

Supplement to the agenda

Scrutiny Management Board

Wednesday 10 January 2024, 10.00 am

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

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Minutes of the meeting of Scrutiny Management Board held at Conference Room 1 - Herefordshire Council, Plough Lane Offices, Hereford, HR4 0LE on Tuesday 7 November 2023 at 2.00 pm

Present: Councillor Liz Harvey (chairperson)
Councillor Jenny Bartlett (vice-chairperson)

Councillors: Ellie Chowns, Simeon Cole, Frank Cornthwaite, Pauline Crockett, Toni Fagan, Peter Hamblin, Louis Stark and Richard Thomas and Clare Davies

Officers: Simon Cann (Clerk), Ross Cook (Corporate Director for Economy and Environment), Rachael Hart (Head of Strategic Finance - deputy S151) and Danial Webb (Statutory Scrutiny Officer)

11. APOLOGIES FOR ABSENCE

Apologies were received from: Councillor Bruce Baker, Councillor Bob Matthews, Councillor John Stone and Councillor Peter Stoddart (Cabinet Member for Finance and Corporate Services).

12. NAMED SUBSTITUTES

Councillor Clare Davies was the named substitute for Councillor Bob Matthews.

13. DECLARATIONS OF INTEREST

No declarations of interest were made.

14. MINUTES

The minutes of the previous meeting were received.

Resolved:

That the minutes of the meeting held on 25 July 2023 be confirmed as a correct record and be signed by the Chairperson.

15. QUESTIONS FROM MEMBERS OF THE PUBLIC

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

16. QUESTIONS FROM MEMBERS OF THE COUNCIL

No questions had been received from councillors.

17. **WORKFORCE STRATEGY 2024-2027 - DEVELOPMENT AND CONSULTATION**

The chair informed the board that the item had been deferred until the next board meeting on 21 November 2023, so that the cabinet member (Councillor Peter Stoddart) could be present to discuss the strategy.

18. **INCOME AND CHARGING**

The Corporate Director for Economy and Environment introduced the item and provided the board with an update on income and charging, focusing on work that had been carried out in identifying opportunities to improve the Council's service cost recovery position. The director stated that any questions that couldn't be answered during the meeting could be taken away and responded to during the board meeting of 21 November.

Principle points arising from the update were:

- The areas of opportunity examined included: moving services to a full cost recovery position, upscaling services, uplifting services and establishing new services.
- Herefordshire had lower fees and charges than its comparators across 4 out of 7 categories assessed, there was potential to identify and implement changes within those categories.
- There was no 'fees and charges book' or combined list of all Council fees and charges, but work had commenced to review this and put together a centralised record/source.
- The initial review of "Service Cost Recovery" had shaped future priorities and work.
- The review of fees and charges was on-going

The Scrutiny management board debated the update, principal points related to:

- It was noted that scrutiny had looked at fees and charges back in 2011 and produced a set of recommendations for cabinet. The Corporate Director for Economy and Environment explained that these had largely been implemented in subsequent years, although the absence of a 'service charges book' may have made implementing some of the recommendations more complicated than was necessary.
- The board acknowledged that this was an ongoing programme of work, but felt that additional detail around timelines and priorities (including identifying quick and big wins) of proposals and how they linked in with the 2024/25 budget and the policy framework would be helpful.
- The board discussed the need for clearer examples to illustrate how income generated related to the services it supported, and cited car parking as a potentially good example for demonstrating this.
- The board was keen to receive more information about the development of existing/known consultancy offerings that predated the recent involvement of PricewaterhouseCoopers.
- The board discussed how fees could be used to drive and encourage positive behaviour - planning was given as an example - where a greater emphasis could be placed on seeking 'permission rather than forgiveness' in relation to retrospective planning applications.
- The board enquired about the cost of the consultancy work carried out by PricewaterhouseCoopers and how/if the most recent work linked back with earlier consultancy work carried out by the firm.

The board voted unanimously in favour of the following recommendations to be considered in relation to the service cost recovery position, with a view to feedback being provided by the Corporate Director for Economy and Environment at the board meeting of 21 November 2023.

