

**Chief Executive's Office**

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**To: All Members of Cabinet:**  
**R.J. Phillips (Leader)**  
**G.V. Hyde (Deputy Leader)**  
**Mrs. L.O. Barnett**  
**P.J. Edwards**  
**Mrs. J.P. French**  
**J.C. Mayson**  
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**R.V. Stockton**  
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**J.W. Edwards (ex-officio)**  
**A.C.R. Chappell (ex-officio)**  
**Mrs. P.A. Andrews (ex-officio)**  
**T.M. James (ex-officio)**  
**R.I. Matthews (ex-officio)**

15th June, 2005

Dear Councillor,

**MEETING OF CABINET**  
**THURSDAY, 23RD JUNE, 2005 AT 2.15 P.M.**  
**THE COUNCIL CHAMBER, BROCKINGTON, 35 HAFOD ROAD, HEREFORD**

**AGENDA (05/11)**

**1. APOLOGIES FOR ABSENCE**

To receive any apologies for absence.

**2. DECLARATIONS OF INTEREST**

To receive any declarations of interest by members in respect of items on this agenda.

**3. AMALGAMATION OF HUNDERTON JUNIOR AND INFANTS SCHOOLS**

To receive a report on the outcome of the consultations on the statutory notice to close the existing Junior and Infant Hunderton Schools on 31st August 2006, and open a 3 Form of Entry 3 – 11 age range Primary School on 1st September 2006. *(Pages 1 - 4)*



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**Putting People First Providing for our Communities Preserving our Heritage Promoting the County Protecting our Future**

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**4. REVIEW OF DENOMINATIONAL TRANSPORT**

To receive a report on the outcome of the consultations on the future of denominational transport, to advise on policy options, and to recommend a policy to adopt in the future. *(Pages 5 - 28)*

**5. INTEGRATED ANNUAL OUTTURN REPORT 2004/05**

To consider the 2004/05 outturn information for Best Value Performance Indicators, the Capital Programme and Revenue Budget and to provide an update on strategic risks facing the Council. *(Pages 29 - 82)*

**6. DESTINATION HEREFORD**

To consider a proposal to establish a Destination Management Partnership (DMP) for Herefordshire in line with the West Midlands Visitor Economy Strategy 2004. *(Pages 83 - 84)*

**7. YOUTH JUSTICE PLAN**

To consider the Youth Justice Plan and to recommend to Council for approval. *(The Plan is to be tabled at the meeting of Cabinet).*

**8. PERFORMANCE MANAGEMENT FRAMEWORK**

To approve the revised Performance Management Framework attached as Appendix 1. *(Pages 85 - 106)*

**9. HEALTH AND SAFETY ANNUAL REPORT**

To receive a report on actions taken during the last year to progress addressing Health and Safety issues. *(Pages 107 - 114)*

**EXCLUSION OF THE PUBLIC AND PRESS**

**In the opinion of the Proper Officer, the next items will not be, or are likely not to be, open to the public and press at the time they are considered.**

**RECOMMENDATION:**

**That the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Schedule 12(A) of the Act as indicated below.**

**10. OFFICE ACCOMMODATION**

To consider any reference from the Strategic Monitoring Committee following the Call-in of



Cabinet's decision on 19th May in relation to office accommodation. (*The report is to be tabled at the meeting of Cabinet*).

**This item discloses any terms proposed or to be proposed by or to the authority in the course of negotiations for a contract for the acquisition or disposal of property or the supply of goods or services.**

## **11. SOCIAL CARE BUDGET 2005/06**

To receive a report on the management action proposed to manage the Social Care Budget in 2005/06 and the implications this may have on service delivery, particularly for services for people with learning disabilities.

**This item discloses information relating to:**

- a) **any particular applicant for, or recipient of or former recipient of any service provided by the authority;**
- b) **any terms proposed or to be proposed by or to the authority in the course of negotiations for a contract for the acquisition or disposal of property or the supply of goods and services. (Pages 115 - 122)**

Yours sincerely,



**N.M. PRINGLE  
CHIEF EXECUTIVE**

Copies to: Chairman of the Council  
Chairman of Strategic Monitoring Committee  
Vice-Chairman of Strategic Monitoring Committee  
Chairmen of Scrutiny Committees  
Group Leaders  
Directors  
County Secretary and Solicitor  
County Treasurer





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- Inspect background papers used in the preparation of public reports for a period of up to four years from the date of the meeting. (A list of the background papers to a report is given at the end of each report). A background paper is a document on which the officer has relied in writing the report and which otherwise is not available to the public.
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# **COUNTY OF HEREFORDSHIRE DISTRICT COUNCIL**

**BROCKINGTON, 35 HAFOD ROAD, HEREFORD.**

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# AMALGAMATION OF HUNDERTON JUNIOR AND INFANTS SCHOOLS

## PROGRAMME AREA RESPONSIBILITY: CHILDREN'S SERVICES

CABINET

10TH JUNE 2005

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### Wards Affected

Belmont, St. Martins and Hinton.

### Purpose

To receive a report on the outcome of the consultations on the statutory notice to close the existing Junior and Infant Hunderton Schools on 31st August 2006, and open a 3 Form of Entry 3 -11 age range Primary School on 1st September 2006.

### Key Decision

This is a key decision because it is likely to be significant in terms of its effect on communities living and working in Herefordshire in an area comprising one or more wards. It was included in the Forward Plan.

