of unforeseen events, fund transformation activity, smooth the late delivery of savings plans and, in the case of

earmarked reserves, meet future identified spending commitments. 2018/19 would be an opportune time to undertake a strategic financial review of Council finances. This work would allow the Council to assess whether it has the appropriate balance within its reserves, including the respective allocations to general and earmarked reserves, and whether there is the potential for the Council to further resource its priorities over the medium term.

There is evidence of improving revenue budget management supported by regular reporting. The Council also recognises that there is further work to do on the management of the Council's capital programme, and that capital monitoring has been less systematised. The Council's financial reporting indicates that there was a capital underspend of £21.2 million in 2016/17; this was 28 per cent of the £77 million programme. At the same time, there has been high-profile issues relating to capital projects, including the refurbishment of Blueschool House which included a significant unauthorised overspend.

The peer team were made aware of the issues relating to the management of Blueschool House as a key part of the context of the Corporate Peer Challenge. We did not seek to investigate the background to this particular issue as it has been subject to a special investigation by internal audit as well as an independently-led HR investigation. Rather, the peer team's work included a focus on understanding whether processes are effective and whether there is a culture to address problems when they arise. The peer team did not find evidence that the issues in relation to Blueschool House were a manifestation of systemic cultural issues with the Economy, Communities and Corporate Directorate. We note the Council's improvement actions planned, and undertaken, which seek to strengthen capital management and mitigate against any further incidents of this type. We emphasise the importance of maintaining this focus.

The Council has been generally successful in the delivery of its savings targets – approximately £70 million between 2010 and 2017. However, there is limited evidence of robust scrutiny of the development of savings plans, their implementation and their impact. This may become a greater issue in the future as further savings are made, including those that are likely to be more difficult to realise. The Council is planning to make savings of £12.9 million in 2018/19 and £4.8 million in 2019/20. Many of the proposals relate to adult and children's services where there is evidence of existing overspending. Under current arrangements, savings plans are primarily managed at a directorate-level. There is potential for a more corporate approach to identifying, scrutinising, delivering and monitoring savings. As well as providing central visibility and challenge, it would also help identify interdependencies and synergies across council services.

The Council has acknowledged the difficulties highlighted in the findings of the 2016/17 external audit. These included weaknesses in the quality and accuracy of the accounts presented but also in how the audit was supported by the Council. We were pleased to note that plans were in place to improve the situation for 2017/18, particularly in light of the new 31 July deadline for issuing opinion on the accounts; there needs to be a continued focus on addressing external audit findings.

## 4.5 Capacity to deliver

Employees we met appeared happy, engaged and passionate about working for the Council. The Peer Challenge considered the recent staff survey results which are broadly in-line with those of similar councils. In addition, in the discussions with staff, we found employees to be positive and committed to the organisation and Herefordshire as a place. The Council has also reported greater stability, with a 50 per cent reduction in agency staffing over the last year. These elements provide a good platform for the Council's improvement journey.

The Council's leadership structures could be developed further. As highlighted above, there is benefit from creating more space for the Council's most senior officers, and cabinet members, to think strategically. Constrained budgets have meant a scaling back of strategic workforce activity in recent years, which raises questions about succession planning, talent management and skills. The Council has acknowledged this with investment in a new lead role for organisational development and the creation of a corporate training budget. We would advocate a cross-council approach to workforce planning, which recognises particular specialisms and is explicitly linked to an overarching council transformation plan.

In recent years, as part of the Council's budget reductions, staff training opportunities were significantly reduced and focused particularly on e-learning. Given the requirement for staff to work differently to meet council priorities, there is a need for a greater focus on personal development. The Council has begun to recognise this with a new induction and management programme due to launch in April 2018. We would recommend that this programme uses a range of methods (beyond online training) and includes a focus on the particular issues identified during the peer challenge process, including community engagement and programme management. The revised Personal Performance Development Plan (PPDP) which has been rolled out should provide further insight into the training needs of staff across the Council.

There are also potential benefits from more support for members to assist them to carry out their roles. Current member development activity is focused particularly on mandatory training, alongside some LGA development opportunities. We would recommend that the Council invests further, including supporting members to seek development opportunities beyond their portfolios and committee positions, such as community leadership and partnership working.

The Council recognises the need to lever external resources to deliver its ambitions for Herefordshire. For example, the Council worked with external partners to produce a business case which secured £23 million of government funding to establish a new university in Hereford. This work will need to continue sub-regionally, regionally and nationally in order for the Council to support better local outcomes. Positively, the Council has recognised the importance of developing effective working relationships with key partners beyond Herefordshire.

The Council has a stated intent to build community resilience but needs to further articulate what this means and how it will be supported in a strategic and coordinated way. The relationships with parish and town councils will have an important role to play. Alongside

this, the Council should consider other options for connecting and assisting residents and communities to support each other, including the role of ward councillors, digital technology and the voluntary and community sector. We recognise that different areas of Herefordshire will not suit a 'one size fits all' approach; nevertheless, the Council's engagement and resilience activity needs to be part of a coherent framework that is developed and delivered in partnership with others.

The Council has a mixed track-record relating to project and programme management. Alongside a range of successfully delivered projects, such as the new Herefordshire Archive and Record Centre, there have been a number of delayed or less successful examples. The Council has recognised this and taken steps to improve project management arrangements, including a new, more rigorous, project management system to support capital projects. This work needs to continue, complemented with corporate learning and development activity.

While there are many examples of successful service-based change projects and efficiencies, there does not appear to be strategic, cross-council approach to transformation. There are clear advantages of the Council taking a more consistent approach. Residents do not differentiate between different parts of the Council when accessing services and there needs to be a coordinated response to understanding, and mitigating, the impacts of budget reductions across services. A cross-council approach to transformation would also help maximise the benefits of particular approaches across services, for example, when seeking to manage demand or optimise income.

Staff were generally positive about the Council's Better Ways of Working (BWOW) programme. The rationale underpinning the programme is sound and it may help deliver cost savings, and greater flexibility for staff, at the same time as supporting better services. Similarly, the Continuous Performance Improvement Programme (CPIP) has a welcome focus on supporting better outcomes, and we were made aware of activity seeking to make the Council more digital. While all of these initiatives are welcome, there would be greater value from them if they were linked under a broader transformation approach. To maximise benefits, these activities should be aligned and underpinned by a coherent view of the role and shape of the organisation now and in the future. Successful implementation will require appropriate support for managers alongside effective coordination and relevant resources.

The Council's approach to external communications is often reactive and uncoordinated. This is evidenced by the absence of a council-wide communications plan, the existence of more than 40 social media channels and a fragmented approach which makes it more difficult for the Council to evaluate its communications impact. Disappointingly, an LGA Communications Healthcheck, undertaken in 2015, identified a number of similar issues. However, there have been a number of recent steps towards improvement, including a published communication strategy and a redesign of the communications service. A greater dialogue between the communications function and the services it works with, alongside a more targeted approach, would enable the Council to be better share its key messages, celebrate its achievements and engage local people.

## **5. Next steps**

### **Immediate next steps**

We appreciate the senior managerial and political leadership will want to reflect on these findings and suggestions in order to determine how the organisation wishes to take issues forward.

As part of the peer challenge process, there is an offer of further activity to support this. The LGA is well placed to provide additional support, advice and guidance on a number of the areas for development and improvement and we would be happy to discuss this. Helen Murray, Principal Adviser, is the main contact between your authority and the Local Government Association (LGA). Her contact details are: [helen.murray@local.gov.uk](mailto:helen.murray@local.gov.uk), 07884312235.

In the meantime we are keen to continue the relationship we have formed with the Council during the peer challenge. We will endeavour to provide signposting to examples of practice and further information about the issues we have raised in this report to help inform your ongoing consideration.

### **Follow up visit**

The LGA Corporate Peer Challenge process includes a follow up visit. The purpose of the visit is to help the Council assess the impact of the peer challenge and demonstrate the progress it has made against the areas of improvement and development identified by the peer team. It is a lighter-touch version of the original visit and does not necessarily involve all members of the peer team. The timing of the visit is determined by the Council. Our expectation is that it will occur within the next 2 years.

### **Next Corporate Peer Challenge**

The current LGA sector-led improvement support offer includes an expectation that all councils will have a Corporate Peer Challenge or Finance Peer Review every 4 to 5 years. It is therefore anticipated that the Council will commission their next Peer Challenge before February 2023.





|                         |   |
|-------------------------|---|
| <b>Meeting:</b>         | <b>Cabinet</b>  |
| <b>Meeting date:</b>    | <b>Thursday 28 June 2018</b>                                  |
| <b>Title of report:</b> | <b>End of 2017/18 corporate budget and performance report</b> |
| <b>Report by:</b>       | <b>Cabinet member finance and corporate services</b>          |

### Classification

Open

### Decision type

Non-key

### Wards affected

(All Wards);

### Purpose and summary

To review revenue and capital outturn for 2017/18, including the treasury management outturn report, debts written off and invite cabinet members to consider performance for the year.

To provide assurance that progress is being made towards achievement of the agreed revenue budget and service delivery targets, and that the reasons for major variances or potential under-performance are understood and are being addressed to the cabinet's satisfaction.

### Recommendation(s)

That:

- (a) performance and financial outturn, including debt write off for 2017/18 as set out in appendices A, B, D and H are reviewed and the cabinet identifies any additional actions to be considered to achieve improvement;**
- (b) the priorities identified in the local account (appendix E), the annual report of the director for public health (appendix F) and the joint strategic needs assessment (appendix G) and be used to inform decision-making and the development of the medium term financial strategy and 2019/20 budget; and**

(c) the treasury management outturn report at appendix C be recommended to Council for approval.

## Alternative options

1. Cabinet may: choose to review financial and operational performance more or less frequently; or determine alternative actions to address any identified areas of under-performance, including referral to the relevant scrutiny committee.

## Key considerations

### Revenue outturn

2. The 2017/18 outturn is £10k overspend as at the end of March 2018.
3. The net budget moved during the year due to utilisation of the severe weather reserve of £858k. The corporate budget reflects transfers to directorates of reserves relating to pension liabilities and local tax, along with revenue and benefits income of £1,333k. Reserves relating to waste (£916k), the bypass (£910k) and the Adults and Wellbeing pressure monies (£650k) have been accessed. Children's wellbeing have reduced their budget to make provision for shortbreak commitments, the continuing invest to save work and exceptional court costs anticipated during 2018/19.
4. The table below sets out the directorate positions as at the end of March. Further service detail is available in Appendix A.

*Revenue outturn 2017/18 (as at the end of March)*

| Directorate net budget           | Gross budget   | Original Net budget | Movement in Net budget | Net budget     | Full year outturn | Full year variance over / (under)spend |
|----------------------------------|----------------|---------------------|------------------------|----------------|-------------------|--|
|                                  | £000           | £000                | £000                   | £000           | £000              | £000                                   |
| Adults and wellbeing             | 83,810         | 51,158              | 739                    | 51,897         | 51,977            | 80                                     |
| Children's wellbeing             | 140,729        | 21,153              | (744)                  | 20,409         | 22,403            | 1,994                                  |
| Economy, communities & corporate | 70,272         | 44,740              | 4,313                  | 49,053         | 48,878            | (175)                                  |
| Severe Weather Reserve           | 858            | 0                   | 858                    | 858            | 0                 | (858)                                  |
| <b>Directorate total</b>         | <b>295,669</b> | <b>117,051</b>      | <b>5,166</b>           | <b>122,217</b> | <b>123,258</b>    | <b>1,041</b>                           |
| Other budgets and reserves       | 78,531         | 27,975              | (5,166)                | 22,809         | 21,778            | (1,031)                                |
| <b>TOTAL</b>                     | <b>374,200</b> | <b>145,026</b>      | <b>0</b>               | <b>145,026</b> | <b>145,036</b>    | <b>10</b>                              |

Further information on the subject of this report is available from Steve Hodges, Tel: 01432 261923, email: sthodes@herefordshire.gov.uk



## **Capital outturn**

5. Appendix B provides the 2017/18 capital budgets outturn. Due to the timing of delivery moving into future years, the capital budget underspent by £41.979m against the revised 2017/18 budget of £90,958k. The underspend has not resulted in the loss of any capital funding and will be carried forward into 2018/19.

## **Other budgets and reserves**

6. Appendix C provides detail of the Treasury Management outturn which has underspent by £6.1m. The main reason for this underspend is due to the approved change to the Minimum Revenue Provision Policy, which was agreed by Council on 13 October 2017, resulting in an in year saving of £5.1m. This saving will be added to the council's general reserves.

## **Corporate performance**

7. Council approved the corporate plan 2016/17-2019/20 in February 2016, to achieve the key priorities to:
  - 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.
8. In February 2017 Council approved the 2017/18 budget and, having regard to that budget, the supporting delivery plan was agreed by cabinet in April 2017.
9. Progress is measured through a number of agreed performance measures. These have been selected because they demonstrate progress towards achievement of the council's priorities and also provide an overview of the council's performance from a resident's perspective. The databooks, which are available on the council's website, contain the latest performance outturns available. Where monitoring information is only available annually, these measures will be reported at the point it becomes available.
10. Appendix H provides an overview of performance during 2017/18. Whilst 56% (49% at the end of December) of performance measures show a positive shift in performance, some 40% (49% at the end of December) performed worse than the same period last year. A summary of performance and the challenges faced within each directorate is included in paragraphs 18-78.
11. In February, we hosted a Local Government Association corporate peer challenge to review the way we work and provide suggestions for ways in which we could do even more to achieve our ambition to keep improving and delivering for and with Herefordshire residents. The report from the LGA includes acknowledgement of the council's significant successes, alongside some recommendations for improvement to maximise impact and help residents understand the good work being done. The council is recognised as being in a relatively secure financial position over the medium term which provides a platform to realise the county's ambitions. We are described as having a good understanding of the county and strong ambitions for Herefordshire, alongside an appetite to learn, a desire to improve, and an awareness of key areas for change. The report also recognises that we have an engaged workforce that is proud to work for Herefordshire. It also includes recommendations to help identify areas of improvement and many of these include areas

where work was already in progress; a report on our approach to taking forward these recommendations appears elsewhere on the Cabinet agenda today.

12. Every year, Directors of Public Health (DPH) have to compile an independent annual report to describe the health and wellbeing of local residents and to provide advice and recommendations as to how improvements can be made. The report needs to be written in a way so it's easy to understand for everyone to access. The report sits alongside the detailed Joint Strategic Needs Assessment.
13. This year's draft report is at Appendix F and provides a summary of key issues. It focusses on the need to strengthen the strategic approach to developing resilient communities and embedding prevention across all policies, strategies and commissioned services.
14. Understanding Herefordshire 2018, the annual summary of Herefordshire's Joint Strategic Needs Assessment (JSNA), approved by the Health and Wellbeing Board on 15 May 2018, is at appendix G. The JSNA is a broad statement of health and wellbeing needs of the population of the county, with a focus on the wider determinants of health. It aims to inform the strategic planning and commissioning of services concerning the health and wellbeing of the local population by stakeholders.
15. The JSNA 2017 highlighted a number of key priorities for consideration. Subsequently, it was agreed to focus on four key priorities. These were childhood obesity and poor dental health, fuel poverty, dementia and end of life care.
16. There has not been time for the impact of any interventions in the last year to be reflected in the data, but the JSNA 2018 provides the latest information on these priority areas. It also identifies a number of other areas to be considered in strategic planning and commissioning in 2018/19.
17. The main priority for analysis in 2018/19 has been identified as the production of a children's integrated needs assessment, which will focus on specific topic areas to provide an evidence base on which effective commissioning decisions can be made. These topics will include early help; drivers of trends in child protection plans and looked after children; obesity and dental health; and hospital admission rates.

#### **Adults and wellbeing (AWB)**

18. The outturn position for 2017/18 is a net overspend of £80k. This is a decrease of £800k since December. This movement is mainly due to the amount of direct payment surplus recovered during Q4 2017/18, but there have also been smaller reductions across most of the client budget areas since December. Within learning disability services there have been reductions in the cost of direct payment packages, as well as reductions in the number of clients in receipt of residential and domiciliary care packages. Mental health has also seen a reduction in client numbers throughout the first quarter, along with physical support nursing. This has been partially offset by increases in the number of physical support residential packages of care.
19. The draft local account (appendix E) was considered by Adults and wellbeing scrutiny committee on 16 May 2018 and details how Adults and wellbeing supports Herefordshire residents live healthy, independent lives at home for as long as possible.
20. It also provides information about our services which help people to stay healthy and well, along with services that support some of the most vulnerable clients in the community,

some of the things that we achieved over the past year, what we spend our money on and some of the things we plan to do during the next year.

21. The purpose of a local account is to communicate with and promote accountability to the local community and to support benchmarking, peer review and sector led improvement.
  - a. The structure of the report is based on the national performance framework (Adults Social Care Outcome Framework) established by the Department of Health.
  - b. The 2017 Local Account focuses on a continued approach being embraced across adult social care. This focuses on strengthening supportive communities and building on individual's strengths and assets.
  - c. The report highlights outcomes from the annual survey where improvements can be seen in many areas such as increased quality of life for clients cared for by social care services. In addition to the quality of life indicator there are improvements in the following areas with people reporting that:
    - i. They had as much social care contact as wanted
    - ii. They felt safe
    - iii. The services they receive make them feel safe
    - iv. They were satisfied with care and support received

*What is going well?*

22. Having realigned internal resources last year, this year Adult Social Care services set to deliver ambitious plans to redesign the customer journey and develop new support and care pathways. This involved a significant investment in changing culture within the department and an end to end redesign of the adult social care pathways and wider systems. The following are some of the major changes achieved throughout the year:
  - Redesigned ASC 'front door' – community / hospital responses
  - Redesigned information, advice and signposting 'touch points'
  - Redesigned ASC 'urgent care' pathway including the development of the Community Broker function
  - Created the Home First service
  - Redesigned Hospital Liaison Services
  - Redefined the short-term and long-term care pathways
  - Retrained entire social care workforce in Strengths Based practice
  - Developed the model of community brokers
  - Increased focus on support for services personnel and their families
23. As a result of the changes, performance and practice across the system has seen continuous improvements overall. This includes for example improved response times and quality of information, advice and guidance at the adult social care 'front door', no waiting lists for case allocation in localities and improved outcomes and customer satisfaction. The culture change and pathway redesign work undertaken by ASC has been recognised and Herefordshire is currently working with several authorities/bodies (including the LGA) so that others can learn from our experience
24. The Home and Community Support Framework (HACS) expired on 31 March 2018 and has been replaced with two new open frameworks:
  - Care@Home Approved Provider list for directly commissioning home care services. The council has received 32 applications from providers formerly delivering services

- under the previous framework and 16 applications received from organisations new to Herefordshire.
- Supported Living Approved Provider List for directly commissioning supported living services. The council has received 25 applications and to date 15 providers have been accepted on to the approved list following evaluation.
25. Following several months of preparation, Herefordshire Shared Lives scheme was successfully brought back into the council on 2 April 2018, the team are now based at Elgar House working alongside operational staff, allowing us to make better use of the service and identify more opportunities to place people with share life carers.
26. Partners across the health and social care system in Herefordshire have worked together in a number of key areas during 2017/18, including:
- Development of a Learning Disability Strategy – this strategy will ensure a consistent approach to commissioning services for people with a learning disability is applied by both organisations, maximising outcomes for recipients.
  - A Joint Carers Strategy for Herefordshire 2017-2021.
  - The HomeFirst Service, introduced during Q3 2017/18, provides a short term service to support people to retain or regain their independence and works to get someone back as close to their previous level of independence as possible.
  - Transformation pool 2 (jointly support hospital) – during 2017/18 partners have agreed and implemented a set of principles in relation to funding a transformation pool. The funding, focused on supporting the shift from bedded care to 'own bed' based care, builds on increasing capacity and capability in community and primary care and further support social care discharges.
  - The council and Herefordshire CCG continue to work together to commission Integrated Community Equipment Service. During 2017/18 a number of workshops have been held with Prescribers to address a number of key challenges.
27. A number of schemes have been approved as part of an Integrated Better Care Fund (iBCF) 'transformational pool'; those implemented in 2017/18 include
- Night Care Team pilot – to provide home care to customers within their own homes throughout the night, plus facilitate hospital discharge.
  - Community Catalysts – a 2 year programme to stimulate the development and growth of community enterprises able to provide alternative support mechanisms in the community.
  - Care Navigator Frequent fallers – a pro-active co-ordinator role to work with repeat fallers and help them to maintain their independence.
  - Balanced Lives Hereford – delivery of a preventative and rehabilitative programme.
  - Care workforce development programme – a campaign to raise the profile of the care workforce and to boost recruitment/ retention of care workforce throughout the county.
28. Schemes which have been agreed and are due to be implemented during 2018/19 include:
- Community Anticipatory care planning – to develop a collaborative person-centred response to support adults 18+ who have complex needs or frailty, including dementia, to avoid hospital admission.
  - Admiral dementia nurses – creation of a county-wide team to reduce inpatient admissions from patients with dementia.

- Hospital discharge facilitation – a new service to provide non-clinical care co-ordinators to help patients ready for discharge who need to choose a care or residential home before being discharged.
29. The Housing and technology project was successfully delivered in 2017/18. Using a £285k technology grant from the Department of Health augmented by contributions from DFG and Housing Capital, adaptations were made, and technologies installed, to 14 properties across the county supporting 81 people with learning disabilities by promoting their independence, enhancing safety and security, and encouraging better use of care and support resources. An evaluation of the project is being prepared and will be presented in the autumn of 2018 in line with our agreement with the Department of Health.
  30. In order to support reduced numbers of admissions to care homes and reductions in the requirement for formal care, we continue to progress housing adaptations and DFGs.
  31. The Home Improvement Agency exceeded its targets set for the delivery of Disabled Facilities Grants (DFGs) in 2017/18 both with respect to approvals and completions as follows:
    - In Q4 DFG approvals rose to 63 (from 41 approved in Q1, 51 in Q2, and 58 in Q3) taking total approvals for all types of DFG grant under policy for 2017/18 to 218.
    - Over the same period DFG completions rose from 45 in Q3 to 64 in Q4 taking the total number of completions for all types of DFG grant under the policy to 203 (target of 200).
  32. 572 health assessments have been carried out by a trained Health Trainer in the last 12 months, from which a Personal Health Plan is then developed. In Q4 the Healthy Living Trainer Service (HLTS) reached 302 Personal Health Plans (PHP) completed. Of these, 50% of people on the programme have fully achieved their PHP and 30% partially achieved their plan. Improvements in Wellbeing were also recorded using validated measures showing a 10% rise in self-efficacy and a 14% rise in self-reported wellbeing (this represents a significant improvement in the individuals' emotional wellbeing). These improvements are key to people making long-term lifestyle changes which ultimately result in longer, healthier lives.
  33. During Q4 there were 5,409 hits to the WISH website and 47,582 page views. An increasing number of hits on the WISH website is recognised as a successful outcome – increasing hits indicates that people use the website and find what they need. In addition, we have seen that the number of phone calls made to the ART team, who deal with requests in to social care, has reduced. Whilst WISH will not be the only driver on this team, this is a trend we would like to continue. The rebuilding/redesign of the website was completed during Q4 and now includes a simplified and improved provider registration process and the addition of a 'What's on events calendar'.

### *Challenges*

34. Whilst there has been some significant inroads during the past year in developing and delivering the new pathway, considerably more work is required to embed this with staff – both internally and across external system partners.

ASC therefore continues to focus on embedding Strengths Based practice to ensure that care provision is appropriate and proportionate to meeting customer's outcomes and needs.

35. Work continues to develop community capacity and resilience so that a whole system of support is available to assist people living as independently as possible within their communities. There is already evidence that community capacity is being overwhelmed, making further investment and work in this area a critical focus for the immediate future.
36. Aligned to this, is the importance of getting our Public Health and wider wellbeing message heard by system partners. The focus more on prevention, rather than support, if we are to manage future demand, given our future demographic trends, the increasing complexity of individuals within that system and increasing care costs.
37. We have completed a planned review of our HomeFirst service which was transferred back in house last summer. This review has highlighted a number of areas which require further development, including staffing to work at the intended capacity, training requirements for some staff, as well as the implantation of a new system for rostering of staff.
38. Finally, a continuing challenge for the service is the availability of suitable and cost-effective placements, both in care homes, but also within the domiciliary care market. We continue to work with the provider market to help them understand our requirements, so that they can plan their businesses developments in required areas, but also through projects such as the workforce development work, to help agencies recruit to long term and difficult to fill vacancies.

### ***Children's wellbeing (CWB)***

39. The outturn position for 2017/18 is a net overspend of £1,994k. This is an improvement of £25k since December. The small improvement is the net of a combination of movements. The short breaks reserve was increased by £115k to reflect commitments made in 2017/18 that will impact 2018/19. £114k of staff costs were corporately funded. The costs associated with Looked After Children increased due to costs relating to unaccompanied asylum seeking children being higher than expected, but these were offset by vacant posts remaining unfilled. Towards the end of March we saw an increase in agency fostering placements but this is being actively managed to mitigate pressure on the budget in the new financial year.

#### *What is going well?*

40. As this is the first year of single assessments this is the first annual reporting figure that will provide a benchmark for future reporting. 72.3% of single social work assessments were completed within the statutory timescale in the year 2017/18, with an improving trend over the latter half of the year. The appointment of permanent managers in our assessments teams consolidated this development. This improvement has been sustained over 2017 with some monthly variances.
41. The Threshold of Care Panel has been in operation for a year and continues to oversee new admissions to the looked after system. Our rate of new admissions for the whole year 2017/2018 remained below the regional average. However, there has been a rise in admissions in Q4 and at the end of the year there were 313 children in the looked after system.
42. We continue to provide stable placements for our looked after children and perform well against regional and national comparators. 85% of looked after children under the age of 18 have been in the same placement for more than 2.5 years.

43. Decision making within the child protection conference arena continues to be effective with only 2 children remaining on a child protection plan for more than two years at the end December.
44. Applications to the local family justice court continue to conclude within the statutory timescale of 26 weeks. This is a notable achievement and our court is still the highest performing in the region and one of the best nationally. As a consequence children are not awaiting a decision on their future, whether that be a return to family, adoption or a long term care placement.
45. The LGA conducted a safeguarding peer review to assist with our improvement for children's safeguarding. The review provided strong positive reflections on the practice of social workers, on the outcomes being achieved for children and on the changes that have taken place since the casework peer review in June 2017. The LGA said that Herefordshire is a better place to be. More detailed feedback will be provided once the formal letter has been received.
46. In May 2018 93% of Herefordshire children are taught in primary schools judged by Ofsted as good or outstanding; 75% of pupils in the secondary phase are in good or outstanding schools; 97% of early years' group settings inspected have been judged as good or outstanding; 95% of childminders inspected are good or outstanding.
47. In 2017 Herefordshire secondary schools and academies outperformed schools nationally against key performance indicators (Progress 8, attainment at grades 9-5 and grades 9-4 in GCSE English and mathematics, and attainment in the E-Baccalaureate).
48. From their starting points at the end of primary school, pupils in Herefordshire made good progress; this is reflected in the county's Progress 8 figure which ranks in the second quartile in comparison with other local authorities.
49. Colwall primary school opened in its new school buildings on time and to budget and is being well received by pupils and staff. A formal opening of the school took place in February 2018.
50. The development of a 16-19 SEN Free School in Herefordshire is progressing well and the council evaluated the interest in running the new provision, and this has been approved by the secretary of state.

### *Challenges*

51. At the end of Quarter 4 2017/18 the number of children subject to a child protection plan was 201. During Q4 there has been a decrease in children subject to child protection plans of 15. The numbers are now moving back down towards more expected numbers compared to our statistical neighbours. This area continues to be a priority focus for sustained improvement and consistent application of thresholds to ensure the right children receive the right service at the right time. It is about ensuring we do not intervene unnecessarily in children and families lives but do offer support through Early Help if appropriate. Children's Wellbeing Scrutiny Committee will receive a report on progress in its July 2018 meeting.
52. During this period the number of our Looked after Children has increased by 4 to 313. The challenge has been, and remains, reducing our overall number of looked after children to a sustainable, demographically appropriate number of approximately 220. During Q4 work within the directorate identified 80 young people who could have their care needs met

through other arrangements including special guardianship or a return to family and progress is being made on the work needed to secure appropriate alternative permanence. Children's Wellbeing Scrutiny Committee has established a task and finish group to review progress and has had two review meetings since the work started.

53. The LGA Safeguarding Peer Review recognised that Herefordshire should continue to put effort and into equalising workload pressures as they found a lack of equity of workload and pressure across teams. In addition team managers had very challenging workloads. As a consequence recording and reflective supervision were not consistently taking place. Whilst anticipating the formal letter from the LGA, cabinet has recently approved additional support for the service to bring in capacity to assist with caseloads and management.
54. A workforce action plan has been devised to address the challenge we face in recruiting experienced social workers; alongside recruiting to our social work establishment. This is in recognition that as well as newly qualified staff we require experienced staff with more than 2 years post qualifying experience. The main areas that have been articulated as barriers to recruitment are location and travel time to Hereford and workers not wishing to change their role from where they are currently working. This is a challenging area and cabinet has considered further support for this area. This will be reported on in the performance report for quarter one of 2018/19 and is being updated to support the need for further recruitment.
55. Progress with our application to join the Adoption Central England regional adoption agency is progressing. A detailed application was submitted in the spring and there has been extensive discussion with the Department for Education and ACE. Once ACE have confirmed their decision we will be in a position to consider our internal governance processes.
56. Building on the success of previous school improvement initiatives in Herefordshire, such as our approach to boosting outcomes in phonics, local National leaders in education (NLEs) are currently involved in two collaborative projects to raise standards at the end of the primary phase.
57. Although there have been some improvements, notably in early years, the achievement of pupils eligible for free school meals continues to lag behind their peers at some assessment points. At key stage 2, pupils achieved less well in mathematics which suppressed overall achievement to broadly in line with national average.

### ***Economy, communities and corporate (ECC)***

58. The 2017/18 outturn position is a net underspend of £175k. This is an improvement since December of £24k. The main area of change was the impact of severe weather which required a drawdown from the severe weather reserve of £858k. Excluding this Environment and Place would have delivered an underspend as per the December forecast. Resources underspend increased by £443k to £555k which was partly due to reduction in insurance risk relating to service delivery which have generated savings to the council's insurance of £185k. Communities improved by £292k to a £172k underspend. This was due to ICT delivering savings early.

#### *What is going well?*

59. Significant progress has been made with taking forward the Hereford Transport Package which includes the Hereford Bypass. Technical work over the year progressed well and



Cabinet approved a short list of routes for consultation in January this year. A comprehensive public consultation was undertaken and work is progressing towards the selection of a preferred route to progress to the next stage of public consultation later this year.

60. Key stages in the development of the South Wye Transport Package, which includes the Southern Link Road, have been achieved. Compulsory Purchase Orders (CPOs) and Side Road Orders (SROs) were made in March 2018 and objection period concluded in April. In tandem with the CPO process direct negotiations with landowners are taking place. Securing the land and procurement processes to appoint a contractor are being progressed as quickly as possible to begin delivery of this important scheme.
61. The exciting plans for regeneration of land within Hereford City Centre were taken forward with the new City link road, which opened successfully in December on time and within budget. The road marked a significant milestone. The road unlocks previously unseen and under-utilised inner city land for development, and plans can now be taken forward for the site to build new homes, a transport hub at the Hereford Railway Station, new public services buildings and university accommodation.
62. Fixing the roads is important to the economy of the county. The council has continued to seek additional funding. We secured £5m from the Department for Transport's local highways maintenance challenge fund in August 2017 and this was supplemented by £3m from the capital programme, thus enabling the council to support economic growth in the region by investing in transport routes leading to Herefordshire's Skylon Park Enterprise Zone (a national business hub hosting in excess of 200 businesses). The road maintenance works included a specific focus on the Midlands Connect strategic economic corridors which comprise of the A4103 Hereford to Worcester road, the A465 Hereford to Abergavenny road, and the A438 Hereford to Brecon road. Phase 1 delivered £5m of improvements during the financial year and Phase 2 of the challenge fund will utilise the remaining funds over the coming period. It's been estimated that these works will benefit the local economy in the region of £143m.
63. The council's public realm contractor, Balfour Beatty Living Places, successfully responded to the 'Beast from the East'. Some 600 miles of priority routes and 400 miles of secondary routes were gritted in extreme weather conditions.
64. Phase one of the Fastershire broadband rollout with BT was completed and a new phase procured and started with Gigaclear. To date just over 85% of homes and businesses are able to access superfast broadband speeds, compared to only 0.6% of properties in 2012. Additionally 13% of premises have full fibre (fibre direct to the premise), compared to a national average of 3%, which is set to continue in the county with the roll-out by Gigaclear. The project has also secured two EU funding streams— one for bespoke broadband delivery for businesses and the second for further premises in isolated rural communities.
65. The council has completed the procurement of strategic development partners to help deliver housing, jobs and economic growth through the development of council-owned land and to support the council's long term financial sustainability. Keepmoat Homes Ltd and Engie Regeneration Ltd will work in partnership with the council over the next 10 years to secure new homes for the county and to secure commercial development opportunities. Initial phases of the development partnership are the delivery of new homes planned for Bromyard and the development of student accommodation for higher education use.

66. The EnviRecover Plant at Hartlebury was officially opened in June 2017 and is fully operational. It can accept 200,000 tonnes of waste per year. It converts this into in excess of 15.5 megawatts per hour, enough energy to power all the homes in Hereford. Completion of the plant means we no longer need to rely on unsustainable landfill to dispose of non-recyclable waste and have a reliable, safe and cost effective means of dealing with our waste for a long time to come.
67. The council's award winning website has overachieved its target of a million visitors and return visitors. This, along with more use of facebook, twitter and Linked-In has resulted in customers increasingly accessing our services digitally. Whilst this is balanced with a continued decrease in face to face and phone contact, there remains a need for contact with customers where there is need, including when there is no access or use of the internet.
68. The council continues to seek to provide an improved experience for its customers by sharing sites and services with key partners. This includes the first year operation of Blueschool House as a co-located facility with the Department for Work and Pensions (DWP) as the county's key Job Centre Plus. DWP has also commissioned the council to support their universal customer services on digital and budgeting support. The remodelling of children centre services also sees shared sites with schools, nurseries and other council premises. Ross Library has seen investment to make improvements for customers and cater for children centre services.
69. The council assisted in securing £23m funding towards the establishment of the new University and is supporting the delivery phase by acting as accountable body for government funding and is engaging with the University team on the delivery of the built environment including student accommodation.
70. In preparation for the General Data Protection Regulations (GDPR), the council has been working to ensure that it is ready. There have been over 120 information governance audits carried out across the organisation to identify all the data we process and to ensure that we are processing it in accordance with the new legislation. Policies, process and practice have been tightened up to reflect the new legislation and new and revised privacy notices are being published on our website. A new service has been set up to support Herefordshire schools with Information Governance advice and a dedicated data protection officer appointed.
71. There were 15 Neighbourhood Development Plans (NDPs) adopted during 2017/18, maintaining Herefordshire's performance as being the county with the most NDPs in England (37). These now form part of the statutory development plan for the county. 49% of all NDPs in production have progressed to a stage where they have material weight in determining planning applications. This trend is looking likely to continue into 2018/19.
72. The council successfully disposed of the majority of its smallholding estate with sales values achieved exceeding the guide price.

### *Challenges*

73. The LEADER Programme was identified during late 2017 as underperforming across the regional performance tables held by the Rural Payments Agency (RPA). The need for extra resources to process projects that were in the system had already been identified and this was addressed in early 2018 through the employment of a temporary member of staff and extra resources provided through the Economic Development Team. This has seen the programme move up the performance table and on the basis of the projects that

are currently in the pipeline, the programme would be significantly overspent should they all be approved. There is an unofficial target to get 50% of the funding allocation committed by the end of May which the programme is on target to meet.

74. Whilst there was an overall improvement in road conditions during the year, the severe winter weather has meant that the council is now faced with a 5 fold increase in potholes. Government has recognised this nationally and the council has been allocated £1.25m from the Department for Transport's Pothole Fund for the current financial year.
75. Unauthorised capital spend on the joint customer services hub and failure to deliver within the original cost estimate led to the Audit and Governance Committee overseeing actions that have been developed and are being implemented to ensure effective internal controls in respect of capital spend, project management and contract management are being complied with across the council.
76. The backlog in carrying out background checks to ensure that the correct housing benefit claim was being paid was not recovered during the year, and the improvement and training plan that was put in place for staff during Q2 needs to be reviewed. Customers continue to be directed to self-serve online wherever possible.
77. The number of people killed or seriously injured (KSI) on Herefordshire roads continue to be a challenge. However, there were fewer KSIs during 2017 than in 2016. An action plan has been prepared and is being implemented to address the issues highlighted from the analysis of the data.
78. The waste performance measures slightly underperformed compared to target and previous years. This is linked to the lack of a recycling market for waste wood which has meant it has been used for energy production instead. Poor weather conditions in February and March also resulted in lower than anticipated recycling performance.

## **Community impact**

79. In accordance with the council's code of corporate governance, the long-term nature of many of the council's responsibilities mean that we should define and plan outcomes and that these should be sustainable. Decisions should further the council's purpose, contribute to intended benefits and outcomes, and remain within the limits of authority and resources. The council must ensure that it has an effective performance management system that facilitates effective and efficient delivery of planned services. Effective financial management, risk management and internal control are important components of this performance management system.
80. To support effective accountability the council is committed to reporting on actions completed and outcomes achieved, and ensuring stakeholders are able to understand and respond as the council plans and carries out its activities in a transparent manner. Regularly reviewing performance with a view to identifying actions which will deliver further improvement in outcomes or efficiencies helps ensure the council achieves its corporate plan priorities.

## **Equality duty**

81. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
  - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
82. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. As this is a factual report on performance achieved we do not believe that it will have an impact on our equality duty. As part of our decision making processes we ensure that individual directorates and service areas assess the potential impact of any proposed project, leading to fairer, transparent and informed decisions being made.

## Resource implications

83. The recommendations have no direct financial implications, but the JSNA findings are intended to play a significant role in guiding the allocation of resources in commissioning plans.

## Legal implications

84. There are no legal implications arising directly from the recommendations of this report. Financial reporting requirements state that the treasury management outturn be reported to full Council. Reporting of debt write off is in accordance with the financial procedure rules.
85. The Health and Social Care Act 2012 introduced new functions concerning the director of public health into the National Health Service Act 2006. Section 31 of the 2012 Act inserted the following paragraphs into the 2006 Act:
- The director of public health for a local authority must prepare an annual report on the health of the people in the area of the local authority
  - The local authority must publish the report.

## Risk management

86. The risks associated with any delivery plan objectives and projects are entered onto the relevant service or directorate risk register and escalated as appropriate. The corporate risk register is available on the council's website and an overview of the significant risks are included within appendix H.
87. The council is required to close the accounts by 30 June 2018 which includes the approval of statutory statements by the chief finance officer. Failure to meet statutory deadlines carries a reputational risk for the council in relation to its corporate governance role.

## Consultees

88. None in relation to this report. The development of the delivery plan was informed by the evidence base already gathered during the year and which includes user, resident and partner feedback where available.

## Appendices

|            |  |
|------------|--|
| Appendix A | Revenue outturn                                |
| Appendix B | Capital outturn                                |
| Appendix C | Treasury management outturn                    |
| Appendix D | Debt write-offs                                |
| Appendix E | Local Account 2017                             |
| Appendix F | Director of Public Health Annual Report        |
| Appendix G | Understanding Herefordshire 2018: JSNA summary |
| Appendix H | Scorecards                                     |
|            | Adults and Wellbeing                           |
|            | Children's Wellbeing                           |
|            | Economy, Communities and Corporate             |
|            | Organisation wide                              |

## Background papers

[AWB databook](#)

[CWB databook](#)

[ECC databook](#)

[Corporate risk register](#)



## Revenue Budget Position 2017/18

| Directorate Net Budget           | Gross Budget   | Net Budget     | Outturn        | Variance               | December Variance      | Movement since December |
|----------------------------------|----------------|----------------|----------------|------------------------|------------------------|-------------------------|
|                                  | £000           | £000           | £000           | £000                   | £000                   | £000                    |
|                                  |                |                |                | Over /<br>(Under)spend | Over /<br>(Under)spend | Adv / (Fav)             |
| Adults and Wellbeing             | 83,810         | 51,897         | 51,977         | 80                     | 880                    | (800)                   |
| Children's Wellbeing             | 140,729        | 20,409         | 22,403         | 1,994                  | 2,019                  | (25)                    |
| Economy, Communities & Corporate | 70,272         | 49,053         | 48,878         | (175)                  | (151)                  | (24)                    |
| Severe Weather Reserve           | 858            | 858            | 0              | (858)                  | 0                      | (858)                   |
| <b>Directorate total</b>         | <b>295,669</b> | <b>122,217</b> | <b>123,258</b> | <b>1,041</b>           | <b>2,748</b>           | <b>(1,707)</b>          |
| Other budgets and reserves       | 78,531         | 22,809         | 21,778         | (1,031)                | (747)                  | (284)                   |
| <b>TOTAL</b>                     | <b>374,200</b> | <b>145,026</b> | <b>145,036</b> | <b>10</b>              | <b>2,001</b>           | <b>(1,991)</b>          |

## Adults and Wellbeing: Revenue Budget Position 2017/18

|   | Gross Budget  | Net Budget    | March Outturn | March Variance      | December Variance   | Movement since December |
|---|---------------|---------------|---------------|---------------------|---------------------|-------------------------|
|   | £000          | £000          | £000          | £000                | £000                | £000                    |
|   |               |               |               | Over / (Under)spend | Over / (Under)spend | Adv / (Fav)             |
| Learning Disabilities                                 | 20,158        | 17,156        | 18,444        | 1,288               | 1,097               | 191                     |
| Memory and Cognition/Mental Health (Inc Safeguarding) | 8,201         | 7,021         | 6,308         | (713)               | (679)               | (34)                    |
| Physical Support                                      | 27,883        | 20,442        | 21,278        | 836                 | 1,067               | (231)                   |
| Sensory Support                                       | 450           | 386           | 362           | (24)                | 21                  | (45)                    |
| <b>Client Sub-Total</b>                               | <b>56,692</b> | <b>45,005</b> | <b>46,392</b> | <b>1,387</b>        | <b>1,506</b>        | <b>(119)</b>            |
| Operations  | 7,762         | 6,885         | 6,874         | (11)                | (269)               | 258                     |
| Commissioning   | 5,483         | 4,496         | 3,494         | (1,002)             | 159                 | (1,161)                 |
| Directorate Management                                | 3,271         | (5,340)       | (5,247)       | 93                  | (255)               | 348                     |
| Public Health   | 9,330         | (197)         | (197)         | (0)                 | 0                   | (0)                     |
| Transformation  | 1,273         | 1,048         | 661           | (387)               | (261)               | (126)                   |
| <b>Non Client Sub-Total</b>                           | <b>27,118</b> | <b>6,892</b>  | <b>5,585</b>  | <b>(1,307)</b>      | <b>(626)</b>        | <b>(681)</b>            |
| <b>Adults and Wellbeing</b>                           | <b>83,810</b> | <b>51,897</b> | <b>51,977</b> | <b>80</b>           | <b>880</b>          | <b>(800)</b>            |



## Children's Wellbeing: Revenue Budget Position 2017/18

|  | Gross Budget   | Net Budget    | March Outturn | March Variance         | December Variance      | Movement since December |
|--|----------------|---------------|---------------|------------------------|------------------------|-------------------------|
|  | £000           | £000          | £000          | £000                   | £000                   | £000                    |
|  |                |               |               | Over /<br>(Under)spend | Over /<br>(Under)spend | Adv / (Fav)             |
| Directorate                              | 262            | 209           | 26            | (183)                  | (170)                  | (13)                    |
| <b>Directorate</b>                       | <b>262</b>     | <b>209</b>    | <b>26</b>     | <b>(183)</b>           | <b>(170)</b>           | <b>(13)</b>             |
| Additional Needs                         | 3,251          | 3,176         | 3,081         | (95)                   | (282)                  | 187                     |
| Children's Commissioning                 | 532            | 521           | 445           | (76)                   | (117)                  | 41                      |
| Commissioning Management                 | 2,830          | 54            | 8             | (46)                   | 72                     | (118)                   |
| Development and Sufficiency              | 1,462          | 1,087         | 1,090         | 3                      | 34                     | (31)                    |
| 101 Early Years                          | 729            | 527           | 434           | (93)                   | (35)                   | (58)                    |
| Education Improvement                    | 166            | 51            | 41            | (10)                   | (21)                   | 11                      |
| DSG                                      | 116,183        |               |               | 0                      | 0                      | 0                       |
| <b>Education &amp; Commissioning</b>     | <b>125,183</b> | <b>5,416</b>  | <b>5,099</b>  | <b>(317)</b>           | <b>(349)</b>           | <b>32</b>               |
| Safeguarding and Review                  | 929            | 678           | 681           | 3                      | 0                      | 3                       |
| Children in Need                         | 2,464          | 2,361         | 2,142         | (219)                  | (184)                  | (35)                    |
| Looked After Children                    | 10,473         | 10,297        | 13,313        | 3,016                  | 2,977                  | 39                      |
| Safeguarding Development                 | 289            | 289           | 191           | (98)                   | (86)                   | (12)                    |
| Safeguarding & Early Help Management     | 1,159          | 1,159         | 951           | (208)                  | (169)                  | (39)                    |
| <b>Safeguarding &amp; Family Support</b> | <b>15,314</b>  | <b>14,784</b> | <b>17,278</b> | <b>2,494</b>           | <b>2,538</b>           | <b>(44)</b>             |
| <b>Children's Wellbeing</b>              | <b>140,729</b> | <b>20,409</b> | <b>22,403</b> | <b>1,994</b>           | <b>2,019</b>           | <b>(25)</b>             |

## Economy, Communities and Corporate: Revenue Budget Position 2017/18

|                                      | Gross Budget  | Net Budget    | March Outturn | March Variance         | December Variance       | Movement since December |
|--------------------------------------|---------------|---------------|---------------|------------------------|-------------------------|-------------------------|
|                                      | £000          | £000          | £000          | £000                   | £000                    | £000                    |
|                                      |               |               |               | Over /<br>(Under)spend | Over / (Under)<br>spend | Adv / (Fav)             |
| Directors                            | 919           | 916           | 783           | (133)                  | (45)                    | (88)                    |
| Environment and Place                | 42,229        | 27,511        | 28,208        | 697                    | (96)                    | 793                     |
| Resources                            | 15,090        | 11,072        | 10,517        | (555)                  | (112)                   | (443)                   |
| Growth                               | 2,568         | 2,021         | 2,010         | (11)                   | (18)                    | 7                       |
| Communities                          | 9,466         | 7,533         | 7,360         | (173)                  | 120                     | (293)                   |
| <b>Total ECC and Chief Executive</b> | <b>70,272</b> | <b>49,053</b> | <b>48,878</b> | <b>(175)</b>           | <b>(151)</b>            | <b>(24)</b>             |
| <b>Severe Weather Reserve</b>        | <b>858</b>    | <b>858</b>    | <b>0</b>      | <b>(858)</b>           | <b>0</b>                | <b>(858)</b>            |

| 2017/18 Capital Budget Outturn   |   |                            | 2017/18              |               |                 |
|--|---|----------------------------|----------------------|---------------|-----------------|
|  | 2017/18 Budgets approved by Council plus Grant Funded Schemes £000s | Adjustments in Year* £000s | Outturn Budget £000s | Outturn £000s | Variance £000s  |
| *Adjustments include brought forward balance from prior years and additional grants/income allocations |   |                            |                      |               |                 |
| <b>Adults and Wellbeing</b>  |   |                            |                      |               |                 |
| Single Capital Pot - social care   | -   | 615                        | 615                  | 19            | (596)           |
| Disabled Facilities Grant  | 1,706   | 171                        | 1,877                | 1,877         | -               |
| Affordable Housing Grants  |   | 1,005                      | 1,005                | 0             | (1,005)         |
| Private sector housing   | 800   | (599)                      | 201                  | 14            | (187)           |
| Revolving Loans  |   | 200                        | 200                  | 99            | (101)           |
| Housing Technology Grant   |   | 350                        | 350                  | 350           | 0               |
| <b>Total Adults &amp; Wellbeing</b>  | <b>2,506</b>  | <b>1,742</b>               | <b>4,248</b>         | <b>2,359</b>  | <b>(1,889)</b>  |
| <b>Children's Wellbeing</b>  |   |                            |                      |               |                 |
| Brookfield School Improvements   | 980   | 390                        | 1,370                | 6             | (1,364)         |
| Capital maintenance - schools  | 1,200   | 1,236                      | 2,436                | 1,997         | (439)           |
| Colwall Primary School - REPLACEMENT SCHOOL  | 1,667   | 2,533                      | 4,200                | 4,130         | (70)            |
| Marlbrook Primary School (Extension)   | 2,000   | 0                          | 2,000                | 153           | (1,847)         |
| Peterchurch Primary School   | 4,494   | 1,000                      | 5,494                | 1             | (5,493)         |
| SEN and DDA School Improvements  | 710   | (710)                      | 0                    | 0             | 0               |
| Other schemes less than £500k  | 300   | 2,196                      | 2,496                | 600           | (1,896)         |
| <b>Total Children's Wellbeing</b>  | <b>11,351</b>   | <b>6,645</b>               | <b>17,996</b>        | <b>6,887</b>  | <b>(11,109)</b> |
| <b>Economy, Communities and Corporate</b>  |   |                            |                      |               |                 |
| Car Parking Strategy & Re Surfacing  | -   | 362                        | 362                  | 58            | (304)           |
| Corporate Accommodation  | 1,771   | 16                         | 1,787                | 1,279         | (508)           |
| Data Centre Consolidation  | -   | 230                        | 230                  | 124           | (106)           |
| Development Partnership  | 600   | -                          | 600                  | 300           | (300)           |
| Fastershire Broadband  | 9,747   | (33)                       | 9,714                | 5,679         | (4,035)         |
| Hereford City Centre Transport Package   | 5,682   | 1,909                      | 7,591                | 6,098         | (1,493)         |
| Hereford Enterprise Zone   | 7,779   | 1,750                      | 9,529                | 1,847         | (7,682)         |
| Hereford Enterprise Zone - Shell Store   | 2,500   | -                          | 2,500                |               | (2,500)         |
| Highway asset management & major infrastructure investment   | 14,033  | (6,543)                    | 7,490                | 6,208         | (1,282)         |
| Hereford Transport Package   | 510   |                            | 510                  |               | (510)           |
| IT Network Upgrade   | -   | 500                        | 500                  | 209           | (291)           |
| LED Street Lighting  | -   | 494                        | 494                  | 317           | (177)           |
| Leisure Centres  | -   | 842                        | 842                  | 429           | (413)           |
| Local Transport Plan (LTP) & Pothole   | 15,131  |                            | 15,131               | 13,740        | (1,391)         |
| Marches Business Improvement Grants  | 833   |                            | 833                  | -             | (833)           |
| Model Farm, Ross on Wye  | 2,520   | -                          | 2,520                | -             | (2,520)         |
| Property Estate Enhancement Works  | 500   | -                          | 500                  | 326           | (174)           |
| Solar Photovoltaic Panels  | -   | 1,631                      | 1,631                | -             | (1,631)         |
| South Wye Transport Package  | 3,500   | (629)                      | (2,871)              | 1,366         | (1,505)         |
| Smallholdings  | -   | 1,388                      | 1,388                | 1,388         | -               |
| Other schemes less than £500k  | 1,033   | 658                        | 1,691                | 365           | (1,326)         |
| <b>Total Economy, Communities and Corporate</b>  | <b>66,139</b>   | <b>2,575</b>               | <b>68,714</b>        | <b>39,733</b> | <b>(28,981)</b> |
| <b>Total</b>   | <b>79,996</b>   | <b>10,962</b>              | <b>90,958</b>        | <b>48,979</b> | <b>(41,979)</b> |

|                          | <b>17/18 Budget</b> | <b>Brought Forward</b> |
|--------------------------|---------------------|------------------------|
| December report          | 79,996              | 14,962                 |
| Outturn Position         | 79,996              | 10,962                 |
| <b>Change in Quarter</b> | <b>0</b>            | <b>- 4,000</b>         |

| <b>AWB</b>                   | <b>Increase/Decrease</b> | <b>Reason</b>            |
|------------------------------|--------------------------|--------------------------|
| Disabled Facility Grant      | 171                      | Increase in grant        |
| Revolving Loan               | 200                      | Carry Forward from 17/18 |
| Housing and Technology Grant | 350                      | Grant received in year   |
| <b>Total AWB</b>             | <b>721</b>               |                          |

| <b>ECC</b>               | <b>Increase/Decrease</b> | <b>Reason</b>                          |
|--------------------------|--------------------------|--|
| Smallholdings            | 1,388                    | Use of capital receipts for sale costs |
| Highway Asset Management | (6,543)                  | Funding not secured                    |
| Master House Landscaping | 7                        | Funded by S106                         |
| Corporate Accommodation  | 401                      | Contribution from DWP                  |
| Leisure Centre           | 15                       | Lottery Funding                        |
| Hereford Enterprise Zone | 5                        | Income received in year                |
| Gritters                 | 6                        | Additional Spend                       |
| <b>Total ECC</b>         | <b>(4,721)</b>           |  |

|   |                |  |
|---|----------------|--|
| <b>Difference from December Report to Outturn</b> | <b>(4,000)</b> |  |
|---|----------------|--|

## Annual Treasury Management Report 2017/18

### **1. Introduction**

- 1.1. The council's treasury management activity is underpinned by CIPFA's Code of Practice on Treasury Management. Before the start of every year the Code requires local authorities to produce Prudential Indicators and a Treasury Management Strategy Statement detailing the policies and objectives of the council's treasury management activities for the forthcoming year. This outturn report compares actual activity to those policies and objectives.
- 1.2. The council borrows and invests substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of these risks are central to the treasury management strategy.

### **2. Economic Background**

- 2.1. **Growth:** During the first half of 2017 growth was disappointingly weak. The main reason for this was the sharp increase in inflation caused by the devaluation of sterling after the EU referendum. However, growth did pick up modestly in the second half of 2017.
- 2.2. **UK Monetary Policy:** On 2 November the Monetary Policy Committee (MPC) raised the bank rate from 0.25% to 0.50%. The 8 February MPC meeting minutes warned for more imminent and faster paced increases in the bank rate.
- 2.3. **Inflation:** CPI inflation ended the year at 2.7% and was forecast to remain just over 2% within 2 years.

### **3. Borrowing**

- 3.1. The council continues to access lower cost short-term loans from other local authorities rather than more expensive longer term debt due to the differential between short and longer-term interest rates. This policy is expected to continue in 2018/19 but should this differential decrease and short term borrowing costs increase, the council will begin securing additional fixed long term debt to fund its borrowing requirements.
- 3.2. In 2017/18 the weighted average interest rate paid on council borrowing was 3.48% (3.24% in 2016/17). The weighted average cost of long term borrowing was 3.88% compared to 0.70% for short-term borrowing (being the gross cost including brokers' commission of between 0.03% and 0.06%).
- 3.3. It is council strategy to maintain borrowing and investments below their underlying levels by using "internal borrowing", utilising usable reserves. This maintains borrowing and investment balances to a minimum.
- 3.4. During 2017/18 Public Works Loan Board (PWLB) have increased their lending rates correspondingly to the developments noted in the economic background section above, with shorter term rates increasing more sharply than longer term rates.
- 3.5. The premium charged by the PWLB for the early repayment of PWLB debt remained too expensive for existing loans in the council's portfolio to be repaid and rescheduled. No rescheduling activity was undertaken in 2017/18, this option will continue to be constantly considered.
- 3.6. Borrowing activity during the year is summarised below:

| <b>Borrowing Activity in 2017/18</b>   | <b>01/04/17 Balance £m</b> | <b>New Borrowing £m</b> | <b>Debt Maturing £m</b> | <b>31/03/18 Balance £m</b> |
|--|----------------------------|-------------------------|-------------------------|----------------------------|
| Short-term borrowing   | 28.00                      | 10.00                   | (33.00)                 | 5.00                       |
| Long-term borrowing  | 148.49                     | 0.00                    | (5.44)                  | 143.05                     |
| <b>TOTAL BORROWING</b>   | <b>176.49</b>              | <b>10.00</b>            | <b>(38.44)</b>          | <b>148.05</b>              |
| Other long-term liabilities*   | 57.41                      | 0.27                    | (2.24)                  | 55.44                      |
| <b>TOTAL EXTERNAL DEBT</b>   | <b>233.90</b>              | <b>10.27</b>            | <b>(40.68)</b>          | <b>203.49</b>              |
| <i>*Other long term liabilities represent existing commitments under PFI arrangements included in the medium term financial strategy</i> |                            |                         |                         |                            |

3.7. Total borrowing decreased by £28.4m due to repayments exceeding the need to borrow to fund capital programme spend in 2017/18.

3.8. The council's underlying need to borrow as measured by the Capital Financing Requirement (CFR). As at 31/03/2018 this totalled £314.6m. The difference of £111.1m between the CFR and total external debt represents internal borrowing from usable reserves, which totalled £112.1m, working capital balances and the outstanding loan balance with Mercia waste of £37.1m.

3.9. The council's capital financing costs in 2017/18 were as follows.

| <b>Capital financing costs for 2017/18:</b>                                  | <b>Budget</b> | <b>Outturn</b> | <b>Over / (under) spend</b> |
|--|---------------|----------------|-----------------------------|
|  | <b>£m</b>     | <b>£m</b>      | <b>£m</b>                   |
| <b>Minimum Revenue Provision</b> (provision for repayment of loan principal) | <b>11.1</b>   | <b>6.0</b>     | <b>(5.1)</b>                |
| <b>Interest payable on all loans</b>   | <b>6.8</b>    | <b>5.8</b>     | <b>(1.0)</b>                |
| <b>TOTAL</b>   | <b>17.9</b>   | <b>11.8</b>    | <b>(6.1)</b>                |

3.10. The variances to budget have arisen from:

- The change to the Council's Minimum Revenue Provision Policy (MRP) in the year. This decision means that the MRP is now calculated on an annuity basis, resulting in an in year saving. This saving has been added to the Council's usable revenue reserves.
- The underspend on interest payable rose to £978k on outturn due to interest charges on short term loans being lower than budgeted and utilised less than expected.

#### **4. Investments**

4.1. The council invests significant funds, representing income received in advance of

## Appendix C

expenditure plus balances and reserves. During 2017/18 the council's investment balances averaged at £22m and ranged from £3m in April 2017 to £45m in February 2018.

4.2. Security of capital remained the council's primary objective. Investment income remained low due to the continued low interest rate environment.

