
**Budget 20/21 and corporate
priorities (2020 -2024)**

Adults and wellbeing scrutiny
committee

18th November 2019

Development of corporate priorities

Herefordshire Council *Our ambition for Herefordshire*

“Respecting the past, shaping our future - we will help build vibrant communities, create a thriving local economy and protect and enhance our environment”.

Community
Build communities to ensure everyone lives well and safely together

- Ensure all children are healthy, safe and inspired to achieve
- Help keep our families and communities healthy and independent
- Ensure that children in care, and moving on from care, are well supported and make good life choices
- Protect and improve the lives of vulnerable adults
- Join up health and social care services in communities
- Create environments that make wellbeing inevitable
- Use technology to enable independent living
- Get the right mix of housing for our communities
- Build our own sustainable council houses

Economy
Support an economy which builds on the county's strengths and resources

- Use council assets to create more jobs
- Develop environmentally sound infrastructure that attracts investment to our county
- Invest in education and the skills needed by employers
- Raise the average wage of people working in Herefordshire
- Encourage younger people to build their lives here
- Enhance digital connectivity for communities and business
- Protect and promote our heritage, culture and natural beauty to increase tourism and attract new businesses
- Invest public money locally wherever possible

Environment
Protect our environment and keep Herefordshire a great place to live

- Understand our carbon footprint and act to reduce it
- Lead our transition to a low carbon economy
- Improve and extend travel options throughout the county
- Ensure the best use of the county's natural resources
- Reduce waste and increase reuse, repair and recycling
- Protect the county's biodiversity, value nature and uphold environmental standards
- Address the climate emergency and support behaviour change of residents and businesses

Our principles

Partnership | We collaborate to maximise our strengths and resources
Sustainability | We use resources wisely so Herefordshire is preserved for future generations
Integrity | We make decisions based on evidence and work with respect, openness and accountability
Democracy | We strengthen local democracy, decision making and service delivery and involve more young people
Communication | We listen to and learn from our communities and help people connect through culture, creativity and care

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- Series of workshops held to develop the overarching plan and identify the key themes of Economy, Community, Environment
- “1 page plan” developed to set out the ambition of the council and the principles of ways of working
- The themes and 1 page plan then tested through a series of public engagement events held throughout the county
- Public engagement feedback is continuing to inform the proposed budget 20/21, corporate plan and MTF5

Key themes

Priority theme	
Sustainability (environmental)	Enabling the county to operate differently/different future offer – fundamental review of Core Strategy Alternative travel options Sustainable house building
Sustainability (financial)	Investing money from small holdings principle must provide long term return on investment
Connectivity	Public transport schemes to connect city and market towns and complement regional and national networks Development of walking and cycle networks to enable alternative travel options Development of network of physical places (community hubs) for people to connect face to face Digital connectivity to enable the use of assistive living technology and online trading

Public engagement – approach taken and feedback

- 16 Pop-up events in all Market Towns in high footfall locations
- Voting on 6 priorities using tokens in ballot boxes
- Sticky dot exercise for sub-priorities
- Comments sheet
- 3 small group discussions with seldom heard groups
- 1 roundtable group discussion (Parish Summit)
- On-line consultation replicating pop-up methodology

Numbers engaged

- **1,056** people engaged in face-to-face consultation
- **271** young people engaged (19% of total no. engaged)
- **358** people engaged in on-line consultation
- Total number of people engaged in consultation **1,414**

Net Revenue Budget 2020/21

	£k
Council Tax assumed 4%	109,397
Business rates	36,726
Rural services delivery grant	5,101
Adult social care grant	4,875
Total net budget	156,099

Budget proposals

		£000s
Funding:		
	4% Council Tax	
	Provisional settlement	
	Deferral of rate retention	
		156,099
MTFS Base Budget		146,601
Known pressures	Contract inflation	
	Fee uplift	
	Increments	5,055
	Savings	(2,350)
Additional pressures	Looked after children	1,100
	Social care pool	2,054
	Legal structure	350
	Edge of Care	1,000
	Improving social care services	1,000
Base Budget requirement		154,810
Funding for Wish list / Pressures		1,289

The Base Net Budget requirement

Directorate	19/20 revised base £k	Pressures £k	New Initiatives £k	Savings £k	Base Budget £k
Adults and Communities	53,965	2,717	200	(600)	56,282
Social care pool			2,054		2,054
Children and families	27,185	714	3,100	(300)	30,699
Economy and Place	27,594	1,364	870	(873)	28,955
Corporate Services	15,086	169	625	(77)	15,803
Total Directorate	123,830	4,964	6,849	(1,850)	133,793
Central	22,771	91	(56)	(500)	22,306
Total Net Budget	146,601	5,055	6,793	(2,350)	156,099