### Recommendations

- THAT (a) **Cabinet approve the closure of the 2 existing schools, and open a 3 Form of Entry Primary School covering the 3-11 age range on 1st September 2006; and**
- (b) **priority is given in the Children's Services (Education) Capital Programme to replace the existing buildings with new accommodation at the total cost of £6,004,500.**

### Reasons

An amalgamated school in new buildings will improve significantly the quality of teaching and learning at this school and benefit considerably the area it serves.

### Considerations

The retirement of the Headteacher of Hunderton Infants School in the Summer of 2004 provided the opportunity to discuss the creation of a single school on the Hunderton site.

The following factors suggested that there were potential advantages in amalgamation.

1. Hunderton Junior and Infants were built as separate schools in the post war period to accommodate 5 forms of entry, i.e. 150 pupils per year or a total of 1050. The numbers of children have fallen dramatically, and there are currently 48 children in Reception classes and a total of 471 children in both schools excluding nursery. It has become feasible to manage that number of children in a single school.

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Further information on the subject of this report is available from  
George Salmon, Head Of Policy And Resources on 01432 260802

2. The evolution of the curriculum requires greater continuity and smooth transition between years. This is easier to achieve in a single school under a single management structure. Good working relationships have been established between staff, but current arrangements varying from separate Governing Bodies, to the very practical issue of separate staff rooms, make this process more difficult and cumbersome than it need be. School performance as mentioned by KS1 and KS2 results are below the County average, and although this may be explained by characteristics of the catchment area, it is imperative for the children involved that everything is done to improve their educational opportunities.
3. The buildings are over 50 years old and the flat roofed reinforced concrete structures require significant maintenance work. Items requiring attention over the next 3 years have been costed at £273,000, and as this addresses relatively small elements of the overall building complex, better value for money would be achieved in modern buildings designed for education in the 21st century. Indeed the distance from one end of the building to the other is 285 metres, and it would be a major obstacle to the success of the single school if new buildings were not provided.

Informal consultations with both Governing Bodies, staff and parents in January 2005 showed support for amalgamation on the understanding that new accommodation would be provided.

Feasibility work has been undertaken showing that a new school catering for 630 and nursery, can be provided on the same site at the total cost of £6,004,500.

This does not include accommodation for the Community Centre, Children's Centre and neighbourhood nursery, which are proposed to be retained on site in the better quality, recently refurbished accommodation.

A bid has been made for this funding under the DfES targeted capital fund. The outcome of this bid will be known in September 2005. It is anticipated that expenditure would be over 3 years, i.e. 2006/07, 07/08 and 08/09. If successful the Council would have to find 20% of the costs. Although significant, this would not be difficult over the 3 year period. If the DfES funding is not available, the project could still be afforded, but this single project would take a major proportion of the capital funding available.

In the statutory consultation period, no objections to the proposal were received. The 2 Governing Bodies reiterated their support. In the absence of any objection, the Council can determine the proposal without further reference. Members of the School Organisation Committee have been advised of the outcome to the consultation, and have raised no queries.

## **Alternative Options**

The proposal to amalgamate the 2 schools could be abandoned, but a significant opportunity to make considerable improvements in this area of deprivation would be missed.

Amalgamation without the provision of new buildings is in theory an alternative, but in practice the benefits sought would be jeopardised and the basis of the public notice which emphasised new accommodation would be undermined.

## **Risk Management**

There is a risk that if nothing is done the education of children in that area will suffer, or will be poorer if the amalgamation does not proceed.

The risk if the proposal is implemented lies in the financial implications of the new building, which will be managed in the standard way. Staffing implications associated with the merger have been assessed, and can be managed without undue difficulty.

## **Consultees**

All parents of existing children at the 2 schools, both Governing bodies, all staff, all schools within the County, the 2 Diocesan Education Authorities, Learning and Skills Councils, and surrounding LEAs.

## **Background Papers**

Consultation Document: Amalgamation Proposals for Hunderton Junior and Infant Schools.



# REVIEW OF DENOMINATIONAL TRANSPORT

## REPORT BY DIRECTOR OF CHILDREN'S SERVICES

CABINET

23RD JUNE, 2005

### Wards Affected

County-wide

### Purpose

To receive a report on the outcome of the consultations on the future of denominational transport, to advise on policy options, and to recommend a policy to adopt in the future.

### Key Decision

This is a Key Decision because it is significant in terms of its effect on communities living or working in an area comprising one or more wards. It was included in the forward plan published on 1st May, 2005.

### Recommendation

**THAT:**

- (a) the Council adopts a policy which provides transport for pupils occupying genuine denominational places on the basis that parents contribute;**
- (b) the new policy should be effective from September, 2006; and**
- (c) pupils currently benefiting from free transport will retain that benefit for the duration of their attendance at their current school, i.e. if pupils currently benefiting from free transport then change their school for whatever reason, that entitlement is to cease.**

### Reasons

The status quo is not an option, and needs to be replaced with a policy that is fair to all and is not discriminatory. Four options are discussed each with advantages and disadvantages, and a recommendation is made on the option which maximises the advantages and minimises the disadvantages.

### Considerations

1. Since its inception in 1998 this council has adopted a policy of offering free transport to those pupils in all the 25 aided schools who 'occupy a genuine denominational place' and who live further than the statutory walking distance from school.