4.3. Investments held at the start and end of the year were as follows:

| Investments                    | 01/04/17<br>Balance<br>£m | Investments<br>Made<br>£m | Maturities/<br>Withdrawals<br>£m | 31/03/18<br>Balance<br>£m |
|--------------------------------|---------------------------|---------------------------|----------------------------------|---------------------------|
| Instant Access<br>Accounts     | 2.97                      | 319.13                    | (312.98)                         | 9.12                      |
| Notice<br>Accounts             | -                         | 5.00                      | (5.00)                           | -                         |
| Fixed Term<br>Deposits         | -                         | 22.00                     | (17.00)                          | 5.00                      |
| <b>Total</b>                   | <b>2.97</b>               | <b>346.13</b>             | <b>(334.98)</b>                  | <b>14.12</b>              |
| <b>Increase in investments</b> |                           |                           |                                  | <b>11.15</b>              |

4.4. Interest received during the year was as follows:

| Month          | Average amount<br>invested |              | Average rate of<br>interest earned |             | Budget<br>£000 | Interest<br>earned<br>£000 | (Surplus)<br>/deficit<br>£000 |
|----------------|----------------------------|--------------|------------------------------------|-------------|----------------|----------------------------|-------------------------------|
|                | Actual<br>£m               | Budget<br>£m | Actual<br>%                        | Budget<br>% |                |                            |                               |
| Apr-16         | 9.6                        | 15           | 0.27                               | 0.30        | 4              | 2                          | 2                             |
| May-16         | 17.8                       | 15           | 0.23                               | 0.30        | 4              | 3                          | 1                             |
| Jun-16         | 8.8                        | 15           | 0.23                               | 0.30        | 4              | 2                          | 2                             |
| Jul-16         | 14.9                       | 15           | 0.22                               | 0.30        | 4              | 3                          | 1                             |
| Aug-16         | 20.5                       | 15           | 0.20                               | 0.30        | 4              | 3                          | 1                             |
| Sep-16         | 15.2                       | 15           | 0.20                               | 0.30        | 4              | 2                          | 2                             |
| Oct-16         | 13.7                       | 60           | 0.20                               | 0.30        | 16             | 2                          | 14                            |
| Nov-16         | 30.5                       | 60           | 0.38                               | 0.30        | 16             | 9                          | 7                             |
| Dec-16         | 29.1                       | 60           | 0.46                               | 0.30        | 16             | 12                         | 4                             |
| Jan-17         | 39.3                       | 60           | 0.44                               | 0.30        | 16             | 15                         | 1                             |
| Feb-17         | 39.8                       | 60           | 0.42                               | 0.30        | 16             | 13                         | 3                             |
| Mar-17         | 29.1                       | 60           | 0.47                               | 0.30        | 16             | 12                         | 4                             |
| <b>Outturn</b> |                            |              |                                    |             | <b>120</b>     | <b>78</b>                  | <b>42</b>                     |

4.5. The interest received in the year was below budget due to lower balances being maintained, reducing the need to borrow.

4.6. The average interest rate achieved during 2017/18 was 0.31%, slightly higher than budgeted. This compares favourably with the generally accepted benchmark of the average 7-day London Inter-Bank Bid (LIBID) rate of 0.21%.

4.7. In addition to interest earned on balances interest has been accrued in relation to the energy from waste plant loan to Mercia waste. This totalled £2.0m, the net loan position is set aside

to fund increased waste disposal costs in future years.

**5. Compliance with Prudential Indicators**

- 5.1. The Council complied with its Prudential Indicators, Treasury Management Policy Statement and Treasury Management Practices for 2017/18 as detailed in Annex 1. A prudent approach has been taken in relation to investment activity with priority being given to security and liquidity over yield.



**Performance Indicators****1. Treasury Management Indicators**

The council measures and manages its exposures to treasury management risks using the following indicators.

**1.1 Interest Rate Exposures**

This indicator is set to control the council's exposure to interest rate risk. The indicator sets upper limits on fixed and variable rate interest rate exposures, expressed as the proportion of net principal borrowed.

|   | <b>2017/18<br/>Approved<br/>Limit</b> | <b>2017/18<br/>maximum<br/>exposure</b> |
|---|---------------------------------------|---|
| <b>Upper Limit for Fixed Rate Exposure</b>    | 100%                                  | 100%                                    |
| <b>Upper Limit for Variable Rate Exposure</b> | 50%                                   | 15%                                     |

The above indicator relates to net debt, if the council has variable rate investments at the same level as its variable rate debt it is deemed to have no variable rate exposure (all council investments are regarded as being at variable rate because no investments are for more than one year).

**1.2 Maturity Structure of Fixed Rate Borrowing**

This indicator is to limit large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates.

| <b>Maturity Structure of Fixed Rate Borrowing</b> | <b>Lower Limit %</b> | <b>Upper Limit %</b> | <b>Actual Fixed Rate Borrowing 31/03/18 £m</b> | <b>% Fixed Rate Borrowing 31/03/18</b> |
|---|----------------------|----------------------|--|--|
| Under 12 months                                   | 0%                   | 35%                  | <b>5.54</b>                                    | <b>4%</b>                              |
| 12 months and within 24 months                    | 0%                   | 30%                  | <b>7.23</b>                                    | <b>5%</b>                              |
| 24 months and within 5 years                      | 0%                   | 25%                  | <b>12.38</b>                                   | <b>9%</b>                              |
| 5 years and within 10 years                       | 0%                   | 25%                  | <b>26.17</b>                                   | <b>18%</b>                             |
| 10 years and within 20 years                      | 0%                   | 40%                  | <b>28.70</b>                                   | <b>20%</b>                             |
| 20 years and within 30 years                      | 0%                   | 40%                  | <b>20.86</b>                                   | <b>15%</b>                             |
| 30 years and within 40 years                      | 0%                   | 40%                  | <b>22.17</b>                                   | <b>15%</b>                             |
| 40 years and within 50 years                      | 0%                   | 40%                  | <b>20.00</b>                                   | <b>14%</b>                             |
| <b>Total</b>                                      |                      |                      | <b>143.05</b>                                  | <b>100%</b>                            |

Two LOBO ("Lenders Option then Borrowers Option") bank loans of £6m each are repayable in 2054 however if the lenders seek to increase the interest rate charged, currently 4.50%, the council has the opportunity to repay the loans.

**1.3 Upper Limit for Total Principal Sums Invested Over 364 Days**

The purpose of this limit is to contain exposure to the possibility of financial loss that may arise as a result of the council having to seek early repayment of the sums invested.

| Upper Limit for Total Principal Sums Invested Over 364 Days | 2017/18 Approved £m | 2017/18 Actual £m | 2018/19 Estimate £m | 2019/20 Estimate £m |
|---|---------------------|-------------------|---------------------|---------------------|
| <b>Total</b>  | <b>5</b>            | <b>0</b>          | <b>5</b>            | <b>5</b>            |

During 2017/18 no long-term investments were made for a period exceeding 364 days.

## 2. Prudential Indicators

### 2.1 Estimates of Capital Expenditure

This indicator is set to ensure that the level of proposed capital expenditure remains within sustainable limits and, in particular, to consider the impact on council tax.

| Capital Expenditure | 2017/18       |               | 2018/19 Estimate £000 | 2019/20 Estimate £000 |
|---------------------|---------------|---------------|-----------------------|-----------------------|
|                     | Estimate £000 | Actual £000   |                       |                       |
| <b>Total</b>        | <b>73,272</b> | <b>50,220</b> | <b>92,148</b>         | <b>47,910</b>         |

Capital expenditure has been and is expected to be financed or funded as follows:

| Capital Financing    | 2017/18       |               | 2018/19 Estimate £000 | 2019/20 Estimate £000 |
|----------------------|---------------|---------------|-----------------------|-----------------------|
|                      | Estimate £000 | Actual £000   |                       |                       |
| Capital grants       | 39,071        | 29,011        | 51,497                | 22,213                |
| Capital receipts     | 9,745         | 4,184         | 12,495                | 150                   |
| Revenue funding      | -             | 249           | -                     | -                     |
| Prudential borrowing | 24,456        | 16,776        | 28,156                | 25,547                |
| <b>Total</b>         | <b>73,272</b> | <b>50,220</b> | <b>92,148</b>         | <b>47,910</b>         |

Generally prudential borrowing finance is provided where the return on the investment exceeds the debt financing cost.

## 3. Capital Financing Requirement (CFR)

Estimates of the council's cumulative maximum external borrowing requirement for 2017/18 to 2019/20 are shown in the table below:

| Capital Financing Requirement | 2017/18 Approved £000 | 2017/18 Actual £000 | 2018/19 Estimate £000 | 2019/20 Estimate £000 |
|-------------------------------|-----------------------|---------------------|-----------------------|-----------------------|
| <b>Total CFR</b>              | <b>290,123</b>        | <b>314,628</b>      | <b>307,307</b>        | <b>328,395</b>        |

Total debt is expected to remain at or below the CFR during the forecast period.

## 4. Authorised Limit and Operational Boundary for External Debt

The Local Government Act 2003 requires the Council to set an Affordable Borrowing Limit or Authorised Limit. This is a statutory limit which should not be breached.

The Operational Boundary is based on the same estimates as the Authorised Limit but reflects the most likely, prudent but not worst case scenario without the additional headroom

included within the Authorised Limit. The limits for other long term liabilities have been increased to £60m in the 2018/19 Treasury Management Strategy approved by Council in January 2018 to reflect the loan arrangement agreed in relation to the waste PFI arrangement.

|                             | <b>2017/18<br/>Approved<br/>Operational<br/>Boundary<br/>£m</b> | <b>2017/18<br/>Approved<br/>Authorised<br/>Limit<br/>£m</b> | <b>Actual External<br/>Debt as at<br/>31/03/18<br/>£m</b> |
|-----------------------------|---|---|---|
| Borrowing                   | 310.0   | 320.0   | 148.0   |
| Other Long-term Liabilities | 30.0  | 40.0  | 55.4  |
| <b>Total</b>                | <b>340.0</b>  | <b>360.0</b>  | <b>203.4</b>  |

#### 5. Ratio of Financing Costs to Net Revenue Stream

This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

| <b>Ratio of Financing Costs to Net Revenue Stream</b> | <b>2017/18<br/>Approved<br/>%</b> | <b>2017/18<br/>Actual<br/>%</b> |
|---|-----------------------------------|---------------------------------|
| Net Revenue Stream                                    | 145,025                           | 145,026                         |
| Financing Costs                                       | 17,859                            | 14,113                          |
| <b>Percentage</b>                                     | <b>12.3%</b>                      | <b>9.7%</b>                     |

#### 6. Adoption of the CIPFA Treasury Management Code

This indicator demonstrates that the council has adopted the principles of best practice.

The council has incorporated the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2011 Edition* into its treasury policies, procedures and practices. In December 2017 CIPFA revised the Treasury Management Code of Practice with full implementation expected in 2019/20.



**Debt write offs 2017/18**

- 1 The finance procedures rules require the chief financial officer to report details of debt amounts over £10k written off to Cabinet for information purposes annually.
- 2 The table below sets out individual debts written off exceeding £10k for 2017/18 and 2016/17 for comparison:

| <b>2017/18</b>                             |                              |                    |                                |                                     |
|--|------------------------------|--------------------|--------------------------------|-------------------------------------|
| <b>Date of original invoice</b>            | <b>Date debt written off</b> | <b>Amount £000</b> | <b>Income type</b>             | <b>Reason for write off</b>         |
| 11.03.2016                                 | 07.03.2018                   | 11                 | Business Rates                 | Liquidation                         |
| 09.03.2017                                 | 23.02.2018                   | 13                 | Business Rates                 | Bankruptcy                          |
| Demands on 07.08.14, 06.03.15 and 11.03.16 | 10.03.2018                   | 16                 | Business rates                 | Liquidation                         |
| 06.03.2015                                 | 22.03.2018                   | 11                 | Business rates                 | Bankruptcy                          |
| Demands on 12.04.2016 & 30.03.2017         | 07.03.2018                   | 20                 | Business Rates                 | Bankruptcy                          |
| 28.03.2018                                 | 29.03.2018                   | 16                 | Business rates                 | Liquidation                         |
| 27.04.2016                                 | 29.03.2018                   | 25                 | Overpayment of Housing Benefit | Deceased / Unrecoverable            |
| <b>TOTAL</b>                               |                              | <b>112</b>         |                                |                                     |
| <b>2016/17</b>                             |                              |                    |                                |                                     |
| <b>Date of original invoice</b>            | <b>Date debt written off</b> | <b>Amount £000</b> | <b>Income type</b>             | <b>Reason for write off</b>         |
| 2016/17 demand                             | 31/03/2017                   | 15                 | Business Rates                 | Company voluntary arrangement (CVA) |
| 2016/17 demand                             | 31/03/2017                   | 18                 | Business                       | Liquidation                         |

|   |            |           |                |                                     |
|---|------------|-----------|----------------|-------------------------------------|
|   |            |           | Rates          |                                     |
| 2014/15 & 2015/16 demand  | 13/01/2017 | 23        | Business Rates | Liquidation                         |
| 2016/17 demand  | 31/03/2017 | 11        | Business Rates | Company voluntary arrangement (CVA) |
| 2016/17 demand  | 31/03/2017 | 12        | Business Rates | Liquidation                         |
| 2009/10, 2010/11, 2011/12, 2012/13, 2013/14, 2014/15, 2015/16 & 2016/17 demands | 20/03/2017 | 13        | Council Tax    | Moved abroad / unrecoverable        |
| <b>TOTAL</b>  |            | <b>92</b> |                |                                     |

- 3 Individual debts under £10k written off in 2017/18 totalled £793k (£400k for 2016/17) giving a total amount written off of £905k (£492k for 2016/17). Debts are only written off once full debt recovery processes are completed, occasionally debt previously written off becomes payable if the debtors circumstances change. The council works closely with statutory bodies when deciding to write off debt. Legislative processes can take many months, or even years if the debtor is on low income, to conclude before a write off is sanctioned.
- 4 Debts written-off represent a very low proportion of income collected per annum as shown in the table below:

|                          | <b>2015/16<br/>£000</b> | <b>2016/17<br/>£000</b> | <b>2017/18<br/>£000</b> |
|--------------------------|-------------------------|-------------------------|-------------------------|
| Total amount written off | 1,245                   | 492                     | 905                     |
| Council tax charged      | 87,022                  | 92,097                  | 96,876                  |
| Business rates charged   | 48,526                  | 47,610                  | 48,970                  |
| General debtors charged  | 62,314                  | 50,842                  | 59,228                  |

- 5 The finance procedure rules stipulate that the chief financial officer must approve the writing off debt exceeding £20k. For 2017/18 there was one case exceeding £20k (one case for 2016/17) as follows;
- a write off of £25,415.90 relating to an overpayment of housing benefit where the customer had passed away and the amount was not recoverable.



# Adult Social Care in Herefordshire

**Our Local Account  
2017**



**Our vision is to:**

***Enable residents to live safe,  
healthy and independent lives***

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# Introduction

We are pleased to introduce Herefordshire's Local Account for 2017. This Local Account gives details about how Adults Wellbeing supports Herefordshire residents to enable them to live healthy, independent lives at home for as long as possible. It also provides information about our services which help people to stay healthy and well, services that support some of the most vulnerable clients in the community, some of the things that we achieved over the past year, what we spend our money on and some of the things we plan to do during the next year.

Our Account aims to be balanced and open, providing useful information describing what we did over the past year to support local people and how we plan to build on this in the coming 12 months.

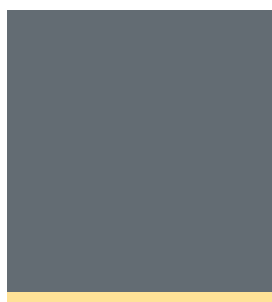
The past year has been one of many challenges and changes and there is no doubt that we continue to face significant financial pressures. Our focus though continues to be on promoting independence and enabling people to remain living in their communities with appropriate support if possible. We also remain committed to ensuring that people have more choice and control over the support they receive.

We look forward over the next year to continue to work closely with our partners across the Health, Social Care and Voluntary Sectors to make sure that we continue to deliver more joined up, effective services wherever we can.

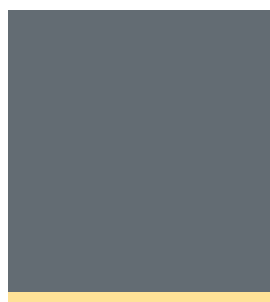
We are always keen to receive feedback about how we are doing and we are grateful for all those people who have contributed and shared their thoughts and ideas for improvement about the services they have received.

We hope you find this year's local account informative and helpful in understanding the current performance of Adults Wellbeing and the plans for the coming year.

Thank you for your continued support.



**Stephen Vickers**  
Interim director for adults and wellbeing



**Paul Rone**  
Cabinet member for health and wellbeing

# Key facts

## Demography

### 2 in 5

- The current resident population of Herefordshire is 189,300 people.



189,300

- Just over half of all residents live in areas classified as rural, with around two in five living in the most rural 'village and dispersed' areas.



- The county has an older age structure than England & Wales as a whole, with 24 per cent of the population aged 65 years or above, compared to 18 per cent nationally. This number is expected to increase to 65,000 over the next 20 years.



65,000

- The very elderly, aged 85+, will more than double from 6,000 to 13,500 over the next 20 years.



13,500

- Herefordshire's working age population (16-64) is 112,700. If recent trends in migration were to continue, natural ageing would see this number gradually fall to 108,800 over the next 20 years.



108,000

- Herefordshire has a lower proportion of younger working age adults compared with England & Wales as a whole, but has a higher proportion of older working age adults (mid-forties to the age of 64).



- Rates of limiting long-term illness amongst those aged 65-84 are lower than nationally, and people turning 65 in the county can expect to live longer, both overall and in good health, than those elsewhere.



65-84

64

## Carers

- It is estimated that there are 21,300 informal carers living in Herefordshire.



21,300

- Women aged between 55 and 64 are the group most likely to provide informal care.



55-64

- It is estimated that just over 14 per cent of people aged 65 and over living in Herefordshire provide some degree of informal care.

14%



## Older people

- It is estimated that there are approximately 3,200 people aged 65 and over with dementia living in Herefordshire. This number is estimated to increase to 5,500 by 2035.



- Herefordshire has a lower diagnosis rate of dementia than nationally and regionally.

5,500

- It is estimated that there are 4,600 people aged 65 and over with frailty living in the community in Herefordshire. By 2035, this number is estimated to rise by approximately 67%.



67%

- It is estimated that in 2017 nearly 12,200 people aged 65 and over living in Herefordshire will experience a fall. Falling can result in fracture, admission to hospital, disability and admission to residential or nursing home.



12,200

- There were estimated to be 16,600 older people aged 65 and over living alone in Herefordshire in 2017. It is predicted that the number will increase by 47 per cent to 24,300 people by 2035.



24,300

## Learning Difficulties

- There is estimated to be around 3,600 adults with a learning disability in Herefordshire; of which just under 900 were registered as having a learning disability at a GP practice in Herefordshire.



3,600

- The population with LD is not expected to increase dramatically over the next 20 years, although those with more complex needs is.



20

## Care homes & dom care

- There are currently 81 residential and nursing homes registered with the Care Quality Commission in Herefordshire with a total of around 2,050 beds.



2,050

- The need for care home beds is estimated to increase by 250 to 2,300 in over the next five years and by 1,350 to 3,400 beds over the next 20 years.



3,400

- At any time, Herefordshire Council funds some element of domiciliary care for around 800 people. Three-quarters are aged 65+; almost 40 per cent are 85+.



800

## CASE STUDY – to follow

Awaiting case study

DRAFT

# Achievements against our objectives

## Prevention and wellbeing

Enabling people to live well within their communities is a key underpinning strategy for the council and brings together the functions across the system including public health, housing, community development and social care as delivery partners to drive this objective.



### Wellbeing Information and Signposting in Herefordshire (WISH)

Extensive mapping of Herefordshire has been undertaken so that WISH now offers a directory of community groups, services and activities available to people across Herefordshire which supports their wellbeing. The website has seen a 20% increase in the number of hits during 2017, indicating that more people are benefiting from the information available. The focus now will be to make WISH the first place that people turn to for information about their communities and to ensure partners, such as GPs, are able to use WISH to signpost people to alternative support options where necessary. We will also be exploring more interactive functionality such as online forums.

### NHS Health Checks

This is a national scheme of check-ups for adults aged 40-74, who might not otherwise feel the need to visit their GP. It is designed to spot early signs of stroke, kidney disease, heart disease, type 2 diabetes or dementia. People within this age group, without a pre-existing condition, are invited for a free NHS Health Check every five years. During the past year, 47% of the people who were invited attended their check. This is a small improvement on the previous year and represents good performance regionally and nationally. For more information visit, <https://www.nhs.uk/Conditions/nhs-health-check/Pages/NHS-Health-Check.aspx>.



### Healthy Lifestyle Trainer Service

During the year the Healthy Lifestyle Trainers (HLT) supported nearly 500 people with one to one behavioural support and engaged with 450 community activity groups; making contact with over 4500 people. Of those engaged with on an individual basis, 55% achieved their Personalised Health Plan, as well as showing reductions in their Body Mass Index, reduction in alcohol intake and increases in physical activity.



## Substance Misuse Services

The substance misuse service has delivered an intensive improvement programme during 2017. One of the main success measures is the rate of successful completion of treatment for the primary opiate grouping and maintenance of this (through monitoring of re-presentation rates). The target of 8% was challenging, and performance was at times well below this level, but in Q3 17/18 we achieved a rate of 8.3%. This places Herefordshire in the top 25% of services within our comparator grouping (set by Public Health England).

## Public Health Nursing

We have developed a new service model of universal and early help support for children, young people and families, by bringing together the health visiting and school nursing services and developing an integrated 0-25yrs "Public Health Nursing Service". The new service includes the principles for developing accessible children and family support services that will work through multi-agency partnerships to significantly improve the outcomes at early years for children.

As well as ensuring that vital statutory services supporting young children's development are maintained, this new service offers support for children and their families throughout the early years and beyond, providing universal support and care for children and young people up to the age of 19 years (25 years for young people with special educational needs or disabilities).

Wye Valley NHS Trust will start delivering the new service from 1 April 2018.

## Delaying and reducing the need for support

### Homefirst service

Our new Homefirst service brings together two existing services, providing Reablement and Rapid Response. Bringing them together within the council provides greater capacity and control by social care to ensure that this intensive support is available to the right people at the right time to maximise their potential to regain confidence and independence.

The service provides different levels of support based on the individual's needs, mitigating short term crises and reducing the amount of long term support required. Homefirst performs a vital role in supporting the wider health system by helping avoid hospital admission and enabling rapid discharge once people are medically fit to leave hospital.



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## Telecare & Assistive Technology

During the year, we changed the delivery model for assistive technology and telecare services so that anyone can now make a request for a service, for a small weekly charge. As a result, more people, with a wider range of needs are receiving support, in a range of settings using different technologies. The service now receives an average of 100 applications and referrals per month.



## Disabled Facilities Grant (DFGs)

DFGs offer improved outcomes for service users by enabling them to remain in their own home for longer and so delay the need for a residential placement. In 2016/17, Herefordshire's DFG budget increased significantly. As a consequence:

- Occupational Therapy waiting lists reduced from 797 people waiting (01 April 2016) to 178 people waiting at the end of December 2017.
- The number of DFG referrals received per month increased during the course of the year, with a total of 378 referrals received during the year.
- 183 DFGs were approved during the year; the rate of approvals per month doubled during the course of the year.
- The average number of completed DFGs per month trebled during the year, with 178 DFGs in total being completed.

## Housing Grants

We have successfully secured a number of housing grants, including:

- A Housing and Technology Grant of £285k, to help develop a greater range of housing options across property type and location, providing assistive technology to maximise choice, enhance safety, security and independence, and encourage better use of care and support resources. This project will install technology in 14 supported living schemes, supporting 81 individuals meet their needs in less intrusive and more cost effective ways
- In the first year of the national Community Led Housing Fund, central government allocated Herefordshire £502k to promote participation in housing development through a range of community led approaches. The fund was committed to community land trusts, co-housing and self-build. There is a focus on building capacity across sectors to support future community led housing, including housing needs surveys, a county-wide hub and project management. Schemes supported include those benefitting homeless people, older people and military veterans. From April 2018, the Community Led Housing Fund will be administered by Homes England
- A further £93k was received from Department of Communities and Local Government to improve the prevention of rough sleeping. This will be used to support two temporary posts; a rough sleeping prevention officer and a part time research post to ensure that prevention work is targeted at the highest risk groups of the Herefordshire population.



## Ensuring people have a positive experience of care and support

### Adult Social Care Pathway

Over the past 2 years, we have worked hard to improve the overall customer experience of adult social care (ASC) by focusing on improved performance and redesigning the customer journey. This work began by reviewing demand across services and aligning our staff more effectively to meet service demands and share workloads more equitably across the 3 locality teams (City, East or West). For clients with more complex needs, cases were aligned to the newly formed County service.

A year-long community mapping exercise was undertaken so that we could fully understand the support that Herefordshire's communities had to offer. This information has been collated and is accessible to the public via WISH. It is also used by our new Community Brokers who help to support individuals connect to these community activities.



In January 2017, we began an “end to end” review of our ASC internal systems and pathways. This led to a fundamental redesign of operating practice and process across the urgent care, short term care and long term care services. The aim of the work was to shift the culture within ASC away from a focus on the things that people are unable to do for themselves, but to build on meeting customer's outcomes by considering their abilities, strengths and assets. As part of this work, all operational staff received intensive training.



The redesign of the pathway has resulted in the following improvements:

- Improved response times and support when customers contact ASC
- Improved access to a wider range of information, advice, signposting and guidance
- Identified clearer and more direct links to commissioned services and voluntary organisation support
- More responsive urgent care pathway
- Improved assessment and review schedules
- Support and care plans that builds on strengths and links customers more effectively to their communities
- Identification of gaps in community services or support
- Improved engagement with GPs and wider health partnership





## Domiciliary care

In January 2017, we engaged with the market to implement a new model for delivering domiciliary care based on securing efficiencies by dividing the county into a series of geographical zones. We were unable to implement the new approach as a procurement process demonstrated the market could not meet the requirements of the new approach.

We decided not to award the contract and instead took a step back to assess market conditions and consider strategies to help shape the market. We therefore extended the current contractual arrangements (Home and Community Support (HACS)) framework until the end of March 2018. A new open framework contract (Care @Home) will come into place from April 2018 to provide a more flexible approach to commissioning formal care. A strategic plan for market management is in development to help tackle some of the issues within this area.

## Unified contract for residential and nursing

A new joint contract between the council and the CCG and residential and nursing care homes was implemented in April 2017. This has introduced common terms and conditions for placements made by both social care and health in Herefordshire. Residents may not notice any difference in their placements, but this has been an important piece of work to ensure a consistent approach to billing, financial contributions and contractual terms and conditions.

## Direct Payments

As a result of our new strategy and implementation of prepaid cards, the take up of direct payments has improved significantly and just under our long term target of 40% (currently 38.3%). This is in the top quartile nationally. The use of prepaid cards is an easier way of receiving payments for customers and also a more efficient way of administering payments for the council.



## Quality of care

The Care Quality Commission (regulator of social care services in England) have assessed 89% of residential and nursing homes in Herefordshire as providing good or outstanding care. This is a higher proportion than in any other part of the West Midlands, other than Worcestershire. This makes us one of the best areas nationally. (93% of residential providers, 80% of nursing care providers). Our domiciliary care providers are also rated highly. 95% of care agencies registered in Herefordshire had a rating of either good or outstanding. (Information correct as at May 2017).

Nonetheless, we have had some instances this year of provider failure. To minimise the risk, we have a quality assurance framework to monitor and assess risk. When we (or the CQC) identify providers at risk, we work with them to achieve the required improvements. Further work will be undertaken in 2018 on the quality assurance framework and also additional resources allocated so that we can provide more proactive support service.

## CASE STUDY – Simon’s Story

Simon is 49 with a learning disability and has received support funded by adult social care to meet his eligible needs for over 20 years.

Due to anxiety and not being able to cope with change, he can become agitated if there are unplanned changes in his routine and therefore needs ongoing support, reassurance and monitoring.

He lives with his elderly mother, who has had a stroke in the past, and his brother, and currently Simon’s mother provides the support he and his brother need to meet the majority of their care needs. His mother relies on Simon being out of the home four days a week to enable her to continue in her caring role for him and his brother. She has expressed concern for what will happen to him if she is unable to care for him.

Simon enjoys physical activity, staying fit and being busy but requires support to access activities. However, having received support to develop his skills, he was able to train as a Walking for Health Leader and has led the most successful Walking for Health Group in the country for the past ten years. Last year, Simon and his brother won national awards for their different volunteering efforts.

To further support Simon and his mother, a package is in place for three days with one provider and a day with another, both of whom provide him with work experience and support to manage his direct payment. Simon has attended day opportunities for most of his adult life and has worked on many projects, including gardening, recycling, making and selling furniture and a retail skills course.

Simon previously worked as a paid employee at a local café for one day a week, a job he loved, which gave him a great deal of self-worth and confidence. When this job came to an end, he volunteered in another café, but stated at his recent review, that he wasn’t enjoying this as much as his old position, as he’s only allowed to make tea and coffee and there aren’t many customers.

Through the involvement of the council’s Community Connectors, an opportunity was identified to work with Peter, a professional chef that operates from the kitchen at a local residential home. Peter was looking to recruit volunteers and, as a qualified NVQ assessor in catering and customer service, would be supporting them to gain qualifications with a view to progressing into employment. Simon told Peter that he would like to work in his kitchen and learn to cook, so he could cook his mother a meal.

Simon began volunteering and Peter immediately identified the skills Simon was using, which would count towards a qualification. Simon will now spend five days a week working with Peter in the residential home’s kitchen and garden; growing vegetables to cook in the kitchen.

Simon’s new Support Plan gives him the best opportunity to learn skills and qualifications to maximise his ability to gain paid employment, feel like he is contributing to the lives of others and develop the skills he will need to care for himself.

# How are we performing?

Each year, the council submits data on a standard set of performance indicators for submission to central government. This is called the Adult Social Care Outcomes Framework, also known as ASCOF. A full list of these measures, and their final outputs for 2016/17, is provided on page 20, but a number of the key areas of performance have been highlighted within the next few pages.

## Improving the quality of life for people with care and support needs

### Annual Survey & Carers Survey

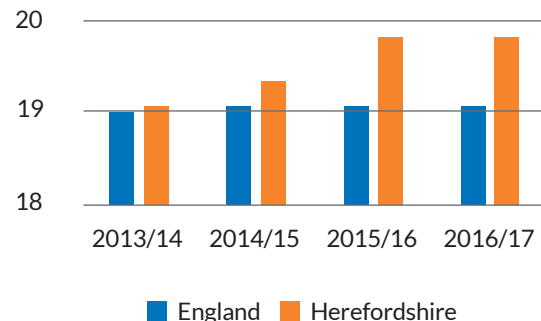
Annually, we undertake a survey, asking a number of standard questions to a random sample of service users. Every council completes the same survey, so we are able to compare our results with others.

One of the main outputs from the survey is a Quality of Life indicator (ASCOF 1A). This is calculated based on the amalgamated results of 6 key questions asked within the survey.

At the time of production last year, whilst we knew our own results, we did not know how these compared with those of other councils across England. We can now report that the survey conducted in January 2016 ranked us as the 5th best in England.

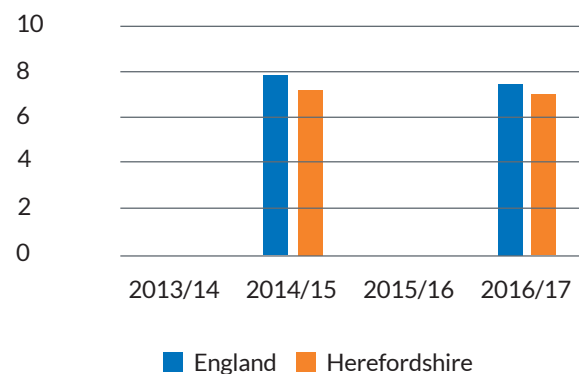
For the survey conducted in January 2017, we maintained consistent performance on the indicator, and we ranked at 7th best nationally. We view maintaining the same result as last year as a real positive given the current challenging climate and would hope that we can continue this into next year.

ASCOF 1A - Quality of Life Indicator



During 2016/17, we also conducted a carers survey – we have a statutory duty to complete this every two years, with similar nationally-defined criteria to the annual survey. As with service users, one of the main results which comes from this survey is the carer related quality of life measure (ASCOF 1D); an amalgam of key questions within the survey. As demonstrated on the graph below, there was a decline in this area for this year's survey compared to the last time we ran it in 2014/15. In order to support carers' needs within Herefordshire, we draft a new strategy, which was adopted in summer 2017.

ASCOF 1D - Quality of Life of Carers





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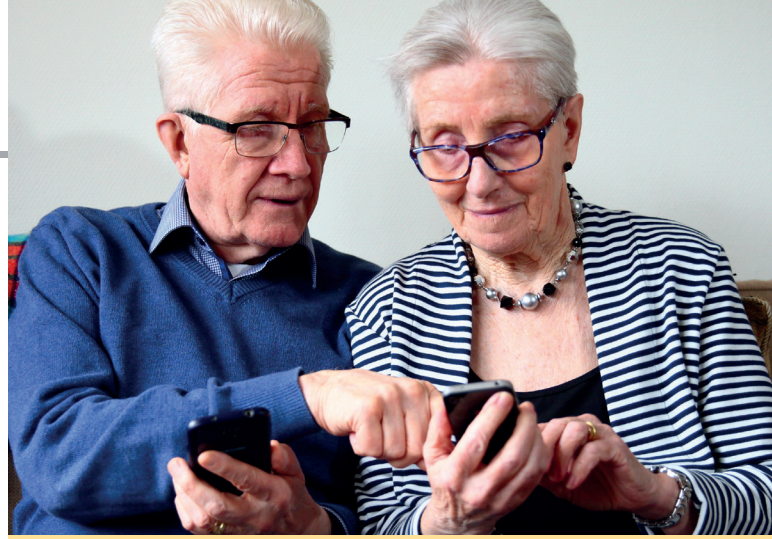
We can see that the majority of outputs from our carers survey have also dipped in their performance compared to the last survey and leave us behind the English average; overall carer satisfaction (ASCOF 3B), proportion of carers feeling included/consulted within decisions made about the person they care for (ASCOF 3B), proportion of carers with as much social contact as they would like (ASCOF 11(2)). Whilst we know from our analysis of these results that the results in the carers survey are often a reflection of the wider Health and Social Care services within Herefordshire, renewed strategy and the resultant changes to the support we offer are expected help to improve these results.

### Learning from our complaints

During the year, we received 96 formal complaints, spread across all our service areas.

This is an increase of 18% on the figure reported in the previous year. We take complaints seriously as they offer us an insight as to where our services might not be working as effectively as expected. We have a standard that all complaints are responded to within 10 days, and this was achieved for 92% of the complaints in 2016/17. Of these complaints, 41% were upheld.

The areas where we have received the most complaints were: delays in communication on individual social care cases, queries regarding invoicing for care, housing solutions and delays for home improvements.



### Direct Payments

Following the implementation of a new Direct Payment Strategy; focussing on increased awareness of staff and potential direct payment users, improved processes and administrative processes, there has been a continued growth in the number of people in receipt of direct payments. Performance at the end of March 2017 was 38.3%, just short of our long term target of 40% - in the top quartile nationally (ranked 17th of 152 authorities).

In addition to driving up the numbers of people using this method of sourcing their care, we have also rolled out pre-paid cards to a greater proportion of users. At the end of March 2017, just over a quarter of DP recipients were receiving payments in this way. This is an easier way of receiving payments for service users, and also a more efficient way of administering payments from a council perspective. We will continue to promote this means of service delivery over the coming year.



## Delaying and reducing the need for support

### Delayed Transfers of Care

This year, as in previous years, one of the biggest pressures on operational social work teams has been supporting the hospital to discharge clients safely into appropriate locations, with the right level of support; this might be supporting them into short term residential or nursing care homes or preferably return to their own home with a package of care to support them. Where this transfer is delayed, it is known as a delayed transfer of care (DTOC), sometimes referred to as “bed-blocking”.

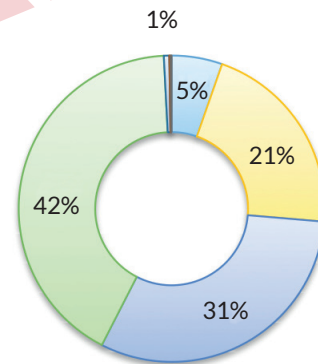
Typically, for Herefordshire Council, this would be clients being transferred from the county, or community hospitals, but it would also include transfers from hospitals outside of our borders, or discharges from Mental Health in-patient locations.

As a result of this pressure, there was an increase in delays attributable to adult social care from 4.5 to 5.4 per 100,000 population and an overall system (including both health and social care attributable delays) increase from 7.7 to 14.8. This has been the focus of a significant amount of work in 2017/18, particularly via the Better Care Fund.



In order to better understand why the delays happen, we record the reason for the delay. The chart below shows the reasons for all delays where adult social care has been identified as the attributable agency or where there is joint responsibility (ASCOF 2Cii). This shows that the main reasons for adult social care delays is where we are trying to get someone from hospital back to their own home with additional support (42%); such as our Rapid Response service, Reablement or Domiciliary Care. In addition, we have delays due to placing people in nursing (31%) and residential (21%) homes, this is typically because we do not have enough capacity for specific types of bed-based care within Herefordshire, which often drives up the price of placements.

Of completed enquiries, type of abuse



- A - Completion of Assessment
- B - Public Funding
- C - Further Non-Acute NHS Care
- Di - Residential Home
- Dii - Nursing Home
- E - Package of Care in the Community
- F - Community Equipment/ Adaptation
- G - Patient/Family Choice

## Reablement

In order to support hospital discharges into clients' own homes, one of the services we often use is the Reablement service. This is a short term focussed service which works with the clients, to support them to regain their independence.

Nationally, we monitor performance through two main indicators. The first measures how many people aged over 65 were discharged in to Reablement. Here, we remained constant in 2016/17 compared to the previous year at 1.7%. There was small increase in the number of people going in to the service, but this was offset by a proportionate increase in the number of people going in, and being discharged from hospital.

The second measure is the proportion of over 65s remaining at home 91 days after discharge into reablement services. This dropped a little compared to 2015/16, from 84.7% to 80.6%.

Reablement services are an area we know we need to improve to meet the increased demands from hospitals and we have significant developments being made in the current year; bringing the service in-house and aligning with our existing Rapid Response service.

## Residential Admissions

Where possible we want to help people remain in their own homes for as long as possible however there may still come a point at which someone's needs escalate and they require the level of care provided in a care home. Following a very low level of admissions to residential and nursing homes for people aged over 65 in the previous year (2015/16), we saw our proportion of people going into homes increase quite significantly in 2016/17. This places a real challenge on capacity and availability of placements in the market.

For clients under 65, we managed to keep the number of new admissions to a minimum again in 2016/17. Although the rate, as shown in the ASCOF table on page 19 does show a slight rise, this equates to just one extra person.

## Ensuring people have a positive experience of care and support

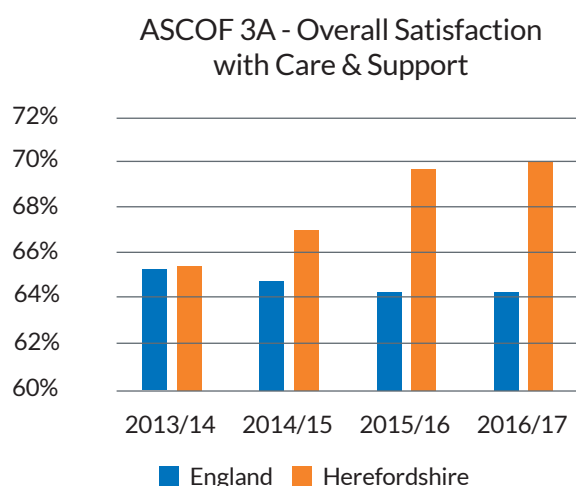
### Annual Survey

In addition to the quality of life metric identified earlier, our annual survey also enables us to measure the overall satisfaction of clients with the care and support received (ASCOF 3A).

For the survey undertaken in January 2016 (2015/16 reporting year) we were ranked 14th best authority - this is clearly good news for Herefordshire residents in receipt of social care.

For the January 2017 survey, performance increased by a very small amount and sits at 70.1%. This improvement is pleasing and continues to put Herefordshire within the top 20% of councils for client satisfaction.

The graph below shows how Herefordshire's performance in this area has steadily improved during the last 4 years, whereas national results have trended downwards.





## Safeguarding adults whose circumstances make them vulnerable and protecting from avoidable harm

### Safeguarding Performance

Annually we report the number of safeguarding concerns raised to us, as well as the types and places of these concerns and the outcome of our investigations. In 2016/17, the council received 1778 concerns of abuse, relating to 1248 individuals; this is an increase of 1%. In terms of age distribution, Herefordshire's statistics in 2016/17 compared very closely to the national averages from 2015/16.

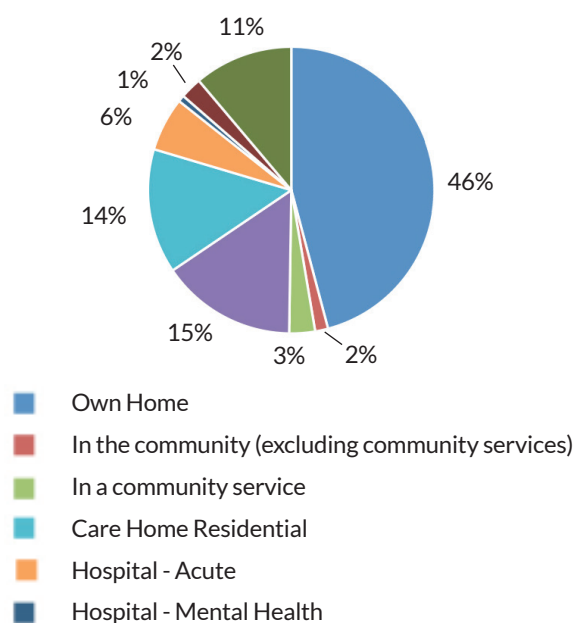
This total number of concerns (per 100,000 population) is high compared to the national average, however this is more a reflection of differences in practices across authorities.

In 26% of occasions, these concerns met the statutory Section 42 criteria for further investigation, this is very similar to our position in 2015/16 – the national average is 42%, again this is due to differences in practices.

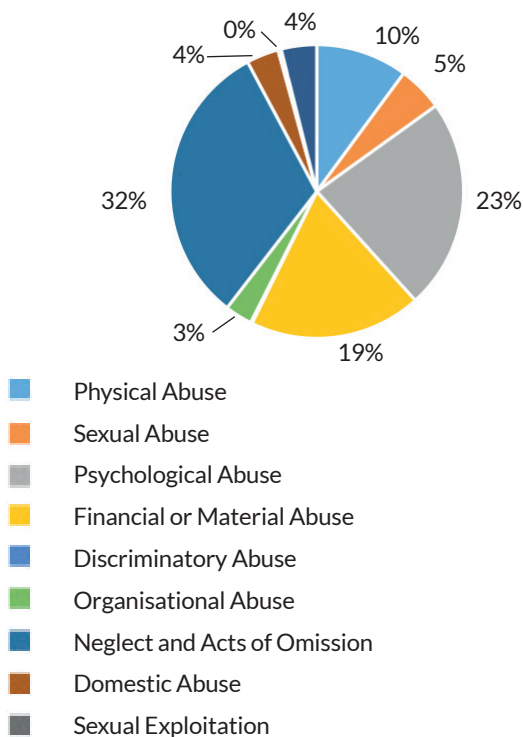
During the 2016/17 reporting year, there were changes to some of the national returns which make comparison with previous years difficult. The information on type of abuse and place of abuse are given here, and are relatively consistent with previous years and national data.



Of completed enquiries, location of abuse



Of completed enquiries, type of abuse



Following the implementation of the Care Act 2014, we now also consider the desired outcomes of all adults involved within the safeguarding process; this is part of the national Making Safeguarding Personal initiative. 2016/17 was our first full year reporting in this area.

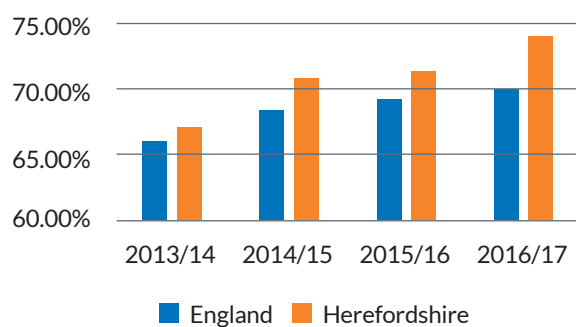
For enquiries completed in 2016/17, we know that outcomes were requested 44% of the time; whilst this might look a little low, we know that as this was the first formal reporting year and that this remained a transitional period in terms of reportable safeguarding episodes. Where outcomes have been requested, in 73% of occasions these outcomes were either fully, or partially met.

Further information can be found in the Herefordshire Safeguarding Adults Annual Report, available here ([https://herefordshiresafeguardingboards.org.uk/media/3423/safeguarding\\_annual\\_report\\_2016-17\\_hfd2173\\_web.pdf](https://herefordshiresafeguardingboards.org.uk/media/3423/safeguarding_annual_report_2016-17_hfd2173_web.pdf))

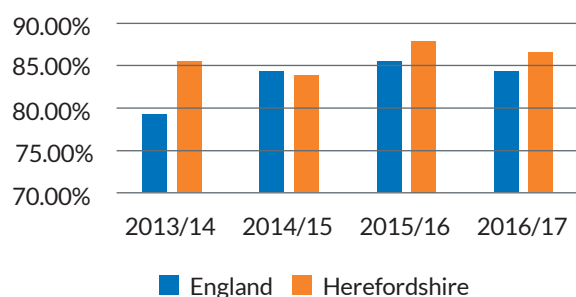
## Annual Survey

In addition the annual survey also measures clients using services that feel safe, and whether the use of services themselves make clients feel safe (ASCOF 4A & 4B). The graphs below shows the trend of these measure over the past 4 years. It is pleasing that the measure of people feeling safe continues to improve at a greater rate than the national picture and that we rank 14th best nationally. This measure is a reflection of the overall safety which people feel within Herefordshire's communities and ASCOF 4B looks to identify the differences that the services commissioned by the council makes to the clients perception of safety within the community. This measure, whilst declining a small amount on the previous year, continues to be above the national average.

ASCOF 4A - Proportion of people who feel safe



ASCOF 4B - Proportion of people that use services, that say those services made them feel safe





## Safeguarding Peer Review

As reported in last year's Local Account, during September 2015 Herefordshire undertook a safeguarding peer review. This is where our council asked a number of safeguarding experts, a carer and those who have experienced safeguarding for themselves, from across the West Midlands to come in and consider our safeguarding processes. The findings were generally positive, however they recommended a number of changes.

In December 2016, the review team came back again to consider how we had progressed against the areas for improvement they had originally identified. They noted that we had made significant progress in almost all aspects. Some areas remain outstanding for further work, in particular strengthening our Board arrangements, but we continue to make good progress in this area.

## Spending and service levels

In 2016/17, the Adults and Wellbeing directorate's gross budget was set at £80,633m, this equated to approximately 45% of spend within the Council's directorates. This money comes from a range of sources including; Council Tax, Business Rates and other council charges, reserves, recurrent and one-off government grants and contributions made by clients towards the cost of their care, amongst other things.

## Spending within Herefordshire Council

■ Adults and Wellbeing ■ Childrens Wellbeing  
■ Economy, Communities and Corporate



Following a year of delivering business as usual as well as trying to manage delivery of significant changes to meet the challenges outlined within this report, the directorate finished with a £442k overspend, a little over half-a-percent variance from the gross budget.

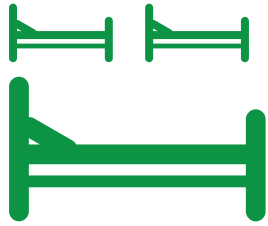
Within the Adults and Wellbeing directorate, 70% of the budget is spent on services relating to individual service users – this include things like paying for peoples support in their own homes through domiciliary care, or support in residential and nursing beds. 16% of the budget is spent on non-client specific services, such as universal services procured by Public Health, or the WISH website, and the remaining 14% is spent on staff.

The authority supports approximately 2475 clients at any stage in the year, or about 3200 individuals during the reporting year. About one third of our clients are aged under 65, and the remaining two thirds are aged over 65. When we analyse this and it's comparison with statistical neighbours we can see that we support more than average clients aged under 65, particularly clients with Learning Disabilities and those with Physical Support needs. We also note that we support less than our comparators for clients aged 65+, again, this could be for a multitude of reasons – one of which will be the high proportion of self-funding clients within Herefordshire.

# During 2016/17...

## Residential care

£21.6m



638

people received residential care during the year

## Nursing care

£9.0m



494

people received nursing care during the year



## Direct payments

£8.3m

722

people received direct payments during the year



## Carers £500K



In total, during 2016/17

189

carers received support in the community



## Domiciliary care

£13.3m

1237 people



## Supported accommodation

£2.1m

86 people



## Other services










£2.6m

283 people

## Adult Social Care Outcomes Framework (ASCOF)

The Adults Social Care Outcomes Framework, or ASCOF, is a national set of indicators that all local authorities must report on to central government.

The table below provides a comparison of these measures against our previous performance in 2015/16 and against the English average, to give an indication of how we compare.

|        |   | 2015/16     |          | 2016/17  | Improvement   |
|--------|---|-------------|----------|----------|---|
|        |   | England     | Hereford | Hereford |   |
| 1A     | Social care-related quality of life score   | 19.1        | 19.8     | 19.8     |    |
| 1B     | The proportion of people who use services who have control over their daily life  | 76.6%       | 80.5%    | 82.9%    |    |
| 1C(1A) | The proportion of people who use services who receive self-directed support   | 86.9%       | 94.0%    | 99.0%    |    |
| 1C(1B) | The proportion of carers who receive self-directed support  | 77.7%       | 40.3%    | 52.4%    |   |
| 1C(2A) | The proportion of people who use services who receive direct payments   | 29.7%       | 32.9%    | 38.3%    |  |
| 1C(2B) | The proportion of carers who receive direct payments  | 67.4%       | 40.3%    | 52.4%    |  |
| 1D     | Carer-reported quality of life score  | -           | -        | 7.00     |   |
| 1E     | The proportion of adults with a learning disability in paid employment  | 5.8%        | 11.3%    | 2.9%     |  |
| 1F     | The proportion of adults in contact with secondary mental health services in paid employment                            | 6.7%        | 9.7%     |          |   |
| 1G     | The proportion of adults with a learning disability who live in their own home or with their family                     | 75.4%       | 58.0%    | 58.0%    |  |
| 1H     | The proportion of adults in contact with secondary mental health services living independently, with or without support | 58.6%       | 73.6%    |          |   |
| 1I(1)  | The proportion of people who use services who reported that they had as much social contact as they would like          | 45.4%       | 54.2%    | 52.5%    |  |
| 1I(2)  | The proportion of carers who reported that they had as much social contact as they would like                           |             |          | 23.2%    |   |
| 1J     | Adjusted Social care-related quality of life – impact of Adult Social Care services                                     | New Measure |          | 0.454    |   |

|       | 2015/16  |          | 2016/17  | Improvement |  |
|-------|--|----------|----------|-------------|--|
|       | England  | Hereford | Hereford |             |  |
| 2A(1) | Long-term support needs of younger adults (aged 18-64) met by admission to residential and nursing care homes, per 100,000 population                  | 13.3     | 10.2     | 11.1        |  |
| 2A(2) | Long-term support needs of older adults (aged 65 and over) met by admission to residential and nursing care homes, per 100,000 population              | 628.2    | 416.6    | 885.8       |  |
| 2B(1) | The proportion of older people (aged 65 and over) who were still at home 91 days after discharge from hospital into reablement/rehabilitation services | 82.7%    | 84.7%    | 80.6%       |  |
| 2B(2) | The proportion of older people (aged 65 and over) who received reablement/rehabilitation services after discharge from hospital                        | 2.9%     | 1.7%     | 1.7%        |  |
| 2C(1) | Delayed transfers of care from hospital, per 100,000   | 12.1     | 7.7      | 14.8        |  |
| 2C(2) | Delayed transfers of care from hospital that are attributable to adult social care, per 100,000 population   | 4.7      | 4.5      | 5.4         |  |
| 2D    | The outcome of short-term services: sequel to service  | 75.8%    | 82.1%    | 89.2%       |  |
| 3A    | Overall satisfaction of people who use services with their care and support  | 64.4%    | 69.7%    | 70.1%       |  |
| 3B    | Overall satisfaction of carers with social services  |          |          | 25.3%       |  |
| 3C    | The proportion of carers who report that they have been included or consulted in discussion about the person they care for                             |          |          | 70.4%       |  |
| 3D(1) | The proportion of people who use services who find it easy to find information about support   | 73.5%    | 72.2%    | 74.3%       |  |
| 3D(2) | The proportion of carers who find it easy to find information about support  |          |          | 69.2%       |  |
| 4A    | The proportion of people who use services who feel safe  | 69.2%    | 71.5%    | 74.1%       |  |
| 4B    | The proportion of people who use services who say that those services have made them feel safe and secure  | 85.4%    | 88.0%    | 86.6%       |  |

\*Please note that the carers survey is only conducted every two years, therefore there are no figures for 2015/16.

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# Useful Information

## Access to adult social care

Adult Social Care enquiries      01432 260 101  
ASCAdviceandReferralTeam@herefordshire.gov.uk

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## Wellbeing Information and Signposting for Herefordshire

WISH                                      01432 383 880  
www.wisherefordshire.gov.uk

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## Healthwatch Herefordshire

General enquiries                      01432 277 044  
<http://www.healthwatchherefordshire.co.uk>

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## Care Quality Commission

Independent regulator of all health  
and care services in England      03000 616 161  
www.cqc.org.uk

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## Facts and Figures about Herefordshire

<https://factsandfigures.herefordshire.gov.uk>

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## Making It Real

[www.thinklocalactpersonal.org.uk](http://www.thinklocalactpersonal.org.uk)

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DRAFT





# Director of Public Health Report 2017

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# 1. Introduction

Welcome to my first Annual Public Health Report. Last year's report was focused on adults' health and wellbeing and gave an account of the factors that could affect health and wellbeing and what an individual could do to prevent or minimise the risk of ill health. This year's report is an opportunity for me to share some examples of the good work we are already doing and set out my strategic approach to improve the health and wellbeing of the people of Herefordshire.

Herefordshire has been witnessing a gradual rise in the healthy life expectancy, but it is significantly lower than life expectancy at birth. There is also a gap in the healthy life expectancy and life expectancy at birth between those living in the most and least deprived neighbourhoods. Therefore, the key public health challenge is not only to increase the healthy life expectancy and bring it closer to life expectancy at birth, enabling people to live longer in good health, but also to reduce the inequality gap between those living in the most and least deprived neighbourhoods, so people across Herefordshire can enjoy the same life expectancy. In order to reduce the inequality gap, I will focus on influencing the wider determinants of health and adopt assets and strengths based approaches. We all know that Herefordshire is a resourceful county and is blessed with numerous valuable community assets.

Herefordshire Council has been receiving a Department of Health Ring Fenced Grant since 2013, which has largely been used to commission public health services. Additionally, the council also commissions a number of other services, such as children's centres, leisure facilities and Fastershire (a digital inclusion programme),

which have an impact on the health and wellbeing of the population. I will continue strengthening the joined up working across the council, facilitating and enabling individuals and teams to embed public health interventions in their core business, to help deliver and achieve public health outcomes. This is part of my approach to achieve our ambition of making public health everyone's business.

We have been working in a difficult financial climate and increased demand for health and social care is compounding these financial pressures on both Herefordshire Council and NHS commissioners. Therefore, developing more effective prevention to reduce preventable multiple long term conditions and demand management are key challenges across the health and social care system. In this context, I'm quite heartened by the One Herefordshire vision and believe that public health will play a pivotal role in translating this vision into reality with tangible outcomes for the people of Herefordshire.

Finally, I look forward to working with colleagues across the county, who have already been doing a great amount of work to make a difference to the health and wellbeing of our county's residents.



**Karen Wright**  
Director of Public Health

We welcome the Annual Public Health Report 2018, which is the first report from our new Director of Public Health, who joined Herefordshire Council in March 2018. At the very outset, Karen has expressed her vision to “make Herefordshire Council a public health council”. We appreciate this is a very ambitious and challenging task, but we believe in her commitment and enthusiasm. This report sets out her joined up partnership approach, which will turn this vision into a reality.

This report highlights a number of successes we have achieved with our partners over the last few years to improve the health and wellbeing of our residents. We’re delighted that people in Herefordshire are living longer, but we need to ensure the additional years of life gained through increased life expectancy, are of a good quality which minimise disabilities and maximise independence.

The report also covers a number of population health challenges facing Herefordshire, but we’re pleased to see a strategic approach is being developed to tackle them, and we’re reassured that Karen and her public health team will drive the prevention agenda across the county. By endorsing her approach, we aim to maximise influencing the wider determinants of health to create a supportive environment where adopting healthy lifestyles is easy and practicable and sustainable in the long term.

We also acknowledge the mounting pressure on the health and social care system and managing growing demand within the available limited resources will be a key challenge. The One Herefordshire vision offers a plausible solution to build a sustainable health and

social care system within the county and the report confirms the Director of Public Health’s commitment to support this vision. We also need to continue striving to build resilient communities, where a culture of mutual support flourishes to underpin the One Herefordshire vision.

Finally, we look forward to seeing the development and delivery of the prevention agenda across the county.



**Councillor Johnathan Lester**  
Leader of the Council



**Alistair Neill**  
Chief Executive



**Councillor Paul Rone**  
Cabinet member for Health and Wellbeing



**Stephen Vickers**  
Interim Director for Adults and Wellbeing

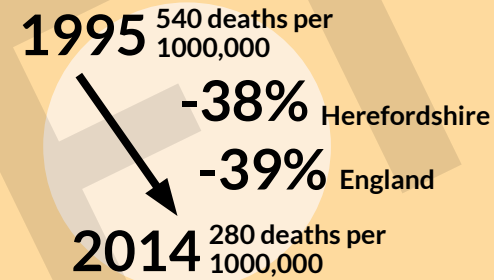
## 2. Herefordshire health and wellbeing profile

### Overall life expectancy and mortality

People born in Herefordshire are expected to live for longer, and in good health, than their peers nationally.

Life expectancy: For males born in Herefordshire in 2014-16 the average life expectancy is 80.1 years, while for females it is 83.6 years. Both figures have declined slightly since 2012-14, but for males is similar to England and higher than the West Midlands region and for females, higher than for both.

Healthy Life Expectancy: In 2014-16 the healthy life expectancy in Herefordshire was 67.4 years for males and 66.5 years for females, both higher than the national figures.

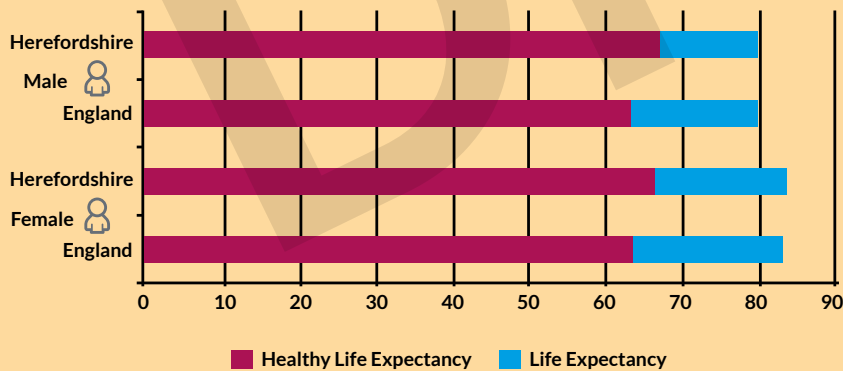


Both mortality and premature (below 75) mortality continue to fall, and remain lower than national levels, and compared to similar areas

The all cause directly age standardised mortality rate for Herefordshire was 937 per 100,000, lower than the England rate (960) and representing an overall downward trend from 1,054 in 2007.

Between 1995 and 2014 the directly standardised premature mortality rate in Herefordshire has shown a steady downward trend, falling from 540 to 280 per 100,000 of the population (a fall of 38 per cent – similar to the 39 per cent seen nationally and amongst comparators). (530 deaths).