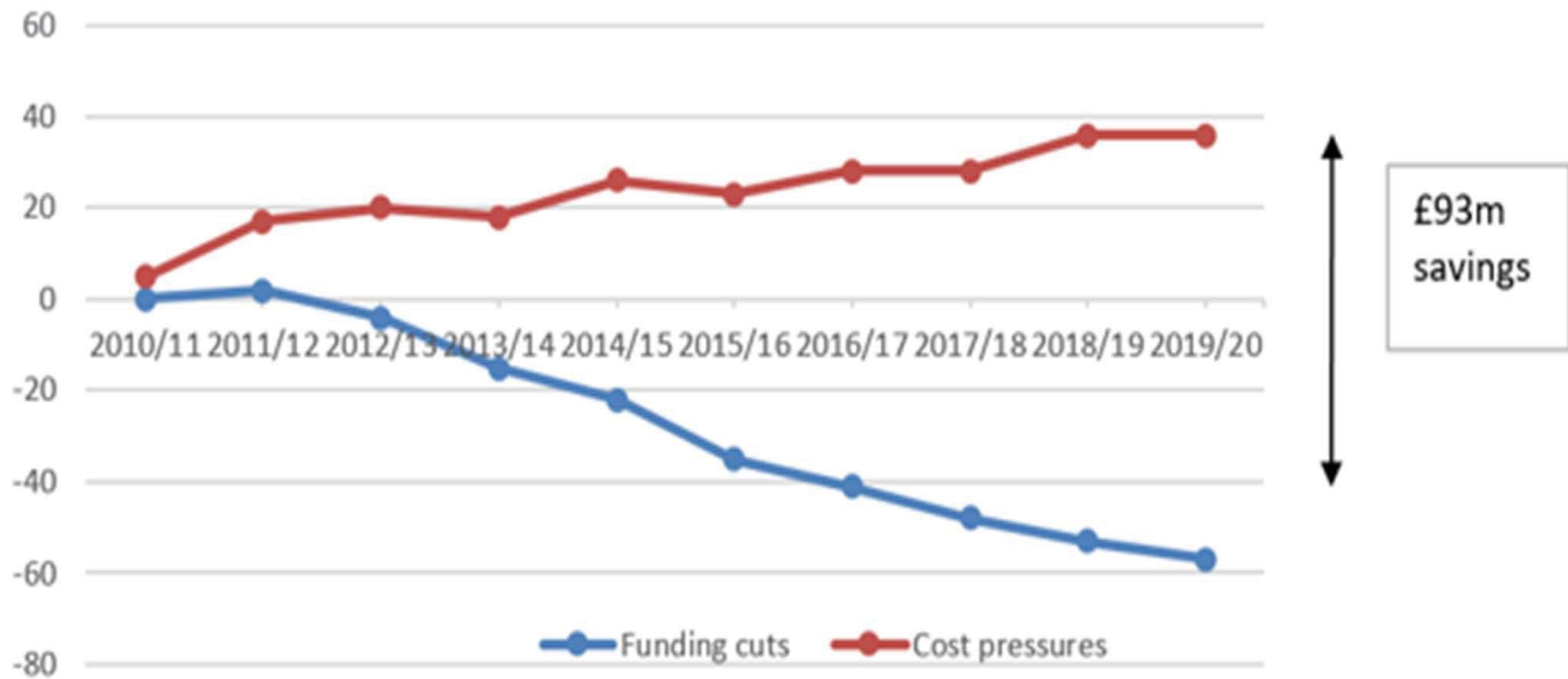
Adults & Wellbeing

	19/20 revised base £k	Savings £k	Contract inflation £k	Demographic pressures £k	Super hubs £k	Total £k
Proposed budget	53,965	(600)	1,744	973	200	56,282