Resolved:

That:

- 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 and 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 PricewaterhouseCoopers' involvement, and
- e) a service charges handbook be compiled, including 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 maintaining an understanding of that through in-year delivery, so that the two can be tied together in a way that has them hardwired, 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 PricewaterhouseCoopers and that a payback period will be identified for that.

19. 2024-25 PROPOSED BUDGET CONSULTATION APPROACH

The Head of Strategic Finance (deputy S151) introduced the item and gave an overview of the report on the 2024-25 Proposed Budget Consultation Approach.

It was explained that appendix 1 provided a timeline and details of proposed community-based budget consultation and engagement activity for 2024/25 and appendix 2 provided an overview of community engagement within a public sector context, including setting out the statutory duties of a local authority to consult and to clarify the difference between engagement and consultation. The paper set out the proposed approach for the budget consultation 2024/25. The paper also included information on the role of scrutiny in the consultation process and different types of engagement activity and when they should be used.

The Head of Strategic Finance (deputy S151) introduced Sarah Fishbourne and Maxine Bassett of Impact Consultancy & Research, who were present in person.

It was explained that the proposed budget consultation approach would include the delivery of:

- Seven locality-based pop-up consultation events mid-October to early December in Hereford High Town and one in each of the other market towns. Using a range of interactive methods to gauge public opinion on the key issues

relating to the 24/25 budget. The final approach and focus of consultation would be developed in conjunction with the Director of Resources & Assurance.

- Two consultation sessions with specific hard-to-reach groups, e.g. young people, families in hardship.
- An online consultation session with businesses via the Economic Development Teams quarterly business briefings.
- A consultation session with the Community Partnership (22 November).
- A consultation session with Parish & Town Councils.
- An online feedback session sharing the results of the consultation. The output from the consultation would be a report and a PowerPoint presentation summarising the consultation findings.

The chair thanked the Head of Strategic Finance (deputy S151) and the attendees from Impact Consultancy and Research for the report and update, and then opened the item up to the board for lines of enquiry and questions.

The scrutiny management board debated the report raising principal points relating to:

- The need to review lead times and marketing to enable greater engagement of parish councils and other seldom-heard, hard-to-reach groups, and those with protected characteristics.
- The consideration of the viability of targeted sample groups and enabling people to self-select for future surveys as a way of building up a pool of consultees.
- The importance of structuring engagement with high-level themes early on, with more detailed engagement to follow later in the year.
- Learning lessons from the previous successful consultation exercises such as the medium term financial strategy consultation of 2015.
- Investigating the increased use of meaningful graphical representations/videos to swiftly and easily communicate complex budgetary information at a glance.

At the end of the debate, the board voted unanimously in favour of the following recommendations to be considered in relation to the proposed budget consultation approach, with a view to feedback being provided by the Head of Strategic Finance (deputy S151) at an appropriate future board meeting:

Resolved:

That:

- a) The scrutiny management board be provided with the question framework to be used for the budget consultation, and**
- b) a web-based public consultation questionnaire be put in place for a sufficient amount of time for people/parishes to be able to engage with it as part of the consultation process, and**
- c) a plan be provided outlining the approach that will be taken to engage with hard-to-reach and equality impacted groups, and**
- d) targeting questionnaires and random sampling be used in future consultations, along with a longitudinal mechanism for allowing people to self-select by giving permission to be contacted in future, and**
- e) contextual information on the budget be provided, which is not solely restricted to Herefordshire, and**
- f) meaningful graphical representations of the budget be included.**

20. SCRUTINY COMMITTEE WORK PROGRAMMES

The chair opened the item by allowing the chairperson of the CYPSC (Children and Young People Scrutiny Committee) to make a request to the SMB (Scrutiny Management Board) to consider undertaking a piece of work in relation to the budget. The chair of the CYPSC stated that the work programme for that committee did not have capacity to build in proper scrutiny of the potential pressures that children's services were putting on the budget and asked if the SMB had the capacity to take a detailed look at the issue.

The chair of the SMB and the board members agreed that historic and forecast budgetary spending on children's services was an issue that needed to be examined, in detail, as a matter of urgency. The board agreed to draw up terms of reference for a task and finish group that, pending approval, would look into the subject.

