

Supplement to the agenda for

Cabinet

Thursday 21 December 2023

2.30 pm

**Herefordshire Council Offices, Plough Lane, Hereford, HR4
0LE**

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3. MINUTES	
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Herefordshire Council

Minutes of the meeting of Cabinet held at Herefordshire Council Offices, Plough Lane, Hereford, HR4 0LE on Thursday 23 November 2023 at 2.30 pm

Cabinet Members Physically Present and voting: Councillor Jonathan Lester, Leader of the Council (Chairperson)
Councillor Elissa Swinglehurst, Deputy Leader of the Council (Vice-Chairperson)

Councillors Graham Biggs, Harry Bramer, Barry Durkin, Ivan Powell, Philip Price and Pete Stoddart

Cabinet Members in remote attendance None

Cabinet members attending the meeting remotely, e.g. through video conferencing facilities, may not vote on any decisions taken.

Cabinet support members in attendance Councillors Dan Hurcomb

Group leaders / representatives in attendance Councillors Liz Harvey, Ellie Chowns, Terry James and Bob Matthews

Scrutiny chairpersons in attendance Councillors Toni Fagan, Liz Harvey, Ellie Chowns.

Other councillors in attendance:

Officers in attendance: Chief Executive, Director of Resources and Assurance, Corporate Director - Children & Young People, Corporate Director - Economy and Environment, Corporate Director Community Wellbeing, Head of Legal Services and Deputy Monitoring Officer and Director of Strategy and Performance

48. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Carole Gandy, Nick Mason, Louis Stark and Pauline Crockett.

49. DECLARATIONS OF INTEREST

None declared. Subsequently confirmed that Cllr Hurcomb had none (he was absent from the room during this item).

50. MINUTES

Resolved: That the minutes of the meeting held on 5 and 26 October were approved as a correct record and signed by the Chairperson.

51. QUESTIONS FROM MEMBERS OF THE PUBLIC (Pages 7 - 8)

Questions received and responses given are attached as appendix 1 to the minutes.

52. QUESTIONS FROM COUNCILLORS (Pages 9 - 10)

Questions received and responses given are attached as appendix 2 to the minutes.

53. REPORTS FROM SCRUTINY COMMITTEES

The chairperson of the Connected Communities Scrutiny Committee (CCSC) summarised the recommendations that took place on 8 November 2023 regarding the Local Transport Plan and Local Cycling and Walking Infrastructure Plan. The committee noted background papers were required for scrutiny to be achieved. Also that public consultations should take place with members of the public and key stakeholders.

The Leader thanked the committee for their work in forming the recommendations.

It was unanimously agreed that the recommendations on the Local Transport Plan report and Local Cycling and Walking Infrastructure Plan report made by the Connected Communities Scrutiny Committee at its meeting on 8 November 2023 be noted, and that an Executive Response to the scrutiny recommendations be prepared for consideration by Cabinet in 2 months.

Noted the Scrutiny Management Board met on 22 November 2023 regarding the Delivery Plan and its recommendations would be considered under that item on the agenda.

54. REPORT TO IDENTIFY OPTIONS TO DELIVER REGISTERED RESIDENTIAL CHILDREN HOME PROVISION IN COUNTY FOR CHILDREN AND YOUNG PEOPLE AGED 11-18

The Cabinet member for Children and Young People introduced the report and highlighted that the sufficiency strategy 2023-2028 sets out the current challenge in delivering sufficiency of placement types within the County. As part of this work the Council are building relationships with providers to facilitate greater availability in a local capacity, developing the fostering service and reducing the number of children in care. Noted that in due course Cabinet will consider whether Herefordshire Council will re-enter the residential market.

The report acknowledged that residential care will be required for a number of children at any point in time and will look to procure four beds across two sites for children aged 11 to 18 years old. The report recognises that occupancy rates and matching is complex, which is why two by two bedroom units was considered the most viable option.

Cabinet Members discussed the report and it was noted that:

Unassisted asylum seeking children go straight into Herefordshire Council's care. The time line for Herefordshire Council to prepare a report in respect of developing its own in house residential care facility is estimated at around 6 months.

With regards to increasing the scale of the provision proposed it was confirmed that this can be increased if the 80% capacity is being exceeded.

It was confirmed that it is down to each Local Authority area and what sufficiency placement strategies are in place in respect of re-entering the residential care market. Whilst there has been a Government report commissioned to review children's social care, conducted by Josh McAllister published in May 2022, there has been no detail around the Government's response to the recommendations. However, a revised working together document is due to be published.