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Further information on the subject of this report is available from  
George Salmon, Head Of Policy And Resources on 01432 260802

2. A concern was raised that the Council's transport policy could be applied unfairly as it depends on the admission policies of the 25 aided schools to define 'denominational place' which then determines who should be offered free transport. The DfES prospectus for the school transport bill which is likely to be incorporated in the Education Bill published in June 2005 emphasises the need to consider the religious, philosophical and linguistic preference parents express. An extract from this is as follows:

*'Some parents choose to send their children to schools with a particular ethos because they adhere to a particular faith or philosophy, or as a result of a linguistic preference. In many cases these schools may not be the nearest school, and parents may incur substantial transport costs in sending their children to these schools. LEAs should pay careful attention to the impact of any charges on low income families whose parents adhere to a particular faith or philosophy, and who have expressed a preference for a particular school as a result of their religious or their philosophical beliefs (or in Wales because of the language of instruction). In our view, it is possible that these categories of pupils may be discriminated against if they are treated differently from other pupils from low income families, unless the different treatment can be objectively justified, for example on grounds of excessive journey length, or having a detrimental impact on the child's education. The obligation not to discriminate in Article 14 ECHR requires that where transport provision is made for pupils travelling to denominational schools it must be made for pupils travelling to non-denominational schools to be educated in accordance with their parents' secular convictions, and vice versa. We think that wherever possible, LEAs should ensure that transport arrangements support the religious, philosophical or linguistic preference parents express'.*

3. The legal position is that the Council has a duty to provide free home/school transport to children who do not live within walking distance of their nearest suitable school. 'Walking distance' is two miles for a child under eight and three miles for a child over eight. Apart from this legal duty, the Council has a discretion to arrange free or subsidised transport for other children, including the child of a parent who wishes a child to attend a school which provides a religious education which is the same as the religion or denomination of the parent. There is no duty to make these arrangements, but there is a clear discretion. As with any discretionary policy the Council must ensure that its home/school transport policy is reasonable, non-discretionary, complies with the provisions of the Human Rights Act 1998 and pays regard to any Government Guidance. Before changing its discretionary policy the Council must consult with the parents and schools affected.
4. The consultation document, included in Appendix 1, was issued to parents of children in the 83 primary schools in the county (13,000) and to 750 parents who benefit from the free entitlement. These parents were selected as they were seen to be the ones who could be most affected by any change. In addition responses were invited from all schools, the two dioceses, the Learning and Skills Council, Council members, Dyson Perrins High School in Malvern and surrounding LEAs.
5. By the end of the consultation period 776 responses had been received. Of these 753 wished the current arrangements to be maintained arguing:
  - the importance of maintaining access to a Christian based education for all pupils wherever they live in the County;
  - the potential of the two high schools losing their comprehensive nature, with only parents able to afford transport being able to access these two schools;
  - Herefordshire Council is unique in reviewing this discretionary policy;

- the risk in encouraging more parents to use their own vehicles with the associated road traffic congestion and environmental problems;
- the fear that children currently attending the two schools would be forced to find places in schools nearer their homes, disrupting their education and involving the authority in alternative transport costs;
- a review of transport arrangements should be done in the context of an overall review of high schools in light of falling rolls;
- That the saving to the Council would not equal the gross expenditure as children may require transport to other schools, and the Council would still be obliged to transport children who qualify to the nearest appropriate school.

More details of the responses are given in the Appendix to this report. Similar points were also made in a meeting in the Town Hall attended by 250 people.

There were 23 responses arguing that a change should be made.

Those in favour of change argue that the current provision is not fair and it is unreasonable for Council taxpayers to pay the costs of travel for some pupils. Some note that the system is open to abuse. A number suggest that, rather than abandon the system completely, parents should be invited to contribute in part or in full.

6. The consultation period in the main highlighted the issues that were identified by the 2004 review of all discretionary transport policies. That review culminated in a view taken by the Education Scrutiny Committee (June, 2004) and subsequently a decision by the Cabinet (September, 2004) that there should be no change.
7. Since that decision, criticism of the current transport policy being potentially discriminatory instigated the need for a further review. In this, other developments since September 2004 also need to be taken into account, i.e.:
  - the DfES approval that the Steiner School should proceed to feasibility stage as a City Academy;
  - the Government's intention expressed in the Queen's speech of more diverse education provision;
  - the outcome of the Autumn consultation over the budget.

## 8. **Alternative Options**

The maintenance of the status quo is not an option as the current policy is potentially discriminatory. The options set out below are offered for consideration. Whatever option is preferred, it is recommended that existing beneficiaries retain that benefit and changed arrangements apply only to pupils entering school in September, 2006 in Years R and 7.

### **Alternative Option 1**

The continuation of free transport for those children occupying a denominational place in an aided school as a result of parental preference based on genuine denominational belief.

### **Alternative Option 2**

The extension of free transport to all who have a place at an aided school, and qualify on distance criteria.

### **Alternative Option 3**

As Option 1 except that most parents will make a contribution as to cost.

### **Alternative Option 4**

Ceasing to provide free denominational transport for pupils admitted to Yr R and Yr 7 in schools in September 2006 onwards.

These options are described in more detail in the appendix with an assessment of the associated advantages and disadvantages.

### **Recommendation**

The conflicting arguments presented during the consultation period have been considered. There is no option which will satisfy all the points. However, it is felt that Option 3 is the best way forward in that:

- it overcomes the risk of discrimination;
- the payment of a contribution by those who can afford to is fairer to the whole community;
- low income families who express a preference for denominational education will not be disadvantaged;
- Council's support for denominational education is maintained and the DfES guidance that parental preferences on religious grounds should be considered is met;
- there is no reason for the character of the schools to change;
- the contribution would be in line with the charge made for vacant seats and therefore there is parity in cost (where there is transport) with parents expressing other preferences;
- the maintenance of denominational transport should not affect adversely road congestion and the environment.

