

Supplement **2** to the agenda

Scrutiny Management Board

Tuesday 21 November 2023, 2.00 pm

Conference Room 1 - Herefordshire Council, Plough Lane Offices, Hereford, HR4 0LE

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Title of report: Fees and Income

Meeting: Scrutiny Management Board

Meeting date: 21 November 2023

Report by: Statutory Scrutiny Officer

Classification

Open

Decision type

This is not an executive decision

Wards affected

All wards

Purpose

To provide board members with information concerning Herefordshire Council's Property Services, Asset Management Plan, together with update reports on council acquisitions of College Road Campus and Three Elms Trading Estate.

Recommendation(s)

That:

- a) **The committee members note the appendices.**

Alternative options

1. The appendices are provided for background information. No alternative option is therefore provided.

Key considerations

2. At the board's recent meeting, on 7 November 2023, the board considered the matter of fees and income, making a number of recommendations to be considered in relation to the service cost recovery position, with a view to feedback being provided at the board meeting of 21 November 2023.

Further information on the subject of this report is available from
Danial Webb, email: daniel.webb@herefordshire.gov.uk

- a) assurance be given on how income and charging items that are going to be built into the 2024/25 budget will relate to the policy framework, and
 - b) detailed information on 'quick wins' 'and 'big wins' be provided, and
 - c) details of the priority order in taking work on income and charging forward be broken into a timeline of first, second a third tranches, and
 - d) details be provided of the plans and timeframes for the piloting/development of consultancy offerings of which the council were already aware, prior to Price Waterhouse Coopers' involvement, and
 - e) service charges handbook, what the ambition and priority framework is in terms of what is expected for the budget for the coming year and what will then continue to be a work in progress, and
 - f) Parking charges be used as an example of how net income is linked explicitly to the service it supports, and
 - g) consideration be given to options, particularly in the area of planning, for fees to drive positive behaviours in the community, and
 - h) assurance be provided that public money is not being used to subsidise the delivery of services that compete with the commercial sector, and
 - i) assurance be given that Herefordshire Council will recover the cost of the consultancy carried out by Price Waterhouse Coopers and that a payback period will be identified for that.
3. The chair has also requested that various documents be supplied to the board concerning the council's property services, its asset management plan, as well as update reports on council acquisitions of College Road Campus and Three Elms Trading Estate.
 4. The documents are attached as appendices to this report.

Community impact

5. The scrutiny function supports community development through robust scrutiny of the council's policy framework, including the Local Plan, Health and Wellbeing Strategy, County Plan and the Medium Term Financial Strategy.
6. Scrutiny also supports community issues more directly through the work of the Connected Communities Scrutiny Committee.
7. The function also helps to ensure that the council discharges its corporate parent duties effectively, through scrutiny of the corporate parenting board and the council's broader work to support its looked after children and their families.

Environmental impact

8. Herefordshire Council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.

9. All reports to scrutiny committees, as with all council committees, include appraisals of the impact of the report content on climate change. Scrutiny committee work programmes directly link to the County Plan priorities, including the key priority to “Protect and enhance our environment and keep Herefordshire a great place to live”.
10. Climate change and carbon reduction related issues are directly identified in the remit and therefore focus of the Environment and Sustainability Scrutiny Committee.
11. Whilst this is a decision on back office functions and will have minimal environmental impacts, consideration has been made to minimise waste and resource use in line with the Council’s Environmental Policy. Examples include:
 - a. Creation of an online-only briefing programme, eliminating the need to travel to Hereford for a single meeting.
 - b. Paper-free briefings and informal meetings, eliminating the need for printed paper.

Equality duty

12. Under section 149 of the Equality Act 2010, 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.
13. 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 report is primarily for information, we do not believe that accepting (or rejecting) this report will have an impact on our equality duty.

Resource implications

14. Effective scrutiny produces evidence-based recommendations. These can be informed by learning from best practice and an understanding of ‘what works’ at other similar local authorities, as well as developing a robust picture of what the situation is locally based on data, intelligence and insights. Where adopted recommendations can help with the efficiency and effectiveness of services that can be delivered differently, as well as informing the development of current and new policies.
15. As this report is primarily for information, there are no direct resource implications arising from this report. However the function may require some funding in order to carry out its work effectively. Requirements may include purchasing training or expert advice. However it is anticipated that much of the training and development required during the year can be met using existing council resources.

Risk management

16. Effective scrutiny is a feature of the council's governance arrangements, where the council is operating executive arrangements. There are a range of factors that could result in risks to the council of not doing scrutiny effectively. These include the failure to:
 - a. challenge and hold decision makers to account
 - b. link scrutiny work to the delivery of the council's priorities and risk management
 - c. carry out thorough and appropriate research to make evidence-based recommendations
 - d. engage partners and providers
 - e. ensure that structures and models of operation are fit for purpose and match ambition and available resources
 - f. ensure that scrutiny can operate as the voice of communities and
 - g. draw on member knowledge and experience to inform policy development.
17. To mitigate, tolerate or eradicate these risks, enablers for effective scrutiny include:
 - a. operating in an apolitical manner
 - b. clarity of vision and purpose
 - c. scrutiny support availability, capability and capacity
 - d. effective engagement and commitment by members and officers at all levels, including cabinet, opposition leaders, scrutiny chairs and senior officers who play a central role in setting the tone and direction
 - e. robust work programming and prioritisation of topics with clear objectives and expected impacts
 - f. ensuring that scrutiny work will add value to the council and communities e.g. through strong links between work programme topics and the integrated strategic plans that set out the actions and timescales to deliver the priorities in the County Plan
 - g. access to and availability of robust data and intelligence and
 - h. good relationships with partners and providers.

Consultees

None

Appendices

1. Property Services Strategic Asset Management Plan
2. Property Services New Ways of Working Informal Brief November 2023
3. College Road Campus Cabinet Member decisions update

4. Three Elms Cabinet decisions update

Background papers

None identified

PROPERTY SERVICES ASSET MANAGEMENT FRAMEWORK**STRATEGIC ASSET MANAGEMENT PLAN**

The Strategic Asset Management framework is made up of various aspects that outline the why, what, how and when to support the management of the corporate property asset portfolio.

Introduction

A core purpose of Herefordshire Council, ('the council') as set out in the County Plan, is to use resources wisely to ensure that Herefordshire is fit for future generations and that collaboration takes place to maximise strengths and resources. The council needs to ensure that it has the right facilities and that properties are safe, energy efficient, fit for purpose and enable the delivery of services - requirements that may change over time.