Group leaders generally welcomed the report. It was noted that whilst it is an expensive provision it is a necessary one for young people in the County. Queried why the Council are not using existing placement locations. It was raised whether the Council will be commissioning private providers and requested that consideration is given to the location in respect of providing stability of placements.

In response to the queries it was confirmed that the Council will be commissioning private providers.

It was unanimously resolved that:

- a) **Approve the commissioning of two, two bedroomed children's residential homes within Herefordshire, through a procurement exercise up to the maximum projected value of £1.3 million annually and £6.3million over a maximum of five years (3yrs with potential extension of 1 year + 1 year) which will provide local placements to four children aged 11-18);**
- b) **Delegate authority to the Corporate Director - Children and Young People to approve all tender documentation;**
- c) **Delegate authority to the Corporate Director – Children and Young People, in consultation with the Cabinet Member Children and Young People, to enter into a contract with the preferred Supplier following the tender exercise;**
- d) **Following Political Group Consultation, approve officers to undertake work to also consider the option to develop an in house provision to further increase local sufficiency for children's placements. This will require sourcing accommodation via a capital bid, a report will come back to Cabinet at a later date.**

55. Q2 BUDGET REPORT

The Cabinet member for finance and corporate services introduced the report, the principal points were raised.

The Q2 report forecasts an overspend of £13.8m, which is an increase of £0.3m from the £13.5m forecast at Q1. The overspend represents a variance of 7% with the most significant forecasted overspend being in Children and Young People of £11.8m.

As part of the proactive measures to address the current year overspend, each Directorate will implement additional expenditure controls to support existing recovery activity in 2023/24 and these controls will continue, as required in 2024/25. These measures are expected to reduce the forecast overspend down to £10.5m.

Council previously approved a total of £14.1 million Directorate Savings for 2023/24. A review of the 2023/24 approved savings has been undertaken and confirmed that £7.3m of savings forecast will be delivered this year and £6.8m of the total target is at risk of delivery at Quarter 2.

The key variances in excess of £250k at Q2 are £1.6m within Community and Wellbeing in regards to Physical Support due to both cost and demand pressures in residential care, cost pressures in nursing care and demand pressures in homecare. In respect to Children and Young People there is a £4.5m overspend, £3m overspend in respect to Agency staff and £2m overspend representing additional demand in SEN transport. Within Economy and Environment a £1.3m reduced income for Development Planning and Building Control. Lastly, within Corporate Services a £1.2m overspend in the PMO arising due to staffing cost pressures.

The 2023/24 approved Capital Budget of £140.3m has been revised down to £89.7m.

Confirmed that despite these significant challenges Herefordshire Council's financial position remains very stable.

Cabinet members discussed the report and it was clarified that that the key variance of £1.3m for Development Planning and Building Control, was partly due to deferment of fee uplift by the Government, which is now coming to an end and the national downturn in development and housing. Clarified that this is reduced income, not overspend. Also, there is the issue of phosphates and the River Lugg which is impacting on delivery of houses.

Group leaders gave the views of their groups. Concerns were expressed regarding figures and if these were achievable. Clarification for Children's and Young people was requested in respect of the projected underspend in improvement. Further detail was requested regarding the savings at risk and the effect of those savings on delivery of services and how those savings have been made. The involvement of the Scrutiny Management Board was welcomed but noted there have been timing difficulties. In respect of Corporate Services, notably Thrive, concern was expressed regarding the £1m overspend and clarification sought regarding the original budget. Further detail was requested regarding the £1.2m overspend in the Project Management Office. It was expressed that the Council needs to become a more efficient value for money authority without impacting members of the public too severely.

In response to queries it was noted that;

The Planned savings in Children's were at risk due to a lack of response in the market to recruit and whilst placement budgets have been managed robustly, they still were unable to achieve the savings that were set.

Regarding Children's improvement work, recruitment of staff with a particular skill set has not been possible. Confirmed the improvement work has taken place by delivering this in house.

Clarified that the All Ages Social Care funding has been used to support social care and is included in the base budgets.

Acknowledged the difficulty in timing of the Scrutiny meetings and welcomed the willingness to try and accommodate those meetings to try and improve the budget in February.

Confirmed a full written response will be provided regarding the Thrive programme.