This option has also been 'rural proofed'. The combination of maintaining denominational transport and having a standard charge should ensure that pupils, wherever they live in the County, continue to have access to denominational education.



## **Risk Management**

The purpose of the review is to reduce the risk of a challenge to the current transport policy. Because the meaning of “suitable school” in the relevant legislation and case law is still unresolved, it is not possible to eliminate this risk entirely. A judgement has been made on the options to balance the need to have a fair transport policy, the desire to maintain the comprehensive nature of all schools, and to minimise any impact on the road system around schools.

## **Consultees**

All existing parents of children receiving denominational transport, all parents of children in primary schools, all Herefordshire schools, all surrounding LEAs, Diocesan Education Authorities, all Members of Herefordshire Council, and both Members of Parliament have been informed of the review and invited to send comments.

## **Background Papers**

1. Proposed Change to Home to School Transport from school year 2006/7: Consultation Document.



**REVIEW OF DENOMINATIONAL TRANSPORT**

This appendix contains:

- A. The consultation document.
- B. A summary of the responses received. All those responses, which were received by the closing date of 3rd June, are available in the Members' Room.
- C. The notes of a public meeting held in the Town Hall on 24th May.
- D. An appraisal of options.

## **Section A**

### **Consultation Document**

The following document was sent to:

- i. parents of pupils who currently benefit from the free denominational transport (750)
- ii. parents of children in 83 primary schools in the County (approximately 13,000)
- iii. all schools in the county, and to the Church of England Aided High School, Dyson Perrins in Malvern
- iv. the Hereford Diocese and Archdiocese of Cardiff
- v. the Hereford and Worcester Learning and Skills Council
- vi. surrounding LEAs
- vii. all county councillors.

## PROPOSED CHANGE TO HOME TO SCHOOL TRANSPORT FROM SCHOOL YEAR 2006/7

### 1. Introduction.

Herefordshire Council has a policy on home to school transport that sets out the circumstances in which it will provide free or subsidised transport to help pupils get to school.

The Council has decided that it would like to review its policy. The purpose of this consultation document is to seek your views regarding any changes.

The Council has a legal duty to provide transport free of charge to children who live beyond "walking" distance to their nearest suitable school (2 miles in the case of children under 8, 3 miles for others). There is no question of withdrawing this provision.

### 2. The current position.

The Council has a number of discretionary policies in relation to Home to School Transport and these were reviewed in 2002 and again by the Education Scrutiny Committee in 2004. The Council and its predecessors have been committed to the provision of transport to denominational schools since the Education Act 1944. This discretionary policy currently provides free transport to 800 pupils at an annual cost of £465,000. This figure can be compared with the £2,650,000 costs involved in transporting the 4000 mainstream pupils whose homes are beyond the "walking" distance of their schools. The overall transport budget, which also covers Special Educational Needs pupils and post 16 students amounts to over £5 million. Denominational transport provision represents approximately 15% of the total home to mainstream school transport expenditure. It is the discretionary policy on denominational transport that is the subject of this review.

### 3. Why review the policy?

The Council must be reasonable in its policy and must not unlawfully disadvantage any group of parents or pupils. At present the entitlement to free transport to denominational schools is determined by the admission policies of those schools. As these differ, there is potential for inequality in relation to transport entitlement. The Council wishes to act fairly in relation to all parents and pupils.

### 4. What are the options?

The Council's current policy needs to be reviewed in order to ensure that it is fair. There are a number of options that could be considered.

For example:

- (1) The Council could provide free transport to all pupils who attend a Voluntary aided school on genuine denominational grounds and live beyond the "walking" distance;

Or

- (2) The Council could cease to provide all denominational transport, whilst maintaining statutory provision, from September 2006 or some later date.

The options are not limited to the above and the Council will listen to any representation and consider all suggested options.

### 5. Will the Council continue to support families who experience financial hardship, or pupils with Special Educational Needs, or in other exceptional circumstances?

Yes, discontinuance of assistance in these circumstances is not being considered.

### 1. What happens next?

This document has been circulated as follows:

- To all existing parents of children receiving denominational transport
- To all parents of children in primary schools
- To all Herefordshire schools
- To surrounding LEAs
- Diocesan Education Authorities.
- To all members of Herefordshire Council
- To both Members of Parliament

This consultation will now allow all individuals or bodies to express any alternative proposals, objection or comment, in writing to the Council by 27th May 2005. These comments/objections will be submitted to the Council's Cabinet in June 2005 for a final decision. Details will then be submitted to the Local Admissions Forum in July, 2005 when the 'Information for Parents Booklet' is considered which sets out the Council's policy on pupil admissions for the period commencing September, 2006.

Written comments should be sent to:

**School Transport Consultation**  
**Children's Services Directorate**  
**PO Box 185**  
**Hereford HR4 9ZR**

Or

**Email to: [Schooltransportconsultation@herefordshire.gov.uk](mailto:Schooltransportconsultation@herefordshire.gov.uk)**

## **Section B**

### **Summary of Responses**

By the end of the consultation period 776 responses had been received. 570 of these were in the form of a standard letter, and to all intents and purposes act as a petition favouring the maintenance of free transport. There were a further 183 responses in favour of free denominational transport.

