

Change log – budget proposal changes post Cabinet 31st January

As reported verbally to Cabinet on 31st January, the government's funding settlement has been confirmed. The budget agreed by Cabinet anticipated such sums might become available and Cabinet agreed to add to its published budget proposals a budget line to make use of the anticipated funds to address issues and opportunities in the coming years. As the main element was anticipated to be relating to the rural sparsity delivery grant, the intention was for expenditure to relate predominately to provision affecting the rural areas of the county. The medium term financial strategy (MTFS) covers the beginning of a period where council funding is very uncertain. Changes to business rates retention, the absence of rural sparsity delivery and revenue support grant funding, changes in the public health grant and the social care precept and the better care fund leading to many uncertainties. A number of the proposed changes relate to ensuring that savings required in the period of the MTFS can be better achieved by improving their risk rating through early preparation and managed change.

In response to requests at Cabinet for greater clarity of how the additional funding has been allocated and having considered further the options available to it for allocating the additional funding is provided as detailed below and which are reflected in the papers.

Summary of changes

	£'000
Additional directorate budget	
Museum and libraries saving deferral	250
Community Transport vehicle grant	500
Parish lengthsman grant	250
Early help programme	500
Expansion of the talk community hub model	500
Totals	2,000
Additional 2019/20 funding source	
Rural services delivery grant	1,008
Business rate levy account surplus	493
Revenue Support Grant	4
Adult social care grant	5
New homes bonus grant	147
Additional council tax income due to council tax base increase	343
Totals	2,000

Detail behind changes made

Economy and Place

1. To reverse the savings proposal of £250k for museums and archives. The tendering for a potential alternative supplier will continue, it is recognised that any decision that may be made will need further consultation and will require a period of due consideration. It is appreciated that the benefits to be delivered by a successful tender will need some significant due diligence and any decision will not be made in haste. The opportunity is therefore being taken to delay the saving required by one year at a cost of £250k and will reduce the stress on the museum, archive and library budget and the related staff and volunteers during the coming year.

2. Subsidy for Community Transport organisations providing service in Herefordshire. The phased reduction of this subsidy has been planned and consulted upon however the effect on the viability of community transport organisation budgets is of concern. We appreciate that such organisations have plans in place and are taking steps to operate within a tighter fiscal envelope. We are aware that such organisations provide an important support in the rural areas for our more vulnerable members of society and enable them to attend both health and wellbeing related appointments and activities. We are cognisant that the purchase and replacement cost of vehicles and the maintenance and repair costs remain a significant element of operational overhead for such organisations and therefore have resolved to provide a grant to provide for new vehicles. These vehicles would have the latest mobility modifications to meet the needs of users and would enable the seven existing community transport schemes within the county to replace older vehicles which are both more costly to maintain, and have less flexibility. Such grants would also be available to enable the provision of vehicles for new or expanded transport services where this can better meet community needs. This should reduce the stress on organisational budgets and enable those organisations to allocate funds that they raise to other revenue uses. The sum of £500k is allocated to this purpose, with an appropriate methodology for grant application and approval to be delegated to officers.

3. Subsidies to parish councils. The phased reduction of the lengthsman and parish path scheme has been planned and consulted upon, and those parishes that have found these schemes beneficial for their local inhabitants have raised their precept, or identified other resources, in order to replace the council subsidy and continue the works which principally benefit their parishioners, the administration has listened to the consultation which has developed during the Parish Summit meetings. The administration have reviewed the scope of the local nature of works in the public realm which have a knock on benefit both locally and for the county as a whole. The issue of surface water on rural roads, the damage that it can cause and the dangers that it represents during inclement weather carry a high priority within the work on the public realm. Although many lengthsman already deal with a number of highway ditch issues within their work, and landowners are being increasingly engaged in appreciating their riparian responsibilities, there remain local works which would be of benefit where responsibility is less clear, or that of the highway authority, such as the cleansing and restoration of roadside ditches, which can include significant pipe and drainage works for legacy systems. It is therefore proposed to make a grant available for the restoration and improvement of drainage on unmetalled public rights of way routes, U and C roads where works can be carried out locally by the lengthsman. Such grants will only be available to those parish councils who have retained and self-funded the lengthsman scheme and will be delivered through a similar process as the previous lengthsman grant. The maximum grant payable during a scheme year will be £20k and the amount to be made available is £250k. Any unspent grant will be carried forward, with the scheme to be reviewed at the end of the first year of operation.

Children and families

4. Over three quarters of people that responded to the council's 2019/20 budget consultation agreed that funding should support more help for children, young people and families at an early stage. The council will seek to further strengthen its offer of preventative support for children in their early years and those that may need some 'Early Help' to achieve positive outcomes and avoid problems or difficulties escalating to more significant levels. It is proposed that investment is made into:

- a. Additional support from children's centre services for community-based parent and toddler groups focussing on reaching further into areas of deprivation to engage with more disadvantaged families. Support will focus on enabling and supporting parents and carers with positive attachments, healthy eating, good dental care, being ready to enter school, promoting their take-up of nursery education funding and wider family issues including employment and housing. The investment will be made across Herefordshire's nine children centre service areas and through a grant scheme that will be made available for groups to apply for funding that will help parents to support their children and each other.
 - b. Herefordshire's Early Help approach was established in 2016 and has successfully grown to provide over 1,000 assessments. However, the success of the approach has led to additional demand for early help support and longer waiting times for assessment than is desirable. Additional funding would support meeting this additional demand and enable more proactive work with communities and with other services that work alongside the council to help ensure that families can receive the right help at the right stage.
5. These actions underline the commitment of the council to delivering the best that we can afford for our future generations. The cost of this decision will be £500k over 2019/20 and 2020/21.

Adults and communities

6. Following feedback from the recent Parish Council Summit, which was very supportive of the expansion of the Talk Community Hub model developed by Herefordshire Council's Adults Communities Teams, we will develop and expand the talk community model to establish wider county coverage. The project will work with community leaders so that they can lead talk community sessions supported by an expanded community broker function.
7. Building on the success of the Herefordshire model for social care delivery, the project aims to prevent or delay ill health or disability; promotes/improves quality of life, independence and inclusion in social and community life; and creates healthy and supportive environments that minimise the need for formal care.
8. Communities require development and residents benefit from being able to connect effectively to their communities.
9. Additional funding of £500k will meet the requirements to extend the hub coverage from 7 to 50, including enhanced support for new hub operators to provide community hubs within more remote rural areas. The funding is broken down to provide £340k in salaries for two years, comprising a programme lead and a project team of 4 FTE community brokers and community leads. In addition £5k in training costs for staff, £50k in equipment and materials and £105k of seed funding for community innovation.