2020/21 Assumptions

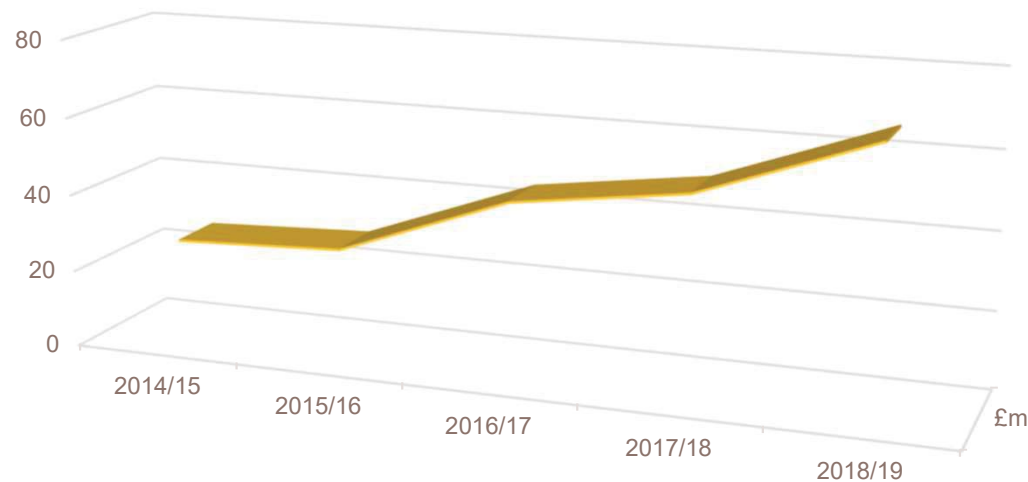
- 4% increase in Council Tax (2% general, 2% Adults Social Care)
Band D = £1,575.29 increase of £1.17 per week;
- Improved better care fund (ibcf) £5.7m (£4.5m Adults and £1.2m new schemes);
- Public Health grant of £9.2m, ring fence to continue;
- The Governments proposed local government settlement for 2020/21 included;
- Business rate reform and fair funding review delayed;
- The savings for 2020/21 outlined in the MTFS agreed in Feb 2019 are delivered;
- 200 additional new homes above assumed growth in new homes included in MTFS :

Savings achieved/required from 2010/11 to 2019/20 (cumulative) £m



Where we are...

earmarked reserves



- Earmarked reserves

- These include unspent grants (e.g. Dedicated Schools Grant £8.9m)
- Established for specific future commitment
- Expected to total £66.7m as at 31.3.19
- Cabinet to review annually, last reviewed in Oct 2019



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

	£'s
** Daily life **	
* Bin collections and Environment	13,72
* Roads, bridges and care of public spaces	7,35
* Schools and education	104,61
* Buses and community transport	6,39
* Libraries, records and customer services	1,30
** Looking after adults **	
* Older People in residential/nursing care	13,28
* Older people supported at home	9,17
* Disabled adults	27,55
* 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	4,72
* Children in care	15,19
* Children with special needs	3,53
** 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	7,35
* Capital finance - Interest payments	7,20
** Economic growth **	
* Economic development and regeneration	1,27
* Broadband - rural rollout	0,13
* Planning	2,42
	249,52

** VOUCHER **	
** Other income to supplement council tax **	
* Investment Property income	-2,92
* Car parking	-5,33
* Planning	-2,10
* Capital finance - Interest received	-2,01
* Public Health grant	-7,70
* National Education funding (schools)	-103,24

TOTAL TO PAY (per month)	£126,22

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01/04/19 09:00 1234 23 42	

Current spending - Till Receipt

	20-21		20-21
	£s		£s
** Daily life **		** Local government running costs **	
* Bin collections and Environment	13.87	* Election, governance and legal services	3.50
* Roads, bridges and care of public spaces	6.97	* Directors & Staff costs	0.56
* Schools and education	99.16	* Organisational administration	1.39
* Buses and community transport	5.97	* IT, Transactions and billing (Hoople)	5.25
* Libraries, records and customer services	1.22	* Insurance and property maintenance	4.84
** Looking after Adults **		* Capital finance - Debt repayment	6.97
* Older People in residential / nursing care	14.39	* Capital finance - Interest payments	9.57
* Older people supported at home	9.89	** Economic growth **	
* Disabled adults	28.92	* Economic development and regeneration	1.74
* Lifestyles services (substance abuse, sexual health)	2.84	* Broadband - rural rollout	0.15
* Health improvement (Public Health nursing, health checks, smoking cessation)	5.67	* Planning	0.35
* Housing	0.53		246.32
** Looking after children **		Income that supplements council tax	
* Child protection	4.29	* Investment Property income	(2.94)
* Children in care	14.97	* Car parking	(5.42)
* Children with special needs	3.31	* Capital finance - Interest received	(2.01)
		* Public Health grant	(7.70)
		* National Education funding	(96.98)
			131.27

Public Housing

- An earmarked reserve has been created to fund the investigation of different models of delivering council housing;
- This could lead to investing up to £100m in housing in the four years from 2022/23, The ambition is for housing to be provided that supports both the rental and shared ownership markets
- It is anticipated that the income streams generated will cover the revenue costs of providing the housing including any borrowing costs.