There were 23 responses suggesting change.

The arguments put forward to maintain free transport are as follows:

**1. The importance of maintaining access to a Christian based education for all pupils seeking such education wherever they live in the County, given the state/church partnership in providing schools in the County.**

There is no doubt that there has been a long standing partnership between Church and State in providing schools in Herefordshire. There are 25 aided schools in the county, 23 in the primary sector and 2 in the secondary sector. In the primary sector the 20 Church of England schools act as the provided school for defined catchment areas, and this is reflected in their admission policies. Some offer an additional role of providing denominational education for those who seek it from ecclesiastical parishes, which are more extensive than the immediate catchment area. The three R.C. primary schools offer places to baptised Catholics across the County.

In the secondary sector, St. Mary's R.C. High School offers places to baptised Catholics across the county. The Bishop of Hereford's Bluecoat High School is the provided high school for a defined area including part of Hereford City, and an area extending out to Mordiford and Fownhope. Approximately 150 places are offered to those in this catchment area, and as second priority approximately 80 places are offered to those seeking a denominational place and who have an allegiance to a church, which recognises The Trinity.

As a measure of this state/church partnership, the 25 aided schools have invested over £10 million in improving their buildings since 1998. Prior to 2001 the Governors found 15% of these costs. Since 2001 Governors have been responsible for 10% of the costs. It is estimated that Governors of aided schools in the county have contributed at least £1M to the maintenance and improvement of these schools. The DfES fund the other 85% and 90% of costs. It is a recurrent theme in the consultation that without the Church's involvement in the provision of schools the state would have had to find the full cost.

As part of these arrangements, the Council has used discretionary powers to transport children to these schools if they live beyond the statutory walking distance. The partnership has worked well with the aided schools in Hereford performing well and being popular, and no school applying for Grant Maintained Status in the past. Consideration needs to be given to how critical free transport is to this partnership, and on this issue the experience in other authorities and the issue on the risk to the comprehensive nature of the schools, discussed below, needs to be taken into account.

From the parent's and pupil's perspective there is no doubt that free transport does offer those parents, whose children qualify for a denominational place, more choice, and is an attractive proposition. There is also no doubt that Government is encouraging the development of opportunity for the expression of parental preference, and also more diverse education provision. Some parents are claiming both denominational education and free transport as a human right. This is not the case, and in the context of the rights of parents to express a preference, the availability of free denominational transport does favour some parents more than others. Indeed it is estimated that there are over 2000 pupils not entitled to free transport who are attending the school preferred by their parent which is not the provided school. With the approval of a feasibility study for the Steiner School at Much Birch to become a City Academy, the DfES have been asked to clarify transport responsibilities for those pupils who might attend that Academy in the future.

An analysis of the home addresses of high school pupils currently benefiting from free transport does reveal that the number of pupils attending the two aided high schools is in inverse proportion to the performance of their provided high school, i.e. where the performance of the provided high school is lower than average there is a greater likelihood of a denominational place being sought.

**2. The potential of the two High Schools losing their comprehensive nature, with only those parents able to afford transport costs being able to access these two schools.**

This point has been made by both high schools and parents. Although the nature of the intake of all 14 high schools does vary, reflecting the area they serve and degree to which parental preference works, it is not in the interest of education in the County for some schools to become significantly less comprehensive than at present. The intake of both St. Mary's and Bishop of Hereford High Schools, when measured in Key Stage 2 results, is above the County average. The suggestion that some parents will send their children to the provided high school in the future instead of St. Mary's or Bishop's could benefit the provided high schools. If this is a significant number, the question arises would those places in the 2 aided high schools then be filled by students from more affluent families.

Two assessments have been made on this. Firstly, a comparison has been made of the intake of pupils currently at the two high schools between those in receipt of free transport and those paying for transport. There is some evidence that the pupils currently paying for transport did have better Key Stage 2 results.

Secondly, the experience of Worcestershire has been sought, where parental contributions for denominational transport were introduced in 2000. Worcestershire report no discernible difference in the five aided high schools, comparing the schools prior to the introduction to charging and the period since.

The Council does have a duty to give consideration to the denominational preferences in its transport policy, and it would be in keeping with this duty, if in the event of free transport being abandoned, a system of support for hardship cases could be introduced. In the consultations, any future reliance on eligibility for free school meals was criticised as being too limited. However, eligibility for free school meals would be an objective criterion that could be effectively applied. Consideration could also be given to reduced rates for siblings.

In conclusion, there is a risk in the two high schools becoming less comprehensive. It is difficult to measure that risk, other than to observe it would vary according to the degree of change proposed and any policies put in place to support hardship cases.

### **3. Herefordshire is unique in considering change to the discretionary transport policy.**

There are 150 LEA's in England. Almost 50% of these are urban authorities, where the majority of students live within walking distance of schools or the public transport system is so good that Council funded school transport is minimal. In the larger more rural authorities there has been an increasing tendency to undertake reviews, and it has been found that the position is as follows:

- Gloucestershire – free transport available to Catholics only within a 10 mile radius of two R.C. aided schools concerned (Gloucester and Cheltenham).
- Worcestershire – parents contribute £100 per term towards cost of transport.
- Shropshire – free up to 6 miles for primary denominational schools and 16 miles for secondary denominational schools – [this provision is about to be reviewed].
- Bath and North East Somerset – about to commence a review and are preparing their consultation document.
- Somerset – parents contribute £60 per term towards cost of transport.
- Northamptonshire – from September 2003 no transport provided on denominational grounds.
- Devon – parental contribution of £70 per term.
- Essex – parents contribute £100 per term towards cost of transport.
- East Riding – from September 2004 no transport provided on denominational grounds.
- Warwickshire are in the process of reviewing their denominational transport provision.
- Nottinghamshire are in the process of reviewing their denominational transport provision.
- London LEAs – free transport to all children under the age of 16 (33).
- Norfolk – undertaking review.

