

Agenda

Children and young people scrutiny committee

Date: **Thursday 29 November 2018**

Time: **3.00 pm**

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

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

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Agenda for the meeting of the Children and young people scrutiny committee

Membership

Chairperson Councillor CA Gandy
Vice-Chairperson Councillor FM Norman

Councillor CR Butler
Councillor ACR Chappell
Councillor JF Johnson
Councillor MT McEvelly
Councillor A Seldon

Co-optees Mr P Burbidge
Mr A James

Archdiocese of Cardiff
Parent Governor Representative

Agenda

		Pages
1.	<p>APOLOGIES FOR ABSENCE</p> <p>To receive apologies for absence.</p>	
2.	<p>NAMED SUBSTITUTES</p> <p>To receive details of members nominated to attend the meeting in place of a member of the committee.</p>	
3.	<p>DECLARATIONS OF INTEREST</p> <p>To receive declarations of interest in respect of Schedule 1, Schedule 2 or Other Interests from members of the committee in respect of items on the agenda.</p>	
4.	<p>MINUTES</p> <p>To approve and sign the minutes of the meeting on 12 November 2018.</p>	5 - 10
5.	<p>QUESTIONS FROM MEMBERS OF THE PUBLIC</p> <p>To receive any written questions from members of the public. <i>Deadline for receipt of questions is 5:00pm on Friday 23 November.</i> <i>Accepted questions and answers will be published as a supplement prior to the meeting. Please submit questions to:</i> councillorservices@herefordshire.gov.uk.</p>	
6.	<p>QUESTIONS FROM MEMBERS OF THE COUNCIL</p> <p>To receive any written questions from members of the council. <i>Deadline for receipt of questions is 5:00pm on Friday 23 November.</i> <i>Accepted questions and answers will be published as a supplement prior to the meeting. Please submit questions to:</i> councillorservices@herefordshire.gov.uk.</p>	
7.	<p>SCRUTINY WORKING GROUP UPDATE ON LOOKED AFTER CHILDREN COST REDUCTION</p> <p>To receive a report of the outcomes of the scrutiny working group to provide an oversight of progress against the proposal to reduce the number of looked after children and associated resource implications, including the medium term financial target.</p>	11 - 22
8.	<p>SETTING THE 2019/20 BUDGET, CAPITAL INVESTMENT AND UPDATING THE MEDIUM TERM FINANCIAL STRATEGY</p> <p>To seek the views of the committee on the draft medium term financial strategy (MTFS) 2017-21 and the budget proposals for 2019-20 relating to Children and Families.</p>	23 - 110
9.	<p>WORK PROGRAMME REVIEW</p> <p>To review the attached work programme for the remainder of 2018/19.</p>	111 - 134
10.	<p>DATE OF NEXT MEETING</p> <p>The date of the next meeting is currently <i>to be confirmed</i>.</p>	

Minutes of the meeting of Children and young people scrutiny committee held at Committee Room 1 - The Shire Hall, St. Peter's Square, Hereford, HR1 2HX on Monday 12 November 2018 at 10.15 am

Present: Councillor CA Gandy (Chairman)
Councillor FM Norman (Vice-Chairman)

Councillors: ACR Chappell, JF Johnson, MT McEvelly and SM Michael

In attendance: Councillors D Summers and ES Swinglehurst

Officers: Chris Baird, Director Children and Families (DCF); John Coleman, Statutory Scrutiny Officer; Lisa Fraser, interim Assistant Director Education Development and Skills; and Chris Jones, Strategic Business Intelligence Manager

30. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Butler, Mr James and Councillor Seldon.

31. NAMED SUBSTITUTES

Councillor SM Michael acted a substitute for Councillor A Seldon.

32. DECLARATIONS OF INTEREST

There were no declarations of interest.

33. MINUTES

Resolved – that the minutes of the meeting of 1 October 2018 are approved as a correct record.

The Chairperson provided an update on an action from a preceding meeting of the committee to write to local leisure and cultural providers to promote the provision of a concession for looked after children. It was reported that a local theatre had agreed to provide a discount and a letter would be sent to the organisation to outline the thanks of the committee.

34. QUESTIONS FROM MEMBERS OF THE PUBLIC

No questions from members of the public were received.

35. QUESTIONS FROM MEMBERS OF THE COUNCIL

No questions from members of the council were received.

36. DENTAL HEALTH AND CHILDHOOD OBESITY SPOTLIGHT REVIEW - RECOMMENDATIONS AND OUTCOMES

The committee considered a report which provided the outcomes and recommendations arising from the dental health and childhood obesity spotlight review which took place on 17 September 2018. The Chairperson introduced the report and explained that the review had brought together a wide range of organisations with responsibility for dental health and childhood obesity. It was felt that those organisations in attendance had benefitted from participating in the session which had facilitated coordination and discussions.

The committee made those comments below in the debate that followed:

Dental Health

- The discussion at the review concerning the capacity of dentists and people being turned away was raised. It had been the experience of local residents that they had been declined registration at local dentists because they had been at capacity. NHS England West Midlands had reported at the meeting that a number local dentists in Herefordshire had spare capacity. The committee agreed that an additional recommendation in the outcomes of the spotlight review to NHS England West Midlands relating to 'access to dentists', would be to: *'Investigate under-capacity at dentists in Herefordshire and reports of local residents being denied registration and responds to the children and young people scrutiny committee with detail of the outcomes of the investigation.'*
- The review had provided a very useful forum for all organisations in attendance to share details of projects underway and consider how they could coordinate priorities. This was a good template for the scrutiny committee to follow in future years.
- There was mention of the recommendation raised regarding investigation of a mobile dentist facility and the need to strengthen the recommendation to ensure a response was provided which set out the potential timescales for the introduction of a mobile service. It was felt that this could also be rolled-out to other services including hearing and sight tests. The committee agreed a clause was added to the recommendation in the outcomes of the spotlight review concerning the mobile dental service (under 'dental access centres and rurality') to recommend that NHS England West Midland *'...provide an update following investigations of a mobile dental service; and potential timescales for its introduction.'*
- The committee discussed an additional recommendation to include detail of dental care for new born babies in the 'Bounty Pack' handed to parents. The committee agreed the inclusion of an additional recommendation in the outcomes of the spotlight review: *'To recommend to Bounty the inclusion of information regarding dental care and samples of toothpaste for new-born babies in Bounty packs.'*
- The committee discussed the wording of the recommendation concerning a campaign to provide advice on foods with a high sugar content. The committee agreed that the 'sugary food advice' recommendation was amended to ask the executive to *promote* a campaign rather than undertake. The proposed change in wording would enable to executive to utilise and build on campaigns already in progress.

Childhood Obesity

- The committee discussed the prevalence of fast food outlets in deprived areas and the high incidence of childhood obesity in such areas.

- In order to address childhood obesity it was important that there was education and awareness was raised of what foods were healthy. The committee discussed the need for individuals to change to eat healthier foods and undertake greater levels of exercise. There was concern that the withdrawal of home economics from school curriculums had undermined cooking abilities which contributed toward the consumption of greater levels of convenience food. It was queried whether cooking lessons in children and family centres took place. *The Director Children and Families confirmed that he was aware of some sessions provided at children's centres to assist parents to cook healthy meals. An initiative to assist parents, in Leominster, to prepare and cook a meal had not been a success, in part because it appeared to have been a good idea but not one that had been developed with the local community who were the intended beneficiaries.*
- The prospect of a survey of parents and schools was proposed to understand the eating habits of parents and their children and to understand what cookery instruction was available in local schools. It was proposed that a survey would target three local schools and parents of children at those schools. The schools would be located; one to the North of Hereford; one to the South of Hereford; and one in a rural area. The survey should ask; what home cooked meals were provided for children; what fast food/convenience food children ate; and what cookery lessons occurred at the schools. The committee agreed the inclusion of an additional recommendation in the outcomes of the spotlight review that; *'the executive is recommended to commission a survey into the eating habits of parents and their children and the provision of cookery lessons at local schools. It is recommended that the survey targets three local schools (one to the North of Hereford; one to the South of Hereford; and one in a rural area) and asks: what home cooked meals were provided for children; what fast food/convenience food children ate; and what cookery lessons occurred at the schools.*
- The committee agreed to write to Herefordshire MPs to ask how they were championing the issue of childhood obesity and how to practically reduce it.
- The committee discussed the importance of open spaces and green infrastructure in efforts to address childhood obesity. Such areas provided recreation and leisure opportunities to help people exercise and remain healthy. The committee also discussed the provision of additional allotments to allow people to grow healthy food. The committee agreed the inclusion of an additional recommendation in the outcomes of the spotlight review that; *'the executive is recommended to safeguard green spaces as areas for people to exercise and consider the increased provision of allotments in the green infrastructure strategy.'*

The committee agreed to delegate finalisation and submission to the executive of the recommendations to the Chairperson following the meeting.

RESOLVED: that the committee agrees:

- 1) **The submission to the executive and relevant organisations of the outcomes and recommendations of the spotlight review, subject to those amendments to the recommendations outlined above;**
- 2) **the inclusion of additional recommendations, as outlined above, in the report of the spotlight review and submission to the executive and relevant organisations;**
- 3) **to write to local Herefordshire MPs to request detail as to how the priority of childhood obesity in the county is being championed; and**
- 4) **to delegate to the Chairperson the finalisation of the report of the outcomes and recommendations of the spotlight review prior to submission to the executive and relevant partners.**

37. SECTION 20 TASK AND FINISH GROUP – RECOMMENDATIONS AND OUTCOMES

The committee considered a report which set out the outcomes and recommendations of the section 20 task and finish group. The chairperson introduced the report and expressed thanks to those officers who had supported the work of the group and conveyed details of a complex area of law with clarity and conciseness.

The committee supported the outcomes contained in the report and raised the points below in the discussion that followed:

- assurances had been presented which meant it was unlikely that the issues would re-occur in the future at this scale;
- officers presenting material to the task and finish group were commended for the work undertaken which put Herefordshire Council ahead of some of those local authorities now experiencing issues with the historic application of section 20;
- it was recognised that more work was required to retain and recruit social workers;
- the planned audits and the report to the audit and governance committee was supported;
- the Council was commended for the open and forthcoming manner in which it acknowledged the historic issues. The admission of past failings had allowed for constructive and speedy progress to be achieved. The new arrangements and processes had resolved existing problems and would ensure they would not be repeated in the future.

The DCF explained that issues with the application of section 20 had been significant to those children affected and there was no complacency at the Council with efforts to ensure the continued lawful use of section 20. The Council had been approached by another local authority which had experienced problems with the historic application of section 20 and had shared details of new arrangements including the threshold of care panel and performance and case management processes.

The DCF explained that the capacity of social workers was an issue and the executive had made investments to improve retention and recruitment. Recruitment was ongoing. The Cabinet Member Children and Families explained that the executive was investing in social work arrangements to enable improvements, including capacity and quality of practice. Problems with recruitment were acknowledged but programmes to increase the intake of social workers were in place at the Council.

RESOLVED: that the committee agrees the submission of the report and recommendations of the section 20 task and finish group to the executive.

38. WORK PROGRAMME REVIEW

The committee received and noted its work programme for the remainder of the 2018/19 municipal year. The Chairperson explained that the childcare sufficiency report would be circulated to members of the committee as a briefing note, the report of the outcomes of the scrutiny panel concerning the reduction of looked after children would now be reported to the budget meeting of the committee on 29 November and young carers would be invited to the meeting of the committee in Leominster on 4 March 2019.

The committee considered arrangements for an additional meeting in January 2019 to consider any alternative budgets proposed by members of the Council. It was agreed that a prospective date of Monday 28 January 2019 would be added to the calendar of committee meetings.

RESOLVED: that the committee agrees a prospective date of 28 January 2019 for the consideration of any alternative budgets proposed by members of the Council.

The meeting ended at 11.40 am

Chairman



Meeting:	Children and young people scrutiny committee
Meeting date:	Thursday 29 November 2018
Title of report:	Scrutiny working group update on looked after children cost reduction
Report by:	Chair of children and young people's scrutiny committee

Classification

Open

Decision type

This is not an executive decision

Wards affected

(All Wards);

Purpose and summary

To review progress towards delivery of the Looked After Children Reduction Strategy.

Scrutiny committee resolved on 5 February 2018 to establish a scrutiny working group consisting of Councillor CA Gandy and Councillor A Seldon to receive updates and scrutinise progress against the objective of reducing the number of looked after children and realising those savings agreed as part of the revenue budget 2018/19.

This report is to provide an update to Children and Young People's scrutiny committee from the working group on the progress to date of the looked after children's reduction strategy.

Recommendation(s)

That:

Children and young people's scrutiny committee review progress made in delivering the looked after children's reduction strategy and determine any recommendations it wishes to make to the executive regarding further action to secure further improvement.

Alternative options

1. There is no alternative to the recommendations, it is a function of the committee to make reports or recommendations to the executive with respect to the discharge of any functions which are the responsibility of the executive.

Key considerations

2. Children should only be looked after if there is no safe alternative and achieving permanency for children outside of the looked after system by supporting them to return home to their parents care or to be cared for under a Special Guardianship Order are key ways of achieving this. This work was developed in September 2017. The medium term financial strategy for the Children and Families directorate contains savings target of £500k for the 18/19 financial year associated with reducing the costs incurred in supporting and working with looked after children. A key part of this work looked at the relatively high number of looked after children compared to statistical neighbours and then develop a strategy to appropriately reduce that number. The strategy acknowledged that the number of children in care in Herefordshire is significantly higher than those of our statistical neighbours and that there is no evidential reason for this due to the demography of our population.
3. There were up to 80 children identified who *may* be able to leave the looked after system because they could be safely supported to return to their parent's care or their carers supported to apply for a Special Guardianship Order (SGO). A plan to assess the individual circumstances of each of these children to determine whether or not it would be in their best interests to leave the care system was developed. If the assessment concluded that this was the right plan for the child further work would be required to achieve the plan. It was recognised that even where leaving the looked after system was the right plan for the child this would not be achieved in every case because many aspects of achieving this are outside of the council's control. For example, an SGO can only be granted on the application of a carer. There are many reasons why a carer may not wish to apply for an SGO such as concerns about financial support, managing contact between the child and their family, specialist support for themselves as carers and the child. Also only a Court can revoke a care order or grant an SGO and they will only do so if they believe such an order to be in the best interests of the child. The details of this plan are set out in Appendix 1.
4. A business case was agreed to fund two agency Social Workers for the looked after children's team to support this work. There have been difficulties in recruiting and retaining these Social Workers. Since November 2017 there has been one worker in post however there have only been two workers in post for approximately 4 months and the second post is vacant at this time. Efforts to recruit to this post are ongoing.
5. Progress on the strategy is reported bi-monthly to senior leaders and councillors, including the scrutiny working group. The Director for Children and Families and Head of Service for looked after children have met with working group members to discuss this report bi-monthly. The most recent update report for September 2018 is attached at Appendix 2. During the course of these meetings the working group has been kept informed of the progress made by the service and discussed the LAC reduction strategy. No recommendations from the working group have been made to date. It is open to the committee to determine whether the working group continues to meet.

Community impact

6. In accordance with the code of corporate governance Herefordshire Council must ensure that it has an effective performance management system that facilitates effective and efficient delivery of planned services. The 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 for accountable decision making, policy development, and review.
7. It is a council priority to 'keep children and young people safe and give them a great start in life.' The delivery of the corporate parenting strategy contributes to the council achieving its ambitions in key strategies in the corporate plan, health and wellbeing strategy and children and young people's plan.
8. A priority within the Corporate Parenting strategy is to reduce the number of looked after children recognising that Herefordshire's numbers of children in care is too high. This would enable resources to be focussed upon those children who need to be in care and enable those that don't to enjoy family life without intervention from social workers.

Equality duty

9. 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 -

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
10. 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 progress report, we do not believe that it will have an impact on our equality duty.

Resource implications

11. None associated with the recommendation. If the committee determine any recommendations the executive will consider the resource implications of implementing the recommendations when formulating their response. The medium term financial strategy identified savings of £500k for the 18/19 financial year. To date £47k has been achieved through the work to reduce the number of looked after children by 80. The savings available from SGOs have been less than anticipated in year as allowances are paid for two years after the SGO is granted, meaning there is a time lag in the reduction of costs. However, the overall savings achieved against this saving target are £384k and it is projected that the total £500k will be achieved by the end of the financial year. This saving has been achieved by:

	£000s
SGO	12
Step down in placement to kinship	79
Reunification	123
Adoption	95
Other placement step downs	75
Total savings	384

12. It is recognised that this saving has been overtaken by the high cost of meeting the needs of looked after children during 2018/19 which has resulted in a much higher projected spend than has been budgeted for.

Legal implications

13. None associated with the recommendation. If the committee determine any recommendations the executive will consider the legal implications of implementing the recommendations when formulating their response.

Risk management

14. Children should only be looked after when this is in their best interests and the risks justify the level of intervention by social care. The impact for children of being looked after outside of their family when they could be supported to live with their family is profound as is the long-term involvement of social workers if a child could be cared for under the auspices of an SGO.
15. The annual cost of looked after children is significant with an average cost per annum of £51,000 for each child. Therefore ensuring that the right children are looked after is critical.

Consultees

16. None

Appendices

Appendix 1 – LAC reduction report

Appendix 2 – LAC reduction report – 30th September 2018

Background papers

None identified

Children’s Wellbeing MTFS update report: looked after children

As part of the Council’s MTFS, Children’s Services are committed to delivering savings, one of our key savings strands is the plan to reduce our ‘looked after’ population.

The current number of looked after children is 308 at September 2017. This is significantly higher than might be expected when compared with Herefordshire’s statistical neighbours. A figure of 215 might be expected if Herefordshire had the average rate of its statistical neighbours. There has been no evidence gathered to suggest that Herefordshire has a significantly different and more challenging level of need compared to its statistical neighbours.

Throughout 16/17, we have developed a number of work streams to support this reduction, which is significantly more complex than the simultaneous reduction in child protection numbers we and partner agencies achieved last year. Since September 2016 we have:

- Established a tracker system for monitoring and forecasting children due to leave care
- Introduced a threshold of care panel which has successfully reduced our admissions to care to below the regional average
- Applied to Court to revoke care orders for children “placed with parents” in appropriate cases. So far 5 care orders have been successfully revoked and a further 11 children have been supported to return home.
- Achieved Special Guardianship Orders (SGO) for 4 children
- Worked across our Service to develop a consistent understanding of the practice expectations, opportunities, barriers and solutions associated with progressing SGO’s
- Completed assessments on 5 children that recommend their care plan is changed to an SGO

To support the delivery of MTFS savings social workers and their managers have identified 80 looked after children subject of a care order for whom an alternative permanence option through reunification or Special Guardianship Order (SGO) *may* be the most appropriate outcome. Both options involve completing an updated assessment to recommend the most appropriate care plan for the child, ratifying this decision at a multi-agency LAC review, agreeing the SGO/reunification plan, making an application to Court and proceedings to determine the outcome.

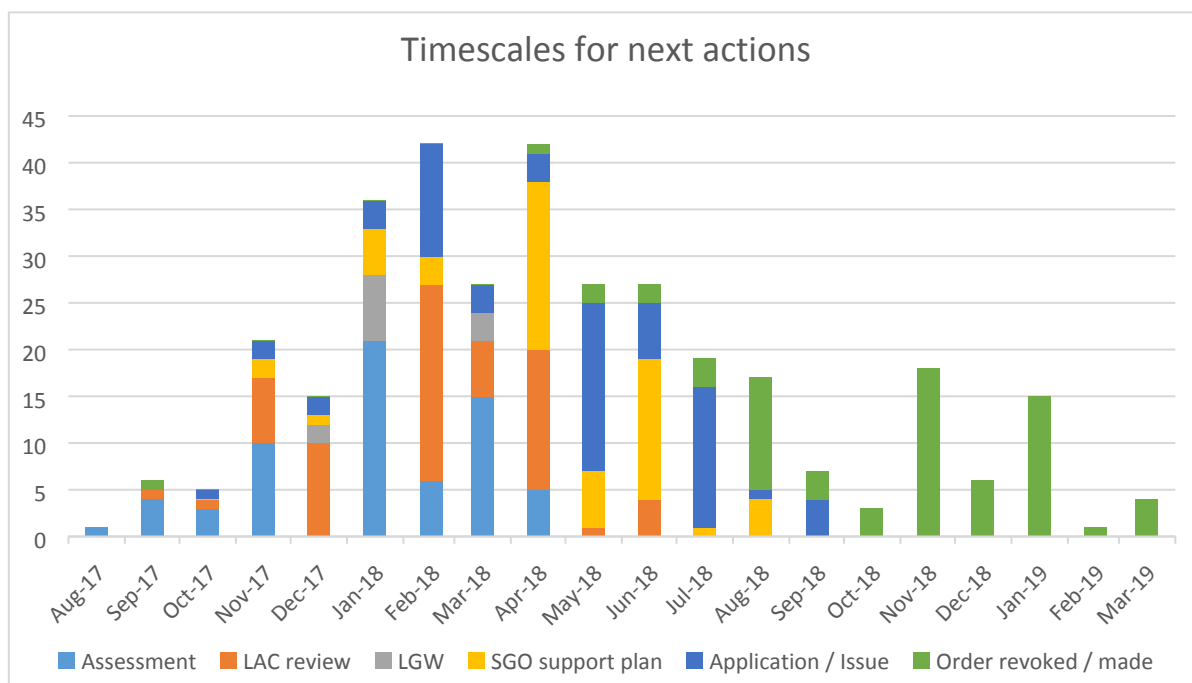
The table below sets out the steps required, the timescales, risks and actions to mitigate the risks involved. It distinguishes between processes and decisions which are within the local authority’s remit and those that are not.

Appendix 1 – LAC reduction report

Timescales	Work/steps required to achieve	Risks/obstacles	Actions to mitigate risks	
9 weeks	Assessment	Recruitment of 2 Social Workers as agreed in business case	1 Social Worker commenced October '17 Recruitment ongoing for second post	Decision making within our control
		Assessment will recommend SGO/ reunification if this is in child's best interests	Support to Social Workers to apply established thresholds for looked after children	
4 weeks	LAC review	The LAC review is required to endorse a change in care plan and may not agree with proposed plan	Whole system approach to promoting the advantages of permanence through SGO and reunification	Decision making within our control
8 weeks	Negotiate support plan for SGO cases	Carers need to consent and many have significant questions regarding the support available in the medium/long term	Leaflet clearly explaining support available and benefits for child and carer SGO finance policy sets out support and means test process Developing confidence and capability of workforce to negotiate support plans that meet need	Decision making not within our control
4 weeks	Application to Court	Requires carers to make application for an SGO	Social workers can assist with completing application LA will fund court fee	Decision making not within our control
26 weeks	Proceedings	Family court will prioritise cases where there are safeguarding concerns which may delay the first hearing Court directs the timetable for proceedings and any further assessments Court may not agree the application	Discussions in advance with Court, CAFCASS and our legal team to plan and prepare Social workers will be supported to prepare thoroughly and produce good quality evidence to support applications	Decision making not within our control

Appendix 1 – LAC reduction report

A case tracker has been developed to plan and monitor progress of these key tasks and when they will reasonably be achieved. The total time taken from assessment to outcome from Court for an SGO is 12 months and for reunification is 10 months. The graph below sets out the timescales for achieving tasks in each case. Any financial savings will not be realised until the Court order is revoked/made. Operational and strategic groups have been established to meet monthly and review progress on this work – problem solving and addressing obstacles.



Based on the progress against these actions the LAC population could reasonably be expected to reduce as detailed below. In forecasting this trend it has been assumed that our current rates of admission and leaving care through adoption and ageing out will remain constant. The graph shows the population forecast for 25%, 50%, 75% and 100% success rates.