Resolved

That:

- a) That the statutory scrutiny officer would draw up draft terms of reference for a task and finish group to scrutinise the current expenditure and future budget of the children and young people directorate, these terms of reference would be presented for approval at the 21 November 2023 board meeting.**

The chair noted that there wasn't sufficient time to go through the work programmes of each scrutiny committee and proposed that a workshop be held in December, where the board could go through each individual committee work programme in detail and then feed into the Scrutiny Management Board work programme at the end.

Resolved

That:

- a) The board hold a scrutiny committee work programme workshop during December 2023.**

21. WORK PROGRAMME

The chair noted that there wasn't sufficient time to go through the work programme of the Scrutiny Management Board and proposed that a workshop be held in December, where the board could go through each individual committee work programme in detail and then feed into the Scrutiny Management Board work programme at the end.

Resolved:

That:

- a) The board hold a scrutiny committee work programme workshop during December 2023.**

22. DATE OF THE NEXT MEETING

Tuesday 21 November 2023 2pm

23. APPENDIX 1 - QUESTIONS FROM MEMBERS OF THE PUBLIC

Questioner:	Mark Banks (via email)
Scrutiny Meeting:	Scrutiny Management Board 7 November 2023
<p>Question:</p> <p>As a frequent user of Herefordshire Council's MyHerefordshire resident services portal, I want to submit a question regarding plans for improving the website's accessibility, transparency, and communication around service requests.</p> <p>Despite repeated contact, I continue to face issues like service requests being misleadingly labelled as "Closed" immediately upon submission, inconsistent email confirmations, and general non-compliance with WCAG accessibility standards.</p> <p>I have lodged a formal complaint outlining these concerns but wanted to bring the matter directly to this committee's attention as you oversee the website and online systems.</p> <p>My question is - can you provide details on what priority is being given to updating MyHerefordshire's accessibility, what specific timeline commitments exist for implementing changes, and how the Council plans to address misleading practices like inaccurate service request statuses in the interim before system upgrades?</p> <p>As an engaged resident, I am very supportive of plans to improve MyHerefordshire. However, I believe urgent interim solutions must also be implemented in parallel to benefit all users. I welcome your insights on how to balance long-term upgrades with prompt communication improvements.</p> <p>Thank you for your oversight of this vital public resource. I look forward to your response on how accessibility, transparency, and accuracy will be enhanced.</p> <p>Regards,</p> <p>Mark Banks</p>	
<p>Response:</p> <p>Thank you for your question.</p> <p>We take accessibility very seriously and our website should always be compliant with the accessibility regulations for Local Authorities - WCAG2.1, Level AA. No content is added without first being checked it is compliant with the accessibility regulations and we regularly review the website in line with the accessibility requirements.</p> <p>We have carried out an accessibility audit (in compliance with WCAG2.1, Level AA) on the MyHerefordshire area of the website – The findings of this were that there was some alt-text missing from the map markers, maps are not required to be compliant with the regulations, however we have now rectified and added alt-text to the markers, also there was missing alt-text from the image of the local councillor – this we have passed to our developers to be implemented as soon as possible.</p> <p>Thank you for bringing this to our attention.</p>	

Questioner:	Mark Banks (via email)
Scrutiny Meeting:	Scrutiny Management Board November 2023
<p>Supplementary Question: In light of concerns regarding misleading service request statuses on the MyHerefordshire site, could the Council provide specific details on their planned strategies and timeline to address and rectify these inaccuracies, ensuring transparency and reliability for users?</p> <p>Regards Mark</p>	
<p>Response: The service request labelling is dependent on the type of form that is used for a process. What we term a 'single stage process' which is a one-step transaction form such as the one you have used, we are currently unable to change the status to received, the default software functionality is "Closed" for a single stage process that has effectively been completed once it has generated an email and we have no facility to change that directly.</p> <p>Where we have built more complex processes (non-single stage forms) that either feed into other systems or a route that hands the service off to another party (rather than just generating an email) the statuses are more complex/reflective of the stage it's at and will not show case closed until the whole transaction is completed for the customer.</p> <p>However, we are in the process of reviewing all our forms and processes through our transformation programme and will be upgrading forms, so that the majority of our forms will be built on more complex processes (in terms of the back end – not a more complex process for the customer) so there will be more intuitive statuses available to the customer.</p>	