Life expectancy and healthy life expectancy at birth



# Premature death

Deaths in a year: 2,100

Premature deaths in a year: 530

Herefordshire

3 in 12 people in Herefordshire die prematurely



England

4 in 12 people in England die prematurely



Three leading causes of premature death

- Cancer (43%)
- Chronic Heart Disease (14%)
- Respiratory Disease (9%)







## What Herefordshire does well

### Employment

Unemployment rate of 3.1% remains significantly lower than nationally (4.4%) and regionally (5.4%) and is at its lowest since 2004/05



### Homelessness

Homelessness rates are lower in Herefordshire than England

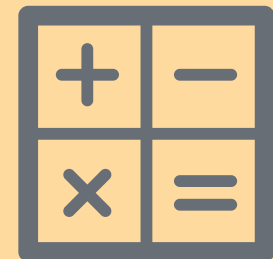
#### Rates of homeless applications

**1.4 per 1000** Herefordshire  
compared to  
**5.0 per 1000** England

### Good Level of Development (GLD)

#### Children achieving GLD at the end of reception class:

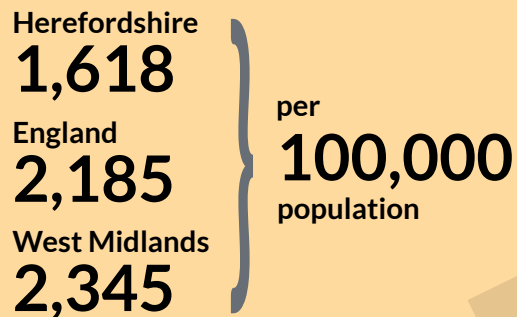
Herefordshire  
**75%**  
England  
**71%**



# What Herefordshire does well

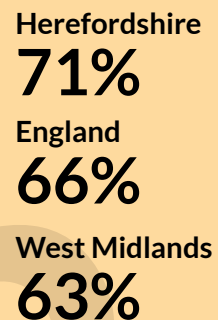
## Alcohol harm

Hospital admissions for alcohol-related conditions (all ages):



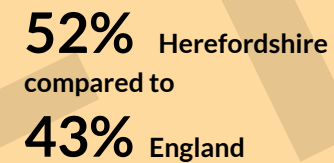
## Physical Activity

Adults undertaking 2.5 hours of moderate physical activity:



## Breastfeeding

More mothers in Herefordshire breastfeed their babies



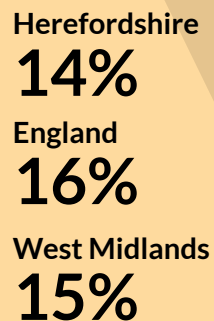
## Immunisations

Childhood immunisation rates are good, with uptake for most now exceeding the target level of 95%.



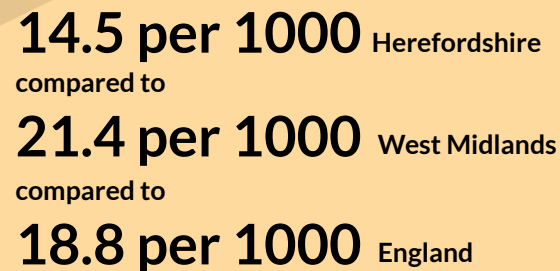
## Smoking

Adults who smoke:



## Teenage pregnancy

Teenage pregnancies remain lower both nationally and regionally



# What concerns us most

## Earnings

Female earnings are 10% less than males



**19%** lower than England

**13%** lower than West Midlands

## Fuel poverty

Herefordshire **17%** (13,300 households)

England **11%**

West Midlands **14%**



## Alcohol harm - children

Hospital admission rates for alcohol specific conditions amongst under 18s:

Herefordshire **41**

England **34**

West Midlands **29**

per **100,000** population

## Under 18 mental health related hospital admissions

Herefordshire **167**

England **82**

West Midlands **84**

per **100,000** under 18s

## Dementia

The percentage of over 65 year olds estimated to have dementia who have been formally diagnosed is below the national target (66.7%)

Herefordshire **59%** diagnosed

England **68%** diagnosed

West Midlands **66%** diagnosed

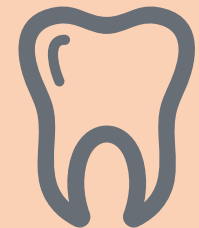
## Dental health

Five year olds with at least one decayed, missing or filled tooth:

Herefordshire **31%**

England **23%**

West Midlands **26%**



# What concerns us most

## Obesity

Overweight or obese adults:

Herefordshire

**63%**

England

**61%**

West Midlands

**64%**



Overweight or obese children  
(10-11 year olds):

Herefordshire

**35%**

England

**34%**

West Midlands

**37%**



## High blood pressure

Percentage of patients with  
hypertension:

Herefordshire

**16%**

England

**14%**

West Midlands

**15%**



## Coronary heart disease

Herefordshire

**3.5%**

England

**3.2%**

West Midlands

**3.3%**



## Stroke

Herefordshire

**2.3%**

England

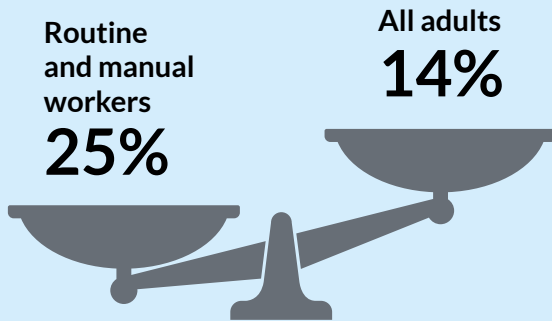
**1.7%**



# Health inequalities

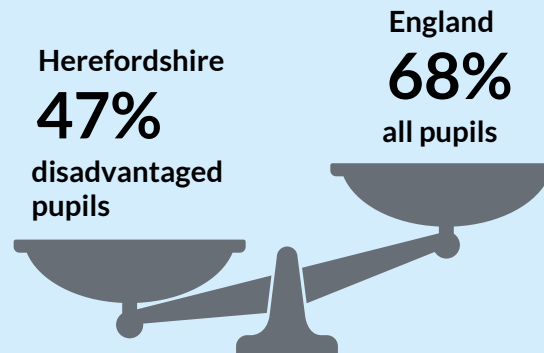
## Smoking

Adults in routine and manual occupations in Herefordshire are much more likely to smoke than the population overall



## School achievement

Disadvantaged children are less likely to reach the expected standard in reading, writing and maths at Key Stage 2



## Premature deaths

People living in the most deprived areas of Herefordshire are:

29% more likely to die prematurely of coronary heart disease;

71% more likely to die prematurely of stroke;

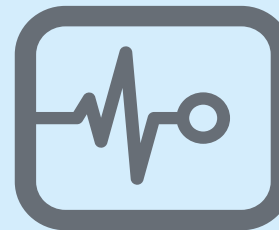
22% more likely to die prematurely of cancer;

19% more likely to die prematurely by suicide than those in the least deprived



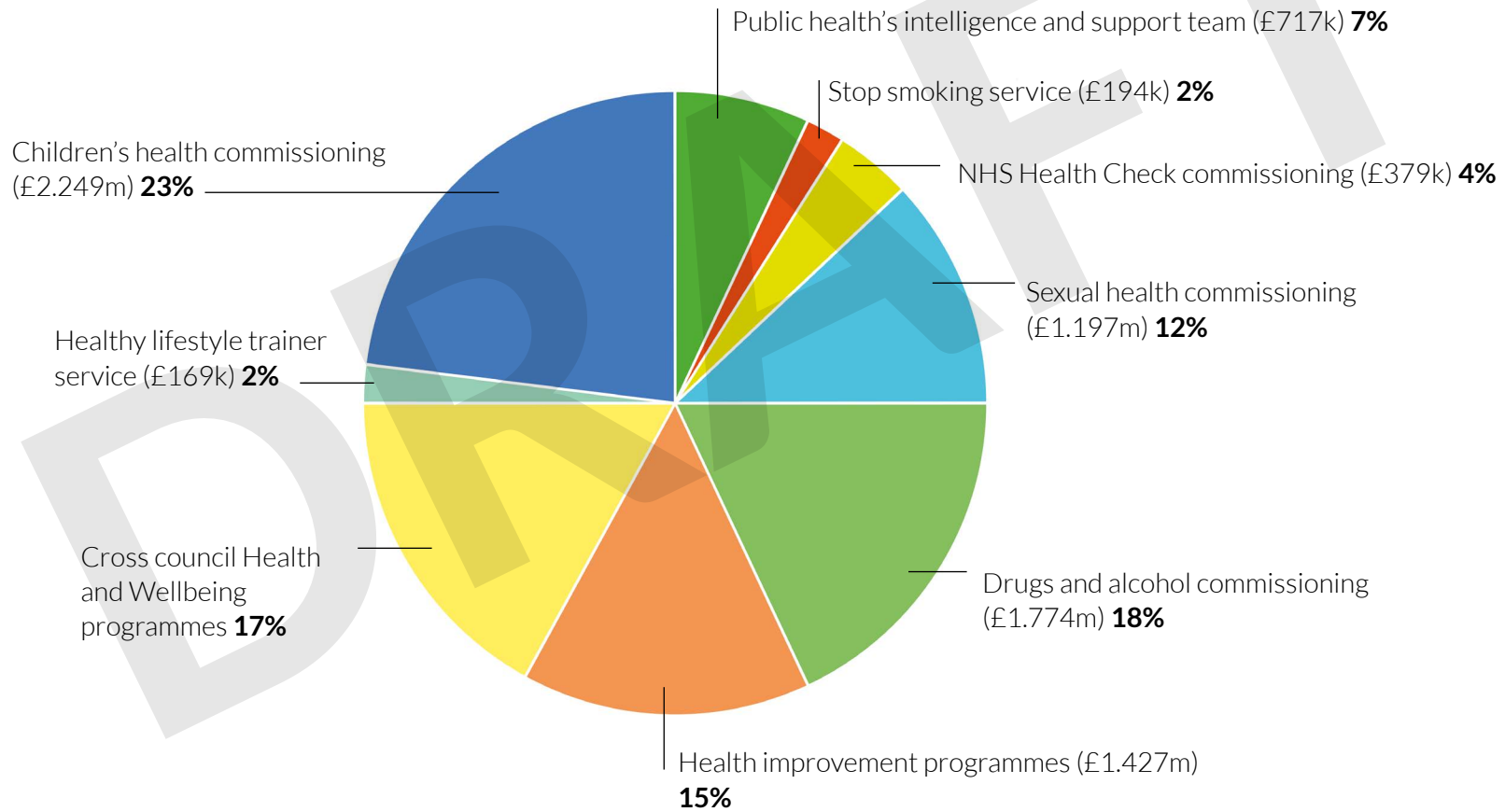
## Life expectancy

Females born in the most deprived areas of Herefordshire can expect to live 2.6 years less than those living in the least deprived areas; males 3.9 years less.



# 3. Council public health spend

Public health grant 2016/17  
Herefordshire's allocated budget: £9.706million



150

## Sexual health commissioning (£1.2m)

We commission an Integrated Sexual Health Service, which provides the following services:

- Open access to diagnosis and treatment of sexually transmitted infections (STIs) services through booked appointments and drop in clinics in Hereford city centre
- Open access to free contraception services at the Sexual Health Clinic in Hereford and at GP practices
- The prevention and testing of people at higher risk of contracting HIV
- Provision of online testing for STIs and HIV
- Provision of free emergency hormonal contraception at community pharmacies
- A free condom distribution service to under 25's

## Drugs and alcohol commissioning (£1.8m)

We commission an Integrated Substance Misuse Service, which offers:

- Open access structured psychosocial treatment to support recovery from drug and alcohol misuse in Hereford, Ledbury, Leominster and Ross-on-Wye
- Substitute prescribing clinics in Hereford, Ledbury, Leominster and Ross-on-Wye and in partnership with selected GP practices
- Access routes to peer support and recovery networks
- Group psychosocial interventions
- Skill based activities
- Young person's drug and alcohol service
- In-reach service at Hereford County Hospital's A&E Department
- Criminal justice service delivery in partnership with police and probation
- Needle exchange
- Blood borne virus testing

## Children's health commissioning (£2.2m)

We commission public health nursing service, bringing together health visiting and school nursing. This offers universal and targeted services for families with children and young people up to 19 years. The National Child Measurement Programme weighs and measures reception class and year 6 children across the county, while the Healthy Start Vitamins Scheme provides free vitamins to eligible mothers and children.

## Health improvement programmes (£1.4m)

We commission / deliver a number of health improvement programmes, including:

- A falls prevention / postural stability pilot programme, which aims to reduce falls across the county
- Active HERE which targets inactive residents and supports them to become more active
- A number of local and national awareness campaigns, including mental wellbeing, healthy eating and physical activity
- Making Every Contact Count (MECC) through the implementation and development of local training and resources
- The ASSIST Programme, which is a smoking prevention programme aiming to reduce adolescent smoking prevalence by working with influential year 8 students to become peer supporters

## NHS Health Check commissioning (£0.4m)

This service offers a cardiovascular disease (CVD) risk assessment for healthy individuals aged 40 to 74 every five years. Any individuals identified as being at a higher CVD risk, are signposted to appropriate services for prevention or treatment interventions.

## Stop smoking service (£0.2m)

The public health team offers support and advice to those who want to quit smoking as part of a universal offer. The stop smoking service offers behavioural support and pharmacotherapy to targeted groups, such as pregnant women and high risk individuals with long term medical conditions.

## Healthy lifestyle trainer service (£0.2m)

This service offers free and confidential practical advice and support to people aged 16 years and over who want to address their lifestyle behaviours such as quitting smoking, eating, drinking, reducing risk of diabetes.

# 4. Case studies

How has the public health team helped to support people in Herefordshire?

Here's a few interesting short films to demonstrate the positive impact of our work....

## Active HERE

Active HERE is a joint Sport England and Herefordshire public health funded project designed to support inactive people to become more physically active.

### Did you know?

**7 in 10** inactive people who engaged with Active HERE became more active

Take a look at the Active Here infographic on page 16

Watch our film...



Sarah Volpe and Zoe Hooper, Active HERE

## Cycling for children

Free holiday cycling activities are offered for children including Learn to Ride, Cycle Skills, Fix-It and Scooter Skills Sessions. Bikeability cycle training is also provided for all Year 5 and Year 6 primary pupils.

### Did you know?

Between Apr 1 2017 and March 31 2018

**251** children attended the Learn to Ride course

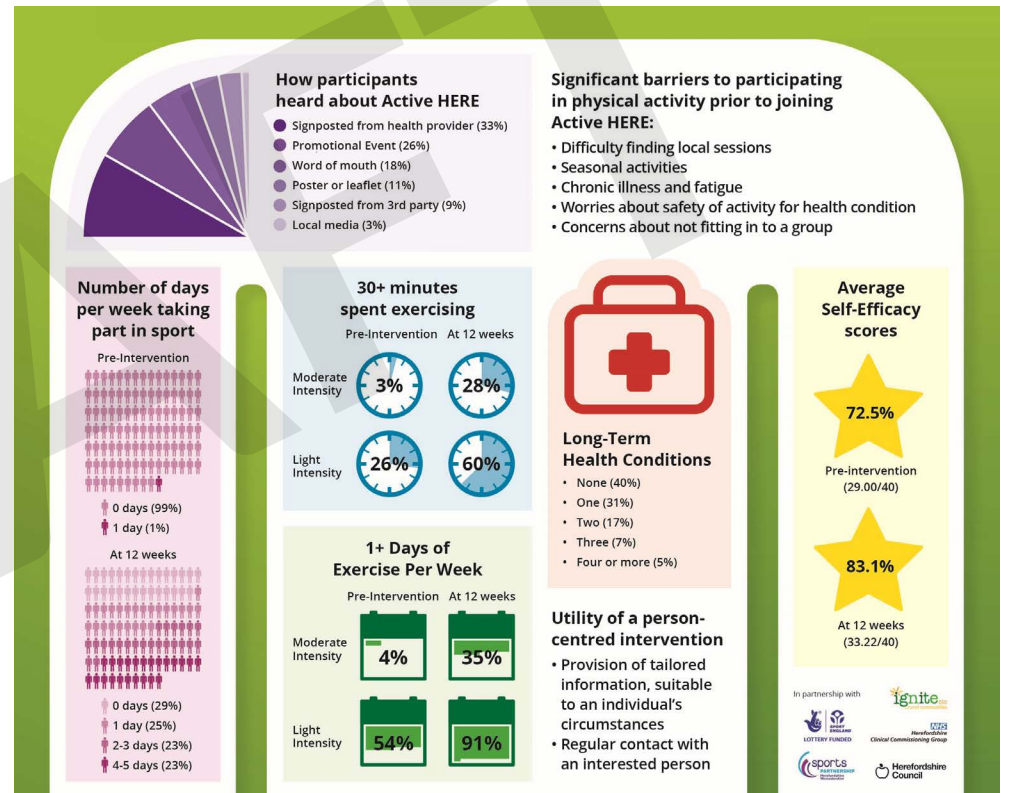
**318** children attended the Cycle Skills/Bike Club courses

**1092** children achieved Bikeability level 2

Watch our film...



John Walker and Steve Genner, Cycle training



## DECIPHer-ASSIST Programme

ASSIST is a peer support smoking prevention programme which trains influential Year 8 students to work as peer supporters. Peer supporters are trained and supported to have informal conversations about the risk of smoking and the benefits of being smoke free.

### Did you know\*?

**8** Herefordshire high schools have been part of the programme

**14** programmes have been delivered

**335** year 8 students have trained to become a peer supporter

**1,473** peer conversations have taken place (so far)

\* Between 2015 and 2018

Watch our film...



Cath Warren, Bright futures 4 Youth

## Postural stability pilot

This pilot programme helps older people increase their strength and balance by doing exercises in groups.

### Did you know\*?

Over **900** fall related hospital admissions were recorded for residents aged 65 and over

**Two thirds** (approximately) were female

**Deprived areas** in Herefordshire have the highest rate of fall related hospital admissions

\* In 2015/16



Emma Gardner, Herefordshire and Worcestershire Sports Partnership and Jackie McMillan from Halo Leisure Services

## Healthy lifestyle trainer service

This service is free and confidential and offers practical advice and support to people aged 16 years and over who want to change their lifestyle.

### Did you know?

**572** health assessments have been carried out in the last 12 months

**302** personal health plans have been completed and of these, 50% achieved the outcomes in their plan and 30% part achieved them.

People who took part found that they:

- lost weight
- were more active
- felt better and healthier
- ate more fruit and vegetables and less fried and fatty food
- drank less alcohol

Watch our film...



Luke Bennett, Herefordshire Council's healthy lifestyle trainer service

## Teen health podcasts Health Uncovered with Cel Spellman

Herefordshire's public health team took part in the development of a health podcast trial aimed at getting more young people in tune with their health and wellbeing. The podcasts were by young people for young people.

### Did you know?

**10** teen health podcasts were created

**9,000** downloads (so far) and counting

**859** downloads for Herefordshire's mental health podcast, which is the third most popular download

Watch our film...



Cell Spellman



# 5. Our future vision

Over the coming year I am recommending that One Herefordshire and our Health and Wellbeing Board lead and galvanise efforts to take the following priorities forward.

Over the next few years we will:

1. Strengthen our approach to embedding **health in all policies, strategies and commissioned services**. A key priority will be to influence the Hereford Area Plan and significant Neighbourhood Plans to ensure that we take every opportunity to create environments that support health and wellbeing.
2. Work with Herefordshire's Health and Wellbeing Board and other partners to develop a comprehensive **oral health plan** to tackle issues of poor oral health in children. A key priority will be to assess the feasibility of fluoridating the mains water supply.
3. Work with Herefordshire's Health and Wellbeing Board and other partners to develop and implement a **healthy weight plan** which focuses on reducing obesity in children. A key priority will be to use current data to target our work with communities, schools and parents.
4. Work with partners to develop a co-ordinated approach which focuses on what people can do to take care of themselves and **build individual and community resilience**. The key priorities will be aligning the developing approaches already in place to ensure people are connected to local assets and frontline staff are equipped with the skills and confidence to work with communities and **Make Every Contact Count**.
5. Work with our partners to develop an **ageing well plan**, which responds to the findings in the ageing well needs assessment and the deep dive analysis of the problems of cardiovascular disease and hypertension. A key priority will be to keep people active and connected throughout their life to reduce the risk of multiple long term conditions developing, which can reduce healthy life expectancy.
6. Develop the **Healthy Living Network** to enable community and voluntary organisations, businesses, partners and residents to actively champion health and wellbeing improvements in their area.
7. Work with schools and early years settings to better understand the underlying issues impacting on **children's mental health and self-esteem** and embed evidenced based interventions to promote resilience and good relationships. A key priority will be to use the two and a half year integrated check on children, to identify any early issues in priority groups.
8. Develop a **sustainable health and social care service** in Herefordshire by maximising the opportunities to reduce demand on services in the first instance.

Watch our film...



Karen Wright, Director of Public Health



# UNDERSTANDING HEREFORDSHIRE 2018

A joint strategic needs assessment summary



Version 1.1  
Herefordshire Council Intelligence Unit

May 2018

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If you need help to understand this document, or would like it in another format or language, please contact us by emailing [researchteam@herefordshire.gov.uk](mailto:researchteam@herefordshire.gov.uk) or by calling 01432 261944.

## ABOUT THE JSNA

It is the statutory duty of Herefordshire Council and Clinical Commissioning Group, through the Health and Wellbeing Board, to produce a joint strategic needs assessment (JSNA) of the health and social care needs of the local area. The JSNA should provide the basis for service planning and commissioning decisions by the local authority and health organisations.

JSNAs take different forms in different areas, and in Herefordshire the approach has been to produce an annual summary, *Understanding Herefordshire*, that highlights the key findings from all of the intelligence that has been generated over the previous year. This summary is underpinned by an online evidence base, [Facts and Figures about Herefordshire](#), which is updated throughout the year. Hyperlinks to the more detailed underlying evidence are provided throughout this document.

Each year, routine analysis of a wide range of open source data about the characteristics of Herefordshire and its population is supplemented by a programme of more detailed analysis and needs assessments. During the last year, the main areas of focus for the integrated evidence base have been:

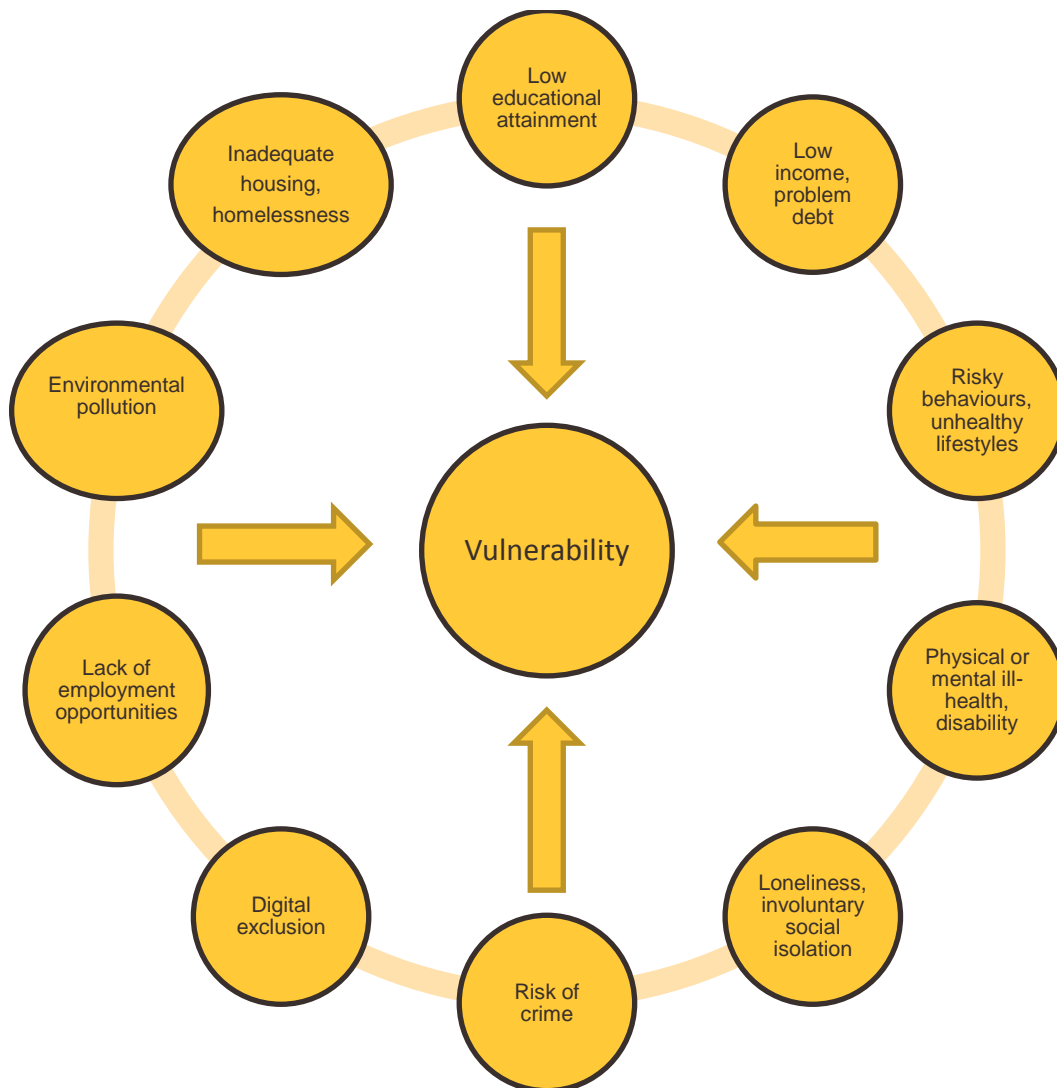
- an integrated older person's needs assessment
- a needs assessment for adults with learning disabilities in Herefordshire
- an improved understanding of trends in users of adult social care services

The JSNA is produced by Herefordshire Council's intelligence unit, with contributions from other areas of the council and partner organisations, including West Mercia Police. Governance is provided by the JSNA steering group – a sub-committee of the Health and Wellbeing Board, with membership from the council, clinical commissioning group, 2Gether NHS Foundation Trust, Wye Valley NHS Trust, Healthwatch Herefordshire, Herefordshire Voluntary Organisation Support Services (HVOSS) and Herefordshire Carers' Support.

Informed by last year's JSNA, the Health and Wellbeing Board have identified [four priority areas](#) where improvements will make the biggest difference to health and wellbeing in Herefordshire. Evidence to support these is highlighted where it appears throughout the report.

- Giving our children a good start in life by maintaining a healthy weight and looking after their teeth.
- Supporting people with dementia to remain as independent as possible within their community, ensuring that people are well cared for when nearing the end of life.
- Supporting the development of resilient communities, where people help each other to remain independent and in control of their own lives.
- Keeping people warm so they are less likely to develop enduring health problems and become acutely ill when it is cold.

Herefordshire Council's and Herefordshire Clinical Commissioning Group's focus is on prevention, early intervention and demand management in order to deliver better outcomes, whilst also managing the challenges of scarce public resources. This requires an understanding of the full range of socio-economic and lifestyle factors that affect the health and wellbeing of Herefordshire's people and communities, and an appreciation of the links between the wider determinants of health, the factors that contribute to multiple deprivation, and vulnerability.



## ACTION POINTS

This section summarises all of the points that have been highlighted as an area for improvement, either compared to other areas, or because of a changing trend locally. More detail can be found by following the link to the relevant section of the report.

**EARNINGS**: At around £450 per week in 2017 (£23,400 per year), average earnings for employees working in Herefordshire remain significantly lower than nationally and regionally, although the gap does appear to have narrowed slightly since 2013. They are the fourth lowest of all 113 council areas in England.

**HOUSING AFFORDABILITY**: Herefordshire is the worst area within the West Midlands region for housing affordability. House prices at the lower end of the housing market are 8.6 times higher than lower quartile annual earnings. Herefordshire's affordability ratio has been consistently worse than in both the West Midlands region and England and Wales since at least the turn of the century.



**FUEL POVERTY**: 13,300 Herefordshire households were in fuel poverty in 2015 (17 per cent); a higher proportion than nationally and regionally. The majority of households affected by fuel poverty live in rural areas. Sixty per cent of Herefordshire's older people (65+) live in rural areas, where lack of access to mains gas and properties with poor thermal efficiency increase the risk of fuel poverty. Older people are more susceptible to ill health (including the risk of death in the winter) as a result of residing in cold homes. The detrimental effects of fuel poverty pose a considerable threat to the health and wellbeing of older people living in Herefordshire.

**DIGITAL INCLUSION**: Herefordshire is rated 'high' for likelihood of overall digital exclusion. One fifth of adults have never used the internet, or used it over three months ago. This is not solely a broadband connectivity issue, and more research is needed to identify digitally excluded households to support those who wish to learn digital skills, and to assess the impact of digital exclusion on access to services.

**ADULT SOCIAL CARE**: The **recruitment and retention** of care workers in what has traditionally perceived as a low-wage, low-skill sector is a concern, at a time when this workforce needs to increase substantially to meet the demands of an ageing population.

Given Herefordshire's relative levels of wealth and ageing demographic, it is likely that there are a considerable number of people who are **self-funding** their personal care needs. There is only limited support available to self-funders to help them make appropriate care choices, but if they exhaust their own resources they are likely to need local authority funded care. Work is underway to improve the understanding of this cohort.

**CARERS**: In Herefordshire, less than a quarter (23 per cent) of adult carers reported in 2016/17 having as much social contact as they would like, significantly fewer than in the West Midlands region (37 per cent) and England (36 per cent). In 2014/15, the carer-reported quality of life score in Herefordshire was higher than in 2012/13 and similar to regionally, but lower than nationally.



**LEARNING DISABILITIES (LD):** Although a higher proportion of adults with LD receive an annual health check in Herefordshire than in comparator areas, the rate is lower than in 2014/15 and is now below that reported nationally. There is also no information available about the results of health checks, or whether subsequent treatment plans have been put in place as per NICE guidelines.

The uptake of cancer screening amongst eligible adults with learning disabilities in Herefordshire is low, which is reflected in the relatively low cancer prevalence, suggesting late or missed diagnosis. As a result, outcomes are likely to be poorer and premature mortality from cancer more likely.

**AUTISTIC SPECTRUM DISORDER (ASD):** Significantly fewer children at state funded county schools are known to have an ASD (eight per thousand) than nationally or regionally (both 13 per thousand). As there is no reason to assume prevalence is lower in the county, this suggests diagnosis rates need to be improved so appropriate support can be provided.

### **COMMUNITY SAFETY:**

Of concern is a spike in the number of sexual orientation focused [hate crimes](#) between 2017/18. In addition, Herefordshire continues to experience issues related to “county line” [drug supply network](#) activity. The presence of these networks presents significant threat, harm and risk to the most vulnerable within the local community with systematic criminal, physical, mental and sexual exploitation usually occurring in addition to the drug supply aspect. This activity resulted in one murder during the period 2017/18.

**DELIVERIES BY CAESAREAN SECTION:** In 2015/16, a significantly higher proportion of deliveries in Herefordshire were by caesarean section than nationally or regionally.

**HOSPITAL ADMISSIONS OF BABIES AND CHILDREN:** The county is experiencing relatively high rates of hospital admission of babies under 14 days old, and of children aged 2-4 for gastroenteritis. Work has been identified for the coming year to better understand the reasons behind this.

**HUMAN PAPILLOMA VACCINE (HPV):** In September 2014 the routine Human Papilloma Vaccine (HPV) programme was changed from a three to two-dose schedule. In 2015/16 the coverage for two doses in Herefordshire was 81 per cent - lower than both the national (85 per cent) and regional (86 per cent) rates. Action may need to be taken to improve take-up.



**ORAL HEALTH:** Significantly more five year-olds were found to have obvious dental decay locally in 2014/15 (41 per cent) than nationally (25 per cent) and regionally (23 per cent), and no better than in 2007/08 (39 per cent). The average five year-old has 1.43 decayed, missing or filled teeth, almost double the 0.72 regionally.

**INEQUALITIES IN EDUCATION:** As nationally, it remains the case that certain groups of pupils do less well, on average, than their peers. This includes the expected standard in reading writing and maths at key stage 2 and the new ‘attainment 8’ score at key stage 4 of those in receipt of free school meals, those classed as ‘disadvantaged’, and those whose first language is not English.

**ALCOHOL HARM:** Hospital admissions due to alcohol consumption remain significantly lower than the national rate (319 per 100,000 in 2016/17 compared to 563), and the rate amongst under 18s continues to fall locally – narrowing the difference compared to nationally (41 per 100,000 in 2014/15 to 2016/17 compared to 34 per 100,000 in England). However, people from the most deprived areas of the county are still more than three times as likely to be admitted to hospital due to alcohol as those from the least deprived. Success rates for alcohol treatment were lower in Herefordshire than in comparator areas in 2016.



**OBESITY:** 23 per cent of reception year children in county schools were overweight or obese in 2015/16, more than two-fifths of whom were obese (10 per cent of children). Obesity rates double by Year 6. The concentration of fast food outlets in more deprived areas is also an area of concern.

**SMOKING:** Although smoking-related hospital admissions remain relatively low overall, certain groups of the local population are still more likely to be smokers. Adults in routine and manual occupations locally are much more likely to smoke than the population overall (24 per cent compared to 14 per cent in 2016). Men are a third more likely to smoke than women, and smoking is more common in the most deprived areas with residents aged 35+ a third more likely to be admitted to hospital as a consequence of their smoking than the rest of the county, and 40 per cent more likely to die of smoking-related conditions. Quit rates are significantly lower than in Herefordshire than in comparator areas and have fallen in recent years.

**LIFE EXPECTANCY:** People born in Herefordshire can, on average, expect to live longer lives and remain in good health for longer than nationally and regionally, but females born in the most deprived areas of Herefordshire can expect to live 2.6 years less than those living in the least deprived areas; males 3.9 years less. However, this gap is one of the smallest amongst areas with similar levels of deprivation.

**LONG-TERM CONDITIONS:** The prevalence of stroke, coronary heart disease (CHD) and hypertension (high blood pressure) in Herefordshire is greater than in England as a whole, suggesting more work is needed on prevention and awareness strategies. Currently, those living in the most deprived areas of Herefordshire are 29 per cent more likely to die prematurely (under 75 years of age) likely to die of coronary heart disease and over 71 per cent as likely to die prematurely of cerebrovascular disease.

**CANCER:** remains one of the biggest causes of premature mortality in Herefordshire, although rates are amongst the lowest in England. Prevalence of cancer has risen locally and is significantly higher than nationally (3.4 per cent in 2016/17 compared to 2.6 per cent), however mortality rates have fallen consistently over the last 20 years. Those living in the most deprived areas of Herefordshire are 22 per cent more likely to die prematurely (under 75 years of age) of cancer.

**CHRONIC OBSTRUCTIVE PULMONARY DISEASE (COPD):** The number of people with COPD in Herefordshire has increased steadily during the last decade to 2.2 per cent in 2016/17. Since 2011/12 the local prevalence has been higher than the national figure whereas prior to 2009/10 the opposite pattern was observed. Respiratory diseases account for over a third of all excess winter deaths in Herefordshire. Those living in the most

deprived areas are over two and half times likely to die prematurely of chronic lower respiratory disease than those in the least deprived areas.

**RHEUMATOID ARTHRITIS:** In Herefordshire, the prevalence of rheumatoid arthritis in persons aged 16yrs+ in 2015/16 was significantly higher than that recorded nationally and regionally. Since 2013/14 there has been no temporal change in prevalence locally or nationally.

**DIABETES:** The overall prevalence of diabetes (type 1 or 2) remains similar to, and has risen in line with, the national rate (seven per cent of adults aged 17+ registered with Herefordshire GPs in 2016/17). However, diabetes rates amongst older patients (65+) are significantly higher: 24 per cent compared to 17 per cent both regionally and nationally. A significantly lower proportion of all diabetes patients achieved the three treatment targets (HbA1c, cholesterol and blood pressure) locally in 2016/17.

**MENTAL HEALTH:** In 2016/17, the hospital admission rate for mental health disorders in children and young people aged 0 to 17 years significantly higher than in England as a whole and in the West Midlands region. The rate has been increasing since 2012/13 and the gap between Herefordshire and England is widening.

Reflecting the situation nationally, the incidence of **suicide** in men is much higher than in women and residents of the most deprived areas of Herefordshire are approximately 19% more likely to die as a result of suicide than the county population in general.



**DEMENTIA:** At the beginning of 2017, only 59 per cent of people aged 65+ with dementia had a formal diagnosis, lower than nationally (68 per cent) and regionally (66 per cent) and yet to reach the NHS England target of 67 per cent.

**FALLS:** Falls are common in residential and nursing home settings. Systematic recording of falls occurring in these settings would be helpful in order to develop more effective prevention strategies.

A considerably smaller proportion of people aged 75 and over presenting with fragility fractures are treated with a bone sparing agent (a treatment for osteoporosis) in Herefordshire compared to other clinical commissioning groups, suggesting that there is an opportunity to improve outcomes for people with osteoporosis by enhancing treatment coverage.



**END OF LIFE CARE:** End of life care services in Herefordshire are generally good, and a significantly higher proportion of people die in their usual place of residence than elsewhere (51 per cent in 2015). However, there is scope for further work to proactively raise the profile of issues relating to death and dying with the wider community, provide training and support for those non-clinical staff who work with terminally ill people or their families, and to recognise and accommodate the specific needs of minority groups.

## HEREFORDSHIRE: THE PLACE AND ITS PEOPLE

Herefordshire is situated in the south-west of the West Midlands region bordering Wales. The city of Hereford lies in the middle of the county and other principal locations are the five market towns of Leominster, Ross-on-Wye, Ledbury, Bromyard and Kington. The county has beautiful unspoilt countryside with remote valleys and rivers and a distinctive heritage. The River Wye divides the county, flowing east from the Welsh border through Hereford city before turning south through the Wye Valley 'Area of Outstanding Natural Beauty'. The Malvern Hills rising to 400m border the east of county, while the south-west is dominated by the western reaches of the Black Mountains with altitudes of more than 600m. Herefordshire covers 2,180 square kilometres (842 square miles). 95 per cent of the land area is 'rural' and 53 per cent of the population live in rural areas. Being a predominantly rural county presents opportunities in, for example, tourism and agriculture, but also presents challenges, for example in geographical barriers to services.

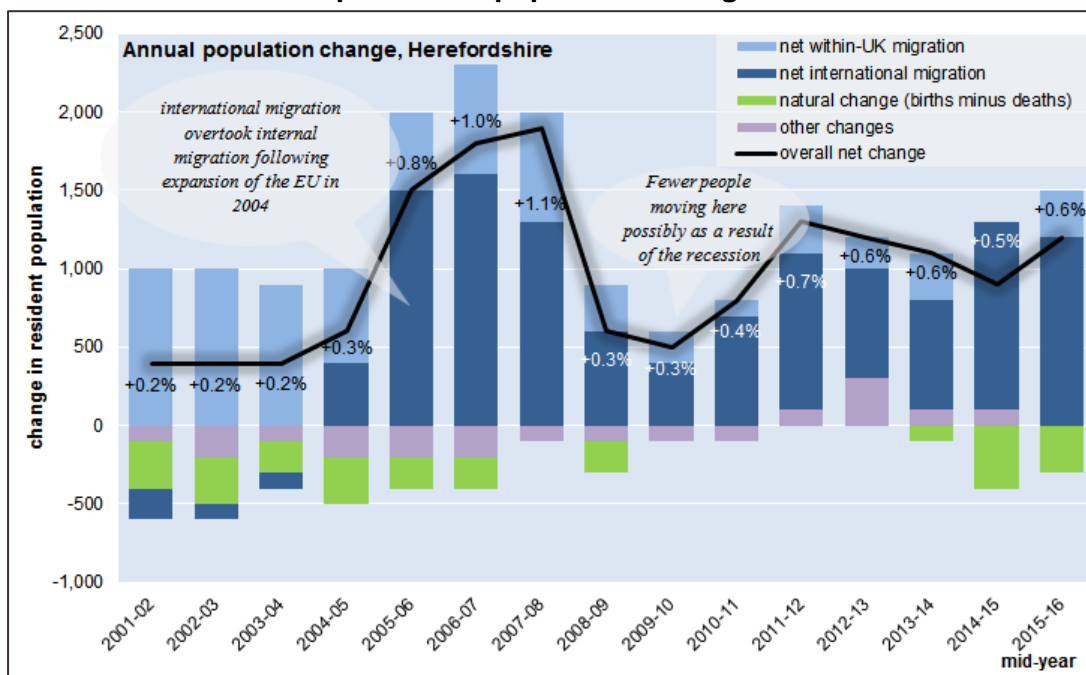
### POPULATION

Herefordshire's demographic composition pre-disposes the county to challenges associated with an ageing and dispersed rural population.

In mid-2016, Herefordshire's population was estimated to be 189,300; an increase of 1,200 people (0.6 per cent) since mid-2015. Between 2001 and 2016, the county's population grew by eight per cent – a lower rate than England and Wales (11 per cent) and the West Midlands region (10 per cent).

The number of deaths (around 2,000 a year) in Herefordshire generally outnumbers the numbers of births (currently around 1,600 a year). This means that population growth is entirely driven by migration; since 2005-06 mainly from overseas.

### Annual overall and components of population change in Herefordshire



Source: ONS mid-year estimates © Crown Copyright

Two in five Herefordshire residents (40 per cent) live in the most dispersed rural areas and the county has the fourth lowest population density in England; 87 people per km<sup>2</sup>. Population density varies from 13 people per km<sup>2</sup> in areas of the north-west and south-west of the county to 8,400 per km<sup>2</sup> in an area of north-east Hereford.

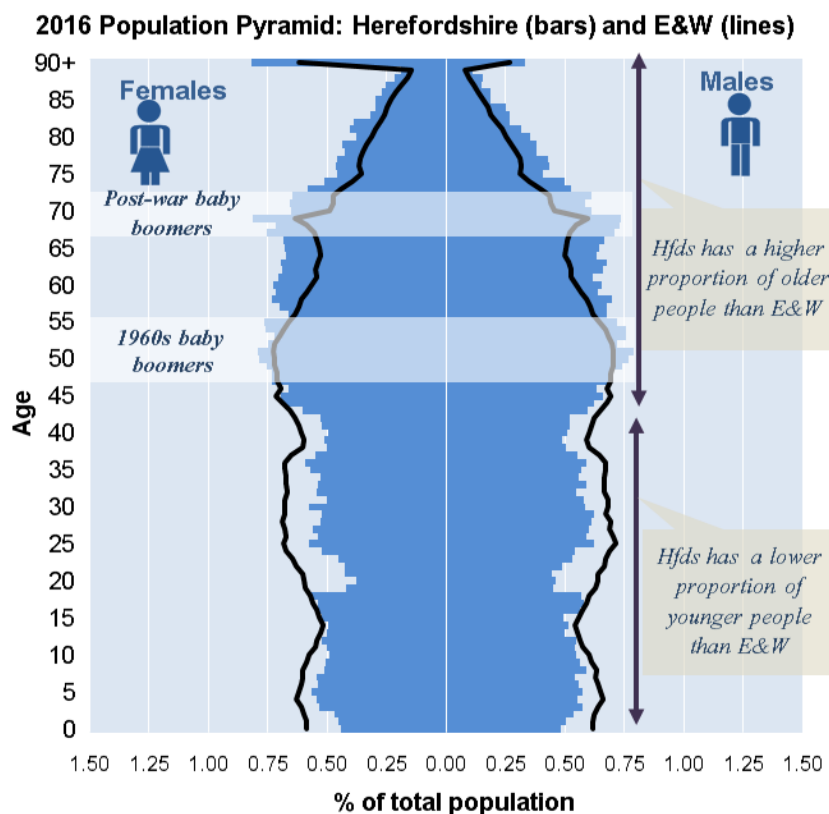
One in three residents live in Hereford (60,800) and one in five in market towns: Leominster (12,000), Ross on Wye (11,200), Ledbury (10,000), Bromyard (4,700) and Kington (3,300).

Herefordshire has an older age structure than England and Wales, with 24 per cent of the population aged 65 years or above (44,800 people), compared to 18 per cent nationally. There are 33 per cent more people aged 65+ than there were in 2001, compared with a 26 per cent increase nationally. The number aged 65-84 is projected to grow at a similar rate as during the last decade, but the number aged 85+ will rise even more rapidly.

There are a similar proportion of under-16s (17 per cent) as nationally (19 per cent). Numbers of children have declined by around seven per cent over the last decade. However, the number of under-fives and births has been rising for the best part of the last decade. The next five years are expected to yield a gradual increase in the numbers of children, to around 33,200 by 2023.

Herefordshire has a relatively small, but growing, Black, Asian and Minority Ethnic (BAME) population; 6.4 per cent in 2011 compared with 19.5 per cent nationally.

**Age structure of Herefordshire compared with the equivalent for England and Wales (mid-2016 estimates).**



Source: Annual Mid-Year Population Estimates for the UK, Office for National Statistics (ONS) © Crown Copyright 2017

If recent trends were to continue and nationally determined assumptions about future fertility, mortality and migration were to be realised, the total population of Herefordshire is projected to increase to 192,300 by 2019 (an increase of two per cent); and to 205,600 people by 2034 (an increase of nine per cent), or 0.5 per cent per year over this period. This is a lower annual rate of growth than that projected for England as a whole (0.7 per cent per year).

## ECONOMY

Herefordshire's population of working age (16-64) was 112,700 in 2016. It has a lower proportion of younger working age adults (from the age of 16 to mid-forties) and a higher proportion of older working age adults (mid-forties to the age of 64) compared with England and Wales as a whole.

Changes in the working age population are driven by migration and the natural ageing of the population structure (deaths have relatively little effect on numbers). Numbers have fallen by a few hundred since 2009, and if recent trends in migration were to continue, natural ageing would see the population aged 16-64 three per cent by 2031 – with the sharpest decline after 2025 when the second generation of 'baby boomers', those born in the 1960s, begin to move into retirement age.

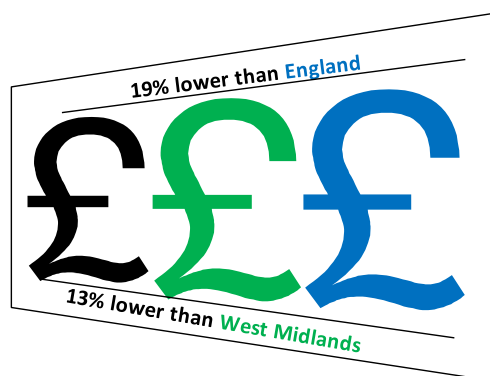
### Earnings



At around £450 per week in 2017 (£23,400 per year), average earnings for employees working in Herefordshire remain significantly lower than nationally and regionally, although the gap does appear to have narrowed slightly since 2013. Among the 113 'upper tier' local authorities (i.e. county councils, unitary authorities and metropolitan boroughs) in England, Herefordshire's median weekly earnings ranked 4th lowest in 2017 – and have been among the bottom seven over the past five years. The equivalent figures for England are £555 per week (£29,000 pa) and the West Midlands are £515 per week (£26,850 pa).

Women earn, on average, ten per cent less than men per hour (excluding overtime) – a similar gender pay gap to that seen in England as a whole, but lower than the twelve per cent for the region.

#### **Gap in Herefordshire earnings in 2017:**



### Type of employment

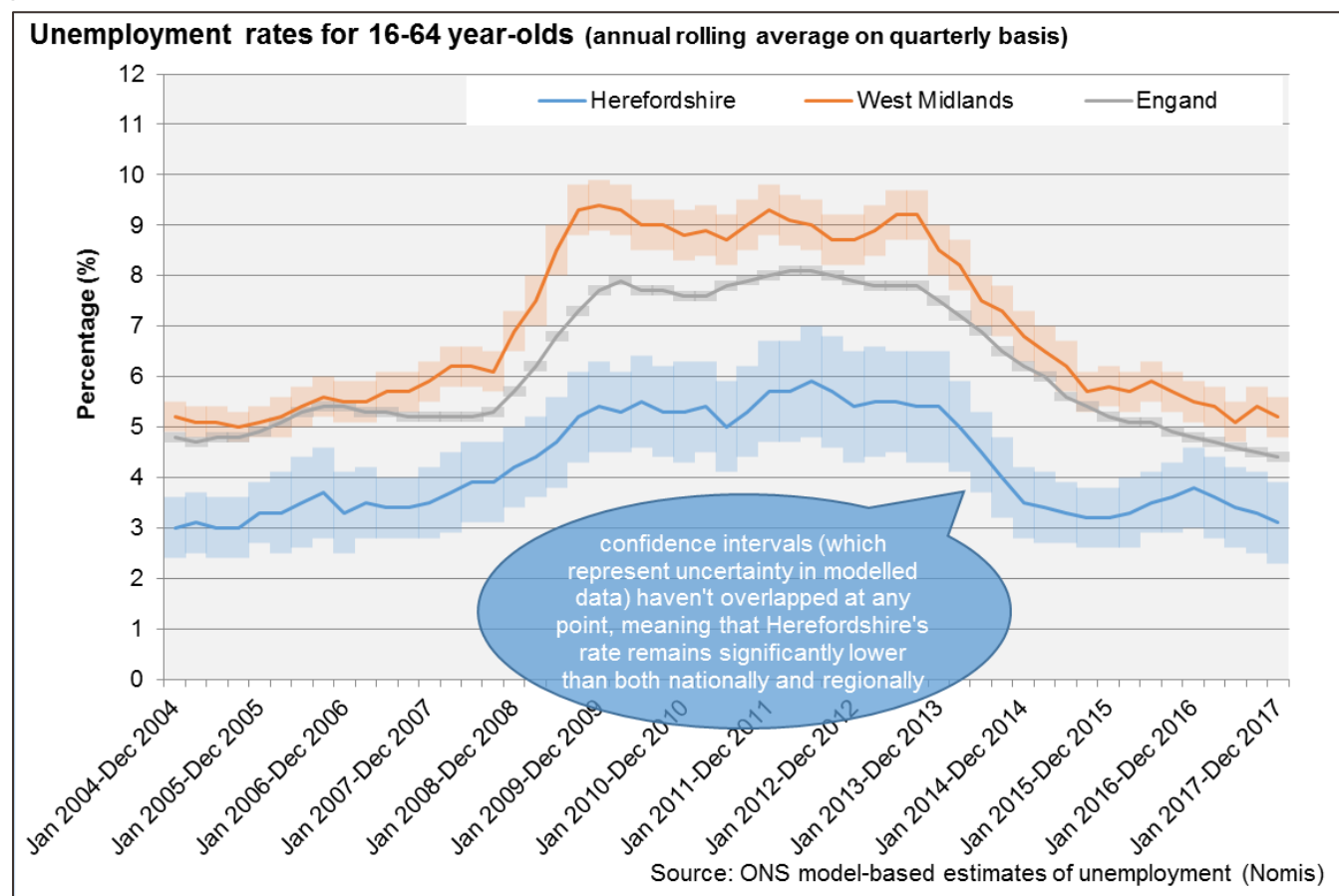


Possible reasons for the persistently low wages in the county include relatively high levels of employment in traditionally low value industries. Employment in the health, manufacturing, retail and accommodations and food services sectors is more common locally than nationally and regionally, and makes up over half (53 per cent) of Herefordshire’s 73,000 employee jobs<sup>1</sup>. Furthermore, there is a relatively high rate of part-time working (36 per cent vs. 32 per cent across the whole West Midlands region). Reflecting the picture elsewhere, this is much more common in the public sector than the private (47 per cent compared to 35 per cent).

There is also a relatively high number of people in Herefordshire who are self-employed – 15 per cent of all working age people (16-64) compared to 11 per cent in England.

## Unemployment

The estimated unemployment rate amongst 16-64 year-olds in Herefordshire was 3.1 per cent (3,000 people) in the year to December 2017, statistically significantly lower than both regionally (5.4 per cent) and nationally (4.4 per cent). This is the lowest it has been since 2004/2005 and continues the downward trend seen since a local post-recession spike of 3.8 per cent in 2016.



Source: Model-based estimates of unemployment, ONS. Crown copyright

<sup>1</sup> Note that this data source (ONS’ Annual Survey of Hours and Earnings) does not cover small businesses or the self-employed – so it doesn’t reflect Herefordshire’s agricultural sector very well.

In addition, the number and rate of people who are claiming Job Seekers Allowance remains lower in Herefordshire (0.6 per cent of 16-64s compared to 1.0 per cent for England and 1.5 per cent for the West Midlands region), and continues to fall: in October 2017, 650 Herefordshire residents were claiming JSA – 16 per cent lower than the year before. As nationally, the majority (70 per cent) of claimants are usually employed in ‘sales occupations’. The highest number of claimants live in Leominster and south Hereford.

## Broadband

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Research has shown that poor internet connections and slow speeds have a damaging economic effect and that the gap between rural and urban areas is widening. This is a disincentive to business investment and adds to costs in the rural economy. It is predicted that although the urban-rural gap ‘will begin to narrow as superfast reaches more rural areas...better-connected (mostly urban) areas will also increase speeds at a high rate.’<sup>2</sup>

Access to a good broadband service has long been an issue for those living and working in rural Herefordshire, and the Fastershire project has ensured that by 2018 78 per cent of homes and businesses can obtain download speeds of more than 30Mbps<sup>3</sup>. Current contracts should deliver this capability to a total of 98 per cent by 2020. A solution is still to be found for the remaining two per cent of eligible households and businesses (around 4,000 properties).

However, only 41 per cent of those covered by the programme at the end of October 2017 had chosen to take up superfast broadband. Take-up is likely to be affected by the relationship between how much households or businesses feel they need the service, and how much it costs. Little is known about the reasons driving this low take-up rate in Herefordshire, so the topic would benefit from more research. See the [digital inclusion](#) section for further discussion.



[Fastershire](#), a partnership between Gloucestershire County Council and Herefordshire Council, is tasked with bringing faster broadband to the two counties. Phase 1 of the project, in partnership with BT, aimed to provide 90 per cent of Gloucestershire and Herefordshire with fibre broadband with a minimum speed of 2Mbps by 2016. Phase 2 of the project, delivered by Gigaclear, will extend fibre coverage further across the county. The ultimate aim is that by the end of 2019/20 there will be access to fast broadband for all who need it. Herefordshire Council is committed to ensuring that each business or resident who can prove the need for a Next Generation Access (NGA) connection of over 24Mbps is able to get one.

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<sup>2</sup> Two-speed Britain: Major study reveals impact of gap in Internet access between rural and urban area, University of Aberdeen, 2 September 2015. Available at <https://www.abdn.ac.uk/news/8127/>

<sup>3</sup> 30Mbps is the minimum download speed for ‘superfast’ broadband according to Ofcom, the UK regulator



## TRANSPORT

### Key facts:

- Herefordshire Council is responsible for over 2,000 miles of road, more than 700 road bridges and 11,700 street lights. This does not include trunk routes such as A49 and the M50 motorway, which are the responsibility of Highways England.
- Ninety-five per cent of Herefordshire's land area is classified as 'rural' and over half of the population live in rural areas.
- With only four railway stations in the county, Herefordshire is particularly dependent on road transport.
- The road network comprises mainly rural 'C' or unclassified roads leading off single carriageway 'A' roads.
- The majority of residents who travel to get to work do so by driving themselves in a car or a van (70 per cent).
- Herefordshire has a greater proportion of people travelling to work by car or van or on foot than England and Wales, but smaller proportions using a bus or train.
- Cycling levels are well above the national average.



The [Herefordshire Local Transport Plan](#) sets out programmes of work for achieving the council's objectives for transport.

Development of the [Hereford Transport Package](#) (HTP) is underway, including public consultation. The HTP sets out a suite of transport and infrastructure improvements with the objectives of facilitating economic growth, improving regional connectivity, encouraging sustainable lifestyles, encouraging sustainable development, providing network resilience, improving air quality and reducing noise, reducing severance and improving safety.

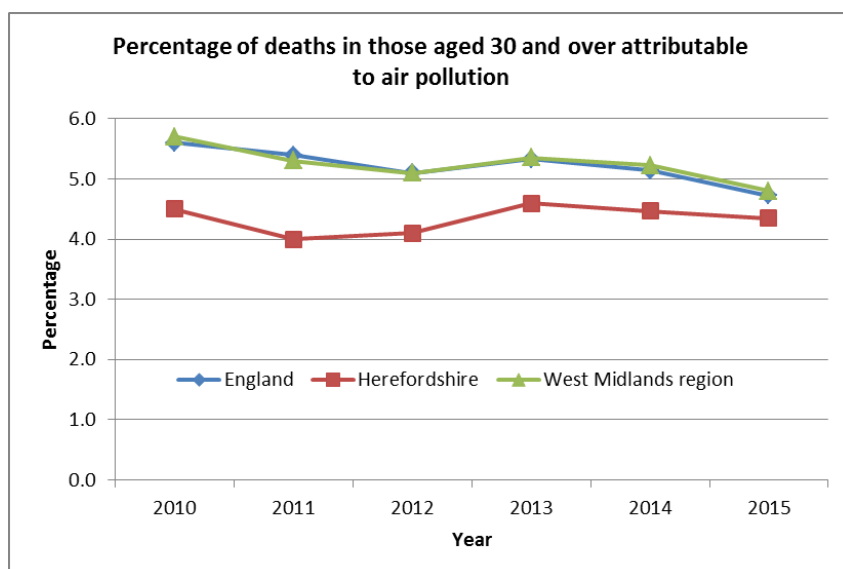
The recently opened City Link Road will unlock brownfield land for new affordable housing and regeneration in the centre of Hereford. A southern link road in the South Wye area will reduce congestion on Belmont Road and provide improved access to the Enterprise Zone at Rotherwas. A planned Hereford Relief Road (HRR) will provide an alternative route for through traffic.

## ENVIRONMENT

Access to open space and nature is increasingly being recognised as beneficial to both physical and mental health<sup>4</sup>, and Herefordshire's natural and historic environment is important for residents, businesses and tourism.

Generally, Herefordshire has low levels of air pollution - although there are still two air quality management areas where levels of nitrogen oxide are higher than government standards.

Mortality attributable to [particulate air pollution](#) is a Public Health protection indicator. Figures for Herefordshire have remained relatively stable since 2010 (between four and five per cent of all deaths of those aged 30+) and are consistently below both national and regional figures – although the gap appears to be narrowing.



Source: Public Health England.

Water quality in parts of the rivers Wye and Lugg is such that measures are needed to ensure that there is not a long-term adverse effect on protected species; a nutrient management plan is in place to address the issue.



Reducing **greenhouse gas emissions** is essential to help mitigate the multiple threats posed by climate change. Herefordshire Council's [Carbon Management Plan 2017-2021](#) sets out a pathway for achieving a 40 per cent reduction in its emissions CO<sub>2</sub>e from 2008/09 levels by 2020/21.



By 2016/17, the council's total emissions had been reduced by almost one third, to just over 18,600 tonnes of carbon dioxide equivalent (CO<sub>2</sub>e). The latest [Greenhouse Gas Summary Report](#) notes that "innovation, resource and resilience are required" to meet the target.

<sup>4</sup> Connecting with nature offers a new approach to mental health care, Natural England, 9 February 2016. Available at: [www.gov.uk/government/news/connecting-with-nature-offers-a-new-approach-to-mental-health-care](http://www.gov.uk/government/news/connecting-with-nature-offers-a-new-approach-to-mental-health-care)

## COMMUNITIES AND PROTECTING THE VULNERABLE

### HOUSING

The links between poverty, inadequate or unsuitable housing and ill-health are well-established. Herefordshire faces a range of challenges associated with housing affordability and the costs associated with maintaining and insulating an aged housing stock with relatively large numbers of properties without mains services.

#### **Key facts:**

- The 2011 census recorded 78,300 households in Herefordshire, 25,400 in Hereford city, 17,800 in the market towns and 35,200 in rural areas. By 2015, the total had risen to an estimated 79,800.
- A slightly higher proportion of these households were lone pensioners (14 per cent) compared to the West Midlands (13 per cent) and England and Wales (12 per cent).
- In 2011, Herefordshire had a higher proportion of households who own their home outright and a lower proportion who own their home with a mortgage, compared with England and Wales. It had a slightly lower proportion that privately rent their home from a landlord or letting agency and a lower proportion that were in social rented accommodation, compared with nationally.
- As of May 2018, there were 84,800 residential properties registered for council tax in Herefordshire; of which 39 per cent were in the lowest value bands A and B and 26 per cent were in the highest value bands E to H. This compares with 44 per cent and 19 per cent, respectively, for England. There is great variation in the distribution of banding between urban and rural areas.