In addition, The Local Government Act 1972 section 123 sets out a duty to achieve best value on Council owned assets which is embedded in our asset planning and procedures.

The Strategic Asset Management Plan (StAMP) therefore sets out how the Council will achieve these requirements.

ISO 55000 provides the following definition of a StAMP:

"Strategic Asset Management Plan: documented information that specifies how organisational objectives are to be converted into asset management objectives, the approach for developing asset management plans, and the role of the asset management system in supporting achievements of the asset management objectives."

If strategic property asset management is effectively put in place, it can bring real and tangible benefits, as exemplified below:

- **Effective Planning**
 - Long-term change due to corporate approach, corporate solutions and agreed priorities
 - Supporting services to challenge their service delivery operating models
 - Developing better links with other council strategies.
 - Promoting and delivering Internal shared use of assets.
- **Effective Financial Management**
 - Knowing more about our assets
 - Improving financial forecasting.
 - Analysing and aligning budgets.
 - Demonstrating savings, delivering efficiencies or spending money more wisely.
- **Efficient use of assets and resource**
 - Improving engagement, communication and understanding of service need across the organisation
 - Raising the profile of property assets and senior leadership buy-in
 - Taking a more commercial attitude to services and property assets, and driven value from the portfolio
 - Supporting asset review, rationalisation and asset challenge.
 - Improving collaboration by bringing organisations together, including neighbouring local authorities, blue light services, health, central government, etc.

- Management of Risk
 - Optimising corporate landlord
 - Corporate standards and approach

In addition, the benefits of strategic asset planning are sometimes not understood meaning:

- Lack of understanding as to what it is all about and subsequent lack of standardisation and engagement.
- Inconsistencies in approach which exposes the Council to risk.
- The organisation lacks a culture of taking a corporate approach to decision making.
- Heavy operational workload resulting in diversion of resources from strategic activities.
- Amount of time, money and people available to deliver.
- The property team lacks status within the organisation.



The following outlines how we intend to strategically manage our assets to meet the Council's aspirations. The framework applies to all assets and legal interests.

1. Policy Why?

The purpose of this policy is to outline our approach to effectively managing assets to achieve the aims of this policy.

The council's strategic ambitions defined in its County Plan 2020-2024 are:

- ✓ Environment - Protect and enhance our environment and keep Herefordshire a great place to live
- ✓ Community - Strengthen communities to ensure everyone lives well and safely together
- ✓ Economy - Support an economy which builds on the county's strengths and resources

Vision

"To make the property estate work better for the Council, its partners and communities by providing fewer, but more sustainable and adaptable buildings."

Policy Statement:

"Herefordshire Council to adopt a proactive, sustainable, solution-oriented approach to manage assets in support of the economic, social, and environmental needs of the county. This will help maximize the value of service delivery to customers without compromising the ability to meet the needs of future generations. Managing assets incorporates a planned approach, starting with effective planning and design and continuing through optimised operation and maintenance, appropriate rehabilitation, replacement and asset disposal."

Our corporate ambitions and a climate of continued funding reductions from central government and priority of social care of residents means that the council must continue its journey towards being more commercial in outlook, seeking to obtain maximum value from its assets and looking for innovative approaches to securing financial security into the future; eg: enhancing the offer, optimising income and managing expenditure. The principles around the use and management of corporate assets are embedded within the Council Capital Strategy. The StAMP outlines how property assets will deliver for the Council in line with these principles.

Like many local authorities, Herefordshire Council has had to review the scope and scale of services it is able to offer and seek new ways of working in partnership which protect the services

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we provide to our most vulnerable residents whilst reducing our costs. This is especially so in the light of the global pandemic during 2020 and 2021. The changes brought on by the pandemic have meant real change to working practices and have enabled a rethink of how properties are utilised going forward and re-set the relationship with IT and HR to reshape the estate and enable a more efficient workplace strategy and environment.

The high level aims of the Strategic Asset Management Plan (StAMP) are to: -

- Contribute to the county plan and other corporate strategies
- Provide a framework, which defines the role of property assets in support of service delivery
- Provide a rationale for the ownership, occupation and management of council property assets, including its use, acquisition and disposal
- Optimise the property portfolio in terms of its efficiency, effectiveness and sustainability
- Work towards the Council's objective of reducing its carbon footprint, supporting actions against climate change.

The key objectives in this StAMP reflect the priorities set out in the government's 'One Public Estate' (OPE) programme.

- To improve and simplify access to public services;
- To enable service integration and agile working with modern, fit for purpose workspaces supporting higher productivity;
- To maximise the economic benefits of the councils property asset base;
- To support economic development and housing growth;
- To enhance the working environment for our employees and our partners' staff;
- To provide a catalyst for physical and social regeneration;
- To reduce running costs and release budget for reinvestment in frontline services;
- To support our public sector equality duties.

Supplementary Asset Plans and Procedures (not exhaustive):

- A. Corporate Asset Procedure (the detail of how the Council manages its assets on a day to day basis)
 - Defines Corporate Landlord
 - Includes Corporate Storage Plan, Acquisitions, Disposals, Leases, etc
- B. Community Asset Transfer
- C. Investment Portfolio Management Plan
- D. Maylord Orchards Interim Management Plan
- E. Historic / Listed Buildings Management Plan
- F. Service Asset Management Plans

Key Associated Corporate Policies and Procedures (not exclusive):

1. Capital Strategy
2. Medium Term Financial Strategy
3. Core Strategy
4. Carbon Management Plan
5. Nature Strategy
6. Waste Management Strategy
7. Flexible Futures
8. Digital Strategy
9. Talk Community Strategy
10. Equality Policy

How we will achieve this.

In developing plans and strategy and delivering actions relating to our land and buildings, we will ensure that they meet certain agreed goals. These are not in any particular list of priority and the key challenge for the council is ensuring that we maintain an appropriate balance between all these elements to ensure that we make strategic use of our land and buildings to build upon the attractiveness of the area whilst remaining flexible and able to respond.