The meeting ended at 05:19 pm

Chairperson

Minutes of the meeting of the Scrutiny Management Board held in Conference Room 1 - Herefordshire Council, Plough Lane Offices, Hereford, HR4 0LE on Tuesday 21 November 2023 at 2.00 pm

Committee members present in person and voting: Councillors: Bruce Baker, Jenny Bartlett (Vice-Chairperson), Ellie Chowns, Simeon Cole, Frank Cornthwaite, Pauline Crockett, Toni Fagan, Peter Hamblin, Liz Harvey (Chairperson), Bob Matthews, Rob Owens, Louis Stark and Richard Thomas

Others in attendance: B Baugh (Democratic Services Officer), R Cook (Corporate Director - Economy and Environment), J Higgins (Governance Support Assistant), R Jones (Head of Learning and OD), S Jowett (Strategic Assets Delivery Director), A Pitt (Director of Strategy and Performance), A Rees-Glinos (Governance Support Assistant), T Sampson (Director of HR and OD), Councillor P Stoddart (Cabinet Member Finance and Corporate Services), Councillor E Swinglehurst (Cabinet Member Environment) and D Webb (Statutory Scrutiny Officer)

[Note: [Click here for the link to the agenda and to the video recording of this meeting](#); the links provided were correct at the time of publication of this minutes document]

23. APOLOGIES FOR ABSENCE

Apologies for absence had been received from Councillor Terry James.

24. NAMED SUBSTITUTES

There were no substitutes present.

25. DECLARATIONS OF INTEREST

No declarations of interest were made.

26. MINUTES

It was noted that the minutes of the meeting held on 7 November 2023 would be submitted to the next scheduled meeting for approval.

27. QUESTIONS FROM MEMBERS OF THE PUBLIC

No questions had been received from members of the public.

28. QUESTIONS FROM MEMBERS OF THE COUNCIL

No questions had been received from councillors.

29. WORKFORCE STRATEGY 2024-2027 - DEVELOPMENT AND CONSULTATION

The Cabinet Member Finance and Corporate Services introduced the report. It was noted that the board had made recommendations to the executive on 'Herefordshire Council's Human Resources and Workforce Strategy' at the meeting on 28 November 2022 ([link to minute 36 of 2022/23](#)).

The principal points of the discussion are summarised below.

1. With attention drawn to the sentence 'Central to the new strategy will be a theme of a 'one council' approach where staff not only work within their directorates but are able to work across directorates and we aspire to "grow our own" to achieve a one council culture.' (paragraph 6, agenda page 10), it was clarified that this related to skills and capability development to support individuals to make conscious career decisions to move within or outside their directorates.
2. It was confirmed that the "grow our own" approach would explore coaching and mentoring opportunities between the council and other local employers, and that there had been early discussions with the Herefordshire and Worcestershire Integrated Care System about transferable skills.
3. It was noted that work was ongoing to address the gender pay gap, informed by emerging research and work at a national level, particularly in relation to flexible working practices and targeted interventions.
4. The committee was advised that: although not mentioned explicitly in the report, apprenticeships featured within the draft workforce strategy and there was engagement with schools; the 'Spirit of Herefordshire' website would include career and learning pathways, although its focus was on the Children and Young People Directorate initially; the council had joined the Local Government Association's National Graduate Development Programme, with three graduates appointed in the current year; and the council wanted to be known as an employer of choice with a skilled and stable workforce.

A committee member suggested that the Spirit of Herefordshire website could include references to apprenticeships.

5. It was noted that a key theme was 'Culture and Belonging' to attract and retain a diverse workforce, and that employee networks had been fundamental in shaping the draft strategy.
6. The committee was advised that the council did not have an overseas recruitment campaign currently but this was being explored, potentially for the Children and Young People Directorate, informed by the learning from the campaigns run by local health partners.
7. A committee member considered that: further consideration could be given to the wording of the themes and objectives (paragraph 19, agenda page 13) for the purposes of brevity and clarity; and the 'Emerging Thrive values' (agenda page 22), should focus on the substance of the content, rather than be constrained by an acronym. The Chairperson welcomed the inclusion of word clouds, as different words would resonate with different people.
8. The Chairperson commented on the need for staff and others to be able to provide open feedback and fair criticism, for unfair criticism of staff to be challenged, and for staff to be supported to try new things, recognising that they will sometimes fail. The Cabinet Member Finance and Corporate Services emphasised the importance of the 'Inspirational Leadership' theme, alongside emotional intelligence. Other comments were made about embedding core values and behaviours.
9. It was confirmed that information from exit interviews had been used as part of a desktop exercise to inform the emerging themes, such as matters around flexibility.