		13-14	14-15	15-16	16-17	17-18*	18-19*
LAC admissions		126	124	121	100	96	96
Ceasing LAC	Current practice	101	95	103	86	84	84
	Focussed reduction					10	70
LAC numbers	No change to current practice	231	256	285	303	315	317
	100% achieved						247
	75% achieved						264
	50% achieved						282
	25% achieved						300

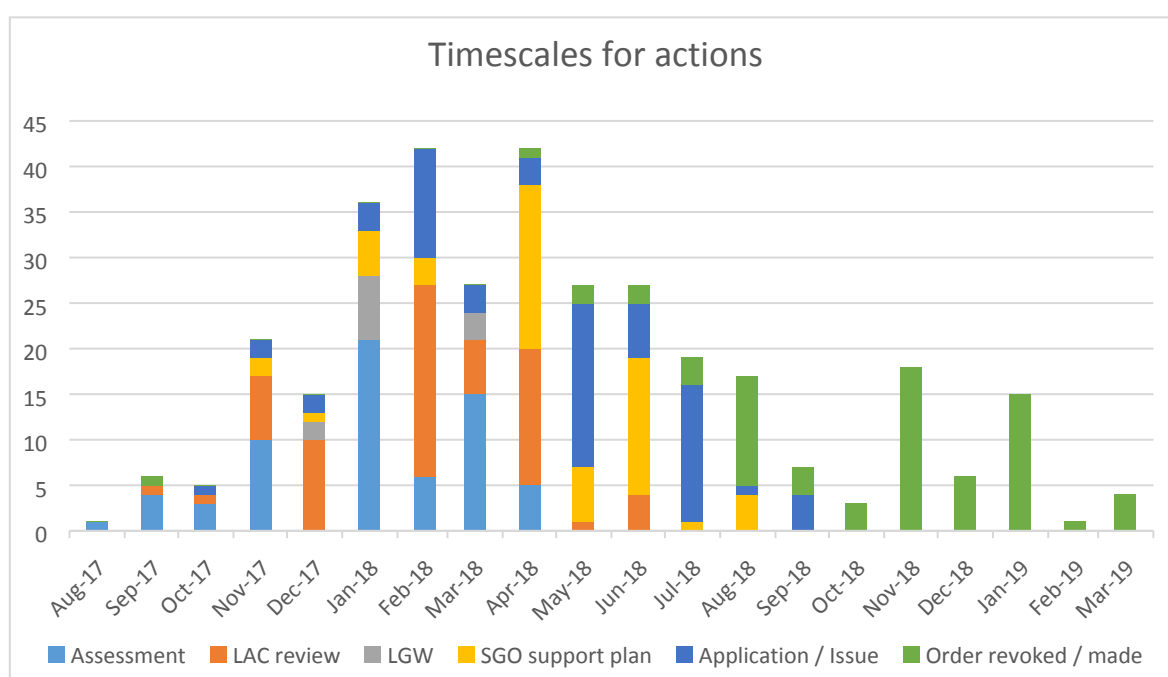
* Indicates forecasted figures

Looked After Children (LAC) Reduction reporting

September 2018

LAC reduction plan

The graph below was presented to management board to set out the process and timescales for achieving LAC reduction linked to Medium Term Financial Strategy (MTFS). Social workers and their managers have identified 80 looked after children subject of a care order for whom an alternative permanence option through reunification or Special Guardianship Order (SGO) *may* be the most appropriate outcome. Both options involve completing an updated assessment to recommend the most appropriate care plan for the child, ratifying this decision at a multi-agency LAC review, agreeing the SGO/reunification plan, making an application to Court and proceedings to determine the outcome. The proposal identified 10 children where they could cease to be looked after by the end of the financial year 2017/18, 70 by the end of 2018/19.



Between April and September 2017 ten children in long-term care ceased LAC as a result of reunification or Special Guardianship Order (9 reunifications and 1 SGO). These are in addition to the 80 children identified above. The table below shows progress made in relation to the 80 children identified in the project.

Workstreams	Numbers completed during the last 2 months	Cumulative number completed (since April '17)	Expected from initial plan by 30 September '18
Assessment completed	8	40	60
Assessment recommends reunification/SGO	7	36	N/a
SGO support plan	0	5	55
SGO plan not agreed	0	3	N/a
Placed with parents	4	13	N/a
Application/issue (where applicable)	2	14	70

Ceasing LAC	3	11 since October 2017	23
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Issues

Progress on completing assessments has been slower than anticipated. This has been due to it taking longer than expected to recruit to agency Social Worker posts and staff turnover within the looked after children's team which meant all workers have had a higher caseload than we would have wanted for many months. Originally a business case was approved for two agency Social Workers to support the LAC reduction strategy but one agency worker left in August and we have not yet been able to recruit to this post. This is in addition to other vacancies in the team.

Progress in agreeing SGO support plans is proving difficult particularly in relation to making arrangements for contact to be supervised. This has recently been resolved with new resource agreed to fund our in-house service to provide supervised contact for SGO carers where this is required. This has increased the number of carers who are now willing to consider SGO and negotiations regarding the support plans are progressing.

There continue to be delays in completion of financial assessments as carers are often slow to complete the forms and so we are working with our Social Workers to ensure that they offer support to speed up the completion and are active in agreeing timescales for completion of these assessments.

Two applications for SGO's were submitted in July and we are awaiting resolution in Court. One of these cases does not yet have a date for an initial hearing.

Finance

Savings of the equivalent of £47k for a full financial year have been achieved so far from within the identified cohort of 80 children. The savings to date are costed as:

In house fostering to SGO x 1 £8k
 Kinship fostering to SGO x 4 £4k
 Kinship fostering to returned home £35k

Overall projection

Based on progress to date it is forecasted that a further five children will have their care orders revoked and ten SGO applications agreed by the end of this financial year (March 2019). There are a further 15 children where SGO orders could be agreed within that timescale but the likelihood is less certain.

This would result in a reduction in the LAC population of between 26 and 41 children by 31 March 2019 as a result of this strategy. As work continues further children will cease being looked after into 2019/20.

A new panel process to provide increased management scrutiny of admissions to care and permanency planning decisions has been implemented during September and this will further support the change in working practice and culture required to achieve the LAC reduction strategy.

Gill Cox
Head of Service for LAC
September 2018



Meeting:	Children and young people scrutiny committee
Meeting date:	Thursday 29 November 2018
Title of report:	Setting the 2019/20 budget, capital investment and updating the medium term financial strategy (C&F)
Report by:	Leader of the Council

Classification

Open

Decision type

Budget and policy framework.

Wards affected

All wards

Purpose and summary

To seek the views of the children and young people scrutiny committee on the budget proposals for 2019/20 as they relate to the remit of the committee. The draft medium term financial strategy (MTFS), attached at appendix 1, has been extended to 2021/22 based on current assumptions on future funding and service requirements.

The draft proposals show an increase in the proposed base revenue budget for children's and young people for 2019/20, rising from £23,958k in 2018/19 to £27,185k in 2019/20. This follows a base budget exercise where the cost of the service is based on the current service requirements and is proposed to address the recommendations identified following the recent Ofsted visit. It also highlights how spend on looked after children's placements will be dealt with in future and areas where spend to save proposals may provide long term benefit. Savings of £0.2m are required in 2019/20 to deliver a balanced budget.

A capital investment budget request of £0.5m has been received, attached at appendix 3, supported by the business case attached at appendix 4.

The committee is invited to make recommendations to inform and support the process for making cabinet proposals to Council regarding the adoption of the budget and associated budget framework items, including providing constructive challenge to the cabinet's proposals.

Recommendation(s)

That:

- (a) **having regard to the proposals and the budget consultation responses, attached at appendix 5, the committee determine any recommendation it wishes to make to Cabinet specifically in relation to proposals affecting children and families:**
- **the draft MTFS 2019/2022 at appendix 1;**
 - **the draft revenue budget at appendix 2;**
 - **the draft capital investment budget request at appendix 3; and**
 - **capital investment budget request business case at appendix 4.**

Alternative options

1. There are no alternatives to the recommendations; Cabinet is responsible for developing budget proposals for council consideration and it is a function of this committee to make reports or recommendations to the executive with respect to the discharge of any functions which are the responsibility of the executive. The council's budget and policy framework rules require Cabinet to consult with scrutiny committees on budget proposals in order that the scrutiny committee members may inform and support the process for making Cabinet proposals to Council.
2. It is open to the committee to recommend alternative spending proposals or strategies; however given the legal requirement to set a balanced budget should additional expenditure be proposed compensatory savings proposals must also be identified.

Key considerations

3. The draft medium term financial strategy (MTFS), attached at appendix 1, has been updated to reflect current spending, a review of savings plans, contingencies and pressures. The MTFS reflects the current financial strategy and will continue to be updated as the financial settlement for 2019/20 is confirmed and further announcements on funding reform are received. The term of the MTFS coincides with central governments fair funding review and redesign of business rates retention. Local judgement has been applied to provide a basis for longer term financial planning and work will continue on this until the final version is approved by Council in February 2019.
4. The MTFS has been extended by one further year, 2021/22. The current comprehensive spending review ends in 2019/20; post 2019/20 councils are to become funded from local resources, council tax and 75% local business rate retention. This fundamental funding change coupled with fair funding (the allocation of national resources to the local level) and baseline need (the national assessment of minimum local resource need) reviews currently underway leads to uncertainty on future funding and responsibilities. The MTFS has been modelled on current understandings however further announcements are expected over the coming months.

5. For 2019/20 it is assumed that council tax will increase by 4.9% in total, 2.9% general increase in council tax plus an increase of 2% in relation to the adult social care precept. Going forward a 4.5% annual uplift has been assumed. Herefordshire accepted the four year funding settlement in 2016/17 and this forms the funding assumptions for 2019/20. The four year settlement included the following for 2019/20:-

	2019/20
	£000
Revenue Support Grant	620
Rural Services Delivery Grant	4,093
Total	4,713

6. Council will be asked to approve the 2019/20 budget on 15 February 2019; this will follow confirmation of the final financial settlement for 2019/20 which is expected on 6 December. Council will also be asked to approve the updated MTFS to 2021/22 and the associated treasury management strategy and the capital strategy. The capital strategy is a new document required under the CIPFA Prudential Code (December 2017). The purpose of the capital strategy is to state the council's capital investment ambition in the context of the sustainable, long term delivery of services.
7. The Herefordshire Council Corporate Plan 2016 – 2020 was adopted by Council in February 2016. This identified four priorities:-
- Keep children and young people safe and give them a great start in life
 - Support the growth of our economy;
 - Enable residents to live safe, healthy and independent lives; and
 - Secure better services, quality of life and value for money.
8. The communications strategy was adopted by cabinet in September 2016: 'People, organisations and businesses working together to bring sustainable prosperity and well-being for all, in the outstanding natural environment of Herefordshire.' builds upon our four key priorities and has helped to inform the development of our 2019/20 budget and medium term financial strategy.

Base budget proposed and savings plan

9. A base budget exercise was completed ahead of proposing the draft 2019/20 budget, this review involved:-
- a. Costing the service based on current service requirements, not rolling over previous budgets
 - b. Income budgets reflecting income receivable
 - c. Pay budgets reflecting actual establishment, deleting vacant posts without budget or not planned to be filled
 - d. Performance in 2018/19
 - e. Projected population pressures

f. 2018/19 policy changes

10. The base budget review identified £20.0m of pressures, over the MTFS period, £4.9m in children's and families. This represents funding pressures in placement costs, allowances and pay costs. For 2019/20 an additional base budget is proposed for children's and families pressures as shown below:-

2019/20 funded children's and families budget pressures	£000
Looked after children placement costs (based on August 2018 service users)	1,800
Allowances	338
Pay inflation	503
Market forces supplement for social workers	500
Social worker agency cover	186
Post Ofsted management capacity	100
Total funded base budget pressures	3,427

11. In addition to the above, £1.1m of one-off reserve funding has been approved by Cabinet in June which will be used to fund additional staff costs. Prior to the Ofsted inspection of local authority children's services in Herefordshire in June 2018, cabinet had recognised the need to strengthen capacity in the service across management, social workers, family support, business support and early help, and had made available £1.6m to support this. This enabled the service to recognise the need to introduce a market forces supplement for social workers, recognising the competitive recruitment environment nationally and regionally. The Ofsted inspection findings and recommendations emphasised the need to create the right conditions for good social work to flourish, as well as providing sufficient management capacity, early help and edge of care services to make a real difference to children and young people in Herefordshire.
12. It is recognised that there may be further funding pressures to meet the needs of looked after children. The financial year 2018/19 has shown how volatile this budget area can be. Members have received information via briefings on the increase in numbers and costs for residential and independent foster care placements, as well as some of the complex needs the council is meeting. The increases have more than off-set the savings that the service has been making in this area and has been significantly above the predicted spend when the budget was set. This is a national as well as local issue, with recent reports indicating that across local authorities in 2017 there was a spend of c.£800m over budget. 2018/19 appears to be another year of significant cost pressures in this area for a considerable number of local authorities. It is therefore planned to report on any spend above budget for looked after children separately and that these costs may be met through a corporate fund. The placement budget for 2019/20 is proposed at current anticipated spend.
13. The service is working with Staffordshire and Doncaster Local Authorities during 2018/19 to review its current spend on looked after children and to evaluate what preventative services might make a difference over the next three years to alter the current pattern.
14. The service has developed some proposals for early help, edge of care and placement stability. These will be developed into specific business cases and considered against the use of the financial resilience reserve as invest to save opportunities. It is important that the council does what it can to prevent the need for high threshold and high cost

services. The Ofsted inspection and LGA peer review of safeguarding both noted that this was an under developed area in Herefordshire.

15. The service is also developing a business case to recruit more newly qualified social workers, with additional workers to support their practice and development. The intention would be to create more permanent staff, enabling more children to benefit from longer term working relationships and reduce the reliance and spend on agency workers. The service does currently recruit some newly qualified social workers, but this proposal would significantly increase the number.
16. The service is facing pressures from the implementation of the national funding formula for schools. Within this there is the high needs block, which provides funding for pupils with special educational needs and/or disabilities. The funding covers a range of spending including directly in mainstream schools, special school and alternative provision place funding, top-up funding and support services run by the council. The council is having to meet c.£600k of pressures for 2019/20. It is proposing to deliver a range of changes to meet these pressures. These will be considered by schools forum as part of the school budget setting process.
17. If pressures in looked after children and special educational needs continue in 2019/20 then those costs will have first call on the centrally held contingency budget held for in year unbudgeted costs arising.
18. The current savings plans require £8.0m of savings over the MTFs period, £1.1m for children's and families. The saving requirement represents the funding gap arising from increased cost pressures and funding assumptions. In 2018/19 the service is spending significantly above budget due to the increasing cost of meeting children's needs. It is on track however to meet all its other savings targets. The current forecast outturn for 2018/19 totals £27m. The base budget for 2019/20 has been uplifted to reflect the expectation that this level of spend will continue.
19. For 2019/20 the savings required from children's and families is £0.2m to be realised from contract efficiencies and inflation.
20. Before the base budget review the savings for children's and families for 2019/20 totalled £1.1m, following the base budget review the savings required from looked after children (£0.7m) and workforce structure (£0.2m) have been removed as these are considered not currently achievable given the increase in spend to meet children's needs in 2018/19.
21. The draft budget for 2019-20 is set out below and detailed for children's and families in appendix 2. The base budget below shows the net budget position; the gross budget will include the dedicated school grant (£125m), improved better care fund (£5.7m) and public health grant (£9.0m).

	2018/19 revised base	Funded pressures & other movements	Savings	2019/20 draft base budget
	£'000	£'000	£'000	£'000
Adults and communities	52,087	5,288	(700)	56,675
Children's and families	23,958	3,427	(200)	27,185
Economy and place	34,046	1,417	(2,453)	33,010
Corporate services	9,424	146	(379)	9,191
Sub Total	119,515	10,278	(3,732)	126,061
Centrally held budgets	24,609	(1,483)	(200)	22,926

Further information on the subject of this report is available from
 Josie Rushgrove, Tel: 01432 260176, email: jrushgrove@herefordshire.gov.uk

Total	144,124	8,795	(3,932)	148,987
Financed by				
Revenue support grant	5,370			620
Business rates	33,256			35,457
Council tax	98,445			103,908
New homes bonus	2,540			2,029
Rural sparsity delivery grant	4,093			4,093
Collection fund surplus (one off)	420			500
Adult social care grant (one off)				2,380
Total	144,124			148,987

Financing

22. The 2019/20 net budget requirement is financed by retained funding from council tax (£104m) and business rates (£35m) as shown in the table above. Assumptions include 4.9% increase in council tax (2.9% general increase and 2% adult social care precept) and business rate reliefs being funded via a central government grant. Central government funding is included as accepted in the four year funding settlement. The recent budget announcement of additional social care grant funding is also included at £2.4m.
23. If the settlement expected on 6 December provides additional monies to the draft base budget shown above, unless the use of those funds is specified by government, these will be added to strategic reserves to assist with smoothing future pressures and access to those reserves will be subject to further governance.

Capital Budget

24. Attached at appendix 3 is the capital budget investment request for children's and families, attached at appendix 4 is the supporting business case for the request. The request is for replacement of temporary school accommodation at Orleton at £0.5m to be funded through corporate borrowing. The works would replace the current temporary modular building with a permanent fir for purpose build structure.

Budget setting timetable

25. Below is a summary of the 2019/20 budget setting timetable.

Date	Meeting	Purpose
27 November 2018	Adults and wellbeing scrutiny committee	To consider adults and communities revenue and capital budget proposals and updated medium term financial strategy and agree any recommendations to be made to Cabinet
29 November 2018	Children and young people scrutiny committee	To consider children's and families revenue and capital budget proposals and updated medium term financial strategy and agree

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		any recommendations to be made to Cabinet
30 November 2018	General scrutiny committee	To consider the overall revenue and capital budget proposals and updated medium term financial strategy, treasury management strategy and capital strategy and agree any recommendations to be made to Cabinet
31 January 2019	Cabinet	To agree the draft revenue and capital budget 2019/20, treasury management strategy, capital strategy and medium term financial strategy for recommendation to Council
15 February 2019 9.30am	Council	Deadline for Members intending to propose an amended motion (as per Section 1 paragraph 4.1.105 and 4.1.106 of Constitution)
15 February 2019	Council	To agree the council's revenue and capital budget for 2019/20, treasury management strategy, capital strategy and medium term financial strategy

Community impact

26. The MTFs and budget demonstrate how the council is using its financial resources to deliver the priorities within the agreed corporate plan.
27. The council is committed to delivering continued improvement, positive change and outcomes in delivering our key priorities. Specifically for children's and families the budget proposal will:-
- a. Support keeping children and young people, including looked after children and care leavers safe and giving them the best start in life by providing funding for placements and services. The directorate will be supported to create the conditions for good social work to flourish by providing more capacity across social work staffing.
 - b. Support families and communities to encourage healthy eating (particularly for children).
 - c. Launch a targeted campaign on good dental health.
 - d. Encourage businesses to offer apprenticeships and work opportunities for young people, including for looked after children and care leavers.
28. In accordance with the principles of the 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 for accountable decision making, policy development, and review.

Equality duty

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

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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.
30. We will carry out service specific equality impact assessments for the service specific budget proposals to assess the impact on the protected characteristic as set out in the Equality Act 2010.
31. The duty means that the potential impact of a decision on people with different protected characteristics is always taken into account when these assessments have been completed then we will consider mitigating against any adverse impact identified.

Resource implications

32. The financial implications are as set out in the report. The ongoing operational costs including, HR, IT and property resource requirements are included in the draft budget and will be detailed in separate governance decision reports as appropriate.

Legal implications

33. When setting the budget it is important that councillors are aware of the legal requirements and obligations. Councillors are required to act prudently when setting the budget and council tax so that they act in a way that considers local taxpayers. This also covers the impact on future taxpayers.
34. The Local Government Finance Act 1992 requires a council to set a balanced budget. To do this the council must prepare a budget that covers not only the expenditure but also the funding to meet the proposed budget. The budget has to be fully funded and the income from all sources must meet the expenditure.
35. Best estimates have to be employed so that all anticipated expenditure and resources are identified. If the budget includes unallocated savings or unidentified income then these have to be carefully handled to demonstrate that these do not create a deficit budget. An intention to set a deficit budget is not permitted under local government legislation.
36. The council must decide every year how much they are going to raise from council tax. The decision is based on a budget that sets out estimates of what is planned to be spent on services. Because the level of council tax is set before the year begins and cannot be increased during the year, risks and uncertainties have to be considered, that might force higher spending more on the services than planned. Allowance is made for these risks by: making prudent allowance in the estimates for services; and ensuring that there are adequate reserves to draw on if the service estimates turn out to be insufficient.
37. Local government legislation requires the council's S151 officer to make a report to the full council meeting when it is considering its budget and council tax. The report must deal with the robustness of the estimates and the adequacy of the reserves allowed for in the budget proposals (the statement is contained within the risk management section

of this report). This is done so that members will have authoritative advice available to them when they make their decisions. As part of the Local Government Act 2003 members have a duty to determine whether they agree with the S151 statutory report.

38. The council's budget and policy framework rules require that the chairmen of a scrutiny committee shall take steps to ensure that the relevant committee work programmes include any budget and policy framework plan or strategy, to enable scrutiny members to inform and support the process for making cabinet proposals to Council.

Risk management

39. Section 25 of the Local Government Act 2003 requires the S151 officer to report to Council when it is setting the budget and precept (council tax). Council is required to take this report into account when making its budget and precept decision. The report must deal with the robustness of the estimates included in the budget and the adequacy of reserves.
40. The budget has been updated using the best available information; current spending, anticipated pressures and the four year grant settlement. This draft will be updated through the budget setting timetable.
41. The most substantial risks have been assessed as part of the budget process and reasonable mitigation has been made. Risks will be monitored through the year and reported to cabinet as part of the budget monitoring process.
42. There are additional risks to delivery of future budgets including the delivery of new homes, Brexit, government policy changes including changes to business rates and unplanned pressures. We are maintaining a general fund reserve balance above the minimum requirement and an annual contingency budget to manage these risks.
43. Demand management in social care continues to be a key issue, against a backdrop of a demographic of older people that is rising faster than the national average and some specific areas of inequalities amongst families and young people. Focusing public health commissioning and strategy on growth management through disease prevention and behaviour change in communities is critical for medium term change. In addition re-setting our relationship with communities focussing services on areas of greatest professional need will support the MTFS.
44. The risks and mitigating action is shown in Appendix M4 of the MTFS, copied below:-

	Key Financial Risks	Likelihood	Impact	Mitigating Actions
1	Unexpected events or emergencies By its nature, the financial risk is uncertain	Low	High	<ul style="list-style-type: none"> Council maintains a Strategic Reserve at a level of between 3% and 5% of its revenue budget for emergency purposes Level of reserve is currently £7.9m (5% of budget)

2	Increasing demand for Adult Social Care Demand for services continue to increase as the population gets older	High	Medium	<ul style="list-style-type: none"> • Demand led pressures provided for within our spending plans • Activity indicators have been developed and will be reported quarterly alongside budget monitoring
3	Potential Overspend and Council does not deliver required level of savings to balance spending plans Challenging savings have been identified within our spending plans.	Medium	Medium	<ul style="list-style-type: none"> • High risk budget areas have been identified and financial support is targeted towards these areas • Regular progress reports on delivery of savings to Management Board and Cabinet • Budget monitoring arrangements for forecasting year end position in place and forecast balanced • Plan to review level of cover available from General reserves in place
4	Potential overspend on Special Education Needs the duty to secure provision identified in Education, Health and Care plans means an overspend may occur	Medium	Medium	<ul style="list-style-type: none"> • This is a national issue with lobbying to increase central government funding • A review of the application of the matrix is underway
5	Increase in Pension Liabilities Our contributions are influenced by market investment returns and increasing life expectancy.	Medium	Low	<ul style="list-style-type: none"> • Spending plans reflect the level of pension contribution required as identified by the Pension Fund's Actuary in 2016 for the next three years
6	Failure to provide safeguarding and placements for children There is an increasing requirement to provide sufficient school places There is a rising number of children requiring specific support, including children who are looked after or who are care leavers	Medium	High	<ul style="list-style-type: none"> • Provision has been made in the capital programme to increase school places • Directorate plans in place to manage and mitigate demand, including making the case for use of the resilience fund • Ongoing reviews of children already under care of council • Proposals to meet additional demand through a corporate approach.
7	Volatility in future funding streams in Government funding streams and Business Rates Retention	High	Medium	<ul style="list-style-type: none"> • Prudent assumptions made in budget • Ongoing review of developing business rate changes • Business case to support future investment decisions
8	Brexit Impact of EU exit may lead to increased volatility in economic stability and reduced access to funds	Medium	Medium	<ul style="list-style-type: none"> • Reduced reliance on grant funding in all directorates • Increased local economic and social investment to increase core income

45. We retain the risk of on-going litigation claims which may result in one off costs falling due; a risk mitigation reserve of £3.6m has been set aside to fund this.

Consultees

46. The council's 2019/20 budget consultation took place from 5 July 2018 until 21 September 2018. A short survey was developed to seek views on a variety of proposals, including should the council increase its borrowing to enable more investment across the

county and a 4.9% total increase in council tax. The consultation was open to all, including parish councils, health partners, the schools forum, business ratepayers, council taxpayers, the trade unions, political groups on the council and the scrutiny committees. Meetings were specifically held with businesses, parish councils and representatives from the voluntary sector to promote the consultation and information was also sent to partner bodies.

47. There were a total of 227 responses to the consultation, 225 responses to the standard questionnaire and 2 responses as emails. Although as self-selecting, these respondents are not statistically representative of the general population, their views are an important element of the wider evidence base against which the budget proposals should be considered. The consultation report is attached at appendix 3. Key outcomes of the consultation include:-
- a. 51% of respondents thought the council's proposal to increase Council Tax by 4.9% was about right or not enough;
 - b. 37% of respondents supported the council increasing its borrowing requirement by £22.3m to increase the level of investment in the county, and 15% supported borrowing more;
 - c. 78% of respondents agreed that funding should support employing more children's social workers and to support more help for children, young people and families at an early stage;
 - d. 56% of respondents stated they did not agree with the allocation of Council Tax spend between services as set out in the consultation, however there was no consensus on alternative ways of allocating resources.
 - e. 49% of respondents supported 'keeping the maximum discount of 84%' for the low income households Council Tax discount. 44% supported to 'continue to award the same level of business rate discount'
48. In response the proposed budget:-
- a. Includes a 4.9% proposed council tax increase.
 - b. Council borrowing for capital investment will be maintained as proposed.
 - c. The council's local council tax reduction scheme and business rate discounts will be maintained with the same parameters in 2019/20.
 - d. £1.6m will be used to employ more children's social workers and to support more help for children, young people and families at an early stage. Cabinet proactively recognised the need to invest in this important area of the council's business. When Ofsted inspected this service area in June 2018 they acknowledged this investment and highlighted the need to increase capacity of social workers and managers to cope with the need for services and the volume of social worker caseloads.