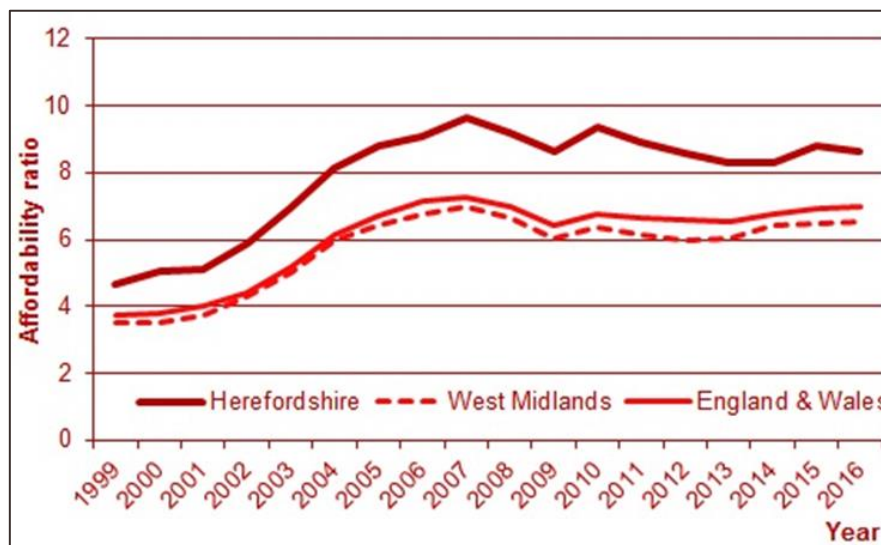
Herefordshire Council's adopted [Core Strategy](#) identified a need for 16,500 new dwellings (both open market and affordable) to be built between 2011 and 2031. The allocation is split between Hereford city (6,500), other market towns (4,700) and rural settlements (5,300). A local housing requirements study commissioned in 2014 determined that this level of development would be enough to meet the level of economic and demographic growth predicted at that time.

There are currently no up-to-date forecasts to indicate what effect the anticipated house building will have on the population around the county, but this has been identified as a priority for 2018.



Herefordshire is the worst area within the West Midlands region for housing affordability. House prices at the lower end of the housing market are 8.6 times higher than lower quartile annual earnings. Herefordshire's affordability ratio has been consistently worse than in both the West Midlands region and England and Wales since at least the turn of the century.

### Affordability ratio in Herefordshire compared to the West Midlands region and England and Wales



Source: Ratio of house price to workplace-based earnings (lower quartile and median). Office for National Statistics © Crown Copyright 2017

Between 2001 and 2011, there was a shift in housing tenure away from owner occupation towards the private rented sector. Rental levels in Herefordshire in 2016 were just under the median point for all English authorities excluding London. Within the West Midlands region, Herefordshire is ranked as the third most expensive unitary or shire authority when median rents for all dwelling sizes are compared.



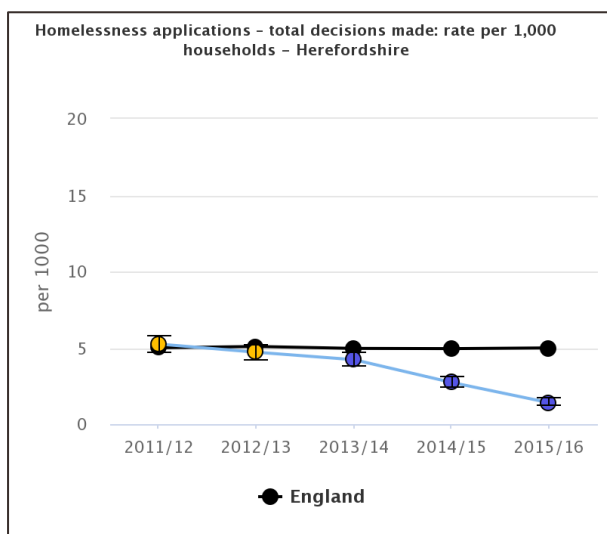
The Herefordshire [Interim Housing Strategy 2016 – 2020](#), identified ensuring a programme of affordable housing development, consistent with local housing need and national and local targets, as one of the key priorities for the county.

## Homelessness

**Homelessness** can be associated with severe poverty and is a social determinant of mental health. It can also have a severe impact upon an individual's physical health and homeless people are more likely to be victims of crime. The causes of homelessness are often complex so that preventing homelessness is a difficult issue to address. There is a statutory duty for local authorities to provide advice and assistance to households who are homeless, or threatened with homelessness, and in some cases to provide suitable accommodation. In certain circumstances there is also a duty to provide emergency accommodation.



The [Homelessness Reduction Act 2017](#) made far-reaching changes to homelessness legislation and significantly amended the Housing Act 1996. It came into force in April 2018. Under the Act, local housing authorities will be required to intervene at earlier stages in order to prevent homelessness and to take reasonable steps to help those who become homeless to secure accommodation, or to maintain their existing accommodation. Its main purpose is to ensure that everyone who approaches a local authority because they are either facing homelessness or actually homeless should receive some assistance, whether they are in priority need or not, and irrespective of whether they may be considered intentionally homeless.



Source: Public Health England.



In Herefordshire the number of homelessness applications has declined in recent years. In 2015-16 there were 114 applications, representing a rate of 1.4 per 1,000 households, well below the rate for England of 5.0 per 1,000. The rate of statutory homelessness was 0.5 per 1,000 households in 2015-16; lower than in both England (2.5) and the West Midlands region (3.5).



In 2016-17 in Herefordshire, the rate of those considered to be statutory homeless but not in priority need of 0.1 per 1,000 households was lower than in England (0.8) and had fallen from a rate of 0.5 in 2013-14.

Although numbers are difficult to establish with certainty, the number of **rough sleepers** in Herefordshire was estimated at 11 in 2017, down from 21 the previous year. The Hereford Winter Shelter was open between December 2016 and March 2017. In this period a total of 66 individuals (59 men and 7 women) stayed for a total of 861 nights. The approximate average stay per person was 13 nights. This compares to a total of 79 individuals staying for a total of 1,124 nights in 2015-16, which was an approximate average stay per person of 14.2 nights.



The Herefordshire [Homelessness prevention strategy 2016-2020](#) sets out a series of actions aimed at reducing homelessness and rough sleeping in the county.

## [Fuel poverty](#)

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Fuel poverty is defined as occurring when a household has required fuel costs that are above average, and after spending that amount, they are left with an income that is below the official poverty line.<sup>5</sup> Whether a household is in fuel poverty is determined by the interplay of three key factors:

1. the energy efficiency of the property
2. the household income
3. fuel/energy prices

National analysis of fuel poverty data indicates that households in fuel poverty are more likely to occupy large, older houses, and be owner-occupiers and families.<sup>6</sup>

Herefordshire, like other rural counties, has a considerable number of dwellings without access to the mains gas grid. The Healthy Housing Survey (2011) identified that mains gas was available to only 69 per cent of properties in Herefordshire, compared to 87 per cent nationally.<sup>7</sup> Being off the mains gas grid significantly increases the risk of a household being in fuel poverty, as the fuel options for off-grid homes are often more expensive and less energy efficient than gas. Furthermore, rural households are also more likely to be living in

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<sup>5</sup> Annual Fuel Poverty Statistics Report, 2017, Department for Business Energy and Industrial Strategy, 2017. This definition is based on the Low Income, High Cost (LIHC) methodology which became the official fuel poverty indicator in 2013. Available at: [www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/639118/Fuel\\_Poverty\\_Statistics\\_Report\\_2017\\_revised\\_August.pdf](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/639118/Fuel_Poverty_Statistics_Report_2017_revised_August.pdf).

<sup>6</sup> Cutting the cost of keeping warm: A fuel poverty strategy for England, Department of Energy and Climate Change, 2015. Available at: [www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/408644/cutting\\_the\\_cost\\_of\\_keeping\\_warm.pdf](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/408644/cutting_the_cost_of_keeping_warm.pdf)

<sup>7</sup> Healthy Housing, Michael Dyson Associates Ltd on behalf of Herefordshire Council, 2012. Available at: [https://factsandfigures.herefordshire.gov.uk/media/12674/healthy\\_housing\\_final\\_report\\_3rd\\_oct\\_2012.pdf](https://factsandfigures.herefordshire.gov.uk/media/12674/healthy_housing_final_report_3rd_oct_2012.pdf)

older and less thermally efficient dwellings, and to have a lower than average household income.<sup>8</sup>

Fuel poverty adversely impacts upon health and wellbeing through associated financial hardship as well as increased risk of conditions such as respiratory illness, high blood pressure, and hypothermia.

The physiological effects of exposure to cold room temperatures are well documented and cold homes are known to contribute to [excess winter deaths](#).<sup>9</sup> Older people, children and people with disabilities and [long-term illnesses](#) are particularly vulnerable to the adverse effects of fuel poverty. In addition, cold can worsen arthritic pain and/or contribute to a general feeling of illness.<sup>10</sup> Fuel poverty can exacerbate involuntary [social isolation](#), making those affected less able to afford to go out, or fearful of going out knowing they will come in, already feeling cold, to a cold home; or reluctant to invite friends into a cold house.



In 2015, 16.6 per cent of estimated 79,800 households in Herefordshire were in fuel poverty (13,300); a higher proportion than in the West Midlands region (13.5 per cent) and England (11 per cent). The majority of households affected by fuel poverty live in rural areas.

Older people are more susceptible to ill health (including the risk of death in the winter) as a result of residing in cold homes. An estimated 60 per cent of people aged 65 and over live in rural parts of Herefordshire, where access to mains gas may not be possible, and properties with poor thermal efficiency are more common, both of which increase the risk of fuel poverty. The detrimental effects of fuel poverty pose a considerable threat to the health and wellbeing of older people living in Herefordshire.

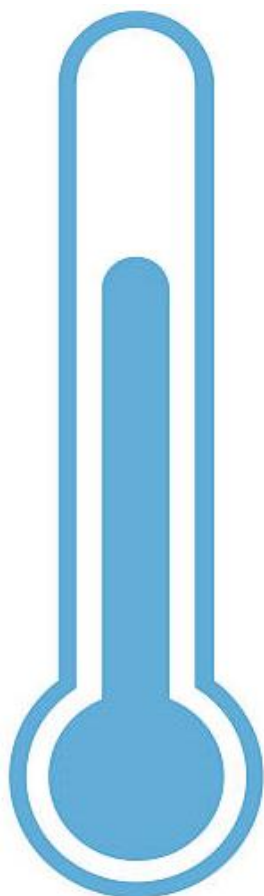
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<sup>8</sup> Energy Advice Pack for Homes Off-Mains Gas: Practical advice on saving energy and reducing fuel costs for homes off the mains gas grid, National Energy Action Cymru. 2017. Available at: [www.nea.org.uk/wp-content/uploads/2017/03/calor\\_off\\_gas\\_advice\\_booklet.pdf](http://www.nea.org.uk/wp-content/uploads/2017/03/calor_off_gas_advice_booklet.pdf)

<sup>9</sup> Cold comfort: The social and environmental determinants of excess winter deaths in England, 1986–1996, Wilkinson P, Landon M, Armstrong B, et al., Joseph Roundtree Foundation, 7 November 2001. Available at: [www.jrf.org.uk/report/cold-comfort-social-and-environmental-determinants-excess-winter-deaths-england-1986-1996](http://www.jrf.org.uk/report/cold-comfort-social-and-environmental-determinants-excess-winter-deaths-england-1986-1996) .

<sup>10</sup> The UK Fuel Poverty Strategy: The causes and effects of fuel poverty, Department of Trade and Industry, 1998. Available at: [http://webarchive.nationalarchives.gov.uk/+/http://www.dti.gov.uk/energy/consumers/fuel\\_poverty/chp1.pdf](http://webarchive.nationalarchives.gov.uk/+/http://www.dti.gov.uk/energy/consumers/fuel_poverty/chp1.pdf)

## The impact of various room temperatures upon health



|  |
|--|
| <b><u>21°C</u></b><br>Comfortable temperature for all, including older people, in living rooms during the day.   |
| <b><u>18°C</u></b><br>Minimum recommended night-time temperature for those with no health risk, although older and sedentary people may feel cold.   |
| <b><u>Under 16°C</u></b><br>Resistance to respiratory diseases may be diminished.  |
| <b><u>9-12°C</u></b><br>Exposure to temperatures between 9°C and 12°C for more than two hours causes core body temperature to drop, blood pressure to rise and increased risk of cardiovascular disease. |
| <b><u>5°C</u></b><br>Significant increase in the risk of hypothermia.  |

Source: Fuel Poverty and Health – A Guide for Primary Care Organisations, and Public Health and Primary Care Professionals, Press, V., National Heart Forum, 2003. Available at: [www.fph.org.uk/uploads/toolkit\\_fuel\\_poverty.pdf](http://www.fph.org.uk/uploads/toolkit_fuel_poverty.pdf)



Recognising that fuel poverty is a particular challenge locally, Herefordshire's Health and Wellbeing Board have made it a priority area. In 2016, Herefordshire Council published the [Herefordshire Affordable Warmth Strategy 2016-19](#). The strategy provides further insight into fuel poverty in Herefordshire, and details the actions being taken to tackle the issue.



## **FOCUS AREA: REFUGEES AND ASYLUM SEEKERS**

Herefordshire is providing much-needed safe accommodation in the community for refugees under [the Syrian Vulnerable Person's Resettlement Scheme](#) (SVPRS). The SVPRS has worked well to date, with no significant issues or pressures. The first Syrian families were welcomed to Herefordshire in November 2016. Further families arrived in January and March 2017 with the final family arriving in June 2017. Currently 60 Syrian refugees have been resettled in Herefordshire under the scheme, comprising 14 households. Families coming to Herefordshire under the SVPRS have been housed in privately rented accommodation in Hereford city, or within 3 miles of the city centre, and are provided with an orientation and support service from Refugee Action for their first 12 months. For the earliest arrivals this is now coming to an end, but the families continue to receive some support with access to English language classes, managing housing and developing skills for employment through projects such as Building Better Opportunities. Herefordshire has agreed in principle to re-settle a further 35 individuals through the SVPRS and the [Vulnerable Children Resettlement Scheme](#) (VCRS). The reason for resettlement of those through the VCRS must be in relation to vulnerability of a child, although the child will be accompanied by a parent or guardian and may be resettled with other family members. Individuals resettled through the VCRS may be from any country in the Middle Eastern and North African (MENA) region. There is no financial risk to the council arising from further commitment to the SVPRS or VCRS as both schemes are funded by the Home Office.

Herefordshire Council has also agreed to the dispersal of up to forty asylum seekers to the county under the General Asylum Dispersal scheme. G4S have been contracted by the Government for the region to secure accommodation and provide transport for this group. No asylum seekers have yet been dispersed to Herefordshire under the scheme and concerns around the shortage of suitable, affordable accommodation and the lack of any registered providers of asylum advice in the county have been highlighted to G4S and Home Office. A small number of Unaccompanied Asylum Seeker Children (UASC) have arrived in the county either through the National Transfer Scheme (which was set up to help alleviate pressure on areas of the country where large clusters of asylum seekers occur), or through 'spontaneous drops' (where asylum seekers finish their journey, or are being deposited by traffickers spontaneously in any location). The council is working towards fulfilling its pledge to provide support for up to 25 young people classed as UASC. Children under the age of 16 are placed with foster carers and those aged 16 and over may be placed in foster care, shared accommodation or supported lodgings. The children cease to be categorised as UASC upon reaching age 18. UASC's are considered as [Looked After Children](#) and upon reaching their 18th birthday, as Care Leavers.

Refugees and asylum seekers are particularly vulnerable groups and face multiple challenges. While younger children can rapidly reach a good level of attainment in English, this becomes progressively harder with age. Lack of English can make it difficult for adults to find work and to access services. The three biggest challenges faced by refugees are usually finding employment, the cost of housing (which often exceeds the amount they can claim in housing benefit) and family reunification. Recruitment of foster carers and supported lodging providers for children and young people has been a success and one shared house with support has been established, but to date it has been challenging to work with colleges to meet the educational needs of the young people aged 16+ and to provide them with a range of educational opportunities. Some children placed in Herefordshire through the National Transfer Scheme have felt they 'stand out' and would prefer to be re-settled in more diverse localities. Refugees and asylum seekers are more likely to experience hate crime, have lower educational attainment due to language barriers, and need urgent dentist and optician appointments due to lack of basic healthcare where they have been living, or to experience ill health related to, for example, previous poor diet and living conditions, or psychological trauma.

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## LONELINESS AND INVOLUNTARY SOCIAL ISOLATION

'Loneliness is a subjective, negative feeling experienced where there is a discrepancy between the amount and quality of social contacts one has, and the amount and quality one would like to have. It is related to, but distinct from, social isolation which is an objective state where there is an absence of social contacts and social connectedness'.<sup>11</sup>

Emerging evidence indicates that loneliness is associated with poor health and wellbeing outcomes including [hypertension](#), [coronary heart disease](#), [stroke](#), depression and [mortality](#).

Living alone has been found to be a risk factor associated with loneliness and involuntary social isolation, as well as multiple [falls](#), functional impairment, poor diet, [smoking](#), and three self-reported chronic conditions; arthritis and/or rheumatism, glaucoma, and cataracts. Loneliness is caused by a number of intrinsic and extrinsic factors. While loneliness can occur at any age, it can be exacerbated by major life events that typically correspond with ageing such as bereavement, loss of mobility and declining physical health.

The 2012 [Herefordshire Quality of Life Survey](#) found that, while most people (60 per cent) had contact with family, friends or neighbours most days of the week, for one in twenty the contact is once a month or less and a similar proportion (five per cent) felt lonely most or all the time (regardless of age or where they lived in the county). Those who live alone are most likely to experience this kind of isolation; according to the 2011 Census 28 per cent of county households comprise one person – half of whom are over 65. The highest proportions of lone pensioner households are found in Hereford and the market towns.

The [English Longitudinal Study of Ageing](#) (ELSA) found that the percentage of people who feel lonely 'some of the time' or 'often' increases among those aged 60 and over. 23 per cent of participants between 60 and 69 years of age said they sometimes felt lonely and six per cent said they often felt lonely. When those over 80 years of age were asked the same question 29 per cent of people reported feeling lonely some of the time and 17 per cent often felt lonely.<sup>12</sup>

Estimates produced by [The Institute of Public Care](#) suggest that in 2017 there were 16,600 older people living alone in Herefordshire, with a greater proportion (67 per cent) being female. It is predicted that the number of older people living alone in Herefordshire will increase by 47 per cent to an estimated 24,300 people by 2035.<sup>13</sup>

As well as elderly people living alone, informal [carers](#) are more likely to experience loneliness and social isolation than the general population.

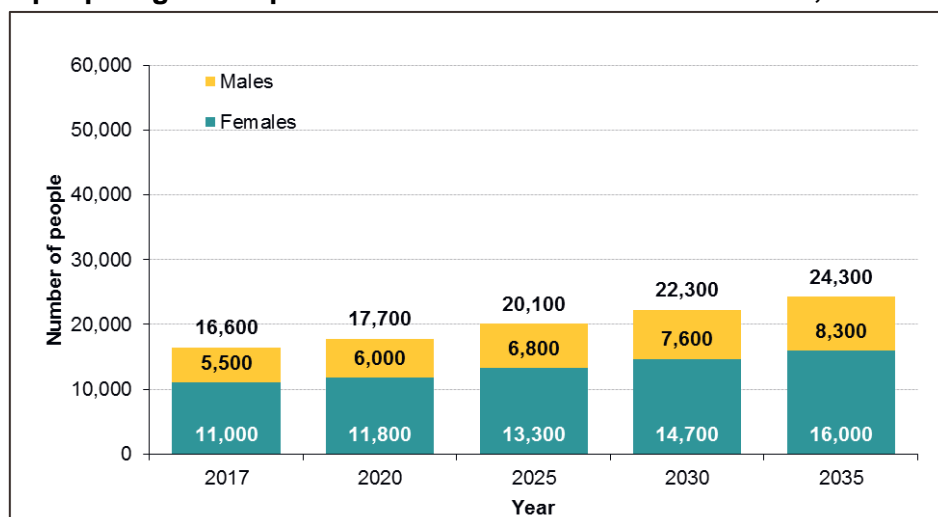
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<sup>11</sup> 'Hidden Citizens: how can we identify the most lonely older adults?', Campaign to end loneliness, April 2015. Available at: [www.campaigntoendloneliness.org/hidden-citizens/](http://www.campaigntoendloneliness.org/hidden-citizens/)

<sup>12</sup> See [www.elsa-project.ac.uk/publicationDetails/id/6367](http://www.elsa-project.ac.uk/publicationDetails/id/6367)

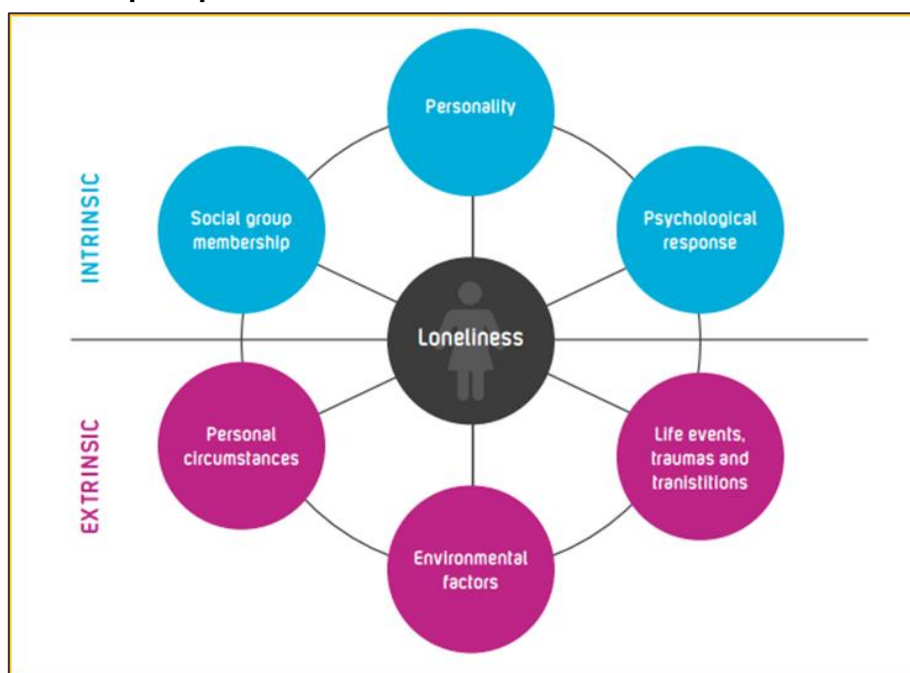
<sup>13</sup> Projecting Older People Population Information (POPPI) Available at: [www.poppi.org.uk/index.php?pageNo=338&PHPSESSID=bom9f45gr9jg57kot94fsfism2&sc=1&loc=8306&np=1](http://www.poppi.org.uk/index.php?pageNo=338&PHPSESSID=bom9f45gr9jg57kot94fsfism2&sc=1&loc=8306&np=1)

## Number of people aged 65+ predicted to live alone in Herefordshire, 2017-2035



Source: The Institute of Public Care, 2017. Numbers may not total due to rounding.

## Factors which can precipitate loneliness



Source: Campaign to End Loneliness, April 2015. [www.campaigntoendloneliness.org/hidden-citizens/](http://www.campaigntoendloneliness.org/hidden-citizens/)



Early intervention provides an opportunity to reduce health risks associated with loneliness, with some researchers suggesting that doing so may be cost effective, by improving longer-term health outcomes and reducing the number of healthcare interventions.



See Older People's Integrated Needs Assessment, 2018

## FOCUS AREA: ARMED FORCES PERSONNEL AND VETERANS

In April 2017, 1,600 members of the regular UK Armed Forces were stationed (not necessarily living) in Herefordshire, the majority being Army personnel<sup>14</sup>. This number has remained fairly consistent since 2014, but is significantly larger than a decade ago. Including family members, in 2011, the Armed Forces Community *living* in Herefordshire comprised 2,650 people; 48 per cent of family members were children and 42 per cent were women aged 25+.

Schools can apply for additional Service Pupil Premium funding to ensure additional support is available for challenging times and the negative impacts of family mobility or parental deployment. Across Herefordshire, 78 schools were receiving the Service Pupil Premium for 905 pupils in 2017-18; 68 per cent were in primary schools and 32 per cent were in secondary schools.

The 2016 Annual Population Survey (APS) estimated there to be 13,600 veterans living in Herefordshire; one per cent of the UK veteran population (i.e. people who have ever served). National projections have predicted a decline in the veteran population with the ageing of those who served during the period of conscription and national service. The Royal British Legion estimate a 37 per cent decline between 2014 and 2030.

### Issues facing the Armed Forces and Veteran Community include:

**Health.** In 2017, 981 people in Herefordshire were receiving pensions and compensation from the MoD for injuries as a result of serving in the Armed Forces. Although military service is stressful and dangerous the APS 2016 found no difference between the self-reported health of veterans and non-veterans (although this may be skewed by selection criteria that exclude people with some specific long-term health conditions from the sample). The use of improvised explosive devices in recent overseas engagements, coupled with advancements in medical care in the field, have resulted in an increased number of younger service personnel surviving with **multiple amputations** and co-morbidities.

The length of operational deployments correlates with **alcohol misuse**.<sup>15</sup> Various studies have found that excessive alcohol consumption is most common in military personnel who are younger, women, have been deployed, have undertaken a combat role, have problems at home during or after deployment and various other deployment specific conditions. Early leavers (those who served four or less years) are over four times more likely to be heavy drinkers than other veterans.

There is some uncertainty as to the impact of military service and particularly combat operations on **mental health**. However, a significant number of studies have identified an increased incidence of acquired mental health problems in serving personnel and veterans. Increased rates of mental health problems have also been identified in **Reservists** following deployment, although not necessarily related to number of deployments. **Early leavers** have

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<sup>14</sup> Quarterly Location Statistics Report, Ministry of Defence, October 2017.

<sup>15</sup> 'Patterns of drinking in the UK Armed Forces', Fear NT, Iversen A, Meltzer H, Workman L, Hull L, Greenberg N, Barker C, Browne T, Earnshaw M, Horn O, Jones M., *Addiction*, Vol.102, No.11, (November 2007), pp.1749-59.

also been highlighted as vulnerable to an increased risk of poor mental health, social issues and heavy drinking.

The stigma around mental health conditions in the Armed Forces which continues in veterans can prevent people seeking help. Studies have found that the main barriers were 'not knowing where to seek help', 'not having adequate transport' and the stigma of 'my bosses would blame me for the problem'. Stigma is reportedly lower when service personnel can consult with someone who has knowledge and expertise of military matters.

**Housing.** Most service personnel are housed in subsidised living accommodation or service families' accommodation organised by the MoD. Around 300 Herefordshire properties (0.4 per cent of the total) are exempt from Council Tax as Armed Forces accommodation.

The 2016 APS found similar levels of home ownership amongst veterans as in the general population. However, research has highlighted some veterans are disadvantaged when applying for social housing. Veterans are considered to be in 'priority need' if they are vulnerable as a result of having been in the services, but the lack of priority given to single men in the priority rating system appears to be a factor.

The *Veteran's Transition Review*<sup>16</sup> found that Early Service Leavers are more vulnerable to homelessness than those with longer careers, especially those with pre-existing problems such as family/relationship breakdowns and low levels of educational attainment prior to joining. The route into homelessness tends to be similar in the veteran and general homeless population<sup>17</sup>.

**Education.** According to the 2016 APS, veterans across Great Britain are significantly less likely to have a degree but more likely to have a GCSE or A-Level equivalent qualification than the non-veteran population<sup>18</sup>. This is to be expected based on a large proportion of UK Armed Forces personnel being recruited on leaving compulsory education.

**Employment.** There was no difference between the employment status of working-age veterans (78 per cent employed) and non-veterans (79 per cent) nationally in 2016. The biggest difference between industry of employment was in 'public administration and defence': 12 per cent of veterans work in this industry compared to six per cent of non-veterans. This is thought to relate to the wide range of emergency and security services jobs this industry encompasses, which veterans are likely to possess the required transferable skills to fulfil. Similar numbers work in manufacturing and transport and storage.

**Crime.** The majority of veterans successfully transition into civilian life and do not offend. In 2010, the Ministry of Justice estimated that 3.5 per cent of prisoners were veterans, the majority (77 per cent) of whom had previously served in the army. Veterans are more likely than the general population to commit violence against the person offences (veteran: 33 per cent, non-veterans: 29 per cent) and sexual offences (veterans: 25 per cent, non-veterans:

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<sup>16</sup> The Veteran's Transition Review, Lord Ashcroft, 2014. Available at: [www.veteranstransition.co.uk/](http://www.veteranstransition.co.uk/)

<sup>17</sup> Homelessness within ex-Armed Forces Personnel, Riverside, 2011. Available at [www.riverside.org.uk/care-and-support/veterans/veterans-supported-housing/](http://www.riverside.org.uk/care-and-support/veterans/veterans-supported-housing/)

<sup>18</sup> Annual Population Survey, Office for National Statistics, 2016. Available at: [www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/methodologies/annualpopulationsurveyapsqmi](http://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/methodologies/annualpopulationsurveyapsqmi)

11 per cent). A 2011 study<sup>19</sup> identified three contributory factors that consistently occur in relation to veterans offending: social isolation and exclusion; alcohol, in particular relating to violent offences; and financial problems – although these are not unique to veterans.



**Health:** The Defence Medical Services (DMS) provide specialist healthcare to service personnel and reservists (dependent on condition) in the UK. However, veterans' healthcare is primarily the responsibility of the local NHS. A range of nationally-funded NHS services are available for veterans such as Veteran's Mental Health Services and the Veteran's Trauma network (regional hub is in Birmingham) and they receive priority NHS access to secondary care for service-related conditions. Further support is available through charities such as the [Royal British Legion's Veterans Hearing Fund](#) who support veterans with acquired hearing loss that have a wellbeing need that cannot be met through statutory services.

**Housing:** In Herefordshire, there is now a range of short term accommodation units for ex-services personnel, and planning permission for a residential training centre for veterans to learn farm based and commercial skills has been obtained.

**Offending:** [Remember Veterans](#) is a two-year local project running from July 2017 which is designed to support offenders who are veterans, victims of crimes committed by veterans, frontline practitioners, professionals, or volunteers. The project aims to identify veterans within the criminal justice system and improve services and support for them including welfare, work, mental health issues and accommodation. For former members of the UK armed forces who have been discharged from the service because of criminal behaviour and convictions and are resettling in the West Midlands area, Unique Partnerships aims to provide a holistic level of support through case management and peer support focusing on common issues.



Extracted from draft *Armed Forces in Herefordshire* report, 2018. [Contact the Intelligence Unit](#) for more information.

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<sup>19</sup> Report of the Inquiry into Former Armed Service Personnel in Prison, Nutting, J., The Howard League for Penal Reform, 2011. Available at: <https://howardleague.org/wp-content/uploads/2016/05/Military-inquiry-final-report.pdf>



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## DIGITAL INCLUSION

Digital exclusion (the inability to access online products or services or to use simple forms of digital technology (such as smart phones and tablets) can contribute to [loneliness and social isolation](#) as well as making it difficult to access information and services and secure employment.<sup>20</sup> In 2014, the government estimated that the number of people who have never been online is decreasing at three per cent a year, but the proportion of people who do not have basic digital capabilities has only been decreasing at about one per cent of the adult population per year.<sup>21</sup>



One fifth of adults in Herefordshire (20.6 per cent) have never used the internet, or used it over three months ago. Herefordshire has been rated 'High' for likelihood of overall digital exclusion<sup>22</sup>. More research is needed to identify digitally excluded households to support those who wish to learn digital skills, and to assess the impact of digital exclusion on access to services.

The Government's [Digital Inclusion Strategy](#) (2014) identified that:

- 37 per cent of those who are digitally excluded are social housing tenants.
- 17 per cent of people earning less than £20,000 never use the internet, as opposed to two per cent of people earning more than £40,000. 44 per cent of people without basic digital skills are on lower wages or are unemployed.
- 33 per cent of people with registered disabilities have never used the internet. This is 54 per cent of the total number of people who have never used the internet.
- Over 53 per cent of people who lack basic digital skills are aged over 65, and 69 per cent are over 55.
- Six per cent of people who lack digital skills are between 15 and 24 years. Only 27 per cent of young people who are offline are in full-time employment.<sup>23</sup>

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<sup>20</sup> The role of digital exclusion in social exclusion, Martin, C., Hope, S. and Zubairi, S., Ipsos MORI Scotland, 2016. Available at: [www.carnegieuktrust.org.uk/wp/wp-content/uploads/sites/64/2016/09/the-role-of-digital-exclusion.pdf](http://www.carnegieuktrust.org.uk/wp/wp-content/uploads/sites/64/2016/09/the-role-of-digital-exclusion.pdf)

<sup>21</sup> Government Digital Inclusion Strategy, Cabinet Office, 2014. Available at: [www.gov.uk/government/publications/government-digital-inclusion-strategy/government-digital-inclusion-strategy](http://www.gov.uk/government/publications/government-digital-inclusion-strategy/government-digital-inclusion-strategy)

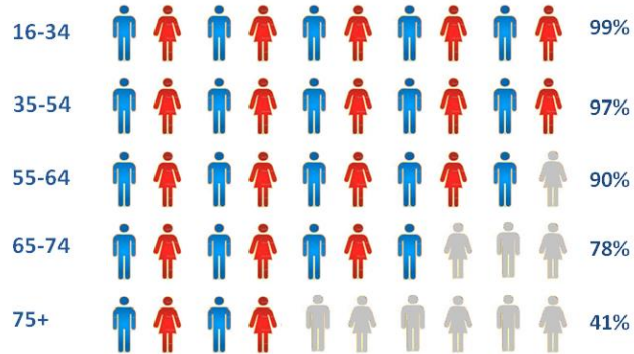
<sup>22</sup> <http://heatmap.thetechpartnership.com>

<sup>23</sup> *Ibid.*



Almost 9 in 10 adults in the UK have recently used the internet (89%)

Almost all adults aged 16 – 54 years have recently used the internet ...



... but just 4 in 10 adults aged 75+ years have used the internet in the last 3 months

Source: Office for National Statistics, Crown Copyright.

It is forecast that 90 per cent of all jobs will soon require some form of digital capability and the UK faces a major shortage of digital skills at all levels. Common causes of digital exclusion are:

- Skills and the confidence to use them.
- Access to infrastructure, fast broadband and local amenities.
- Cost including devices, broadband subscription or monthly fees for mobile data.
- Motivation and the personal aspiration that makes gaining digital skills relevant and important.<sup>24</sup>

**Consideration:** Commissioners and service providers should give consideration to the impact that moving services to online-only platforms will have on accessibility for older people, taking action to mitigate this impact wherever possible.



The [Fastershire](#) project is looking to better understand whether its digital inclusion activities, which include grant funding opportunities and beginners’ training workshops, can increase digital skills and whether this has an impact on broadband adoption.

<sup>24</sup> Digital exclusion. The Tech Partnership, Available at: [www.thetechpartnership.com/basic-digital-skills/digital-exclusion/](http://www.thetechpartnership.com/basic-digital-skills/digital-exclusion/)



## ADULT SOCIAL CARE

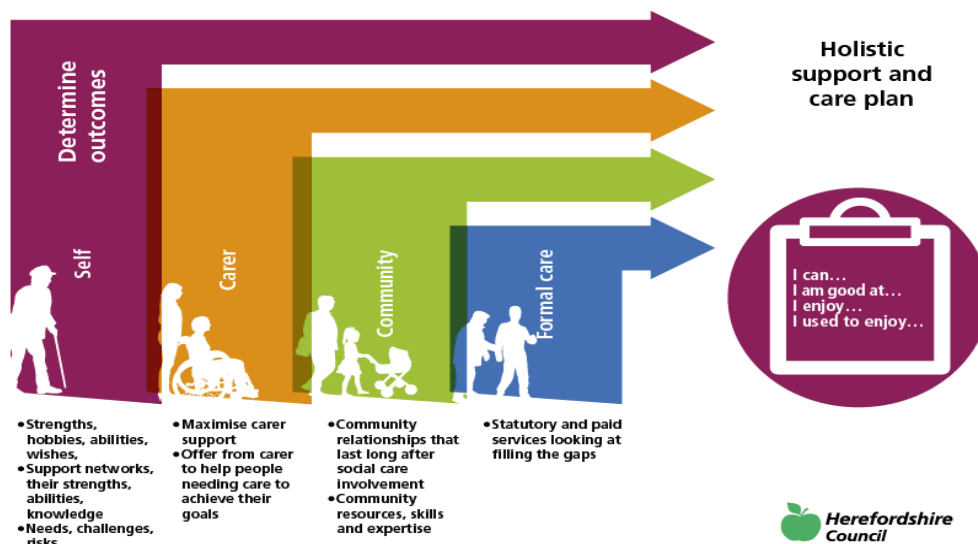
In England, local authorities are responsible for co-funding care services for individuals who have social care needs and insufficient financial means to meet the cost themselves. The rising demand and increasing cost of providing adult social care at a time of prolonged fiscal austerity presents a major challenge for public services across the country. The key drivers of demand in Herefordshire are the ageing population structure and the associated increase in age-related disability.

In 2015-16, local authorities spent £16.8 billion (2017-18 prices) on adult social care, with ring fencing of budgets resulting in spending on adult social care increasing from 34 per cent to 39 per cent of total service spending between 2009-10 and 2015-16.<sup>25</sup> Nevertheless, between 2009-10 and 2016-17 spending fell by eight per cent in real terms. According to the Local Government Association (LGA), 'the consequences of underfunding include an ever more fragile provider market, growing unmet need, further strain on informal carers, less investment in prevention, continued pressure on an already overstretched care workforce, and a decreased ability of social care to help mitigate demand pressures on the NHS.'<sup>26</sup>



Herefordshire Council's approach is to focus services upon those in greatest need, recognise personal abilities, fully utilise community assets and networks and preventative strategies to enable people to live independently for as long as possible. Herefordshire's [Adults and Wellbeing plan 2017 to 2020](#) sets out a 'whole system outcomes' model which draws on the strengths of individuals and the wider community to provide holistic support for clients.

### Whole System Outcomes Model



<sup>25</sup> Public spending on adult social care in England. IFS Briefing Note BN200, Simpson, P., Institute for Fiscal Studies, 2017. Available at: [www.ifs.org.uk/uploads/publications/bns/BN200.pdf](http://www.ifs.org.uk/uploads/publications/bns/BN200.pdf)

<sup>26</sup> Adult social care funding state of the nation 2017, Local Government Association, 2017. Available at: [www.local.gov.uk/sites/default/files/documents/1.69%20Adult%20social%20care%20funding-%202017%20state%20of%20the%20nation\\_07\\_WEB.pdf](http://www.local.gov.uk/sites/default/files/documents/1.69%20Adult%20social%20care%20funding-%202017%20state%20of%20the%20nation_07_WEB.pdf)



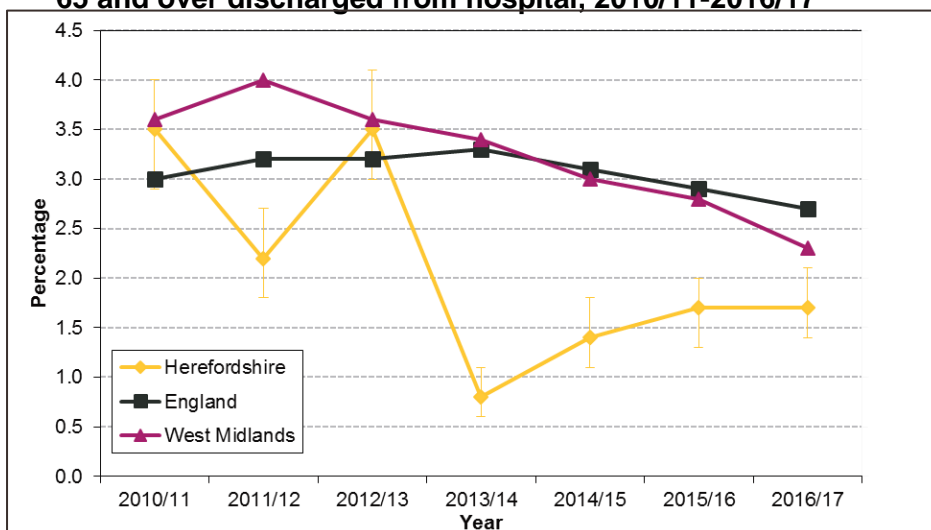
In order to meet expected demand for social care in England an estimated 350,000 to 700,000 new workers will be needed between 2016 and 2030, representing growth of between 21 and 44 per cent. However, **staff recruitment and retention** in what has traditionally perceived as a low-wage, low-skill sector has been challenging. This was illustrated in a [report](#) by [Skills for Care](#) in 2017, which estimated that around a third of the workforce were new starters in caring jobs during the previous year (either completely new to, or moving within, the industry). There is also concern nationally about the potential impact of Britain leaving the European Union on staffing in the social care sector; seven per cent of the 1.3 million UK care workers are from other European countries, and there has been a fall in the number of EU nationals taking jobs in the sector since the referendum in 2017.



Herefordshire Council has launched the *Care Heroes* project to support the local adult social care sector in building a resilient workforce fit for the challenges that lie ahead.

**Intermediate care services**<sup>27</sup> act to prevent unnecessary hospital admission, maximise independence following discharge from hospital and prevent premature hospital admissions. Locally, intermediate care services have been reasonably effective in assisting older people to return home following hospital discharge. However, between 2013/14 and 2016/17 a statistically significantly smaller proportion of older people have had access to intermediate care locally compared to nationally.

**People aged 65 and over who were expected to return home and received re-ablement or rehabilitation following discharge from hospital as a proportion of all people aged 65 and over discharged from hospital, 2010/11-2016/17**



<sup>27</sup> Intermediate care is defined here as ‘care services provided to patients, usually older people, after leaving hospital or when they are at risk of being sent to hospital’- National Audit of Intermediate Care Summary Report 2014, NHS Benchmarking Network, November 2014. Available at: <https://static1.squarespace.com/static/58d8d0ffe4fcb5ad94cde63e/t/58f08f4ee58c6290e6fe3d14/1492160350034/naic-summary-report-2014.pdf>

Source: Time series of aggregated measures, 2010-11 to 2015-17, ASCOF: 25 October 2017.

**Delayed transfers of care** from hospital are detrimental to the health and wellbeing of older people, disrupt the flow of incoming patients, and are costly. Herefordshire's delayed transfers of care rates have been lower than those for the West Midlands region and England. Locally, the majority of delayed transfers of care are caused by patients awaiting a nursing home placement or availability (25 per cent), awaiting a care package in their home (24 per cent), and awaiting completion of an assessment (17 per cent).



*Home First*, a new intermediate care service, was launched in November 2017 with the long-term ambition of providing rehabilitation and re-ablement for all people with rehabilitation potential who require ongoing social care following a hospital admission. It is intended to help reduce delayed transfers of care, and prevent decisions about ongoing social care packages being made in hospital, at a crisis point, and before a person's longer term functional dependency levels are apparent.

**Residential homes** offer 24-hour care and support to ensure an individual's personal needs are met. Nursing homes are similar to residential homes but are able to provide more specialist care for medical conditions by trained nurses. There are (November 2017) 81 residential and nursing homes registered with the Care Quality Commission in Herefordshire with a total of 2,000 beds. Most (89 per cent) had ratings of 'good' or 'outstanding'. In January 2018, Herefordshire Council was funding around 470 people to live in residential homes and 300 in nursing homes. The number of nursing placements has remained fairly stable since 2015, whilst the number of residential placements has fallen slightly.

**Domiciliary care** comprises additional support to enable people to maintain their independence and quality of life at home. At any time, Herefordshire Council funds some element of domiciliary care for around 800 people. Three-quarters are aged 65+; almost 40 per cent are 85+. The majority (78 per cent) receive care packages of 15 hours or less per week.



Given Herefordshire's relative levels of wealth and ageing demographic, it is likely that there are a considerable number of people who are **self-funding** their personal care needs. There is only limited support available to self-funders to help them make appropriate care choices, but if they exhaust their own resources they are likely to need local authority funded care. Although the council provides advice regarding care choices to all who want it, not all choose to seek such advice and it is currently difficult to establish the size of this cohort, or what proportion of self-funders eventually go on to need local authority funded care. Increasing the availability of data in this area has been highlighted as a priority for Adults' Social Care commissioning.

## CARERS

People who provide informal care often do not recognise themselves as “a carer” and can therefore miss out on relevant information, support and advice.

### Key facts:

- It is estimated that there are 21,300 informal carers living in Herefordshire.
- Women aged between 55 and 64 are the group most likely to provide informal care. However, from the age of 75 and over, a higher percentage of men provide care.
- It is estimated that just over 14 per cent of people aged 65 and over living in Herefordshire provide some degree of informal care, a figure similar to that observed nationally. The number of older carers is set to increase by more than a quarter (26.5 per cent) between 2017 and 2035, from 6,600 to 9,000 people.

Locally, GP surgeries are being encouraged to identify carers and document carer status on patient medical records in order to ensure that carers receive appropriate support from primary care services. However, evidence suggests that carers are still not being routinely identified and recorded as having caring responsibilities by their GP surgeries.

Carers are time poor, making it difficult for them to access services, find that their quality of life deteriorates, have less time to socialise and pursue activities that they enjoy. [Loneliness and involuntary social isolation](#) are more common among carers. In 2015, approximately 8 out of 10 carers nationally reported feeling lonely or being socially isolated. Over half (57 per cent) reported that they had lost touch with friends and family members, and 49 per cent had experienced additional stress in their relationship with their partner as a result of the demands of their caring role.



In Herefordshire, less than a quarter (23.2 per cent) of adult carers reported having as much social contact as they would like in 2016/17, significantly fewer than in the West Midlands region (36.9 per cent) and England (35.5 per cent).

An overarching measure of the quality of life of carers, based on outcomes identified through research by the Personal Social Services Research Unit, combines individual responses to six questions measuring different outcomes related to overall quality of life. In 2014/15, the carer-reported quality of life score in Herefordshire was 7.6; an increase from 7.4 in 2012/13 and similar to the West Midland Region (7.8), but lower than for England (7.9).



Carer self-reported quality of life in Herefordshire is trailing national and regional figures, but this issue is being addressed as part of Herefordshire Council and Herefordshire Clinical Commissioning Group's [A Joint Carers Strategy for Herefordshire 2017 – 2021](#), which sets out six priorities for better supporting carers in the county.

## LEARNING DISABILITIES

'Learning disabilities' (LD) is a poorly defined term. Its meaning differs depending on the context (such as in education or medical settings) and interpretations also vary between different professionals and lay people. Overall, it can be considered an umbrella term that covers a range of neurological disorders in learning with varying degrees of severity that lead to varying degrees of impairment in social, intellectual and practical skills. It is recognised that people with LD can also have specific health needs. Some people with LD live independently without much support, but others may require 24-hour care and help with performing most daily living tasks.

### **People with learning disabilities: key points**

Just under 900 adults (aged 18+) were registered as having a learning disability at GP practices in Herefordshire in 2015/16. This represents a prevalence of 0.6 per cent of the adult population, which is significantly higher than in England and the West Midlands (both 0.5 per cent). The majority (59 per cent) are men, and are aged 25 to 54 (63 per cent).

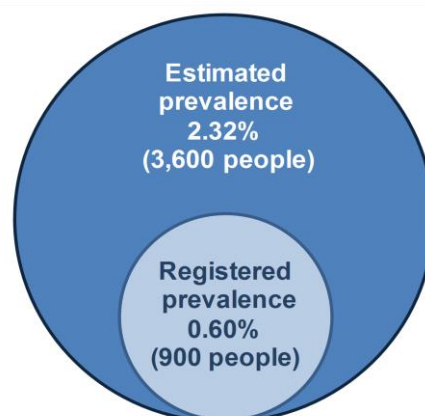
The number has increased by 10 per cent since 2009/10 (around 80 people), notably less than nationally (20 per cent) and regionally (18 per cent). There is not expected to be any notable change in the total number of registered adults with an LD by 2035, but those who are will have a much older age profile than currently – and likely more complex needs related to their age.

Modelled estimates suggest that GP registers reflect less than a quarter of all adults with LD, and that the true number in Herefordshire is likely to be around 3,600 people (2.3 per cent of the adult population). This is predicted to increase by around 300 (eight per cent) by 2035 – although again, disproportionately in the number aged 65+.

Herefordshire Council currently provides long-term social care support to around 600 adults because of a learning disability – nine per cent more than in 2009/10.

They are mainly aged 18-64. There are 36 establishments across Herefordshire providing residential accommodation for adults with LD. Currently, around 150 people with LD are provided with day opportunities at seven locations across the county.

Although having a learning 'difficulty' does not always imply a learning 'disability', the likelihood is that for the majority of individuals this will be the case. In Herefordshire, in 2017, 25 per 1,000 pupils in state funded primary, secondary and special schools were known to have moderate learning difficulties; significantly lower than the proportion nationally (30 per 1,000) and regionally (45). As there is no evidence to indicate that actual prevalence is any lower in Herefordshire than elsewhere, this suggests that identification is not as effective. Conversely however, the proportion of children identified as having severe learning difficulties was significantly higher in Herefordshire than nationally or regionally. The proportion of children with learning disabilities known to schools (33 per 1,000) is similar to nationally (35 per 1,000), but significantly lower than regionally (50 per 1,000).





A needs assessment for adults with learning disabilities was undertaken as part of this year's JSNA. Both a full and summary report can be found on the [Facts and Figures about Herefordshire](#) website; key observations include:

- Improved recording of people learning disabilities would aid accurate assessment of future need for services, and the identification of those who are not currently known to the local authority would improve the targeting of low-level interventions which could help maintain an individual's continued independence. Improved sharing of relevant information between primary care and the local authority would enable this understanding.
- Some under-recording may be due to a missed childhood diagnosis, or an individual "dropping off the radar" when transitioning from children's to adults' services. This could be improved if throughout an individual's lifetime contact with health professionals any indicators of LD are recorded and acted upon appropriately collaboratively by all relevant practitioners and carers.



Although a higher proportion of adults with LD receive an annual health check in Herefordshire (63 per cent in 2016/17) than in comparator areas, the rate is lower than in 2014/15 (81 per cent) and is now below that reported nationally (67 per cent). There is also no information available about the results of health checks, or whether subsequent treatment plans have been put in place as per NICE guidelines.



Cancer screening rates for eligible individuals with LD in Herefordshire are broadly similar to national and regional levels, but are lower than for the general population. In 2015/16:

- 26 per cent of eligible patients with LD had been screened for cervical cancer, compared to 71 per cent of the county population as a whole
- 51 per cent were screened for breast cancer, compared to 70 per cent
- 84 per cent were screened for colorectal cancer, compared to 86 per cent.

This is an important factor which can lead to late and missed diagnosis as indicated by the local prevalence of cancer amongst individuals with LD, which is approximately one third of that in the population as a whole. As a result outcomes are likely to be poorer and premature mortality from cancer more likely. Currently, the availability of health data relating to adults with LD in Herefordshire is poor. Improved sharing of data concerning all aspects of health care (health check, screening, diagnosis, stage of presentation, outcomes, etc.) would facilitate the assessment of the health of the individual and of the LD community as a whole across the county.



According to CQC reports on care homes and home care providers, Herefordshire is providing some of the best care for adults with LD in the West Midlands. At the same time, expenditure locally is lower than elsewhere – highlighting the good value for money obtained for services supporting adults with LD in the county.

- Currently there is no available data monitoring what is happening to young people with LD when they leave full-time education. Collection of such information could be used to monitor the progress of such individuals which would facilitate the identification of any support requirements and could also be used to monitor the success of current support initiatives.
- Although services provided for adults with LD are generally performing well, as evidenced by the West Midlands Quality Review Service (WMQRS) and Adult Social Care Outcomes Framework (ASCOF) improvements can still be made. It would appear appropriate that all relevant services work closely with adults with LD and their carers/support workers to understand their particular needs and experiences within the health and social care system. This should include:
  - consultation with individuals who currently access services to identify areas that require improvement;
  - as life expectancy increases there should be special emphasis on working with older adults with LD in order to determine requirements of this group and inform the design of service to that which will best meet these needs.



## FOCUS AREA: AUTISTIC SPECTRUM DISORDER (ASD)

ASD is a lifelong, developmental disability, involving a spectrum of different needs. It affects how a person communicates with and relates to other people, and how they experience the world around them.<sup>28</sup> It is estimated that more than half a million people in England have autism. This is equivalent to more than one per cent of the population and similar to the number of people that have dementia.<sup>29</sup> Presently, four times as many boys as girls are diagnosed with autism.<sup>30</sup> Data from Herefordshire GP practices indicate that in March 2017 there were 718 patients recorded as having ASD (0.4 per cent of all patients).

ASD is neither a learning disability nor a mental health problem, although mental health problems can be more common among people with autism and it is estimated that one in three adults with a learning disability also have autism.<sup>29</sup> While people with autistic spectrum disorders (ASD) may also receive support through learning disability services their needs may be different to the requirements of those with learning disabilities.

The government's autism strategy *Fulfilling and Rewarding Lives* (2010, updated in 2014) charged public services in England with ensuring people with ASD are able to lead fulfilling and rewarding lives and are treated fairly and equally. This includes providing a range of support that meets individuals' needs and making reasonable adjustments to ensure people with autism are not disadvantaged with regard to access to services, jobs, healthcare, etc.

Children with ASD are more likely to experience bullying, be excluded from school and have lower levels of educational attainment compared to their peers. Fewer than one in four school leavers with autism stay in further or higher education. School children with ASDs can find changes to routine very unsettling. Pupils need to be informed and prepared in advance of any changes. Some get special support in mainstream school, and some attend specialist schools. Only certain levels of ASD are given Statements of Special Needs.<sup>31</sup>



In Herefordshire, the rate of children known to have an ASD attending state funded school primary, secondary and special schools is 8.1 per thousand, significantly lower than the rate in both England (12.5 per thousand) and the West Midlands region (12.8 per thousand). This suggests diagnosis is not as good as elsewhere (rather than Herefordshire having a lower proportion of autistic children in school). Not all of those identified in this category in the statistics will have been formally assessed.



Herefordshire Council is developing a *Joint Autism Strategy for Herefordshire* in partnership with Herefordshire Clinical Commissioning Group, 2Gether Foundation Trust and Wye Valley NHS Trust. It describes the vision, aims and outcomes for people with ASD who live in the county. It also seeks to shape the local approach in implementing the requirements of the National Autism Strategy *Fulfilling and Rewarding Lives* (2010).



See Adults with Learning Disabilities in Herefordshire Needs Assessment, 2018

<sup>28</sup> What is autism?, The National Autistic Society, Available at: [www.autism.org.uk/about/what-is.aspx](http://www.autism.org.uk/about/what-is.aspx)

<sup>29</sup> Think Autism: Fulfilling and Rewarding Lives, the strategy for adults with autism in England: an update, Department of Health, 2014. Available at:

[www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/299866/Autism\\_Strategy.pdf](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/299866/Autism_Strategy.pdf)

<sup>30</sup> Stats and facts, Ambitious about Autism, Available at: [www.ambitiousaboutautism.org.uk/stats-and-facts](http://www.ambitiousaboutautism.org.uk/stats-and-facts)

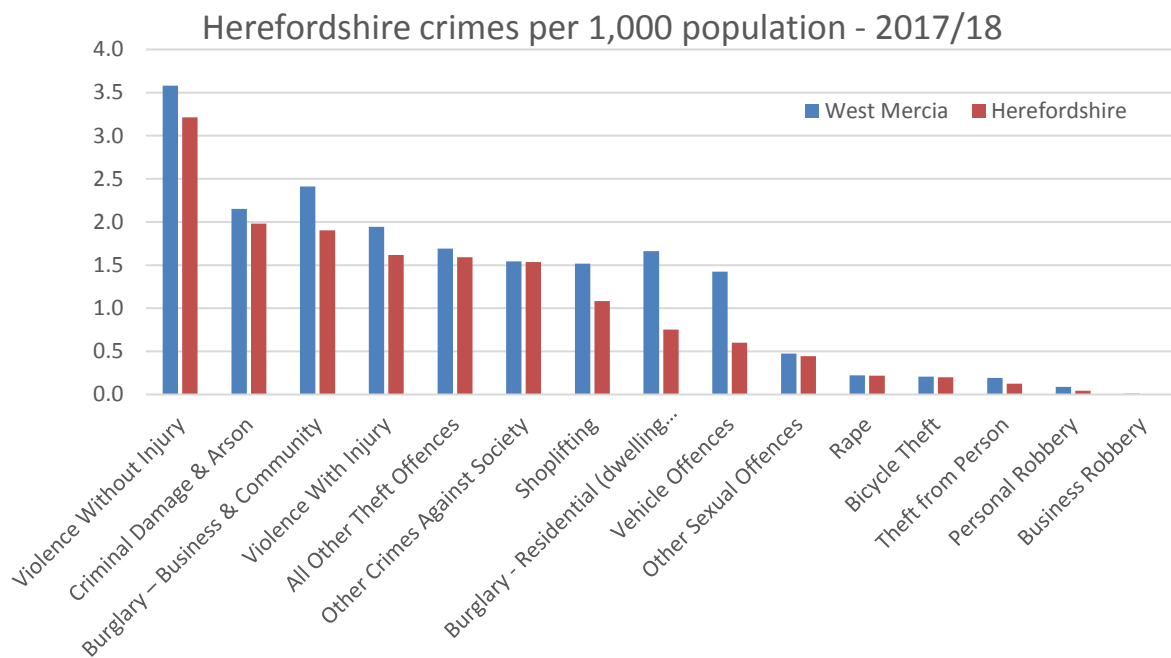
<sup>31</sup> Learning disability profile (Public Health England), Herefordshire Council Intelligence Unit



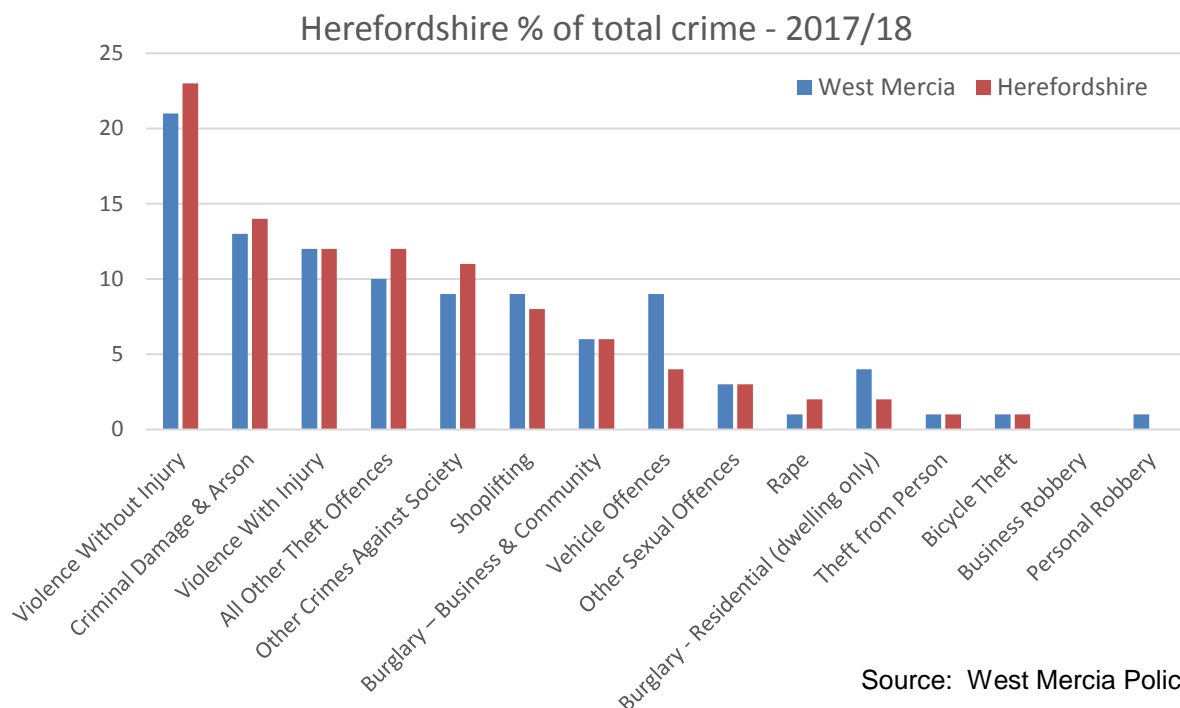
## CRIME AND COMMUNITY SAFETY

Herefordshire is generally a low crime rate area and crime per 1,000 population continues to be at or below the average for West Mercia as can be seen below. The most common crime category continues to be 'violence without injury' forming nearly 24 per cent of all crime. Rural crime remains unchanged. Effective partnership collaboration has ensured that Herefordshire continues to be a safe place to live, work and visit.