10. A concern was expressed that the strategy should not be too internally focussed, without considering how employees could be enabled to do their jobs better. It was suggested that clarity was needed about how the strategy connected to the County Plan and the Delivery Plan. The Cabinet Member Finance and Corporate Services drew attention to the questions asked during the engagement sessions with staff (paragraph 13, agenda page 11) and commented on the need to develop an agile and adaptive workforce. It was noted that the Learning and Organisational Development Team would work with the Corporate Leadership Team to align the strategy with the County Plan and the Delivery Plan.
11. In response to a question about measures of success, the Cabinet Member Finance and Corporate Services commented on the potential for a key performance indicator on employee churn over a three-year period.
12. In response to concerns expressed about the loss of experienced officers and about opportunities for internal promotion, the Cabinet Member Finance and Corporate Services reiterated the importance of 'Inspirational Leadership' and supporting the workforce to develop skills and capabilities.
13. Attention was drawn to the recruitment and retention challenges identified in a recent presentation to the Health, Care and Wellbeing Scrutiny Committee ([link to the presentation on Home Care Capacity and Delivery](#)). It was suggested that pre-employment 'taster days' could be offered.

The need to publicise the council's apprenticeships was acknowledged; there were 83 active apprenticeships currently.

14. Comments were made about the potential value of council leaders participating in practice interviews for students within schools.
15. The committee was advised that: information had been collected from engagement sessions on organisational culture; as an internal strategy, the public had not been consulted; the Children's Improvement project included a specific work stream on culture; and there would be strategies for each directorate to reflect the different challenges and workforce requirements.
16. The Vice-Chairperson commented that the discussion had been useful but it had been limited by the fact that the draft strategy had not been circulated. The Cabinet Member Finance and Corporate Services noted that the timeline was effectively six weeks late. The Chairperson suggested that board members, as part of a work programming session, may wish to consider the potential for further scrutiny activity.

The Chairperson noted that no formal recommendations to the executive had been identified and invited the Cabinet Member Finance and Corporate Services and officers to take the comments of the committee into consideration as part of the continuing work on the strategy.

Resolved: That the report be noted.

30. DELIVERY PLAN 2023-2024 AND 2024-2028 COUNTY PLAN DEVELOPMENT

The Cabinet Member Finance and Corporate Services introduced the report; this had been published in [Supplement 1](#) to the agenda. It was noted that the report on the Delivery Plan was to be considered by Cabinet on 21 November 2023 ([link to minute 56 of 2023/24](#)).

The principal points of the discussion are summarised below.