- Land and buildings are not 'owned' by the services that occupy them but are owned for the benefit of the delivery of council services. When decisions are made they are made in a way that provides the best overall outcome.
- Define and operate a Corporate Landlord Model (property assets managed via Property Services as defined in the Corporate Asset Procedure).
- Land and buildings will be efficiently used meaning that we will not waste money or waste space.
- Land and buildings will do what we want them to do and will be fit for purpose.
- We will actively manage our property assets, focusing on planned and cyclical programmes of work to reduce reactive maintenance requirements and ensure a methodical and proactive approach which reduces risk and aligns investment to the Delivery Programme.
- Our land and buildings will be managed to contribute positively to a sustainable area through supporting the growth of enterprise, local businesses, support innovation and attract inward investment. We will support the provision of premises that are needed in the right area to facilitate this.
- Where we can, we will use our land and buildings to contribute positively to a sustainable plan to ensure that the number and quality of homes meets housing needs.
- Aligned to the efficient and effective utilisation of other resources such as finance, ICT and staff.
- We will use our land and buildings to support our local communities to give us progressive, healthy, safe and vibrant communities.
- Our land and buildings will work towards or be designed for the efficient use of energy and meet energy efficiency standards (Passivhaus).
- We will use our land and buildings in order to build the attractiveness of the county for visitors, which will bring money to the area and support local businesses.
- We will take full advantage of opportunities for partnerships, community asset transfer and collaboration with other public, third and private sector organisations in delivering value for money.
- We will use our assets to optimise returns, maximise external funding and commercial opportunities.
- Where we have land and buildings that generate rental income from tenants we will make sure that the income we get is the best we could expect and we will be constantly looking for new income generating opportunities. We will aim to become a landlord of choice, supporting local growth and employment.
- We know that things change. We want to make sure as best we can that our land and buildings are continually challenged to ensure that they remain adaptive, and innovative and are flexible enough to keep improving how and what we do.
- Subject to budget.

2. Strategies

What?

The StAMP sets out a journey from where the Council is now to where it wants to be – understanding that things change. We will support the development and implementation of corporate strategies and become integrated into the core business of the Council, helping to

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achieve its aims and objectives. We will review the short / medium / long term Implementation Plan to develop the property estate for optimum use, taking into account changes and external influences; ensuring the estate remains relevant.

The framework will take into account:

- The economic aims of the council by maximising the economic value of the estate and promoting modern, more efficient ways of working.
- To act as an enabler to deliver council services.
- The one public estate agenda by providing shared accommodation where there are demonstrable benefits to the council, its partners, and service users.
- Community benefit derived from property assets.
- Potential for income and provision of leased assets to the market or partners.

Key Principles to support Corporate Strategy:

- The Council will take a strategic approach to corporate asset management planning by reviewing its portfolio and undertaking appraisals in line with service needs
- To provide prudent financial management of the assets
- To optimise the estate to deliver the facilities and services required
- To prioritise repairs and maintenance in line with health and safety priorities and the work plan
- Rental income which supports the council's revenue budgets, which helps to support the running of the properties and delivers surplus to the corporate centre
- Capital receipts through disposal of surplus properties, which support the capital programme to build, e.g. new schools or extensions to existing properties
- Opportunities to support regeneration initiatives
- Proactive, horizon scanning to realise opportunities and deliver benefits
- Meet the aims of the council
- To support community organisations where possible to take over and manage their own property for the benefit of the community.

In addition to these principles, the Council will take into account:

- Modernisation – this involves improving the quality of the Council's estate through a programme of investment to provide safe, fit for purpose and sustainable buildings aiming to deliver a zero carbon footprint and in doing so, improve service delivery, customer satisfaction and staff morale, and significantly reduce the running cost of the estate and the maintenance backlog.
- Rationalisation – this involves reducing the number of buildings managed and operated directly by the Council to reflect the emerging shape of the organisation as we transform our services and respond to the global pandemic and in doing so, significantly reduce the running cost of the estate and the maintenance backlog and provide co-location and collaboration opportunities. A review of heritage assets will form a part of this.
- Collaboration – this involves improving the way the Council works across service areas and with public sector partners to join-up service delivery in communities and in doing so, create and support vibrant communities who are able to identify and take charge of their own requirements and needs.

Herefordshire Councils' estate is split into two high level categories: Operational and Investment. The Council's estate at the start of 2021 includes 1094 assets of varying degrees of legal interest and use, with an operational focus on 681 of these assets as outlined below. For accounting purposes the Council includes assets over £100,000 within its asset register. These are revalued on a rolling programme at least every five years. The carrying amount of property, plant &

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equipment as at 31 March 2021 (as shown on the balance sheet) is £690.6m, this includes land & buildings of £370.4m, surplus asset of £4m and investment assets of £38.7m.

The Council's property estate consists of the following property types. This data will be used as the benchmark for the performance of the Delivery Programme that forms the live appendix to this StAMP:

Property Type	No. of assets	Property Type	No. of assets
Bus stations	2	Social housing properties	56
Car parks	54	Industrial units	150
Travellers site	7	Retail	59
Care premises	17	Sports/leisure	20
Crematoriums /cemetery	6	Libraries/museum	13
Children's centres	8	Office / MAO	32
Community /day centres	10	Smallholdings /land	11
Depots	10	Toilet premises	19
Sewerage /pumping stations	16	Waste sites	10
School /educational premises	126	Amenity	55

How we will achieve this.

The Council will employ different tools and techniques to establish what the future make up of its assets will look like. The global pandemic has forced many changes and the full impact or long term change of these are not always known at this point. Therefore, the Delivery Programme that forms the live appendix to the StAMP will be reviewed regularly and maintained to ensure an up to date version of what we require from our estate is maintained.

- The Council operates a Corporate Landlord Model and this needs to be re-established and process set around it.
- We will utilise an Asset Management Working Group to develop and understand front line services need across the county and working requirements from services. This could be impacted by legislation, transformation, Government guidance and service improvements
- We will develop and maintain Service Asset Management Plans.
- We will continue to actively review the purpose of our property assets and its performance, maintenance and safety.
- We will continue a condition survey approach to our assets, following a programme aligned to the asset type, seeking capital funding to implement identified works and actions. This will maintain our sites and ensure they are safe to use whilst reducing revenue commitment.
- We will use condition data, feedback from reactive maintenance and planned programmes of work to understand the life expectancy of assets and plant. This will help determine what we do with the asset and how we invest.
- We will be an active party in master planning and town reviews to establish need and collaboration opportunities.
- We will remain vigilant for collaboration and co-location opportunities across the board and external funding to support these goals
- We will deliver an active forward plan for our investment portfolio to optimise funding opportunity and deliver for local business, driving income to the Council. We will aim to achieve a minimum of 92% occupancy from the portfolio.
- Where we are able to develop a more community led management strategy we will undertake to promote, support and offer opportunity for local community organisations.
- The Council will take its moral obligation seriously to ensure that community organisations wanting to take over the management of assets can evidence a robust business case with a clear plan to minimise risk to the community organisation and ensure financial stability.
- Redefine every office space with a working from home approach.