A point was made in the public meeting that each authority is unique and Herefordshire should have policies suited to this County. This is fully supported. The evidence of circumstances in other LEAs was produced to answer the criticism that Herefordshire was alone in considering change.

### **4. The impact on the means of travel to school.**

Currently 710 students have free transport on denominational grounds to the 2 aided high schools. If free denominational transport was withdrawn, some of these students may be brought to school in their parents' cars, which would be contrary to the drive by the Council to reduce car usage.



However, the position is not as simple as suggested. Under half of the 710 pupils travel on dedicated school buses. 52% use public bus services, seats on buses carrying mainstream entitled riders to The Bishop of Hereford's Bluecoat School, and a small number already rely on parents' vehicles. The public bus services could continue to be used if parents were willing to pay the fares, and commercial operators may respond to demand if the 9 dedicated school bus routes were curtailed.

If free transport were to be withdrawn some increased car usage should be expected. The level of increased car usage would depend on which option was chosen. In the consultation it has been suggested that free transport should be available to all children attending school. This does have many attractions, but it is estimated that the cost of running such a service would be between £15-20 million per annum, and it would be some time before there was capacity in the County in terms of vehicles and drivers to operate such a system.

**5. The disruption of pupils education if free transport was abandoned, and parents were forced to place their children in their provided school is unacceptable.**

The recommendation is that if any change is to be made, it should not apply to students who currently benefit from free transport. This is on the basis that when parents stated a preference for a school, they did it in light of information given by the Council in the 'Information to Parents Handbook'. Although pupils, particularly those who have not started public examination courses, can and do change schools successfully, it is not a course of action that the authority should be forcing upon children.

Linked to this argument is the question of siblings, and, if changes were to be made from September 2006, some parents have argued that they would be unable to afford to send their younger children to the same school as older brothers and sisters. In terms of the provision of an effective education for siblings, this is not felt to be sufficient reason to make special provision for siblings if policies were changed.

**6. Any review of transport arrangements should be done in the context of an overall review of high school provision in light of falling numbers of pupils in the County.**

The availability of free transport or not is likely to affect parents' preferences for schools. It will not affect per se the total number of students in the County, nor the total capacity of schools. There will be approximately 1900 students entering high schools in September 2005. This compares to a peak in 2001 when there were 2044 students. The number of children entering primary school in September 2005, will be approximately 1600, and by 2012 this lower number will be entering high schools.

There is no doubt that falling numbers is currently affecting primary schools, and will affect high schools in coming years. However, in 1993 only 1661 pupils entered the County High Schools in that year, and all current planning is being undertaken on the basis that all 14 high schools will remain, albeit with reduced capacity in the future.

Denominational transport and future school provision can be dealt with separately, unless there was a wish to pursue more radical rationalisation of high school places.

## **7. The Review is being driven by cost reasons alone and the desire to make savings.**

The cost in 2004/05 financial years in providing free denominational transport was £465,000. This was not the reason why the review was instigated, but it is a factor which must be considered in the review.

It has been repeatedly stated that if free transport was abandoned, any reduction in expenditure could only be achieved over time as current beneficiaries left school, and would be offset by an increased demand for children in the future wishing to access their provided school. It is impossible to predict accurately what the latter would be, but the best estimate is that at the end of a 5 year period, i.e. 2011, a reduction in expenditure of around £250,000 could be expected (at present day prices).

The Council since its inception in 1998 has always spent at the Government figure of Education Formula Funding Share (EFFF). If this policy continues, any saving in school transport would be used elsewhere in the education service and it is a legitimate question whether the current expenditure, which supports parents seeking denominational education and the partnership between Church and State, is the best way to spend this money. £250,000 does equate to almost £11 per pupil in all schools.

The consultations held in the Autumn of 2004 over the budget revealed little support from the sample of 504 households involved for this discretionary expenditure.

Indeed 67.4% of respondents favoured a reduction in Council's expenditure by withdrawing provision for home to denominational school transport. Charging parents £130 per term was an option identified by the Household Survey as a reduction causing least displeasure.

The Household Survey was statistically robust and a representative reflection of the views of the whole adult population. The same outcome was also seen in the 156 responses in the consultation with the Citizen's Panel, the 64 responses from the Council's website, the 1695 responses to a simplified questionnaire in the Hereford Times and Herefordshire Matters.

### The Views of Schools

During the consultation period meetings have been held with Governors of both St. Mary's R.C. High School and The Bishop of Hereford's Bluecoat High School. Both Governing Bodies argue strongly that free denominational transport should be maintained, fearing that its loss would undermine their role in serving the Christian Community in Herefordshire, and alter the nature of their schools. Both schools favour the classification of what can be considered a true denominational place, distinguishing school places on terms of the status of the school.

Aided primary schools have offered support to the case presented by high schools.