### Herefordshire crimes per 1,000 population 2017-18



### Herefordshire – offence type as a percentage of total crime 2017-18



Source: West Mercia Police

## HATE CRIME

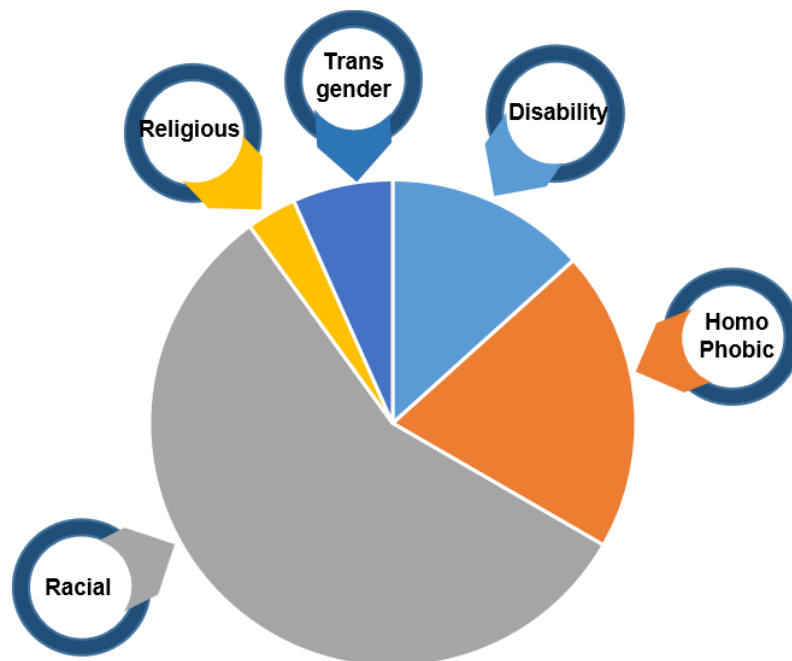
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Year on year since 2015 recorded hate crime has increased within Herefordshire by 65 per cent. This increase is roughly in line with the 62 per cent increase observed across West Mercia during the same time period, indicating a possible increase in public confidence to report these crime types, rather than a locality anomaly. The breakdown of hate crime by type is shown below. The majority of crimes continue to be racial in nature, a trend that has remained since 2014.



Of concern is a spike in the number of sexual orientation focused crimes between 2017/18 with a 73 per cent increase, this equates to 33 recorded crimes compared to 19 recorded crimes in 2016/17.

### Proportion of hate crime by subject area



Source: West Mercia Police

## DRUG NETWORKS – “COUNTY LINES” RELATED ACTIVITY

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In line with the national figure, the latest available data from 2015 indicated that Herefordshire had an opiate/crack cocaine prevalence rate of over 8 per 1,000 population. Herefordshire continues to experience issues related to county line drug supply network activity. The presence of these networks presents significant threat, harm and risk to the most vulnerable within the local community with systematic criminal, physical, mental and sexual exploitation usually occurring in addition to the drug supply aspect. This activity resulted in one murder during the period 2017/18.

## CHILD SEXUAL EXPLOITATION (CSE)

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119 instances of CSE related crime were recorded in Herefordshire during 2017/18, an increase of 40 per cent from 2016/17. This increase is almost certainly due to improved reporting procedures.

Understanding around the threat posed by CSE within Herefordshire continues to develop. Historically, this threat was based around mainly white vulnerable females aged between 15-16 years of age with a history of missing episodes, being exploited by their peers or slightly older males, with no evidence of organised or coordinated exploitation. More recently the threat has been focused by an increase in drug related activity, particularly within Hereford City. This activity has highlighted that mainly vulnerable white females aged 15-16 are being targeted by internal and external drug networks and are at significant risk of sexual and criminal exploitation.

## ROAD SAFETY

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Motor vehicle traffic accidents are a major cause of preventable deaths and morbidity nationally, particularly in younger age groups. For children and for men aged 20-64 years, mortality rates for motor vehicle traffic accidents are higher in lower socio-economic groups. The vast majority of road traffic collisions are preventable and can be avoided through improved education, awareness, road infrastructure, and vehicle safety.

Herefordshire has the second highest road length per population in England, with a low population for the size of the county. This has an impact on the rate of accidents, which is conventionally reported per person living in the county.



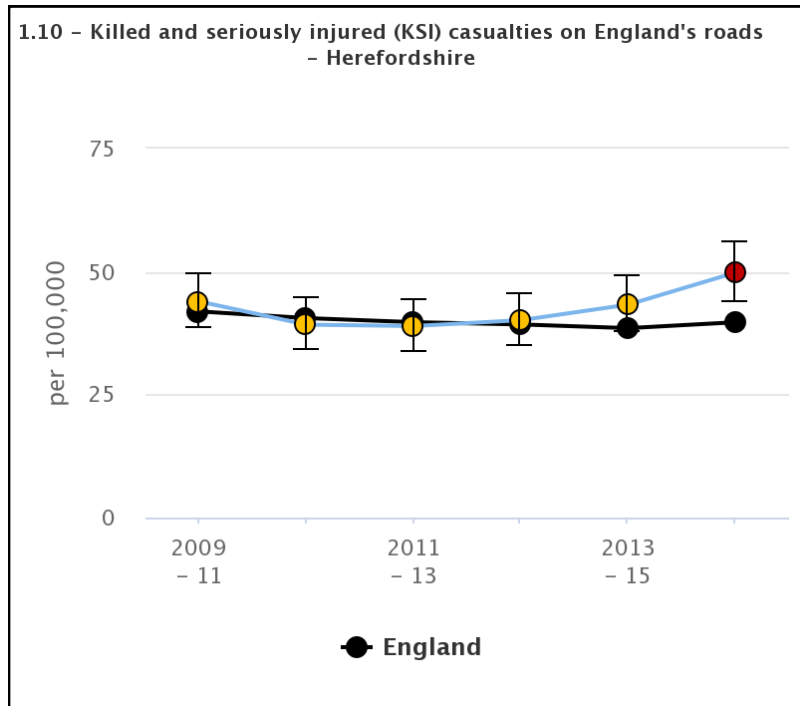
Road safety data are collected jointly at a local level by West Mercia Police and Herefordshire Council. The council's accident investigation and prevention team interrogate these data to monitor trends and to identify areas of concern implementing minor safety improvement schemes. The Department of Transport (DfT) collect data centrally and publishes results for all English authorities. Road casualties are broken down into three main categories; killed, seriously injured and slightly injured. The number of people killed or seriously injured on roads (KSI) was previously a national indicator but remains a local priority measured as part of the current [Local Transport Plan](#).

In 2017/18, 89 people were killed or seriously injured on Herefordshire's roads, a number that has not changed significantly since 2016, and is one of the lowest in the West Midlands region. However, for meaningful comparison with other areas, and to identify trends, numbers are pooled over a three-year period and expressed as a rate per 100,000 population. The latest period for which this rate is available is 2014-16.

281 people were **killed or seriously injured (KSI) on Herefordshire roads** in the period 2014-16, which corresponded to a rate of 49.8 per hundred thousand residents, similar to the rate seen in neighbouring rural Shropshire (49.2) but higher than the West Midlands region as a whole (37.1). Although there has been no statistically significant change in the

local rate since 2009-11, an apparent rise means that it is now significantly higher than the England figure of 39.7

### Rate of people KSI on the roads, all ages, per 100,000 resident population



Source: Public Health England.

## DEVELOPING WELL

### STARTING WELL: MOTHERS, BABIES AND CHILDREN

The [Marmot Review](#) identified that 'giving every child the best start in life is crucial to reducing health inequalities across the life course. The foundations for virtually every aspect of human development – physical, intellectual and emotional – are laid in early childhood.'<sup>32</sup>



**Teenage pregnancy** is defined as under-18 conceptions including those leading to live births and terminations. Fewer teenagers are getting pregnant or having babies in Herefordshire. In 2015, there were 45 under-18 conceptions, representing a rate of 14.3 per thousand, lower than for the West Midlands region (23.7) and England (20.8). In particular, the rate amongst the youngest girls almost halved between 2008-10 and 2012-14, from 6.5 to 3.7 per thousand girls; following the declining trend both nationally and regionally from 2009 to 2014.



In 2016, 1.5 per cent of all live births at term in Herefordshire had a **low birth weight**; a significantly lower proportion than nationally (2.8 per cent) and regionally (3.2 per cent).



**Caesarean sections** are often required for a number of maternal and infant reasons. By their very nature (i.e. they are used when there are complications) they are likely to be associated with an increased risk of problems. In 2015/16, 29.6 per cent of deliveries in Herefordshire were by caesarean section, a significantly higher proportion than nationally (26.3 per cent) and regionally (27.1 per cent).



The **breastfeeding** rate in Herefordshire has shown a continual increase since 2010/11 and compares very well with the national rate. In 2015/16 the proportion of mothers in Herefordshire who breastfed their babies for at least six to eight weeks after birth was 52.3 per cent, a figure significantly higher than that reported for England (43.2 per cent). The health and wellbeing benefits of exclusively breastfeeding infants from birth up to the age of six months are well known, and mothers who are unable to breastfeed for health or other reason are encouraged to provide a good milk supplement for their infants.

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<sup>32</sup> *Fair society, healthy lives: Strategic review of health inequalities in England post-2010* (The Marmot Review), Marmot MG, Allen J, Goldblatt P, Boyce T, McNeish D, Grady M, Geddes I., 2010, p.22. Available at: [www.parliament.uk/documents/fair-society-healthy-lives-full-report.pdf](http://www.parliament.uk/documents/fair-society-healthy-lives-full-report.pdf)



High levels of hospital admissions of either mother or babies soon after birth can suggest problems with either the timing or quality of health assessments before the initial transfer or with the postnatal care once the mother is home. In Herefordshire in 2015/16 the crude rate of **hospital admissions of babies under 14 days** was 113.7 per 1,000; much higher than nationally (66.3 per 1,000) and regionally (63.7 per 1,000). In 2015/16, the crude rate of **hospital admissions for gastroenteritis in infants aged 2, 3 and 4 years** was also significantly higher in Herefordshire (93.2 per 10,000) than nationally (53.7 per 10,000) and regionally (66.6 per 10,000).



[Immunisation](#) protects children and young people from diseases and infections that can be prevented by vaccines, and Herefordshire is now mostly doing well in terms of local uptake:

- In 2015/16 local **Dtap/IPV/Hib7 immunisation** rates exceeded the 'herd immunity' uptake target of 95 per cent and were higher than national and regional figures.
- Similarly, the local uptake for **Haemophilus Influenza type B/Meningitis (Hib/MenC)** and **Mumps, Measles and Rubella (MMR)** first and second doses have increased since 2010/11 and in 2015/16 all exceeded the target of 95 per cent for the first time and were higher than both the national and regional figures.



The **Human Papilloma Vaccine (HPV)** vaccine is offered to girls aged between 12 and 18 to protect against cervical cancer. In September 2014, the routine programme was changed from a three to two-dose schedule. Between 2014/15 and 2015/16 the coverage of the initial dose of the HPV vaccine in Herefordshire increased from 81.4 to 83.6 to per cent, while for England the coverage decreased over this time, although the national figure in both years was higher than that for Herefordshire. In 2015/16 the coverage for two doses in Herefordshire was 81.4 per cent which was lower than the national rate of 85.1 and the West Midlands region rate of 86.0. There has not been an HPV vaccination programme in Herefordshire for the past two years.



Tooth decay is predominantly preventable and is often linked to high levels of consumption of sugar-containing food and drink, which also contribute to [obesity](#). The British Medical Association (BMA) has stated that 'tooth decay [is] continuing to represent a significant public health threat in socially deprived areas'.<sup>33</sup> The oral health of children in Herefordshire is of ongoing concern, with the county performing poorly compared to England and the West Midlands region across a range of indicators. Herefordshire is not currently part of a fluoridation scheme, but a recent report by Public Health England, [Water Fluoridation](#), concluded that 'five-year-olds in areas with water fluoridation schemes were much less likely to experience tooth decay, and less likely to experience more severe decay than in areas without schemes' and 'children from both affluent and deprived areas benefitted from fluoridation, but children from relatively deprived areas benefitted the most'.<sup>34</sup> However, fluoridation is a divisive issue and continues to attract vocal opposition from some groups.



In 2014/15, significantly more five year-olds were found to have obvious dental decay locally (41 per cent) than nationally (24.8 per cent) and regionally (23.4 per cent). The proportion was no better than in 2007/08 (38.7 per cent) and it is significantly worse than all comparator areas. .

The average (mean) number of decayed, missing or filled teeth in five-year-olds in Herefordshire was 1.43, much higher than in the West Midlands region (0.72) and in England as a whole (0.84). Herefordshire is also the worst performing authority of its comparator group for this indicator and is performing poorly compared to other areas where the water supply is not fluoridated.<sup>35</sup>

In 2015, the [National Dental Epidemiology Programme](#) survey of five-year-olds found that the proportion of children with dental decay was slightly higher in Leominster wards than Hereford, although the level of decay (i.e. the number of decayed, missing or filled teeth) was higher in Hereford.

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<sup>33</sup> Fluoridation of water: A briefing from the BMA Board of Science – February 2009, British Medical Association, 2009. Available at: [www.bma.org.uk/-/media/files/pdfs/news\\_views\\_analysis/bma\\_fluoride.pdf](http://www.bma.org.uk/-/media/files/pdfs/news_views_analysis/bma_fluoride.pdf)

<sup>34</sup> Water fluoridation: health monitoring report for England 2018. Public Health England, 2018. Available at: <https://www.gov.uk/government/publications/water-fluoridation-health-monitoring-report-for-england-2018>

<sup>35</sup> Using the UK fluoride map – Typical fluoride levels in zones during 2012, Ordnance Survey, 2012. Available at: <http://www.dwi.gov.uk/consumers/advice-leaflets/fluoridemap.pdf>

## Proportion of five year olds free from dental decay – Herefordshire and comparator group

| 4.02 - Proportion of five year old children free from dental decay 2014/15 |                |        |       |  | Proportion - % |              |
|--|----------------|--------|-------|--|----------------|--------------|
| Area   | Neighbour Rank | Count  | Value |  | 95% Lower CI   | 95% Upper CI |
| England  | -              | 84,100 | 75.2  |  | 75.0           | 75.5         |
| Herefordshire  | -              | 174    | 58.7  |  | 53.1           | 64.4         |
| Shropshire   | 1              | 156    | 78.5  |  | 72.1           | 84.9         |
| Cheshire East  | 2              | 219    | 79.1  |  | 74.2           | 84.0         |
| Bath and North East Somers...  | 3              | 208    | 85.0  |  | 80.5           | 89.5         |
| Wiltshire  | 4              | 169    | 78.2  |  | 72.1           | 84.3         |
| Rutland  | 5              | 149    | 71.2  |  | 65.2           | 77.3         |
| Cheshire West and Chester  | 6              | 168    | 79.7  |  | 73.9           | 85.4         |
| North Somerset   | 7              | 212    | 81.9  |  | 77.1           | 86.6         |
| East Riding of Yorkshire   | 8              | 155    | 76.9  |  | 71.1           | 82.8         |
| Central Bedfordshire   | 9              | 1,072  | 81.9  |  | 79.9           | 84.0         |
| Cornwall   | 10             | 602    | 78.3* |  | 75.4           | 81.3         |
| Solihull   | 11             | 221    | 82.9  |  | 78.2           | 87.6         |
| Isle of Wight  | 12             | 360    | 73.6  |  | 69.7           | 77.5         |
| Northumberland   | 13             | 216    | 74.3  |  | 69.4           | 79.2         |
| Stockport  | 14             | 191    | 78.3  |  | 73.2           | 83.5         |
| Poole  | 15             | 351    | 78.7  |  | 74.9           | 82.5         |

Source: Dental Public Health Epidemiology Programme for England: oral health survey of five-year-old children 2015

Source: Oral Health Profile, Public Health England: <https://fingertips.phe.org.uk/profile/oral-health>

## Oral health indicators – Herefordshire compared to England and the West Midlands region

| Indicator  | Period          | Herefs |       | Region England |       | England      |       | Best/Highest |
|--|-----------------|--------|-------|----------------|-------|--------------|-------|--------------|
|  |                 | Count  | Value | Value          | Value | Worst/Lowest | Range |              |
| Children with one or more decayed, missing or filled teeth                 | 2014/15         | -      | 41.3% | 23.4%          | 24.8% | 56.1%        |       | 14.1%        |
| 4.02 - Proportion of five year old children free from dental decay         | 2014/15         | 174    | 58.7% | 76.6%          | 75.2% | 43.9%        |       | 85.9%        |
| Incisor caries prevalence in three year olds                               | 2012/13         | 11     | 5.6%  | 3.0%           | 3.9%  | 16.1%        |       | 0.0%         |
| Proportion of three year olds free from dental decay                       | 2012/13         | 137    | 78.3% | 90.0%          | 88.4% | 0.0%         |       | 98.7%        |
| dmft in three year olds  | 2012/13         | -      | 0.71  | 0.28           | 0.36  | 1.17         |       | 0.00         |
| Percentage of the population who are five years old                        | 2016            | 2,165  | 1.14  | 1.29           | 1.27  | 0.91         |       | 1.88         |
| dmft (decayed, missing or filled teeth) in five year olds                  | 2014/15         | -      | 1.43  | 0.72           | 0.84  | 2.46         |       | 0.37         |
| Proportion of twelve year olds free from dental decay                      | 2008/09         | 149    | 55.9% | 67.9%          | 66.4% | 43.4%        |       | 87.7%        |
| DMFT in twelve year olds   | 2008/09         | -      | 1.05  | 0.69           | 0.74  | 1.49         |       | 0.22         |
| Percentage of the population who are twelve years old                      | 2016            | 2,023  | 1.07  | 1.16           | 1.11  | 0.67         |       | 1.39         |
| Elective admissions (rate per 1000 population) aged under 5 years          | 2015/16         | 872    | 88.4  | 52.3           | 54.0  | 96.7         |       | 28.6         |
| Elective admissions (rate per 1000 population) aged 5 to 9 years           | 2015/16         | 796    | 78.8  | 44.2           | 48.0  | 95.2         |       | 19.6         |
| Elective admissions (rate per 1000 population) age 10-14 years             | 2015/16         | 989    | 102.4 | 44.2           | 42.3  | 102.4        |       | 24.5         |
| Elective admissions (rate per 1000 population) age 1-4 years               | 2015/16         | 559    | 69.2  | 50.5           | 53.1  | 102.7        |       | 29.5         |
| Access to NHS dental services - successfully obtained a dental appointment | 2015/16         | 799    | 96.5% | -              | 94.7% | 83.3%        |       | 98.8%        |
| Hospital admissions for dental caries (0-4 years)                          | 2013/14 - 15/16 | 6      | 20.2  | *              | 241.4 | 9.2          |       | 1,143.2      |

Source: Oral Health Profile, Public Health England: <https://fingertips.phe.org.uk/profile/oral-health>



### Educational attainment in Herefordshire schools

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#### **Key facts:**

- The **total number of pupils on roll** in state funded Herefordshire schools has risen by almost 450 from 22,750 in spring 2013 to 23,200 in spring 2017, representing a 1.9 per cent increase in total numbers over the four years.
- In 2017, the highest numbers of pupils were in Year R (Reception), Year 1 and Year 2, with fewest pupils in national curriculum Years 6, 11, and 10.
- In spring 2017, the school census recorded 51.5 per cent of the pupil population were boys. The gender gap has been closing in terms of pupil numbers since spring 2015.
- Between spring 2016 and spring 2017 the total number of pupils with **statements of special educational need (SEN) or education and health care plans (EHCP)** increased from 591 to 660 (267 Statements - 0.4 per cent of pupils and 393 EHCP - 2.6 per cent of pupils).
- Most Reception children in Herefordshire were able to attend the **school of their choice** at the start of the 2017/18 academic year. 93.6 per cent of children received their first preference of primary school with 97.5 per cent receiving one of their three expressed preference schools. By comparison, across England only 90 per cent of children received their first preference primary school with 97.2 per cent one of their top three preferences. In the secondary phase 95.9 per cent of children were offered their first choice of Herefordshire school and 98.4 per cent one of their first three preferences. This is considerably higher than the England figure of 83.5 per cent (first preference) and 94.6 per cent (one of top three preferences).
- The number of **pupils recorded as white British** fell by around 200 between spring 2013 and spring 2017, from 91.0 per cent to 88.2 per cent of the school population. The number and percentage of pupils recorded as belonging to **black and minority ethnic groups** (BME) has increased annually, from 1,950 (8.5 per cent) in 2013 to 2,650 (11.4 per cent) in 2017. Those of white Eastern European ethnic origin are the largest single BME group.

In 2017, Herefordshire was in the top quartile of local authorities in England for children achieving a **good level of development (GLD)** at the end of the Reception year and Herefordshire youngsters also out-performed pupils nationally in the **Year 1 phonics screening check**, an area where until 2016 Herefordshire had been consistently below the national average.

At the end of **Key Stage 1** the percentage of pupils reaching the **expected standard** in reading, writing and mathematics was higher in each case than across state-funded schools in England as a whole. However, at **Key Stage 2** the proportion of pupils who reached the **expected standard** in reading, writing and maths was slightly lower than across both all schools in England and state-funded schools in England.

At the end of **Key Stage 4 (Year 11)**<sup>36</sup> the average **Attainment 8 score** was slightly below that recorded across state-funded schools in England. The average **Progress 8** score in Herefordshire schools was higher than in English state-funded schools as a whole.

In **English and Mathematics**, Herefordshire pupils out-performed pupils nationally and regionally in achieving grade 4 or better and achieving at least a grade 5. The proportion of Herefordshire pupils who entered **English Baccalaureate (Ebacc)**, and who then passed, or achieved a strong pass, was higher in each case than regionally and nationally.

|  | Herefordshire % | England % | West Midlands % |   |
|--|-----------------|-----------|-----------------|---|
| Good Level of Development at end of Reception    | 75              | 70.7      |                 | ✓ |
| Year 1 phonics screening check                   | 84              | 81        |                 | ✓ |
| Key stage 1 expected standard - reading          | 78              | 76        |                 | ✓ |
| Key stage 1 expected standard - writing          | 72              | 68        |                 | ✓ |
| Key stage 1 expected standard - mathematics      | 77              | 75        |                 | ✓ |
| Key stage 2 expected standard                    | 60              | 62        | 59              |   |
| Key stage 2 higher standard                      | 8               | 9         |                 |   |
| Key stage 4 - attainment 8                       | 45.7            | 46.4      | 45.4            |   |
| Key stage 4 - progress 8 score                   | 0.01            | -0.03     | -0.08           | ✓ |
| Key stage 4 - grade 4 in English and mathematics | 65.1            | 64.2      | 61.2            | ✓ |
| Key stage 4 - grade 5 in English and mathematics | 44.4            | 42.9      | 39.8            | ✓ |
| English Baccalaureate (Ebacc) - entered          | 42.8            | 38.4      | 36.3            | ✓ |
| English Baccalaureate (Ebacc) - pass**           | 24.4            | 23.9      | 21.7            | ✓ |
| English Baccalaureate (Ebacc) - strong pass***   | 21.8            | 21.4      | 19.7            | ✓ |

\*state-funded sector

\*\* including 9-4 in English and mathematics

\*\*\* including 9-5 in English and mathematics

Source: Herefordshire Council.

## [Inequalities in education](#)

### Free School Meals (FSM)

FSMs are claimed for children by parents who receive a qualifying state benefit. In the Spring school census in 2017 there were 319 fewer pupils eligible and claiming FSMs than recorded in the Spring census in 2014; in 2014 there were 2,254 (9.8 per cent of pupils) and in 2017 1,935 (8.3 per cent of pupils).



At key stage 2 (KS2) 47 per cent of Herefordshire FSM pupils achieved the expected standard in reading, writing and maths. Under the *Diminishing the difference*

<sup>36</sup> A new secondary school education accountability system was implemented in 2016, which saw changes to the headline accountability measures. These now include Attainment 8 and Progress 8 as well as performance in English and mathematics and the English Baccalaureate (EBacc). In 2017 there were further reforms to English and mathematics grading. Grades A\*-C were replaced by numerical grades 9-1, with 4 being a classed as a standard pass and 5 being classed as a strong pass. Further subjects will convert to numerical grading in 2018.

agenda, performance or FSM pupils is benchmarked against the national performance of pupils not eligible for FSMs, which in 2017 was 65 per cent.



At key stage 4 (KS4), the average Attainment 8 score of FSM pupils across Herefordshire was 31.7. Nationally the Attainment 8 score for non FSM pupils was 48.2.

### **Disadvantaged Children**

The DfE defines a disadvantaged pupil as those eligible for FSMs at any time during the last 6 years, or those children who are looked after by the local authority for at least one day, or who have left care through adoption, residence order, special guardianship order, or child arrangement order.



At KS2 47 per cent of Herefordshire disadvantaged pupils achieved the expected standard in reading, writing and maths. Nationally, 68 per cent of pupils who were not classed as disadvantaged achieved the expected standard.



At KS4 the average Attainment 8 score for disadvantaged pupils was 34.3. The average Attainment 8 score across England for non-disadvantaged pupils was 49.9.

### **English as an Additional Language (EAL)**

The largest language groups other than English in the spring 2017 school census were Polish (774 pupils), Lithuanian (148 pupils), Romanian (101 pupils) and Portuguese (75 pupils). In spring 2013, a total of 58 first languages other than English were recorded in the school census. By spring 2017, 67 first languages other than English were recorded in Herefordshire schools.

The performance of pupils whose first language is other than English will be affected by the length of time that they have resided and been educated in England. Those with several years of state education are likely to perform better than newly arrived pupils with fewer English speaking skills.



At KS2, 59 per cent of Herefordshire EAL pupils achieved the expected standard in reading, writing and maths. EAL performance is benchmarked against the performance of all pupils nationally, which in 2017 was 62 per cent.



At KS4, the average attainment 8 score of EAL pupils was 42.7. The average Attainment 8 score for all pupils across England was 46.4.

## FURTHER AND HIGHER EDUCATION AND TRAINING

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Under the *Raising of the Participation Age* agenda between 2013 and 2015 the government increased the age that all young people will continue in education or training from 17 years to 18.

### Young people not in education and training

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Since April 2017, the Not in Education, Employment, or Training (NEET) and 'not known' figures have been reported individually and as a combined figure by the Department for Education (DfE).

According to annual figures published by the (DfE) the percentage of 16 and 17 year olds reported as NEET and 'not known' (combined) for 2016 in Herefordshire was 6.5 per cent with NEET at 3.3 per cent and not known 3.2 per cent, Nationally, comparative figures were 6.0 per cent combined (NEET 2.8 per cent and not known 3.2 per cent). Across the West Midlands region the figure was 7.3 per cent (2.7 per cent and 4.6 per cent).

### Higher education

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In 2016/17 4,665 students from Herefordshire enrolled for United Kingdom university courses. Of these, 3,820 were for first degrees or other undergraduate level study and 845 for postgraduate study (taught and research).<sup>37</sup> Not all of these people leave the county to study (the 2011 census recorded around 3,000 living away from a Herefordshire home), but a proportion do leave and do not return on completion of their studies.



Herefordshire is one of only three English counties currently without a university. It is recognised that high quality higher education facilities are an absolutely foundational part of economic development and social and cultural regeneration, exemplified by cities such as Lincoln, Canterbury and Winchester. The planned New Model in Technology & Engineering (NMiTE) university for Hereford is intended to address the shortfall of 40,000 engineering graduates in the UK economy, and encourage more women to work in the industry. The new university will be an independent, not-for-profit, world class engineering university with dedicated student accommodation across the city. With a particular focus on advanced manufacturing, agriculture-engineering, data, defence, resources security and sustainable / smart living technology sectors it will accept its first 300 students at a purpose-built city centre campus in Hereford in September 2020. It will have 5,000 students by 2032. The university will make Herefordshire a more attractive place for young people to live and study, and will have a projected economic impact up to £120m per annum on the local and national economy.

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<sup>37</sup> 'Where do students come from? HESA. Available at: [www.hesa.ac.uk/data-and-analysis/students/where-from](http://www.hesa.ac.uk/data-and-analysis/students/where-from)

## SAFEGUARDING CHILDREN



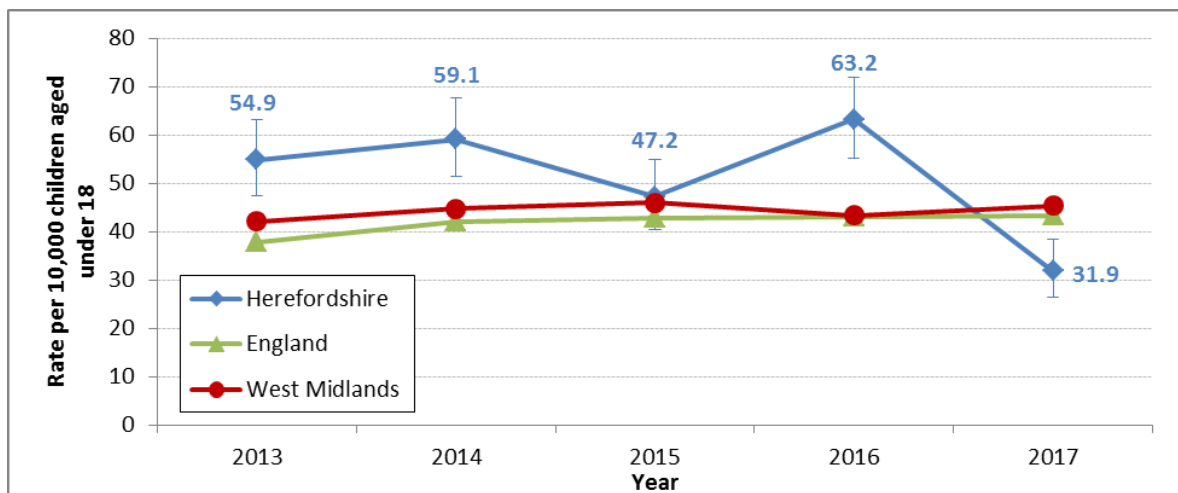
An integrated children's needs assessment will be undertaken during 2018. It will focus on specific topic areas to provide an evidence base on which effective commissioning decisions can be made. The needs assessment will have a particular focus on the safeguarding children pathway from 'early help' through to young people leaving the looked after children system, exploring potential drivers for child protection plan and looked after children rates. Other key topics to be covered are obesity, dental health, and hospital admissions rates.

### Child Protection Plans

At the end of March 2017 Herefordshire was supporting 115 children subject to a child protection plan (CPP). The local rate of children with a child protection plan in place was 31.9 per 10,000 children, statistically significantly lower than the rates for the West Midlands region (45.3 per 10,000), England (43.3 per 10,000), and our statistical neighbours (37.9 per 10,000).

This reflected a statistically significant decrease in the local rate of children with protection plans (from 63.2 per 10,000 children the year before), with 113 (49.3 per cent) fewer children being subject to a child protection plan between the two time points. Local performance analysis indicates that a risk adverse response was likely to be contributing to the previously high rates of children subject to a child protection plan. In response, during 2016, a more rigorous approach was taken to applying the thresholds for implementing child protection plans, which likely contributed to the observed fall.

### **Rate of children with a child protection plan in place in Herefordshire, the West Midlands region and England as of the 31st of March, 2013-2017**



Sources: Characteristics of children in need 2012 to 2013 through to 2016 to 2017, DfE, 2/11/17<sup>38</sup>.

<sup>38</sup>[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/656395/SFR61-2017\\_Main\\_text.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/656395/SFR61-2017_Main_text.pdf)

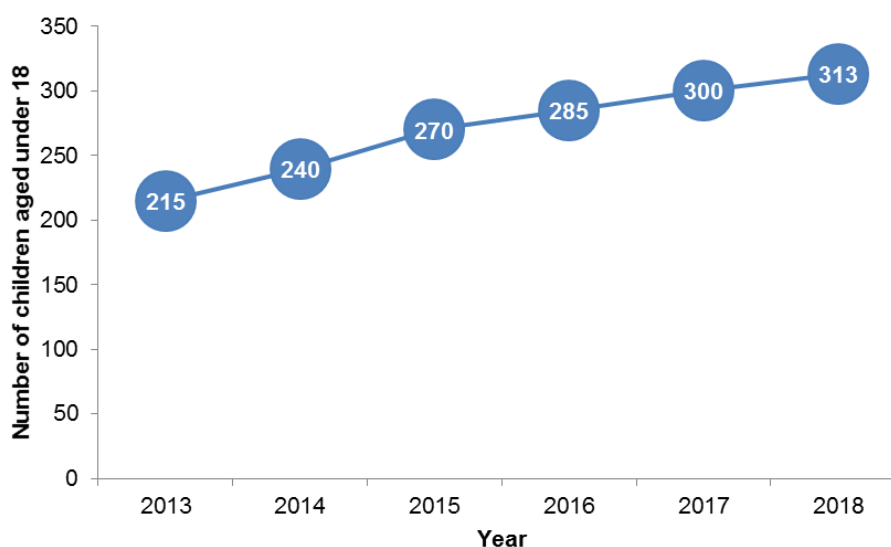
Since the 31<sup>st</sup> of March 2017, there has been a steady rise in the number of children subject to a CPP in Herefordshire. There was a real spike in numbers towards the end of 2017, resulting in a high of 236 children on a CPP at the end of January 2018. The numbers had reduced to 201 at the end of March 2018, giving a rate of 56 per 10,000 children.

### Looked After Children (LAC)

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At the end of March 2018 there were 313 looked after children (LAC) in Herefordshire. This is an increase from the previous year, and contributes to a six year upward trend in the number of LAC.

#### **Number of looked after children in Herefordshire as of 31<sup>st</sup> March, 2013-2018**



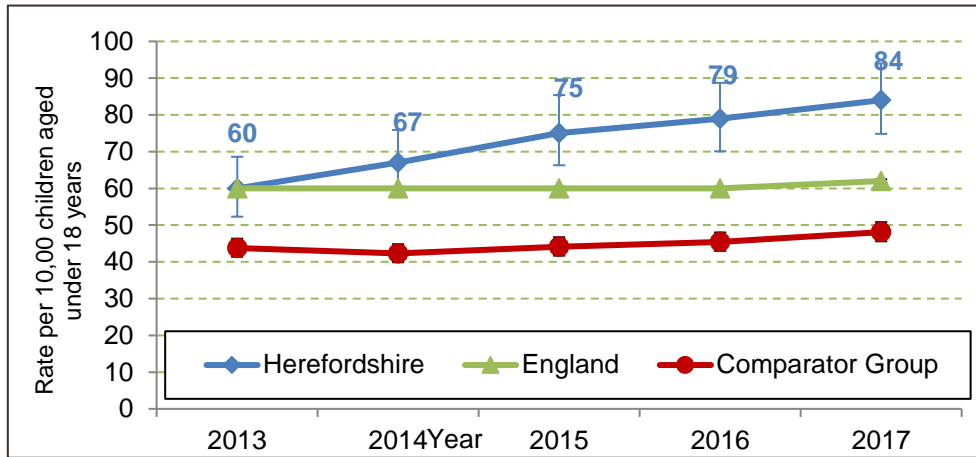
Sources: Children looked after in England including adoption: 2016 to 2017, DfE, September 2017<sup>39</sup>, Herefordshire Council internal performance data, March 2018.

In 2017, Herefordshire's rate of LAC was 84 per 10,000 children aged under 18; statistically significantly higher than the average rate for the five most similar local authorities, and the England rate. Local performance analysis indicates that the reason for a high LAC population is partly due to a 'risk averse' response, with action being taken to ensure that need thresholds are applied appropriately. It is worth highlighting that fewer children started to be looked after in 2016/17 than in the previous five years; with the increased number and rate of LAC being explained by fewer children ceasing to be looked after. This finding is not surprising, as once a child comes under local authority care; it is often difficult to reunite them with their families. Therefore, it is expected that the local rate of LAC will gradually decrease over time; with the legacy of high LAC numbers taking some years to reduce as those currently under local authority care grow up.

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<sup>39</sup>[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/656395/SFR61-2017\\_Main\\_text.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/656395/SFR61-2017_Main_text.pdf)

**Rate of looked after children in Herefordshire, England and a Comparator Group comprised of the five most similar local authorities as of the 31st of March, 2013-2017**



Sources: Office for National Statistics Mid-Year Population Estimates and Children looked after in England including adoption: 2016 to 2017, Department for Education, 2017.

# LIVING WELL – HEALTHY LIFESTYLES

## ALCOHOL

Alcohol consumption has doubled in the UK since the 1950s and is a contributing factor in hospital admissions and deaths from a wide range of conditions. The misuse of alcoholic beverages is also linked to a proportion of [violent crimes](#), particularly related to the night time economy, and it is also implicated in the escalation of domestic abuse.

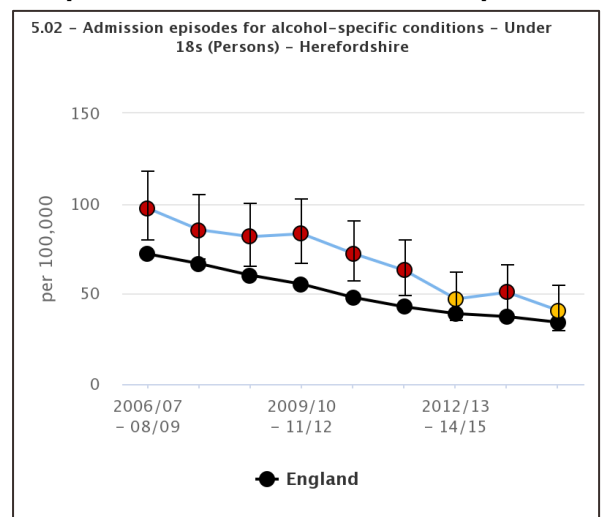
The latest set of Local Alcohol Profiles for England (LAPE) estimate that 25.9 per cent of Herefordshire adults drink over 14 units of alcohol a week and 21 per cent of all adults binge drink (2011-14 estimates).<sup>40</sup> In the same period, 14.4 per cent of Herefordshire adults reported they abstain from drinking alcohol.



In 2016/17, there were 618 hospital admissions for alcohol-specific conditions (those caused exclusively by the consumption of alcohol) in Herefordshire, which equates to a rate of 319 per 100,000 population; significantly lower than the rate for both the West Midlands region (543 per 100,000) and England (563 per 100,000). The local admission rate for adults has remained relatively consistent between 2008/09 and 2016/17.

The admission rate for those aged under 18 has shown a decrease since 2006/07 and although the rate has remained above both the national and regional rates, the gap has reduced over this period. In the period 2014/15 to 2016/17 the rate was 40.7 per 100,000 compared to 34.2 per 100,000 across England and 28.5 in the West Midlands region.

### Hospital admissions for alcohol-specific conditions, under 18s



Source: Local Alcohol Profiles for England, Public Health England.

<sup>40</sup> Estimate of the percentage of adults who consume at least twice the daily recommended amount of alcohol in a single drinking session (that is, 8 or more units for men and 6 or more for women).



**Consideration:** Individuals from the most deprived areas of the county are over three times as likely to be admitted to hospital due directly to alcohol consumption as those living in the least deprived areas.

In 2014/16 the age-standardised rate of alcohol specific mortality in Herefordshire was 7.8 per 100,000, significantly lower than the in the West Midlands region (12.9) and lower than in England as a whole (10.4), though not significantly so. The rate has remained relatively stable since 2006/8.



In Herefordshire, in 2016 the proportion of alcohol users leaving alcohol treatment successfully who did not re-present to treatment within 6 months was significantly lower than in the West Midlands region, England and all but one of Herefordshire's comparator group.

### Successful completion of treatment for alcohol – Herefordshire and comparator group

15.01 - Successful completion of treatment for alcohol 2016 Proportion - %

| Area                         | Recent Trend | Neighbour Rank | Count  | Value | 95% Lower CI | 95% Upper CI |
|------------------------------|--------------|----------------|--------|-------|--------------|--------------|
| England                      | ↑            | -              | 31,562 | 38.7  | 38.4         | 39.0         |
| Herefordshire                | →            | -              | 52     | 21.4  | 16.7         | 27.0         |
| Shropshire                   | ↑            | 1              | 202    | 36.1  | 32.3         | 40.2         |
| Cheshire East                | ↑            | 2              | 139    | 39.9  | 34.9         | 45.2         |
| Bath and North East Somer... | →            | 3              | 87     | 39.2  | 33.0         | 45.7         |
| Wiltshire                    | ↑            | 4              | 253    | 41.3  | 37.4         | 45.2         |
| Rutland                      | -            | 5              | -      | *     | -            | -            |
| Cheshire West and Chester    | ↑            | 6              | 224    | 44.4  | 40.1         | 48.7         |
| North Somerset               | ↓            | 7              | 114    | 39.7  | 34.2         | 45.5         |
| East Riding of Yorkshire     | ↑            | 8              | 175    | 38.8  | 34.4         | 43.4         |
| Central Bedfordshire         | →            | 9              | 120    | 36.0  | 31.1         | 41.3         |
| Cornwall                     | ↓            | 10             | 257    | 28.4* | 25.6         | 31.5         |
| Solihull                     | →            | 11             | 192    | 33.6  | 29.8         | 37.5         |
| Isle of Wight                | ↑            | 12             | 74     | 53.2  | 45.0         | 61.3         |
| Northumberland               | ↓            | 13             | 218    | 32.9  | 29.5         | 36.6         |
| Stockport                    | →            | 14             | 189    | 36.6  | 32.6         | 40.9         |
| Poole                        | →            | 15             | 72     | 40.9  | 33.9         | 48.3         |

Source: Calculated by Public Health England: Knowledge and Intelligence Team (North West) using data from the National Drug Treatment Monitoring System

Source: Local Alcohol Profiles for England, Public Health England. Available at: <https://fingertips.phe.org.uk/profile/local-alcohol-profiles>



See [Alcohol in Herefordshire report](#), 2017.

## OBESITY AND PHYSICAL ACTIVITY



Obesity is commonly measured using weight and height to give a Body Mass Index (BMI) metric. Poor diet (containing a high proportion of foods high in fat, sugars and salt) and lack of exercise can lead to obesity, which in turn is a risk factor for non-communicable diseases such as cardiovascular disease and some forms of cancer.

In England, child BMI is measured at Reception Year (age 4-5 years) and Year 6 (aged 10-11 years) through the mandatory National Child Measurement Programme (NCMP). For the majority of children excess weight gain is the result of eating more calories than needed and/or undertaking too little physical activity to match calorie intake, or a combination of both.

In 2016/17, data from the NCMP indicate that 9.8 per cent of reception year children in Herefordshire were obese, while the combined proportion of obese and overweight was 22.9 per cent. For year 6 children, the prevalence of obesity was 19.2 per cent, while the combined figure for obese and overweight children was 34.8 per cent. For both age groups there were no significant differences between the local and national figures.

**Consideration:** In Herefordshire, as a year group passes from reception to year 6 the proportion of obese children increases by 102 per cent, a pattern similar to that seen both nationally and regionally. Children most at risk of becoming obese when older are those where one or both parents are overweight or obese, suggesting that tackling adult obesity has to run in tandem with addressing childhood obesity.

It is never too late to change behaviours since dietary improvements made in older age significantly reduce the risk of chronic diseases and life-limiting illnesses.

In 2015-16, 63.2 per cent of adults in Herefordshire were estimated to be overweight or obese, similar to the national figure of 61.3 per cent and the West Midlands region figure of 63.9 per cent.

Comparison with GP records indicates that it is highly probable that obesity prevalence is under-recorded. In 2016/17, approximately 15,000 adults registered with a Herefordshire GP practice were recorded as obese, which represents 9.9 per cent of all patients aged 18 years and over. Across Herefordshire GP practices the prevalence of obesity ranged between 6.0 and 14.9 per cent, while the highest locality prevalence (10.6 per cent) was recorded in North and West and the lowest (8.8 per cent) in South and West.



Results from the What About YOUth (WAY) survey suggest that in 2014/15 an average of 2.48 portions of fruit and 2.54 portions of vegetables were consumed daily at age 15 in Herefordshire; more than nationally or regionally.

Data from [Sport England's Active Lives survey](#) suggests that in 2015/16, the average number of portions of vegetables consumed daily by Herefordshire adults was 3.06, significantly more than in England (2.68) and the West Midlands region (2.62). The average number of portions of fruit consumed daily was 2.88; also more than nationally (2.63) and regionally (2.65).

**Consideration:** There is a growing body of evidence pointing to the association between exposure to fast food outlets and obesity. Although the density of fast food outlets in Herefordshire is low compared to nationally and regionally, the concentration of fast food outlets in more deprived areas is a concern (see map on next page).

**Physical inactivity** is the fourth leading risk factor for mortality in the world, accounting for six per cent of deaths globally. People who have a physically active lifestyle have a 20 - 35 per cent lower risk of cardiovascular disease, coronary heart disease and stroke compared to those who have a sedentary lifestyle. Regular physical activity is also associated with a reduced risk of diabetes, obesity, osteoporosis and colon and breast cancer and with improved mental health. The estimated direct cost of physical inactivity to the NHS across the UK is over £0.9 billion per year.

Department of Health physical activity guidelines recommend that over a week adults should undertake a total of at least 150 minutes of at least moderate physical activity such as brisk walking, cycling, gardening and housework, or various sports and exercise. Alternately, an adequate level of activity can be achieved over a week by undertaking 75 minutes of vigorous intensity activity such as running, football or swimming. All adults should also aim to improve muscle strength on at least two days a week and minimise sedentary activities.



In 2016/17, 71.1 per cent of adults in Herefordshire (aged 19+) met the recommendation for physical activity (150+ moderate intensity equivalent minutes per week), a higher proportion than in England (66.0 per cent) and the West Midlands region (62.6 per cent). In the same period 17.2 per cent of adults were physically inactive, a significantly lower proportion than in England (22.2 per cent) and the West Midlands region (25.0 per cent). As Sport England has replaced the Active People Survey with [Active Lives](#), a new survey that provides the same indicators but with a changed methodology, it is not possible to compare these figures with those in earlier years.



See [Overview of Obesity in Herefordshire](#), 2016.

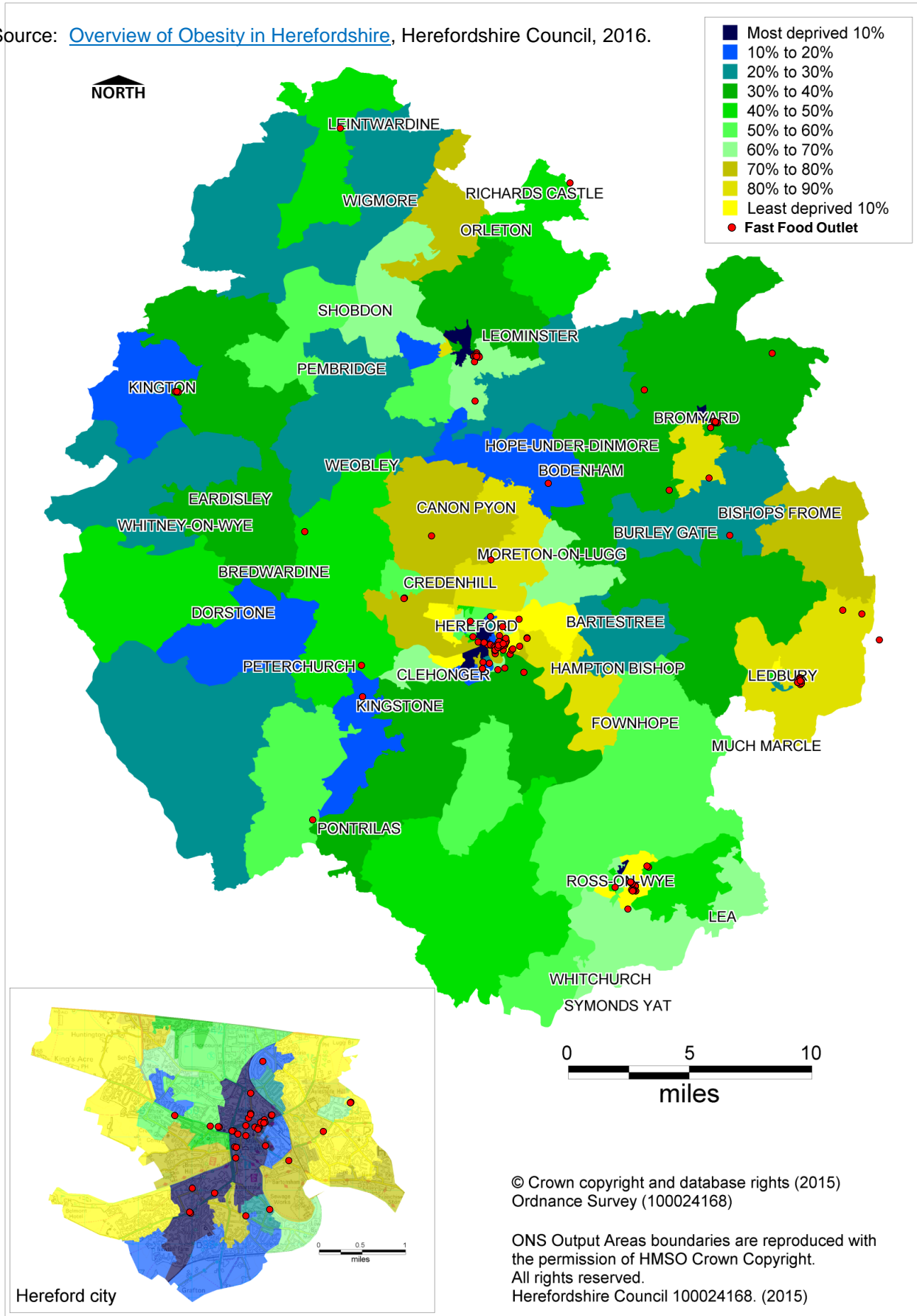
Physical activity levels among those aged 65 and over living in Herefordshire are higher than regional and national levels. However, physical activity levels in over half of this age group are below what is recommended in order to realise health benefits. In addition, older adults who engage in physical activity are more likely to maintain their functional capacity, which is vital to living independently.



See *Older People's Integrated Needs Assessment*, 2018

**Distribution of the fast food outlets in Herefordshire with IMD 2015 by county decile for Herefordshire LSOA indicated.**

Source: [Overview of Obesity in Herefordshire](#), Herefordshire Council, 2016.



## SMOKING

Smoking is the most important cause of preventable ill health and premature mortality in the UK and a major risk factor for many diseases, including lung cancer, [chronic obstructive pulmonary disease \(COPD\)](#) and [heart disease](#). It is also associated with [cancers](#) in other organs, including lip, mouth, throat, bladder, kidney, stomach, liver and cervix.

**Smoking in pregnancy** has well known detrimental effects for the growth and development of the baby and the health of the mother. Pregnancy-related health problems associated with smoking include complications during labour and an increased risk of miscarriage, premature birth, stillbirth, low birth-weight and sudden unexpected death in infancy. Encouraging pregnant women to stop smoking during pregnancy may also help them kick the habit for good, and thus provide health benefits for the mother and reduce exposure to second-hand smoke by the infant. The [Tobacco Control Plan](#) contained a national ambition to reduce the rate of smoking throughout pregnancy to 11 per cent or less by the end of 2015.<sup>41</sup>

In 2016/17 the proportion of mothers in Herefordshire who were smokers when giving birth was 13.8 per cent, above the national ambition of 11 per cent and significantly higher than the proportion nationally (10.7 per cent) and in the West Midlands region (11.8 per cent). However, it should be noted that there are currently data quality issues surrounding this indicator, which are being addressed by Herefordshire CCG.

In 2016, 14 per cent of adults in Herefordshire were self-reported smokers, not significantly different to the proportion in England or the West Midlands region. Between 2010 and 2016 the proportion has not changed significantly and although, with the exception of 2015, the local prevalence was below that recorded nationally and regionally, the difference has not been significant.



In 2016, smoking prevalence in adults in routine and manual occupations in Herefordshire was 24.6 per cent. In Herefordshire males are a third more likely to smoke than females. Smoking prevalence is greater in areas of high deprivation and the prevalence of smoking in adults in routine and manual occupations in Herefordshire, despite falling remains significantly higher than that recorded for the adult population as a whole.

In addition, adults (35+ years) residing in the most deprived areas are a third more likely to be admitted to hospital as a consequence of their smoking than the population of Herefordshire overall, and smoking related mortality rates are over 40% higher among the most deprived population quartile than in the County overall.

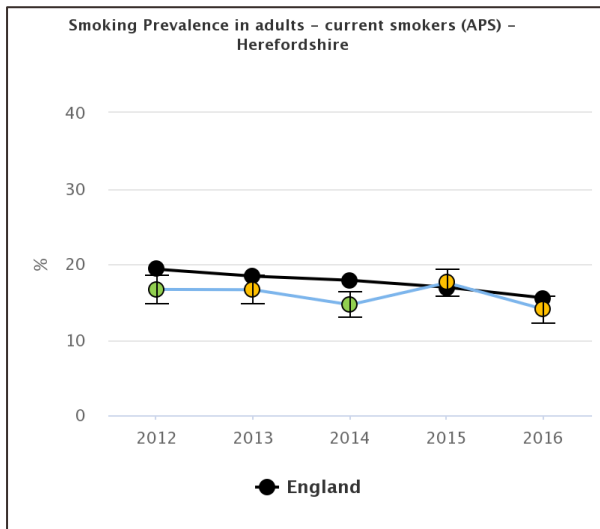
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<sup>41</sup> Healthy Lives, Healthy People: A Tobacco Control Plan for England, Department of Health, 2011.

Available at:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/213757/dh\\_124960.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/213757/dh_124960.pdf)

## Prevalence of smoking among persons 18 years and over from the Annual Population Survey (APS)



Source: Local Tobacco Control Profiles for England, Public Health England.

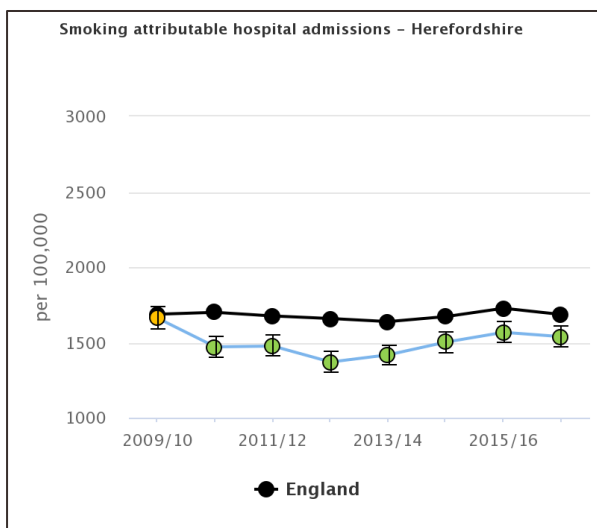
In 2016, 28.4 per cent of adults in Herefordshire were ex-smokers.

In 2016/17 53.6 per cent of adults in Herefordshire had never smoked, a significantly lower proportion than in England as a whole (56.9 per cent) and the West Midlands region (58.2 per cent).



In 2016/17, the smoking related hospital admission rate in Herefordshire of 1,538 per 100,000 of population was significantly lower than the national figure of 1,685 and the West Midlands region figure of 1,697. This pattern has been evident since 2010/11.

## Directly standardised rate of Smoking Attributable Admissions in people aged 35 and over



Source: Local Tobacco Control Profiles for England, Public Health England.



See [Smoking in Herefordshire Overview](#), 2017.



In 2016/17, the rate of successful smoking quitters at four weeks in Herefordshire was 571 per 100,000, much lower than in England (2,248) and the West Midlands region (2,159) and was the lowest among Herefordshire's comparator group. Between 2013/14 and 2016/17 the rate at which individuals successfully quit smoking declined by 1,208 points from 1,725 per 100,000.

### Successful quitters at 4 weeks per 100,000 smokers - Herefordshire and comparator group

| Successful quitters at 4 weeks |              |                |         |        | 2016/17 |              |              | Crude rate - per 100,000 smokers aged 16+ |  |
|--------------------------------|--------------|----------------|---------|--------|---------|--------------|--------------|---|--|
| Area                           | Recent Trend | Neighbour Rank | Count   | Value  |         | 95% Lower CI | 95% Upper CI |   |  |
| England                        | -            | -              | 155,875 | 2,248* |         | -            | -            |   |  |
| Central Bedfordshire           | -            | 9              | 1,275   | 5,518  |         | -            | -            |   |  |
| Cheshire West and Chester      | -            | 6              | 1,076   | 3,326  |         | -            | -            |   |  |
| Cornwall                       | -            | 10             | 2,224   | 3,080  |         | -            | -            |   |  |
| Solihull                       | -            | 11             | 610     | 3,046  |         | -            | -            |   |  |
| North Somerset                 | -            | 7              | 558     | 2,750  |         | -            | -            |   |  |
| Northumberland                 | -            | 13             | 1,086   | 2,434  |         | -            | -            |   |  |
| Shropshire                     | -            | 1              | 910     | 2,024  |         | -            | -            |   |  |
| Stockport                      | -            | 14             | 577     | 2,014  |         | -            | -            |   |  |
| East Riding of Yorkshire       | -            | 8              | 663     | 1,924  |         | -            | -            |   |  |
| Rutland                        | -            | 5              | 69      | 1,747  |         | -            | -            |   |  |
| Bath and North East Somer...   | -            | 3              | 368     | 1,728  |         | -            | -            |   |  |
| Poole                          | -            | 15             | 355     | 1,725  |         | -            | -            |   |  |
| Wiltshire                      | -            | 4              | 942     | 1,714  |         | -            | -            |   |  |
| Cheshire East                  | -            | 2              | 546     | 1,324  |         | -            | -            |   |  |
| Herefordshire                  | -            | -              | 126     | 571    |         | -            | -            |   |  |
| Isle of Wight                  | -            | 12             | -       | *      |         | -            | -            |   |  |

Source: Risk Factors Intelligence Team, Public Health England

Source: Local Tobacco Control Profiles, Public Health England. Available at:

<https://fingertips.phe.org.uk/profile/tobacco-control>

## SEXUAL HEALTH

Sexual health is a key public health issue and the Department of Health has outlined its ambition for good sexual health in [A Framework for Sexual Health Improvement in England](#), which describes key principles of best practice in sexual health commissioning with the aim of improving the sexual health of the whole population.<sup>42</sup>



In 2016 there were 852 new cases of sexually transmitted infections (STIs) diagnosed in Herefordshire, corresponding to a rate of 453 per 100,000 of population,

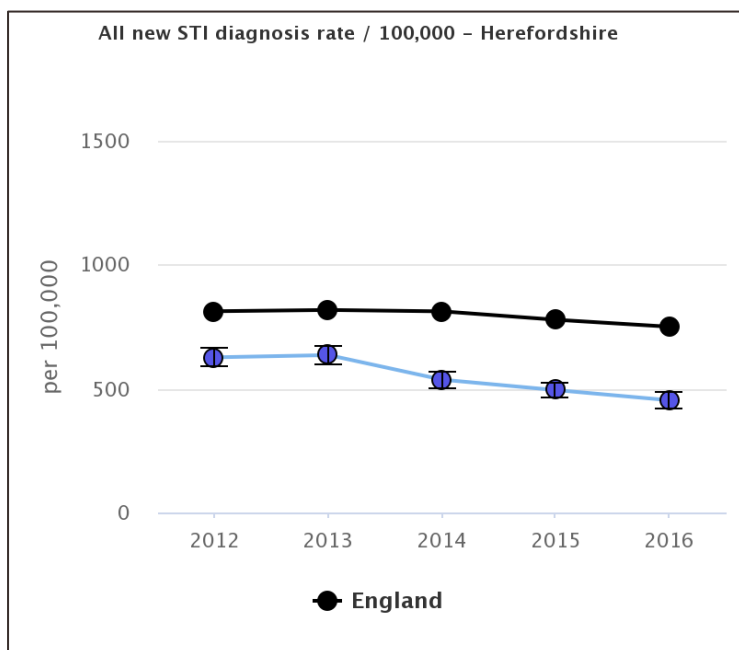
<sup>42</sup> A Framework for Sexual Health Improvement in England, Department of Health, 2013. Available at: <https://www.gov.uk/government/publications/a-framework-for-sexual-health-improvement-in-england>



compared to a rate of 750 per 100,000 of population in England and 663 per 100,000 of population in the West Midlands region.

