

MINUTES of the meeting of Cabinet held at the Council Chamber, Brockington, 35 Hafod Road, Hereford on Thursday 23 January 2014 at 2.00 pm

Present: Councillor AW Johnson (Chairman)

Councillors: H Bramer, JW Millar, PM Morgan, GJ Powell and PD Price

In attendance: Councillors WLS Bowen, ACR Chappell, EMK Chave, J Hardwick, EPJ Harvey, MAF Hubbard, J Hyde, TM James, JLV Kenyon, RI Matthews, AJW Powers, P Rone, A Seldon, and GA Vaughan-Powell

60. APOLOGIES FOR ABSENCE

Apologies for absence had been received from Councillors.

61. DECLARATIONS OF INTEREST

Councillors Johnson, Morgan, Price, & Powell declared non prejudicial non pecuniary interests in item 63 as school governors.

62. MINUTES

It was noted that all members in attendance should be recorded in the minutes.

RESOLVED: That the minutes of the meetings held on 12 & 19 December 2013 be approved as a correct record and signed by the Chairman.

63. RESPONSE TO CALL-IN: CHANGES TO HEREFORDSHIRE SCHOOLS AND POST 16 TRANSPORT POLICY

Consideration was given to the recommendations of the General Overview & Scrutiny Committee made on 15 January 2014 following the call-in of Cabinet's decision made on 19 December. The Chairman of General Overview & Scrutiny Committee presented the recommendations of the committee, highlighting concerns raised regarding the potential impact on SEN pupils and schools budgets.

The Cabinet Member summarised the Executive's responses to the recommendations noting where recommended action was already underway. Further amendment or delay to the policy changes would not be recommended given the budgetary constraints and agreed charging principles, and in the interests of providing certainty for parents and schools alike.

In response to queries raised by Members in attendance the following observations were made:

- The decision had been informed by a full and robust equality impact assessment
- Working together with schools, parents and transport providers would improve service delivery in the future.

RESOLVED: That

- (a) **the proposed responses to the recommendations of the General Overview and Scrutiny Committee as set out at Appendix 1 are agreed; and the original decision taken by Cabinet on 19 December 2013 is confirmed.**

64. TRANSPORT & TRAVEL REVIEW

The Cabinet Member, Health & Wellbeing introduced the report of the Head of Transportation & Access, which sought approval of the approach to reducing subsidy and delivering significant savings for passenger transport services over the period 2014/15 and 2015/16.

The Cabinet Member, Health & Wellbeing highlighted the following key points:

- i. The savings requirement of £1m was over a two year period owing to the timing of contracts covering subsidised bus services across the county
- ii. The reduction of subsidies would not be a simple across-the-board reduction
- iii. The needs of service users with complex transport requirements would be addressed through the review
- iv. The review would seek to maximise the development and use of community transport schemes
- v. Commercially viable services should in principle not be subsidised
- vi. Feedback received through the recent budget consultation (centring on market day services) would inform the review, and further consultation with specific communities would be undertaken
- vii. There would be no changes to services before September 2014.

Members in attendance welcomed the proposals. The following responses were given to queries raised:

- Integration of services and savings associated with that integration had already begun; more could be achieved
- The value for money of amount of subsidy per passenger would inform future decision-making
- Routes involving out of county journey elements were recharged and therefore subsidies quoted were the net cost to Herefordshire
- Any decision to withdraw subsidy from a particular route would be informed by consultation responses and impact assessments as well as value for money considerations
- The review included social care transport costs
- Route details such as timings and stops should be a matter for discussion between providers and communities
- Many children already completed their journeys to and from school on public services rather than dedicated schools transport

RESOLVED: That

- (a) **the approach to reducing passenger transport subsidy and securing savings of £1M over the period 2014/15 to 2015/16 including a comprehensive review and re-planning of passenger transport services in an integrated way (including the approach to consultation) as outlined in this report be approved; and**
- (b) **authority be delegated to the Director of Economy, Communities & Corporate, in consultation with the Cabinet Member for Health and Wellbeing, to finalise and implement service changes following the public consultation and contract tendering**

65. CUSTOMER SERVICES & LIBRARIES

The Cabinet Member, Customer Services introduced the report of the Head of Community & Customer Services, which set out options for future delivery customer services and library centres and services for implementation in 2015/16. It was noted that, due to a proofing error, the points referenced in recommendation (a) should identify points 17-26 rather than 23-32.

The Cabinet Member, Customer Services drew attention to the proactive approach being taken to ensure that services and facilities could, with the support of local communities, adapt to the changing budgetary situation.

Cllr Powell received assurance that, in light of the proposals which did not involve any closure of library services there was confidence that a comprehensive local library service was being maintained.