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3. Procedure How?

In order to deliver against the StAMP, a new working model will need to be established with services and support services to maintain quality asset data and up to date service asset management plans.

Communication, relationships and trust across the organisation will need to be improved. New working practices will need to be embedded to facilitate the Corporate Landlord Model currently operated by the Council such as a new Corporate Asset Procedure that sets out how the council does things and who is responsible around the management of assets. The Councils Property Services Team (acting as Corporate Landlord) will be responsible for managing and implementing this StAMP.

In support of this process and to aid communication across the Council, an Asset Management Working Group (AMWG) will be established and develop better working relationships with services and embed the framework around roles and responsibilities of how we manage our estate. This will enable services to plan ahead, adapt and understand the changing need for service delivery and back office needs and understand that there is a trusted, supportive and proactive team in place to help them. Services will need to work with Property Services to maintain their service action plans to inform accurate and timely property interventions.

The StAMP framework will:

- Challenge whether we hold assets to ensure we achieve optimum use and economic benefit.
- Inform our future use of all land and property assets owned or occupied by the council.
- Develop the operational model across the estate, identify roles and responsibilities and strengthen the client corporate landlord role.
- Cover all Council assets and interests, whether owned or leased.
- Support the delivery of value for money from the estate and council land interests.
- Work with Directorates to maintain service asset management plans to ensure facilities for delivery of services are fit for purpose.
- Ensure our data system is accurate and kept up to date.

How we will achieve this.

- Reinvigorate and embed the Corporate Landlord model by investing in our property services and providing a procedural framework for the council
- To support this continuous cycle of review and implementation, an Asset Management Working Group will be established with representatives from all services to ensure modern working-practises, legal requirements and service needs are kept up to date and can be accommodated with suitable and joined-up approach.
- Develop and implement a Corporate Asset Procedure to set out who does what, when and why.
- These management tools will allow a standardisation of approach across the Council that avoids risk and optimises the use and management of assets.
- A full review of all leases and occupancies will be undertaken to understand renewals, rent increases, liabilities and note dilapidation requirements which will aid budgeting.
- Be more proactive around governance and works planning to optimise the use and time and budgets for maintenance and refurbishment works.
- Develop and communicate the new working relationship with Hoople on building maintenance services to ensure new roles and responsibilities are agreed and all colleagues instructed.
- Develop, with assistance from colleagues, a Design Guide for maintenance, repair, new build and improvements to streamline works and ensure links to corporate strategy and policy such as carbon management.

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- Ensure our investment Portfolio is managed effectively and for maximum benefit to support local business, skills and employment opportunity.

4. Delivery Programme When?

The Delivery Programme consists of various aspects, drawn together to actively manage the estate. The main output is an Implementation Plan supported by a rationalisation programme along with lease reviews, outcome from Service AMP and the AMWG.

The Implementation Plan will be a live document, developed to include a short, medium and long term view per asset. It will take into account the service asset management planning needs, savings targets, carbon management and the changing requirements for workspace. It will have a review timetable built in to ensure that it remains relevant, beneficial and productive as well as regular monitoring and reporting.

In line with the Council Capital Strategy, the Implementation Plan will take into account proposals to:

- Categorise and rationalise the current corporate administrative estate
- Identify front of house requirements and seek opportunity where it presents
- Introduce better ways of working to drive efficiency, for example home working
- Support the organisation to meet its carbon reduction targets.

Reporting

As stated, we accept that things change and therefore an annual review of the Delivery Programme will be undertaken. The opportunity will also be taken at this time to produce an annual report on achievements, issues and actions for Management Board.

DATE	AUTHOR	VERSION	REVIEW
8/10/21	S Jowett	V1.1	
20/10/21	S Jowett	Final Draft	
27/10/21	S Jowett	Final Draft V0.2	
3/11/21	S Jowett	Final Draft V0.3	
12/11/21	S Jowett	Final Draft V0.3.1	
1/3/22	S Jowett	Approved	
1/8/22	S Jowett	Approved v2	Minor terminology

**PROPERTY SERVICES NEW WAYS OF WORKING- INFORMAL BRIEF
NOVEMBER 2023****PROPERTY SERVICES PURPOSE:**

- Protect the Council from challenge and risk (*safe to use, precedent, compliance*)
- Ensure the Council fulfils its obligations under law
- To provide a framework for all property holdings and transactions across the Council
- To act as client agent, intelligent client and Corporate Landlord
- To proactively manage assets in relation to purpose, service need and expected future
- To effectively manage assets on a day to day basis
- To enable prioritisation of requests and workload
- To review and plan what estate we need and maintain a live Delivery Programme (rationalise)
- To ensure plans are aligned with the County Plan and Service need
- Understand what else is going on across the Council and provide support
- Lead on One Public Estate across our partners assets with WVT

To achieve this, we have redesigned Property Services to provide an effective and proactive team that delivers optimum performance of the property estate.

BACKGROUND:

Recent history would indicate that the levels of staffing around Property Services has made the delivery of a proactive and effective service unsustainable. The team have been mostly reactive and have had to re-prioritise on a daily, sometimes hourly basis. The detail required to manage the volume and complexity of the day to day requirements has previously precluded strategic thinking and forward planning.

Property Services has not previously taken its rightful place of central support, guidance and delivery of service facilities due to staffing pressure and work load. Due to these pressures, communication and explanation of what the team were doing and why was lost. This was exacerbated by involvement by others who did not understand the relevance or impact of their actions (creating more work load) and a lack of standardisation along with a sense of inaction and proactive leadership. This is has now changed and Property Services are being supported to review the establishment, identify gaps in knowledge and expertise, recruit, provide capacity and implement an asset management framework to enable the effective management and planning of our assets.

The new Strategic Asset Management Plan (StAMP) and Supplementary Plans and Procedures sets out how the management of our assets meets the modern environment and need. The framework supports planning, process, instruction and provides a property presence to support Directorates in understanding their role in the effective management of assets and knock-on finances.