Appendices

Appendix 1 - draft MTFS 2019/20 – 2021/22

Appendix 2 - detail of draft children's and families 2019/20 revenue budget

Appendix 3 - detail of children's and families capital investment budget request

Appendix 4 – capital investment budget request business case

Appendix 5 - summary of 2019/20 budget consultation responses

Background papers

None identified.

**Medium Term
Financial Strategy
2019/20 – 2021/22**

Herefordshire Council's Medium Term Financial Strategy

Introduction

The medium term financial strategy (MTFS) outlines the measures Herefordshire Council has taken since 2010 to deliver savings, and describes the 2019/20 budget proposal and financial forecasts up to 2021/22.

Rising to the financial challenge

Central government introduced measures in 2010 which has seen a reduction in the revenue support grant from £60.1m in 2011/12 to £5.3m in 2018/19 (reducing further to £0.6m in 2019/20). Over the same time period council services have seen increasing demand, particularly for adult social care and looked after children.

The council has risen to this financial challenge, by:-

- Delivering substantial savings of £90m
- Delivering services differently
- Increasing its financial reserves
- Consistently delivering balanced budgets

This has been achieved by the council:-

- Delivering organisational efficiencies including consolidating staff in fewer buildings, reducing the number of staff including agency staff, and introducing staff mandatory unpaid leave days.
- Changing models of service delivery to focus on self-help, and early help and intervention to reduce the demand for higher cost interventions.
- Reconfiguring household waste collection and grass cutting services.
- Expanding the use of technology to enable people to contact the council through the website at a time that suits them, with a reduction in the need for face to face and phone contact to use resources for people who need them most.
- Supporting greater community involvement in services such as community libraries, litter picks, environmental and bio-diversity initiatives.
- Maximising commercial opportunities ensuring where possible, fees are set at levels which secure full cost recovery, and exploring further income generation opportunities from fees and charges, for example car parking.
- Reviewing the council's smallholdings estate

At the same time the council has:-

- Significantly improved adult social care client satisfaction
- Worked with external partners to produce a business case which secured

£23m of government funding to establish a new university in Hereford

- Delivered a new livestock market and a privately funded retail and leisure development on the old livestock market site
- Progressed plans for a by-pass for Hereford city and delivered major infrastructure improvements to the city and county road network
- Opened the new Hereford City Link Road which provides development opportunities for business, residential and public sector organisations.
- Successfully delivered the Hereford Enterprise Zone, creating over 600 jobs
- In partnership with Worcestershire County Council opening a new energy from waste plant
- In partnership with Gloucestershire County Council implementing the 'Fasterhire' programme delivering broadband to 80% of the county

2019/20 budget proposal

The MTFSS proposes a balanced 2019/20 budget achieved by increasing council tax charges by 4.9%, inclusive of a 2% adult social care precept and committing to delivering savings of £3.9m.

2019/20 savings requirement	Total
	£'000
Workforce and service delivery savings	1,037
Maximise income generation	125
Manage inflation and secure contract efficiencies	200
Efficiency savings	430
Reduced cost of transport	225
Phased removal of subsidies to parish councils	100
Waste & Sustainability	30
Savings in museums and archives	250
Accommodation strategy savings	360
Procurement savings	500
Public realm savings	175
Base budget realignment	500
TOTAL	3,932

Going forward

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.

It has increased its revenue reserves in recognition of the challenges yet to come. There are changes to national funding of local government we are continuing to assess the impact of. We have growing demographic pressures, particularly relating to adult social care and children with disabilities, and the council needs to address the barriers to growing our economy.

The latest external audit opinion concluded that the council is financially sustainable for the foreseeable future. This MTFS demonstrates how the council will continue to utilise its financial resources to support its corporate plan objectives and realise its ambitions.

1. Overview

- 1.1. The council's gross annual revenue expenditure is in the region of £325m, this is funded by a combination of council tax, business rates, specific grants, rents, third party contributions and income from sales, fees and charges. Approximately £80m is ring-fenced to schools. This leaves the council with around £245m to meet its wide range of statutory requirements and to meet the needs of our residents, businesses and communities.
- 1.2. The council's capital expenditure on its physical assets is separate from revenue expenditure on day to day services and totals approximately £50m each year. This expenditure is funded from a combination of specific grants, third party contributions, capital receipts from sale of assets, contributions from the Local Enterprise Partnership and borrowing.

2. Medium Term Financial Strategy

- 2.1. This Medium Term Financial Strategy (**MTFS**) covers the financial years 2019/20 to 2021/22 and demonstrates how the council will maintain financial stability, deliver efficiencies and support investment in priority services, whilst demonstrating value for money and maintaining service quality.
- 2.2. 2020/21 onwards is currently an estimate as we are awaiting the outcome of the next Government comprehensive spending review.
- 2.3. Herefordshire's key priority areas are:
 - **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**
 - **secure better service, quality of life and value for money.**
- 2.4. This medium term financial strategy (MTFS) contains progress on the financial challenges the council faces alongside the increasing demands for services. There are higher costs associated with the county's rurality and demographics. The council aims to balance this challenge by supporting independent, safe and healthy lives.
- 2.5. The Council continues to provide value for money service delivery and aspires to bring sustainable prosperity and well-being for all.
- 2.6. During this MTFS period the funding of council services will change significantly, central government is leading a fair funding review and local rate retention will become live as we await the next comprehensive spending settlement which is due in

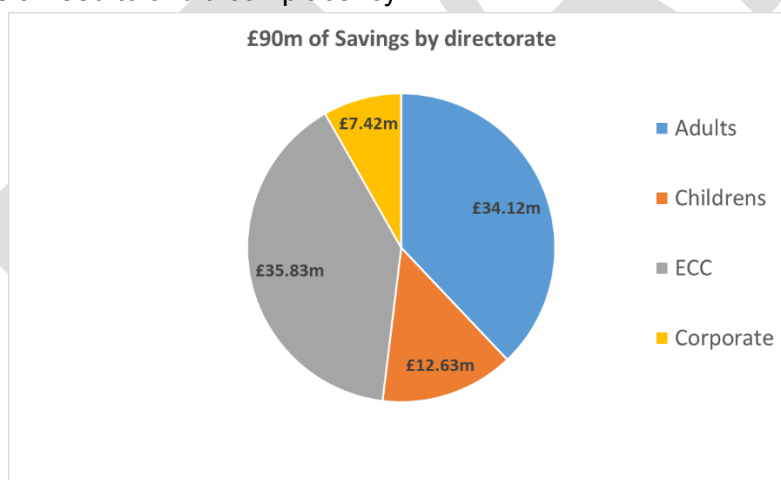
the spring 2019.

- 2.7. The council recognises the need to grow and has plans for new homes throughout the county, new employment opportunities, infrastructure and supporting the establishment of a new university.

3. Financial outlook

- 3.1. The MTFS extends the time period under review to include 2021/22. This continues with the longer-term planning approach that is now well embedded in the Council's strategic financial management arrangements. As core government funding disappears in 2020/21 the council will become increasingly self-reliant upon local resources, council tax and business rates. Although the latter is in itself an uncertain funding source at this time.

- 3.2. By the end of 2018/19 the council will have made ongoing savings of circa £90m in the last ten years. This has involved taking some difficult decisions about the delivery of services; however the approach of long term planning supported by strong governance and a delivery focus across the whole council has meant that savings have been delivered on time or slightly ahead of time. This past strong performance in this area cannot be regarded as a guarantee for the delivery of savings in the future, and there is a need to avoid complacency.



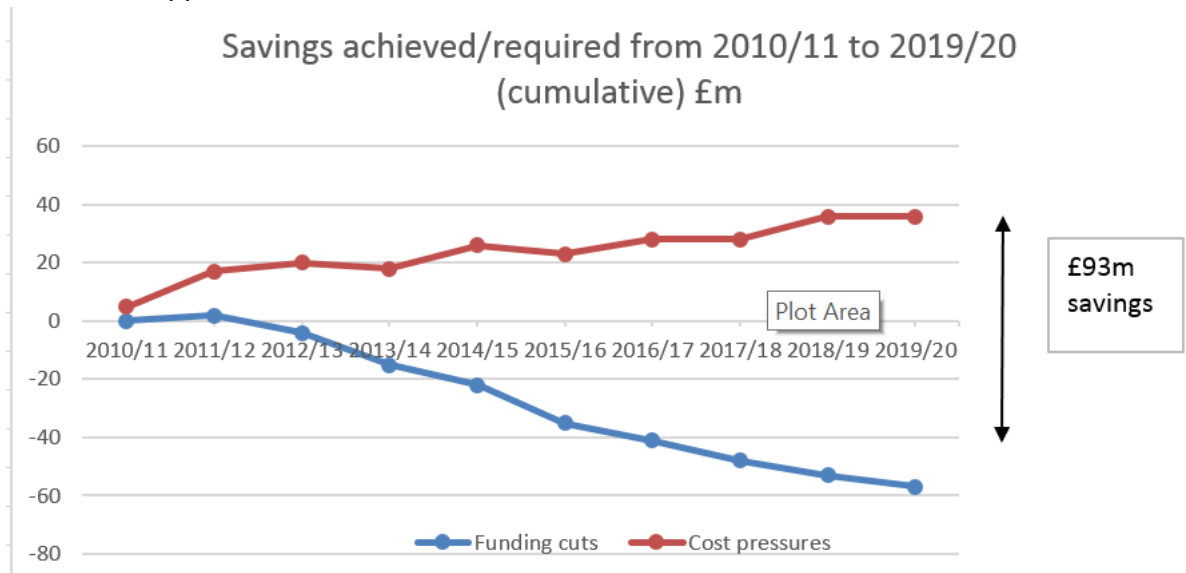
- 3.3. As well as meeting the councils legal responsibility to set a balanced budget, the benefits of long term financial planning are:

- Ensuring resources are allocated to the councils priorities,
- Improving value for money,
- Maintaining financial stability,
- Managing significant financial risks.

3.4. The medium term financial strategy is underpinned by the following key principles:

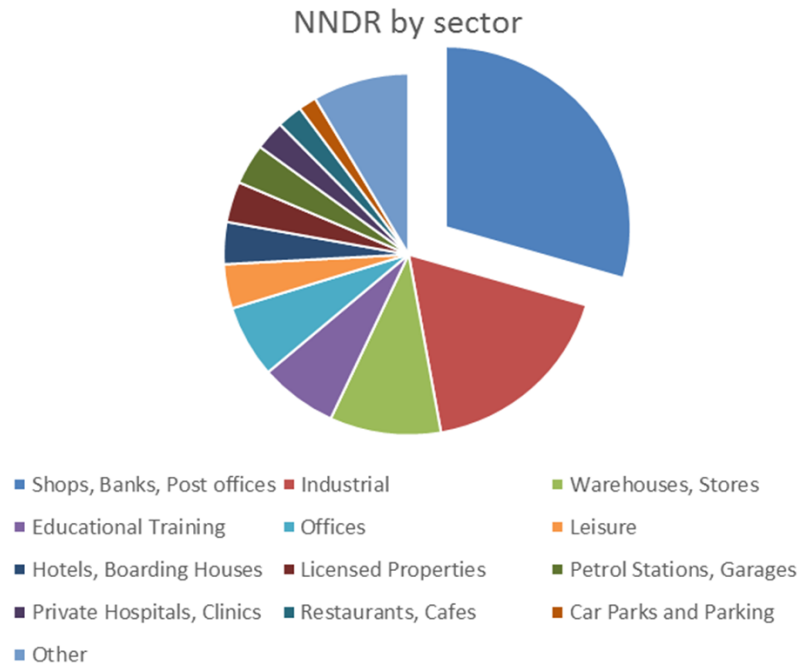
- Prudent assessment of future resources and unfunded cost pressures.
- Appropriate levels of income generated across all areas of the council, and prompt collection of all sums owed to the council.
- Prudent assessment of provisions required to mitigate future liabilities.
- Risk assessed level of reserves and balances held to mitigate potential financial liabilities and commitments.
- Prudent and planned use of reserves to fund expenditure
- Maximisation of capital receipts from disposals.
- Maximisation of external grant funding that meets our priorities.
- Prudent and proportional use of the councils borrowing powers to undertake capital investment that is not funded by capital receipts or contributions from third parties.
- Promotion of invest to save opportunities via detailed assessments of business cases.
- Effective forecasting and management of the council's cash flow requirements.
- Effective management of treasury management risks, including smoothing out the debt maturity profile, borrowing only when necessary and taking advantage of opportunities arising because of disconnects in the market between long term and short term rates.
- Full integration of revenue and capital financial decision processes, to ensure the revenue implications of capital projects are appropriately reflected in the medium term financial strategy.
- Production of detailed implementation plans for all savings proposals.
- Sign-off of all revenue budgets by the relevant senior managers including any savings plans before the commencement of the financial year.
- Regular monitoring of budgets and robust management actions to address any unplanned variances that arise.

- 3.5. Whilst the councils finances have contracted the demand for services have grown. The council faces a constant challenge to manage the increases in demand for adult social care and looked after children that are increasing significantly year on year.
- 3.6. The council accepted a four-year Funding Settlement from the Government in 2016 and 2019/20 is the fourth and final year of that settlement. The impact of this will see the reduction in Revenue Support Grant to £0.6m in 2019/20 compared to £60.1m of Revenue Support Grant in 2011.



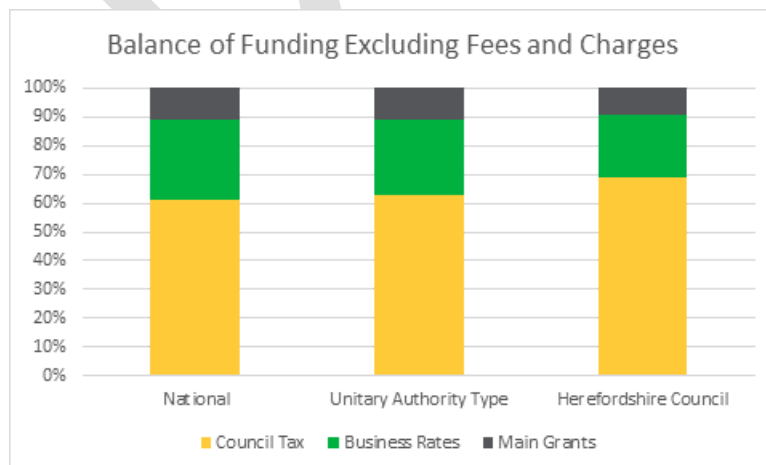
- 3.7. Over the life of the Funding Settlement the Government has introduced a range of temporary funding measures to assist with the increasing demands in adult social care but with little or no certainty beyond 2019/20.
- 3.8. Government policy is likely to be influenced by a range of internal and external factors over the coming years; it is not possible to assess the impact of the United Kingdom's withdrawal from the EU in March 2019 at this point in time. Government have indicated that that there will be a new comprehensive spending review in early 2019.
- 3.9. Government have also indicated that the Adult Social Care Green Paper will arrive shortly. There is likely to be an extensive national debate about how to find a sustainable solution to the funding of care for an ageing population. This is a complex problem and it is very hard to predict when a solution will be found or when and how the solution will be implemented. This creates significant challenges for the Council in making medium term financial plans as a number of the shorter term funding solutions for care costs from Government are scheduled to end during the life of the MTFs, before a sustainable funding solution is found.
- 3.10. We are awaiting confirmation from Government of the implementation timetable for the move to business rates being retained by local government. Government has indicated that it expects the move to be "fiscally neutral" and that councils should

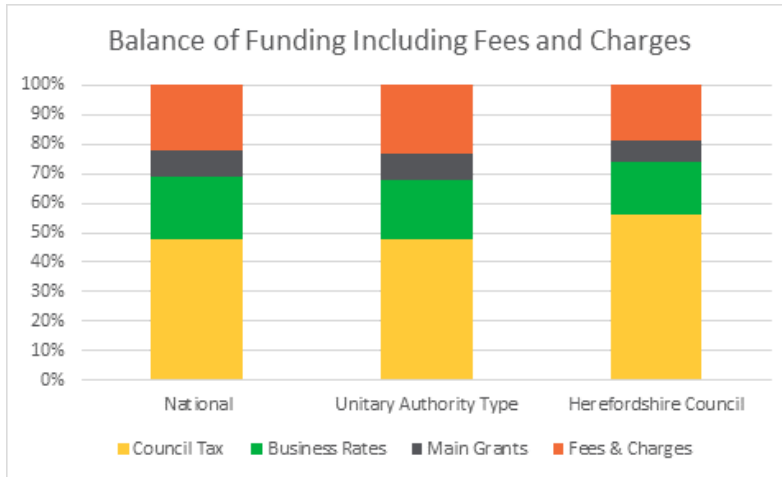
therefore pick up equivalent responsibilities commensurate with the additional funding, this raises a number of difficult challenges for the council given the makeup of the current business rates tax base within the county, with a large element reliant on retail businesses, as shown below.



4. Funding assumptions

The council's main income stream is council tax and this is set to continue. This is positive in that it is a locally controlled funding stream and is expected to grow. A summary of how the income streams compare to unitary and national councils is shown in the graphs below.





The assumption built into the MTFS is 4.9% Council Tax increase in 2019/20 and an increase of 4.5% in future years.

	2019/2020	2020/2021	2021/2022
	£000	£000	£000
Revenue Support Grant	620		
Business Rates	35,457	45,853	46,555
Council tax	103,908	109,375	115,211
New Homes Bonus	2,029		
Rural Sparsity Delivery Grant	4,093		
Collection Fund Surplus (one off)	500		
Adult social care grant (one off)	2,380		
	148,987	155,228	161,766

5. Savings by directorate

The council delivered £77m of savings since 2010, with a further £13m expected to be delivered in the current 2018/19 year. Going forward further savings are required to ensure the council does not overspend. Savings required for the next three years is £7.9m, as set out below, giving a savings total of £98m between 2010 and 2022.

	2019/2020	2020/2021	2021/2022	Total
	£000	£000	£000	£000
Adults and wellbeing	700	600	500	1,800
Children's wellbeing	200	300	650	1,150
Economy, communities and corporate	2,832	700	350	3,882
Other corporate savings	200	500	500	1,200
	3,932	2,100	2,000	8,032

6. Directorate base budget movements

	AWB £000	CWB £000	ECC £000	Corporate £000	Total £000
2018/19 base budget	51,929	23,402	41,961	26,832	144,124
2018/19 movements	158	556	1,509	(2,223)	0
Pressures	2,908	3,427	1,563	48	7,946
Savings	(700)	(200)	(2,832)	(200)	(3,932)
Other corporate movements				(2,031)	(2,031)
2019/20 base budget (excluding one offs)	54,295	27,185	42,201	22,426	146,107
Pressures	2,717	714	1,533	91	5,055
Savings	(600)	(300)	(700)	(500)	(2,100)
Public health new responsibility	6,000				6,000
Other corporate movements				166	166
2020/21 base budget	62,412	27,599	43,034	22,183	155,228
Pressures	2,219	732	1,575	94	4,620
Savings	(500)	(650)	(350)	(500)	(2,000)
Other corporate movements				3,918	3,918
2021/22 base budget	64,131	27,681	44,259	25,695	161,766

7. University

- 6.1 The New Model in Technology & Engineering (NMiTE), Hereford's nascent engineering only university, has the potential to be one of the key catalysts that enable the transformation of the county's economy. In a world driven by the knowledge economy, technology and urbanisation the advent of the university from 2020 will over the next 15-20 years not only increase the intellectual capital of Herefordshire but also has the potential to support steady population growth. With 1,600 students recruited each year this will balance the annual out-migration of young people. In addition it is likely that at least ten per cent of graduates will remain in or near the county making Herefordshire an attractive inward investment location for employers needing hi-tech work-ready employees.
- 6.2 The direct impact on the economy, over the next 15 years, will come from £550 million capital investment to build 40,000 sq metres of teaching space and 150,000 sq metres of student accommodation to house up to 5,000 students resident for 46 weeks for the three years of each student's study period. At this peak capacity NMiTE will employ nearly 600 staff directly (many requiring homes) and will be supported by a range of local suppliers. Based on data from other university cities NMiTE is expected to add at least £120 million annually to the county's GDP. Taken together, the various impacts of NMiTE will do much to help the long term sustainability of the county.
- 6.3 New innovative higher education providers such as NMiTE will play an important part in educating the next generation of much-needed engineers, providing the skills and talent that employers need. Hereford is a cold-spot for higher education provision, leading to a 'brain drain' of 18-24 year olds leaving the area to study. The Higher Education reforms are about giving all young people access to university and an

increasingly diverse market to choose from. This will ensure a steady stream of highly-skilled graduates into the workplace locally, and regionally. NMiTE builds on plans set out in the government's modern Industrial Strategy, which aims to improve living standards and economic growth by increasing productivity and driving growth.

- 6.4 A fundamental role of the Marches LEP is to help develop a vibrant regional economy by removing barriers to growth. The creation of NMiTE will play a pivotal role in driving forward our economy through the development of new and innovative Higher Education provision. This will help address the national shortage of graduate engineers by teaching students the key skills which employers demand in the workplace. A key focus of the project will be to help retain a large proportion of the 18-24 population who leave the region to attend Universities across the country, implementing the knowledge and skills acquired to help improve the productivity of our valued businesses.

8. Better Care Fund

- 8.1 The Better Care Fund (BCF) is a pooled budget which is nationally mandated to further the integration of health and social care. Herefordshire's BCF has two partners, Herefordshire Council and Herefordshire CCG.
- 8.2 Funding is received by the Council from the NHS, via Herefordshire CCG. The Department of Health and Social Care sets national minimum contributions to the pool for both revenue and capital and specifies that certain funding streams must be included within the mandatory minimum fund. Partners are permitted, and encouraged, to pool more than the minimum requirement. The Better Care Fund in Herefordshire has four components- mandatory capital and revenue contributions, additional voluntary revenue contributions from each partner, and the Improved Better Care Fund (IBCF).
- 8.3 The MTFS assumes that the transfer of funds from the NHS to the council will occur throughout the MTFS period and that the annual value will continue to grow in line with inflationary uplifts for the NHS.

9. Improved Better Care Fund

- 9.1 The Government's Spending Review in 2015 announced new money for social care and the 2017 Spring Budget subsequently increased this funding. The Government requires that this additional IBCF funding for adult social care in 2017-19 is pooled into the local BCF.
- 9.2 The funding is paid to Local Authorities for adult social care as a direct grant under Section 31 of the Local Government Act 2003. The funding may be used only for the purposes of meeting adult social care needs; reducing pressures on the NHS, including supporting more people to be discharged from hospital when they are ready; and ensuring that the local social care provider market is supported.
- 9.3 A recipient local authority must:
- a) pool the grant funding into the local Better Care Fund, unless an area has written Ministerial exemption;

- b) work with the relevant Clinical Commissioning Group and providers to meet the national BCF condition on managing transfers of care set out in the Integration and Better Care Fund Policy Framework and Planning Requirements 2017-19; and
- c) provide quarterly reports as required by the Secretary of State.

9.4 The MTFS assumes that the funding allocated in the 2015 spending review is recurrent and will be received throughout the MTFS period, albeit subject to any changes made by the forthcoming 2019 spending review; while the funding announced in the 2017 Spring Budget is assumed to be non-recurrent and will not be received after 2019/20.

10. Demographics

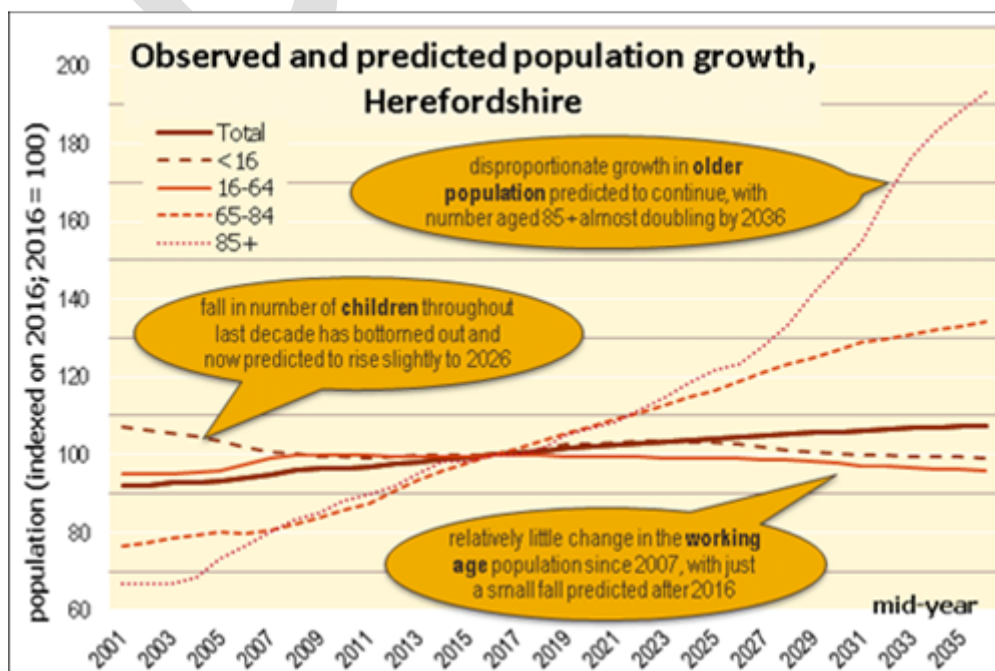
10.1 The latest population projections for Herefordshire are the 2016-based Subnational population projections (SNPPs), published 24 May 2018 by the Office for National Statistics (ONS). Based on the ONS' 2016 mid-year estimates, the future population is projected forward by ageing on the population and applying observed trends in relation to births, deaths and migration, year on year, up to 2041.