In response to queries from Members in attendance the following observations were made:

- The model proposed for customer services in Hereford city had already proved successful in other locations and would be explored
- The proposals set out a direction of travel for the development of library and customer service delivery and ideas for more radical delivery models would be welcomed to ensure a library service was retained and fit for the future
- Staffing of libraries was not currently routinely undertaken by professionally qualified librarians and future models would explore use of a mix of volunteers and staff
- Options for location of Ledbury library service within the Masters House were being explored
- Customers not using cashless payment options would continue to be able to make payments through facilities such as the Post Office and the proposals allowed for a transition period
- As the pattern of customer contact changes the facilities for face to face contact needed to change to reflect that.

RESOLVED: That

- (a) authority be delegated to the Director for Economy, Communities and Corporate, in consultation with the Cabinet Members for Corporate Services and Contracts and Assets, to implement changes to service delivery (points 17-26) in order to release savings for April 2015;**
- (b) consideration be given to closing the customer services centre at Franklin House and offering a combined customer and library service at the Broad Street site; and**
- (c) should the decision taken in respect of recommendation (b) above be to progress a combined customer and library service at the Broad Street site, the cost of modernising the premises be financed through capital receipts from the disposal of selected operational properties to avoid extending the council's borrowing requirements**

As proposed by the Chairman, the order of the following two items on the agenda was reversed.

66. REDUCTION OF PUBLIC FACING MUSEUM DELIVERY

The Cabinet Member, Contracts & Assets introduced the report of the Cultural Services Manager and Archives & Collections Manager, setting out proposals for a reduction in opening hours of the museum service front of house delivery across the sites of the museum in Broad Street and the Old House in High Town, Hereford.

In response to questions from Members in attendance, the following observations were made:

- Limitations on the interaction with the museum collections caused by restrictions in opening times could be offset by specific open days or activities
- A wider fundraising strategy for the service including greater use of the collections was being developed.

RESOLVED: That

- (a) the opening hours for the Hereford Museum and Old House be reduced to achieve the required savings; and**
- (b) authority be delegated to the Director of Economy, Communities and Corporate to determine the detailed implementation of this reduction**

67. PROPOSED TRUST STATUS FOR MUSEUMS

The Cabinet Member Contracts & Assets, introduced the report of the Cultural Services Manager and Archives & Collections Manager, which set out the proposal and options for moving Herefordshire museum services to Trust status, noting there was a heartening degree of interest from a number of existing trusts.

In response to queries from Members in attendance the Cabinet member noted that negotiations with the Courtyard, as with other trusts, were welcomed

RESOLVED: That a procurement process is undertaken to solicit tenders from charitable trusts for the purpose of delivering the museum service in Herefordshire.

68. WITHDRAWAL OF ARTS COMMISSIONING GRANTS

The Cabinet Member, Contracts & Assets introduced the report of the Cultural Services Manager proposing the withdrawal of the Arts Commissioning Grants to external organisations from 2014-15.

Councillor Powell acknowledged that none of the bodies referenced were in receipt of continuing funding arrangements and queried whether potential existed to maintain a contingency should any of the bodies be at risk of closure as a consequence of the decision. The Cabinet Member noted that support would be offered to enable groups to access alternative sources of funding; whilst a 'disaster' fund would exist exceptional circumstances would need to be evidenced to access this fund given the overall budgetary position and the agreed council priorities.

Members in attendance expressed concern at the impact of such funding reductions on the broader contribution made by the arts to the quality of life in the county.

Cllr Morgan stressed that the quality of the service offered by the organisations listed was not in question, but the use of public funding must be focussed on the essential priority services.

RESOLVED: That the payments of Arts Commissioning Grants made by Herefordshire Council to external arts organisations are withdrawn from April 2014

69. PROGRAMME FOR INVESTMENT AT HEREFORDSHIRE COUNCIL LEISURE FACILITIES

The Cabinet Member, Contracts & Assets introduced the report of the Cultural Services Manager proposing in principle the investment of £9m capital, funded by prudential borrowing for improvements at Herefordshire Council leisure facilities as part of a package of changes to the contractual arrangements between the council and Halo Leisure to support the delivery of financial savings whilst enhancing service quality by increasing income levels.

Cllr Powell sought clarification as to whether the proposed improvements would reduce the outstanding planned maintenance costs. The Cabinet Member Contracts & Assets confirmed this would be the case.

The Cabinet Member, Contracts & Assets endorsed the view of a Member in attendance that the performance of Halo was to be welcomed.