There has been little response from other schools. In the Spring of 2004 the consultations undertaken as part of the wider review of discretionary policies revealed that of the 43 schools who responded at that time:

- 16% were in favour of the status quo
- 28% were in favour of removing all subsidy
- 42% were in favour of seeking parental contribution
- 14% were in favour of offering free transport within mileage limits.

Schools have been contacted again and their response suggests that their views remain the same.



## Section C

# HEREFORDSHIRE COUNCIL

## Notes of Home to School Transport Consultation Public Meeting Held on 24th May, 2005 at 7pm

Meeting started at 7.40pm

Chair: Colin Riches

Speakers: George Salmon, Head of Policy and Resources  
Councillor D.W.Rule, Cabinet Member for Children's Services  
Andrew Blackman, Admissions and Transport Manager  
Rev. I. Terry, Hereford Diocese  
Mr C. Lambert, Headteacher of St. Mary's R.C. High School  
Mr A. Marson, Headteacher of The Bishop of Hereford's Bluecoat School

Apologies: Bill Wiggin, MP

**Colin Riches** introduced himself as the Chair of this meeting and all six speakers. He reminded people that this meeting was concerning two issues.

1. Denominational Transport and not about any other transport issue other than those of faith.
2. The issues raised will be very emotive but this is a measured consultation.

CR explained the format of the meeting. The six speakers will take their turn to speak and then there will be a break where the public will be invited to comment on slips provided and enter them in the boxes around the room. These will then be considered in the second half of the meeting. They will be separated into categories of legal consideration, cost implications, traffic issues and the future of schools.

These will then be answered in turn, CR reminded them of the factual basis of this meeting it was not a debate.

**Councillor Rule** gave an introduction to the review and procedure and offered his thanks for being invited to the meeting. He addressed the meeting by stating they were here to listen and answer questions and points of fact, if these could not be answered the questions will be noted down along with the details of the person asking the question and answered by the end of the week. He finished up by saying the final decision of this consultation would be decided by Council.

**George Salmon** started by stating some people would be aware that there was a review of transport policy taken last summer report to Cabinet and Education Scrutiny and at that point Scrutiny and Cabinet decided no future action should be taken and it was felt that it was settled. There was a debate in the Autumn term over Vacant Seats from Ross on Wye area. In light of the challenge by parents, the Council consulted Queen's Counsel to check whether it was correct. They said yes they had followed right procedures for Vacant Seats but needed to check denominational transport policy and that the Council's policy may not be consistent and fair. It was felt it was mostly a high school problem. The Queen's Counsel advised that a non-discriminatory transport policy could be linked to a genuine denominational place, but a clear definition of genuine denominational policy in 25 aided schools is needed. Because the existing policy means Council is at risk of treating parents unfairly, a review is required. Therefore there was Cabinet approval to the review in March and letters were issued via schools to primary age children who were most likely to be

affected and the two high schools where letters were sent to all who currently benefit. Following complaints of how these were issued, there were checks made with the schools and GS was satisfied that the majority of parents were made aware of the consultation. However it had been decided that the consultation period should be extended by a further week. Cabinet will then feed the result into the Local LAF (11<sup>th</sup> July) to determine the admissions policy for September, 2006. All comments and views would be taken as part of this consultation period. GS will be writing the report that will go to Cabinet on 23<sup>rd</sup> June and a council decision will be made as to the outcome. The report will identify options, including abolishing the existing free transport or continuing much as present albeit with some alteration to meet legal point. GS invited any suggestions or proposals if there was felt to be one but at this moment in time no alternative had arisen.

**Andrew Blackman** relayed some key statistics on the current situation on denominational transport as follows:

#### **Current Denominational riders:**

75 Primary and 710 High School pupils at an annual cost of £50K (average of £666 per primary pupil per annum) & £415K (average of £585 per high school pupil per annum) respectively

#### **High Schools**

St Mary's – 689 pupils on roll and 395 pupils in receipt of denominational transport (57%)

Bishop's – 1192 pupils on roll and 315 pupils in receipt of denominational transport (26%) and 165 pupils in receipt of mainstream transport (14%)

Remaining 12 High schools have 8189 pupils on roll and 2891 in receipt of mainstream transport (35%) at a cost of circa £1600K (£553 per pupil per annum)

NB Primary schools entitled mainstream riders total 1195 out of a school population of circa 13,000 (9%) and cost £1050K per annum (£878 per pupil per annum)

#### **Current Year Transfers**

This year 1987 pupils are transferring to high schools of which 102 (5%) pupils are eligible for denominational transport and 324 (16%) pupils living more than 3 miles from their preferred school are not eligible for transport as they will be attending a non-catchment high school. Therefore there are more than three times as many parents who are exercising their parental preference to attend a non-catchment school and thus make their own transport arrangements than there are pupils currently eligible for denomination transport.

Of the 1987 pupils transferring this year 1372 (69%) are taking up their catchment places. All pupils transferring under denominational criteria would have been offered a place at their catchment school if they have put their catchment school as a higher preference above Bishop's/St Mary's.

Birth rate decline – over next 5 to 7 seven years the number of pupils transferring from Primary School to High School each year will decrease from approx 2000 to approx 1850 and thus pressure on High School places will decrease. The current total PAN for High Schools in Herefordshire is 2100.