The property team does have an excellent mix of skills and commitment by team members and now has clarity about their purpose, priorities and what they need to achieve. The team is implementing a standardisation of approach across our dealings and rectifying past errors along with looking to the future Council requirements around property assets via the phased, Corporate Asset Review (CAR). In addition, it is standardising the management of the commercial portfolio and working to create a vibrant and thriving city centre facility at Maylord Orchards.

A summary of the property assets is here for reference:

Property Type	No. of assets	Property Type	No. of assets
Bus stations	2	Social housing properties	56
Car parks	54	Industrial units	150
Travellers site	7	Retail	59
Care premises	17	Sports/leisure	20
Crematoriums /cemetery	6	Libraries/museum	13
Children's centres	8	Office / MAO	32
Community /day centres	10	Smallholdings /land	11
Depots	10	Toilet premises	19
Sewerage /pumping stations	16	Waste sites	10
School /educational premises	126	Amenity	55

IMPLEMENTATION STRATEGY:

1. Strategic Asset Management Plan- set the framework
2. Supplementary Plans and Procedures- set the rules
3. Redesign- provide the right resource
4. Corporate Asset Review- find out what we have, why and what we need to deliver a rationalisation programme so that we have the right facilities in the right place.
5. Review commercial portfolio

1. & 2. StAMP: The Strategic Asset Management Plan (the StAMP) sets the framework for the Council and its asset planning. Its Vision states: *“To make the property estate work better for the Council, its partners and communities by providing fewer, but more sustainable and adaptable buildings.”*

The StAMP establishes a Corporate Landlord model across the council- vested with Property Services. A series of supplementary plans and procedures support the StAMP and allow flexibility of approach and detail to be added as required. The Supplementary Plans and Procedures are a set of rules and guidance about how we manage our assets and roles and responsibilities. This will deliver a standardised approach and minimise risk to the Council.

An Asset Management Working Group has been established with representatives from across the Council to support asset planning and information exchange. This group will build trust and knowledge, enable an exchange of ideas, collaboration and enforce the StAMP. It also feeds into the One Public Estate Government initiative.

3. REDESIGN: A re-invigorated team, with posts focused to support a turn-around of the service and bring it back in line with where it needs to be- the engine room of the organisation where accurate data and up to date service need come together:

- to manage an estate that is fit for purpose and delivers front of house services for our residents and businesses;
- to be up to date and responsive to enquiries;
- to maximise potential and income;
- to deliver against the County Plan.

We will improve links with Directorates to support, provide efficient communication and build trust-delivering and planning for the future service need.

The ideal staffing structure would be built around the following -

Asset Management	<ul style="list-style-type: none"> • Develop links with Services to develop and maintain Service AMP's • Manage the Asset Management Working Group • Work to establish the corporate need taking into account future changes • Maintain and improve data management • To take the identified Service need, asset data and develop plans and proposals for the rationalisation of the estate • Manage and implement the Delivery Programme (Implementation Plan) • Work collaboratively to manage change • Develop and manage the revised savings plan • Report on progress
Facilities Management	<ul style="list-style-type: none"> • Maintain day to day linkages on site • Understand the buildings and issues – work with Asset Management, maintenance, etc • Key role in rationalisation • Monitor contracts on site and planned works- manage contractors. • Day to day H&S and operations • First point emergency handling
Maintenance and Compliance	<ul style="list-style-type: none"> • Planning and management of programmes around regular, reactive maintenance, planned maintenance and using reactive feedback to have up to date programmes of work. • Manage and bid for capital budgets and forward plan works to optimise the governance and available timeframes, working with PMO to deliver • Effectively manage reactive works and budget • Develop and implement the Compliance Management System to fulfil legal duties • Includes Contract Management and performance – develop the new SLA with Hoople, identify R&R and identify and drive efficiencies • Maintain the condition survey programme of surveys and remedial works • Provide the briefs and instructions to Hoople • Have resource to cover site visits, design options, dilapidations, urgent issues, etc
Commercial & Investment Portfolio	<ul style="list-style-type: none"> • Undertake landlord duties and ensure estates are appealing- be a good landlord • Provide mechanisms to manage tenants • Manage debt and optimise income • Manage external agents to undertake a programme of rent reviews as well as marketing and letting duties • Develop a forward plan for improvement and potential expansion, working with Economic Development • Asset manage Maylord Orchards and Hoople operational management contract to maintain a viable enterprise in line with council commitments • Horizon scanning- manage development aspirations across the council including Housing, education, infrastructure and economic regeneration
Estates Management	<ul style="list-style-type: none"> • Ensure management plans and procedures are maintained and relevant • Provide a responsive service to asset enquiries • Maintain an up to date picture of leases- ensure rent reviews are undertaken in a timely manner and take action where required. Identify and review portfolios and ensure standardisation or approach • Manage acquisitions, disposals, leases including CAT's and ACV • Manage and advise on risk

- Horizon scan and seek opportunity to support the County Plan by utilising council assets
- Maintain the Terrier
- Support the Highways Annual Plan, capital projects and other service need

4. CORPORATE ASSET REVIEW (CAR): In order to rationalise the estate, a joined up approach is required by holding a review of the estate as a whole. A primary purpose is to take back control of our assets corporately and implement the Corporate Landlord model. Feeding into this (via a Service Asset Management Plan or SAMP) will be service need around front line delivery, a programme of rationalisation and accurate finance data around savings that can be realistically achieved. In addition, ensuring good quality, up to date detail on building maintenance requirements and programmes of work will be strengthened under the redesign.

This is especially difficult as we enter a new world after Covid. The world has changed and we need asset management expertise to work with our colleagues to answer the questions- *what does your service look like in the next 5 years? Where do you need to be, what facilities do you need?* This covers both front of house and back office. This information is then pulled together to identify sites we no longer need, plan office moves and refurbishments and create the Delivery Programme.

The Delivery Programme (the live element of the Strategic Asset Management Plan) will then be used to develop rationalisation programmes. All assets need to be reviewed and a proposal developed to manage the changes required. The programme can then be costed and funding applied for as part of the annual capital funding rounds.

1. The CAR asks the fundamentals under the SAMP:
 - What facilities do we need?
 - Where do we need them?
 - When do we need them?
2. Analyses the results and overlays against property assets
3. Identifies:
 - Gaps in assets
 - Investment required
4. Develops a rationalisation plan and seeks approval and funding
5. Delivery Programme implemented

5. INVESTMENT PORTFOLIO: The estate needed a review and active landlord management to be reinstated. The approach is set out below.