The Herefordshire rate has shown a general decline between 2012 and 2016. Throughout this period, the local rate has been significantly lower than that for England. While the national rate has also fallen (by 7.6 per cent) over this period, the Herefordshire rate has fallen faster, so that in 2015 the local rate was 39.6 per cent lower than the national rate, compared to 22.9 per cent lower in 2012.

### All new sexually transmitted infection (STI) diagnosis rate per 100,000 of population



Source: Sexual and Reproductive Health Profiles, Public Health England.

**Chlamydia** is one of the most common sexually transmitted infections (STIs) in the UK. It is passed on from one person to another through unprotected sex and is particularly common in sexually active teenagers and young adults. If left untreated, the infection can spread to other parts of the body and lead to long-term health problems.<sup>43</sup> The [National Chlamydia Screening Programme](#) (NCSP) recommends that all sexually active under-25 year old men and women be tested for chlamydia annually, or on change of sexual partner (whichever is more frequent). The [Department of Health Public Health Outcomes Framework](#) recommends that local areas aim to achieve a chlamydia detection rate among 15 to 24 year olds of at least 2,300 per 100,000.



In Herefordshire, in 2016, the detection rate for chlamydia in males was 883 per 100,000; significantly lower than in England (1,269 per 100,000 of population) and the West Midlands region (1,145 per 100,000). For females the rate was 1,682 per 100,000, again significantly lower than for England (2,479 per 100,000) and the West Midlands region

<sup>43</sup> Chlamydia, NHS Choices. Available at: <https://www.nhs.uk/conditions/chlamydia/>



(2,305 per 100,000). For both males and females detection rates have declined since 2013. 15.3 per cent of 15 to 24 year olds were screened for chlamydia in 2016; a significantly lower proportion than in England (20.7 per cent) and the West Midlands region (16.4 per cent).



See [Sexual Health in Herefordshire Overview](#), 2017

## BEING WELL AND LIVING LONGER

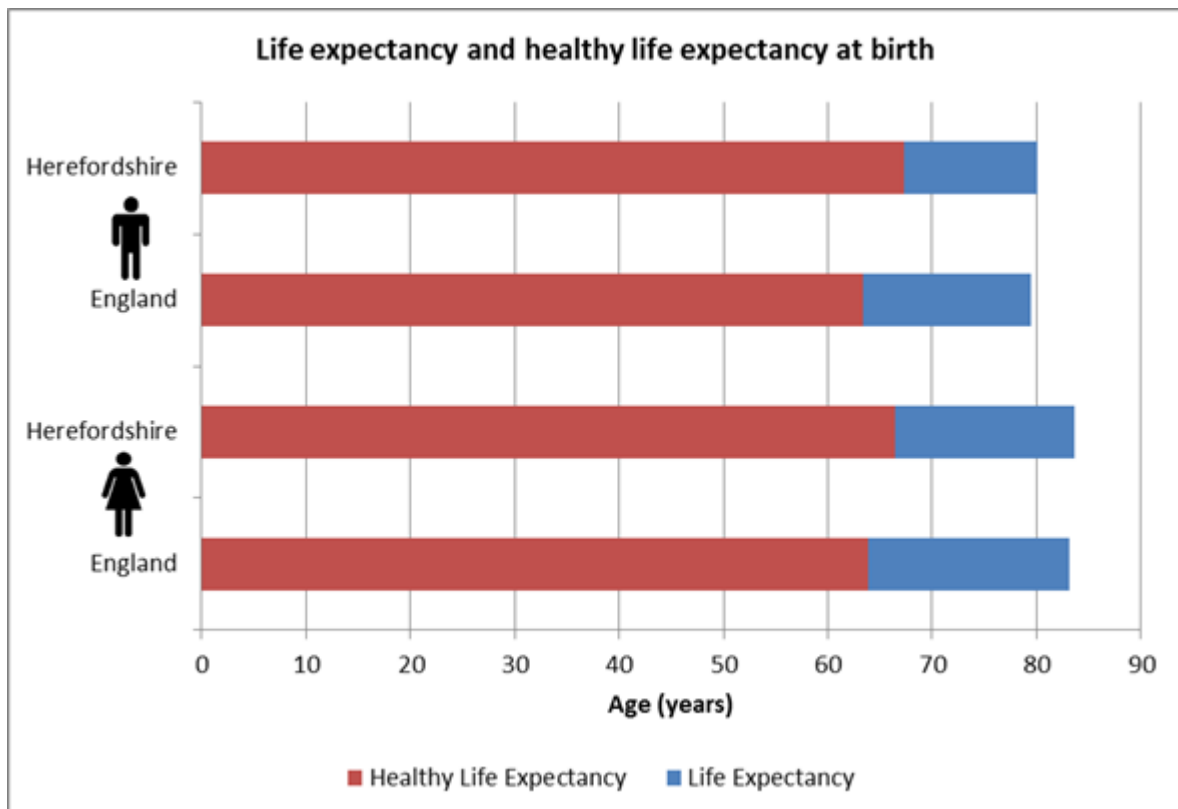
### LIFE EXPECTANCY



**Life expectancy:** For males born in Herefordshire in 2014-16 the average life expectancy is 80.1 years, while for females it is 83.6 years. Both figures have declined slightly since 2012-14, but for males is similar to England and higher than the West Midlands region and for females, higher than for both.



**Healthy Life Expectancy:** In 2014-16 the healthy life expectancy in Herefordshire was 67.4 years for males and 66.5 years for females, both higher than the national figures.



Data source: Public Health England.



People born in the most deprived ten per cent of areas in Herefordshire have a shorter life expectancy at birth than those living in the least deprived ten per cent by an average of 3.9 years for males and an average of 2.6 years for females. However, this gap is one of the smallest amongst counties with a similar level of overall deprivation to Herefordshire.

## MORTALITY AND PREMATURE MORTALITY

### Key points:

In 2016, 2,100 Herefordshire residents died, 530 of them prematurely (i.e. before the age of 75). This equates to one in four deaths, compared to one in three nationally in 2015<sup>44</sup>.



The all cause directly age standardised mortality rate for Herefordshire was 937 per 100,000, lower than the England rate (960) and representing an overall downward trend from 1,054 in 2007.

In Herefordshire, in 2016 ischaemic heart disease accounted for 11.6 per cent of all deaths, compared to 10.9 per cent in England; cerebrovascular diseases 7.1 per cent of deaths compared to 6.2 per cent in England; chronic lower respiratory disease 5.8 per cent of deaths compared to 6.0 per cent in England. Dementia and Alzheimer disease accounted for 10.6 per cent of deaths, compared to 12.1 per cent in England and 12.0 per cent in the West Midlands region.

**Premature mortality** rates are greater among men than women. The most common causes of premature mortality are [cancer](#), [heart disease](#), [stroke](#), lung disease and liver disease which between them account for 79 per cent of all premature deaths in England. Of these deaths it is estimated that two thirds could be avoided either through prevention, earlier diagnosis and access to the highest quality treatment and care.<sup>45</sup> Therefore, analysis of premature mortality statistics can assist in identifying areas for improving local health care provision.



Between 1995 and 2014 the directly standardised premature mortality rate in Herefordshire has shown a steady downward trend, falling from 540 to 280 per 100,000 of the population (a fall of 38 per cent – similar to the 39 per cent seen nationally and amongst comparators). (530 deaths).

In 2014, Herefordshire's premature mortality rate was 16 per cent lower than the national rate and 0.7 per cent lower than the comparator group rate. Between 1995 and 2014 Herefordshire's premature mortality rate was consistently lower than the national rate (by 14 per cent on average), and on average 4 per cent higher than the comparator group mean rate.

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<sup>44</sup> Longer Lives: Premature Mortality, Mortality Rankings, Public Health England, 2016. Available at: <http://healthierlives.phe.org.uk/topic/mortality/comparisons#are//par/E92000001/ati/102/pat/>

<sup>45</sup> Living Well for Longer: National Support for Local Action to Reduce Premature Avoidable Mortality, Department of Health, 2014. Available at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/307703/LW4L.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/307703/LW4L.pdf)



Between 2014 and 2016, there were 1,716 premature deaths in Herefordshire. Herefordshire's overall premature mortality rate was 299 per 100,000 of the population, ranking 38th out of 150 English local authorities (among the best). Herefordshire's premature mortality rates were ranked as being among the "best" or "better than average" for eight of the nine major causes of premature mortality, with the local premature mortality rate for injuries judged as being "worse than average".

**Herefordshire's rank and outcome based on analysis of premature mortality rates for the nine major causes (based on 2014-2016 data)**

| Major cause of premature mortality | Rank of all English authorities (1 to 150, with 1 = best) | Outcome compared to other authorities |
|------------------------------------|---|---------------------------------------|
| Lung cancer (all ages)             | 4   | Best                                  |
| Cancer                             | 22  | Best                                  |
| Stroke                             | 23  | Better than average                   |
| Liver disease                      | 35  | Better than average                   |
| Colorectal cancer                  | 36  | Better than average                   |
| Heart disease                      | 44  | Better than average                   |
| Lung disease                       | 55  | Better than average                   |
| Breast cancer                      | 55  | Better than average                   |
| Injuries                           | 114   | Worse than average                    |

Source: Longer Lives: Premature Mortality, Public Health England.










See [Mortality and Premature Mortality](#), 2016.

**LONG TERM CONDITIONS**

A long term condition (LTC) is defined as a condition that cannot at present be cured but can be controlled by medication and/or other therapies. Nationally, people with LTCs account for 50 per cent of all GP appointments, 64 per cent of all hospital outpatient appointments and over 70 per cent of all inpatient bed days.<sup>46</sup>

<sup>46</sup> Long Term Conditions Compendium of Information: Third Edition, Department of Health, 2012. [www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/216528/dh\\_134486.pdf](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/216528/dh_134486.pdf)

**Long-term conditions (LTC) in Herefordshire: comparison with national, local trend and variation by GP practice**

| Condition                                    | Prevalence*       |             | Local trend | Variation (by GP practice) |             |   |
|--|-------------------|-------------|-------------|----------------------------|-------------|---|
|  | Herefordshire CCG | England     |             | Highest                    | Lowest      |   |
| Cancer                                       | 3.4               | 2.6         | ↑           | 4.8                        | 2.0         |    |
| Coronary Heart Disease                       | 3.5               | 3.2         | →           | 4.3                        | 2.3         |    |
| Stroke                                       | 2.3               | 1.7         | →           | 3.2                        | 1.5         |    |
| Hypertension                                 | 16.1              | 13.8        | ↑           | 18.7                       | 13.7        |    |
| Diabetes                                     | 6.8               | 6.7         | ↑           | 7.8                        | 5.2         |   |
| Chronic kidney disease                       | 4.7               | 4.1         | ↓           | 6.7                        | 1.9         |   |
| Asthma                                       | 6.3               | 5.9         | →           | 7.8                        | 4.6         |    |
| Chronic obstructive pulmonary disease (COPD) | 2.2               | 1.9         | ↑           | 3.6                        | 1.9         |  |
| Depression (18+)                             | 8.1               | 9.1         | ↑           | 14.7                       | 4.2         |   |
| Learning Disabilities                        | 0.5               | 0.5         | →           | 0.8                        | 0.2         |   |
| Dementia                                     | 0.9               | 0.8         | ↑           | 1.5                        | 0.5         |   |
| Osteoporosis                                 | 0.6               | 0.5         | ↑           | 2.7                        | 0.1         |   |
| Rheumatoid Arthritis                         | 1.0               | 0.7         | →           | 1.3                        | 0.8         |  |
| <b>Overall LTC Prevalence</b>                | <b>55.5</b>       | <b>53.5</b> | →           | <b>65.4</b>                | <b>42.6</b> |   |

\*The percentage of patients with the condition as recorded on practice disease register.

Data source: Public Health England



**Coronary Heart Disease** (CHD) prevalence in Herefordshire has shown little change and in 2016/17 was still 3.5 per cent, a figure significantly higher than that recorded for England (3.2 per cent). Those living in the most deprived areas of Herefordshire are 29 per cent more likely to die prematurely (under 75 years of age) of coronary heart disease.



**Hypertension** (high blood pressure) is the single biggest risk factor for stroke and also plays a significant role in heart attacks. Risk factors include being overweight or obese,

lack of physical activity, and being diabetic. In 2016/17 prevalence in Herefordshire was 16.1 per cent compared to 13.8 per cent across England as a whole, while prevalence in Herefordshire GP practices ranged between 13.7 and 18.7 per cent.



Since 2009/10 the [stroke](#) prevalence in Herefordshire has not changed appreciably, ranging between 2.2 and 2.3 per cent, although the local figure has been consistently higher than that reported for England as a whole. Those living in the most deprived areas of Herefordshire are over 71 per cent more likely to die prematurely (under 75 years of age) of cerebrovascular disease (including stroke).



Between 2001 and 2015 the number of new malignant [cancer](#) cases diagnosed annually in Herefordshire has increased steadily; the local 2015 age standardised incidence rate of 632 per 100,000 was greater than the national figure of 548 per 100,000. Similarly, prevalence has increased locally and in 2016/17 was 3.4 per cent, a figure significantly higher than that reported nationally (2.6 per cent). In 2015, there were 557 cancer specific deaths in Herefordshire. Those living in the most deprived areas of Herefordshire are 22 per cent more likely to die prematurely (under 75 years of age) of cancer.



However, between 1995 and 2015 the **cancer mortality rate** in Herefordshire fell from 304 per to 263 per 100,000 of population and the local rate was consistently below both the national and regional rates. The most common causes of cancer-related deaths in Herefordshire were lung, urological and upper and lower gastro-intestinal cancers.



See [Overview of Cancer in Herefordshire, 2017](#).



The number of people with [chronic obstructive pulmonary disease](#) (COPD) in Herefordshire has increased steadily since 2005/06. Since 2011/12 the local prevalence has been higher than the national figure whereas prior to 2009/10 the opposite pattern was observed. In 2016/17 the Herefordshire COPD prevalence was 2.2 per cent compared to 1.9 per cent across England as a whole. People living in the most deprived areas are over two and half times likely to die prematurely (under 75 years of age) of chronic lower respiratory disease than those in the least deprived areas.

The local prevalence of [asthma](#) has shown little change since 2005/06 and has been consistently higher than the national figure; in 2016/17 the local asthma prevalence was 6.3 per cent compared to the England figure of 5.9 per cent, ranging between 4.6 and 7.8 per cent across GP practices in the county.

Respiratory diseases remain the most prominent underlying cause of [excess winter deaths](#), accounting for over a third (35 per cent). There were 41 per cent more deaths from respiratory diseases in the 2015/16 winter months than in the non-winter months, equating to 8,600 deaths.



In Herefordshire, the prevalence of **rheumatoid arthritis** in persons aged 16yrs+ in 2015/16 was significantly higher than that recorded nationally (0.7 per cent) and regionally (0.8 per cent). Since 2013/14 there has been no change in prevalence either locally or nationally.

## FOCUS AREA: DIABETES

Diabetes mellitus is one of the common endocrine diseases affecting all age groups with over one million people in the UK having the condition. Effective control and monitoring can reduce mortality and morbidity. Much of the management and monitoring of diabetic patients, particularly patients with Type 2 diabetes, is undertaken by the GP and members of the primary care team.

**Type 1 diabetes** is a serious, lifelong condition where blood glucose levels are too high because the body does not produce insulin. Type 1 diabetes is an auto-immune condition and is not caused by lifestyle factors. Around 10 per cent of people living with diabetes in the UK have Type 1 diabetes. It's the most common type of diabetes in childhood but it can develop at any age.<sup>47</sup>

**Type 2 diabetes** is also a serious, lifelong condition where blood glucose levels are too high because the body does not produce sufficient insulin or the insulin it does produce does not function properly. Around 90 per cent of people living with diabetes in the UK have Type 2 diabetes, and it's the most common type in adults. Type 2 diabetes starts gradually, usually later in life, although people are being diagnosed at a younger age. Family history, age and ethnic background can affect the likelihood of developing Type 2 diabetes and people who are [overweight or obese](#) are at higher risk of developing the condition.<sup>47</sup>



The prevalence of diabetes in Herefordshire rose between 2012/13 and 2016/17 in line with the trend nationally. In 2016/17 the prevalence rate in Herefordshire adults (17 plus) was 6.8 per cent, similar to the rate of 6.7 per cent nationally. Prevalence in Herefordshire GP practices ranged between 5.2 and 7.8 per cent. The highest prevalence was recorded in North and West Locality and the lowest in East Locality. However, the prevalence rate of diabetes in older adults (65 plus) was 24.2 per cent in Herefordshire; significantly higher than that in the West Midlands NHS Region (16.9 per cent) and in England (17.3 per cent).

In 2016/17, in the Herefordshire CCG area 13 per cent of people aged 12 years and over with type 1 diabetes achieved all three treatment targets (HbA1c, cholesterol and blood pressure), a significantly lower proportion than nationally (19 per cent) and regionally (18.8 per cent). In the same period, 36.2 per cent of people aged 12 years and over with type 2 diabetes achieved all three treatment targets (HbA1c, cholesterol and blood pressure), again a significantly lower proportion than nationally (41.1 per cent) and regionally (42.4 per cent).



Herefordshire CCG has partnered with Reed Momenta to offer individuals at high risk of Type 2 diabetes a place on the new [Healthier You: NHS Diabetes Prevention Programme](#). They will benefit from services to help them make healthier lifestyle choices and reduce their risk of developing the disease. Herefordshire Council are supporting the alignment of this programme to build up healthy lifestyle changes for health improvement.

<sup>47</sup> Diabetes: the basics, Diabetes UK. Available at: [www.diabetes.org.uk/diabetes-the-basics](http://www.diabetes.org.uk/diabetes-the-basics)



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## MENTAL HEALTH

Approximately one in four people in the UK will experience a mental health problem each year<sup>48</sup> and in England one in six people report experiencing a common mental health problem (such as anxiety and depression) in any given week.<sup>49</sup>

Women are more likely to report having a mental health problem than men (33 per cent compared to 19 per cent) and people from lower income households are more likely to be diagnosed with a mental health problem (27 per cent of men and 42 per cent of women in the lowest income quintile, compared to 15 per cent of men and 25 per cent of women in the highest quintile).<sup>50</sup>

By 2030, it is estimated that there will be approximately two million more adults in the UK with mental health problems than there were in 2013.<sup>51</sup>

In 2014/15, nearly two million people in England were in contact with mental health and learning disability services at some point in the year, an increase 5.1 per cent on the previous year.<sup>52</sup>

Improving mental health and wellbeing is associated with a range of better outcomes for people of all ages and backgrounds, including:

- improved physical health and life expectancy
- better educational achievement
- increased skills
- reduced health risk behaviours such as smoking and alcohol misuse
- reduced risk of mental health problems and suicide
- improved employment rates and productivity
- reduced anti-social behaviour and criminality
- and higher levels of social interaction and participation.<sup>53</sup>



**Depression** is one of the most common mental health problems. In 2016/17, 8.1 per cent of patients aged 18 and over on Herefordshire GP practice registers had depression; a significantly lower proportion than nationally (9.1 per cent) and regionally (8.9 per cent). Reflecting the national trend the prevalence of depression has increased year on year since

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<sup>48</sup> Adult psychiatric morbidity in England, 2007: results of a household survey. McManus, S., Meltzer, H., Brugha, T. S., Bebbington, P. E., & Jenkins, R. The NHS Information Centre for health and social care, 2009. Available at: <https://digital.nhs.uk/data-and-information/publications/statistical/adult-psychiatric-morbidity-survey/adult-psychiatric-morbidity-in-england-2007-results-of-a-household-survey>

<sup>49</sup> Mental health and wellbeing in England: Adult psychiatric morbidity survey 2014, McManus S, Bebbington P, Jenkins R, Brugha T. (eds.). Leeds: NHS digital, 2016. Available at: <https://www.gov.uk/government/statistics/adult-psychiatric-morbidity-survey-mental-health-and-wellbeing-england-2014>

<sup>50</sup> Key facts and trends in mental health: 2016 update, NHS Confederation, 2016. Available at: [http://www.nhsconfed.org/-/media/Confederation/Files/Publications/Documents/MHN-key-facts-and-trends-factsheet\\_Fs1356\\_3\\_WEB.pdf](http://www.nhsconfed.org/-/media/Confederation/Files/Publications/Documents/MHN-key-facts-and-trends-factsheet_Fs1356_3_WEB.pdf)

<sup>51</sup> *Ibid.*

<sup>52</sup> *Ibid.*

<sup>53</sup> About Mental Health, NHS England. Available at: <https://www.england.nhs.uk/mental-health/about/>

2012/13. In 2016/17, the incidence of new diagnoses of depression as a proportion of GP practice registers (aged 18+) in Herefordshire was 1.3 per cent; lower than nationally (1.5 per cent).



In 2015/16, 0.81 per cent of people of all ages on GP practice registers in Herefordshire had a **severe mental illness** (schizophrenia, bipolar affective disorder or other psychoses), a lower proportion than nationally (0.90 per cent).

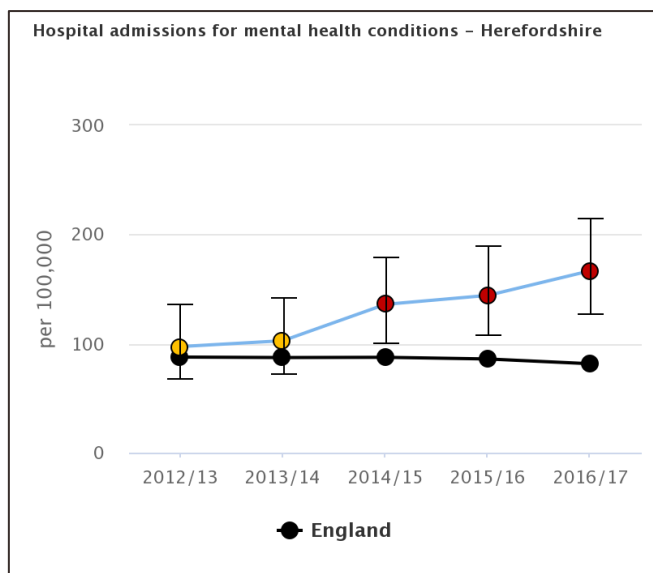
The [Disability Rights Commission](#) has reported on serious inequalities experienced, in terms of reduced life expectancy, by those with severe mental illness. There is extensive published evidence that people with severe mental illness, such as schizophrenia, die between 15 and 25 years earlier than the average for the general population.

One in ten children aged 5-16 years has a clinically diagnosable mental health problem and, of adults with long-term mental health problems, half will have experienced their first symptoms before the age of 14.



In 2016/17, the **hospital admission rate for mental health disorders in children and young people** aged 0 to 17 years was 166.8 per 100,000 population in Herefordshire; significantly higher than in England as a whole (81.5 per 100,000) and in the West Midlands region (84.3 per 100,000). The rate has been increasing since 2012/13 and the gap between Herefordshire and England is widening.

### Hospital admissions for mental health conditions in under 18s.



Source: Public Health England

Hospital admissions for **self-harm in children** have also increased in recent years, with admissions for young women being much higher than admissions for young men.

In Herefordshire, the rate of hospital admissions as a result of self-harm in persons aged 10 to 24 years was 365.6 per 100,000 in 2016/17; lower than nationally (404.6 per 100,000) and regionally (413.9 per 100,000).

Mental health problems are common among those needing treatment for [alcohol](#) misuse and alcohol misuse is common among those with a mental health problem.



In 2016/17, the rate of **admissions to hospital for mental and behavioural disorders due to alcohol** in Herefordshire was 31.5 per 100,000; much lower than in England as a whole (72.3 per 100,000) and the West Midlands region (76.6 per 100,000).



In 2014/15, the **excess under 75 mortality rate** in adults with serious mental illness, measured as a ratio of observed to expected mortalities and expressed as a percentage was 247.6 per cent in Herefordshire; significantly lower than nationally (370.0 per cent) and regionally (400.7 per cent).

**Suicide** is a significant cause of death in young adults, and is seen as an indicator of underlying rates of mental ill-health. Suicide is a major issue for society and a leading cause of years of life lost.

In 2014/16, the age-standardised mortality rate from suicide and injury of undetermined intent in Herefordshire was 11 per 100,000 population; higher than nationally and regionally (both 10 per 100,000), but not significantly so.



The suicide rate among men is much higher than among women. In 2014/16, the male suicide rate in Herefordshire was 17.5 per 100,000; the highest it has been since 2004/06 and higher than nationally (15.3 per 100,000) and regionally (15.9 per 100,000), although none of these differences are statistically significant. Residents of the most deprived areas of Herefordshire are approximately 19 per cent more likely to die as a result of suicide than the county population in general.

In 2014/16, the female suicide rate in Herefordshire was 4.6 per 100,000; with no significant change since at least the turn of the century and similar to nationally (4.8 per 100,000) and regionally (4.4 per 100,000).

## AGEING WELL: PEOPLE AGED 65 YEARS AND OVER

A larger proportion of Herefordshire's population is aged 65 and over (24 per cent) compared to England and Wales (18 per cent). The number of residents aged 65-84 is projected to grow at a similar rate as during the last decade (average of two per cent a year), but the number aged 85+ will rise even more rapidly (average of five per cent compared to just under three per cent a year since 2001). By 2031, there are projected to be 49,800 65-84 year-olds (28 per cent more than in 2016), whilst the number age 85+ will increase by 50 per cent by 2031 and more than double to 10,800 by 2034.

Herefordshire's 44,800 residents aged 65 and over are scattered across the county, although those aged 65-84 are more likely to live in rural villages and dispersed areas than the population as a whole (50 per cent of 65-84s; 42 per cent of all people). The very elderly (85+) are slightly more likely to be living in rural town and fringe areas (Bromyard, Kington, Ledbury, Credenhill): 15 per cent compared to 11 per cent of the total population.

Many older people in Herefordshire are active and well, and many are an asset to the community – reducing the burden on public services by providing large amounts of [informal care](#) to friends and family and volunteering for third sector organisations. Rates of limiting long-term illness amongst those aged 65-84 are lower than nationally, and people turning 65 in the county can [expect to live longer](#), both overall and in good health, than those elsewhere.

Nevertheless, the natural ageing of the population, as the post-war 'baby-boomers' become very elderly, is expected to continue to place considerable strain on the health and social care system. As Herefordshire's population is already older, it is expected that such strains will be more pronounced locally than nationally. However, anticipatory action can be taken at a local level to ensure that Herefordshire's health and social care services are able to provide good quality care, appropriate to the needs of older people living in the county.



A particular focus for the 2018 JSNA has been the production of an [integrated older people's needs assessment](#). Jointly commissioned by Herefordshire Council and Herefordshire Clinical Commissioning Group, it provides an overview of health and wellbeing issues affecting those aged 65 and over living in Herefordshire.

The needs assessment found evidence of action being taken, or strategies being drawn up, to address the vast majority of the challenges identified. In most cases the responses being planned or implemented were holistic and multi-agency in their approach, evidencing a clear commitment to improving integrated partnership working to achieve improvements the health of older people.

Some of the issues already identified in this report are particularly relevant, or present particular issues, for older people: [fuel poverty](#), [loneliness and social isolation](#), [digital exclusion](#), [adult social care services](#), and [informal care](#). Other issues highlighted by the older people's needs assessment are presented below.

## DEMENTIA

**PRIORITY**

The increasing incidence of **dementia** nationally is also reflected in Herefordshire and is likely to demand greater resources, not only in providing residential care, but in enabling people living with dementia to enjoy as good a quality of life as possible and support them to remain in their own home for as long as they safely can. Risk factors for dementia include [smoking](#), excessive [alcohol](#) consumption, [obesity](#), [diabetes](#), [hypertension](#), coronary heart disease, and [stroke](#).

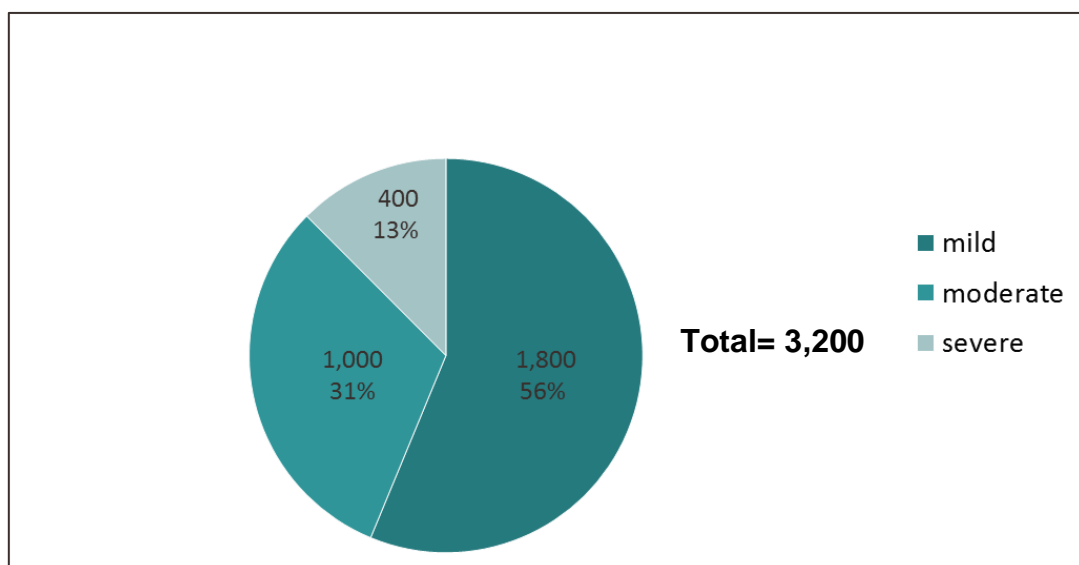
### Key points:

It is estimated that there are approximately 3,200 people aged 65 and over with dementia living in Herefordshire. The number of older people with dementia in Herefordshire is estimated to increase to 5,500 by 2035.

In 2017, dementia related costs among over 65s in Herefordshire are estimated to be in the region of £104 million, with the highest proportion of the cost (£46 million, 44 per cent) being attributed to the provision of informal care.

In 2015/16, the percentage of people diagnosed with dementia accessing inpatient hospital care is significantly lower in Herefordshire (46.4 per cent) compared to the West Midlands region (58.5 per cent) and England (53.8 per cent).

### Estimated proportion of people aged 65 and over with mild, moderate and severe dementia in Herefordshire in 2017



Sources: Projecting Older People Population Information System, Institute of Public Care, 2017 and Dementia UK: Update. Second edition, Prince, M., *et al*, 2014.



At the beginning of 2017, in Herefordshire only 59.3 per cent of people with dementia aged 65 and over had a formal diagnosis; lower than the NHS England target of 66.7 per cent and the rates reported both nationally (67.9 per cent) and regionally (65.6 per cent).

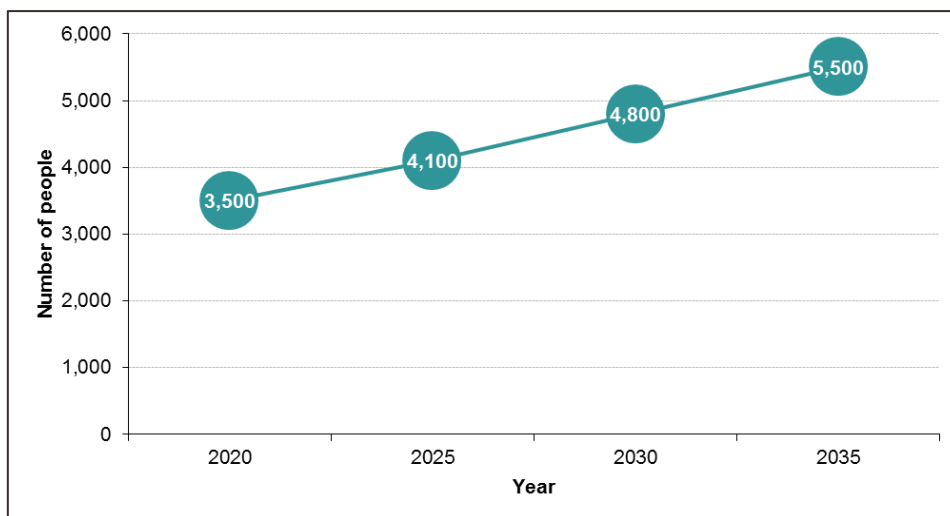


The *Herefordshire Dementia Strategy* is currently being refreshed. It will be rooted in local dementia care pathways focused around three key outcomes; driving a Herefordshire wide culture change through raising awareness and understanding; increasing availability of early diagnosis of dementia and support; and supporting people with dementia, carers and families to live well with dementia.

Recorded dementia prevalence (prevalence of dementia diagnosis) among those aged 65 and over is lower than what might be expected, with 3.81 per cent of over 65s having a formal diagnosis of dementia as of April 2017. This is a lower rate than regionally (4.13 per cent) and nationally (4.29 per cent). This finding is consistent with Herefordshire's lower diagnosis rates.

[Informal carers](#) make a significant contribution to the wellbeing of people living with dementia, with informal care accounting for an estimated 44 per cent of dementia related health and social care costs(4). Providing informal care for someone living with dementia can be challenging and can have negative effects on the psychological wellbeing of caregivers. Timely and appropriate support can reduce carer stress and prevent people living with dementia being prematurely admitted to care homes. There are some good examples of local community support available to people living with dementia and their carers, some named examples being the Dementia Adviser Service and the Leominster Dementia Meeting Centre. In 2016/17 in Herefordshire, among informal carers providing care for a person living with dementia, the average self-reported quality of life score was 7.6 out of 12, the same as it was in 2014/15 and similar to the average scores for England (7.5) and the West Midlands region (7.7).

### Estimated number of people aged 65 and over with dementia in Herefordshire 2020-2035



Source: Projecting Older People Population Information System, Institute of Public Care, 2017.

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## FRAILTY

Frailty is “a distinctive health state related to the ageing process in which multiple body systems gradually lose their in-built reserves”.<sup>54</sup> Frailty is not an inevitable part of ageing, but an under recognised health state. Older people with frailty are more vulnerable to minor illnesses and are at an increased risk of hospitalisation, admission to a care home and death.

It is estimated that in 2016 there were 4,600 people aged 65 and over with frailty living in the community in Herefordshire. However, this does not take into account the number of people with frailty living in care homes. By 2035, the number of people aged 65 and over with frailty living in the community in Herefordshire is estimated to rise by approximately 67 per cent to approximately 7,700 people.

Fragmented health and social care services are known to cause poor outcomes for older people with frailty. Benchmarking results indicate that there is room for improvement, particularly in the provision of rapid crisis support and discharge planning. Those who participated in the benchmarking exercise spoke of the commitment to improvement that exists among those who work within the health and social care system. Actions are currently being taken to put in place a local integrated care pathway for the management of people with frailty, resultant improvements should be evident were this benchmarking exercise to be repeated in the future.

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## FALLS AND FRACTURES

It is estimated that in 2017 nearly 12,200 people aged 65 and over living in Herefordshire will experience a fall, with the number expected to rise to over 18,100 by 2035. Falling can result in fracture, admission to hospital, disability, and admission to residential or nursing home, or in some cases death.

Evidence from a recent benchmarking exercise indicates that in Herefordshire, people have acceptable access to falls prevention interventions. The Falls Prevention Service has seen considerable growth in the number of referrals it receives (300 per cent increase between 2012 and 2016), indicating that it is well utilised. The Falls Responder Service in Herefordshire has been in operation since 2014, providing 24/7 non-medical support and referral (if required) for falls at home that do not result in an injury. There is evidence that the service could be better utilised, with an indication that some of the callouts made by West Midlands Ambulance Service could be attended by a falls responder instead; actions are being taken to address this missed opportunity.

Falls are common in residential and nursing home settings. Systematic recording of falls occurring in these settings would be helpful in order to develop more effective prevention strategies.

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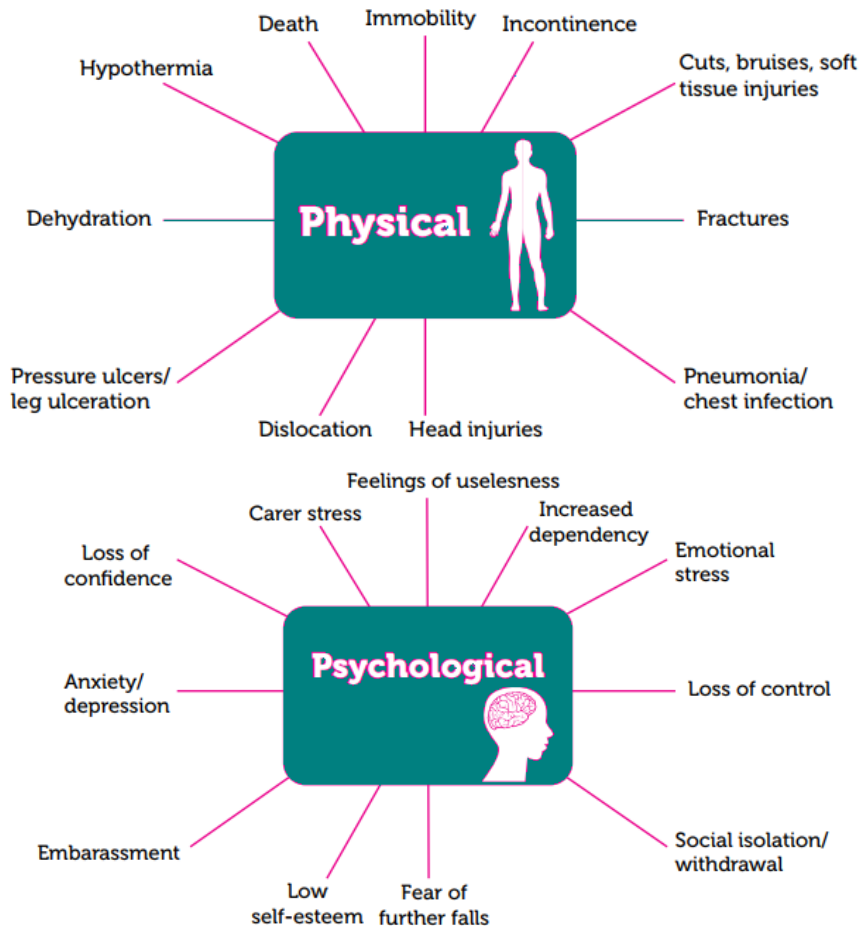
<sup>54</sup> Fit for Frailty Part 1: Consensus best practice guidance for the care of older people living in community and outpatient settings, British Geriatrics Society, 2014. Available at: [http://www.bgs.org.uk/campaigns/fff/fff\\_full.pdf](http://www.bgs.org.uk/campaigns/fff/fff_full.pdf)





NHS RightCare has identified that in Herefordshire a considerably smaller proportion of people aged 75 and over presenting with fragility fractures are treated with a bone sparing agent (a treatment for osteoporosis) compared to other clinical commissioning groups, suggesting that there is an opportunity to improve outcomes for people with osteoporosis by enhancing treatment coverage.<sup>55</sup>

### Physical and psychological consequences of a fall



Source: Managing Falls and Fractures in Care Homes for Older People – good practice resource: Revised edition. NHS Scotland; Care Inspectorate, 2016. Available at: <http://www.careinspectorate.com/images/documents/2712/Falls%20and%20fractures%20new%20resource%20low%20res.pdf>

<sup>55</sup> Commissioning for Value Where to Look pack: NHS Herefordshire CCG January 2017, NHS RightCare, 2017. Available at: <https://www.england.nhs.uk/rightcare/wp-content/uploads/sites/40/2017/01/cfv-herefordshire-jan17.pdf>

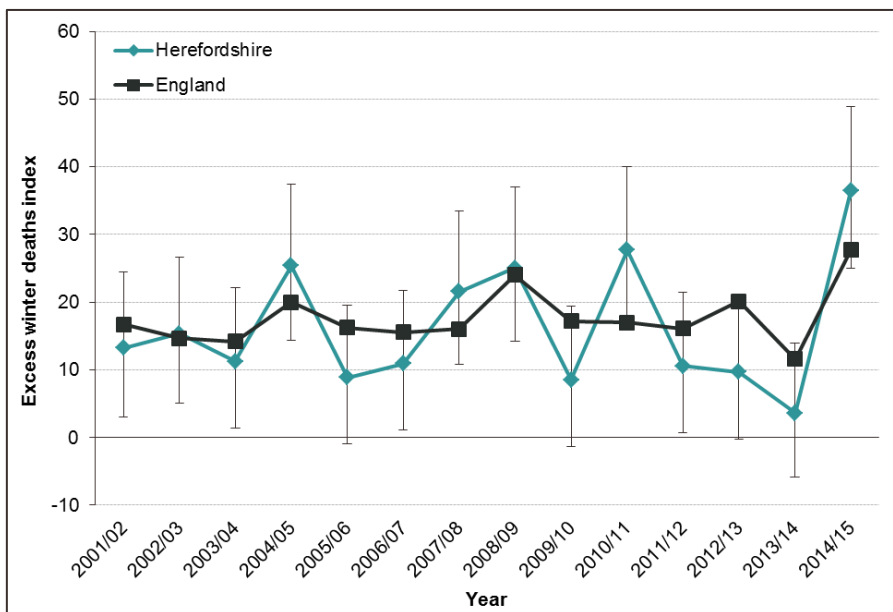


## EXCESS WINTER DEATHS

More people in the UK die in the winter period (December to March) than at any other time of year. Deaths of people who would not otherwise have been expected to die during the winter are defined as 'excess winter deaths'. The majority occur among older people with serious underlying health conditions – for example cerebrovascular diseases, ischaemic heart disease and respiratory disease. Physiological evidence indicates that colder home temperatures cause high blood pressure among older people, increasing the risk of a cardiovascular event. Poor thermal efficiency is a particular issue among Herefordshire's housing stock, and so is [fuel poverty](#).

Between 2001/02 and 2014/15, there were a total of 1,376 excess winter deaths in Herefordshire. Almost two-thirds (63 per cent) were women, and more than half (53 per cent) were people aged 85+. The number fluctuates each year, but the annual index is similar to that seen in England as a whole – including a spike in 2014/15. An Office for National Statistics investigation concluded that the main reason the UK saw such high numbers of excess winter deaths that year was moderate 'flu levels caused by the 'flu vaccine only being 34 per cent effective, combined with the dominant 'flu strain being one which is particularly virulent in older people.

### Excess winter deaths index\* for Herefordshire and England, 2001/02-2014/15



\* Number of excess winter deaths divided by the average number of non-winter deaths.

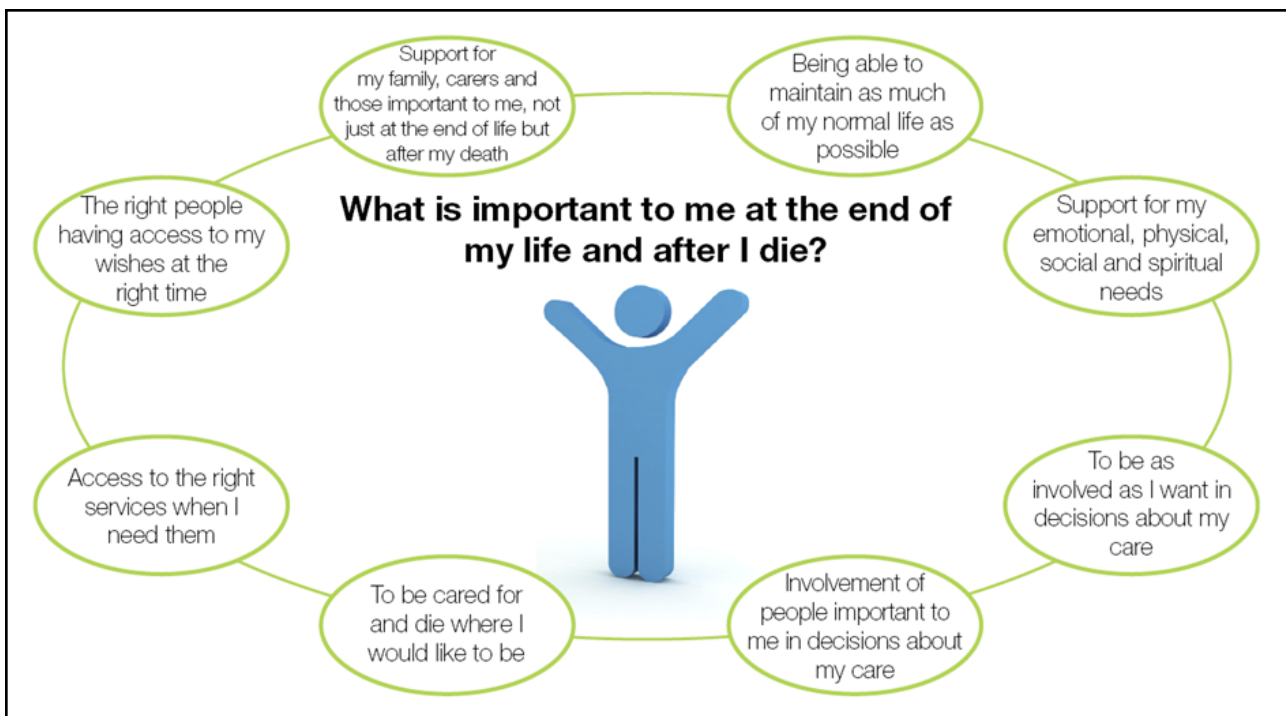
Source: Public Health England.

## END OF LIFE CARE

**PRIORITY**

End of life care, is the care of someone who is considered to be in their last year of life and forms an important part of palliative care.<sup>56</sup> [Hospice UK](https://www.hospiceuk.org/) have stated that ‘the last year of someone’s life is generally the time when they have the most contact with the health and care system, and their care costs the most.’<sup>57</sup> During this time the primary objective of end of life care should be to ensure that person has a ‘good death’,<sup>58</sup> the key elements of which are:

- Being treated as an individual, with dignity and respect;
- Being without pain and other symptoms;
- Being in familiar surroundings; and
- Being in the company of close family and/or friends.<sup>59</sup>



Source: What’s important to me. A Review of Choice in End of Life Care The National Council for Palliative Care, The Choice in End of Life Care Programme Board, February 2015. Available at:

[http://www.ncpc.org.uk/sites/default/files/CHOICE%20REVIEW\\_FINAL%20for%20web.pdf](http://www.ncpc.org.uk/sites/default/files/CHOICE%20REVIEW_FINAL%20for%20web.pdf)

<sup>56</sup> What are palliative care and end of life care? Marie Curie. Available at:

<https://www.mariecurie.org.uk/help/support/diagnosed/recent-diagnosis/palliative-care-end-of-life-care>

<sup>57</sup> Achieving excellent end of life care locally: How can the public work with Sustainability and Transformation Partnerships to achieve excellent end of life care locally?, Hospice UK, 2017. Available at

<https://www.hospiceuk.org/what-we-offer/publications>

<sup>58</sup> ‘good death’, McGraw-Hill Concise Dictionary of Modern Medicine, 2002. Available at <https://medical-dictionary.thefreedictionary.com/good+death>

<sup>59</sup> End of Life Care Strategy: Promoting high quality care for all adults at the end of life, Department of Health, 2008, p.9. Available at <https://www.gov.uk/government/publications/end-of-life-care-strategy-promoting-high-quality-care-for-adults-at-the-end-of-their-life>

Recognition by healthcare professionals of when a person is nearing the end of their life and then responding appropriately plays an essential role in determining whether or not that person has a good death. In addition, effective end of life care involves not only excellent clinical decision-making, but timely, empathetic, communication and provision of suitable support tailored to the needs of the individual, their relatives and carers. Care decisions should be made in consultation with the individual and the family, be respectful of their cultural values and religious beliefs, and wherever possible accommodate their wishes and needs, enabling them to discuss, plan and make informed decisions regarding the care they want.

Delivering high-quality, effective end of life care often involves multiple agencies working closely together to co-ordinate the support they provide. These agencies may include general practitioners, community nurses, domiciliary and [adult social care services](#), hospital and ambulance services, pharmacies, specialist and allied health professionals, hospices and other voluntary sector organisations.

Research has shown that 'access to end of life care is inconsistent: it is organised and planned better in some areas than others.'<sup>60</sup> Currently, in England end of life care services show marked geographical variation across a range of indicators.<sup>61</sup> Furthermore, studies have found that 'for ethnic minority groups and their families, specific issues or barriers may arise related to culturally appropriate health care practices, cultural or religious differences, diverse health beliefs, and access to services for care and support during end-of-life conditions.'<sup>62</sup> Specific issues and barriers also arise for other minority or disadvantaged groups including LGBT,<sup>63</sup> prisoners,<sup>64</sup> [homeless people](#),<sup>65</sup> and gypsies and travellers.<sup>66</sup>

**Consideration:** Although it is important to recognise though that not everyone wants to die at home, or in their usual place of residence, most people given the choice want to die in familiar surroundings. However, nationally almost half die in hospital ([www.hospiceuk.org/what-we-offer/publications](http://www.hospiceuk.org/what-we-offer/publications))

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<sup>60</sup> Achieving excellent end of life care locally: How can the public work with Sustainability and Transformation Partnerships to achieve excellent end of life care locally?, Hospice UK, 2017. Available at <https://www.hospiceuk.org/what-we-offer/publications>

<sup>61</sup> Atlas of Variation in End of Life Care for England – largest of its kind in the world, Bowtell, N., Pring, A. and Verne, J., National End of Life Care Intelligence Network, Public Health England, 2017. Available at [www.endoflifecare-intelligence.org.uk/view?rid=989](http://www.endoflifecare-intelligence.org.uk/view?rid=989)

<sup>62</sup> 'End-of-life care for ethnic minority groups', Siriwardena, A.N. and Clark, D.H., *Clinical Cornerstone*, Vol 6, No.1 (2004), pp.43-48.

<sup>63</sup> 'Needs, Experiences, and Preferences of Sexual Minorities for End-of-Life Care and Palliative Care: A Systematic Review', Harding, R., Epiphaniou, E. and Chidgey-Clark, J., *Journal of Palliative Medicine*, Vol.15, No.5 (May 2012), pp.602-611.

<sup>64</sup> 'The implementation of palliative and end of life care standards in Scottish prisons', paper presented to Hospice UK National Conference, Allan, G., 22 November 2017. Available at: <https://www.hospiceuk.org/what-we-offer/courses-conferences-and-learning-events/hospice-uk-annual-conf/programme/wednesday>

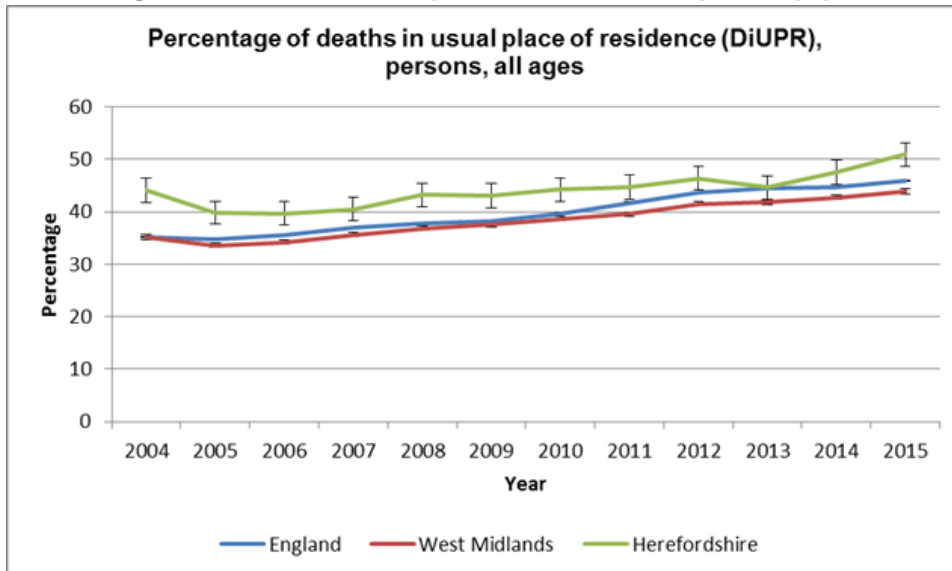
<sup>65</sup> "End-of-life care for homeless people: a qualitative analysis exploring the challenges to access and provision of palliative care", Shulman, C, Hudson, B.F., Low, J., Hewett, N., Daley, J., Kennedy, P., Davis, S. et al., *Palliative Medicine*, Vol.38, No.1 (January 2018). Available at <http://journals.sagepub.com/doi/abs/10.1177/0269216317717101>

<sup>66</sup> Gypsies and Travellers. A different ending: addressing inequalities in end of life care, Care Quality Commission, May 2016. Available at [www.cqc.org.uk/sites/default/files/20160505%20CQC\\_EOLC\\_Gypsies\\_FINAL\\_2.pdf](http://www.cqc.org.uk/sites/default/files/20160505%20CQC_EOLC_Gypsies_FINAL_2.pdf)



In Herefordshire, in 2015 50.9 per cent of all deaths occurred in the deceased's usual place of residence, a significantly higher proportion than in England as a whole (46 per cent) and in the West Midlands region (43.9 per cent).

**Percentage of deaths in usual place of residence (DiUPR), persons, all ages**



Source: End of Life Care Profiles, Public Health England.

Between 2004 and 2015, home deaths in Herefordshire as a proportion of all deaths increased slightly from 21.2 per cent to 23.7 per cent. However, whereas in 2004 this proportion was higher than nationally and in the West Midlands the figure is now similar to both.



In 2015, hospital deaths as a proportion of all deaths were significantly lower than nationally and regionally; 40.9 per cent in Herefordshire compared to 46.7 per cent in England and 49.5 per cent in the West Midlands, representing a decline since 2004 of 4.6 percentage points.



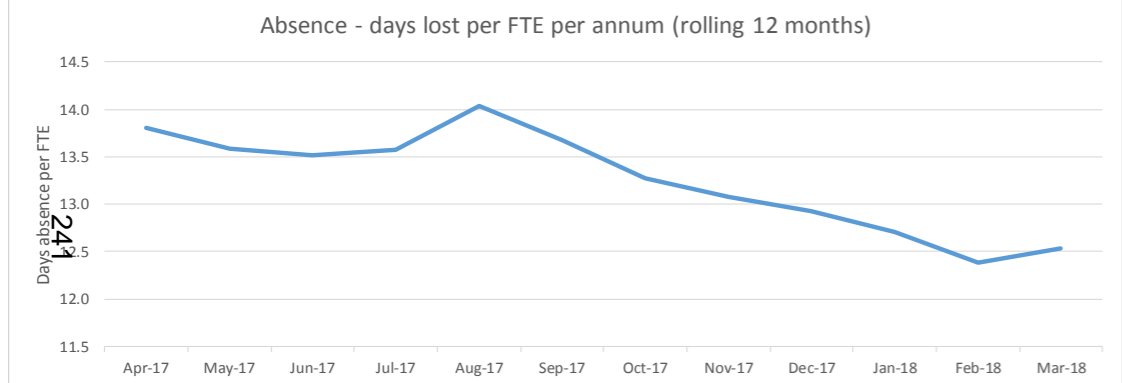
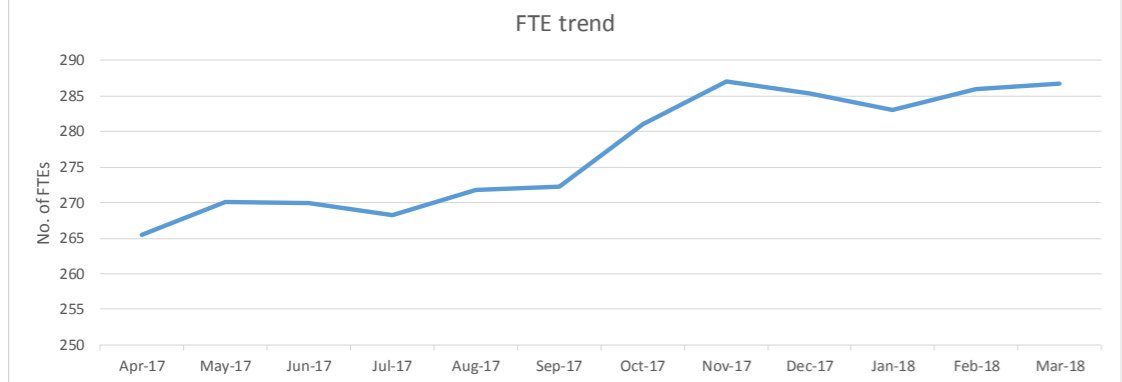
End of life care services in Herefordshire are generally good, but there is scope for further work to proactively raise the profile of issues relating to death and dying with the wider community, provide training and support for those non-clinical staff who work with terminally ill people or their families, and to recognise and accommodate the specific needs of minority groups.



Herefordshire Clinical Commissioning Group's [Palliative and End of Life Care Strategy](#) sets out Herefordshire's vision and priorities to meet national palliative and end of life care strategies and standards, and to address local priorities for improving palliative and end of life care for people of all ages across all care settings in Herefordshire.

