

**Minutes of the meeting of Adults and wellbeing scrutiny committee held at The Council Chamber - The Shire Hall, St. Peter's Square, Hereford, HR1 2HX on Monday 4 February 2019 at 10.00 am**

**Present:** Councillor PA Andrews (Chairperson)  
Councillor J Stone (Vice-Chairperson)

**Councillors:** CA Gandy, AW Johnson and D Summers

**In attendance:** Councillors EPJ Harvey and AJW Powers

**43. APOLOGIES FOR ABSENCE**

Apologies for absence had been received from Councillors MJK Cooper, PE Crockett, and JA Hyde.

**44. NAMED SUBSTITUTES (IF ANY)**

Councillor AW Johnson was a substitute member for Councillor JA Hyde.

**45. DECLARATIONS OF INTEREST**

There were no declarations of interest.

**46. MINUTES**

The minutes from the meeting of 29 January will be agreed at the adults and wellbeing scrutiny committee scheduled for 5 March.

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

There were no questions from members of the public.

**48. QUESTIONS FROM COUNCILLORS**

One question had been received. The questioner was advised that the committee would be scrutinising the evidence and rationale for the proposed alternative budget and would ensure that the issue was explored during the debate.

**49. ALTERNATIVE BUDGET PROPOSAL 2019-20**

**Presentation of the alternative budget:**

The committee considered a report and presentation from the 'It's Our County' group (IOC) of their proposed alternative budget and alternative medium term financial strategy (MTFS). The It's Our County group explained that:

- The alternative budget retained the executive's themes of wellbeing and prosperity but introduces sustainability as a third theme.
- The alternative budget is working within the proposed revenue funding envelope of the executive's draft budget.
- For 2019/20 IOC is not proposing any changes to the executive draft base budget, it is only proposing spend from additional income sources resulting from the draft 2019/20 local government financial settlement.
- The alternative MTFs indicates where IOCs alternative priorities and policies are moving toward longer term; investments for 2019/20 set out in the alternative budget are designed to underpin that direction of travel.
- IOC is proposing to stay within the capital budget in the draft executive budget but some reprioritisation and sequencing of spend will be undertaken
- Specific investments, in 2019/20, for the adults and communities directorate will be directed toward arts and creative projects (led by third sector representatives); more funding for wellbeing hubs; investment in community transport (to ensure people can continue to access these services); and digital options (specifically, assistive technologies to enhance care and support at home).

The Chief Finance Officer's (CFO) view was sought on the robustness of the alternative budget. The CFO was of the opinion that:

- The budget is deliverable and balanced.
- If council were to adopt it, it is likely to be delivered within the budget envelope.

The following principal points were raised in response to the alternative budget proposals:

- A number of the proposals set out in the alternative budget relate to the city or market towns, and refers only to parishes in their immediate locality. Yet, access to rural services for some of the more remote parishes is a key issue and requires huge investment. It was questioned as to whether the relatively small amount of funding proposed by IOC would make any impact on addressing transport needs in our more rural parishes.
- In regard to the proposals on the council owning its own social housing with it being managed by existing social landlords, it was highlighted that people living in council owned housing would have the right to buy those homes after a three year period. This would have the effect of removing affordable housing stock and releasing it as local market housing. As an authority there has been a move away from owning social housing stock to housing association – this ensures that properties stay affordable in perpetuity.
- Interest was noted in the consultation that IOC had undertaken with stakeholders in preparing their alternative budget and what bearing their views have had on the proposals set out by the IOC group.
- The proposals on car parking fees being devolved to market towns to use for specific projects was noted. If this money is to be redirected, what current activity would have to stop?
- It was queried if this proposal would also benefit parishes, particularly those whose visitor economy helps generate significant parking income.

The chair invited the IOC group to respond to these points.