10.2 The current projections suggest slower growth than the previous (2014-based) projections. This is because of assumptions about lower future levels of fertility and international migration, and an assumption of a slower rate of increase in life expectancy.

10.3 The total population of Herefordshire is projected to increase from 189,500 people in 2016 to 194,100 by 2021 (an increase of two per cent); and to 203,700 people by 2036 (an increase of seven per cent), equivalent to an average annual growth of 0.35 per cent per year over this 20-year period. This is a lower projected annual rate of growth than England as a whole (0.5 per cent per year).

10.4 These projections serve as a baseline scenario; they do not attempt to predict the impact that future government or local policies (such as on housing development), changing economic circumstances or other factors might have on demographic behaviour.

Predicted population growth in Herefordshire:



11. Minimum Revenue Provision

- 10.1 The Minimum Revenue Provision (MRP) is a technical accounting requirement, specific to local government, which is the method by which councils charge their revenue accounts over time with the cost of their capital expenditure that was originally funded by borrowing.
- 10.2 Local government accounting rules require the council to make revenue provision to support the costs of capital spend funded by borrowing regardless of whether that borrowing has actually been taken up; this is referred to as minimum revenue provision and is intended to provide a public demonstration of the costs of capital expenditure.
- 10.3 During 2017/18 Herefordshire revised its Minimum Revenue Provision (MRP) Policy, this changed the notional debt repayment calculation basis to an annuity loan repayment method. This matches the flow of benefits generated by the assets funded from borrowing to the annual MRP charge in the revenue budget. Linking MRP to the average useful life of an asset reflects the economic benefit the council receives from using the asset to deliver services over its useful life, representing a fairer cost charge to current and future council tax payers. Council tax payers are being charged each year in line with asset usage and avoiding current council tax payers meeting the cost of future usage or future council tax payers being burdened with charges relating to assets that are no longer in use.
- 10.4 The actual MRP charge is based on the following calculation:-
- Historic debt balances, previously being written down on a 4% reducing balance basis, being charged on an annuity loan repayment basis. This change ensures all historic notional debt is repaid by 2025/26 whereas under the previous method a balance of £14m would be remaining to be repaid. The annuity rate used is a consistent 2% calculated in line with the changes in revenue support grant which was deemed to include a funding element in relation to the repayment of supported historic debt.
 - Supported borrowing, previously written down on a straight line basis over the asset life, the revised method moves to a 3% annuity also charged over the asset life. The annuity rate has been applied to capital expenditure incurred since 1st April 2008, spend prior to this continues to be written down on a straight line basis. The 3% represent an average of PWLB loan comparator rates.
- 10.5 The MRP calculation will be reviewed again in 5 years' time to ensure the revised method above is still appropriate.

12. Capital Programme

- 11.1 The current capital programme is summarised in the table below, along with the overall financing and detailed budgets by scheme in appendix M2. The Capital programme approved by Council in July 2018 was approved at £297.3m, this becomes £317.9m with additional grants added to the Capital programme. We know that previously a number of schemes would deliver later than planned as budgets are often estimated very optimistically across financial years but in reality with the time it takes to plan and progress projects they deliver later than first estimated, work has

been done to align these projects more realistically across the financial years and therefore the profile of budgets has moved between years to reflect this.

Approved Capital Programme

	Prior Years £000s	2018/19 £000s	2019/20 £000s	2020/21 £000s	2021/22 £000s	Total Capital Programme Budgets £000s
Total Adults & Communities	132	3,919	3,976	2,653	1,853	12,533
Total Children's & Families	7,744	3,375	14,887	13,200	1,200	40,405
Total Economy & Place	82,615	58,610	95,464	28,058	197	264,944
Total Capital Programme	90,491	65,904	112,578	43,911	3,250	317,882

Financed by

Capital Receipts	24,755*
Grants & Funding Contributions	114,813
Prudential Borrowing	87,823
Funded in prior years	90,491
Total Funding	317,882

* £10.7m in 2019/20, the balance representing funding utilised in previous years

- 12.2 Additional Capital funding requests will be submitted to Full Council when they are required. This means there will be increases to the capital programme for 2019/20 onwards once approved by Council at any future meeting. These funding requests will be reviewed in line with Council plans and within the financing available of grants, capital receipts and increased borrowing of £6.7m annually but borrowing funded through revenue savings will be in addition to this limit. The capital receipts reserve balance at the end of 2017/18 was £42.5m and as we can see in the table above £24.8m of this has already been approved to fund current schemes but of course the reserve balance will increase by any future receipts from April 2018.
- 12.3 There are a number of large schemes over £5m for replacement schools at Colwall, Marlbrook and Peterchurch, along with annual grants for Local Transport Plan, Fastershire Broadband and Highways Asset Management. The Hereford Transport Package will also increase significantly once final plans and funding have been approved. However the three largest schemes are for Hereford City Centre Transport Package of £40.6m, with only £8.3m budget remaining. South Wye Transport Package for £35m with £5m spend to date and plans being finalised for the project to be delivered. The Development Partnership Activities budget is for £40.6m with £300k spend to date although this is due to the partnership agreements only being signed in July 2018 and therefore these projects within the programme budget will begin to start to develop in the near future.

Development Partners

- 12.4 The Development and Regeneration Programme (DRP) has been established to provide development solutions that are reflective of the policies of Herefordshire Council and will be designed and developed in an inclusive way with the community. Consideration is given in all instances of providing developments that are considerate to the health and wellbeing of the residents, built to the latest environmental standards as set out in the building regulations (The National Standards).

- 12.5 Development partners Keepmoat and Engie are committed to encompassing the use of local suppliers and contractors and to maximize the opportunities to employ local Herefordshire people. The KPI's have been set up to reflect this and all parties will take every action possible to ensure this is achieved.
- 12.6 The development partners are keen to achieve developments that reflect the highest standards and that the real impact is the impact to viability, or the anticipated land receipt. The decision as to what standards are applied to a development lies with the council and will impact on development returns/outcomes on a case by case basis.

Keepmoat Homes Ltd

- 12.7 Supporting the delivery of new homes that will help the council to achieve its strategic housing growth targets. Current projects include Bromyard Depot, Merton Meadow, Hildersley and Holme Lacey.

ENGIE Regeneration Ltd

- 12.8 Supporting the delivery of regeneration construction projects, such as business units, student accommodation, commercial development and retirement housing
- 12.9 The agreements will bring to life plans contained within the adopted Core Strategy (the document that sets out Herefordshire's planning priorities until 2031). The plan outlines the development opportunities enabled by the Hereford City Centre Transport Package and Hereford Transport Package, as well other sites across the county such as Ross Enterprise Park and Hillside.
- 12.10 The first new homes are expected to be delivered by late summer 2019.

13. Revenue Budget / Till receipt

Shown below is an indicative illustrative typical month's expenditure incurred by a band D property in Herefordshire from 1st April, this is a draft that will be updated as the budget progresses into its final form.



Herefordshire Council

Charges per month (average Band D property)
2019/20 Monthly Council Tax receipt

	#
** Daily life **	
* Bin collections and environment	13,72
* Roads, bridges and care of public spaces	7,21
* Schools and education	98,13
* Buses and community transport	6,39
* Libraries, records and customer services	1,30
** Looking after adults **	
* Older people in residential / nursing care	13,38
* Older people supported at home	9,24
* Disabled adults	27,76
* Lifestyles services (substance abuse, sexual health)	2,64
* Health improvement (Public Health nursing, health checks, smoking cessation)	5,61
* Housing	0,52
** Looking after children **	
* Child protection	3,75
* Children in care	12,88
* Children with special needs	3,28
** Local government running costs **	
* Election, governance and legal services	3,24
* Directors & staff costs	0,65
* Organisational administration	1,41
* IT, transactions and billing (Hoople)	5,19
* Insurance and property maintenance	5,08
* Capital finance - Debt repayment	7,83
* Capital finance - Interest payments	10,24
** Economic growth **	
* Economic development and regeneration	1,27
* Broadband - rural rollout	0,13
* Planning	0,35
	241,19

** VOUCHER **	

** Other income to supplement council tax **	
* Investment Property income	-2,91
* Car parking	-5,36
* Capital finance - Interest received	-2,01
* Public Health grant	-7,70
* National Education funding (schools)	-96,98

TOTAL TO PAY (per month) £126,23

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14 PFI contracts

- 14.1 The council has two traditional PFI contracts, one in partnership with Worcestershire County Council for the provision of waste management services and the other for the provision of Whitecross High School. The council also has one contract that falls within the definition of a similar contract to a PFI, which is the Shaw Healthcare contract for the provision of residential care services. Under the Shaw Healthcare contract the rent and service charges paid to Shaw by residents for the council's extra care flats at Leadon Bank have been treated as a contribution to the revenue costs of the units.

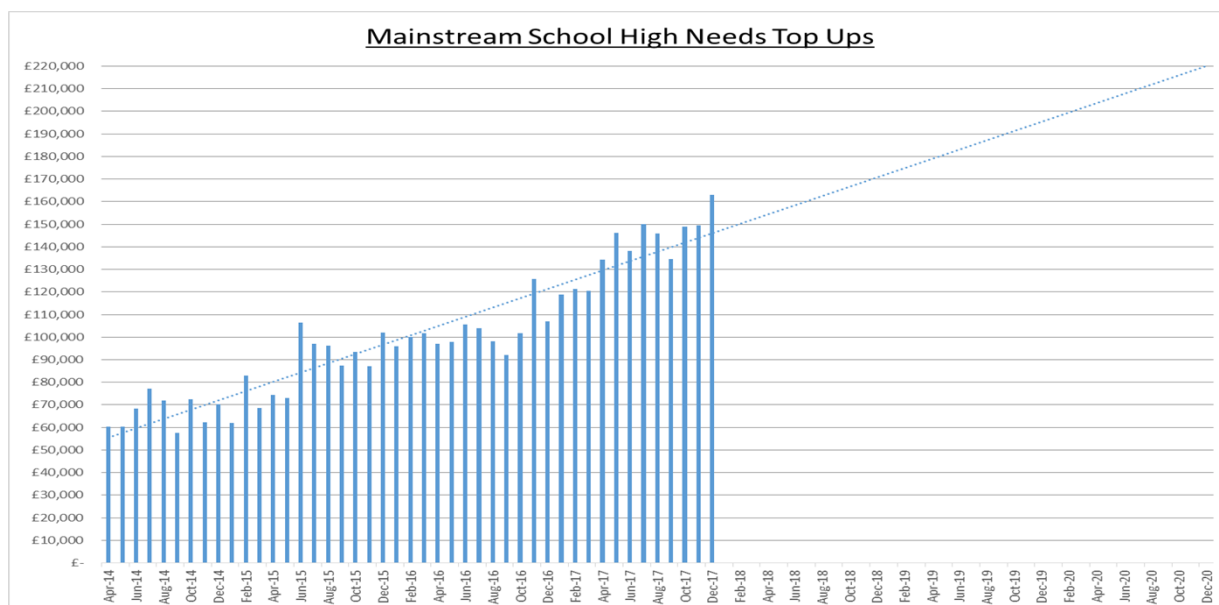
Waste disposal

- 14.2 In 1998 Herefordshire Council, in partnership with Worcestershire County Council, entered into a 25 year contract with Mercia Waste Management Limited for the provision of an integrated waste management system using the Private Finance Initiative.
- 14.3 Under the contract the councils are required to ensure that all waste for disposal is delivered to the contractor, who will take responsibility for recycling or recovering energy from the waste stream. In total the estimated cost over the life of the contract is approximately £500m of which approximately 25% relates to Herefordshire Council. The original life of the contract was 25 years, until 2023, with the option to extend this by 5 years.
- 14.4 A variation to the contract was signed in May 2014 to design, build, finance and operate an Energy from Waste Plant. Construction was completed in 2017 with a funding requirement of £195m and an uplift to the annual unitary charge for both councils of £2.7m per annum.
- 14.5 Both councils provided circa 82% of the project finance requirement for the plant under a separate financing arrangement generating interest income for the councils. The remaining 18% was provided by the equity shareholders of Mercia Waste Management Limited.

Whitecross High School

- 14.6 The Whitecross School PFI project delivered a fully equipped 900 place secondary school with full facilities management services. The contract with Stepnell Limited has an overall value of £74m and lasts for 25 years, until 2032. During the 2012/13 financial year the school transferred to Academy status but the obligations under the PFI contract remain with the council.

15 High Needs



There is a severe cost pressure on high needs spend, spend on pupils with higher support needs, with growth and projected growth shown in the table above. The council is reviewing its SEN funding matrix whilst ensuring a new approach continues to comply with the legal duty to secure the special educational provision identified in an Education, Health and Care (EHC) plan. This statutory duty means that by meeting individual care plan needs an overspend may occur. The council recognises its absolute duty to provide all special educational provision in children's EHC plans and is committed to fulfilling that duty for every child with an EHC plan even if this leads to a deficit in the SEN budget.

16 Treasury Management Strategy

The council is currently reviewing and updating its treasury management strategy for the MTFS period. Currently (as at 30 September 2018) the council held investments of £36m attracting an average of 0.71% interest and outstanding long term debt of £240m at an average interest rate payable of 4.36%.

17 Reserves

Definition of Earmarked reserves and provisions

17.1 **Provisions** are required for any liabilities where the timing of payments or the amount of the liability is uncertain. Provisions are required to be recognised when:

- The council has a present obligation (legal or constrictive) as a result of a past event.
- It is probable that a transfer of economic benefit will be required to settle the obligations and;
- A reliable estimate can be made of the obligation
- Amounts set aside outside for purposes falling outside the definition of

provisions are considered to be reserves.

- 17.2 **Earmarked reserves** are amounts set aside for specific policy purposes or for general contingencies and cash flow management. For each reserve established, the purpose, usage and the basis of transactions needs to be clearly defined.

Use of Reserves

- 17.3 Reserves enables the council to do three things:

- Create a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing. This forms part of the general reserves.
- Create a contingency to cushion against the impact of unexpected events or emergencies. This also forms part of general reserves.
- Creates a means of building up funds, often referred to as earmarked reserves, as defined above. To meet known or predicted liabilities.

- 17.4 There are other reserves that can only be used for specific statutory purposes. These include the usable capital receipts and pensions reserve. These are not considered as part of this policy.

Establishing a new reserve

- 17.5 When establishing reserves the council needs to ensure that it is complying with the Code of Practice on Local Authority Accounting and in particular the need to distinguish between reserves and provisions.

- 17.6 New reserves may be created at any time, but must be approved by The Cabinet when a reserve is established. The Cabinet needs to approve the following:

- Purpose- The reason for creating the reserve should be clearly stated.
- Usage- There should be a clear statement of how and when the reserve can be used.
- Basis of transactions – Delegated authority for approval of expenditure from the reserve.

Reporting reserves

- 17.7 The Chief Finance Officer has a fiduciary duty to local tax payers and must be satisfied that the decisions taken on balances and reserves represent proper stewardship of public funds.

- 17.8 The overall level of reserves balances will be reported to Cabinet at least annually or when new reserves are proposed, the last report to Cabinet was in June 2018 (<http://councillors.herefordshire.gov.uk/ieListDocuments.aspx?CId=251&MId=6584&Ver=4>).

- 17.9 The annual budget report to Council will include:

- A statement of movements in reserves for the year ahead and the following two years;
- A statement of the adequacy of general reserves and provisions in the

- forthcoming year and in the Medium Term Financial Strategy; and
- A statement on the annual review of reserves.

17.10 The level of reserves for the next three years will be reviewed at least annually as part of the Annual budget setting cycle. The Chief Finance Officer will review the Councils earmarked reserves for relevance of propose and adequacy.

17.11 Any amendments to ear marked reserves will be reported to the Cabinet for approval.

17.12 Once a reserve has fulfilled the purpose for which it was established, any remaining balance should be reallocated to another similar purpose ear marked reserve or surrendered to General Reserves.

18 Conclusion

This medium term financial strategy proposes delivering a balanced budget with tough savings required but a clear focus on continuing to improve outcomes. Herefordshire has an excellent track record of transforming services in difficult financial times and continuing to meet the needs of our customers.

19 Appendices

Appendix M1 - Net Revenue budget

Appendix M2 - Approved Capital Investment Programme

Appendix M3 - Reserves Policy

Appendix M4 - Risk Assessment

Appendix M1

Net Revenue budget and Directorate Spending Limits 2019/20

	2018/19 revised base	Funded pressures & other movements	Savings	2019/20 draft base budget
	£'000	£'000	£'000	£'000
Adults and communities	52,087	5,288	(700)	56,675
Children's and families	23,958	3,427	(200)	27,185
Economy and place	34,046	1,417	(2,453)	33,010
Corporate services	9,424	146	(379)	9,191
Sub Total	119,515	10,278	(3,732)	126,061
Centrally held budgets	24,609	(1,483)	(200)	22,926
Total	144,124	8,795	(3,932)	148,987
Financed by				
Revenue support grant	5,370			620
Business rates	33,256			35,457
Council tax	98,445			103,908
New homes bonus	2,540			2,029
Rural sparsity delivery grant	4,093			4,093
Collection fund surplus (one off)	420			500
Adult social care grant (one off)				2,380
Total	144,124			148,987

Appendix M2 Approved capital programme

	Prior Years £000s	2018/19 £000s	2019/20 £000s	2020/21 £000s	2021/22 £000s	Total Capital Programme Budgets £000s
Adults and Wellbeing						
Disabled facilities grant		1,853	1,853	1,853	1,853	7,412
Affordable Housing Grant		800	800	800		2,400
Community Housing Fund		150	-	-		150
Hillside		250	1,250	-		1,500
Single Capital Pot	19	523	73	-		615
Revolving Loans	99	101	-	-		200
Private sector housing improvements	14	242	-	-		256
Total Adults & Wellbeing	132	3,919	3,976	2,653	1,853	12,533
Children's Wellbeing						
Colwall Primary School	6,430	320	-	-		6,750
Schools Capital Maintenance Grant	797	1,216	1,700	1,200	1,200	6,113
Peterchurch Primary School	7	-	493	5,000		5,500
Expansion for Marlbrook school	153	450	5,538	-		6,141
SEN & DDA school improvements		-	710	-		710
Brookfield School Improvements	6	-	1,298	-		1,304
CYPD's S106	313	392	605	-		1,310
Special Provision Capital Fund		-	333	167		500
Healthy Pupils		-	99	-		99
Individual Pupil Needs		151	120	-		271
Short Breaks Capital		-	118	-		118
Blackmarston SEN	30	55	-	-		85
Replacement Leominster Primary	3	39	-	-		42
Basic Needs Funding		-	2,058	6,833		8,891
2 Year Old Capital Funding	5	101	-	-		106
Preliminary works to inform key investment		200	1,815	-		2,015
Temporary school accommodation replacement		450	-	-		450
Total Children's Wellbeing	7,744	3,374	14,887	13,200	1,200	40,405
Economy, Communities and Corporate						
Hereford City Centre Transport Package	32,321	1,342	1,550	5,438		40,651
Local Transport Plan (LTP)		13,539	12,272	12,272		38,083
Fastershire Broadband	16,855	5,000	10,324	2,098		34,277
Hereford Enterprise Zone	8,318	4,758	2,924	-		16,000

Leisure Centres	9,639	413		-		10,052
Solar Photovoltaic Panels	503	120	1,511	-		2,134
Corporate Accommodation	2,362	509		-		2,871
ECC's S106		756		-		756
South Wye Transport Package	4,978	4,508	17,067	8,250	197	35,000
Marches business improvement grants	415	1,297	788	-		2,500
SEPUBU Grant	-	381	354			734
IT Network Upgrade	209	291		-		500
Property Estate Enhancement Works	826	1,414	500	-		2,740
LED street lighting	5,478	177		-		5,655
Herefordshire Enterprise Zone Shell Store		1,500	5,816	-		7,316
Cyber Security Centre Project		3,500		-		3,500
Development Partnership activities	300	5,300	35,000	-		40,600
Highway asset management		7,290	500	-		7,790
Hereford Transport Package		2,960		-		2,960
Ross Enterprise Park (Model Farm)		800	6,270	-		7,070
PC Replacement	70	290		-		360
Three Elms Trading Estate	(8)	125	358	-		475
Stretton Sugwas Closed Landfill	93	2		-		95
Customer Services and Library	10	123		-		133
Energy Efficiency		35	65	-		100
Strangford closed landfill site	20	11		-		31
Gypsy & Traveller Pitch development	29	331		-		360
Leominster cemetery extension	21	172		-		193
Tarsmill Court, Rotherwas		400		-		400
Children centre changes		370		-		370
Car Parking Strategy	58	188		-		246
Car Park Re-Surfacing		116		-		116
Office and Car Park Lighting Replacement		135	165	-		300
Data Centre Consolidation	124	106		-		230
Hereford Library	(6)	351		-		345
Total Economy, Communities and Corporate	82,615	58,610	95,464	28,058	197	264,944
Total	90,491	65,903	114,327	43,911	3,250	317,882

Appendix M3 Reserves

1. Review of Reserves

- 1.1. The overall reserves of the council will be subject to detailed review at the end of each financial year as part of the preparation for the production of the council's statement of accounts, and as part of the council's annual budget setting process to ensure reserves are
 - 1.1.1. Relevant,
 - 1.1.2. Appropriate, and
 - 1.1.3. Prudent.
- 1.2. The Chief Finance Officer will ensure that the council has in place well established robust and regular budget monitoring processes. These take account of the current level of reserves, the latest budget requirements calling on reserves to meet current commitments and to make contributions to reserves to meet future commitments.
- 1.3. The Chief Finance Officer must consider strategic, operational and financial risks in assessing the adequacy of the council's reserves position.

2. Use of Reserves

- 2.1. Approval to use or make contributions to reserves is provided by the Chief Finance Officer, as part of the regular budgetary process, in discussion with the Chief Executive and Leader of the Cabinet
- 2.2. Movements in reserve will be reported to Council as part of the financial Outturn at the end of the financial year.

3. Conclusion

- 3.1. The Chief Finance Officer is satisfied that the Council's ongoing approach to its reserves and provisions is robust. The council's strategic reserve is maintained between 3% - 5% of the net budget requirement, at the end of March 2016 the balance was £7.2m (5% of net budget).
- 3.2. This is sufficient to ensure that the council has adequate resources to fund unforeseen financial liabilities, and that the council's approach to general balances for 2017/18 is deemed appropriate. The level of reserves and expected movement in reserves are set out in the MTFS as part of the annual budget setting process.