### AWB Scorecard

| Staffing  | Apr-17 | May-17 | Jun-17 | Jul-17 | Aug-17 | Sep-17 | Oct-17 | Nov-17 | Dec-17 | Jan-18 | Feb-18 | Mar-18 |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| FTE   | 265    | 270    | 270    | 268    | 272    | 272    | 281    | 287    | 285    | 283    | 286    | 287    |
| Headcount   | 296    | 300    | 300    | 298    | 301    | 301    | 309    | 315    | 314    | 312    | 316    | 316    |
| Permanent Costs (£k)                                      | 771    | 744    | 762    | 757    | 756    | 772    | 819    | 829    | 886    | 651    | 824    | 706    |
| Agency FTE  | 23.6   | 19.9   | 22.0   | 24.4   | 18.9   | 19.3   | 21.6   | 18.7   | 15.7   | 18.3   | 19.8   | 14.6   |
| Agency Cost (£k)  | 59     | 96     | 68     | 124    | 85     | 97     | 111    | 130    | 64     | 75     | 98     | 48     |
| Absence - days lost per FTE per annum (rolling 12 months) | 13.8   | 13.6   | 13.5   | 13.6   | 14.0   | 13.7   | 13.3   | 13.1   | 12.9   | 12.7   | 12.4   | 12.5   |
| Monthly turnover (annualised based on FTE)                | 11.6%  | 11.7%  | 12.3%  | 12.0%  | 11.9%  | 12.5%  | 11.2%  | 9.8%   | 11.2%  | 10.2%  | 9.8%   | 9.9%   |

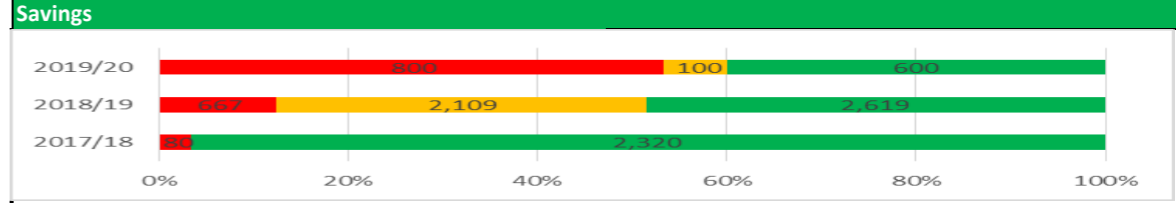


| Service User Numbers  | Mar-17 | Apr-17 | May-17 | Jun-17 | Jul-17 | Aug-17 | Sep-17 | Oct-17 | Nov-17 | Dec-17 | Jan-18 | Feb-18 | Mar-18 |
|-----------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Residential           | ~450   | ~450   | ~450   | ~450   | ~450   | ~450   | ~450   | ~450   | ~450   | ~450   | ~450   | ~450   | ~450   |
| Dom Care              | ~800   | ~800   | ~800   | ~800   | ~800   | ~800   | ~800   | ~800   | ~800   | ~800   | ~800   | ~800   | ~800   |
| Supported Living      | ~500   | ~500   | ~500   | ~500   | ~500   | ~500   | ~500   | ~500   | ~500   | ~500   | ~500   | ~500   | ~500   |
| Nursing               | ~350   | ~350   | ~350   | ~350   | ~350   | ~350   | ~350   | ~350   | ~350   | ~350   | ~350   | ~350   | ~350   |
| Direct Payments       | ~600   | ~600   | ~600   | ~600   | ~600   | ~600   | ~600   | ~600   | ~600   | ~600   | ~600   | ~600   | ~600   |
| Day Opps              | ~250   | ~250   | ~250   | ~250   | ~250   | ~250   | ~250   | ~250   | ~250   | ~250   | ~250   | ~250   | ~250   |
| Skills 4 Daily Living | ~100   | ~100   | ~100   | ~100   | ~100   | ~100   | ~100   | ~100   | ~100   | ~100   | ~100   | ~100   | ~100   |

| Indicators        | Measure                                     | Target | Latest Period | Trend |
|-------------------|---|--------|---------------|-------|
| Risk Management   | Permanent admissions - U65                  | 10.2   | 20.3          | Mar   |
|                   | Permanent admissions - 65+                  | 550    | 544.6         | Mar   |
|                   | Social Care Delayed Transfer Days           | 137    | 192           | Feb   |
|                   | Reablement - 91 days after discharge        | 85%    | 78%           | Mar   |
|                   | Safeguarding - outcomes met                 | 80%    | 55%           | Mar   |
|                   | Direct Payment recipients                   | 40%    | 38%           | Mar   |
|                   | Timeliness of Service (28 days of referral) | 80%    | NA            |       |
|                   | Reviews undertaken                          | 80%    | 72%           | Mar   |
|                   | Affordable housing units delivered          | 200    | 171           | Mar   |
|                   | Households in temporary accommodation       | 45     | 42            | Mar   |
| NHS Health checks | 60%   | 46%    | Feb           |       |

There are no risks still rated Red after controls have been put in place.

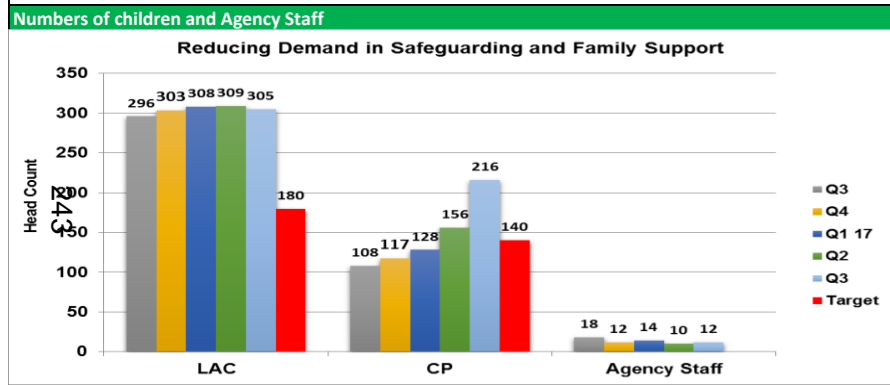
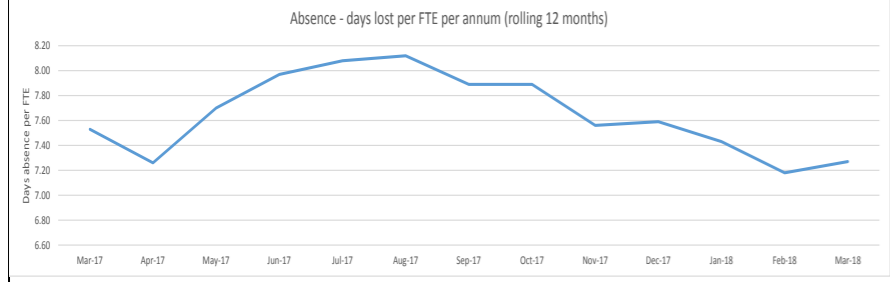
| Programme                              | Project Tags                                | 2017  | 2018                                       |                 |                     |
|--|---|---|--|-----------------|---------------------|
| Prevention Programme                   | Development of the Prevention Approach      | G EA DE DM -  | Delivery                                   |                 |                     |
|  | Connecting Communities - Mapping the county | Comp SV/CB DE AC -  | Delivery                                   |                 |                     |
|  | WISH: System Redevelopment (Phase 2 and 3)  | A EA DE HS -  | Phase 2 Delivery                           |                 |                     |
|  | Healthy Living Network Herefordshire        | A GE DE SH -  | Scoping and Initiation                     |                 |                     |
|  | Implementing the Carers Strategy            | G EA DE DM -  | Delivery                                   |                 |                     |
|  | Public Health - Diabetes prevention         | G AM - AM -   | Scoping                                    |                 |                     |
|  | Integrated Pathway Design                   | Development of the Community Broker service   | Comp SV Audit JB LT                        | Delivery        |                     |
|  |   | Redesign of adult social care front door  | Comp SV Audit EM -                         | Delivery        |                     |
|  |   | Process redesign including changes to paperwork   | Comp SV Audit JB -                         | Delivery        |                     |
|  |   | Workforce training and development to support pathway (inc Commissioning and Public Health) | Comp SV Audit JB -                         | Delivery        |                     |
|  |   | Pathway design - Home First   | Comp SV Audit AP -                         | Delivery        |                     |
|  |   | HomeFirst - Review and development of existing service                                      | G MJ - JB -                                | Review current  |                     |
|  |   | Public Health Nursing - formerly Early Years Redesign (CWB/PH)                              | R KW - PKJ LMC                             | Delivery        |                     |
|  |   | Housing and Accommodation   | Young Persons Accommodation pathway design | A EA - CJ -     | Delivery            |
|  |   |   | Community led housing                      | G EA DE TW -    | Funding Application |
|  |   |   | Housing system redesign                    | R EA DE TC/AC - | Scoping             |
|  | Contract and Market Management              | Public Health - Substance Misuse service improvement  | Comp AP DE KTD -                           | Scoping         |                     |
|  |   | Implementation of Project Management tool (VERTO)   | G DE AC AC -                               | Scoping         |                     |
|  | Research and Needs Assessment               | JSNV Refresh (AN)   | S AM - - -                                 | Scoping         |                     |
|  |   | Commissioning   | Care at Home                               | Comp LT - IG -  | Delivery            |
| Supported Living Framework             | G LT DE AR -                                |   | Delivery                                   |                 |                     |
| Telecare & Assistive Technology (TECS) | G AP DE EM -                                |   | Scoping (and)                              |                 |                     |
| Shared Lives                           | A MA PKJ IG/US -                            |   | Mobile & transition to                     |                 |                     |



| Outturn Detail  | Gross Budget  | Net Budget    | March Outturn | March Variance | December Variance | Movement since December |
|---|---------------|---------------|---------------|----------------|-------------------|-------------------------|
|   | £000          | £000          | £000          | £000           | £000              | £000                    |
| Learning Disabilities                                 | 20,158        | 17,158        | 18,444        | 1,288          | 1,097             | 191                     |
| Memory and Cognition/Mental Health (inc Safeguarding) | 8,201         | 7,021         | 6,308         | (713)          | (679)             | (34)                    |
| Physical Support                                      | 27,883        | 20,442        | 21,278        | 836            | 1,067             | (231)                   |
| Sensory Support                                       | 450           | 386           | 362           | (24)           | 21                | (45)                    |
| <b>Client Sub-Total</b>                               | <b>56,692</b> | <b>45,005</b> | <b>46,392</b> | <b>1,387</b>   | <b>1,506</b>      | <b>(119)</b>            |
| Operations  | 7,762         | 6,885         | 6,874         | (11)           | (269)             | 258                     |
| Commissioning   | 5,483         | 4,496         | 3,494         | (1,002)        | 159               | (1,161)                 |
| Directorate Management                                | 3,271         | (5,340)       | (5,247)       | 93             | (255)             | 348                     |
| Public Health   | 9,330         | (197)         | (197)         | (0)            | 0                 | (0)                     |
| Transformation  | 1,273         | 1,048         | 661           | (387)          | (261)             | (126)                   |
| <b>Non Client Sub-Total</b>                           | <b>27,118</b> | <b>6,892</b>  | <b>5,585</b>  | <b>(1,307)</b> | <b>(626)</b>      | <b>(681)</b>            |
| <b>Adults and Wellbeing</b>                           | <b>83,810</b> | <b>51,897</b> | <b>51,977</b> | <b>80</b>      | <b>880</b>        | <b>(800)</b>            |



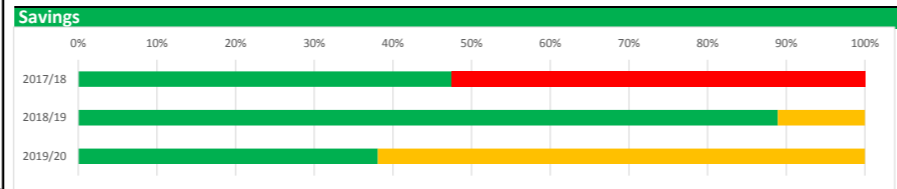
| Staffing  | Mar-17 | Apr-17 | May-17 | Jun-17 | Jul-17 | Aug-17 | Sep-17 | Oct-17 | Nov-17 | Dec-17 | Jan-18 | Feb-18 | Mar-18 |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| FTE   | 301.40 | 301.06 | 297.78 | 296.54 | 293.00 | 294.87 | 288.14 | 288.22 | 288.25 | 283.56 | 282.75 | 283.77 | 282.88 |
| Headcount   | 347    | 346    | 342    | 340    | 336    | 338    | 329    | 329    | 329    | 320    | 319    | 324    | 320    |
| Permanent Workforce Costs (£k)                            | 912    | 917    | 934    | 928    | 934    | 944    | 910    | 903    | 907    | 913    | 907    | 947    | 893    |
| Agency FTE  | 21.69  | 21.77  | 21.17  | 14.36  | 17.11  | 12.95  | 10.03  | 15.54  | 14.97  | 12.38  | 11.03  | 12.44  | 12.00  |
| Agency Costs (£k)   | 120    | 70     | 83     | 50     | 50     | 41     | 36     | 47     | 101    | 47     | 55     | 133    | 100    |
| Absence - days lost per FTE per annum (rolling 12 months) | 7.53   | 7.26   | 7.70   | 7.97   | 8.08   | 8.12   | 7.89   | 7.89   | 7.56   | 7.59   | 7.43   | 7.18   | 7.27   |
| Monthly turnover (annualised based on FTE)                | 17.60% | 15.33% | 14.68% | 15.55% | 16.85% | 17.00% | 17.72% | 17.16% | 17.53% | 16.89% | 17.57% | 18.57% | 17.65% |



| Performance Measure  | Target 2017/18                              | Outturn   |   |   |  |                                  | Frequency                         | Polarity          | Direction of Travel |
|--|---|---|---|---|--|----------------------------------|-----------------------------------|-------------------|---------------------|
|  |   | 2016/17   | End of May  | Q2  | Q3   | End-of-year                      |                                   |                   |                     |
| Reduce the attainment gap at age 16 between free school meal pupils and their peers  | <15 points difference in Attainment 8 score | 10.4  | -   | -   | GAP 15.1 Calculation FSM 31.5 Non-FSM 46.6   | Local GAP 15.0 National GAP 16.5 | Annual                            | Smaller is better | ▲                   |
| Increase the proportion of pupils attending a school and/or setting that is good or outstanding:   | 88%   | 92%   | 90.6%   | 92.7%   | 92.9%  | 93.2%                            | Monthly                           | Bigger is better  | ▲                   |
| Herefordshire young people meeting or exceed the national average indicator for attainment (attainment 8) the national progress measure (progress 8) | 48.0  | At8 - Hd: 49.3 Eng: 48.9 Prg8 - Hd: 0.02 Eng: -0.03 | At8 - Hd: 45.5 Eng: 44.2 Prg8 - Hd: 0.00 Eng: -0.08 | At8 Hd: 45.5 Eng: 44.2 Progress 8 Herefordshire -0.01 England (state-funded sector) -0.03 | Attainment 8 Herefordshire 45.7 England 44.6 | Annual                           | Bigger is better                  | ▲                 |                     |
| Improve education outcomes at age 5  | 70.0%                                       | 72.0%   | -   | 75.0%   | 75.0%  | 75.0%                            | Annual                            | Bigger is better  | ▲                   |
| Reduce the number of children being referred to children's social care for a service   | (Baseline to be established 2017/18)        | 741   | 2273  | 3358  | 4,441  | Quarterly                        | Smaller is better                 | n/a               |                     |
| Decrease the number of children requiring accommodation help from the local authority  | <180  | 301   | 308   | 309   | 305  | 313                              | Quarterly                         | Smaller is better | ▼                   |
| Increase the number of 17 and 18 year olds sustaining a place in education, training or employment including apprenticeships                         | Q1: establish baseline Q2: set target       | -   | 89.90%  | 89%   | 89.4%  | 89.40%                           | Monthly - 3 month rolling average | Bigger is better  | n/a                 |
| Care proceedings completed within 26 weeks   | 100%  | New   | 100%  | 100%  | 100%   | 100%                             | Bigger is better                  | n/a               |                     |

**Risk Management**

There are no significant corporate risks still rated Red after controls.



| Programme  | RAG | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar |
|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Connecting Communities - Mapping the county                                  | C   | ◆   |     |     |     |     | ◆   | ◆   |     |     |     |     |     | ◆   |
| WISH: Development of the support service                                     | C   |     |     |     |     |     |     | ◆   | ◆   |     |     | ◆   |     | ◆   |
| WISH: System and content redevelopment (Phase 2)                             | C   | ?   |     | ◆   |     | ?   |     |     | ◆   |     | ◆   |     |     |     |
| Delivering the Carers Strategy   | C   | ◆   |     |     |     | ?   |     |     |     |     |     |     |     |     |
| Implementing the Carers Strategy   | A   |     |     |     |     |     |     |     |     |     | ◆   |     |     |     |
| Children with Disabilities Transformation Programme 2017-18 (inc Integrated) | G   |     |     |     |     | ?   | ◆   | ◆   | ◆   | ◆   | ◆   | ◆   | ◆   | ◆   |
| Early Years Redesign including Health Visiting and School Nursing (CWB/PH)   | C   |     | ?   |     | ◆   | ◆   |     |     | ?   | ◆   | ◆   |     |     | ◆   |
| Young Persons' Accommodation Strategy  | C   | ◆   |     |     | ?   | ◆   |     | ◆   |     |     |     |     |     |     |

? Decision required ◆ Milestone

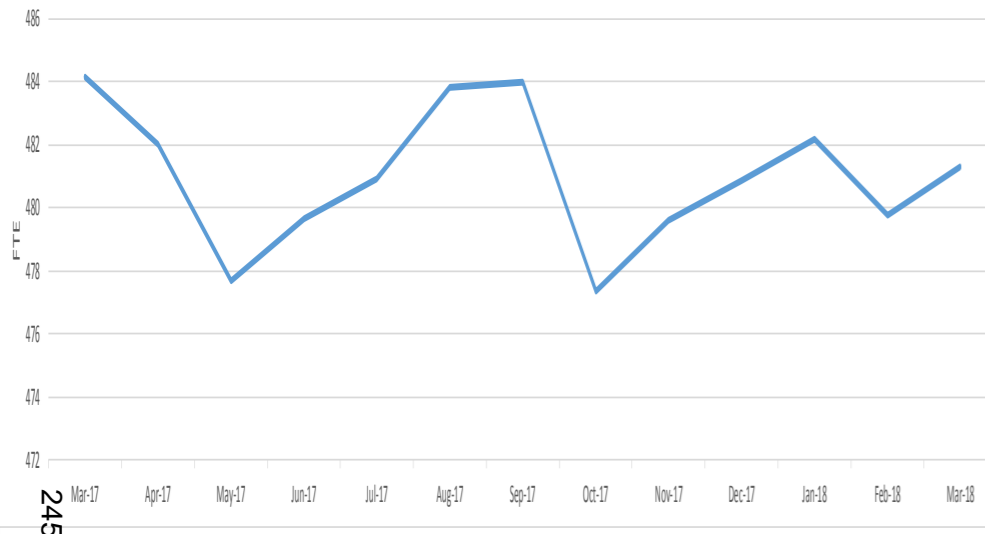
|  | Gross Budget   | Net Budget    | March Outturn | March Variance | December Variance | Movement since December |
|--|----------------|---------------|---------------|----------------|-------------------|-------------------------|
|  | £000           | £000          | £000          | £000           | £000              | £000                    |
| Directorate                              | 262            | 209           | 26            | (183)          | (170)             | (13)                    |
| <b>Directorate</b>                       | <b>262</b>     | <b>209</b>    | <b>26</b>     | <b>(183)</b>   | <b>(170)</b>      | <b>(13)</b>             |
| Additional Needs                         | 3,251          | 3,176         | 3,081         | (95)           | (282)             | 187                     |
| Children's Commissioning                 | 532            | 521           | 445           | (76)           | (117)             | 41                      |
| Commissioning Management                 | 2,830          | 54            | 8             | (46)           | 72                | (118)                   |
| Development and Sufficiency              | 1,462          | 1,087         | 1,090         | 3              | 34                | (31)                    |
| Early Years                              | 729            | 527           | 434           | (93)           | (35)              | (58)                    |
| Education Improvement                    | 166            | 51            | 41            | (10)           | (21)              | 11                      |
| DSG                                      | 116,183        |               |               | 0              | 0                 | 0                       |
| <b>Education &amp; Commissioning</b>     | <b>125,183</b> | <b>5,416</b>  | <b>5,099</b>  | <b>(317)</b>   | <b>(349)</b>      | <b>32</b>               |
| Safeguarding and Review                  | 929            | 678           | 681           | 3              | 0                 | 3                       |
| Children in Need                         | 2,464          | 2,361         | 2,142         | (219)          | (184)             | (35)                    |
| Looked After Children                    | 10,473         | 10,297        | 13,313        | 3,016          | 2,977             | 39                      |
| Safeguarding Development                 | 289            | 289           | 191           | (98)           | (86)              | (12)                    |
| Safeguarding & Early Help Management     | 1,159          | 1,159         | 951           | (208)          | (169)             | (39)                    |
| <b>Safeguarding &amp; Family Support</b> | <b>15,314</b>  | <b>14,784</b> | <b>17,278</b> | <b>2,494</b>   | <b>2,538</b>      | <b>(44)</b>             |
| <b>Children's Wellbeing</b>              | <b>140,729</b> | <b>20,409</b> | <b>22,403</b> | <b>1,994</b>   | <b>2,019</b>      | <b>(25)</b>             |



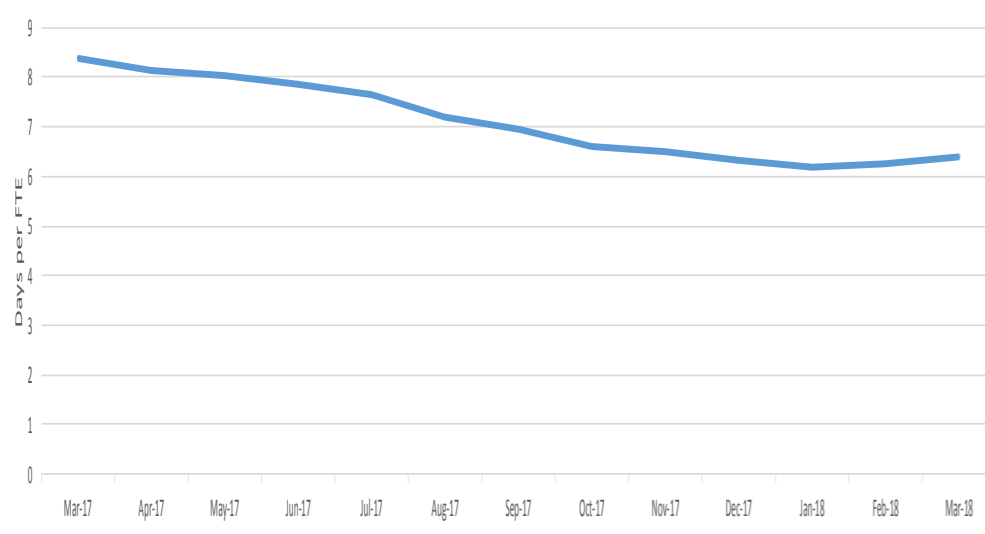


| Staffing  |        |        |        |        |        |        |        |        |        |        |        |        |        |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
|   | Mar-17 | Apr-17 | May-17 | Jun-17 | Jul-17 | Aug-17 | Sep-17 | Oct-17 | Nov-17 | Dec-17 | Jan-18 | Feb-18 | Mar-18 |
| FTE   | 484    | 482    | 478    | 480    | 481    | 484    | 484    | 477    | 480    | 481    | 482    | 480    | 481    |
| Headcount   | 583    | 578    | 570    | 573    | 571    | 575    | 574    | 568    | 569    | 571    | 574    | 579    | 572    |
| Permanent Workforce Costs (£k)                            | 1,407  | 1,429  | 1,424  | 1,424  | 1,446  | 1,462  | 1,448  | 1,451  | 1,445  | 1,456  | 1,438  | 1,504  | 1,428  |
| Agency FTE  | 11     | 14     | 13     | 12     | 14     | 7      | 10     | 15     | 11     | 8      | 8      | 9      | 9      |
| Agency Costs (£k)   | 73     | 30     | 54     | 43     | 57     | 20     | 60     | 38     | 26     | 53     | 79     | 48     | 51     |
| Absence - days lost per FTE per annum (rolling 12 months) | 8      | 8      | 8      | 8      | 8      | 7      | 7      | 7      | 7      | 6      | 6      | 6      | 6      |
| Monthly turnover (annualised based on FTE)                | 9.1%   | 10.6%  | 10.8%  | 10.3%  | 9.9%   | 9.2%   | 9.7%   | 10.6%  | 10.9%  | 9.8%   | 9.4%   | 9.5%   | 9.4%   |

FTE trend



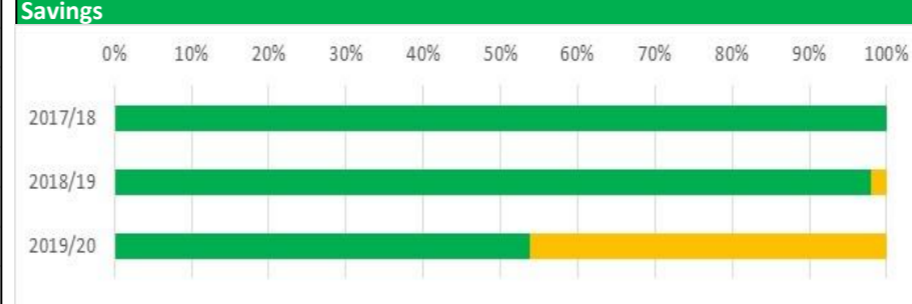
Absence - days lost per FTE per annum (rolling 12 months)



| Performance Measure   | Target 2017/18                       | Outturn                                       |                            |                 |                   |                          |                          | Frequency            | Polarity          | Direction of Travel |
|---|--------------------------------------|---|----------------------------|-----------------|-------------------|--------------------------|--------------------------|----------------------|-------------------|---------------------|
|   |                                      | 2016/17                                       | 2017/18                    |                 |                   |                          |                          |                      |                   |                     |
|   |                                      |   | End of May                 | Q1              | Q2                | Q3                       | End-of-year              |                      |                   |                     |
| Percentage reduction in annual domestic energy consumption in Herefordshire (annual in arrears, 2 year lag) | 49% (2015)                           |   |                            | 46.2%           |                   |                          | Bi-annual                | Bigger is better     |                   |                     |
| Reduce anti-social behaviour  | <8,558                               | 6,382   |                            | 3,460           |                   | Not available until July | Quarterly in arrears     | Bigger is better     |                   |                     |
| Increase the proportion of hate crime incidents that are reported   | >78                                  | 92  |                            | 9               |                   | Not available until July | Quarterly in arrears     | Bigger is better     |                   |                     |
| No of business start-ups still operating after 24 months  | 78%                                  | 77.2% (2015)                                  |                            |                 |                   | 80%                      | Annual                   | Bigger is better     | ▲                 |                     |
| LEADER: creating jobs and supporting small and micro businesses   | 100% consistent against profile      | 100%  |                            | 100%            | 100%              | 38.40%                   | 75%                      | Quarterly in arrears | Plan is best ▼    |                     |
| Increase the % of working age population in employment  | 77%                                  | 76.30%  |                            | 77.8%           | 78.30%            | 78.70%                   | Not available until July | Bigger is better     | ▲                 |                     |
| Higher median workplace based earnings  | £470.00                              | £444.70                                       |                            |                 |                   | £448.40                  | Annual                   | Bigger is better     | ▲                 |                     |
| Reduce the workplace based earnings gap between Herefordshire and the West Midlands                         | <14%                                 | Gap 12.8%                                     |                            |                 |                   | 12.9%                    | Annual                   | Smaller is better    | ▼                 |                     |
| Minimise the number of people killed or seriously injured in road traffic collisions (3 year average)       | 75                                   | 94 (2016)                                     | 91 (to April 17)           | 90              | 90                | 96                       | Monthly (in arrears)     | Smaller is better    | ▼                 |                     |
| Condition of Principal roads  | Threshold 5-7-10                     | 6   |                            |                 |                   | 7                        | Annual                   | Smaller is better    | ▼                 |                     |
| Condition of Non-Principal Roads (B/C roads)  | Threshold 5-7-10                     | 7   |                            |                 |                   | 8                        | Annual                   | Smaller is better    | ▼                 |                     |
| Condition of Unclassified Roads   | Threshold 25-28-31                   | 26  |                            |                 |                   | 26                       | Annual                   | Smaller is better    | ▶                 |                     |
| Increase levels of cycling (Hereford only)  | 132                                  | 118   |                            |                 |                   | 133                      | Annual                   | Bigger is better     | ▲                 |                     |
| Improve bus punctuality   | 90%                                  | 87%   |                            |                 |                   | Survey not conducted     | Annual                   | Bigger is better     |                   |                     |
| Improve average journey time for multiple routes across the urban area in the morning weekday peak period   | 19 minutes                           | 22.48 minutes                                 |                            |                 |                   | Not available until June | Annual                   | Smaller is better    |                   |                     |
| % of county premises with access to Next Generation Access (NGA) broadband                                  | 87%                                  | 78% (Jan 17)                                  | 82%                        | 82%             | 82%               | 82%                      | 85.40%                   | Quarterly            | Bigger is better  | ▲                   |
| Supply of ready to develop housing sites  | 6,331                                | 5,692   |                            |                 |                   | Not available until June | Annual                   | Bigger is better     |                   |                     |
| Net additional homes provided   | 850                                  | 405   |                            |                 |                   | Not available until June | Annual                   | Bigger is better     |                   |                     |
| Investment achieved through the EU, Government and other funding programmes                                 | £10.1m                               | £9.99m  |                            |                 |                   | £10.35m                  | Annual                   | Bigger is better     | ▲                 |                     |
| Improve processing rates for planning applications (24 month rolling period):                               |                                      |   |                            |                 |                   |                          |                          |                      |                   |                     |
| Major   | 60%                                  | 82% (12m rolling avg) 78.7% (24m rolling avg) | 80.1%                      | 80.2%           | 83.6%             | 85.5%                    | 86.30%                   | Monthly              | Bigger is better  | ▲                   |
| Non-major (Minors and Others aggregated)  | 65%                                  | 72.3% (24m rolling avg)                       | 72.9%                      | 73.2%           | 74.5%             | 75.9%                    | 77.80%                   | Monthly              | Bigger is better  | ▲                   |
| Increase the proportion of appeal decisions that are dismissed  | 65%                                  | 75%   | 86%                        | 90%             | 75%               | 79%                      | 77%                      | Monthly              | Bigger is better  | ▲                   |
| Reduce the amount of Residual Household Waste per Household per year  | <540kg (-27% to end of September)    | 540kg (provisional)                           | 44.75 kg (to April)        | 143.7 kg        | 289.1 kg          | 411.2 kg                 | 544.97 kg                | Monthly (in arrears) | Smaller is better | ▼                   |
| Increase the % of household waste that has been recovered for recycling and reuse                           | 41%                                  | 41.6% (provisional)                           | 41% (provisional to April) | 41%             | 40.7%             | 40.5%                    | 40%                      | Monthly (in arrears) | Bigger is better  | ▼                   |
| Reduce energy consumption and CO2 emissions from Herefordshire Council's operations                         | 32% (2016) 32% (2017)                | 29.6% (2015)                                  | 32.25% (2016)              |                 |                   |                          |                          | Annual (in arrears)  | Bigger is better  | ▲                   |
| Increase the number of new council tax registrations  | >592 (-632 to end of September)      | 592   | 54                         | 105             | 312               | 531                      | 726                      | Monthly              | Bigger is better  | ▲                   |
| Improved collection rates for Council Tax   | 98% (-59.17% to end of September)    | 97.97%  | 22.3%                      | 31.62%          | 58.93%            | 86.70%                   | 98.28%                   | Monthly              | Bigger is better  | ▲                   |
| Improved collection rates for Business Rates  | 98.59% (-61.25% to end of September) | 98.59%  | 27.5%                      | 38.36%          | 63.67%            | 86.66%                   | 98.64%                   | Monthly              | Bigger is better  | ▲                   |
| Net new business rates achieved   | >112 (£75 to end of September)       | 112   | 6 (to April)               | 15              | 45                | 91                       | 147                      | Monthly              | Bigger is better  | ▲                   |
| Improve the processing of housing benefit claims  | 19 days                              | 20.25 days                                    | 21.03 days                 | 20.53 days      | 21.49 days        | 23.83 days               | 24.65 days               | Monthly              | Smaller is better | ▼                   |
| Spend within the council's overall budget   | Balanced budget                      | £600k underspend                              |                            | £1.8m overspend | £2.172m overspend | £2.001m overspend        | £10k overspend           | Bi-monthly           | Smaller is better | ▼                   |
| Achieve £7.15 million savings in 2017/18  | £7.15 million                        | £10.9million                                  | £6.069 million             | £6.069 million  | £6.069 million    | £6.069 million           | £6.069 million           | Bi-monthly           | Bigger is better  | ▼                   |
| Mandatory training compliance for all eligible staff  | 95%                                  | 89%   |                            |                 |                   |                          | Data being verified      | Quarterly            | Bigger is better  |                     |
| Compliance with the Information Governance (IG) Toolkit   |                                      | 79%   |                            | 78%             | 78%               | 78%                      | 78%                      | Quarterly            | Bigger is better  | ▼                   |
| New and returning visitors to the council's website   | 1million                             | New for 17/18                                 | 181,944                    | 264,611         | 532,855           | 828,605                  | 1,137,206                | Monthly              | Bigger is better  | n/a                 |
| Reduce absence (sickness rates)   | 10                                   | 9.57  | 9.34                       | 9.32            | 8.94              | 8.39                     | 8.25                     | Monthly              | Smaller is better | ▼                   |
| Improvement in employee engagement index (measured through staff survey)                                    | 45%                                  | N/A   |                            |                 |                   | 36%                      |                          | Annual               | Bigger is better  | ▲                   |

**Risk Management**

There are no significant risks still rated Red after controls



**Programme**

**City Centre Improvements**  
 High Town Refurbishment, St Owen Street Contraflow, On Street parking and Residents Parking

Commercial Street repaving works to commence in early May 2018 and are scheduled to avoid Cathedral poppies event and May Fair. Residents Parking scheme consultation concluded end October 2017 and feedback being analysed. Some local reconsultation is taking place to address objections. On street parking implementation complete. Consultation on proposed changes to OSP in April 2018. St Owen Street cycle contraflow public event held in July 2017 and consultation period ended August 2017. Key stakeholder event held and next steps agreed. Statutory consultation to commence prior to school holidays in July 2018.

**Enterprise Zone development / sales / jobs**

Ground raising works on plots N4 and N18 have been commissioned through BBLP and work has commended on N4. Completion of this work will enable two land sales for a total of 4.6 acres to progress to completion. Council has approved a discretionary business rate relief scheme, replacing the previous government EZ business rates relief scheme, which will be made available to provide relief to new businesses locating on the EZ during 2018/19 and 2019/20. 31 acres of land sold; 33,000 sqm of workspace has been developed; and 612 jobs created to date.

**South Wye Transport Package**  
 Southern Link Road and associated Active Travel Measures

CPO & SRO orders made in March 2018 and objection period concludes in April. In tandem with the CPO process direct negotiations with landowners are taking place. Record of officer decision being prepared to enable procurement of SLR contractor to commence in May 2018. Development of preferred package and business case progressing to programme

**Hereford Transport Package**  
 Hereford Bypass and Active Travel Measures

Phase 2 consultation commenced on 6 February 2018 and completed 20 March 2018. Consultation feedback being analysed and will be summarised in a public consultation report. Technical work continues in parallel to enable selection of preferred route in accordance with programme following analysis of consultation feedback. Cabinet meeting to consider preferred route now scheduled for 19 July 2018.

**Road maintenance Challenge Fund project (new project)**

Phase 1 complete. Review underway with regard to the delivery method and timescale for phase 2, which will complete the project. Spend in phase 1 has met DfT grant requirements.

**Budget outturn**

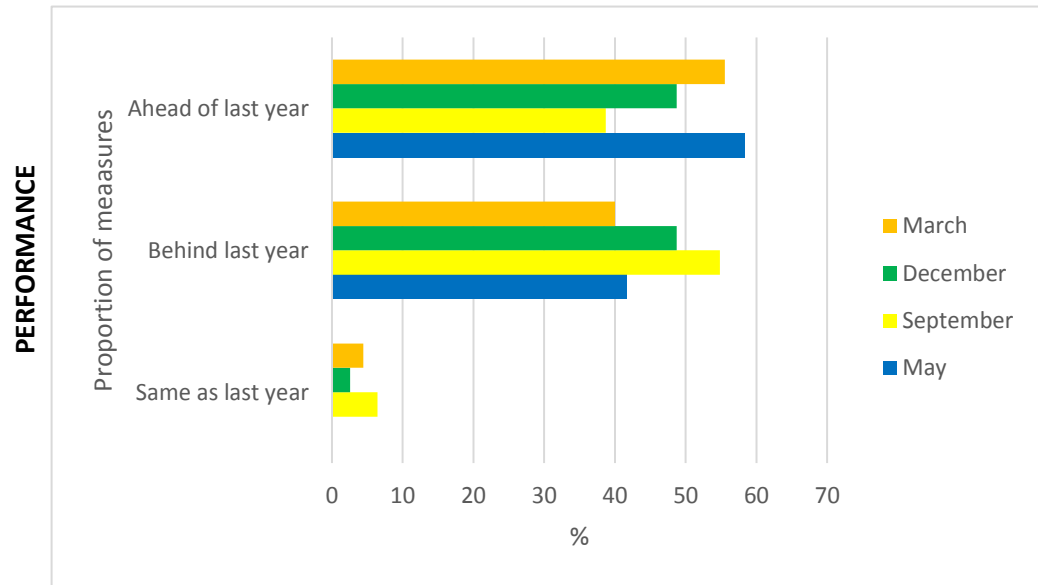
|                                      | Gross Budget  | Net Budget    | March Outturn | March Variance      | December Variance    | Movement since December |
|--------------------------------------|---------------|---------------|---------------|---------------------|----------------------|-------------------------|
|                                      | £000          | £000          | £000          | £000                | £000                 | £000                    |
|                                      |               |               |               | Over / (Under)spend | Over / (Under) spend | Adv / (Fav)             |
| Directors                            | 919           | 916           | 783           | (133)               | (45)                 | (88)                    |
| Environment and Place                | 42,229        | 27,511        | 28,208        | 697                 | (96)                 | 793                     |
| Resources                            | 15,090        | 11,072        | 10,517        | (555)               | (112)                | (443)                   |
| Growth                               | 2,568         | 2,021         | 2,010         | (11)                | (18)                 | 7                       |
| Communities                          | 9,466         | 7,533         | 7,360         | (173)               | 120                  | (293)                   |
| <b>Total ECC and Chief Executive</b> | <b>70,272</b> | <b>49,053</b> | <b>48,878</b> | <b>(175)</b>        | <b>(151)</b>         | <b>(24)</b>             |
| Severe Weather Reserve               | 858           | 858           | 0             | (858)               | 0                    | (858)                   |



Overview

| FINANCE                          | Overview       |                |                     |                     |                   |                         |
|----------------------------------|----------------|----------------|---------------------|---------------------|-------------------|-------------------------|
|                                  | Gross Budget   | Net Budget     | Outturn             | Variance            | December Variance | Movement since December |
|                                  | £000           | £000           | £000                | £000                | £000              | £000                    |
|                                  |                |                | Over / (Under)spend | Over / (Under)spend | Adv / (Fav)       |                         |
| Directorate Net Budget           |                |                |                     |                     |                   |                         |
| Adults and Wellbeing             | 83,810         | 51,897         | 51,977              | 80                  | 880               | (800)                   |
| Children's Wellbeing             | 140,729        | 20,409         | 22,403              | 1,994               | 2,019             | (25)                    |
| Economy, Communities & Corporate | 70,272         | 49,053         | 48,878              | (175)               | (151)             | (24)                    |
| Severe Weather Reserve           | 858            | 858            | 0                   | (858)               | 0                 | (858)                   |
| <b>Directorate total</b>         | <b>295,669</b> | <b>122,217</b> | <b>123,258</b>      | <b>1,041</b>        | <b>2,748</b>      | <b>(1,707)</b>          |
| Other budgets and reserves       | 78,531         | 22,809         | 21,778              | (1,031)             | (747)             | (284)                   |
| <b>TOTAL</b>                     | <b>374,200</b> | <b>145,026</b> | <b>145,036</b>      | <b>10</b>           | <b>2,001</b>      | <b>(1,991)</b>          |

Direction of travel (measures compared to last year)

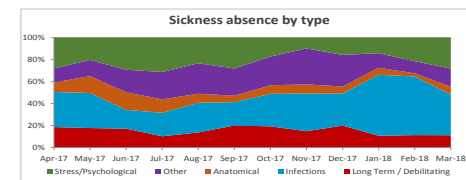
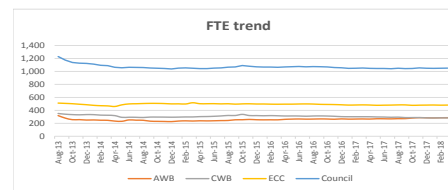
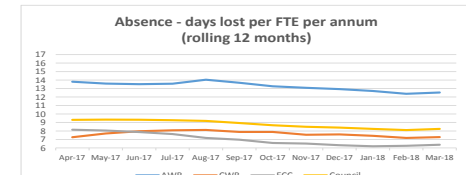
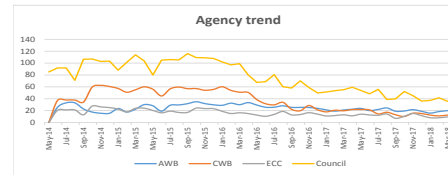


Significant corporate risks

RISK There are no corporate risks rated Red after controls.

|   | Mar-17 | Apr-17 | May-17 | Jun-17 | Jul-17 | Aug-17 | Sep-17 | Oct-17 | Nov-17 | Dec-17 | Jan-18 | Feb-18 | Mar-18 |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| FTE   | 1053   | 1048   | 1046   | 1046   | 1042   | 1050   | 1044   | 1047   | 1055   | 1050   | 1048   | 1049   | 1051   |
| Headcount   | 1,228  | 1,220  | 1,212  | 1,213  | 1,205  | 1,214  | 1,204  | 1,206  | 1,213  | 1,205  | 1,205  | 1,219  | 1,208  |
| Permanent Workforce Costs (£k)                            | 2,943  | 3,117  | 3,102  | 3,114  | 3,137  | 3,162  | 3,130  | 3,173  | 3,181  | 3,255  | 2,996  | 3,275  | 3,027  |
| Agency FTE  | 55     | 59     | 54     | 48     | 56     | 39     | 40     | 52     | 45     | 36     | 37     | 42     | 36     |
| Agency Costs (£k)   | 357    | 159    | 233    | 161    | 231    | 146    | 193    | 196    | 257    | 164    | 209    | 279    | 199    |
| Absence - days lost per FTE per annum (rolling 12 months) | 10     | 9      | 9      | 9      | 9      | 9      | 9      | 9      | 9      | 8      | 8      | 8      | 8      |
| Monthly turnover (annualised based on FTE)                | 11.90% | 12.20% | 12.10% | 12.30% | 12.40% | 12.10% | 12.70% | 12.60% | 12.40% | 12.10% | 11.80% | 12%    | 11.80% |

WORKFORCE







|                         |   |
|-------------------------|---|
| <b>Meeting:</b>         | <b>Cabinet</b>                                      |
| <b>Meeting date:</b>    | <b>Thursday 28 June 2018</b>                        |
| <b>Title of report:</b> | <b>Annual review of earmarked reserves</b>          |
| <b>Report by:</b>       | <b>Cabinet member corporate strategy and budget</b> |

## Classification

Open

## Decision type

Key

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.

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

## Wards affected

All wards

## Purpose and summary

To approve proposed changes to earmarked reserves following the annual review.

Earmarked reserves are established to hold revenue balances to fund future year commitments over and above the annual budget requirement. They generally arise where funding exceeds expenditure, usually due to the timing of receipts being ahead of incurring expenditure. As a matter of good practice a review is undertaken each year to establish the continued need for reserves held for earmarked purposes to ensure resources can be used to best effect whilst maintaining a prudent level of reserves to meet future anticipated commitments.

The annual review has highlighted the proposed movement of £7.5m of reserve funding from two reserves held into alternative reserves, summarised below-

- Reduction of the sparsity reserve (£6.4m)

- Part utilisation of the minimum revenue provision reserve (£1.1m)
- Severe weather fund, proposed reserve addition of £1.4m
- Children’s wellbeing structural change, new reserve of £1.6m
- Adults and wellbeing provision of care cost, new reserve of £0.5m
- Road remedial works, £2.8m
- Living Wage, new reserve of £0.5m
- Health and wellbeing new reserve of £0.5m
- Legal services demand, new reserve £0.2m

## **Recommendation(s)**

**That:**

**(a) the following movements re earmarked reserves be approved:**

- **the sparsity reserve be reduced by £6.4m**
- **the minimum revenue provision reserve be reduced by £1.1m**
- **the severe weather reserve be increased by £1.4m**
- **a new reserve of £1.6m established to support structural change in children’s wellbeing**
- **a new reserve of £0.5m established to support providing care costs in Adults and Wellbeing**
- **a new reserve of £2.8m established to support remedial road works**
- **a new reserve of £0.5m established to meet any future liabilities re living wage claims**
- **a new reserve of £0.5m established to support the community health and wellbeing requirements**
- **legal services demand, £0.2m**

## **Alternative options**

1. To not approve the proposed earmarked reserve movements. This would mean reserves remain earmarked for the purposes currently stated and may not be used to support priority activity. The proposals follow an annual review and therefore the alternative option is not recommended.

2. To propose alternative movement of reserves. This is open for Cabinet to determine. However should that mean that funds that are required for an earmarked purpose are no longer available an alternative method of funding would need to be secured.

## Key considerations

3. The council holds earmarked reserve balances to fund future year commitments over and above the annual budget requirement. Whilst ensuring that the overall annual budget is balanced, the council has been carefully building reserves to a prudent level to manage future financial risk and to support future financial needs, both foreseen and unforeseen.
4. The central government final financial settlement in preceding years resulted in an increase in the rural sparsity delivery grant allocated to Herefordshire. This additional funding was allocated to the sparsity earmarked reserve (as approved by Council as part of the annual budget setting process).
5. The annual review, undertaken by the s151 officer, invited suggestions from directors and senior management to address some of the comments raised by the Corporate Peer challenge in using some of our accumulated and unallocated reserves to meet the priorities of the corporate plan and address some of the current and future challenges.
6. Directors were asked to consider one-off spends that could prove spend to save initiatives, that would decrease risk in meeting planned savings targets in the Medium Term Financial Strategy or that would address the corporate risk assessment and provide greater confidence in delivering our corporate objectives. Proposals will not add to any base budget requirement going forward and are proposed to support the delivery of savings or target specific outcomes.
7. Part of the annual review included comparing the level of reserve balances held to our statistical neighbouring councils. This review concluded that, at 24% of net expenditure, the council has a similar level of reserve balances as those held by comparator councils, with the average being 23%.
8. The council's useable reserves are split between general reserves and earmarked reserves that are held for certain purposes. Part of the council's general reserve is held as a strategic reserve to cover emergency events such as unforeseen financial liabilities or natural disasters. This reserve is maintained at a minimum level of between 3% and 5% of the council's net revenue budget. As at 31<sup>st</sup> March 2018 the general reserve balance (which includes the collection fund reserve) totalled £9.4m, being 6.5% of the councils 2018/19 net expenditure. The remainder of the council's general reserve is held to support one-off and limited on-going revenue spending and for smoothing the impact of the late delivery of savings plans.
9. The council's earmarked reserves, which include school balances, are held to meet specific identified spending commitments. These reserves will only be used for the purpose for which they were created. Appendix 1 details the current earmarked reserve balance held, commitments already approved against these balances, proposed changes and proposed restated earmarked reserve purpose and balance.
10. Following a review of the existing earmarked reserves, the majority are proposed to be retained as the requirement remains unchanged however the utilisation of the sparsity reserve and part utilisation of the MRP reserve are proposed. The sparsity reserve was established following the receipt of the rural service delivery grant. The utilisation of this

reserve is recommendation in line with the additional costs Herefordshire encounters due to its sparse nature. The cost of providing services and maintaining the road network in a rural sparse setting can be higher than urban counterparties due to the associated time and distance pressures.

11. The changes proposed are as follows:-

- a. Full utilisation of the sparsity reserve, £6.4m. This reserve was established following the uplift of the rural services delivery grant funding in the central government funding settlement. The utilisation of this funding is recommended for the purposes listed below.
- b. Part utilisation of the minimum revenue provision (MRP) reserve of £1.1m. This reserve was established following the MRP policy review in 2017/18, using £1.1m of this funding for the purposes listed below will leave a balance of £4.0m which is intended to be uplifted each year of the medium financial strategy term period and set aside to fund potential future year addition notional debt repayment costs.
- c. Severe weather fund, proposed reserve addition of £1.4m. This reserve was reduced to £nil during 2017/18, following the adverse weather conditions so it is proposed to increase this to £1.4m to fund potential bad weather related costs, for example in ensuring the rural road network remains navigable, in future years.
- d. Children's wellbeing structural change, new reserve of £1.6m. This is to target investment in three areas, being caseloads, performance management and demand management, to bring immediate and longer term benefits, avoid significant cost and provide support to strengthen Herefordshire's approach.
- e. Adults and wellbeing, new reserve of £0.5m. This is proposed to target the continuing health care provision throughout the rural county.
- f. Road remedial works, £2.8m. Following the impact of the winter weather on the county's road network it is proposed that this reserve funds remedial works required in addition to the programme revenue and capital works already approved. There will be remaining works required after this investment.
- g. Living wage liability reserve, new reserve of £0.5m. This is proposed to fund unknown liabilities that may arise following recent living wage announcements, no challenges have been received to date.
- h. Health and wellbeing new reserve of £0.5m, proposed to resource a combined approach to enhance the proactive activity towards promoting the county's residents public health and wellbeing projects with our strategic partners.
- i. Legal services demand, new reserve of £0.2m to meet potential court costs and counsel fees arising from childcare legal cases. The plan is to have in house staff lead on cases and CWB to take a more proactive approach which is expected to increase the demand for advice work from the legal team.

## Community impact

12. The use of reserve funding proposals demonstrates how the council is using its financial resources to best deliver the priorities within the agreed corporate plan, health and safety obligations and corporate parenting responsibilities.



13. Before each reserve balance is spent a separate report will detail the expenditure plans and how they will specifically impact the community.

## **Equality duty**

14.

Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
  - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
15. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. The proposals, if approved, will lead to a decision making process which will demonstrate how the implementation of the proposal will pay due regard to equality legislation.

## **Resource implications**

16. The use of reserve funding utilises existing resources. The actual incurring of expenditure against earmarked reserves will be subject to approval following the usual governance processes which will detail the resource implication of each proposal.
17. This review does not change the budget approved by Council in January 2018 and is proposed in accordance with the reserves policy included in the medium term financial strategy approved at the same time.

## **Legal implications**

18. The review of earmarked reserves does not have in itself a legal implication, including reserves to manage risks is a prudent approach.

## **Risk management**

19. Maintaining reserves for risk mitigation is recommended by Cipfa as best practice. The minimum levels referred to in the report are in line with Cipfa recommended practices. The recent corporate review identified that reserve usage should be reviewed which has led to the review and the concluding proposals recommended.

## **Consultees**

20. Political groups have been consulted with, no objections or comments have been received.

## **Appendices**

Appendix 1 – earmarked reserves review proposals

## **Background papers**

None

### Summary of earmarked reserve review proposals

| Reserve name                    | 31/03/18<br>balance £m | Capital<br>commitment £m | Proposals<br>£m | Restated<br>balance £m |
|---------------------------------|------------------------|--------------------------|-----------------|------------------------|
| School balances                 | 8.1                    |                          |                 | 8.1                    |
| Settlement monies               | 8.0                    | (5.6)                    |                 | 2.4                    |
| Sparsity Reserve                | 6.4                    |                          | (6.4)           | -                      |
| Business Rate smoothing         | 6.0                    |                          |                 | 6.0                    |
| Waste Disposal                  | 5.7                    |                          |                 | 5.7                    |
| Minimum Revenue Provision       | 5.1                    |                          | (1.1)           | 4.0                    |
| Risk mitigation                 | 3.6                    |                          |                 | 3.6                    |
| Other small reserves            | 1.6                    |                          |                 | 1.6                    |
| Severe Weather Fund             | -                      |                          | 1.4             | 1.4                    |
| Whitecross School PFI           | 1.0                    |                          |                 | 1.0                    |
| Pensions Risk                   | 0.9                    |                          |                 | 0.9                    |
| ICT                             | 0.8                    |                          |                 | 0.8                    |
| Education Redundancy            | 0.6                    |                          |                 | 0.6                    |
| School absence                  | 0.5                    |                          |                 | 0.5                    |
| Short Breaks                    | 0.5                    |                          |                 | 0.5                    |
| Hereford Enterprise Zone        | 0.4                    |                          |                 | 0.4                    |
| Three Elms Trading Estate       | 0.4                    |                          |                 | 0.4                    |
| Industrial Estates              | 0.4                    |                          |                 | 0.4                    |
| Insurance                       | 0.3                    |                          |                 | 0.3                    |
| Community / Library Services    | 0.3                    |                          |                 | 0.3                    |
| CWB structural challenge        | -                      |                          | 1.6             | 1.6                    |
| AWB - CHC pressure              | -                      |                          | 0.5             | 0.5                    |
| Road winter deterioration works | -                      |                          | 2.8             | 2.8                    |
| Living wage                     | -                      |                          | 0.5             | 0.5                    |
| Health and wellbeing            | -                      |                          | 0.5             | 0.5                    |
| Legal services demand           | -                      |                          | 0.2             | 0.2                    |
| Unused grants carried forward   | 5.7                    |                          |                 | 5.7                    |
| <b>Total</b>                    | <b>56.3</b>            | <b>(5.6)</b>             | <b>0.0</b>      | <b>50.7</b>            |

## Appendix 1

### Reserve purpose

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Specific ring-fenced school balances

To remedy defects

Awarded to address rural pressures

Rate retention in 2020/21 risk mitigation

Ear marked to fund cost increases during PFI

Notional debt repayment cost increases

To fund cost of settling disputes

Ear marked for specific schemes

To fund one off costs like gritting

Earmarked to fund PFI costs

Set aside for tri-annual revaluation

Specific ICT equipment commitments

For exceptional circumstances

Sickness absence school costs

Allocated funding

To fund business rates discounts

Investment in the estate

Tenant sinking fund

Set aside for unfunded claims

A number of smaller projects

To deliver immediate and longer term benefits

Continuing healthcare provision

Remedial works required

Potential living wage challenges

Supporting public health

Supporting potential CWB cases

Specific grant allocations



|                         |   |
|-------------------------|---|
| <b>Meeting:</b>         | <b>Cabinet</b>                                      |
| <b>Meeting date:</b>    | <b>Thursday 28 June 2018</b>                        |
| <b>Title of report:</b> | <b>Capital Programme Update</b>                     |
| <b>Report by:</b>       | <b>Cabinet member corporate strategy and budget</b> |

## Classification

Open

## Decision type

Budget and policy framework

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.

This is a key decision because it is likely to be significant having regard to: the strategic nature of the decision; and / or whether the outcome will have an impact, for 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 (two or more wards) affected.

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

## Wards affected

(All Wards);

## Purpose and summary

To recommend to Council proposed in year adjustments to the capital programme including proposed investment additions for 2018/19, 2019/20 and 2020/21. These items are in addition to the £92.418m for 2018/19, £48.078m 2019/20 and £8,484 2020/21 capital funding approved by Council in January 2018

The report proposes some adjustments to reflect increased or unanticipated grant allocations and s106 funding secured and proposes some changes to reflect the way in which some individual projects are now anticipated to be funded. Additional provision is sought to enable development of the Shell Store; the additional provision arises as a result of construction costs inflation and an

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Further information on the subject of this report is available from  
Karen Morris, email: karen.morris1@herefordshire.gov.uk

error in the programme approved by Council. In addition, two new schemes are proposed to be added:

- the Cyber Security Centre to support the development of specialist facilities including business space for small and medium enterprises (SME's), research and product testing lab space, and educational and training space at Rotherwas; and
- the redevelopment of the Hillside Rehabilitation Centre to provide additional residential nursing care provision in the county.

If approved the proposals will have an increase in the capital programme of £3.5m and £1.5m respectively and funded by £1.5m use of capital receipts, £2m borrowing for Cyber Security Centre and £1.5m borrowing for Hillside.

A delegation is sought to enable the Chief Finance Officer (as s151 officer) to approve in year amendments to the capital budget where the amendment arises as a result of securing external funding.

## Recommendation(s)

**That the following be recommended to Council**

- (a) **the addition of £6.711m grant funding and s106 contributions to existing project budgets within the existing capital programme as detailed in the table below be approved**

| <b>Scheme Name</b>                        | <b>2018/19<br/>New Budget/<br/>Grant</b> |
|---|--|
| <b>Economy, Communities and Corporate</b> |  |
| Local Transport Plan (LTP)                | 3,198                                    |
| Fastershire Broadband                     | 1,674                                    |
| ECC's S106                                | 756                                      |
| <b>Total ECC Capital Projects</b>         | <b>5,629</b>                             |
| <b>Childrens wellbeing</b>                |  |
| Schools Capital Maintenance Grant         | 33                                       |
| CYPD's S106                               | 589                                      |
| Special Provision Capital Fund            | 167                                      |
| Healthy Pupils                            | 99                                       |
| Basic Needs Funding                       | 48                                       |
| <b>Total CWB Capital Projects</b>         | <b>936</b>                               |
| <b>Adults and wellbeing</b>               |  |
| Disabled facilities grant                 | 147                                      |
| <b>Total AWB Capital Projects</b>         | <b>147</b>                               |
| <b>Total</b>                              | <b>6,711</b>                             |

- (b) **the special provision capital fund be increased by £167k in each of 2019/20 and 2020/21 capital budgets for the new grant allocation;**
- (c) **additional provision of £1.116m be made to support development of the Hereford Enterprise Zone Shell Store making the total provision for this project £7.316m;**

- (d) provision of £1.5m be made to support conversion of the Hillside Rehabilitation Centre to provide a nursing home facility;
- (e) provision of £3.5m be made to support delivery of a Cyber Security Centre at Rotherwas;
- (f) approve the changes set out at paragraphs 35 and 36 to funding streams for Ross Enterprise Park and Childrens Wellbeing projects and adjustments across directorate projects with an overall reduction of £476,000;
- (g) the revised 2018/19 capital budget of £145.315m detailed in appendix 1 be adopted, which consists of £40.816m 2017/18 brought forward balances and previous approved budgets of £92.148m, along with the below items recommended for approval; and
- (h) the chief finance officer be authorised, following consultation with the Cabinet Member Finance and Corporate Services to make in year amendments to the capital programme to reflect additional external funding secured in year.

### Alternative options

1. Not to recommend the proposed amendments and additions. This is not recommended as this would lead to a loss of £6.711m additional income or the inability to deliver projects brought forward in order to further achievement of the corporate plan priorities and outcomes
2. Not to seek a delegation to make in year amendments to the capital budget to reflect external funding secured. This is not recommended as the addition of external funding to the budget does not adversely impact on the council's financial position and any drawing down of that funding would be subject to separate governance.

### Key considerations

3. The capital programme reflects capital investment generating benefit to the county for a period in excess of one year.
4. The programme was approved by Council in January 2018 having followed budget and policy framework rules; this report now proposes in year changes to the approved programme.
5. The programme adjustments reflect a total carry forward from 2017/18 of £40.816m, as detailed in appendix 1 and reflects the budget balance remaining of previously approved capital project budgets which have either not yet started or have not spent to profile; the project leads have confirmed that the funding allocations remain necessary to deliver the projects.
6. Additional capital budgets of £12.827m (detailed in appendix 1) are now being proposed in 2018/19. Of this, £6.711m arises from increased or unanticipated grants or S106 receipts and need to be reflected to ensure the grants can be spent in line with any grant guidelines for the financial year. These additional grants include £931,455 government pothole funding which now provides a total allocation of £1.253m in 2018/19 within the Local Transport Plan budget.

7. The remaining £6.116m proposed capital investment is to support additional provision for the development of Hereford Enterprise Zone Shell Store and two new projects: the redevelopment of Hillside to provide additional residential nursing care capacity in the county, and the Cyber Security Centre. More detail about these three projects is provided below.

### **The Shell Store**

8. The Shell Store – Hereford’s Technology Incubation and Development Application Centre is a unique opportunity to create a business incubation centre for start-up and scale-up businesses that will be a catalyst to innovation and productivity driven growth in the county. Herefordshire is one of the only places in England without a dedicated incubation facility. The project will be a generator of jobs and support business growth with current projections for support to over 250 businesses, creating over 425 jobs by 2031
9. The technology and application aspect of the centre is now a vital component of the NMiTE University and it will provide space for students to interface with businesses and solve real world engineering challenges that businesses have.
10. The project will repurpose a gradually decaying building of significant heritage value. It is currently an eyesore and not conducive to the imminent high-tech business park development proposed on this high-value part of the Enterprise Zone marketed to international investors by HM Government.
11. An increase to the Hereford Enterprise Zone Shell Store budget is proposed of £1.116m funded from £822k borrowing and £294k external contributions. This is required to correct an error that occurred resulting in a difference between the existing capital programme entry and the amount requested in the cabinet member decision, and to reflect the construction inflation experienced whilst the full funding package was being assembled.
12. In 2016 the council commissioned a RIBA Stage 3 Cost Plan which costed the project at just under £6.5m. The council has secured a £2m grant contribution towards the project from the Marches European Structural and Investment Funds (ESIF) allocation. The council has also secured a zero interest loan from the Marches LEP “Marches Investment Fund” of £2.498m. The council are required to fund the remaining cost.
13. The process to complete the funding package has taken almost two years. A review of inflation based on the latest BCIS industry data indicates that the 2016 estimate should be uplifted by 14-17%. Following a process of value engineering and cost review the revised project estimate now stands at £7.316m, which includes an increase in the contingency budget. As a consequence there is a need to increase the council contribution by £822,000 to take the council contribution to a maximum of £2.822m.
14. It is proposed that this increase in the capital contribution would be funded via an increase in the prudential borrowing requirement, the repayment of this borrowing will be funded from within the project income.