- In regard to car parking income, the IOC group is not proposing money is taken from the council and given to the parishes. This proposals is designed to facilitate closer dialogue on income spend on the services that income is statutorily permitted to be spent on.
- An estimated £3.5m (net income) is generated from car parking – this is directed to roads, public realm and the Balfour Beatty (BB) contract. The IOC proposal advocates that the market towns and city have a discussion with their parishes about their priorities and how money is spent within the BB contract.

- If there was to be some form of income share it is envisaged that market towns and parishes would set out what priority spend is required.
- This has the added benefit of making the parishes – who share more of a sense of community with their respective market town(s) or principal village settlements than Hereford city - feel more connected to the decisions taken in their local areas.
- The IOC transport investment proposals recognises the level of difficulty of travelling in isolated rural areas. While accepting that the funding proposal is relatively small, it is designed make funding available in addition to existing core budget commitments.
- The IOC proposals are not prescriptive - investment could be spent on whatever is appropriate for local areas, with local areas determining how best those services are delivered. That conversation being shaped by the volunteers and third sector organisations, for instance, to ensure that the investment is a success.
- The IOC has consulted groups who - in the main - are those who are already working with the council. They are not individually named, but they do include national to local organisations. A central theme of the consultation was around partnership working, improving resilience and understanding what has worked well, not just in Herefordshire but in other parts of the country. The IOC consultation demonstrates that proposals have been prepared in discussion with, and not isolation from, key stakeholders.
- An example relates to the proposals on social housing where IOC have spoken to officers at Sheffield City Council (SCC) who are also in partnership with Keepmoat. SCC has placed high design standards in to their affordable and social housing developments. Their housing is designed from the outset to have wider corridors and doors for wheelchair users and residents with mobility aids. They are also compatible with renewable heat and electricity technology, rain harvesting and district heating schemes. The outline proposals seek to draw upon the experience Keepmoat has in working local authorities on projects of this nature.
- Turning to the point about right to buy – IOC accepted the point that legislation does allow for the right to buy after three years. The underpinning to this proposal is that the council develops a capital asset that can be used to borrow against, sustainably and affordably. This in turn would accelerate the roll out of affordable housing delivery in the county.

The committee member was invited to respond.

- Misgivings remained about the ability to build in to the budget ownership of housing stock – legislation is clear that the right to buy does not readily enable local authorities to do this. While legislation can change, for the purposes of this budget, it is not possible to build this in with certainty.
- The identified investment of £70k to accelerate roll out of wellbeing hubs indicates a lack of clarity in terms of roll out to rural parishes.
- The commitment to working with third sector groups is to be welcomed. However, the alternative budget is only able to commit one year of funding – are there dangers in pump ‘prime funding’ if follow on funding is uncertain or possibly un-obtainable?
- A committee member commented on IOC’s proposed investments of £2m. It was suggested that at least half of the proposals are ‘one-off’ investments – how do IOC propose to cover those payments in subsequent years?
- Turning to the proposals to invest in and transform ‘care’ – this is a major area of expense for the council. What sort of reform do IOC intend to introduce that they feel would bring a significant difference?

The chair invited the IOC group to respond to these points.