BACKGROUND

- Tenancy reviews outstanding
- Irregularities in tenancy agreements
- Inconsistent application of rentals
- Minimal internal resources
- Lack of standardisation and unfairness to tenants
- Lack of understanding around the portfolio
- Tenants don't understand property

METHODOLOGY

- Countywide review in progress
- Appointed an external agent
- Market values assessed and applied
- Standardisation of approach
- Ability to take social value into account
- Educate and support tenants
- Understand the portfolio

SUMMARY:

A substantial amount of work has been done over the last few years- to build a team, standardise process and confront previous decisions and actions that are now having an impact on the council. There is a large amount of work still to do to move forward; importantly a change in culture and establishing Property Services as the team who manage property. The introduction of the Corporate Landlord model and StAMP is an important step in reducing risk, controlling and being efficient with our assets.

There are legacy issues to be resolved but the Property Services team remain committed to working with all our colleagues to enable improvement and development and obtain the best possible outcome.

COLLEGE ROAD CAMPUS ACQUISITION- approved Recommendations
Cabinet Member Decision.
Date of decision: 18/02/2019


The proposed purchase will be a strategic acquisition which would support the council's policies in respect of economic growth and ensure that a key education site within Hereford is retained and enhanced.

RECOMMENDATION	NOVEMBER 23 UPDATE
the purchase of the southern campus of the Royal National College for the Blind, Venns Lane, Hereford as set out in the redline plan at Appendix 1 ("the Site") be approved within a maximum budget of £6.25 million	Site purchased. COMPLETE The College Road campus was purchased for a sum of £5.395m (five million, three hundred and ninety five thousand pounds). The anticipated costs associated with the purchase are: Land Purchase 5,395,000 Stamp Duty 259,250 Professional Fees 92,500
on acquisition, the Site be added into the council's property portfolio for all asset management and maintenance purposes;	Legal occupation agreements were put in place and site managed accordingly. COMPLETE
a further report be brought to the executive following any acquisition, in order to determine whether the Site should be entered into the council's development and regeneration programme.	No further report has been undertaken. Suggested option of student accommodation on site was put back due to Covid. Works to review this potential are progressing with a view to appoint a partner. The primary goal of purchasing the site was to provide an option for HCA to continue to operate and they wish to do so. New lease terms being negotiated. Existing accommodation block leased out for key worker accommodation. BEING IMPLEMENTED

[Decision - Strategic acquisition of development opportunity site - Herefordshire Council](#)

THREE ELMS ACQUISITION- approved Recommendations

The key decision to purchase the Three Elms Trading Estate was approved on 13 November 2014 by Cabinet. The sum of £2.6m was approved on 12 December 2014 as part of the 2015/16 capital programme.

RECOMMENDATION	NOVEMBER 23 UPDATE
Cabinet 13 th November 2014 (supplement report- updated Recommendations)	
a) Council are recommended to approve (as part of the 2015/16 capital programme) the allocation of £2.6m for; <ul style="list-style-type: none"> i. the purchase of the freehold interest of the Three Elms Trading Estate from the Homes and Communities Agency; and ii. investment of around £850k in the estate to improve the site infrastructure thus improving the prospect of further investment in the development of the vacant land and improvements to the existing buildings; 	Site purchased. COMPLETE Capital works undertaken to drainage, fencing, repairs and access. COMPLETE
(b) Authority be delegated to the Director of Economy Communities and Corporate (in consultation with the Cabinet Member, Contracts and Assets, the Chief Financial Officer and Assistant Director Governance) to determine agreement of acceptable terms as to land acquisition and infrastructure investment as referenced in recommendation (a) above.	Followed up with report below. COMPLETE
Microsoft Word - \$w0y52nvk.doc (herefordshire.gov.uk)	
Director Decision: 28 July 2015	
To approve the council's purchase of the Three Elms Trading Estate from the Homes and Communities Agency (HCA) at market value (£1.75m), which will enable the council to release value from its adjoining land.	Site purchased.
 Director Report 28 July 2015 Three Elms	



Decision maker:	Officer: Director of economy, communities and corporate
Decision date:	28 July 2015
Title of report:	Council acquisition of the Three Elms Trading Estate, Hereford HR4 9PU
Report by:	Head of corporate asset management

Classification

Open.

Key Decision

This is not a key decision.

Wards Affected

Bobblestock.

Purpose

To approve the council's purchase of the Three Elms Trading Estate from the Homes and Communities Agency (HCA) at market value (£1.75m), which will enable the council to release value from its adjoining land.

Recommendation(s)

THAT:

- (a) **The acquisition be approved.**

Alternative options

- 1 The council withdraw from the sale and allow the Homes and Communities Agency to dispose of the estate on the open market. This is likely to deny the council the

Further information on the subject of this report is available from
Tony Featherstone, head of corporate asset management on Tel (01432) 383368

opportunity to benefit from any future commercial growth of the estate and have the direct ability to offer space for business relocation in the event of future regeneration schemes requiring such measures.

Reasons for recommendations

- 2 There are several reasons why the council should purchase the estate, the main ones being as follows:
 - Financial return. Purchase of the estate has a positive financial benefit for the council over the short to medium term. Assuming terms can be agreed to purchase for £1.75m, the net rental income would cover the annual borrowing costs of £98k. There is a risk that the income may reduce should units become vacant or expenditure increase. Occupancy levels would need to fall to below 65% before borrowing costs exceeded the net rental income.
 - There is further opportunity to improve the quality and occupancy of the estate by carrying out additional works including drainage and access improvement totalling £850k. The borrowing cost of this would be £66k per annum and will be met from rental income if current occupancy levels are maintained.
 - To support business growth and economic development in the city/county. Currently there are limited employment sites within the city north of the river and none in council ownership. Those employment sites there are have in the past, been subject to successful planning applications/appeals to change the use to residential, which has inhibited the retention/growth of some business. By securing ownership the council is not reliant solely on planning policy to control the future use of the site, it is also able to deliver development at a time that meets with the demands of business rather than be influenced by other private sector objectives.
- 3 The key decision to purchase the Three Elms Trading Estate was approved on 19 November 2014 by Cabinet. The sum of £2.6m was approved on 12 December 2014 as part of the 2015/16 capital programme. The Director of Economy, Communities and Corporate was delegated to complete the purchase.