1. In response to questions from the Chairperson about the timetable for the production of the County Plan 2024-2028 (Supplement 1, page 4), the Cabinet Member Finance and Corporate Services acknowledged that there was a challenging timeline for the development of the County Plan, and the Director of Strategy and Performance provided an overview of the intended engagement and consultation process. The Cabinet Member added that the delivery of the County Plan was the number one priority for Cabinet. The Chairperson proposed a recommendation that Cabinet consider rescheduling the governance process for the County Plan to enable a level of meaningful consultation to take place with the public and with scrutiny, and that the target date for the plan to go to Full Council be revised to become 8 March 2024. This recommendation was welcomed by the Cabinet Member.
2. It was noted that the presentation of the Delivery Plan 2023-2024 had been delayed and assurance was sought that the deliverables could be achieved within the remainder of the year. The committee was advised that many of the deliverables were continuations of the work identified in previous plans. A committee member considered that narratives should be provided to explain the changes to strategic documents.
3. The Chairperson considered it unfortunate that the format of the Delivery Plan 2023-2024 differed from previous plans, in that it did not set out clearly the County Plan ambitions, the work undertaken to date, and the work that was planned.
4. A committee member commented on the need for: appropriate numbering to assist with reporting and monitoring; identification of the relevant County Plan programmes; specific and measurable deliverables; and clarity about those elements that had been achieved in previous years, such as the establishment of the Economy and Place Partnership Board and the Herefordshire Skills Forum. Presentational points were also made about wording repeated in the Foreword and in the Future Planning and Delivery section, and about the centring of the map image on the final page.
5. There was a further discussion about delays in the production of the documents.
6. With attention drawn to the objective 'Improvement of Children's Services', further comments were made about the absence of specific, measurable deliverables, and RAG (Red-Amber-Green) ratings, which made it difficult for councillors and the public to ascertain whether the council was delivering on the ambitions.
7. The Cabinet Member Finance and Corporate Services said matters relating to formatting and layout would be addressed.
8. The Chairperson expressed concerns about omissions in the Environment ambition, such as the lack of references to the Hereford City Centre Masterplan, initiatives to reduce the council's carbon footprint, the Phosphate Commission, and the position with development within the River Lugg catchment area. The Chairperson proposed a recommendation that a closure report be produced for the existing County Plan to wrap up the achievements over the four years of the plan and to plug some of the gaps that have been identified in the Delivery Plan 2023-24. This recommendation was welcomed by the Cabinet Member Finance and Corporate Services. The Cabinet Member Environment provided an overview of the work that had been undertaken and was ongoing to deliver improved river quality.

9. Concerns were expressed about how changes to the Delivery Plan could impact upon the allocation of resources and the implications for the revenue budget. The Director of Strategy and Performance explained that each individual project included resource to deliver the schemes and any changes would go through a governance process.
10. The Chairperson commented that, whilst recognising that overall ambitions would take time to achieve, service areas needed to identify discrete steps and milestones to provide confidence that progress was being made. It was suggested that there should be 'SMART' (Specific, Measurable, Achievable, Relevant, and Time-bound) identified deliverables as part of the first Delivery Plan for the County Plan 2024-2028.
11. A committee member questioned whether any completed parts of the County Plan could be circulated earlier. The Cabinet Member Resources and Finances commented on the linkages between the County Plan, the Delivery Plan and the budget process, and said that an update could be provided on the matters completed to date.
12. The Vice-Chairperson suggested that simple informatics could be provided, particularly to illustrate the amount of work that had been undertaken. Another committee member commented on the need for plain English, and it was suggested that a glossary of terms be included in key documents.

At the conclusion of the debate, the Chairperson summarised potential recommendations and the following resolution was agreed by the committee.

Resolved:

1. **That Cabinet consider rescheduling the governance process for the County Plan to enable a level of meaningful consultation to take place with the public and with scrutiny, and that the target date for the plan to go to Full Council be revised to become 8 March 2024.**
2. **That a closure report be produced for the existing County Plan to wrap up the achievements over the four years of the plan and to plug some of the gaps that have been identified in the Delivery Plan 2023-24.**
3. **That a Task and Finish Group be convened to provide views and recommendations on the draft County Plan as it continues to develop, with terms of reference to be drafted for approval by the board.**

31. FEES AND INCOME

Further to the 'Income and Charging' report considered at the meeting on 7 November 2023 ([link to minute 18 of 2023/24](#)), the Chairperson said that it had been expected that more information would have been made available in the published agenda for this meeting.

The Cabinet Member Finance and Corporate Services introduced the report; this had been published in [Supplement 2](#) to the agenda. The Corporate Director - Economy and Environment tabled the presentation 'Thrive Transformation', which included slides on 'Herefordshire Council's Thrive Transformation Programme' and 'Thrive: Service Cost Recovery Work Package'; the presentation was published following the meeting in [Supplement 3](#).

The principal points of the discussion are summarised below.