- The IOC group noted that in setting a budget it is only possible to provide financial information for a one year period. Given this short term financial planning framework, the alternative budget has looked at the immediate priorities that the IOC group would seek to address. The alternative MTFs provides a longer term 'direction of travel' in terms of the next three years.
  - Local and national factors that make the budget setting environment very uncertain, there are local elections in May 2019 and the UK/EU exit negotiations remain ongoing. All of this could have significant implications in regard to the 'long-term' funding position.
  - The detail of where the wellbeing hubs are being rolled out to is to be worked up. An underlying principle is that there would be a finer level of 'granularity' where they are delivered away from the major service hubs. The concept of the hubs is sound, but delivery should be tailored to the locality by the locality.
  - Turning to the proposals for transformative care – IOC propose the need for a digital strategy. Without this it is difficult to say how ambitious transformative care could become. There are a number of wearable devices that allow monitoring of health and movement, for example.
  - This type of technology and its potential should be investigated in terms of how we might make use of it. It has potential to enable people to stay at home safely and for longer before other care options are considered.
- 
- The chair noted that the the committee has quite recently recommended support for the development of a digital strategy and it is understood that this is currently being worked on by officers of the council. It was confirmed by officers that this was the case and that it was a digital and technology enabled care strategy.
- 
- IOC offered a point of clarification in regard to the rural definition applied to Herefordshire. This is drawn from a European definition where Herefordshire is classified as the most rural county based on its evenly distributed sparsity measures and the only truly rural authority in England.
  - Turning to the proposed investment in arts projects it is widely evidenced that arts projects play a vital role in prevention in the adults social care arena. Arts provide a critical point of engagement in assisting many people with their wellbeing, both in terms of recipients of arts related projects and participants.
  - The IOC investment is designed to allow for 'gearing' of benefits within the adults social care system by creating a pot for arts projects to bid in to.
  - In regard to the short term nature of the investment proposals – the IOC budget attempts to make sound judgments within the totality of the budget proposals.
- 
- A non-committee member noted that the ideas and the approach set out by IOC were very helpful. On a specific matter the member noted that at para 5.3 – reference to £70k proposed investment of the wellbeing hubs - would benefit from the inclusion of 'further areas outside of the market towns'.
  - IOC noted that they would respond positively to this suggestion. A key point is that funding would be made available flexibly to enable the hubs to progress.
  - The member noted enthusiastic support for the wellbeing hubs from volunteers who, with appropriate training, are keen to facilitate the development of this initiative.
  - IOC noted, also, the social care symposium held in January. There was a case study noted at the Walford Parish Council function as neighbourhood care body dovetailing their support with professional care givers. The Walford case study provides an excellent example which embodies the spirit of the proposals set out in the IOC alternative budget.
  - A committee member welcomed the proposals on car parking set out in the IOCs alternative budget as a welcome opportunity to benefit the local community.

- Turning specifically to the neighbourhood plan process IOC were asked to consider how those areas would rise to the challenge of having to find more land and more homes for older people. Particularly in areas where the plans are advanced in terms in process. IOC were also asked to that in some NDP areas it is less about finding more homes for older people and simply about providing more affordable homes.
- The member also invited IOC to respond in more detail about how they propose to increase recycling by 50% by 2020, and how they propose to do this?
- IOC is emphasising affordability of occupation of new dwellings as well as affordability of purchase – those design elements are incorporated in IOC alternative budget proposals. NDPs allow good scope for evolution and incorporation of changing priorities for local areas.
- It was noted that NDPs need to be in conformity with the core strategy – within this context, IOC propose to bring forward the revisions to core strategy, earlier than is currently being planned. This with a view that a revised strategy could be adopted earlier. NDPs would not be required to make any changes if they are already in conformity with core strategy.
- IOC noted that the council does have ‘older people’ housing policy which outlines the type of housing needed in the county. NDPs that are underway should be aligning to such policies.
- There is also known to be increased interest in community land trust and community owned housing models. There is good potential for initiative like this to become more prevalent. Property bonds, for example, have demonstrated that initiatives of this nature do come forward and go on to provide housing on a more standard mortgage/finance arrangement.
- In relation to the plans for increasing recycling, IOC recognise this is ambitious. The alternative budget proposals would introduce a ‘pilot’ curb side green waste collections - not currently a provision within the council’s current PFI waste contract. IOC believes this would improve the county’s performance and raise recycling rates up to 50%. As a general rule, upping recycling rates is a good thing, so being ambitious is felt to be the right approach.
- A committee member noted that the IOCs alternative budget as presented requires an extra £2m which is a combination of one-off funds and re-direction from existing activities. The alternative budget was described as being light on detail and arguably fails to meet the IOC test of sustainability.
- IOC responded by noting that their alternative budget is a pointer toward a new longer term direction that is sustainable. It was acknowledged that full sustainability cannot be achieved or delivered in one single budget – the investment represent moving toward more significant benefits in due course.
- A non-committee member noted that parish and town councillors are volunteers and their time and input varies enormously. The approach set out by IOC is likely to bring welcome attention to ‘hidden’ issues such as dementia or autism within our communities.
- The member also noted the proposals on car parking – these ideas need to be debated with the market towns and parishes.
- In regard to NDPs – some plans have been long in the making. Many communities are feeling that they should simply get their plans in place. Organisations like housing trusts can bring in new skills and experiences to potentially get new projects off the ground. Such partners could possibly find additional sources of funding and housing ownership models.
- Turning to recycling – it was noted that in Leominster a new trade waste recycling scheme was about to be launched. Any profits generated would go back in to the community to enable projects that benefit the community. It is hoped that