Appendix M4 Key risk Assessment

	Key Financial Risks	Likelihood	Impact	Mitigating Actions
1	Unexpected events or emergencies By its nature, the financial risk is uncertain	Low	High	<ul style="list-style-type: none"> Council maintains a Strategic Reserve at a level of between 3% and 5% of its revenue budget for emergency purposes Level of reserve is currently £7.9m (5% of budget)
2	Increasing demand for Adult Social Care Demand for services continue to increase as the population gets older	High	Medium	<ul style="list-style-type: none"> Demand led pressures provided for within our spending plans Activity indicators have been developed and will be reported quarterly alongside budget monitoring
3	Potential Overspend and Council does not deliver required level of savings to balance spending plans Challenging savings have been identified within our spending plans.	Medium	Medium	<ul style="list-style-type: none"> High risk budget areas have been identified and financial support is targeted towards these areas Regular progress reports on delivery of savings to Management Board and Cabinet Budget monitoring arrangements for forecasting year end position in place and forecast balanced Plan to review level of cover available from General reserves in place
4	Potential overspend on Special Education Needs the duty to secure provision identified in Education, Health and Care plans means an overspend may occur	Medium	Medium	<ul style="list-style-type: none"> This is a national issue with lobbying to increase central government funding A review of the application of the matrix is underway
5	Increase in Pension Liabilities Our contributions are influenced by market investment returns and increasing life expectancy.	Medium	Low	<ul style="list-style-type: none"> Spending plans reflect the level of pension contribution required as identified by the Pension Fund's Actuary in 2016 for the next three years
6	Failure to provide safeguarding and placements for children There is an increasing requirement to provide sufficient school places There is a rising number of children requiring specific support	Medium	High	<ul style="list-style-type: none"> Provision has been made in the capital programme to increase school places Directorate plans in place to manage and mitigate demand Ongoing reviews of children already under care of council
7	Volatility in future funding streams in Government funding streams and Business Rates Retention	High	Medium	<ul style="list-style-type: none"> Prudent assumptions made in budget Ongoing review of developing business rate changes Business case to support future investment decisions
8	Brexit Impact of EU exit may lead to increased volatility in economic stability and reduced access to funds	Medium	Medium	<ul style="list-style-type: none"> Reduced reliance on grant funding in all directorates Increased local economic and social investment to increase core income

Draft Children and Families revenue budget 2019/20

	Gross Budget	Net Budget Requirement
	£000	£000
Directorate	114	114
Directorate	114	114
Additional Needs	2,655	2,264
Children's Commissioning	829	592
Commissioning Management	3,173	472
Development and Sufficiency	1,233	917
Early Years	1,411	477
Education Improvement	236	86
Education & Commissioning	9,537	4,808
Safeguarding and Review	1,023	650
Children in Need	3,245	2,843
Looked After Children	20,744	16,514
Safeguarding Development	352	322
Safeguarding & Early Help Management	2,222	1,934
Safeguarding & Family Support	27,586	22,263
Children's Wellbeing	37,237	27,185

In addition it is anticipated that:

Business cases are approved to spend on preventative, edge of care and social workers placement stability services, as well as a spend to save proposal to permanently recruit

Capital Funding Requests for approval – children’s and families

No	Scheme	Current Capital Programme £000	Total 19/20 £000	Total 20/21 £000	Total 21/22 £000	Capital Grant funding £000	Redirected funding £000	Capital receipt funding £000	Funded by ROI £000	Corporate Funded PB £000	Total Request £000
Children and Families											
17	Replacement of Temporary School Accommodation - Orleton		450.0	0.0	0.0	0.0	0.0	0.0	0.0	450.0	450.0
	Total Childrens and Families	0.0	450.0	0.0	0.0	0.0	0.0	0.0	0.0	450.0	450.0

Capital Funding Request Scheme Description

No	Scheme	Scheme Description	Meet Corporate Plan
Children and Families			
17	Replacement of Temporary School Accommodation - Orleton	Removal of temporary modular buildings from Orleton CE Primary school and replacement with permanent build accommodation. Currently using temporary accommodation as full time essential teaching basis. Use of temporary modular buildings was reviewed across all maintained schools as part of the Schools Capital Investment Programme. This is the second year of the replacement programme.	B,D

Key:- Corporate Plan

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

Temporary Accommodation Replacement Program

Feasibility Business Case

Date: 21 November 2018

PROJECT DOCUMENTATION

FEASIBILITY BUSINESS CASE

Temporary Accommodation Replacement Program

Release: Draft

Date: 06.11.2018

Author: xxx

Document Number: v.1

Temporary Accommodation Replacement Program

Feasibility Business Case

Date: 21 November 2018

Feasibility Business Case History**Document Location**

This document is only valid on the day it was printed.

Revision History

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Revision date	Previous revision date	Summary of Changes	Changes marked
		First issue	

Approvals

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Name	Signature	Title	Date of Issue	Version

Distribution

This document has been distributed to

Name	Title	Date of Issue	Version	Status

Temporary Accommodation Replacement Program

Feasibility Business Case

Date: 21 November 2018

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Temporary Accommodation Replacement Program

Feasibility Business Case

Date: 21 November 2018

Stage 0 Business Case**1. Purpose of Document**

This Feasibility Business Case contains information that describes the justification for setting up and continuing the development of a detailed Business Case for the temporary accommodation replacement program project. The Business Case is to be submitted to the Children & Families Capital Programme Board and if accepted, a more detailed Business Case will be developed.

2. Objectives

If the Business Case is approved then the project can move into the implementation phase and deliver the following:

- Ensure the council's estate is well maintained, safe and fit for purpose
- Reduce schools' revenue expenditure through more efficient buildings
- Extend the life cycle of the council's assets and protect / enhance their value
- Ensure that sufficient pupil places in suitable accommodation are available to meet demand in schools

The business case sets out a programme of work to remove temporary modular building on schools estates with permanent build accommodation.

3. Background

Herefordshire Council is responsible for maintaining all community and voluntary controlled schools located within Herefordshire. This equates to 44 establishments on 45 sites. Optimisation of the schools estate is the subject of the schools capital investment strategy which seeks to ensure that there are sufficient high quality learning environments, in good condition, permanent structure buildings that are of the size set out in the Government building specifications. This project supports the Corporate Plan priority of 'Keeping children safe and giving them a great start in life'.

Schools have been assessed prior to inclusion in the program. Those that are not community or voluntary controlled have not been included in this program as they are not under local authority control, but may be considered at a future date. Only those schools that have children taught in temporary modular buildings have been considered, and of these only those with the most pressing need have been put forward.

The existing temporary modular building accommodation at Orleton CE Primary school has been deemed to be the one in most pressing need of replacement. In the past couple of years the school has renewed

Temporary Accommodation Replacement Program

Feasibility Business Case

Date: 21 November 2018

doors, replaced flooring, decorated them, patched the outside and renewed the ramp to access them along with the fire exits. The floors are separating along the lines at which the sections of the building join each other and the external finish is deteriorating and allowing water to ingress and rot the wood. The LPG heaters are also failing regularly despite a great deal of maintenance which appears to be due to the stress of the movement that happens as a result of the instability of the walls and floor.

Without any replacement accommodation, the children would not be able to be educated at the school and would have to be located at another school which would cost the council in terms of transportation to get these children to the alternative school.

3.1. Project Drivers and High Level Issues

The schools capital investment strategy has a number of principles, one of which is that children should not be taught in temporary modular buildings. This project goes part way towards eradicating the use of such buildings for this purpose. The prioritised schools have temporary modular buildings that are nearing the end of their lifespan and are starting to impose considerable costs to keep them in operational order. In some cases the building themselves are beginning to pose a health and safety risk in terms of the structure, which may be deteriorating and adding to health issues for children and adults at risk from exposure to inappropriate conditions.

With regard to the council's objectives, this program will:

- To secure better services, quality of life and value for money
Through minimising property costs and reducing the risk of service failure
- Keep children and young people safe and give them a great start in life
Create permanent build accommodation that meets the governments building specifications

3.2. High Level Metrics

- Revenue cost savings per year for the school
- Reduced maintenance costs per year

4. Scope**4.1. Included in Scope**

Schools that have temporary modular buildings that are used to teach children on a regular basis.

4.2. Not included in Scope

All other schools in Herefordshire.

Temporary Accommodation Replacement Program

Feasibility Business Case

Date: 21 November 2018

5. Stakeholders

- Headteachers of affected schools
- Chairs of Governors at affected schools
- Parents/guardians of affected schools
- Children & Families Directorate
- Property Services
- Procurement
- Finance
- Health & Safety
- Ward Councillors

6. Dependencies**6.1. Initiatives which depend on this project are:**

None

6.2. This project depends on:

- Appropriate levels of resource and expertise
- Contractor availability
- The required level of engagement from stakeholders

7. Benefits

The anticipated benefits of the proposed project are listed below:

7.1. Quantifiable

- Potential for reduced revenue costs to schools
- Fit for purpose teaching accommodation and associated infrastructure
- Improved Display Energy Certificate (DEC) rating for schools
- Compliance with government guidelines

Temporary Accommodation Replacement Program

Feasibility Business Case

Date: 21 November 2018

7.2. Non-quantifiable

- Provision of new classrooms designed and built to modern standards and offering a high quality learning environment for children
- Risk mitigation

8. Contribution to Strategic Objectives

- To secure better services, quality of life and value for money
- Keep children and young people safe and give them a great start in life

9. Potential Costs and Options for Project

- Do nothing – whilst the temporary modular buildings could continue to function in their current condition, there is uncertainty as to how long a lifespan they have left and how soon an incident will occur resulting in injury to a pupil or member of staff due to the poor condition of the buildings and the environment that is associated with water ingress into a building.
- Option 1 – renew the temporary modular buildings with another modular build. This goes against the principles of the schools capital investment strategy which looks to remove temporary modular buildings and replace with permanent build where they continue to be required.
- Option 2 – Replace the temporary modular buildings with a permanent build structure creating classroom spaces that meet the government guidelines and are therefore fit for purpose.

The only viable option is option 2. Estimated costs have been provided based on Building Cost Information Service (BCIS) cost information at £450,000 for the replacement of two classrooms, each with cloakroom areas and storage, toilets and circulation. The cost also includes for the removal of the existing modular building and the reinstatement of the land.

10. Costs and Timescales to Develop the Full Business Case

The full business case will be developed from existing staff resource in the Children & Families Education & Development team with support from other stakeholders. This will be developed prior to the project commencing at the start of the 2019/20 financial year.

11. Risks of not doing the Project

Risks are potential threats that may occur but have not yet happened. Risk management will monitor the identified risks and take any remedial action should the risk happen.

Temporary Accommodation Replacement Program

Feasibility Business Case

Date: 21 November 2018

11.1. The key risks of not doing the project are:

- Impact on service delivery
- Increased cost of maintenance
- Further deterioration of the buildings
- Potential for serious physical injury
- Potential for illness caused from environmental conditions imposed by buildings
- Children would have to be accommodated elsewhere or not be educated. There would be an increase in transport costs to accommodate children elsewhere
- Reputational risk

11.2. The key project risks are:

- Insufficient budget
- Insufficient resource
- Planning permission not obtained
- Disruption to school
- Contractor availability

12. Appendices**Appendix 1 – Finance Template****Appendix 2 – Equality and Diversity considerations**

To be developed as part of a more detailed business case.

Appendix 3 – Privacy and information security considerations

To be developed as part of a more detailed business case.

Appendix 4 – Sustainability considerations

To be developed as part of a more detailed business case.

Budget consultation 2019/20

Outcome report

Version V1.0
Herefordshire Council Intelligence Unit

November 2018

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If you need help to understand this document please call the Research Team on 01432 261944 or e-mail researchteam@herefordshire.gov.uk

Key findings:

- 39 per cent of respondents thought the council's proposal to increase Council Tax by 4.9% is about right, while 49 per cent thought it is too much and 12 per cent thought it is too little.
- While 25 per cent of respondents agreed with the allocation of Council tax spend as set out in the budget till receipt, 56 per cent did not. There was a broad range of views about alternative ways of allocating resources.
- 37 per cent of respondents supported the council increasing its borrowing requirement by £22.3m to increase the level of investment in the county, 15 per cent supported borrowing more, and 48 per cent supported borrowing less.
- 49 per cent of respondents supported 'keeping the maximum discount of 84%' for the low income households Council Tax discount, 12 per cent supported increasing the discount and 39 per cent supported reducing the level of discount.
- With regard to the council's award of business rate discounts to small businesses, 44 per cent supported to 'continue to award the same level of business rate discount', compared to 32 per cent supported 'increasing the availability of business rates discount' and 24 per cent supported 'reducing the level of discount'.
- 78 per cent of respondents agreed with the proposal to use £1.6m to employ more children's social workers and to support more help for children, young people and families at an early stage.

Introduction

The consultation on Herefordshire Council's budget for 2019/20 ran Thursday 5 July 2018 to Friday 21 September 2018. This report presents the key points from the analysis of standard responses received to the consultation questionnaire.

Methodology

The budget consultation questionnaire was designed and quality assured by a project team. The questionnaire was published on the Herefordshire Council website and residents were invited to complete it online. A printable version was made available on the website for residents who preferred to download, print and complete the questionnaire. The consultation was promoted on the council's social media sites (Twitter and Facebook). And was also promoted to a wide range of key stakeholders and groups.

This report presents the results of the combined online and paper responses to the questionnaire. The sample base is the number of respondents to the question and is the base from which percentages are calculated. The sample base used is specified for each question. Percentages are presented rounded to the nearest whole number in the tables; however, the charts are based on unrounded percentages.

Note that if respondents could select more than one answer to a particular question, the percentages may add up to more than 100 per cent.

Where comments have been provided these are listed in full in appendix C but have been anonymised and corrected for spelling where appropriate.

There were a total of 225 responses to the questionnaire, of which 219 were submitted online and six were completed paper copies.

Results

The following analysis represents 225 responses received to the consultation questionnaire. Appendix A contains the responses received e-mails to the consultation. The analysis of free text comments and suggestions to the questionnaire are included in this report. The full list of comments and suggestions can be found in appendix C.

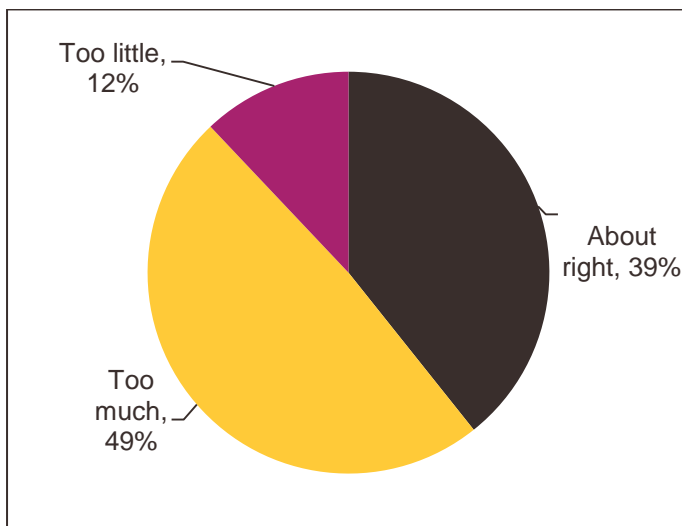
Q1. What do you think about our proposal to increase Council Tax by 4.9% in 2019/20?

39 per cent of respondents thought the council's proposal to increase Council Tax by 4.9% is about right, while 49 per cent thought it is too much and 12 per cent thought it is too little.

Table 1: Respondents to Q1

	Number of respondents	Percentage of respondents
About right	88	39%
Too much	109	49%
Too little	27	12%
Total answered	224	100%
Not answered	1	

Figure 1: Percentage of respondents to Q1



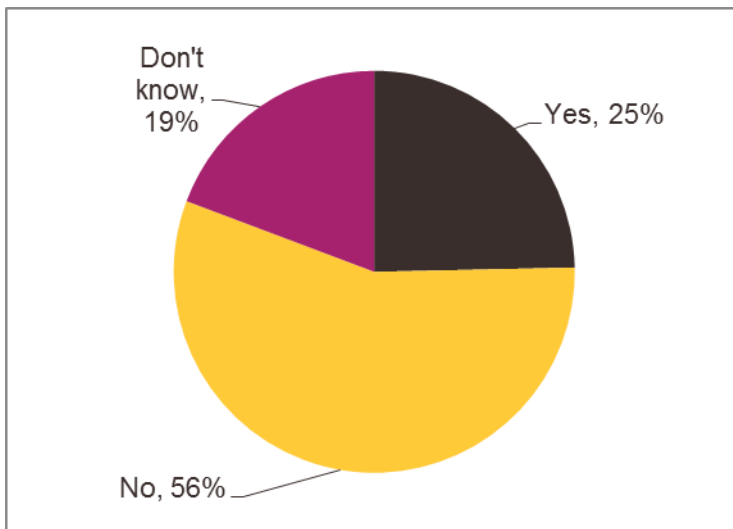
Q2. Do you agree with the allocation of Council Tax spend as set out in the budget till receipt? This includes a 4.9% increase for 2019/20.

While 25 per cent of respondents agreed with the allocation of Council tax spend as set out in the budget till receipt, 56 per cent of respondents did not. 19 per cent of respondents said they 'don't know'.

Table 2: Respondents to Q2

	Number of respondents	Percentage of respondents
Yes	55	25%
No	125	56%
Don't know	43	19%
Total answered	223	100%
Not answered	2	

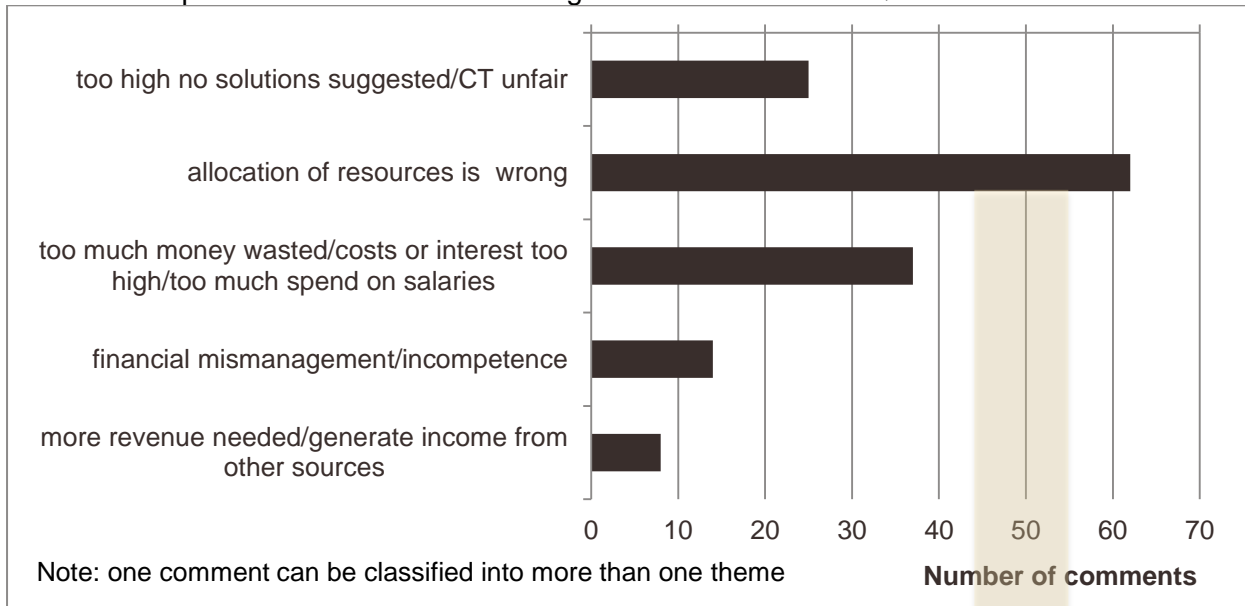
Chart 1: Percentage of respondents to Q2



If not, please explain why:

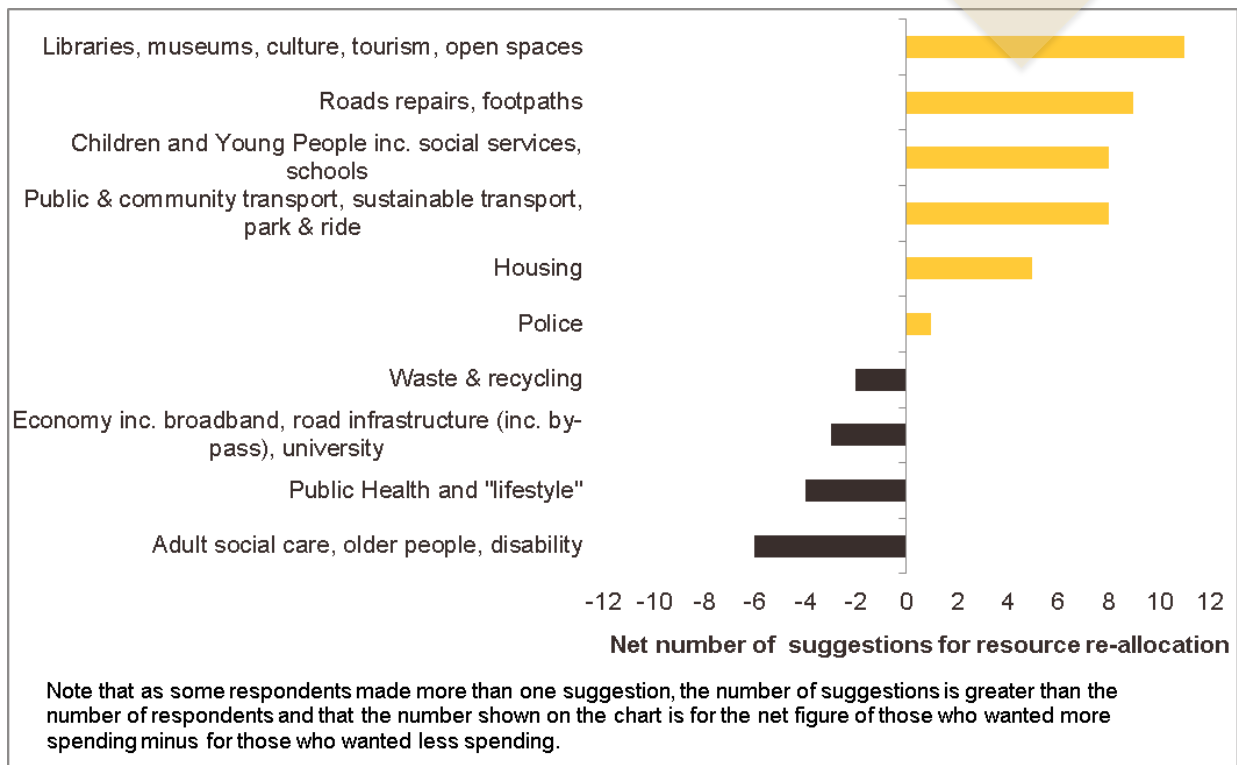
Respondents were asked to explain why they do not agree with the Council Tax allocation for 2019/20. There were 112 comments provided, the broad themes emerged from these comments as follows:

Chart 1a: Proportion of broad themes emerged from comments to Q2a



The comments of those respondents who indicated they felt the allocation of resources is wrong were analysed further to see which areas they felt should have more or less spent on them. The results were as follows:

Chart 1b: suggestions for resource reallocation



Please see appendix C for the full list of comments.

The council intends to invest over £48m in capital projects, such as improving Herefordshire’s roads and transport network, developing facilities for business to establish and grow in Hereford and Ross-on-Wye, improving schools and supporting delivery of housing.

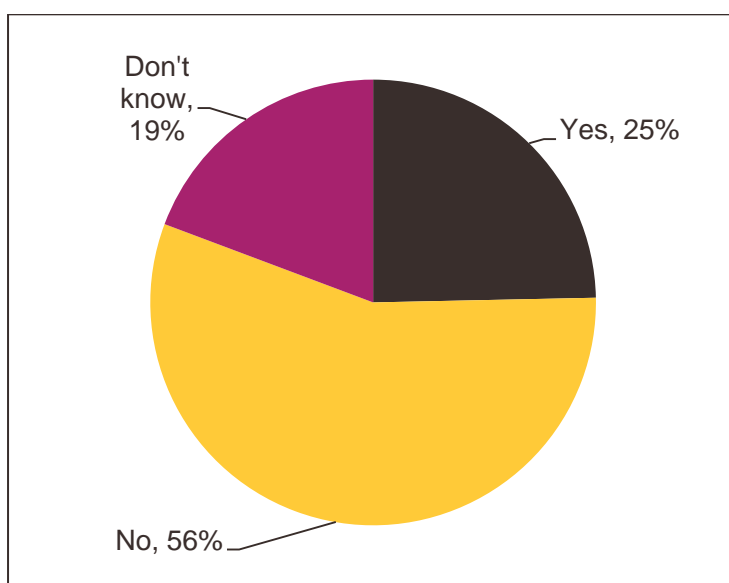
Q3. To support this investment we intend to borrow £22.3m, with repayment costs incorporated into household Council Tax. Do you:

37 per cent of respondents supported the council increasing its borrowing requirement by £22.3m to increase the level of investment in the county, and 15 per cent supported borrowing more. 48 per cent supported borrowing less.

Table 3: Respondents to Q3

	Number of respondents	Percentage of respondents
Support the council increasing its borrowing requirement by £22.3m as proposed?	82	37%
Think that the council should borrow more than proposed to increase the level of investment in the county?	33	15%
Think that the council should borrow less, and reduce its investment in the county?	105	48%
Total answered	220	100%
Not answered	5	

Chart 2: Percentage of respondents to Q3



If borrow more, what should the extra borrowed money be spent on?

Of the respondents who provided a meaningful suggestion, two fifths would support investing on 'infrastructure', a fifth would support investing on 'public transport', a sixth for 'library/museums/tourism' or 'children's services'. There were also suggestions for investing in 'affordable housing, 'new university' and 'health improvement services'.

If borrow less, what investment should be cut?

A third of respondents who provided a comment suggesting a 'cut' to investment have suggested that council should cut down investment on 'proposed bypass and/or on new roads and transport network', a fifth suggested reducing expenditure, a sixth suggested reducing investment in 'housing'. Cutting down investment on 'economy and businesses', 'schools' and overall investment in 'Hereford' were also suggested.

Please see appendix C for the full list of comments.