Proposed areas for investment

Title	Narrative	Revenue costs				Capital investment	Capital Bid £000s	
		2020-21 £000s	2021-22 £000s	2022-23 £000s	2023-24 £000s			
1	Assisted living	implementing technology enabled living (TEL) at scale	Funded from reserves				x	1,500
2	Super-hubs	Super hubs to support communities. Capital investment plus resource to manage and develop community engagement.	200				x	2,000
3	Tourism	Tourism - Destination Business Improvement District (BID development)						
		Tourism - Marketing and Visit Herefordshire website budget allocation						
		Fund for staffing to deliver the Leominster Heritage Action Zone project	200	40	40		x	3,800
4	Community Engagement	Creating a greater understanding within services of what will make a positive difference to people's lives. Resource for staff and engagement promotion	50	50	50	50		
5	Employment Land & Incubation Space	The acquisition of employment land would facilitate the expansion or relocation of local businesses potentially leading to a higher business rates income and the generation of more and better paid jobs. delivery options, legal implications, market assessments, constraints.	100	100	100		x	13,631
6	Leominster Urban Extension	Completing the design, approvals and business case for the Leominster Southern Transport Package would result in the council having a definitive infrastructure package, including sustainable measures.	Deferred				x	
7	Core strategy review	Full review, assessed needs of the county. Staff resource and evidence based research. Including transport options for cycling and walking and new schemes such as Eastern Link	600	500	500	550		-
8	New models of Housing	Undertake evaluation of directly investing in the development and delivery of new homes including homes for private rent, market sale and affordable housing. Cost for a consultant to develop options.	Funded from reserves				x	800
9	Public transport service	Revenue budget to protect existing bus services and frequencies	100	100			x	8,500
10	Council Tax charging policy	Variation to the local council tax discount scheme. The policy decision change could increase the council tax income.	(56)	(100)	(100)	(100)		
11	Digital – Transformation, infrastructure and knowledge management	More services delivered digitally including linked to back office systems. More people using the internet to access services. Digital Transformation Unit – to really drive digital transformation it needs a dedicated team to work with services to change how they operate		400	280	280		
		Fibre network across Herefordshire for businesses to be able to trade globally. Households to be connected to support learning, communication, access to services and aid health and well being. Greater adoption and exploitation of the existing and planned fibre network.	25	25	25	25		
		Work to integrate data, internally between service areas within the council and alongside partners (such as health), and application of artificial intelligence, will allow the opportunity for a better understanding of our residents and allow us maximise preventative opportunities for individuals, families and communities, and inform decision making.		500	150	150		
12	Energy models and green energy efficiency	Renewable heating technologies: Biomass (wood fuelled) boilers, Biomass pellet stoves with integrated boilers providing space heating, Ground to water heat pumps, Air to water heat pumps, Solar thermal panels	Manage within existing budget					
13	Climate change	Continue natural flood management work within the 7 (current) catchment areas beyond March 2021 and extend the offer and grant funding all across Herefordshire	70	70				
Total of Revenue			1,289	1,685	1,045	955	0	28,731

Assistive technology

Investment: £2m capital

To enhance the use of technology enabled living, both within the home and within communities to support wellbeing

Moving from reactive support to personalised, proactive support designed to prevent and manage demand (Predict and Prevent not simply React and Respond)

Reshaping social care delivery by moving from 'Just in Case' support to 'Just Enough' support

Begin preparations for the national move from analogue to mobile/digital technologies now underway with a planned completion date of 2025

Super hubs

- Investment £2.2m
- A&C are currently developing the vision and the model for the first Super-hub/s
- Consultation and coproduction with local communities
- Identifying sites, feasibility and project management

High Level Design Principles

- Targeting high deprivation and unmet need
- Creating new community facilities
- Tackling health inequalities
- Promoting local business and social enterprise
- A local base or focus for public services
- Alternative/community transport hubs

100 bed development

Investment: £14m

Aim: To scope and cost the potential development of a large multi bedded care home and/or extra care facility.

Objectives:

- Decisive market intervention to increase LA controlled bed capacity in the market and increased ability to support complex care needs
- Potential reduction in the overall need for care home bed provision through additional extra care beds
- Reduction in out of county placements
- Reduction in Delayed Transfers of Care
- Return on capital investment
- Lead in the market for the use of innovative technology
- Explore “all ages” options