this model will be diversified, in the fullness of time, to include waste collection and other forms of trade recycling.

There were no further questions from committee and non-committee members. The chair invited IOC to provide their final comments in relation to the committee debate.

- IOC noted their thanks to the committee for their positive comments and the issues raised. Thanks were also offered to the officers who had assisted IOC in the development of their alternative budget. IOC noted that they would look to respond positively to any recommendations the committee may wish to make in regard to the alternative budgets proposals before them.
- The director for adults and communities was invited to offer a statement in regard to the IOC's alternative budget. It was noted that there is limited ability to move outside of what we have to provide statutorily. But this is a reflection on any budget setting exercise. There is welcome attention on the prevention agenda and the inequality of spend in providing care. Investment in prevention means that we are able to realise an affordable shift toward delivering more appropriate care. It is recognised that there is detail that still needs to be worked up, but there is welcome understanding that communities know how best to look after themselves if they are supported to do so.

The chair called a short adjournment to the meeting to allow committee members to discuss and consider recommendations. The chair then invited the statutory scrutiny officer to present the recommendations to the IOC group.

The statutory scrutiny officer noted that:

1. The committee recommended an amendment to section 5.3 (p.16) of the alternative budget to include 'wider areas, including parishes' after the reference to market towns.
2. With reference to the alternative budget proposals for the council to own its own housing stock the committee recommended that this be removed. Due to legislation permitting right to buy after three years of ownership this proposal would be unsustainable.
3. The committee has welcomed the emphasis on prevention for adults and the wider additional detail offered by 'It's Our County'. The committee recommends that 'It's Our County' updates the alternative budget to present this additional evidence.
4. The committee notes the lack of funding identified for beyond 2019/20 in the alternative budget. The committee, therefore, recommends that this short term funding arrangement creates significant difficulties in determining the outcomes that can be delivered.

## **50. DATE OF NEXT MEETING**

5 March 2019

The meeting ended at 11.48 am

**Chairperson**

**Questions from councillors for the adults and wellbeing scrutiny committee**

**4 February 2019**

**Question**

**Councillor NE Shaw, Bromyard Bringsty Ward**

IOC's support for the Conservative administration's "Community Wellbeing Hubs" is appreciated.

The administration announced expanding "Talk Community Hubs" at the Parish Council Summit from 7 to 20 by the end of 2019/20 with ambition to expand this further, up to 50 hubs.

The project will require an invest to save commitment from the council of around £225k per year. A&C are working up the plans for this for Cabinet to consider within their current budget.

The significant challenge is finding appropriate venues, community leaders, training them and some further modelling development of how hubs can be community led and are sustainable in the long term.

Can the Chairman determine if an additional £70k would provide a vfm "accelerated roll-out" as IOC suggest that funding is the principle reason that these hubs cannot be rolled out faster than the way planned?

**Response**

**Councillor PA Andrews, chairperson of the adults and wellbeing scrutiny committee**

Thank you for your question. The committee will be scrutinising the evidence and rationale for the proposed alternative budget and will ensure that this issue is explored during the debate.