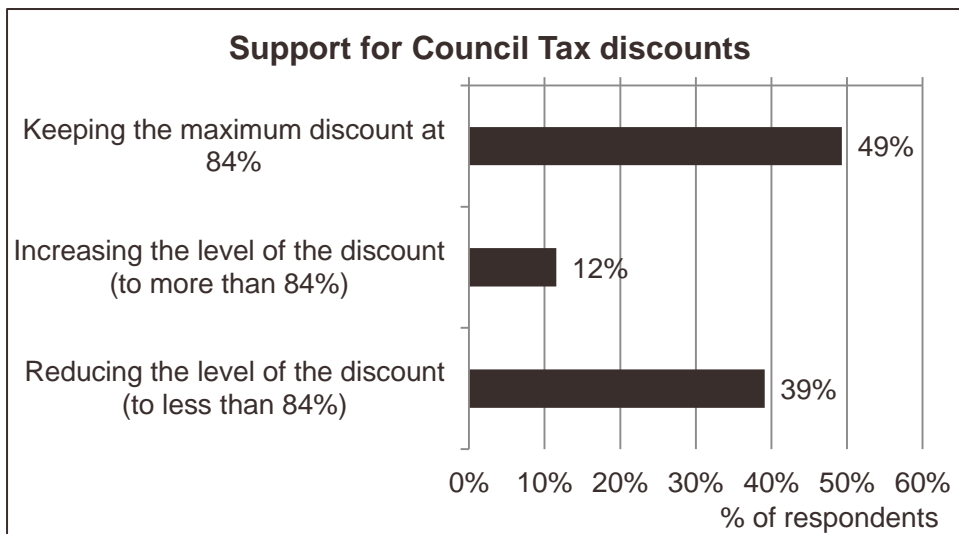
Q4. The Council Tax Reduction scheme currently allows for households on low income to have their Council Tax discounted by a maximum of 84% of the amount payable. Would you support:

'Keeping the maximum discount at 84%' is supported by 49 per cent of respondents, while 12 per cent would support 'increasing the level of discount' and 39 per cent would support 'reducing the level of discount'.

Table 4: Respondents to Q4

	Number of respondents	Percentage of respondents
Keeping the maximum discount at 84%	111	49%
Increasing the level of the discount (to more than 84%)	26	12%
Reducing the level of the discount (to less than 84%)	88	39%
Total answered	225	100%

Figure 2: Percentage of respondents to Q4



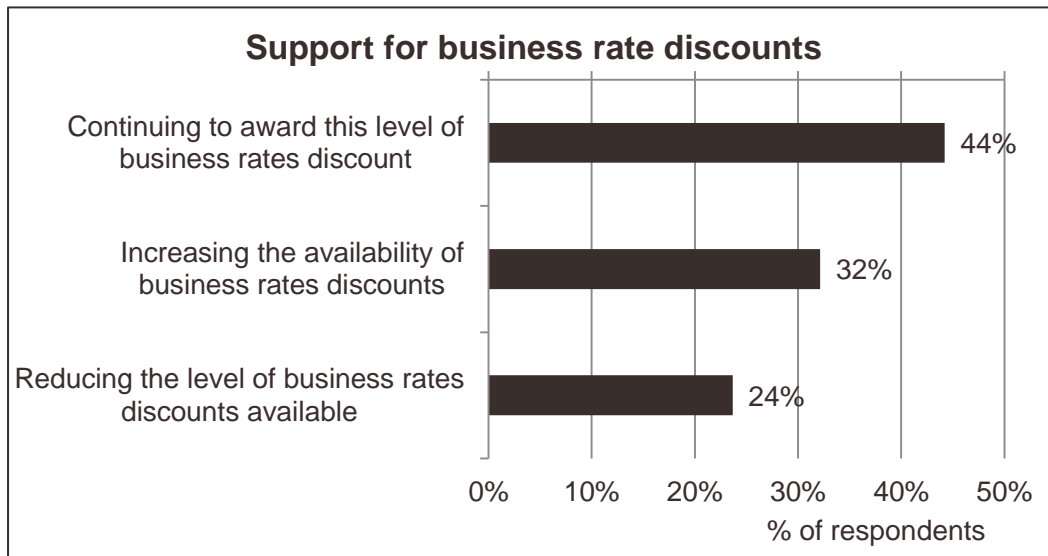
Q5. The council awards approximately £18.7m of business rates discounts in a year, including £8.4m awarded to small businesses. Would you support:

44 per cent of respondents supported to continue to award the same level of business rates, while 32 per cent supported increasing the availability of business rates, and 24 per cent supported a reduction in the level of available business rates discounts.

Table 5: respondents to Q5

	Number of respondents	Percentage of respondents
Continuing to award this level of business rates discount	99	44%
Increasing the availability of business rates discounts	72	32%
Reducing the level of business rates discounts available	53	24%
Total answered	224	100%
Not answered	1	

Figure 3: percentage of respondents to Q5



The caseloads of social workers who work with children, young people and their families to keep them safe are of concern to us. In order to reduce these workloads and the chance of children and young people being at risk because of them, we are proposing to use £1.6m to employ more children’s social workers and to support more help for children, young people and families at an early stage.

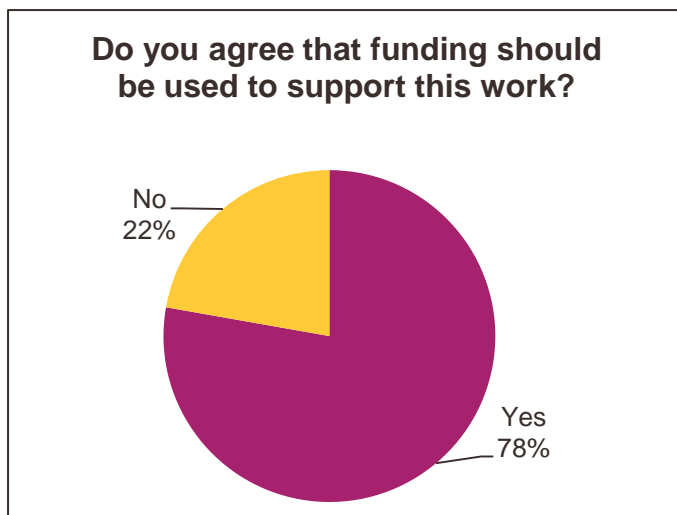
Q6. Do you agree that funding should be used to support this work?

78 per cent of respondents supported the proposal to use £1.6m to employ more children’s social workers and to support more help for children, young people and families at an early stage – table 6

Table 6: respondents to Q6

	Number of respondents	Percentage of respondents
Yes	175	78%
No	50	22%
Total answered	225	100%

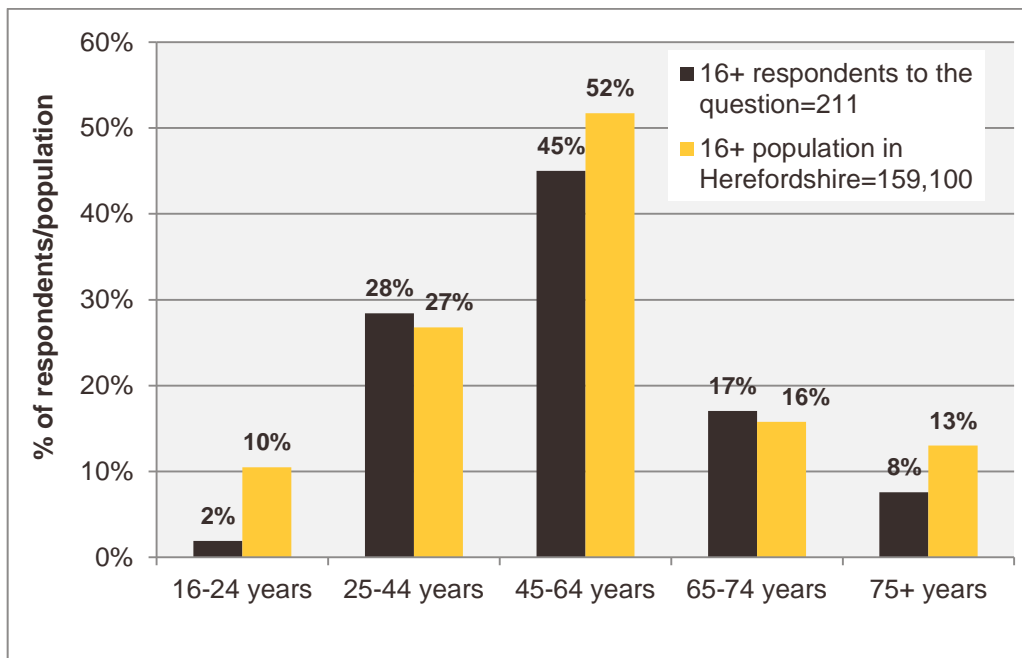
Figure 4: percentage of respondents to Q6



Respondent profile

- Two per cent of respondents represented an organisation or a group while 98 per cent were individuals. Three organisations identified themselves as:
 - Kingstone Academy Trust
 - Bosbury and Coddington Parish Council
 - Hereford and South Herefordshire Green Party
- 181 respondents provided their full postcode - please see map (appendix B- map of respondents to consultation)
- 53 per cent of respondents to the survey were males, 40 per cent were females, and 7 per cent preferred not to say.
(Herefordshire population profile: 50 percent to 50 percent)¹
- 25 per cent were aged 65 years or over, 45 per cent were aged 45-64 years, 28 per cent were aged 25-44 years and two per cent were 24 years or younger. People aged 24-64 years were largely over represented in the consultation.

Chart 4: Age distribution of survey respondents and Herefordshire population



¹ The Population of Herefordshire 2018 (<https://factsandfigures.herefordshire.gov.uk/media/60636/population-of-herefordshire-2018-v10.pdf>)

- 13 per cent of respondents' day-to-day activities were limited a little or limited a lot because of a health problem or disability which has lasted, or is expected to last, at least 12 months.
- 94 per cent of respondents identified themselves as English, Scottish, Welsh or British; five per cent identified themselves as another national identity.
- Of the respondents who answered the question about their ethnicity, 96 per cent identified themselves as 'white' and three percent as 'other white'. This composition is slightly different to the adult population ethnicity profile of the county, where five per cent were 'other white' and two per cent were 'non-white' (2011 Census).

Appendix A: Nonstandard/other responses

Appendix B: Map of respondents to consultation

Appendix C: List of comments

Appendix D: The questionnaire

Email responses from residents

Email 1:

Companies such as Balfour Beatty to make a profit for their shareholders, not to enhance the lives of residents. In this rural county their lack of expertise in tree work and general care for the rural environment is all too obvious.

If the council ran its own in house workforce it would provide local jobs and that element of profit margin would be saved.

Distance travelled is a big factor in this county; employ local people in the market towns to care for the environment and facilities such as toilets.

We are a tourist destination for people keen to escape urban areas and experience old world charm so spend more on Tourist Information to promote what we have

Instead of intricate paving schemes in the heart of Hereford, spend more on plain tarmac so that our charming lanes and few main roads can be driven along smoothly and people do not trip over numerous potholes. Does the County Hospital send you details of the number of casualties they treat? Broken hips are the beginning of the end for many elderly people – this county has more than most authorities.

<name removed>

Email 2:

1. I refer to the consultation "till receipt" included in the consultation.

In the list of items 'Other income to supplement council tax' I would expect to see some income from Business Rates, Revenue Support Grant and possibly from the Energy from Waste scheme?

(In the presentation you show an expected income of £36m from business rates - a third of the income from Council Tax. Admittedly RSG is tiny.)

2. Can you explain why in the presentation of the budget for 2018/19, it showed that the savings expected from EC&C in 2019/20 were £1.060m, and in the presentation of the 2019/20 budget this time, the same directorate is expected to make savings of £2.017m.

For example, are you proposing to make additional cuts (£225m) to Public and Community Transport that were not originally projected for 2019/20?

And why the savings from Corporate in 2018/19 budget presentation were £1.2m and are now £0.5m?

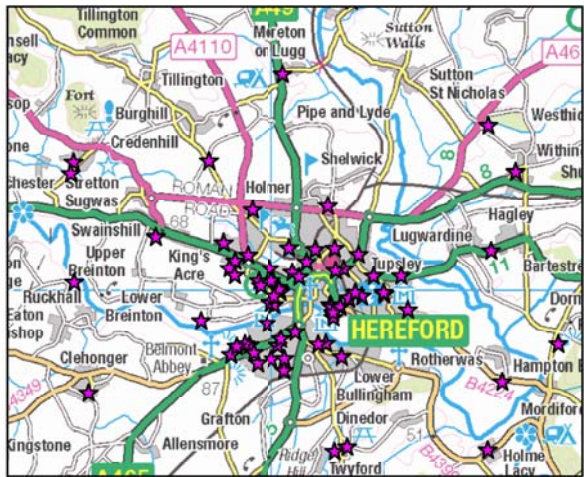
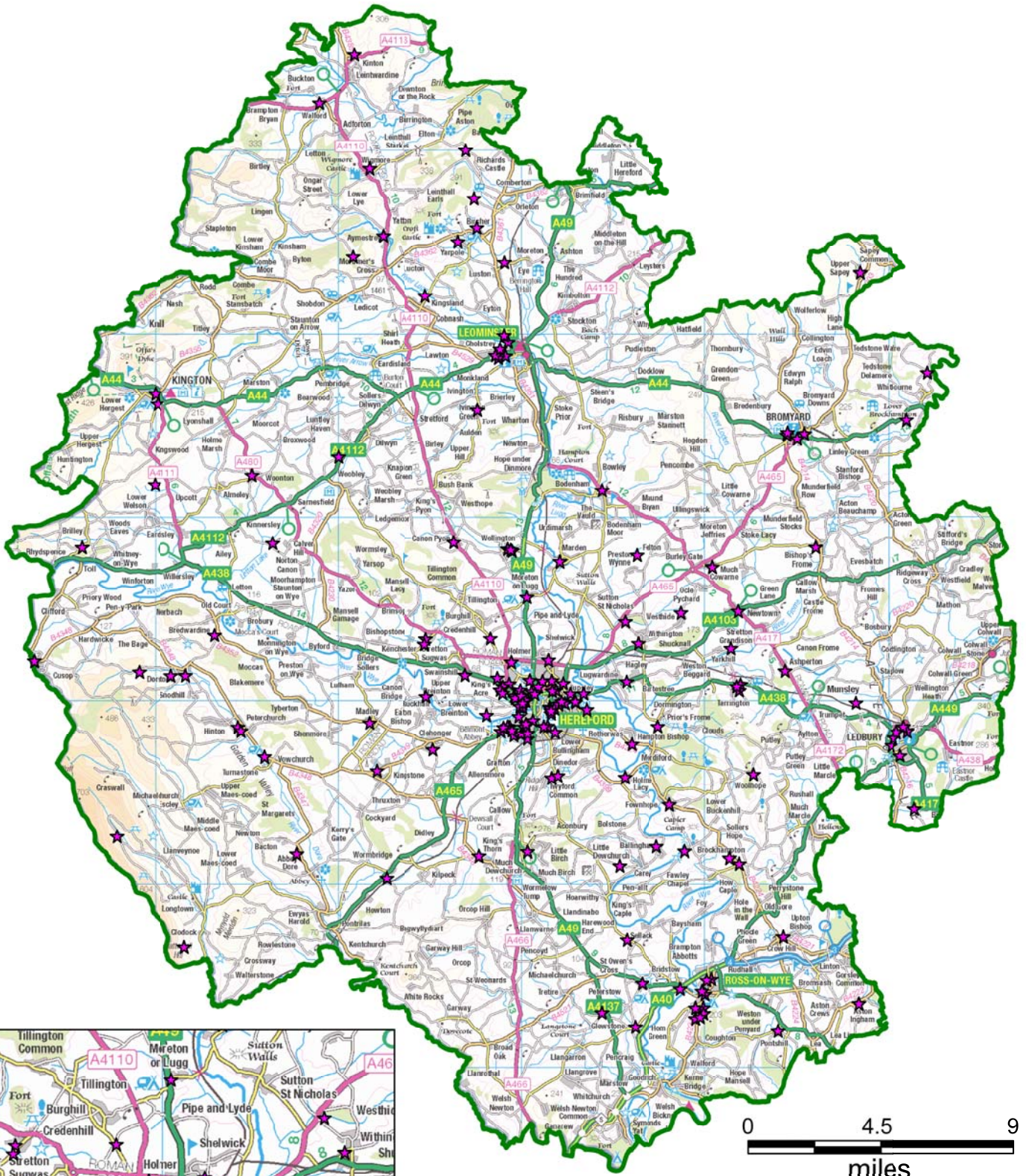
3. The Corporate Plan for 2016-2020, shows a base budget of £141m for 2019/20. This consultation has a figure of £145.4m. Why has the budget increased?

4. The MTFS Capital Programme shows a spend of £10.341m on the Local Transport Plan in both 2018/19 and 2019/20. What is this expenditure for?

5. The MTFS Capital programme for 2019/20 shows zero spend on other schemes less than £500k. Is this realistic?

Thank you

<name removed>



**Budget and priorities
consultation 2018 respondents**



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Appendix C: List of comments

Introduction

This report shows the comments made by residents to budget consultation 2018 questionnaire. Some of the comments have been edited to preserve anonymity, where this has been done the changes are marked within < >. Any remarks added by data entry personnel are shown in parenthesis, for example [comment illegible].

Note: Some of the comments refer to the statement number in the questionnaire. Where necessary, please refer to the consultation questionnaire.

Q2. Do you agree with the allocation of Council Tax spend as set out in the budget till receipt? This includes a 4.9% increase for 2019/20. If not, please explain why:

Comments:
Not enough is spent on fixing the county's roads nor on the library and museum's service
Need more road maintenance, hence answer to question1
Not enough is spent on providing affordable housing for local residents. In particular in rural villages where young families are being pushed out by market forces and buyers that come to the county from afar. It is an absolute disgrace that Herefordshire does not help its own young working families to get on the housing ladder. If private enterprise is not willing to provide affordable housing due to profit margins, perhaps the council should consider building its own housing to provide for its residents.
You waste too much money on non-essentials
Money not being put into early intervention and charities offer services for much lower rates why is this?
Your questionnaire assumes I agree with the method of collecting tax i.e. Council Tax. It is unfair regressive and there are not enough bands so that wealthy householders pay more
Economic growth is a priority for the council yet there seems to be a lack of investment; shouldn't investment in this area be presented as providing for our children's future? On the subject of protecting our children - when are the council going to get to grips with their finances. They have a research team that forecasts need, a finance team which allocates budget, and a management team that seem to overspend in this area. One of them must be wrong in what they do!!
Childrens Services require more spending helping young people in the care system and those that support them. The budget is stretched far too thinly and I would like to see the budget doubled
Too high
Start saving before spending and pay cuts up the top would help
The continuous cuts to services and rewritings regulatory criteria to reduce expenditure is not the best approach. The undefined level of savings and the means of achieving them is just wishful thinking.
I'd like to see far more spent on broadband rollout, and roads (repairs, snow clearance etc.); and much less on lifestyle services, schools and buses.
You need to lower your running costs and spend less on vanity projects and more on economic development

19

Comments:
Make cuts to staffing and executive pay
Some of your costs are simply too high. Why do we insist on having libraries, when most people read / buy books online now (if you do keep them, they should be part of other buildings / community hubs). Why are we paying towards planning when it's a chargeable service? Why do we pay so much for council office / administration / IT costs, these should be a lot lower and would be if you ran yourselves like a proper business.
Herefordshire residents are already paying the highest Council Tax I the UK, and have consistently and persistently shouldered the burden.
No faith in HC councillors or staff to properly consider such matters.
Too little spent on housing
Insufficient funding for child protection, e.g. early intervention, buses and community transport for isolated and deprived rural areas, roads, health in terms of preventative measures, support for elderly in their own homes and local government running costs appear high
Too greater spend on social care
Paying Hoople too much... Capital finance ill thought through... Should not have wasted do much on Blue school house... Broadband is private enterprise, not a utility. Why spend public money on it?
Far too much spent on local government running costs as a percentage of the whole, with too much time, effort and money being spent on vanity projects e.g. the bypass, a proposed university, etc.
Cost of local government running costs is too high, e.g. council overspend on Blue school House and not taking responsibility. Council is not fit to manage a budget
Children with disabilities' education are at crisis point. Families and/or carers are at crisis point. The number of profoundly disabled children is increasing. Special schools are bursting at the seams.
Where's the public transport support? I want to use a bus instead of my car all the time! What about community transport? Help that, too!
You do not spend the money wisely
Why is so much going on interest and debt repayments and so little on investment in economic growth?
Council control libraries and they are the future for our children. Increase share of funding
No arts provision. Nothing much for libraries. Herefordshire is a cultural desert - risks become very small minded, etc.
Too much for schools
More income could be achieved from car parking and investment property. Election, governance & legal costs could be reduced.
Running costs to high and low value from Roads & Bridges charges

Comments:
Suggest reduce lifestyle services (paying for people to do something they could do for themselves). Spend something on Tourist Information services.
Too much on substance abuse, sexual health and other Nanning services
I feel the council rewards its 'top' staff with large salaries when we have a history of failing the county with services that continually dwindle. Not to mention the underquote on the new building on Blue school Street! The amount of money that had been spent on the council offices and continual refurbishment is also disgraceful frankly. No accountability springs to mind.
More should go to the police.
"Roads, bridges and care of...", "Housing", and "Child protection" should be invested in more.
If you didn't waste money and overspent on things that would help with ensuring better management of tax payers money
more funding for sustainable transport solutions including buses and park and ride for the city
Nearly 40% of the allocation is 'looking after adults' - we should expect families to do more to support their loved ones, not the state. Also, the allocation against IT, Transactions & Billing seems high compared to Staff & Administration costs
Too little money is spent on maintaining public rights of way. In particular it is very short-sighted and counter-productive to close the P3 scheme, as using local contractors is far more cost-effective than using BBLP
Too much spent on capital finance
Child protection is totally out of control a complete shambles that needs scrapping.
Too much spending on adult social care and elderly. More should be done for the social responsibility of the families of these people to pay
I think more should be spent on affordable housing and less on bin collection. More emphasis should be made of community spirit, people do not have disposable income as they used to fund things like the new roads that do not provide that much function.
<u>Too much being spent on financing. Cut costs rather than borrow each year! (yes that includes those individual bottles of water at each meeting and the taxis)</u>
More funds need to be allocated to children with disabilities and additional needs given the rising costs.
We pay too much to Herefordshire Council for a bad service now
More should be spent on Broadband and less on economic regeneration.
This is not clear. More focus on prevention e.g... lifestyle
Annual inflation is not 4.9%
Social care should be paid for by the people who use it, it is expected for us to fund our own social care, I cannot afford to pay for other people's as well

Comments:
Because it is not affordable to me. Why does bin collection and environment cost so much, is this due to lack of efficient commissioning of service? It's not fit for purpose. Why is so much allocated to schools when parents are still asked to contribute so much financially additionally. Too much funding is allocated to preventative measures for smoking and has been the case for several years, what about other preventative measures and dropping the smoking. There is no rural transport and as they are run by private companies, why is this subsidised through the Council Tax. Too much money is allocated to people with disability which if invested in the community and voluntary sector organisations directly could lead to a reduction in this extortionate allocation. Why is more money not allocated to Looked after children, they are the real in need and poorly served.
Please invest more in health improvement and lifestyle services - this will reduce our costs and improve our wellbeing and health for the future
Borrowing so much is not prudent. The interest payments just mean that we have to pay higher Council Tax
I don't see why drug addiction & sexual health should have twice the allocation of resources as libraries and records. That seems very unbalanced.
Too much spent on substance abuse and sexual health
More money should be allocated to rural transport, housing, economic development and libraries, records and customer services and less should be spent on lifestyles services and I.T.
Salaries are too high for Directors in Council. Do not spend on stopping smoking campaign. Care for older people - families need to contribute more.
too much waste in council spending
Apart from the budget till receipt trivialising important decisions, it does not provide enough information. The expenditure on Hoople appears excessive, economic development and regeneration is not broken down. Why is "environment" lumped in with bin collections - what on earth does that mean? Why are elections, governance and legal services lumped together? Capital finance and interest payments are excessive and given the low level of reserves, the Council should not take on any further capital expenditure commitments. Much greater transparency and consultation is needed.
Year on year we are asked to pay way over the rate of Consumer Price Index (CPI) inflation; my pension is not keeping up with these rises and it is not fair.
I think it is too little. Everything requires more funding.
Unless incomes go up by 5% how can people afford a 5% Council Tax increase?
More should be spent on funding public services such as museums, galleries, records and libraries as well as open spaces.