It was unanimously resolved that;

- (a) Review the financial forecast for 2023/24, as set out in the appendices A-D, and identifies any additional actions to be considered to achieve future improvements;**
- (b) Note the forecast revenue outturn position at Quarter 2 2023/24 of a £13.8 million overspend, before management action, and the potential impact of this overspend on the council's reserves;**
- (c) Note the impact of the 2023/24 forecast outturn on the 2024/25 budget requirement and the future financial sustainability of the council;**
- (d) Request that Scrutiny Management Board reviews the budget monitoring position and that relevant Cabinet Members provide explanation for key variances and actions identified to address key pressures; and**
- (e) Agree the continuation and strengthening of management actions to reduce the forecast overspend as identified in this report.**

56. DELIVERY PLAN 2023/24

The Cabinet member for finance and corporate services introduced the report, the principal points were raised.

The Delivery Plan for 2023/24 identifies the key programmes of work that the administration will progress during 2023-24 under the three ambitions of the current County Plan: Economy, Community and Environment. This delivery plan includes the continuation of some key deliverables of note which include:

- Improvement of Children's Services
- River Quality – securing a partnership approach to achieve river restoration
- Waste Strategy – moving further up the waste hierarchy
- Development of a new library and museum
- Deliver the Hereford Transport Strategy and City Centre Masterplan
- Employment land – develop put first phase of employment sites
- Investment in Infrastructure.

This Delivery Plan will form the basis of performance reporting into the Corporate Leadership Team on a monthly basis and to the Cabinet quarterly, alongside financial and risk reporting.

The new County Plan for the next four year period is in development and will reflect the aims and ambitions of the Council. It will focus on improving the county's infrastructure, protecting the environment and putting the needs of residents first.

Scrutiny Management Board has recommended that:

The format the Delivery Plan is amended so that it is easier to identify specific items.

That a closure report for the County Plan and this year's Delivery Plan is includes what has been achieved be produced.

That the timeline for the County Plan 2024-28 and the Delivery Plan for 2024/25 is realigned to full council on 8 March 2024.

Cabinet members discussed the report and it was noted that:

Following Scrutiny Management Board it highlighted that further detail was needed. It was clarified that a closure report will be produced on the County Plan with specifics addressed in the Delivery Plan.

Feedback from the Scrutiny Management Board on the Delivery Plan was presented by the Chairperson;

Noted that the improvement comments would be taken on board for the County Plan alongside the metrics and key performance indicators for the first year.

Noting that Cabinet are accepting there is a working group to work in parallel with the development of the County Plan.

Acknowledged that a closure report for the four year County Plan will be produced and this will make it clearer as to what has been achieved and what isn't being pursued.

Group leaders gave the views of their groups. The closure report was welcomed to feed into the County Plan but highlighted the need to show the connections between the previous County Plan and the Delivery Plan. Queried when the performance report for Quarter 2 (appendix E) will be available. Concerns were raised regarding the ongoing issues in Children's and Young People and how this will ever be resolved. Concerns were also raised regarding the structure of the Council and suggested the management structure should be reviewed.

In response to queries it was noted that:
The performance report will be coming to Cabinet as a separate report.

In respect of delivering outcomes for Children's and Young People, there have been elements of improvement but acknowledged there was still much work to be done. Recognised that much of the improvement activity is now business as usual within the department but it will take time to see the improved outcomes. Confirmed the Children's Commissioner has produced a report, which will be shared in due course, and it recommended that Children's Services stay within the Local Authority which recognises the progress that has been made.

It was unanimously resolved that;

(a) Cabinet approves the Delivery Plan 2023/24, as set out in appendix A.

57. CAPITAL PROGRAMME REVIEW AND UPDATE

The Cabinet member for finance and corporate services introduced the report, the principal points were raised.

The report is to revise proposals for in year changes to the approved Capital programme. Which include £2m for a community grants scheme to support investment in Talk Community hubs. This will be funded by reducing the £12.3m previously proposed for the Southern Link Road by £2m to £10.3m. Noted that Appendix A had been updated to reflect the revised changes and Appendix C included the amendments to be recommended to Council. Confirmed that outline Strategic business cases for each of these items will be provided prior to Council on 8 December 2023.

There were no comments from Cabinet members.

Group leaders gave the views of their groups. The allocation of funds for community groups to bid for capital funding was welcomed and similar approach was requested for the Retrofit Hub. Concerns were raised regarding the lack of business case in support of the figures in the Capital Programme and more detail was required. Clarification was sought regarding why projects were removed from the Capital Programme in the first place and whether the Eastern route was still being considered.

In response to queries it was noted that:
The consultant's report regarding Eastern River Crossing has shown it is more expensive than anticipated. It will be progressed, along with the Southern Link Road, to establish if there is a business case for it.

In respect of the community grants it was important that the initiative was reviewed, and the funding for the scheme was withdrawn from the Capital Programme because the review hadn't been carried out. However, it became clear that there was a requirement for communities to be supported with capital initiatives and this provided greater clarity for how community groups could bid for funding.