### **Hillside Rehabilitation Centre**

15. The addition of £1.5m is proposed for the Hillside property redesign project as detailed in the feasibility business case included as a background paper to this report. The council owns the freehold building currently known as Hillside Rehabilitation Centre situated on Pentwyn Avenue, Hereford HR2 7LB, approximately one mile from the city centre between the Ross Road and Belmont Road. Until recently the centre has been operated by Wye Valley Trust as a community hospital and currently has 22 ensuite bedrooms with



three day rooms, courtyards and onsite parking, however WVT have issued the council with notice to cease delivering the service within Hillside.

16. The council is scoping a feasibility study to develop a nursing home provision at Hillside that meets the need of an ageing population particularly those with complex Elderly Mental Illness needs that delivers quality care and is financially sustainable. The feasibility work will include clarification of the risks associated with legal charges relating to investment made by NHS bodies in the property. The intention is to increase the capacity from the current 22 beds to 28 which will require internal refurbishment and alternations and to have a technically advanced service that supports independence, the expected refurbishment cost is £1.5m however a detailed feasibility study with comprehensive architectural designs will be commissioned to develop the specification of the building redesign. In the event that this demonstrates an increase in refurbishment costs, further provision will be sought by cabinet subject to the business case justification being maintained.
17. The demand for nursing beds to support complex needs in Herefordshire is high and the projected demand will increase by 90% by 2039. The council finds it increasingly difficult to source quality placements at the agreed usual rate in Herefordshire due to the limited capacity available. New providers are not entering the market and a recent Competition and Market Authority report suggested the market would not build purely for council funded clients therefore the council needs to consider innovative alternative options to provide the resilience and support quality improvements across the market.
18. A model whereby a provider leases an existing facility from the council would be attractive to the provider market as it obviates the costs of borrowing significant funds to build a new care home. The expectation is that the nursing home will deliver high quality care within a high specified service and is technologically advanced to increase individual's independence as much as possible. In Herefordshire 25% of the nursing homes are below the expected level of quality of care reported by the care quality commission. The proposed nursing home can support the improvement of the quality of care within the homes by offering mentorship, advice and guidance to other homes in Herefordshire and by delivering a centre of excellence.
19. The home will also be designed to provide a training facility for care, support and nursing staff. Herefordshire has the same workforce issues as the rest of the country with sourcing and retaining care, support and nursing staff. Therefore, the nursing home will be developed into a training facility to support the development and growth of the workforce in Herefordshire.
20. Hillside is situated within a developed community with sheltered accommodation next door and approximately 40% of the local community aged 65 or over. The redesigned home will be integrated into the community and with the intention to support the local residents with nursing or care needs to remain within their own home if needed, the home will also be accessible to the residents with community activities within the home

### **Cyber Security Centre**

21. The cyber security sector is an important and fast growing part of the UK economy. The UK is one of the world leaders in the sector. Herefordshire is home to a growing cluster of cyber security businesses. But currently lacks facilities and a focus for research, developing and testing new products and services and education and training. The costs of laboratories and associated facilities are inhibitory for Small and Medium Enterprises (SME) and smaller institutions.

22. The University of Wolverhampton has undertaken extensive market testing and discussions and are proposing the development of a centre which will provide a unique range of facilities including business space for SMEs research and product testing laboratory space and educational and training space.
23. The centre would act as a key asset to help catalyse the local cyber business community grow a wider cyber network of businesses and institutions and act as a draw for national and international business investment, in support of the council's Economic Vision for the county.
24. The University has strengthened its cyber research capabilities and developed a detailed design and cost plan for the centre and secured planning permission on the Rotherwas Enterprise Zone. It has also conducted business planning which shows the centre being viable as the services and facilities get fully utilised and Intellectual property gets properly exploited.
25. The University has secured Marches LEP and ESIF grant funding of £4.1m for the project which has a total cost of £9m, and is seeking £3.5m financial support from the council through a mixture of a short term loan of £2m and an investment of £1.5 m. The University is ready to go out to tender for a contractor which would see development of the centre start by January and opening by spring 2020.

#### **Other Changes**

26. It is proposed to reallocate some of the Children's Wellbeing capital project budgets as detailed in the table below to ensure budgets are utilised in the most beneficial way. This also has an overall effect of reducing the capital budget requirement by £476,000, once the movements between each of the projects has been made.

| <b>Scheme Name</b>  | <b>2018/19 Adjustments</b> |
|---|----------------------------|
| <b>Childrens wellbeing</b>  |                            |
| Colwall Primary School  | 250                        |
| Schools Capital Maintenance Grant                                     | 45                         |
| Expansion for Marlbrook school  | (670)                      |
| Brookfield School Improvements  | (466)                      |
| Individual Pupil Needs  | 271                        |
| Hereford Academy  | (62)                       |
| Blackmarston SEN  | 31                         |
| Basic Needs Funding   | 262                        |
| Lady Hawkins Sports Hall  | (78)                       |
| Preliminary works to inform key investment need throughout the county | (59)                       |
| <b>Total CWB Capital Projects</b>                                     | <b>(476)</b>               |

27. Previously some Adults and wellbeing capital budgets were incorrectly reported under the affordable housing grant, the adjustment column shows £205,000 being reallocated correctly against other projects.
28. Approval of provision in the capital programme is not an approval to proceed. Each project will be subject to its own governance and business case before any spend may be incurred.

## Community impact

29. The capital programme budget supports the overall corporate plan and service delivery strategies in place. The overall aim of capital expenditure is to benefit the community through improved facilities and by promoting economic growth. A specific community impact assessment, including any health and safety implications or corporate parenting responsibilities, will be included in any decision report required prior to any new capital scheme commencing and incurring spend. Further details will be provided in the following decision reports ahead of incurring spend.
30. The new project proposed in relation to Hillside would support achievement of the council's corporate plan priorities to enable residents to live safe, healthy and independent lives and to secure better services, quality of life and value for money by enhancing the range and quality of provision locally.
31. The additional funding proposed for the Shell Store and for the Cyber centre support achievement of the council's corporate plan priority to support the growth of our economy by providing high quality facilities within which businesses may establish and grow, in accordance with the council's Economic Vision for the county.

## Equality duty

32. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

  - (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
  - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
33. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. Our providers will be made aware of their contractual requirements in regards to equality legislation. An equalities impact assessment will be carried out prior to any new scheme commencing and will form part of the approval process required ahead of incurring capital spend.

## Resource implications

34. The proposed increased allocations of £12.827m are funded by £6.711m grants and S106 payments and therefore if these were not approved it would mean a loss of income to the Council. The balance is supported by borrowing.

35. A number of Children’s Wellbeing projects were initially approved to be funded by grant, this has not been possible and therefore these schemes will need to be funded from borrowing. The team proactively seek any funding possibilities and will continue to where possible in the future. The increase in borrowing of £4.705m detailed in the below table was previously mainly offset last year by the £3.190m grant that was received for Colwall, when the overall budget had been approved from borrowing. The additional £1.515m will be funded from borrowing which will be reflected in the next treasury management report.

| <b>Scheme</b>                       | <b>Amendment to grant funding allocation<br/>£’000</b> |
|-------------------------------------|--|
| Preliminary Works                   | 2,074  |
| Peterchurch Primary School          | 988  |
| SEN & DDA School Improvements       | 710  |
| Marlbrook School                    | 1,409  |
| Overall reduction in budget         | (476)  |
| Total change in funding requirement | 4,705  |

36. Ross Enterprise Business Park had been approved with a budget split equally between grant and borrowing. We now know that there will be no grant available to bid for to fund this project and therefore have amended this to be funded by capital receipts, with possible future receipts from the site likely to replenish the receipts used to fund the scheme.
37. Hereford Enterprise Zone Shell Store project is requesting an additional £1.116m which is to be funded from £822,000 borrowing and £294,000 contribution, future borrowing costs will be funded from within future project income.
38. Cyber Security Centre is requesting investment of £3.5m which will be funded from £1.5m capital receipts and £2m borrowing that will be repaid as a loan from the University and therefore any borrowing costs would be recovered.
39. An initial estimate puts the Hillside refurbishment costs at no more than £1.5m; this would be a capital investment. Funding is not currently identified in the Capital Plan.
40. The capital investment could be funded by prudential borrowing, the cost of borrowing £1.5m over 25 years useful economic life would be c£720k. Alternatively the capital cost could be funded from capital receipts incurring no cost of borrowing.

## **Legal implications**

41. In year changes to the capital programme must be approved by Council unless certain circumstances in the constitution apply, which do not apply in these cases.
42. A delegation to the s 151 officer from council when additional external funds are received is permissible.

43. Section 106 of the Local Government Finance Act 1992 precludes a councillor from voting on the council's budget if he or she has an outstanding council tax debt of over two months. If a councillor is present at any meeting at which relevant matters are discussed, he or she must disclose that section 106 applies and may not vote. Failure to comply is a criminal offence,

## **Risk management**

44. For all capital projects monthly budget control meetings give assurance on the robustness of budget control and monitoring, to highlight key risks and to identify any mitigation to reduce the impact of pressures on the council's overall position for example through phasing of spend, identifying and securing scheme changes or alternative funding sources.
45. Capital projects inherently give rise to risks in their delivery, both in time and budget. Individual scheme reporting and associated project boards exist to mitigate these risks. A review of capital policies and processes is underway and will lead to cascading clarity on governance and mitigating scheme risks.
46. The individual scheme detail of the risks will be provided as individual schemes progress to approval to deliver.

## **Consultees**

47. Preliminary soft market testing has been undertaken with the care home market, providers have registered an interest in delivering the service and provided modelling information. The providers have visited the building and expressed a view that it lends itself to a nursing home and with the increase in bedded provision is a viable business.
48. Hillside is situated in the Redhill Ward with Councillor Rone as the elected ward member, Councillor Rone is supportive of the proposed redesign and future model.
49. All political groups have been consulted on the proposed changes there was no feedback on individual schemes within the paper.

## **Appendices**

Appendix 1 – Detailed capital project budgets 2018/19

## **Background papers**

Business cases



## Total proposed capital programme 2018/19

| Scheme Name   | Spend in 2018/19       |                            | 2018/19<br>New<br>Budget/<br>Grant | 2018/19<br>Adjustment<br>s | 2018/19<br>Council<br>Approved<br>Budget | 2018/19  |                          | 2019/20       | 2020/21      | 2021/22  | Total          | Capital<br>receipts<br>£000 | Grant & Prudential |               | Total          | Prior<br>Years<br>£000 | Grand<br>Total<br>£000 |
|---|------------------------|----------------------------|------------------------------------|----------------------------|--|----------|--------------------------|---------------|--------------|----------|----------------|-----------------------------|--------------------|---------------|----------------|------------------------|------------------------|
|   | Prior<br>Years<br>£000 | Brought<br>Forward<br>£000 |                                    |                            |  | Forecast | Carry<br>Forward<br>£000 |               |              |          |                |                             | budget             | budget        |                |                        |                        |
|   |                        |                            | £000                               | £000                       | £000                                     | £000     | £000                     | £000          | £000         | £000     | £000           |                             | £000               | £000          | £000           | £000                   |                        |
| <b>Economy, Communities and Corporate</b>                             |                        |                            |                                    |                            |  |          |                          |               |              |          |                |                             |                    |               |                |                        |                        |
| Hereford City Centre Transport Package                                | 32,321                 | 3,060                      |                                    |                            | 4,000                                    |          | (7,060)                  | 1,270         |              |          |                |                             |                    | 8,330         | 8,330          | 32,321                 | 40,651                 |
| Local Transport Plan (LTP)  |                        |                            | 3,198                              |                            | 10,341                                   |          | (13,539)                 | 10,341        |              |          |                |                             | 23,880             | 23,880        | 23,880         |                        | 23,880                 |
| Fastershire Broadband   | 21,320                 | 4,035                      | 1,674                              |                            | 7,248                                    |          | (12,957)                 |               |              |          |                |                             | 4,798              | 8,159         | 12,957         | 21,320                 | 34,277                 |
| Hereford Enterprise Zone  | 8,318                  | 7,682                      |                                    |                            |  |          | (7,682)                  |               |              |          |                | 7,682                       |                    | 7,682         | 8,318          |                        | 16,000                 |
| Leisure Centres   | 9,639                  | 413                        |                                    |                            |  |          | (413)                    |               |              |          |                |                             |                    | 413           | 413            | 9,639                  | 10,052                 |
| Solar Photovoltaic Panels   | 503                    | 1,631                      |                                    |                            |  |          | (1,631)                  |               |              |          |                |                             |                    | 1,631         | 1,631          | 503                    | 2,134                  |
| Corporate Accommodation   | 2,362                  | 509                        |                                    |                            |  |          | (509)                    |               |              |          |                |                             |                    | 509           | 509            | 2,362                  | 2,871                  |
| ECC's S106  |                        |                            | 756                                |                            |  |          | (756)                    |               |              |          |                |                             |                    | 756           | 756            |                        | 756                    |
| South Wye Transport Package   | 4,978                  | 1,505                      |                                    |                            | 14,000                                   |          | (15,505)                 | 6,200         | 8,317        |          |                |                             | 29,052             | 970           | 30,022         | 4,978                  | 35,000                 |
| Marches business improvement grants                                   | 833                    | 833                        |                                    |                            | 834                                      |          | (1,667)                  |               |              |          |                |                             | 1,667              |               | 1,667          | 833                    | 2,500                  |
| IT Network Upgrade  | 209                    | 291                        |                                    |                            |  |          | (291)                    |               |              |          |                |                             |                    | 291           | 291            | 209                    | 500                    |
| Property Estate Enhancement Works                                     | 826                    | 174                        |                                    |                            | 1,240                                    |          | (1,414)                  | 500           |              |          |                |                             |                    | 1,914         | 1,914          | 826                    | 2,740                  |
| LED street lighting   | 5,478                  | 177                        |                                    |                            |  |          | (177)                    |               |              |          |                |                             |                    | 177           | 177            | 5,478                  | 5,655                  |
| Herefordshire Enterprise Zone Shell Store                             |                        | 2,500                      |                                    |                            | 3,200                                    |          | (5,700)                  | 500           |              |          |                |                             |                    | 2,000         | 6,200          |                        | 6,200                  |
| Cyber Security Centre Project   |                        |                            | 3,500                              |                            |  |          | (3,500)                  |               |              |          |                | 1,500                       | 4,200              | 2,000         | 3,500          |                        | 3,500                  |
| Development Partnership activities                                    | 300                    | 300                        |                                    |                            | 20,000                                   |          | (20,300)                 | 20,000        |              |          |                | 10,000                      |                    | 30,300        | 40,300         | 300                    | 40,600                 |
| Highway asset management  |                        |                            |                                    |                            | 12,835                                   |          | (12,835)                 | 7,000         |              |          |                |                             |                    | 3,245         | 19,835         |                        | 19,835                 |
| Hereford Transport Package  |                        | 510                        |                                    |                            | 2,450                                    |          | (2,960)                  |               |              |          |                |                             |                    | 2,960         | 2,960          |                        | 2,960                  |
| Ross Enterprise Business Park (Model Farm)                            |                        | 2,520                      |                                    |                            | 4,250                                    |          | (6,770)                  | 300           |              |          |                | 3,535                       |                    | 3,535         | 7,070          |                        | 7,070                  |
| PC Replacement  | 70                     | 160                        |                                    |                            | 130                                      |          | (290)                    |               |              |          |                |                             |                    | 290           | 290            | 70                     | 360                    |
| Three Elms Trading Estate   | (8)                    | 358                        |                                    |                            | 125                                      |          | (483)                    |               |              |          |                |                             |                    | 483           | 483            | 8                      | 475                    |
| Stretton Sugwas Closed Landfill                                       | 93                     | 2                          |                                    |                            |  |          | (2)                      |               |              |          |                |                             |                    | 2             | 2              | 93                     | 95                     |
| Customer Services and Library   | 10                     | 123                        |                                    |                            |  |          | (123)                    |               |              |          |                |                             |                    | 123           | 123            | 10                     | 133                    |
| Energy Efficiency   |                        | 100                        |                                    |                            |  |          | (100)                    |               |              |          |                |                             |                    | 100           | 100            |                        | 100                    |
| Strangford closed landfill site                                       | 20                     | (20)                       |                                    |                            | 31                                       |          | (11)                     |               |              |          |                |                             |                    | 11            | 11             | 20                     | 31                     |
| Gypsy & Traveller Pitch development                                   | 29                     | (29)                       |                                    |                            | 360                                      |          | (331)                    |               |              |          |                |                             |                    | 331           | 331            | 29                     | 360                    |
| Leominster cemetery extension   | 21                     | (21)                       |                                    |                            | 193                                      |          | (172)                    |               |              |          |                |                             |                    | 172           | 172            | 21                     | 193                    |
| Tarsmill Court, Rotherwas   |                        |                            |                                    |                            | 400                                      |          | (400)                    |               |              |          |                |                             |                    | 400           | 400            |                        | 400                    |
| Children centre changes   |                        |                            |                                    |                            | 370                                      |          | (370)                    |               |              |          |                | 370                         |                    | 370           | 370            |                        | 370                    |
| Car Parking Strategy  | 58                     | 188                        |                                    |                            |  |          | (188)                    |               |              |          |                |                             |                    | 188           | 188            | 58                     | 246                    |
| Car Park Re-Surfacing   |                        | 116                        |                                    |                            |  |          | (116)                    |               |              |          |                |                             |                    | 116           | 116            |                        | 116                    |
| Office and Car Park Lighting Replacement                              |                        | 300                        |                                    |                            |  |          | (300)                    |               |              |          |                |                             |                    | 300           | 300            |                        | 300                    |
| Data Centre Consolidation   | 124                    | 106                        |                                    |                            |  |          | (106)                    |               |              |          |                |                             |                    | 106           | 106            | 124                    | 230                    |
| Hereford Library  | (6)                    | 351                        |                                    |                            |  |          | (351)                    |               |              |          |                |                             |                    | 351           | 351            | (6)                    | 345                    |
| <b>Total ECC Capital Projects</b>                                     | <b>87,498</b>          | <b>27,875</b>              | <b>9,129</b>                       | <b>0</b>                   | <b>82,007</b>                            | <b>0</b> | <b>(119,010)</b>         | <b>46,111</b> | <b>8,317</b> | <b>0</b> | <b>260,936</b> | <b>23,087</b>               | <b>80,944</b>      | <b>69,407</b> | <b>173,438</b> | <b>87,498</b>          | <b>260,936</b>         |
| <b>Childrens wellbeing</b>  |                        |                            |                                    |                            |  |          |                          |               |              |          |                |                             |                    |               |                |                        |                        |
| Colwall Primary School  | 6,430                  | 70                         |                                    | 250                        |  |          | (320)                    |               |              |          |                | 70                          |                    | 250           | 320            | 6,430                  | 6,750                  |
| Schools Capital Maintenance Grant                                     | 797                    | 439                        | 33                                 | 45                         | 1,200                                    |          | (1,716)                  |               |              |          |                |                             | 1,665              | 52            | 1,716          | 797                    | 2,513                  |
| Peterchurch Primary School  | 7                      | 5,493                      |                                    |                            |  |          | (5,493)                  |               |              |          |                | 305                         |                    | 5,188         | 5,493          | 7                      | 5,500                  |
| Expansion for Marlbrook school  | 153                    | 1,847                      |                                    | (670)                      | 3,811                                    |          | (4,988)                  | 1,000         |              |          |                |                             | 1,000              | 4,988         | 5,988          | 153                    | 6,141                  |
| SEN & DDA school improvements   |                        | 710                        |                                    |                            |  |          | (710)                    |               |              |          |                |                             |                    | 710           | 710            |                        | 710                    |
| Brookfield School Improvements  | 6                      | 1,364                      |                                    | (466)                      | 400                                      |          | (1,298)                  |               |              |          |                |                             |                    | 113           | 1,298          | 6                      | 1,304                  |
| CYPD's S106   | 314                    | 407                        | 589                                |                            |  |          | (996)                    |               |              |          |                |                             |                    | 996           | 996            | 314                    | 1,310                  |
| Special Provision Capital Fund  |                        |                            | 167                                |                            |  |          | (167)                    | 167           | 167          |          |                |                             |                    | 500           | 500            |                        | 500                    |
| Healthy Pupils  |                        |                            | 99                                 |                            |  |          | (99)                     |               |              |          |                |                             |                    | 99            | 99             |                        | 99                     |
| Individual Pupil Needs  |                        |                            |                                    | 271                        |  |          | (271)                    |               |              |          |                |                             |                    | 271           | 271            |                        | 271                    |
| Short Breaks Capital  |                        | 118                        |                                    |                            |  |          | (118)                    |               |              |          |                |                             |                    | 118           | 118            |                        | 118                    |
| Hereford Academy  |                        | 62                         |                                    | (62)                       |  |          | 0                        |               |              |          |                |                             |                    |               | -              |                        | -                      |
| Blackmarston SEN  | 30                     | 23                         |                                    | 31                         |  |          | (55)                     |               |              |          |                |                             |                    | 54            | 54             | 30                     | 84                     |
| Replacement Leominster Primary  | 3                      | 39                         |                                    |                            |  |          | (39)                     |               |              |          |                |                             |                    | 39            | 39             | 3                      | 42                     |
| Basic Needs Funding   |                        |                            | 48                                 | 262                        |  |          | (310)                    |               |              |          |                |                             |                    | 48            | 262            | 310                    | 310                    |
| 2 Year Old Capital Funding  | 5                      | 101                        |                                    |                            |  |          | (101)                    |               |              |          |                |                             |                    | 101           | 101            | 5                      | 106                    |
| Lady Hawkins Sports Hall  |                        | 78                         |                                    | (78)                       |  |          | 0                        |               |              |          |                |                             |                    |               | -              |                        | -                      |
| Preliminary works to inform key investment need throughout the county |                        | 300                        |                                    | (59)                       | 1,774                                    |          | (2,015)                  |               |              |          |                |                             |                    | 2,015         | 2,015          |                        | 2,015                  |

|  |               |               |               |              |              |               |                 |                  |               |              |               |                |               |               |               |                |               |                |
|--|---------------|---------------|---------------|--------------|--------------|---------------|-----------------|------------------|---------------|--------------|---------------|----------------|---------------|---------------|---------------|----------------|---------------|----------------|
| Temporary school accommodation replacement |               |               |               |              | 450          | (450)         |                 |                  |               | 450          |               |                | 450           |               |               |                |               |                |
| <b>Total CWB Capital Projects</b>          | <b>7,743</b>  | <b>11,053</b> | <b>936</b>    | <b>(476)</b> | <b>7,635</b> | <b>0</b>      | <b>(19,147)</b> | <b>1,167</b>     | <b>167</b>    | <b>0</b>     | <b>28,224</b> | <b>375</b>     | <b>4,640</b>  | <b>15,464</b> | <b>20,479</b> | <b>7,744</b>   | <b>28,224</b> |                |
| <b>Adults and wellbeing</b>                |               |               |               |              |              |               |                 |                  |               |              |               |                |               |               |               |                |               |                |
| Disabled facilities grant                  |               |               | 147           |              | 1,706        | (1,853)       |                 |                  |               |              | 1,853         |                | 1,853         |               |               |                | 1,853         |                |
| Affordable Housing Grant                   |               | 1,005         |               | (205)        | 800          | (1,600)       | 800             |                  |               |              | 2,400         | 800            | 1,853         | 1,600         | 2,400         |                | 2,400         |                |
| Community Housing Fund                     |               |               |               | 150          |              | (150)         |                 |                  |               |              | 150           | 150            |               |               | 150           |                | 150           |                |
| Hillside                                   |               |               | 1,500         |              |              | (1,500)       |                 |                  |               |              | 1,500         | 150            | 1,500         | 1,500         |               |                | 1,500         |                |
| Single Capital Pot                         | 19            | 596           |               |              |              | (596)         |                 |                  |               |              | 615           |                |               |               | 596           | 19             | 615           |                |
| Revolving Loans                            | 99            | 101           |               |              |              | (101)         |                 |                  |               |              | 200           | 101            |               |               | 101           | 99             | 200           |                |
| Private sector housing improvements        | 14            | 187           |               | 55           |              | (242)         |                 |                  |               |              | 256           | 242            |               | 242           | 14            |                | 256           |                |
| <b>Total AWB Capital Projects</b>          | <b>132</b>    | <b>1,889</b>  | <b>1,647</b>  | <b>0</b>     | <b>2,506</b> | <b>0</b>      | <b>(6,042)</b>  | <b>800</b>       | <b>0</b>      | <b>0</b>     | <b>6,974</b>  | <b>1,293</b>   | <b>2,449</b>  | <b>3,100</b>  | <b>6,842</b>  | <b>132</b>     | <b>6,974</b>  |                |
| <b>Total</b>                               | <b>95,374</b> | <b>40,816</b> | <b>11,711</b> | <b>-</b>     | <b>476</b>   | <b>92,148</b> | <b>0</b>        | <b>(144,199)</b> | <b>48,078</b> | <b>8,484</b> | <b>-</b>      | <b>296,134</b> | <b>24,755</b> | <b>88,033</b> | <b>87,971</b> | <b>200,759</b> | <b>95,375</b> | <b>296,134</b> |

Note 1

Total 18/19 Budget 144,199

Total Approved Capital Programme (92,148) (56,228) (148,376)

Increase in Capital Programme 11,711 - 476 - 333 11,568

**Financed By**

|                                 | £000          | £000     | £000       | £000     | £000          |
|---------------------------------|---------------|----------|------------|----------|---------------|
| Prudential Borrowing            | 3,500         | 4,705    |            |          | 8,205         |
| Grant and funding contributions | 6,711         | -        | 5,181      | 333      | 1,863         |
| Capital receipts                | 1,500         |          |            |          | 1,500         |
| <b>Total</b>                    | <b>11,711</b> | <b>-</b> | <b>476</b> | <b>-</b> | <b>333</b>    |
|                                 |               |          |            |          | <b>11,568</b> |

**Note 1**

The forecast carry forward represents:

|                           | £000           |
|---------------------------|----------------|
| Carried forward budget    | 40,816         |
| Additional 18/19 Budget   | 11,711         |
| Budget for 2018/19        | 92,148         |
| 2018/19 Adjustments       | - 476          |
| Forecast spend in 2018/19 | 0              |
| Forecast carry forward    | <u>144,199</u> |





|                         |  |
|-------------------------|--|
| <b>Meeting:</b>         | <b>Cabinet</b>   |
| <b>Meeting date:</b>    | <b>Thursday, 28 June 2018</b>                              |
| <b>Title of report:</b> | <b>Local authority schools maintenance programme</b>       |
| <b>Report by:</b>       | <b>Sufficiency Planning and Capital Investment Manager</b> |

## Classification

Open

## Decision type

Key

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.

This is a key decision because it is likely to be significant having regard to: the strategic nature of the decision; and / or whether the outcome will have an impact, for 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 (two or more wards) affected.

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

## Wards affected

Countywide

## Purpose and summary

To approve the proposed expenditure of capital grants for school building and maintenance works.

The Department for Education provides capital funding to local authorities responsible for schools. This funding includes the Schools Condition Allocation which is intended for the maintenance of community and voluntary controlled schools, and the basic need allocation which

is intended for the addition of school places to meet the needs of growing populations.

Herefordshire council has been allocated £1,232,573 Schools Condition Allocation and £1,048,294 basic need allocation.

In addition £651,632 has been allocated to voluntary aided schools in Herefordshire. The council co-ordinates this funding with the diocesan boards of education and school endowment trusts. However the funding is then passed directly from the ESFA to the schools.

The distribution of this funding is determined in accordance with the principles set out in the schools capital investment strategy and is based on regular condition surveys in respect of maintenance, and regular assessments of current and forecast demand for places in respect of basic need.

Appendix 1 provides an overview of the proposed expenditure of maintenance, Basic Need and LCVAP (local authority co-ordinated voluntary aided programme) funding. Appendix 2 provides the details of the schemes being proposed as part of this programme of works.

## Recommendation(s)

That:

- (a) **The school maintenance schemes as set out in appendices 1 and 2 be approved spending £1m on basic need to provide sufficient high quality places, £1,457k to address maintenance issues and £651k allocated to schemes funded through the Local Authority Co-ordinated Voluntary Aided Programme; and**
- (b) **Authority is delegated to the interim education and capital manager to take all operational decisions necessary to implement the above recommendations within the approved budgets.**

## Alternative options

1. The capital and maintenance grants supporting building works in schools could be profiled differently. The schemes have been determined from the latest available condition reports for each school. The profile has been considered extensively by the schools capital investment strategy team, the council's property services section, the capital strategy consultative group (involving headteachers), and the LCVAP (local authority co-ordinated voluntary aided programme) group comprising diocesan, arch-diocesan and endowment trust representatives. The proposed works are addressing the known priorities.
2. Basic need could be allocated to different schools. The priorities have been formulated on the best information and advice available and consulted upon. Basic need allocation is being directed to projects that are clearly adding new capacity.
3. No funding is spent on maintenance or accessibility works in schools and children are required to attend different schools. There is a statutory process which requires the council to arrange the admission of a child with a disability or an education health and care plan to the parents/carers preferred school, unless it can be shown that to do so would prejudice other children or it would be unreasonable to do so. The excessive financial cost of making the adaptations could be considered unreasonable.

## Key considerations

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Further information on the subject of this report is available from  
Karen Knight, Tel: 01432 383042, email: kknight@herefordshire.gov.uk

4. The funding streams provided to the council by the Education and Skills Funding Agency (ESFA) for school capital works are to be used as follows:
  - a. Maintenance grant – to support large scale improvement work in community and voluntary controlled schools. Grant monies not allocated or spent within a financial year can be retained by the council for use in the following years. The council must complete statutory returns which include details of where the funding has been spent.
  - b. LCVAP funding – to support large scale improvement work in voluntary aided schools. The council has a duty to ensure that grant monies are spent effectively. Monies allocated must be spent in the same financial year. This funding does not pass through the council's accounts. The council has a role in co-ordinating its distribution. Schools then apply direct to the ESFA for their agreed allocation.
  - c. Basic need grant – this is to be used to create additional pupil places where there is demand and could be directed to any school including academies. In the absence of any identified funding for accessibility works, the basic need grant is also used to cover these areas. The council must complete statutory returns which include details of where the funding has been spent.
5. The national schools funding formula means all schools receive a relatively small devolved formula capital allocation to support minor maintenance or improvement works. Schools may convert revenue budgets to capital to assist with these works. Bigger maintenance schemes like the replacement of a roof, a new heating system or windows are funded through the central maintenance grant awarded to the council for community and voluntary controlled schools. Denominational schools have use of the LCVAP grant to support these large schemes. It is expected that schools make a contribution to works by utilising their devolved formula capital allocation. Some schools may also be able to contribute funding from their balances. These opportunities will always be explored by council officers in discussion with schools.
6. Academy and free schools have access to the Education and Skills Funding Agency's condition improvement fund for building works, both maintenance and improvements. They cannot utilise the maintenance grant or LCVAP funding.
7. The majority of the 2016/17 and 2017/18 maintenance programmes previously approved were delivered in 2017/18.
8. The carry forward (appendix 1) has arisen mainly as a result of the share of budget delegated to schools being charged incorrectly against the central local authority maintenance budget. This was corrected at a stage where it was not appropriate or possible to commission approved works – many of which have to take place over the school summer holiday period. The result was that last year's maintenance budget is shown as underspent. The plans for the current year's maintenance programme (2018/19) take into account this year's allocation and the carry forward from previous years.
9. The sums allocated to local authorities are determined by the Department for Education and ESFA and published on the government website. The process for locally determining its expenditure is based on the council's schools capital investment strategy. Maintenance work is prioritised on the basis of condition surveys. An outline of the scope, forecast cost and schools involved in the 2018/19 programme are set out in appendices 1 and 2.

10. There is a backlog of urgent and essential maintenance works at local authority maintained, voluntary controlled and voluntary aided schools. There is insufficient budget to address all the maintenance and condition issues in schools, as reported in the latest condition surveys available. In order to prioritise the expenditure, all maintained school condition surveys have been scrutinised to identify the most significant and pressing work. In addition, priority has been given to health and safety work regarding fire safety identified arising from routine inspections of schools by qualified fire safety officers.
11. The council is constantly reviewing the safeguarding arrangements at all its schools to ensure they meet current expectations. The council is expected to rectify fencing that is considered a potential safeguarding risk. Some allocations have been made to address safeguarding issues.
12. It is not always possible to foresee all schemes that need to be undertaken in any one year. An element of emergency/contingency funding therefore is set aside to cover such events that cannot wait to be included in a future year's funding.
13. On detailed examination and specification of the work identified in appendix 1 there may be differences in the cost or scale of works required. Sometimes when preparations are made for maintenance work additional problems are discovered which may require the work to be modified and the final cost will alter as a consequence.
14. Approval for variations that can be covered within the available budget will follow the council's governance processes. Where there is insufficient budget to cover the work required consideration will be given to reduce the scope of works or defer the scheme to a future year.
15. In order to ensure the works at schools are properly targeted, it is important that accurate and up-to-date condition surveys are undertaken. All schools that fall within the responsibility of the council (community and voluntary controlled only) will have a new survey produced this financial year to further inform the school capital investment strategy and to enable a five year maintenance programme to be created. Some funding has been set aside to cover this programme of surveys (appendix 1).
16. The locally coordinated voluntary aided programme (LCVAP) has been compiled based on issues raised in the condition reports. All schemes have been agreed with the Church of England diocesan board of education, the Roman Catholic archdiocese and the endowment trust of voluntary aided schools not part of diocesan arrangements, before being included in the programme.
17. The current years' basic need allocation will contribute to the enlargement of Marlbrook Primary School. Marlbrook Primary School in south Hereford is an Ofsted rated "outstanding" school that has been oversubscribed in recent years. The school has taken in an extra form of entry with the support of the council to accommodate parental preference. Provision has already been made to create additional classrooms at the school as the first stage towards an extension to expand the school from a two to a three form entry school. To enable the remaining classrooms to be built, an allocation from the basic need funding has been made towards the scheme.
18. The council has a duty to ensure that any child with special needs attending a mainstream school can be reasonably accommodated. Pembridge C of E Primary School was considered mostly accessible but required some further adaptations to enable it to meet a current pupil's needs. The scheme was completed in April 2018. As a voluntary aided school, half the costs of the scheme were to be met through the LCVAP. At the end of the

2017/18 financial year, there was an amount of LCVAP funding unallocated, which was redirected to the Pembridge scheme, so that it was not lost. This reduced the required council contribution towards the scheme.

19. St Joseph's RC Primary School in Ross-on-Wye requires some adaptations to enable it to accommodate a child at the school. As a voluntary aided school some funding will be contributed towards the scheme from the 2018/19 LCVAP allocation. The remaining costs will be covered by the redistributed council funding originally earmarked for Pembridge.
20. Wigmore School is considered mainly accessible but requires some further adaptations to enable it to meet current pupil needs. Analysis of the space in the school suggests the facility could be made without compromising other space e.g. classroom, storage, and administration space.
21. Westfield Special School requires some internal adaptations to create a physiotherapy room to accommodate pupils attending the school in September 2018.
22. John Kyrle High School in Ross-on-Wye requires some further adaptations to enable it to meet current and future pupil accessibility needs.
23. The schemes at Wigmore High School, John Kyrle High School and Westfield Special School will be funded using part of the balance of the individual pupil needs budget, which consists of basic need and maintenance monies contributed in previous years.
24. All capital work will be procured in accordance with the council's contract procedure rules.

## **Community impact**

25. Schools are a key part of communities and as such it is important they are well maintained. Parents are encouraged to choose a suitable school for their child. The basic need proposals support schools that are in demand from parents.
26. Using the resources available to the council to ensure that Herefordshire's school buildings are well maintained and fit for purpose supports achievement of the council's corporate plan priorities to 'keep children and young people safe and give them a great start in life' and to 'secure better services, quality of life and value for money'. The proposed works include mitigation of potential health and safety and safeguarding risks, aim to provide well maintained buildings which are more cost effective to run and therefore benefit all pupils, including looked after children and care leavers.

## **Equality duty**

27. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 28. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. Our providers will be made aware of their contractual requirements in regards to equality legislation. Any building works carried out within schools will be compliant with the Disability Discrimination Act and support improved accessibility.
- 29. The proposed capital and maintenance schemes have given due consideration to equalities issues particularly in relation to disability. The council maintains an accessibility strategy.

## **Resource implications**

- 30. The maintenance grant received for 2018/19 is £1.232m.
- 31. The basic need grant received for 2018/19 is £1.048m.
- 32. The LCVAP grant for 2018/19 is £651k. This money is distributed by agreement between the council and the diocesan and endowment bodies and then applied for directly to the ESFA by the schools concerned.
- 33. The schools capital investment strategy sets out the expectation that where appropriate, schools contribute to the costs of capital works. Schools have their own devolved formula capital to cover minor maintenance works. Where the works are of a greater scale, or encompass some minor maintenance works, schools are asked to contribute alongside consideration of the council's responsibilities for maintenance of maintained schools.

## **Legal implications**

- 34. The recommendation in this report may be approved by the Cabinet in accordance with the constitution paragraph 3.3.9(a) as the decision is key and relates to more than one cabinet portfolio being property and education.
- 35. The council has a duty to provide and support places of education that are both fit for purpose and health and safety compliant. The proposals set out in this report and its appendices support the council in meeting these duties.
- 36. Failure to make repairs to known defects (such as those set out in this report and its appendices) increase the risk to the council of litigation from matters arising from these defects.
- 37. The funding streams set out are provided to the council by the Education Funding Agency as a grant.
- 38. Section 31 of the Local Government Act 2003 states that a Minister of the Crown may pay a grant to a local authority towards expenditure incurred or to be incurred by the local authority. The section further defines amounts payable and provisions for grant conditions.
- 39. The contents of the funding agreement sets out the terms under which the grants are provided, including amounts to be paid and how payment will be made; what the grant is

to be used for; the council's obligations (including reporting and monitoring requirements); breach procedures for both minor and serious breaches and termination clauses.

40. The terms set out in this agreement are acceptable to the council.

## **Risk management**

41. By not undertaking the maintenance programme, more children will be attending schools with defects, including those that are considered health and safety concerns. This programme will address the highest known risks within the funding available.
42. The final scheme costs are significantly above or below the forecast. All schemes will be monitored by the capital strategy consultative group and a property liaison group with council officers from education, health and safety, estates and property services. The group will meet monthly to review schemes. Where there are variances to works, or tender prices, these will be subject to the council's governance arrangements.

## **Consultees**

43. The Cabinet member for young people and children's wellbeing has been consulted and is supportive of the programme of works as set out.
44. The Cabinet member for contracts and assets has been consulted and is supportive of the programme of works as set out.
45. The LCVAP group with diocesan and arch-diocesan representation meet at least termly. At the meeting on 24 January, the 2018/19 programme as outlined was agreed.
46. The capital strategy consultative group, with a number of head teachers and property services officers, meet at least termly. At the meeting on 14 February, the outline proposals were agreed as a constructive way forward for the use of the grant.
47. Political groups have been consulted and no objections or comments were received.

## **Appendices**

Appendix 1 – Proposed profile of expenditure

Appendix 2 – Schemes associated with schools

## **Background papers**

None





## Proposed Capital Budget Profile 2018/19

|  |   | Proposed<br>Forecast<br>spend<br>£000 | Notes                    |
|--|---|---------------------------------------|--------------------------|
| <b>Maintenance Expenditure 2018/19</b> |   |                                       |                          |
| 1                                      | LA Planned Maintenance                          | 1,074                                 |                          |
| 2                                      | Maintenance Fees                                | 140                                   |                          |
| 3                                      | Contingency Emergency Works                     | 193                                   |                          |
| 4                                      | Condition Reports                               | 50                                    |                          |
| 5                                      | <b>Sub Total</b>                                | <b>1,457</b>                          |                          |
| <b>Maintenance Income</b>              |   |                                       |                          |
| 6                                      | LA Maintenance Grant 2018/19                    | 1,232                                 |                          |
| 7                                      | LA Maintenance Grant Carry Forward from 2017/18 | 225                                   |                          |
| 8                                      | <b>Sub Total</b>                                | <b>1,457</b>                          |                          |
| 9                                      | <b>Balance</b>                                  | <b>0</b>                              |                          |
| <b>Basic Need Expenditure 2018/19</b>  |   |                                       |                          |
| 10                                     | Marlbrook Primary                               | 1,000                                 | Towards expansion to 3FE |
| 11                                     | <b>Sub Total</b>                                | <b>1,000</b>                          |                          |
| <b>Basic Need Income</b>               |   |                                       |                          |
| 12                                     | Basic Need Grant 2018/19                        | 1,048                                 |                          |
| 13                                     | Basic Need Grant Carry Forward 2017/18          | 262                                   |                          |
| 14                                     | <b>Sub Total</b>                                | <b>1,310</b>                          |                          |
| 15                                     | <b>Balance</b>                                  | <b>310</b>                            |                          |
| <b>LCVAP Expenditure 2018/19</b>       |   |                                       |                          |
| 16                                     | LCVAP Planned Maintenance Works 2018/19         | 650                                   |                          |
| 17                                     | <b>Sub Total</b>                                | <b>650</b>                            |                          |
| <b>LCVAP Income</b>                    |   |                                       |                          |
| 18                                     | LCVAP Grant 2018/19 (100% figure)               | 651                                   |                          |
| 19                                     | <b>Sub Total</b>                                | <b>651</b>                            |                          |
| 20                                     | <b>Balance</b>                                  | <b>1</b>                              |                          |



Proposed Maintenance Programme 2018/19

| DFE  | School                               | School Type          | Proposed Scheme 2018/2019        | Maintenance forecast 2018/19 | LCVAP forecast 2018/2019 | Basic Need forecast 2018/19 |
|------|--------------------------------------|----------------------|----------------------------------|------------------------------|--------------------------|-----------------------------|
| 2001 | Almeley Primary School               | Community            | Drainage                         | £10,000                      |                          |                             |
| 2138 | Ashfield Park Primary School         | Community            | Damp / Re-roofing                | £115,000                     |                          |                             |
| 2005 | Ashperton Primary Academy            | Academy              |                                  |                              |                          |                             |
| 3006 | Bosbury CE Primary School            | Voluntary Controlled | Re-roofing                       | £30,000                      |                          |                             |
| 3305 | Brampton Abbots CE Primary School    | Voluntary Aided      | Security fencing (Safeguarding)  |                              | £29,500                  |                             |
| 2011 | Bredenbury Primary School            | Trust                |                                  |                              |                          |                             |
| 3307 | Bridstow CE Primary School           | Voluntary Aided      | Toilets                          |                              | £25,600                  |                             |
| 2056 | Broadlands Primary School            | Community            |                                  |                              |                          |                             |
| 2014 | Brockhampton Primary School          | Academy              |                                  |                              |                          |                             |
| 2029 | Burghill Community Primary School    | Academy              |                                  |                              |                          |                             |
| 3010 | Burley Gate CE Primary School        | Voluntary Controlled |                                  |                              |                          |                             |
| 3015 | Canon Pyon CE Primary School         | Academy              |                                  |                              |                          |                             |
| 3021 | Clehonger CE Primary School          | Voluntary Controlled |                                  |                              |                          |                             |
| 2031 | Clifford Primary School              | Community            |                                  |                              |                          |                             |
| 3023 | Colwall CE Primary School            | Voluntary Controlled |                                  |                              |                          |                             |
| 3315 | Cradley CE Primary School            | Voluntary Aided      |                                  |                              |                          |                             |
| 3035 | Eardisley CE Primary School          | Voluntary Controlled |                                  |                              |                          |                             |
| 3037 | Eastnor Parochial Primary School     | Voluntary Controlled | Academy conversion dilapidations | £48,000                      |                          |                             |
| 2046 | Ewyas Harold Primary School          | Community            |                                  |                              |                          |                             |
| 2053 | Garway Primary School                | Community            | Security fencing (Safeguarding)  | £15,000                      |                          |                             |
| 3046 | Goodrich CE Primary School           | Voluntary Controlled |                                  |                              |                          |                             |
| 3047 | Gorsley Goffs Endowed Primary School | Voluntary Controlled |                                  |                              |                          |                             |
| 2057 | Hampton Dene Primary School          | Community            | Drainage                         | £20,000                      |                          |                             |
| 3055 | Holmer CE Primary School             | Academy              |                                  |                              |                          |                             |
| 3349 | Ivington CE Primary School           | Voluntary Aided      | Toilets                          |                              | £39,316                  |                             |

|      |                                     |                      |   |          |          |            |
|------|-------------------------------------|----------------------|---|----------|----------|------------|
| 2094 | Kings Caple Primary School          | Academy              |   |          |          |            |
| 3342 | Kingsland CE Primary School         | Voluntary Aided      | Playground drainage & access / Switchgear                         |          | £189,369 |            |
| 2095 | Kingstone & Thrupton Primary School | Academy              |   |          |          |            |
| 2096 | Kington Primary School              | Community            | Boilers & heating   | £175,000 |          |            |
| 3347 | Lea CE Primary School               | Voluntary Aided      | Security fencing (Safeguarding)                                   |          | £43,353  |            |
| 2098 | Ledbury Primary School              | Community            |   |          |          |            |
| 3348 | Leintwardine Endowed Primary School | Voluntary Aided      | Fire precautions  |          | £19,700  |            |
| 2003 | Leominster Primary School           | Community            |   |          |          |            |
| 3071 | Little Dewchurch CE Primary School  | Voluntary Controlled |   |          |          |            |
| 3351 | Llangrove CE Primary School         | Academy              |   |          |          |            |
| 2101 | Longtown Primary School             | Community            |   |          |          |            |
| 2061 | Lord Scudamore School               | Academy              |   |          |          |            |
| 2102 | Lugwardine Primary School           | Academy              |   |          |          |            |
| 2103 | Luston Primary School               | Community            |   |          |          |            |
| 2104 | Madley Primary School               | Community            |   |          |          |            |
| 2115 | Marden Primary School               | Academy              |   |          |          |            |
| 2063 | Marlbrook Primary School            | Community            | Expansion to 3FE  |          |          | £1,000,000 |
| 2116 | Michaelchurch Escley Primary School | Community            |   |          |          |            |
| 3078 | Mordiford CE Primary School         | Academy              |   |          |          |            |
| 3079 | Much Birch CE Primary School        | Voluntary Controlled | Curtain walling & windows (re-profiled from 2017/18) / Re-roofing | £105,000 |          |            |
| 3363 | Much Marcle CE Primary School       | Voluntary Aided      |   |          |          |            |
| 3083 | Orleton CE Primary School           | Voluntary Controlled |   |          |          |            |
| 3330 | Our Lady's RC Primary School        | Voluntary Aided      | Reception alterations   |          | £81,000  |            |
| 3366 | Pembridge CE Primary School         | Voluntary Aided      |   |          |          |            |
| 3367 | Pencombe CE Primary School          | Voluntary Aided      |   |          |          |            |
| 2122 | Peterchurch Primary School          | Community            | Heating   | £30,000  |          |            |
| 3393 | Riverside Primary School            | Community            | Roofing   | £10,000  |          |            |

|      |  |                      |   |         |         |  |
|------|--|----------------------|---|---------|---------|--|
| 2146 | Shobdon Primary School                   | Community            |   |         |         |  |
| 3331 | St Francis Xavier's RC Primary School    | Voluntary Aided      | Parking alterations   |         | £16,000 |  |
| 3332 | St James' CE Primary School (Hereford)   | Voluntary Aided      |   |         |         |  |
| 3341 | St James' CE Primary School (Kimbolton)  | Voluntary Aided      |   |         |         |  |
| 3372 | St Joseph's RC Primary School            | Voluntary Aided      | Hygiene room DDA  |         | £12,000 |  |
| 2067 | St Martin's Primary School               | Community            | Emergency lighting (re-profiled from 2017/18) / Re-roofing                    | £80,000 |         |  |
| 3026 | St Mary's CE Primary School (Credenhill) | Voluntary Controlled | Flood alleviation   | £25,000 |         |  |
| 3325 | St Mary's CE Primary School (Fownhope)   | Voluntary Aided      | Boilers   |         | £68,000 |  |
| 3333 | St Paul's CE Primary School              | Academy              |   |         |         |  |
| 3392 | St Thomas Cantilupe CE Primary School    | Academy              |   |         |         |  |
| 2152 | St Weonard's Primary School              | Community            |   |         |         |  |
| 3304 | St. Michaels CE Primary School           | Voluntary Aided      |   |         |         |  |
| 2024 | St. Peter's Primary School               | Trust                |   |         |         |  |
| 3378 | Staunton-on-Wye Endowed Primary School   | Voluntary Aided      |   |         |         |  |
| 2148 | Stoke Prior Primary School               | Community            |   |         |         |  |
| 3102 | Stretton Sugwas CE Primary School        | Academy              |   |         |         |  |
| 2154 | Sutton Primary School                    | Academy              |   |         |         |  |
| 6906 | The Steiner Academy                      | Academy              |   |         |         |  |
| 2071 | Trinity Primary School                   | Community            |   |         |         |  |
| 2155 | Walford Primary School                   | Community            | Fire precautions (re-profiled from 2017/18)                                   | £50,000 |         |  |
| 2157 | Wellington Primary School                | Community            | Fire precautions (re-profiled from 2017/18) / Security fencing (Safeguarding) | £55,000 |         |  |
| 2158 | Weobley Primary School                   | Community            |   |         |         |  |
| 3384 | Weston-under-Penyard CE Primary School   | Voluntary Aided      | Re-roofing  |         | £22,000 |  |
| 3385 | Whitchurch CE Primary School             | Voluntary Aided      | Fire precautions  |         | £14,200 |  |
| 2159 | Wigmore School (Primary)                 | Academy              |   |         |         |  |
| 2160 | Withington Primary School                | Community            | Fire precautions  | £10,000 |         |  |

|              |   |                 |  |                   |                 |                   |
|--------------|---|-----------------|--|-------------------|-----------------|-------------------|
| 4015         | Aylestone High School Business and Enterprise College | Community       | Mechanical (re-profiled from 2017/18) / Re-roofing | £130,000          |                 |                   |
| 4600         | Bishop of Hereford's Bluecoat School                  | Voluntary Aided |  |                   |                 |                   |
| 4027         | Earl Mortimer   | Community       |  |                   |                 |                   |
| 4032         | Fairfield High School                                 | Academy         |  |                   |                 |                   |
| 6905         | Hereford Academy                                      | Academy         |  |                   |                 |                   |
| 4021         | Kingstone High School                                 | Academy         |  |                   |                 |                   |
| 4022         | Lady Hawkins High School                              | Academy         |  |                   |                 |                   |
| 4004         | Queen Elizabeth Humanities College                    | Academy         |  |                   |                 |                   |
| 4601         | St Mary's R C High School                             | Voluntary Aided | Curtain walling                                    |                   | £90,000         |                   |
| 4428         | The John Kyrle High School and Sixth Form Centre      | Academy         |  |                   |                 |                   |
| 4058         | The John Masefield High School                        | Academy         |  |                   |                 |                   |
| 4045         | Weobley High School                                   | Community       | Re-roofing   | £100,000          |                 |                   |
| 4014         | Whitecross  | Academy         |  |                   |                 |                   |
| 4046         | Wigmore High School                                   | Academy         |  |                   |                 |                   |
|              |   |                 |  |                   |                 |                   |
| 7003         | Barrs court   | Academy         |  |                   |                 |                   |
| 7004         | Blackmarston  | Community       |  |                   |                 |                   |
| 1109         | St David's Centre                                     | PRU             |  |                   |                 |                   |
| 1110         | The Aconbury Centre                                   | PRU             | Roof access (Safeguarding) / Fire precautions      | £16,000           |                 |                   |
| 7008         | The Brookfield School and Specialist College          | Academy         |  |                   |                 |                   |
| 7007         | Westfield School, Leominster                          | Community       | Fire precautions                                   | £50,000           |                 |                   |
| <b>Total</b> |   |                 |  | <b>£1,074,000</b> | <b>£650,038</b> | <b>£1,000,000</b> |



|                         |  |
|-------------------------|--|
| <b>Meeting:</b>         | <b>Cabinet</b>                                       |
| <b>Meeting date:</b>    | <b>Thursday 28 June 2018</b>                         |
| <b>Title of report:</b> | <b>Budget planning / consultation</b>                |
| <b>Report by:</b>       | <b>Cabinet member finance and corporate services</b> |

### **Classification**

Open

### **Decision type**

Non-key

### **Wards affected**

All wards

### **Purpose and summary**

To agree consultation arrangements to inform the process for setting the 2019/20 budget and developing the medium term financial strategy (MTFS).

Under the budget and policy framework rules, Cabinet is required to publish its timetable for making proposals to Council for the adoption of the MTFS, its capital budget and setting a budget, and its arrangements for consultation after publication of those initial proposals.

The report proposes the timetable and recommends that Council be requested to move the date of the budget meeting in February by two weeks to provide for consideration of the government settlement usually published at the end of December.

It also requests that the scrutiny committees make appropriate provision in their work programmes to inform the budget setting process.

### **Recommendation(s)**

**That:**

- (a) the timetable for making proposals to Council for the adoption of the MTFS 2019-23 and the 2019/20 budget be approved as follows:**

- **consultation – 5 July to 21 September 2018**
  - **Cabinet – 31 January 2019**
  - **Council (approve budget and MTFS) – 15 February 2019**
  - **Council (set council tax and precept – 8 March 2019**
- (b) **it be recommended to Council that the budget meeting date be moved from 1 February 2019 to 15 February 2019;**
- (c) **the approach for consulting on budget proposals for 2019/20 as set out at paragraph 11 be approved; and**
- (d) **the scrutiny committee chairpersons be requested to make suitable provision in their respective committee work programmes to enable scrutiny members to inform and support the process for making cabinet proposals to Council.**

## **Alternative options**

1. It is open to Cabinet to amend or revise the proposed timetable and consultation arrangements, but in doing so regard must be had to the council's budget and policy framework procedure rules and the legislative requirements for Council to approve a budget.

## **Key considerations**

2. The council has adopted a long term approach to its strategic and financial planning, using the policy directions from the corporate plan to inform and direct priorities, and the MTFS (2018/19-2020/21) which was updated and agreed by full Council in January 2018.
3. The council's strategic objectives are described within our corporate plan. Our four priorities are to:
  - 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
4. Each year a corporate delivery plan is prepared which identifies the key projects planned for the year to achieve progress towards the council's priorities. Regular reports are presented to Cabinet which show the latest budget position, as well as performance against delivery of the key activity and achievement of the measures.
5. The current MTFS describes the financial direction of the council and outlines the financial pressures over a three year period, establishing how available resources are allocated to services in line with the council priorities as detailed in the council's corporate plan.
6. The MTFS is a key part of the council's integrated corporate, service and financial planning cycle. It is proposed to extend the MTFS until 2022/23 and plan the council's finances over a four year rolling period. This is intended to highlight at an early stage where the council may have financial challenges and the level of resources it is likely to



have available, providing greater flexibility and resilience and the development of strategic approaches to resourcing of priority activities and services.

7. The proposed timetable for making proposals to Council for the adoption of the MTFS 2019-23 and the 2019/20 budget is as follows:
  - consultation – 5 July to 21 September 2018
  - Cabinet – 31 January 2019
  - Council approves budget (including Herefordshire Council precept level) and MTFS – 15 February 2019
  - Council sets overall council tax (having regard to precepts from parishes and other relevant authorities) – 8 March 2019
8. Each year, by law, we have to set a balanced budget and full Council is responsible for approving the budget, following recommendations from cabinet. The budget and policy framework rules require cabinet to publish a timetable for making proposals to Council for the adoption of the MTFS and budget, and its arrangements for consultation after publication of those initial proposals.
9. The government is allowing councils to increase council tax by 2% specifically to pay for adult social care. This is in addition to a permitted 1.99% rise, which can be used to fund any services. Any council tax increase of 5% or more would trigger a public referendum to be held on the issue once the budget has been set.
10. The council's capital programme is funded through council borrowing, government grants and capital receipts. Capital receipt income is reinvested in capital priority projects and borrowing repayment costs are included within the revenue budget. The council's capital investment supports its corporate plan priorities.
11. The budget meeting of Council is currently scheduled for 1 February; given that in recent years government's publication of the local government settlement has been at the end of December this date leaves little time for Cabinet to consider any unanticipated changes to the settlement. There is a legal requirement for the council tax to be set before 11 March in the preceding financial year. It is therefore recommended that Council be requested to change the date of the February budget meeting from 1 February to 15 February to provide some additional time for analysis of the settlement figures.
12. Having published the timetable for development of the budget proposals, it is a matter for the chairpersons of the scrutiny committees to take steps to ensure that the relevant committee work programmes include any such plan, strategy or budget to enable scrutiny members to inform and support the process for making cabinet proposals to Council. This includes providing constructive challenge to the responsible cabinet member on policy proposals and exploring options for future policy development.
13. The council has a responsibility to consult with residents and businesses on its annual budget. Whilst the annual budget setting cycle provides a further opportunity to review alignment of resources to strategic priorities, a more fundamental review of the council's MTFS is planned for 2019/20, alongside a full review of the corporate plan following the May 2019 elections.
14. There is a statutory requirement under section 65 of the Local Government Finance Act 1992 to consult with representatives of business ratepayers on the proposed budget before its adoption.

15. Our budget consultation will specifically include:
- Use of an online survey which will be open to all and promoted through a mixture of digital and traditional communication channels to provide information to people and encourage engagement and feedback regarding the council's budget and investment priorities.
  - Targeted engagement with key stakeholder groups.
  - Background information on the website so that people can have their say in helping us decide how we spend next year's budget.
16. The constitution details that the following organisations and persons should be consulted with on the budget:
- Elected members
  - Parish councils
  - Health partners
  - School forum
  - Business ratepayers
  - Council taxpayers
  - Trade unions
17. When the consultation closes all of the responses received will be collated and published online so that they can be taken into account before the draft budget and MTFS are produced.

## **Community impact**

18. Publication of the proposed timetable and the proposals for consultation demonstrate compliance with the principles of the council's adopted code of corporate governance and in particular ensuring openness and comprehensive stakeholder engagement.

## **Equality duty**

19. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

20. The Equality Act 2010 established a positive obligation on local authorities to promote equality and to reduce discrimination in relation to any of the nine 'protected characteristics' (age; disability; gender reassignment; pregnancy and maternity; marriage and civil partnership; race; religion or belief; sex; and sexual orientation). In particular, the council must have 'due regard' to the public sector equality duty when taking any decisions on service changes.
21. Further equality implications will need to be considered alongside pre-existing and continuing consultations on specific service change proposals.

## **Resource implications**

22. The main method for people to give their views will be via digital channels and the cost of digital advertising on social media is minimal. These costs, along with any costs associated with running engagement events will be met from existing budgets.

## **Legal implications**

23. The duty to consult when the budget proposals are at a formative stage is required under statute for non-domestic rate payers and is implied for domestic rate payers as part of the council's duty to act fairly. The scope of the consultation will determine: who should be consulted; how long the consultation should be open for; what questions need to be asked; and how answers should be evaluated so that the outcome of the consultation can be conscientiously taken into account when the ultimate decision is taken. Further consultation exercises may be required alongside pre-existing and continuing consultations on specific service change proposals.

## **Risk management**

24. All budget proposals contain a degree of risk. Whilst the council has a good track record of delivering requisite savings to date, the following are key risks.
  - Demand – The further demands on the council's services, at a time when it needs to reduce spending due to constraints on public expenditure.
  - Reputation – If stakeholder engagement is not managed effectively, the need for the council to take difficult decisions in response to the contraction of public expenditure will not be understood.
  - Delivery – The delivery of the agreed savings proposals will need to be effectively managed to ensure they are realised in practice.

## **Consultees**

25. None.

## **Appendices**

None.

## **Background papers**

None identified.