RESOLVED: That

- (a) subject to Council approval of the Capital Programme in February, up to £9m of capital funding for investment in improvement programmes at the following leisure facilities across the county: Hereford Leisure Centre, Hereford Leisure Pool, Leominster Leisure Centre, Ledbury Swimming Pool and Ross-on-Wye Swimming Pool be approved;**
- (b) the investment to be funded via prudential borrowing and repaid by the leisure operator, currently Halo Leisure, via a rental charge over 25 years using increased income;**
- (c) authority be delegated to the Director for Economy, Communities and Corporate, in consultation with the Chief Finance Officer and Cabinet Member Contracts and Assets to approve fully costed business cases and implementation arrangements for individual schemes within the programme prior to any draw down of capital;**
- (d) authority be delegated to the Solicitor to the Council, in consultation with the Director for Economy, Communities and Corporate to conclude and execute revised legal agreements between the council and Halo Leisure to reflect the complete package of revised arrangements between the parties;**
- (e) subject to the completion of a Sports Facilities Strategy application is made to the Sport England facilities funding programme for up to £2m for larger schemes and £0.5m for smaller schemes; and**
- (f) that further investigation is continued regarding funding through a planning application for the redevelopment of Ledbury swimming pool to assist with mitigation of the total amount of borrowing subject to Council approval of the Capital Programme in February, up to £9m of capital funding for investment in improvement programmes at the following leisure facilities across the county: Hereford Leisure Centre, Hereford Leisure Pool, Leominster Leisure Centre, Ledbury Swimming**

Pool and Ross-on-Wye Swimming Pool be approved.

70. FUNDING FOR LADY HAWKINS' AND WIGMORE LEISURE CENTRES

The Cabinet Member, Contracts & Assets introduced the report of the Cultural Services Manager proposing future funding arrangements for Lady Hawkins' Community Leisure Centre and Wigmore Leisure Centre.

RESOLVED: That

- (a) authority be delegated to the Director for Economy, Communities and Corporate, in consultation with the Chief Finance Officer, to pursue negotiations to implement the asset transfer of the Lady Hawkins Community Leisure Centre by September 2014; and**
- (b) the funding for Wigmore Leisure Centre be reduced to £15,000 pa from 2014-15.**

71. WITHDRAWAL OF FUNDING FOR INFRASTRUCTURE SUPPORT (VOLUNTARY AND COMMUNITY SECTOR AND PARISH COUNCILS)

The Cabinet Member, Corporate Services introduced the report of the Sustainable Communities Manager proposing withdrawal of funding support for infrastructure support services for parish councils, currently provided by Herefordshire Association of Local Councils, and infrastructure support services to the Voluntary and Community Sector, currently provided by Herefordshire Voluntary Organisations Support Services (Hvoss). Attention was drawn to an error in the response to the budget consultation appended to the following budget report which was misleading in regard to the funding proposals for Hvoss and Cllr Morgan apologised for this error.

In response to queries raised by Members in attendance the following observations were made:

- Clarification would be sought regarding any unpublished organisational responses to the budget consultation
- In house strategic commissioning capability for communities and volunteers including support and co-ordination was being developed within the adult wellbeing directorate

RESOLVED: That

- (a) the Service Level Agreement is not renewed for Herefordshire Association of Local Councils (HALC) with effect from 1st April 2014, leading to a saving of £3,000 in 2014/15; and**
- (b) withdrawal of dedicated funding for infrastructure support services to the Voluntary and Community Sector when current contract with Herefordshire Voluntary Organisation's Support Services (Hvoss) ceases on 31st July 2014, leading to a saving of £97,000 in 2014/5 and a further £38,500 in 2015/16.**

72. BUDGET 2014/15 AND MEDIUM TERM FINANCIAL STRATEGY

The Leader of the Council introduced the report of the Chief Financial Officer proposing the medium term financial strategy for 2014/15 to 2016/17 and proposals to finalise the 2014/15 revenue and capital budget to be recommended to Council on 7 February 2014.

The Chief Financial Officer provided an overview of the budget proposals in the context of the legal requirement placed on local authorities to approve a balanced budget and in light of significantly reducing government funding.

The Cabinet Member, Corporate Services drew attention to the consultation responses and equality impact assessments and placed on record thanks to all who contributed to these significant pieces of work.

It was noted that the report would be updated before presentation to Council to take account of the decisions taken by Council on 17 January.

RESOLVED: That Cabinet recommends to Council on 7 February:

- (a) Approval of the revenue budget set out in Appendix 1; and**
- (b) Approval of a band D council tax of £1,251.32, a council tax increase of 1.9%, therefore rejecting the 2014/15 council tax freeze grant; and**
- (c) Approval of the medium term financial strategy shown in Appendix 3 ;**
- (d) Approval of the Capital Programme outlined in Section 4.13 of the medium term financial strategy; and**
- (e) Approval of the Treasury Management Strategy for 2014/15 attached as Appendix 4.**

The meeting ended at 4.25pm

CHAIRMAN