Comments:
Why Election and Governance costs are over four times staff costs? Why is so many locum staff employed at extortionately high agency rates? Why do the Council find it so hard to recruit and retain good experienced staff in social care teams across Adults and Childrens Services?
It is too big an increase for the services we get and too costly for struggling households
This is way above inflation
Insufficient information. Headings too broad
Stop the unnecessary by-pass and you can spread the saving without such an increase or so much borrowing - it is criminal to suggest borrowing more when you're wasting what you have
I think there should be more funding available for the public realm, open spaces, roads etc.
More needs to be spent on maintaining our roads as they are now in a shocking state. A quick repair job is not the answer or do we all have to buy rough terrain vehicles.
Libraries are the future for children, underfunded. Something only the council can do.
The spend on schooling looks high, until you see the central government income also. The net spend is comparably small. More needs to be spent on schooling - this is the future. There is both income and expenditure from capital financing interest. Assuming that the interest income is at a lower % than the interest expenditure, this appears wasteful.
How have you come to a figure of a 4.9% increase? Our family's wages have only increased 1% per year for the last decade with a pay freeze the year before that and we are a band D. 4.9% increase in a year is ridiculous.
I absolutely reject the need for the by-pass and am therefore totally against the Council borrowing millions of pounds to pay for it. I do not live in any of the residential areas affected by it, but I do travel into Hereford every day. The bypass is NOT needed, what is needed is a better internal traffic infrastructure for getting children to school - during school holidays there is hardly any problem at all. Plainly not all the traffic during the holidays will be using the by-pass, which shows how little actually would.
Car parking?
10% of Council Tax spent on disabled. Who probably make up 1% or less of population
Would like to see a bit more spent on buses, community transport, libraries and customer services and a bit less on running costs (admin, property maintenance)
It is difficult to come to a conclusion without comparisons to previous years or against other similar authorities. It seems that caring for disable adults costs twice as much as residential care for old people. Is this reasonable? Probably it is but without further breakdown of how the money is spent, I can't come to any conclusion.
Unfair that houses in higher Council Tax bands should pay 2or 3 times more than lower tax band households
Burdensome to already cash strapped residents whilst we are paying too much for IT (Hoople)

Comments:
More needs to be allocated to children's and adult social care services. Less money should be spent on commercial ventures
4.9% increase it far too much
We already pay enough for too little!
It is too big an increase for the services we get and too costly for struggling households
I disagree with the amounts being borrowed for new road schemes including the Hereford bypass. Like Nottingham council you could tax work place car parks to invest in safe Active travel especially safe routes to school, bus subsidies & comprehensive segregated cycle network across Hereford. Best use of public health grants.
It is more than twice the rate of inflation. Pensioners will not be able to afford to stay in their own homes they have worked all their lives for.
as the amount of money spent is too high and results are too small no increase if needed if procurement is done correctly
More needs to be spent on preventative services-which can only happen if there is an increase above 4.9%
Too much spent on disabled, debt repayment, and buses
Too much being spent on children in care. Too many in care given population
I think it would be possible to further reduce/sell off the council's buildings estate. It is difficult to assess whether the proportionate spend is appropriate without more detail. You do appear to be spending a colossal amount on debt interest payments - is this normal or a symptom of previous financial mismanagement?
I have had enough of my bill going up as I cannot afford it and have no access to council run services so do not benefit from any of it.
Too much
families are already struggling
I am on slightly above average wages that have been frozen for 2 years then a 1% pay raise for the past 3 years, the majority of people cannot afford their bills as they are with food and housing inflation continuing to rise from 2.3-5.6% over the past few years. We have already had a rise this past year of 4.9% which is frankly crippling most people on top of inflated costs and this would finish our family off without exaggeration.
Too much on children in care - this is not good for the children whose life chances are low
Too much is being spent on debt repayment and interest. Scale back capital investment to reduce these charges. Increase the allocation of funding to Children's Services and to Buses and Community Transport
you waste money and overspend on project , no accountability on over spending on projects like blue school street
Local salaries are not increasing at this rate

Comments:
No one's wages has gone up by that amount.
I don't agree with increase as a whole. There is an increase every year, yet the levels of services decrease every year.
Too many cuts in essential services and too much money spent and planned on vanity projects and expensive private consultants like wasp and Balfour Beatty. This stuff should be done in house and people's needs prioritised over and above expensive privatisation. Follow Liverpool and take the running of services in house with proper expert's whi have our real needs at heart, not profit for multinationals.
No money should be spent on building new roads and more spent on improving public transport and encouraging cycling/walking in safe spaces.
I do not agree with the increase. How on Earth can a Conservative administration justify tax increases?
Not enough for children's services
I am on a fixed pension income from 34 years of full-time work, and have truly grafted to pay off my mortgage; hence I am fundamentally opposed to the continuing drawdown on Council Tax-paying householders to pay for adult social care costs ad infinitum. If your view of the welfare state is take care of all, forever, costs irrespective, -then pay for it from Council borrowings with interest rates so low. For so long.
Debt repayment and interest payments should be reduced, by reducing capital spend on road building. More money should go to Buses and Community Transport and Looking after Children. Further comments / observations. 1. No income is shown on the Till Receipt from Business Rates and Revenue Support Grant 2. Can you explain why in the presentation of the budget for 2018/19, it showed that the savings expected from EC&C in 2019/20 were £1.060m, and in the presentation of the 2019/20 budget this time; the same directorate is expected to make savings of £2.017m. For example, are you proposing to make additional cuts (£225m) to Public and Community Transport that were not originally projected for 2019/20? And why the savings from Corporate in 2018/19 budget presentation were £1.2m and are now £0.5m? 3. The Corporate Plan for 2016-2020, shows a base budget of £141m for 2019/20. This consultation has a figure of £145.4m. Why has the budget increased? 4. The Medium Term Financial Strategy (MTFS) Capital Programme shows a spend of £10.341m on the Local Transport Plan in both 2018/19 and 2019/20. What is this expenditure for? 5. The MTFS Capital programme for 2019/20 shows zero spend on 'other schemes less than £500k'. Is this realistic?
Less should be spend on governance. Additionally, the council should not give in to pressures around road maintenance, verges etc. Providing education, care and services to our children, vulnerable people and older people should take priority. We should absolutely focus on infrastructure which brings revenue into Herefordshire and focus funding on prevention to reduce future demand. Pot holes can wait!
More on roads resurfacing, more on libraries, more on public transport, Less on economic development and regeneration.

Comments:

Not enough on roads, repairs & need for Leominster bypass, Excessive pollution unacceptable. Not enough on Libraries/Museum/archives

Q3a. To support this investment we intend to borrow £22.3m, with repayment costs incorporated into household Council Tax. If borrow more, what should the extra borrowed money be spent on?

Comments

Bus services, library and museums

bus services

Social housing and infrastructure

A detailed plan for transport especially in Hereford, which doesn't rely on a bus based system. The condition of the existing network is very poor and needs a dramatic new approach to restoring its condition.

Infrastructure

Public transport - buses to rural communities

To make sure that the above is actually completed.

Cultural provision, support for craft workers, investment in people and place - and much, much less spent on senior and middle management pay - cut the top not the bottom.

More radical thinking in our transport infrastructure at county and city level which would encourage more businesses to relocate. e.g. properly upgraded, fast, trunk roads to Hereford from M50 and Worcester; segregated cycle paths from outlying villages into Hereford city, free/cheap shuttle buses within the city to reduce car movements.

Improving the public right of way network to make it more accessible and to repair numerous bridges which are in poor repair. If these problems are not addressed the Council's fixed assets will further deteriorate

Road network needs a massive amount spent on it.

Roads, children, hospital

Projects like the university and further investment in roads like the proposed bypass

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Comments
museums & libraries, public transport
Better support for Third Sector projects, schools and staff
Resurfacing roads
investment in resources for the new influx of residents and students to the County - Museums and libraries and similar tourism / enrichment activities
child health, adult mental health services, care agencies
Developing more facilities in Ledbury to allow existing businesses to expand and new businesses to be attracted to Ledbury. PS: The arithmetic on page 8-savings required is not correct. The total savings should read £6,267,000 not the figure of £5,267,000 shown. A considerable difference.
Infrastructure expenditure is declining significantly from 2018-2020. The base is hardly one of over-investment. I support more investment in infrastructure, schools and roads - but not council offices.
Borrowing is cheap at the moment. Do it now while rates are low. Don't forget North Herefordshire....
Herefordshire university & Healthy Lifestyles
More infrastructure. More housing.
Education, new council housing

Q3b. To support this investment we intend to borrow £22.3m, with repayment costs incorporated into household Council Tax. If borrow less, what investment should be cut?

Comments
fire most of them at Plough lane
Economic development and IT, transactions and billing
I do not believe taxpayers' money should be used to promote private enterprise in the county. It is not for local government to intervene and subsidise private firms or entice them with business rate cuts.

Comments
all non-essential spend such as social care which should come out of central gov. funds
I think that you need to be more specific about what these projects are. Then I can make a real decision. Borrowing is something we should look to reduce, not increase and expect us to pay for mismanaged money
Supporting delivery of, presumably private, housing shouldn't be something that my tax money is going on. I don't see how taking out loans is sustainable funding for the council.
They shouldn't sold everything as they would have funds if they waited and save the borrowing just going to get more and more as they haven't got as much income coming in
Stupid kerbs in hi town, stop moving offices every 2 minutes, stop wasting money paying 10 men to do a job when only 2 work.
Borrowing is simply disguising the Council spending beyond its means. Cut schools and housing delivery but maintain investment in roads.
New university
To date there are no projects run competitively all go to Balfour Beatty Living Places (BBLP) why are tax cows being used to fill there trough
I don't think you should cut investment into the county, as this is highly needed, however I don't see why households should pay for it. Shouldn't the repayment costs be covered by the investment you bring into the county instead?
Stop all the ridiculous vanity projects. Reduce the number of councillors and staff. No more new housing. Let market town councils do their own funding
schools
The proposed bypass scheme
Investment too Hereford and Ross focussed
New Road allocation and the building of executive homes
Anything that is not a legal requirement should not be funded
Salaries for managers in the Council should be frozen and when officers are replaced, get rid of the six-figure salaries. Stop building of new roads, repair those we have and invest in park and ride, cycling and pedestrian infrastructures instead.

Comments
I don't think the council is capable of managing a decent sized capital project and should refrain from wasting any more public money.
Borrowing will simply add to the cost of debt, which is already at 7.5% of your "budget till receipt", you are simply pushing the financial problems of the Council forward to the next generation.
Facilities for business, a general heading which could be anything. Hereford Councils recent big projects appear to be reckless and beyond comprehension
Investing in pointless roads that serve only to increase congestion
The western bypass. For heaven's sake, it's a rubbish idea. Invest in public transport, turning space above shops into flats, reduce waste in the city and towns
Stop spending most of the money in the mid to south part of county. There is a large part of Herefordshire North of Dinmore
None. Make savings elsewhere. Investment shouldn't be the first thing to be cut.
Concentrate on maintaining existing services rather than having these capital projects.
Stop building bypass road
Get better value for investment
Over staffing and overpaying council officers who care nothing for the county unless it lines their pockets. I.E. allowing Herefordshire to disappear under acres of plastic sheeting
From all plans.
No. Comment on this
Why invest in Ross as you are not investing in the other Market Towns? Would excluding Ross mean you borrow less?
land, whilst only supporting public housing
Developing facilities for business
The so called by pass.
All should be cut equally
I do not agree the Council's spend on its proposed SLR or by-pass roads. Instead it should invest convincingly in modal shift to low carbon and active transport
Make wiser decisions. Spend less on silly little things like cycle path signs, stop executive expense waste don't spend millions on office upgrades. Need I continue?
If you haven't got it don't spend it on projects, people should always come first

Comments
New Roads/bypass
central government should be funding care of elderly, not local councils
Make sure that capital spend is necessary, will the by Really reduce city traffic?
Improving schools and delivery of housing. Schools are allowed to close when they have been in existence for 5 years with little support. There is no point in investing in housing when you are not investing in the infrastructure which needs to accompany it. Investment into business is only aimed at private businesses and not enough for the smaller businesses. Seeing as the new bypass will take years to build why the increase now?
That's your job, not mine. But I'm not at all convinced that the famous link road is money well spent.
Consultations. These are very expensive and every week there seems to be a new one for something. I have also noticed that if a consultation produces a result the council doesn't like another one is set up.
Concentrate on Hereford. Ross on Wye is just a small town - no investment needed. Make sure the bypass around Hereford actually happens!
spend more wisely, stop waste
I assume the investment includes expenditure on the bypass - perhaps the bypass should be re-visited
Plans for new roads, opening up the areas for new housing development with no corresponding provision of services - in particular health, hospitals, education and public transport. Absolutely no further borrowing.
Delivery of excessive amounts of housing that are swamping small villages and where there is no work for those who can afford to buy those new houses.
None. This money should be collected by increasing Council Tax.
I think that we should not borrow the capital because it will cost us more in the longer term in interest repayments. In my opinion, we should save until we can afford this investment.
I disagree that borrowing less necessitates a reduction in investment in our county, and strongly object to the leading wording of this question. I believe in raising sufficient funds from Council Tax revenues to finance public services and capital projects.
That is for councillors to decide
Focus business in Hereford rather than Ross on Wye
The council should prioritise its investment and reduce its borrowing to avoid problems in the future.
This bypass waste of money

Comments
This is a slanted question with misleading optional answers, i.e. investment in the county is not only borrowing especially when that includes the bypass.
The proposed bypass is a waste of money, more needs to be done to support sustainable transport
How dare you borrow more and charge us more for something we neither want nor need. In school holidays we can sail through town without the hold ups, which proves it is not the through traffic causing the problem. If you must borrow then improve the infrastructure not waste it on a white elephant and one or two Councillors personal ambition & pride!
Reduce the spend on business facilities
Focus on schools and housing
Councillors pay at the top. Stop proposed road across Kings Acre and reroute it somewhere off Roman Road/Stretton Sugwas road to make better use of that investment.
Bypass
Businesses can find other ways to gain investment.
The loan for building the by-pass should be cut. The consultation was a farce - the man in charge said it didn't matter what the outcome was; the by-pass will go ahead anyway (nowhere near his house of course!). I live further away from the city than he does but travel in every day - during the busy times. Borrowing millions to pay for what I think is his personal ambition is abhorrent - I wish I had never voted for him and certainly won't again!
Less money on roads and transport and supporting business
Supporting delivery of housing - developers make enough money on new homes and shouldn't require the help of the council
Roads and schools
My concern is not with the amount of money to be borrowed but where it is to be spent. From what I have been able to determine, plans involve mainly Hereford with some investment in Ross and Leominster. It is unclear how the market towns and rural areas will benefit yet their residents will be expected to pay for the borrowing. I would like to see increased investment in the county not just in the county town.
Herefordshire's roads and transport network
commercial ventures; consultants fees; factor in savings on interest on borrowing
Make savings elsewhere
The authority keeps on borrowing and hiking up the Council Tax so that we end up paying for the investment. A more community and holistic approach is needed to find out exactly where residents think their money should be spent.
Doesn't need to borrow less if more thought was considered from public before decisions were taken. Not a good question for public to answer.

Comments
The council should prioritise its investment and reduce its borrowing to avoid problems in the future.
Investment in the Hereford bypass which has no business case & makes congestion worse. Will worsen the average spend in the city centre decreasing the vibrancy of the Commercial sector. Cycling cities have a higher local spend per head of population so investment in a cycling network would support the city & tourism businesses.
New road building
The council has a huge income from Council Tax; I think it should be spent more wisely. Why new council offices, again? Works on Commercial Road when it has so recently been paved...
to date Hereford transport policy is a joke until this is sorted no further money should be borrowed
The endless cycle of more housing, more roads, more demand for services, more need to invest, more debt has to end eventually and the longer it takes the more painful it will be - if you haven't got the money don't buy it.
Get central government to distribute tax more fairly throughout the UK. Londoners have a far better standard of living subsidised by Europe and central government.
Houses
Reduce building of houses from 2020 when funding removed. Herefordshire's roads and transport network needs improving first, spend money on maintaining current infrastructure
The council should reduce its role in economic development & leave this to the private sector
Building the Hereford Bypass and the Southern Link Road
Salaries for Directors in Council e.g. <name removed> should be reduced significantly. Stop lining the pockets of council employees and look after the residents better
Concentrate on roads, and housing, then you're income will rise because you will be able to collect more Council Tax due to move housing.
There is a great deal of wastage by the council services. Services should be brought back in house as other Counties are finding out. Balfour Beatty are taking us all for fools as did Jarvis and Amey. Learn from your mistakes. Don't borrow more as that just leads to more being paid out in extortionate interest charges
These are unaffordable vanity projects. Investment is needed now in safe active and public transport. This would reduce congestion, improve our health, reduce crime and mental health and improve economics and social mobility. Affordable homes are needed now and city regeneration should be worked on with owners of derelict buildings and brownfield sites required to redevelop or sell up for this purpose of affordable homes.
Business development and growth. New road building. You cannot have infinite growth on a finite planet. More roads = more traffic. This has been proven time and time again.

Comments
The taxpayer should not be expected to subsidise private enterprise.
Social care. Housing delivery - developers should slim their profits to pay a % more for essential associated infrastructure, or there should be less housing - period.
Investment in road building (Hereford Bypass specifically) should be cut.
land and property
Disagree with this. If it is not viable for the private sector it is inappropriate for local government.

Budget consultation 2019/20

The questionnaire

Our budget proposals for 2019/20 have been prepared against the backdrop of the government's continuing austerity programme. Grants from central government have been drastically cut in recent years and will be almost eliminated by 2020. Council Tax and business rates currently meet around 40% of the council's annual costs and fund many services across the county, from waste collection and road maintenance to looking after vulnerable children and adults. Therefore, Council Tax would need to be raised by 4.9% to balance the budget for 2019/20. This includes a 2.9% increase in the core Council Tax and the 2% adult social care precept. The impact of this increase on a Band D property is £5.90 per month.

Your Council Tax funds many services across the county, from waste collection and road maintenance, to looking after vulnerable children and adults. Each year we set a budget to decide how much we're able to spend on services for Herefordshire residents and businesses for the next financial year.

Q1 What do you think about our proposal to increase Council Tax by 4.9% in 2019/20?

- About right
- Too much
- Too little

Q2 Do you agree with the allocation of Council Tax spend as set out in the budget till receipt at the end of this document? This includes a 4.9% increase for 2019/20.

- Yes
- No
- Don't know

If not, please explain why:

The capital programme - the money the council expects to spend on key infrastructure projects over the coming year - supports delivery of the council's priorities. The current 2019/20 capital programme is over £48m. This money can also be used to invest in and maintain roads, land and property. The council can use its powers to borrow funds to fund significant capital investment.

Q3 The council intends to invest over £48m in capital projects, such as improving Herefordshire's roads and transport network, developing facilities for business to establish and grow in Hereford and Ross-on-Wye, improving schools and supporting delivery of housing. To support this investment we intend to borrow £22.3m, with repayment costs incorporated into household Council Tax. Do you:

- Support the council increasing its borrowing requirement by £22.3m as proposed?
- Think that the council should borrow more than proposed to increase the level of investment in the county?
- Think that the council should borrow less, and reduce its investment in the county?

If borrow more, what should the extra borrowed money be spent on?

If borrow less, what investment should be cut?

The council awards approximately £24.8m of Council Tax discounts in certain circumstances, such as a disabled person or carer discount. We also have the power to offer a Council Tax Reduction scheme to those on low incomes and in 2017/18 we awarded these households a discount of around £10.7m.

Q4 The Council Tax Reduction scheme currently allows for households on low income to have their Council Tax discounted by a maximum of 84% of the amount payable. Would you support:

- Keeping the maximum discount at 84%?
- Increasing the level of the discount (to more than 84%)?
- Reducing the level of the discount (to less than 84%)?

The council has the power to award business rates discounts, such as to small businesses, charities and businesses in rural locations.

Q5 The council awards approximately £18.7m of business rates discounts in a year, including £8.4m awarded to small businesses. Would you support:

- Continuing to award this level of business rates discount?
- Increasing the availability of business rates discounts?
- Reducing the level of business rates discounts available?

The caseloads of social workers who work with children, young people and their families to keep them safe are of concern to us. In order to reduce these workloads and the chance of children and young people being at risk because of them, we are proposing to use £1.6m to employ more children's social workers and to support more help for children, young people and families at an early stage.

Q6 Do you agree that funding should be used to support this work?

- Yes No

About you

Are you responding on behalf of an organisation or group, or as an individual?

- Organisation or group Individual

If you are responding on behalf of an organisation or group please tell us the name of the organisation/group:

If you are responding as an individual please answer the following questions about yourself. This information helps us to understand the profile of respondents and whether views vary amongst different groups of people across the county. It will only be used for the purpose of statistical monitoring, treated as confidential and not used to identify you.

What is your full postcode?

At birth, were you described as....?

- Male Intersex
 Female Prefer not to say

What is your age band?

- 0-15 years 25-44 years 65-74 years
 16-24 years 45-64 years 75+ years

Do you have a disability, long-term illness or health problem (12 months or more) which limits daily activities or the work you can do?

- Yes No Prefer not to say

How would you describe your national identity? (Please tick all that apply)

- English Scottish Welsh
 Northern Irish British Irish
 Other

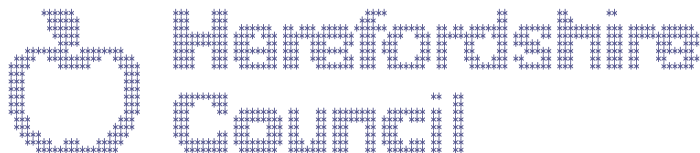
How would you describe your ethnic group?

- White British/English/Welsh/Scottish/Northern Irish
- Other White (please specify below)
- Any other ethnic group (please specify below)

Thank you

You can complete this questionnaire online at: www.herefordshire.gov.uk/budgetconsultation but completed hard copies can be sent to:
Herefordshire Council Research Team, Freepost SWC4816, PO Box 4, Hereford, HR4 0BR

Any information you provide will be held and used in accordance with the Data Protection Act 2018. The information you provide will not be shared with any third parties, but where appropriate, it will be used to support the planning of services and the continuous improvement of various functions. For further information, please visit Herefordshire Council website.



Charges per month (average Band D property) 2019/20

** Daily life **	#
* * Bin collections and Environment	13.46
* Roads, bridges and care of public spaces	7.08
* Schools and education	98.11
* Buses and community transport	6.27
* Libraries, records and customer services	1.28
** Looking after adults **	
* Older People in residential / nursing care	12.16
* Older people supported at home	8.58
* Disabled adults	25.86
* Lifestyles services (substance abuse, sexual health)	2.64
* Health improvement (Public Health nursing, health checks, smoking cessation)	5.61
* Housing	0.52
** Looking after children **	
* Child protection	3.68
* Children in care	12.63
* Children with special needs	3.22
** Local government running costs **	
* Election, governance and legal services	3.18
* Directors & Staff costs	0.64
* Organisational administration	1.39
* IT, Transactions and billing (Hoople)	5.17
* Insurance and property maintenance	4.96
* Capital finance - Debt repayment	7.83
* Capital finance - Interest payments	10.24
** Economic growth **	
* Economic development and regeneration	1.24
* Broadband - rural rollout	0.13
* Planning	0.34

** VOUCHER **	
** Other income to supplement council tax **	
* Investment Property income	-2.92
* Car parking	-5.26
* Capital finance - Interest received	-2.01
* Public Health grant	-7.70
* National Education funding	-96.98

TOTAL TO PAY (per month) £121.36

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Children and Young People Scrutiny Committee

29 November 2018

Work Programme 2018/19

Meeting date: 14 May 2018 – 10.15 a.m.		Despatch: 3 May	
Item	Description	Report Author	Form of Scrutiny
Learning Disability Strategy 2018 - 2028	To preview the draft learning disability strategy before it is presented to the cabinet for approval. The committee is asked to agree recommendations and comments to submit to the cabinet member health and wellbeing for consideration during the finalisation of the strategy.	Adam Russell	Pre-decision call-in
Children's Safeguarding and Family Support Performance Data	To receive a quarterly performance report on safeguarding measures.	Vicki Lawson/Chris Jones	Performance review
Briefing	NEETs – current level of NEETs, new data recording system; and breakdown of statistics around rural/urban/market towns/gender/traveller community. Regional Schools Commissioner – briefing note on role of the RSC and areas of overlap with the council. Provision of children's rights and advocacy service	Louise Tanner Lisa Fraser Sandra Griffiths	
Meeting date: 16 July 2018 – 2.00 p.m.		Despatch: 6 July	
Children and Young People Plan	To receive the draft children and young people plan ahead of its presentation to Cabinet and Council. To make recommendations on the draft plan.	Richard Watson, Amanda Price	Pre-decision call-in
Adoption Service and Fostering Service annual reports	To receive the annual reports from the adoption and fostering services and consider the outcomes and recommendations. To make recommendations to the cabinet member on the operation of the services during 2018/19.	Gill Cox	Performance review

Child Protection Numbers	To receive an update on the number of children currently subject to child protection arrangements and to make any necessary recommendations to the Cabinet Member.	Jane Hoey	Performance review
Meeting date: 17 September 2018 – 10.15 a.m.		Despatch: 7 September	
Youth Justice Plan	To endorse the Youth Justice Plan 2018/19 for approval by full Council and consider whether there are any comments the committee would wish to make that would inform the production of the Plan for 2019/20.	Keith Barham	Pre-decision call in of Policy Framework Item
Education Strategy	To preview the draft education strategy before it is presented to the cabinet for approval. The committee is asked to agree recommendations and comments to submit to the executive for consideration during the finalisation and approval of the strategy.	Lisa Fraser	Pre-decision call in
Implementation of the Corporate Parenting Strategy action plan	To consider the updated action plan to the corporate parenting strategy and receive a performance report against the objectives	Gill Cox	Performance review
Briefing paper	Autism Strategy update		
Meeting date: 1 October 2018 – 2.00 p.m.		Despatch: 21 September	
Herefordshire Safeguarding Children's board annual report	To consider the annual report and any recommendations contained within it. To assess if the report provides assurance and make comments and recommendations to the council and cabinet.	Sally Halls/Ann Bonney	Performance review
Referrals to the Multi Agency Safeguarding Hub	To receive a report concerning referrals to the MASH from agencies and in particular the Police.	Liz Elgar	Performance review/policy review and development
Ofsted action plan	To consider the action plan established following the Ofsted inspection in June 2018. To make recommendations to the executive on those actions identified.	Chris Baird	

Meeting date: 12 November 2018 – 10.15 a.m.		Despatch: 2 November	
Section 20 Task and finish group – recommendations and outcomes	To present the final report of the task and finish group to the Children and Young People Scrutiny Committee.	Chairman of T&F	Policy review and development
Recommendations from the Spotlight review	To consider and approve the recommendations emerging from the spotlight review concerning dental health and childhood obesity.	Democratic Services Officer	Policy review and development
Meeting date: 29 November 2018 – 3.00 p.m.		Despatch: 21 November	
Scrutiny Panel – LAC reduction project	To receive a report of the outcomes of the scrutiny panel to provide an oversight of progress against the proposal to reduce the number of looked after children and associated resource implications, including the medium term financial target.	Chris Baird	Performance review
Budget and Medium Term Financial Strategy (MTFS)	To seek the views of the committee on the draft medium term financial strategy (MTFS) 2017-21 and the budget proposals for 2019-20 relating to Children and Families.	Andrew Lovegrove, Audrey Harris	Pre-decision call-in/Policy review and development
Meeting date: <i>January/February</i> 2019 – time tbc.		Despatch: 18 January	
Alternative Budget	To seek the views of the committee on any alternative budget received.	Andrew Lovegrove/John Coleman	Pre-decision call-in/Policy review and development
Meeting date: 4 March 2019 – 2.00 p.m. (Potential alternative venue)		Despatch: 22 February	
Young Carers Service	To consider an update report on progress with the implementation of the young carers service. To involve evidence from Young Carers.	Danielle Mussell, Richard Watson	Performance review
School Examination Performance	To consider school performance of summer 2018 and make recommendations to cabinet on how the effectiveness of the school improvement framework and strategy could be enhanced.	Lisa Fraser	Performance review

Referrals to the Multi Agency Safeguarding Hub (MASH)	Update on the level of referrals from the Police to the MASH and engagement between the Police and early help service.	Liz Elgar	Performance Review
Quarterly review of performance against the Ofsted action plan	Quarterly review of the progress against the action plan produced in response to the Ofsted judgement in June 2018.	Liz Elgar	Performance Review
SEND Provision Task and finish group – recommendations and outcomes	To present the final report of the task and finish group to the Children and Young People Scrutiny Committee.	Chairman of T&F	Policy review and development
PRU Referrals Task and finish group – recommendations and outcomes	To present the final report of the task and finish group to the Children and Young People Scrutiny Committee.	Chairman of T&F	Policy review and development
Briefing paper	<p>Improvement Plan – six monthly report of progress against the improvement plan.</p> <p>Update on the Herefordshire Children and Young People Mental Health and Emotional Wellbeing Transformation Plan 2015 – 2020</p> <p>New Safeguarding Monitoring Arrangements – To receive details of proposed safeguarding monitoring arrangements in Herefordshire under new legislative provisions.</p> <p>Outcome of internal audit review of section 20 arrangements and processes.</p>		
Meeting date: 25 March 2019 – 10.15 a.m.		Despatch: 5 March	
Work Programme 2019/20 and meeting dates	To agree the Committee's work programme and meeting dates for 2019/20.	Matt Evans	

Scrutiny Panel – a panel of two members of the committee is currently in operation to provide an oversight of progress against the savings proposal to reduce the number of looked after children. Councillors Gandy and Seldon comprise the Panel.