In response to business cases it was confirmed that the strategic outline business case will have meaningful information to enable Council members to vote.

It was unanimously resolved that;

a) To approve the revised capital programme for 2023/24 attached at appendix C

PUBLIC QUESTIONS TO CABINET – 23 November 2023**Question 1****Jeremy Milln – Hereford****To: Councillor Swinglehurst, Cabinet member Environment**

The five-storey steel tower at Jacob's Court in the Central Conservation Area, built in 2003 to a design by Angus Jamieson for Paul Tobin, is still scaffolded following concerns from the Council's Building Control of the safety of its glass panels. The ongoing charge for the scaffolding had exceeded £60k by the time Mr Willimont asked his question of Cabinet about it on 24th June 2021. Planning consent was granted over a year ago to replace the panels.

The matter is of considerable public concern, see <https://www.herefordvoice.co.uk/forums/topic/3031-jacobs-court-scaffolding/>

Companies House has no obvious record of a charge against the property company by which the expenditure may be recouped. So how much money is now owed to Herefordshire Council in respect of Jacob's Court, how will it be recovered and when will the eyesore scaffolding be removed?

Response

The scaffolding in question was erected in 2010 following concerns that the glazing installed had the potential to fail and was a potential risk through shattering and falling from a height. The scaffolding was erected to retain the glazing in position. The scaffolding has been regularly inspected and modified where required. The total cost of the scaffolding to date is circa £65,000. The council will seek to recover this cost.

Whilst retaining the scaffolding is a cost burden to the council, due to the public interest of maintaining safety, the responsibility of resolving the situation lies with the owners of the property. The Council has had recent dialogue with the owners but a solution has not yet been agreed.

Supplementary question

Thank you for your response to my question about the rising cost to the Council of its thirteen years maintaining the supporting scaffolding at Jacob's Court. It is disappointing that a building which passed planning and building control just twenty years ago should so soon have been found defective. What is the expected timescale for resolving these issues and how will the Council recover the money from the building owners.

Supplementary response

As the planning application for the replacement of the windows has now been approved, we are working with the property owner to finalise time scales for taking the development forward and for the scaffolding to be removed. The Council will seek to fully recover the costs incurred. The works were pursuant to [section 78 Building Act 1984](#) and that includes provisions that enable the recovery of reasonable costs incurred by the Local Authority.

Question 2**John Harrington – Hereford****To: Councillor Durkin, Roads and Regulatory Services**

In March, the previous administration's Cabinet voted to adjust the structure of the Public Realm contract with BBLP to bring back over staff, such as asset managers, technical staff, and inspectors (what BBLP call Locality Stewards) into direct Herefordshire Council employ. This decision was driven by the belief that without our own directly employed staff, the Council couldn't effectively monitor the extraordinary all-encompassing contract given to BBLP by the Conservative administration in 2013 - a contract abdicating such a broad extent of responsibility away from a local authority to a private commercial civils contractor that I do not believe has replicated by any Council anywhere else in the country. In accordance with the direct and democratic instructions given through that decision will members shortly be presented with the new model of the contract to vote on, which was due around now?

Response

The report to Cabinet on 2 March 2023 approved adaption of the Public Realm Contact to form a Future Operating Model that would best meet Herefordshire Council's key objectives. Since that time the Future Operating Model has been developed, and it is scheduled to bring a report to Cabinet in March 2024, which will set out further details of the Future Operating Model, and seek support for its implementation to be operational from 1 April 2025.

COUNCILLOR QUESTIONS TO CABINET – 23 November 2023

Question 1

Councillor Pauline Crockett, Queenswood, Hereford

To: Councillor Stoddart, Cabinet member finance and corporate services

In Feb this year Full Council agreed a £4 million All Ages Social Care Budget, this appears to have now been omitted. Could I ask how we can be assured that savings and efficiencies will be delivered especially in Childrens without this investment going ahead?

Response

The Quarter 2 Budget Report for 2023/24 notes that the £4.0 million All Ages Social Care budget approved by Council in February 2023 has been applied to Directorate budgets in 2023/24 to meet additional demand and cost pressures in the Community Wellbeing (£2.6 million) and the Children & Young People (£1.4 million).

In the Community Wellbeing Directorate, the £2.6 million allocation has been applied to Physical Support and Learning Disability client budgets to manage additional demand and cost pressures in 2023/24.

In the Children & Young People Directorate, the £1.4 million allocation has been used to support delivery of the children's improvement plan.

No Supplementary Question