Key considerations

- 4 The Three Elms Trading Estate was purchased by Advantage West Midlands in 2006/7 and transferred to HCA in 2011. It comprises a site of approximately seven acres of which approximately two acres is undeveloped and in conjunction with the council's adjoining 0.9 acres is capable of accommodating approximately 60,000 sq ft of new industrial/warehouse space. There is currently some 61,500 sq ft of existing buildings. The leases are all relatively short term i.e. will expire or with break clauses within the next five years and some units are currently occupied under licence pending completion of a lease. The site was purchased in support of the council's delivery of the city centre regeneration scheme, primarily as a key employment site for the relocation of business from within the Edgar Street Grid (ESG) area. While a significant part of the ESG scheme has been delivered i.e. retail quarter, further elements remain such as the link road and urban village. As such this key employment site still has a role in meeting the demand for business relocation and its ownership by a body that is committed to supporting the delivery of key council objectives is desirable.

- 5 It should be noted that the council does not propose to undertake any direct development of new buildings. It is envisaged that new development will take place by the council working with occupiers or developers who will provide the funding for any new buildings. Although the option of direct development should not be ruled out, subject to there being funds available and a robust business case presented at the time.
- 6 The council owns approximately 0.9 acres of land adjacent to the northern boundary of the estate, which carries an estimated value of £200k as employment use land. Whilst this land has outline planning permission for employment use, it cannot be accessed or serviced other than through the trading estate. The council can only release the value of this area of land by either, purchasing the trading estate and merging the two land areas to effectively increase the overall size of the trading estate; or, by purchasing access rights and easements from the owners of the trading estate. The HCA has indicated that they would consider this but only if the land were to be sold at the same time as they sell the estate and the council share the sale proceeds of its land on a 50/50 basis, i.e. the council would only receive 50% of the commercial value of its land. A new owner may not be prepared to grant access or easements.
- 7 If the HCA offers the property for sale on the open market then a new purchaser will have different objectives and pressures and, while it may be possible for the council to establish a relationship that will result in some recognition of council priorities, these will only be secondary and therefore delivery of council objectives may be delayed or frustrated.
- 8 The council already has an existing property portfolio and is experienced in owning and managing property of this type i.e. Rotherwas industrial estate. It has been managing the estate on behalf of HCA for the last three years, albeit with short term management objectives which would need to change once owned by the council. Initially existing staff from the property services and economic development teams would manage the property, but additional support may be needed to manage the further investment and this would be funded from the surplus rental income or from the allocated capital budget.

Community impact

- 9 There is unlikely to be any immediate community impact following acquisition of the trading estate by the council. However, over time following implementation of the investment, the built environment of the estate will improve and this should have a positive impact on the adjoining houses and users of the public open space. Further investment will over time result in more job opportunities for local people and more and better quality premises for business growth.

Equality and human rights

- 10 There are no equality and human rights issues associated with this project. The marketing and letting of vacant units will be compliant with equality and human rights policy.

Financial implications

- 11 The purchase price was subject to negotiations based upon independent valuations.

Further information on the subject of this report is available from
Tony Featherstone, head of corporate asset management on Tel (01432) 383368

- 12 It was proposed that the council would use prudential borrowings of £2.6m to fund the project, being £1.75m for the purchase of the freehold and the balance of £850k for the site improvement works. The annual cost of borrowing the total amount would be £164k for 25 years. This is made up of £98k for the purchase of the freehold and £66k for improvement works. The funds were approved as part of the capital programme 2015/16 on 12 December 2014.
- 13 It is anticipated that as planned improvement works are carried out occupancy and rents will increase or part disposals will generate capital receipts then the borrowings could be reduced.
- 14 After meeting borrowing costs, any surplus income will contribute to the council's overall budget position. There is sufficient capacity of unlet units to enable the projected income to be easily realised.
- 15 Purchase of the trading estate will also enable the council to realise and retain 100% of the value of its adjoining land (£200k) which already has outline planning permission for employment use.

Legal implications

- 15 General powers of acquisition (meaning purchase or lease for money or money's worth) are conferred on local authorities by the Local Government Act 1972 ('LGA 1972'). Under s.120 of the LGA 1972 a principal council (a non-metropolitan county, London borough or district council) may acquire by agreement any land inside or outside its area for the purposes of (a) any of its statutory functions or (b) the benefit, improvement or development of its area.
- 16 Further specific powers of acquisition exist under enactments concerned with development and the provision of housing. S227 of the Town and country Planning Act 1990 enables the acquisition of land by agreement (a) to facilitate the carrying out of development, re-development or improvement on or in relation to the land or (b) which is required for a purpose which it is necessary to achieve in the interests of the proper planning of an area in which the land is situated.
- 17 The council has a power to borrow money under the Local Government Act 2003 for any purpose relevant to its functions under any enactment or for the purposes of the prudent management of its financial affairs subject to not breaching its own limits for borrowing or those imposed by the secretary of state.

Risk management

- 18 There are the normal risks associated with owning commercial property i.e. non-payment of rent or arrears due to tenant cash flow/trading problems, tenant bankruptcy, empty property costs, unrecoverable repair and maintenance costs etc. Through the council's existing staff resources and procedures, careful and active management, these risks will be managed and reduced where possible.
- 19 A down turn in the economy or increased borrowing costs may squeeze the rental income or increase the expenditure. However, a number of sensitivity tests have been carried out and the project can stand an approximate 20% variance to income or expenditure while still maintaining a self-funding position.

- 20 As part of the selling process reports are being commissioned on the condition of the existing buildings and services; once these are available the future investment plan will be finalised in accordance with the priorities and available budget.
- 21 In the event that the council should not purchase the estate from HCA it will need to work with HCA to agree a communication statement regarding the disposal.

Consultees

- 22 In addition to the seven internal consultees, the economic development manager has been consulted and is supportive of the report and its recommendations. We have consulted with HCA regarding the council's potential interest in purchasing the property. The local member is supportive of the recommendation.

Appendices

Appendix 1 – map of the estate and adjoining council land.

Background papers

None identified.

Title of report: Children and young people directorate - budget task and finish group

Meeting: Scrutiny Management Board

Meeting date: 21 November 2023

Report by: Statutory Scrutiny Officer

Classification

Open

Decision type

This is not an executive decision

Wards affected

All wards

Purpose

To determine whether to form a task and finish group to scrutinise the current expenditure and future budget of the children and young people directorate.