Task and Finish Groups – Section 20 Orders – two meetings undertaken to date – final meeting on 4 October 2018 with recommendations reported to committee on 12 November 2018.

– SEN Provision – Four meetings arranged with recommendations reported to committee in March 2019.

– PRU referrals – Three meetings arranged with recommendations reported to committee in March 2019.

Spotlight review – Dental Health and Childhood Obesity – took place on 17 September 2018. Recommendations reported to committee on 12 November 2018.

Business to allocate

- Bereavement Services
- 12 month report of progress against the improvement plan
- Public Health nursing update

Appendix – recommendation tracker 2018/19

Schedule of Children and Young People Scrutiny Committee recommendations made and actions in response

Meeting	item	Recommendations	Action	Status
5 July 2017	Corporate Parenting Strategy 2017 – 2020	<ul style="list-style-type: none"> - The committee welcomes the strategy, supports the priorities identified and agrees to provide a summary of comments and recommendations to the cabinet member; - The committee requests annual performance reports relating to the action plan in the strategy; - The committee provides a forum, where appropriate, for children and young people in care and care leavers to hold their Corporate Parents to account; - The members of the committee facilitate training, with officers, on corporate parenting to all members of Herefordshire Council; - The committee recommends that the cabinet member reviews the measures for success and outcomes sought in the action plan on a regular basis to see whether any measures need to be strengthened; - The committee recommends that procedures are introduced to ensure that significant decisions of the council take account formally of likely implications for looked after children; - The committee recommends that members undertake a mentoring role, where 	<p>Response of executive:</p> <p>The draft strategy was discussed at the children’s scrutiny committee on 5 July 2017; they are supportive of the strategy and associated action plan and have requested that an annual update on its implementation is presented to the committee. The recommendations have been considered by the cabinet member young people and children’s wellbeing and as a consequence children’s scrutiny is referred to in the action plan:</p> <p>Corporate Parenting Action Plan 2017-20</p>	Completed

		<p>appropriate, for looked after children to share skills and experience to help enhance personal development and there is consideration of how this is best facilitated and publicised; and</p> <ul style="list-style-type: none"> - The committee recommends that methods and strategies are investigated to engage partners and businesses in corporate parenting. 		
	Annual reports for the fostering and adoption services	<p>Resolved – that:</p> <ul style="list-style-type: none"> a) the committee notes the annual reports from the adoption and fostering services and agrees to feedback comments to the cabinet member; and b) the adoption and fostering reports are considered as separate agenda items in future years. 	Adoption service and Fostering service annual reports allocated to the draft work programme 2018/19 for committee on 16 July 2016.	Completed
2 October 2017	Commissioning intentions for universal and early help services for children, young people and families	<p>Resolved - That the committee:</p> <p>supports the extension of the family befriending services contracts with the existing providers to the end of March 2018;</p> <p>has significant concerns about the commissioning exercise proposed. The cabinet members for health and wellbeing and young people and children's wellbeing are asked to have regard to the committee's concerns, particularly:</p> <ul style="list-style-type: none"> - i) The reported lack of consultation concerning safeguarding arrangements and engagement 	<p>Response of executive:</p> <p>i) The intention to re-procure health visiting and school nursing services has been in the public domain since August 2016. CCG colleagues have been involved in steps taken thereafter to inform future commissioning intentions. There has been an opportunity to raise any issues or questions regarding procurement, during this time.</p> <p>A generalised concern regarding safeguarding arrangements had been</p>	Completed.

		<p>with the Herefordshire Safeguarding Children's Board;</p> <ul style="list-style-type: none"> - ii) The provision of services in rural areas; - iii) The requirement for additional detail in the report, in particular the contract specification ; and - iv) A reported lack of communication with the CCG. <p>requests that, before a decision is taken on the proposal, the cabinet members share additional information with the committee, including the contract specification.</p>	<p>raised by the CCG very recently prior to the scrutiny committee meeting and reassurances were provided to the CCG that discussions to understand the detail would be welcome and these have since been initiated.</p> <p>Issues relating to <i>safeguarding</i> commissioning responsibilities are resolvable through further discussion.</p> <p>There is no requirement to present the commissioning proposal to the Herefordshire Safeguarding Children's Board, because the service will be required to adhere to all national and local policies, guidance, standards and procedures.</p> <p>Further discussion and an agreed way forward have been made with the Chair of the Children's Safeguarding Board, including a request to include reference to safeguarding within this paper (see para 7).</p> <p>ii) It is recognised that there are challenges in delivering timely and accessible services across a rural county and this has been reflected in the draft specification. To respond to those challenges, the provider will be required to ensure that access is available via drop-in sessions (which could be held in any community facility or venue), clinics, home visits, telephone contact, texting and other formats appropriate for the families and community. Broadband</p>	
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			<p>coverage across the county is currently 83% (30Mbps) so the provider will need to demonstrate how they will work with families who currently have no access to broadband or where phone signals are not available. The provider will also be expected to be organised around geographical areas/localities and pragmatically structured in line with local children's centre reach areas. The provider will also identify a named public health nurse link to each GP practice, children's centre and school, in order to facilitate local liaison, information-sharing and joint working in the best interests of families.</p> <p>iii) the draft specifications for the commissioning of 0-25 PH Nursing services and family mentoring services, to which have been added the requested additional detail relating to targets and outcomes and key issues outlined in the JSNA, have been made available, by exemption, to council members of the Children's Scrutiny Committee</p> <p>iv) This concern is not accepted and a summary of engagement activity is provided below:</p> <ul style="list-style-type: none"> • Representatives from the CCG have been engaged since August 2016 when CCG requirements were reviewed; • a public online survey was launched 	
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			<p>in November 2016;</p> <ul style="list-style-type: none"> • stakeholder engagement events To which GP and CCG representatives were invited were held during December 2016 through to end of January 2017; • feedback events were held in February 2017; • an early years review/scoping workshop held in May 2017; • Soft market testing was undertaken June/July 2017; • Updates have been provided to a Joint Commissioning Board which includes representatives of the CCG and reports to the CCG Board in August/September 2017; • Engagement/information session with GPs on key principles to be incorporated into the specification, was held in October 2017.and ongoing engagement agreed re implementation arrangements. 	
	Herefordshire safeguarding	Resolved – that:	Update from Chair of HSCB containing <i>Model Initial Parish Action Plan for</i>	Completed

	children's board (HSCB) annual report 2016/17 and business plan 2017/19	a) The annual report and effectiveness of the safeguarding arrangements for children and young people in Herefordshire as assessed by the Board are noted; and b) The strategic priorities identified by the Board are noted.	<i>Promoting a Safer Church</i> and latest detail with reference to work on the role of Parish Councils in safeguarding children.	
	Outcomes of casework peer review	Resolved – that the committee notes the report and offers congratulations to the teams involved in the review for the positive feedback received.		Completed
	Children's Wellbeing self-assessment	Resolved – that the committee notes the draft self-assessment document for the Children's Wellbeing Directorate.		Completed
4 December 2017	Children and Young People Mental Health Partnership	That the committee: supports the response of the CCG to the task and finish group recommendations; supports the objectives of the Herefordshire Children and Young People Mental Health and Emotional Wellbeing Transformation Plan 2015 – 2020; and requests an update report on the implementation of the plan in 2018.	To determine the timing an update on the implementation of the plan in 2018. A briefing note will be provided to the committee in March 2019.	Completed
	Children's Wellbeing self-assessment – update	That the Committee: endorses the self-assessment in its current form; and agrees that the comments raised by the committee are circulated to the cabinet member.	Excerpt of minutes detailing the discussion sent to the cabinet member for Children and Young People.	Completed

5 February 2018	School Examination Performance	<p>Resolved – that the committee:</p> <p>Recognises positive attainment in a number of areas of school examination performance but in particular in the field of phonics;</p> <p>Requests a briefing note on the current level of NEETs, the new data recording system and a breakdown of statistics to include indicators around rural/urban/market towns/gender/traveller community;</p> <p>Requests a briefing note on the role of the Regional Schools Commissioner and a focus on areas of overlap with the Council; and</p> <p>Agrees to write to government to express concern regarding the lack of regulation and monitoring in respect of home schooling. The correspondence should include reference to the potential impacts of home schooling upon the educational achievements of children and safeguarding responsibilities of the Council.</p>	<p>Correspondence sent to Nadhim Zahawi MP, Parliamentary Under Secretary of State for Children and Families. Copied to Jesse Norman MP and Bill Wiggin MP.</p> <p>Response received.</p>	
	Children and Young Peoples Plan	<p>Resolved - that the committee:</p> <p>Supports the inclusion of: obesity; dental health; mental health and wellbeing; transport; and youth facilities as key areas of focus for the plan;</p> <p>Supports the implementation of a robust monitoring framework for the new version of the Plan; and</p> <p>Asks for the draft Plan to be presented to the</p>	<p>Allocated to the committee's draft work</p>	<p>Completed</p>

		committee ahead of consideration at Cabinet and full Council.	programme 2018/19 for committee on 16 July 2018.	
16 April 2018	Autism Strategy for Herefordshire 2018 – 2021	<p>Resolved – that:</p> <p>(a) the significant successes achieved in the first Herefordshire autism strategy published in 2014 be recognised;</p> <p>(b) the outcomes identified by the strategy and the means in the action plan to achieve these ends be supported but noting that the committee would like to see more detailed milestones;</p> <p>(c) it be requested that as the action plan evolves additional base line data is included in the action plan to ensure tangible and quantifiable measures of performance and success, particularly in respect of improving diagnosis rates;</p>	<p>Resolutions of the Committee sent to the Executive for a response.</p> <p>Resolution (e) sent to the Herefordshire CCG for consideration.</p> <p>Executive response – 18/10/2018:</p> <p>(a) The significant successes achieved in the first Herefordshire autism strategy published in 2014 are now incorporated into the 2019-2022 strategy;</p> <p>(b) The outcomes identified by the strategy and the means in the action plan to achieve these ends are now supported by a detailed implementation plan with timescales for completion, the responsible organisation who will lead and the required performance measures;</p> <p>(c) Additional base line data is now included in the action plan to ensure tangible and quantifiable measures of performance and success where this is available. Where this is not available the action plan itemises the data required to be captured or processes required to be changed in order to facilitate this;</p>	Completed

		<p>(d) the executive be asked to investigate the development of a system/process to ensure an accurate picture of the incidence of autism across Herefordshire can be produced;</p> <p>(e) efforts to improve diagnosis rates and the recording of autism within GP patient records be supported and Herefordshire Clinical Commissioning Group asked to take this initiative forward as a matter of priority;</p> <p>(f) the executive be asked to take steps to work more closely with independent and private schools in Herefordshire to share data regarding enrolled autistic pupils to enable the production of comprehensive statistics of pupils in the county with autism;</p> <p>(g) the executive be asked to consider methods to promote employment at the council to people with autism;</p> <p>(h) the executive be asked to consider contacting key local organisations, such as Halo leisure, to ensure they promote autism-friendly service provision;</p>	<p>(d) The action plan outlines a review of diagnosis pathways in Herefordshire which will begin to address issues around formal diagnosis in Herefordshire and has been signed off by Joint Commissioning Board;</p> <p>(e) Initiatives to improve diagnosis rates and the recording of autism within GP patient records are itemised and supported by Herefordshire Clinical Commissioning Group;</p> <p>(f) Improved sharing of data with independent and private schools in Herefordshire regarding enrolled autistic pupils, which will enable the production of comprehensive statistics of pupils in the county with autism;</p> <p>(g) The development of employment pathways are now an action within the implementation plan;</p> <p>(h) Universal services are included within the strategy and the plan outlines the promotion of autism-friendly service provision as a key activity for the local branch of the National Autistic Society and the Autism Partnership Board;</p>	
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		<p>(i) the executive be asked to ensure that the Herefordshire branch of the National Autistic Society and the Hereford Autism Partnership are consultees during the planning process to ensure that new housing and public access buildings have autism-friendly design considerations;</p> <p>(j) the executive be asked to investigate proposals to ensure that new and existing council buildings and facilities are autism-friendly; and</p> <p>(k) the executive be asked to consider autistic-awareness training for new members of staff and elected members of the Council and ensure that all members are able to disseminate good practices within their local communities.</p>	<p>(i) The implementation plan outlines mechanisms for the Herefordshire Autism Partnership board to produce best practice guidelines for council buildings, new housing and public access buildings to have autism friendly design considerations;</p> <p>(j) As above</p> <p>(k) Autism awareness training is a key theme throughout all the priorities, and targets have been built into the plan to roll this out further, with key target workforces and metrics.</p>	
	LGA Safeguarding Peer Review Feedback	<p>Resolved – that:</p> <p>(a) a report be submitted on the referrals to the MASH, in particular those by West Mercia Police, for review by the Committee;</p> <p>(b) it be requested that corporate parent training for all members be made mandatory;</p> <p>(c) progress on actions in the finalised improvement plan is reported to the Committee, at 3, 6 and 12 months to enable it to be monitored; and</p> <p>(d) the Committee’s recognition and support of the work of staff in this challenging area be noted.</p>	<p>(a) Report received at committee meeting on 01/10/2018.</p> <p>(b) corporate parenting is a mandatory training module and must be completed within three months of being elected.</p> <p>(c) briefing notes for progress at 3 and 6 monthly intervals added to the work programme. The 12 month progress report to be allocated to the first committee in the new term.</p>	<p>Completed</p> <p>Completed</p> <p>Completed</p>

14 May 2018	Learning Disability Strategy 2018 – 2028	<p>Resolved – that the committee:</p> <p>(a) supports the strategy and requests the missing information, concerning health and wellbeing outcomes and social impact, and the implementation plan is shared with the committee when available;</p> <p>(b) requests that the executive prioritise the incorporation of improved metrics in the strategy to measure progress and provide evidence that objectives are realising desired outcomes;</p> <p>(c) requests that the executive considers making updates on the development and implementation of the strategy available through an appropriate forum e.g. the corporate budget and performance report;</p> <p>(d) asks the executive to provide a report to the committee, in due course, on the re-modelling of the Learning Disability Partnership Board;</p> <p>(e) asks the executive to consider appointing a member champion for learning disabilities;</p> <p>(f) asks the executive and the CCG to investigate methods of utilising learning disability registers, held by GP surgeries, to provide evidence for those with learning disabilities to more easily obtain bus passes;</p>	<p>Executive response, 7 June:</p> <p>(a) Agreed. The information will be circulated to committee members by 01 October 2018 and it will be for the committee to determine whether to include further consideration in its work programme;</p> <p>(b) Agreed. This will form part of the first years activity in the implementation plan.</p> <p>(c) Agreed. Progress will be reported through the quarterly corporate performance reporting process.</p> <p>(d) Agreed. The information will be circulated to committee members by 31 December 2018 and it will be for the committee to determine whether to include further consideration in its work programme</p> <p>(e) Agreed. A draft role profile will be prepared and the Leader of the Council will consult with political group leaders before making an appointment.</p> <p>(f) Not agreed. Whilst the problem is recognised, there are still complex issues with accessing and sharing learning disability registration data in order to achieve this specific outcome. The requirement for and provision of qualifying</p>	Completed
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		<p>(g) asks the executive to investigate the promotion of a scheme, similar to the Gloucestershire 50/50 strategy, in Herefordshire to encourage employment opportunities for people with learning disabilities; and</p> <p>(h) ensures that following the adoption of the strategy, the CCG and the 2gether Trust are held to account for those elements of the strategy for which they are responsible.</p>	<p>information for exemption schemes will be considered across the whole of the health and wellbeing pathway.</p> <p>Recommendation amended at committee on 16/07/2018 below.</p> <p>(g) Agreed. Knowledge gained from the Gloucestershire 50/50 learning disability employment strategy will be incorporated into planned work to promote employment opportunities for people with learning disabilities in Herefordshire and that this will form part of the 2018-19 implementation plan;</p> <p>(h) This is not a function of the executive. The scrutiny committee may review and scrutinise any matter relating to the planning, provision and operation of the health service in its area and make reports and recommendations directly to the relevant body.</p>	
	Children's safeguarding and family support performance data	Resolved - that a report concerning referrals to the MASH is added to the work programme for the committee in September to include an invitation to Sally Halls to participate in the item and access to comparative data from other local authorities.	Item added to the Committee's work programme for 17 September.	Completed
16 July 2018	Minutes of the previous meeting (14 May)	<i>'f. asks the executive and the CCG to investigate methods of joint working with GP surgeries to assist those with learning disabilities to more easily obtain bus passes'</i>		

		RESOLVED: that subject to the change outlined above the committee approves the minutes of the meeting on 14 May 2018.		
	Fostering and Adoption Annual reports	<p>RESOLVED: that the committee:</p> <ol style="list-style-type: none"> 1) Expresses concern regarding the lack of progress in joining a regional adoption agency and the executive is requested to undertake any available actions to expedite membership of Adoption Central England; 2) Requests clarification regarding how the overspends of the fostering service and external fostering budget in 2017/18 have been addressed; 3) Asks the executive to approach local cultural and leisure providers to attempt to secure concessionary rates for looked after children; and 4) Notes the annual reports 2017/18 for the fostering and adoption services. 	Executive response – 27/09/2018	Completed
	Children and Young People	RESOLVED: that the Committee recommends that the Plan includes reference to:		

	Plan 2018 - 2023	<p>a) the impact of poverty and deprivation on children and young people;</p> <p>b) refugee and migrant children and families; and</p> <p>c) the issue of County lines under the <i>be safe from harm</i> priority.</p>		
17 September 2018	Youth Justice Plan 2018-2019	<p>RESOLVED: that the Committee:</p> <p>a. endorses the Plan for presentation to full Council;</p> <p>b. notes the improvement in the rate of first time entrants across West Mercia but recognises further progress is required to reduce the rate in Herefordshire;</p> <p>c. supports an increase in the use of informal responses, such as community resolution, to divert young people from the formal justice system and recommends that this is progressed as a priority;</p> <p>d. expresses concern regarding the persistently high level of reoffending in Herefordshire and recommends that the General Scrutiny Committee review the reducing youth offending delivery plan, being produced by the Herefordshire Community Safety Partnership, and also scrutinises the CSPs approach to youth crime and anti-social</p>	<p>Recommendations a,b,c and f sent to the Youth Justice Service – 20/09/2018</p> <p>Recommendation d sent to the chairman of the general scrutiny committee – 20/09/2018</p>	Completed

		<p>behaviour;</p> <p>e. agrees witnesses from the police, the CSP and other relevant partners such as Addaction will be invited to participate in the committees future consideration of the Youth Justice Plan; and</p> <p>f. requests that the Plan incorporates clarity regarding why it is produced, to whom it is aimed and the communities it serves.</p>		
	Corporate Parenting annual Update	<p>RESOLVED: that the Committee:</p> <p>a. notes the update and recognises the progress made;</p> <p>b. asks the executive to encourage all members to use local contacts to identify employment and work experience opportunities for LAC; and</p> <p>c. agrees to write to local cultural providers to request concessions for LAC.</p>	<p>b. a letter will be sent to all Councillors who have not previously responded asking them to identify work experience and employment opportunities that they may be able to broker on behalf of looked after children and care leavers.</p> <p>c. letters circulated 25 October 2018</p>	Completed
	Education, Development and Skills Strategy 2018-2021	<p>RESOLVED: that the Committee:</p> <p>a. supports the Strategy as a high level statement of intent and requests that further detail on the individual projects are circulated when available; and</p> <p>b. requests that the committee is involved in the review of the SEND strategy.</p>		

1 October 2018	Referrals to the multi-agency safeguarding hub	RESOLVED - That the committee notes the report and requests that an update on the level of referrals and engagement between the Police and early help service is provided to a meeting of the committee in March 2019.	Update report allocated to the meeting of the committee on 4 March 2019	Completed
	Outcome of Ofsted inspection of local authority children's services and action plan	<p>RESOLVED – That the committee:</p> <ul style="list-style-type: none"> • endorses the action plan; • allocates a quarterly item to its work programme to assess progress against the action plan; and • welcomes those positive elements emerging from the inspection including: safeguarding arrangements; looked after children and early help; care leavers; children with disabilities; children at risk of sexual exploitation or wider exploitation; the Council's approach to elective home education; and children who go missing. 	<p>First quarterly report allocated to the meeting of the committee on 4 March 2019.</p> <p>Considered by Cabinet on 18/10/2018</p>	Completed
	Herefordshire Safeguarding Children Board (HSCB) Annual Report 2017/18	<p>RESOLVED – that:</p> <ul style="list-style-type: none"> • The HSCB annual report 2017/18 is noted and the committee recognises the concerns raised by the Chair of the Board; • The committee receives details of proposed safeguarding monitoring arrangements in Herefordshire under new legislative provisions; and • Following the implementation of new safeguarding monitoring arrangements in 	Update report allocated to the meeting of the committee on 4 March 2019.	Completed

		Herefordshire from 2019 the committee reviews the involvement and commitment of all agencies.		
12 November 2018	Dental health and childhood obesity spotlight review - recommendations and outcomes	<p>RESOLVED: that the committee agrees:</p> <ol style="list-style-type: none"> 1) The submission to the executive and relevant organisations of the outcomes and recommendations of the spotlight review, subject to those amendments to the recommendations outlined above; 2) the inclusion of additional recommendations, as outlined above, in the report of the spotlight review and submission to the executive and relevant organisations; 3) to write to local Herefordshire MPs to request detail as to how the priority of childhood obesity in the county is being championed; and 4) to delegate to the Chairperson the finalisation of the report of the outcomes and recommendations of the spotlight review prior to submission to the executive and relevant partners. 		
	Section 20 task and finish group – recommendations and outcomes	RESOLVED: that the committee agrees the submission of the report and recommendations of the section 20 task and finish group to the executive.		