1. It was noted that there was an intention to 'make much greater use of digital technologies to deliver services and improve the efficiency of the council' (Supplement 3, page 4). The Chairperson questioned the risks associated with not being able to realise the benefits and savings of transformational changes. The Director of Strategy and Performance explained that each business case would consider what was needed in terms of upfront investment, the transformation programme, and the service delivery model to recover the investment. It was reported that pilots for an automated contact system had received positive feedback. The committee was advised that clarification could be provided on the budget timescales for wider investment in digital technologies across the organisation.
2. There was a discussion about the differences between services that had to be delivered as part of the council's statutory responsibilities and additional services that could be provided.
3. A committee member commented on the need to explore cost savings fully given the financial pressures on council tax payers and local businesses.
4. In response to a question about the overall target for the transformation programme, the Corporate Director - Economy and Environment said that a long-list of opportunities was being worked through in order to ascertain reasonable targets in terms of efficiencies and increased charges. Comments were also made about the need for services to be affordable and about the longer term sustainability of the organisation.
5. It was noted that budget setting for 2024/25 would include directorate savings, base budget and income plans.
6. It was reported that the government had recently announced that planning fees would increase from 6 December 2023 on most types of planning applications.
7. In response to questions about the council's strategic transformation partner, PricewaterhouseCoopers (PwC), the Cabinet Member Finance and Corporate Services advised that PwC had business and transformational skills that were not available within the council, along with substantial experience of the public sector nationally and internationally.
8. The Chairperson noted that the council had a commercial property portfolio and the appendices to the report included updates on the College Road Campus acquisition and the Three Elms Trading Estate acquisition. The Chairperson also welcomed the provision of the Strategic Asset Management Plan (StAMP) and the Property Services New Ways of Working – Informal Brief.
9. Further assurance was sought that investments in commercial assets were delivering appropriate returns. The Cabinet Member Finance and Corporate Services advised that a review of commercial rents had been undertaken during summer 2023. In response to questions, the Strategic Assets Delivery Director commented on: the standardisation of the approach to lease arrangements and the advice provided to tenants; there had been increases of around 34% to bring rents up to market levels, as part of phases one and two of the review, and phase three had started; whilst some tenants had been lost for various reasons, there was strong demand for units and the need for consistent treatment was emphasised; and the reference to 'Maintain the Terrier' (Supplement 2, page 19) related to the management of the record system for each asset.

10. A committee member considered that the StAMP should make explicit references to environmental sustainability, achieving carbon neutrality, and mitigating the impact of climate change. The Strategic Assets Delivery Director identified that the Carbon Management Plan was referenced and commented on the development of a procedure by a low carbon working group.
11. In response to a question about the maintenance of assets, the committee was advised that capital bids were submitted each year for major works, along with allocations for reactive maintenance and emergency works. It was noted that the costs of materials and labour had increased significantly in recent years.
12. In view of situations in other authorities, assurance was sought that the commercial property portfolio would not expose the council to high levels of risk in the future. The Cabinet Member Finance and Corporate Services advised that the 2022/23 External Audit Findings Report had been issued with an unqualified opinion.
13. In response to a question about the extent to which the StAMP benefitted the whole county, the Cabinet Member Finance and Resources noted the acquisition of commercial properties in Hereford historically and that that viable opportunities elsewhere in the county would be considered going forward.
14. The Chairperson proposed recommendations that the information provided with the budget papers should include: in relation to the commercial property portfolio, assurance that the council was generating an appropriate return for the investment made; and in relation to income and charging, clarity on where income was being generated, with targets clearly identified.

At the conclusion of the debate, the following resolution was agreed by the committee.

Resolved:

That the information to be provided with the budget papers should include:

1. **In relation to the commercial property portfolio, assurance that the council was generating an appropriate return for the investment made; and**
2. **In relation to income and charging, clarity on where income was being generated, with targets clearly identified.**

32. CHILDREN AND YOUNG PEOPLE DIRECTORATE - BUDGET TASK AND FINISH GROUP

The Chairperson drew attention to the draft terms of reference for 'Children and young people directorate – budget task and finish group'; this had been published in [Supplement 2](#) to the agenda.

Resolved:

That the task and finish group be formed according to the terms of reference attached to the report.

33. DATE OF THE NEXT MEETING

It was noted that the date of the next scheduled meeting was Tuesday 16 January 2024 at 2.00 pm.

[Note: In addition, an extraordinary meeting was arranged subsequently for Wednesday 10 January 2024 at 10.00 am]

The meeting ended at 5.08 pm

Chairperson