Recommendation(s)

That:

- a) **The board agree to form a task and finish group according to the terms of reference attached as appendix 1.**

Alternative options

1. The board could make changes to the terms of reference before agreeing to form the task and finish group.
2. It could also decide not to form the task and finish group.

Key considerations

3. At the board's recent meeting, on 7 November 2023, there was broad agreement to create a task and finish group to scrutinise the children and young people directorate's ongoing cost pressure, future budget demand, as well as its strategies to reduce costs. It instructed the statutory scrutiny officer to make arrangements to create and operate such a task and finish group, and to draft a terms of reference to allow the board to constitute the group.
4. A draft terms of reference for the task and finish group is attached as appendix 1.

Community impact

5. The scrutiny function supports community development through robust scrutiny of the council's policy framework, including the Local Plan, Health and Wellbeing Strategy, County Plan and the Medium Term Financial Strategy.
6. Scrutiny also supports community issues more directly through the work of the Connected Communities Scrutiny Committee.
7. The function also helps to ensure that the council discharges its corporate parent duties effectively, through scrutiny of the corporate parenting board and the council's broader work to support its looked after children and their families.

Environmental impact

8. Herefordshire Council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.
9. All reports to scrutiny committees, as with all council committees, include appraisals of the impact of the report content on climate change. Scrutiny committee work programmes directly link to the County Plan priorities, including the key priority to "Protect and enhance our environment and keep Herefordshire a great place to live".
10. Climate change and carbon reduction related issues are directly identified in the remit and therefore focus of the Environment and Sustainability Scrutiny Committee.
11. Whilst this is a decision on back office functions and will have minimal environmental impacts, consideration has been made to minimise waste and resource use in line with the Council's Environmental Policy. Examples include:
 - a. Creation of an online-only briefing programme, eliminating the need to travel to Hereford for a single meeting.
 - b. Paper-free briefings and informal meetings, eliminating the need for printed paper.

Equality duty

12. Under section 149 of the Equality Act 2010, 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.
13. 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 report is primarily for information, we do not believe that accepting (or rejecting) this report will have an impact on our equality duty.

Resource implications

14. Effective scrutiny produces evidence-based recommendations. These can be informed by learning from best practice and an understanding of 'what works' at other similar local authorities, as well as developing a robust picture of what the situation is locally based on data, intelligence and insights. Where adopted recommendations can help with the efficiency and effectiveness of services that can be delivered differently, as well as informing the development of current and new policies.
15. As this report is primarily for information, there are no direct resource implications arising from this report. However the function may require some funding in order to carry out its work effectively. Requirements may include purchasing training or expert advice. However it is anticipated that much of the training and development required during the year can be met using existing council resources.

Risk management

16. Effective scrutiny is a feature of the council's governance arrangements, where the council is operating executive arrangements. There are a range of factors that could result in risks to the council of not doing scrutiny effectively. These include the failure to:
- a. challenge and hold decision makers to account
 - b. link scrutiny work to the delivery of the council's priorities and risk management
 - c. carry out thorough and appropriate research to make evidence-based recommendations
 - d. engage partners and providers
 - e. ensure that structures and models of operation are fit for purpose and match ambition and available resources
 - f. ensure that scrutiny can operate as the voice of communities and
 - g. draw on member knowledge and experience to inform policy development.
17. To mitigate, tolerate or eradicate these risks, enablers for effective scrutiny include:
- a. operating in an apolitical manner
 - b. clarity of vision and purpose
 - c. scrutiny support availability, capability and capacity

- d. effective engagement and commitment by members and officers at all levels, including cabinet, opposition leaders, scrutiny chairs and senior officers who play a central role in setting the tone and direction
- e. robust work programming and prioritisation of topics with clear objectives and expected impacts
- f. ensuring that scrutiny work will add value to the council and communities e.g. through strong links between work programme topics and the integrated strategic plans that set out the actions and timescales to deliver the priorities in the County Plan
- g. access to and availability of robust data and intelligence and
- h. good relationships with partners and providers.

Consultees

- 18. None

Appendices

- 1. Children and young people directorate - budget task and finish group terms of reference

Background papers

None identified

Scrutiny Management Board

Children and young people directorate - budget task and finish group

Terms of reference

Background

At the meeting of the Scrutiny Management Board on 7 November 2023, the chair of the Children and Young People Scrutiny Committee raised concerns about the high levels of agency staff used by the council to operate services for children and young people which is a major contributing factor to the Directorate's current forecast overspend the 23/24 financial year of nearly £12m. Other committee members stated that they shared similar concerns, as well as concerns regarding the likelihood of the service making a planned £4.5million of savings in the current financial year.

The board agreed to draft a terms of reference for a task and finish group to scrutinise the delivery of the current year's budget, the factors contributing to the large overspend in the financial outturn, and the detailed planning sitting behind the developing budget for services for children and young people for the 24/25 financial year.

Objectives

The group aims to

- analyse and identify the underlying drivers shaping the current outturn of the 2023/2024 budget for the children and young people service,
- develop a picture of the main factors influencing the directorate's ability to deliver services within its agreed 2023-24 budget
- examine how those factors have influenced the plans and strategies being employed to improve service outcomes and to reduce costs, and the activities both planned and in place to deliver the stated outcomes, to include but not be limited to:
 - staff agency rates
 - home to school transport
 - residential care for looked after children
 - transitions from children's to adult services and
- report and make recommendations to Scrutiny Management Board for consideration alongside the 2024-25 budget in January 2024.

Information required

- 2023/2024 monthly forecast outturn and performance dashboards
- CIPFA comparison of local authority spend
- Home to school transport volumes and costs for the last 4 years

Witnesses

- Director of finance
- Finance manager, children and young people
- Portfolio holder, children and young people
- Director of children's services

Schedule

Agree terms of reference	21 November 2023
To understand the current outturn of the 2023/2024 budget for the children and young people service To explore the main factors influencing the budget outturn	Session 1 – mid December 2023
To scrutinise the local authority's long-term strategy to reduce costs, and the policies planned and in place to deliver the strategy, to include: <ul style="list-style-type: none">• Staff agency rates• Home to school transport• Residential care for looked after children• Transitions from children's to adult services To draft recommendations	Session 2 - late December 2023
Agree recommendations	Board meeting 21 January 2024