## **Current Denominational Transport arrangements:**

Broken down as follows:

Dedicated vehicles	48% - comprising 9 dedicated buses, 5 serving Hereford City, 2 from Ross and 2 from Leominster
Own Transport	4%
Public Bus Service	40% - of which 60% change at either the Hereford County or City Bus Stations
Shared Mainstream vehicles	8% - made up of 14 vehicles carrying mainstream entitled pupils

## **Other Local LEA's Policies:**

- Gloucester – free to Catholics only within a 10-mile radius of two schools concerned (Gloucester and Cheltenham).
- Worcestershire – parents contribute £100 per term towards cost of transport
- Monmouthshire – no denominational transport provided
- Shropshire – free up to 6 miles for primary denominational schools and 16 miles for secondary denominational schools – this provision is about to be reviewed.
- Powys – free transport to 2 x primary Roman Catholic schools only.

## **Other LEA Policies:**

- Bath & North East Somerset – just about to commence a review and are preparing their consultation document.
- Somerset – parents contribute £60 per term towards cost of transport.
- Northamptonshire – From Sept 2003 no transport provided on denominational grounds
- Devon – parental contribution of £70 per term
- Essex – parents contribute £100 per term towards cost of transport
- East Riding – From September 2004 no transport provided on denominational grounds
  
- London LEA's – free transport to all children under the age of 16.

CR asked how many Council's do provide free denominational transport?

AB said this was difficult to answer as London doesn't have the same issues and there is different criteria at other LEA's.

**Revered Ian Terry** began by thanking Lynn Johnson for organising the meeting and felt it was a testament of the importance of the issue by the turnout. He addressed two general points of principle. The first was provision, the Church values the partnership with the state which began in 1870. The provision of both the Roman Catholic and Church of England [which was a quarter of primary school places (this was considering the buildings that they own) and over a seventh of all high schools] needed to be recognised. This was no small contribution and needs to be taken seriously. Secondly the principle where Church Schools have provided education to the less well off. The churches together have delivered high quality education service to all. Withdrawing the denominational transport will hit the poorer Christian people the most.

**Mr C Lambert** wanted to thank Father Martin for all his work. CL put it was an issue of choice. Should parents of Catholic and Anglican faith be denied choice because they cannot afford the transport. 22<sup>nd</sup> September, Stephen Twigg stated that there was no

agenda to remove free transport in the transport bill. The Queen's speech said it was important to offer choice and that faith schools were valued. AB had named 7 local authorities. 106 in the county. Herefordshire is different given its rurality. Transport is difficult with no infrastructure. It was not fair to compare Powys and Monmouth as they do not have Catholic schools. What is this about and why now? Parents have the right to have their children go to a school of their choice, the system works. When the Vacant Seats policy was taken away 22 children who attended St. Mary's were effected and some have now gone to alternative schools. CL felt they would lose between 75 and 100 children because of this throughout all year groups, this would alter the character of the school. If the location was different and St. Mary's was in the city this may be different, but it is not, originally it had been Herefordshire Council who had determined that the RC High School should be located in Lugwardine. Both schools already pay for this by a capital building programme the school and Governing Body have to fund 10% of that cost.

**Andrew Marson** wanted to raise two points in addition to him lending support to the two previous speakers.

1. First point. Why was this not taken to Scrutiny Committee? It is a legal concern. On May 11<sup>th</sup> when Council came to see Governing body it was clear that there was misunderstanding in the way in which our Governors interpreted entitlement and the way in which the authority did. Under the admission arrangements for Bishop's only the Church of England pupils with Category 3 (Church Places) are eligible for denominational transport. Our Category 3 is different from St. Mary's we have an Ecumenical policy for church places. On the SA1 form, when parents apply for transport it states that the pupil must provide information if your request is based on genuine denominational grounds.
2. Second point was the speed of the review. It was viewed by Council as quite a simple issue. It is not. Bishop's is different from St. Mary's. It effects the whole school provision and broader transport issues. If denominational transport was taken away and buses disappear there will be a lot more cars and more traffic.

In the second half of the meeting, questions relating to the legal, financial and impact on the schools from members of the audience were put to the panel.

The Chairman closed the meeting at 9.15pm.



## **Section D**

### **Appraisal of Options**

#### **Option 1**

**The continuation of free transport for those children occupying a denominational place in aided schools as a result of parental preference based on genuine denominational belief.**

This option would provide free transport to those students living beyond statutory walking distance for Roman Catholic students attending Roman Catholic aided schools, and Church of England students attending Church of England aided schools. Staunton-on-Wye Primary School although outside the Hereford Diocese family of schools, does have links through its trustees with the Church of England, and would therefore be considered as a Church of England school.

Free transport would not be available to pupils who attended Church Schools from other denominations.

This policy would enable the Council to have a clear and consistent transport policy that took into account the main denominational preferences of parents.

In the main, it would maintain the benefit currently enjoyed by the 750 pupils, with only a limited number of children from Methodist, URC, Baptist and other Church backgrounds being denied such benefit.

There would be no additional cost, and no savings, and the impact on roads/environment would be the same as at present.

However, in maintaining benefit for one set of parents on denominational grounds, other parents expressing preferences for schools other than their provided school may still feel unfairly treated.

#### **Option 2**

**The extension of free transport to all who have a place at an aided school and who qualify on distance criteria.**

Although this may avoid having to make a distinction between pupils attending each aided school on who should and should not have transport, it creates a wider anomaly between those attending aided schools and those attending Voluntary Controlled and Community Schools. This is less defensible than the current arrangements.

Costs would increase, but more school journeys would likely to be by bus.

### Option 3

#### **As Option 1 except that most parents will make a contribution to cost.**

A prerequisite in this option (as in Option 1) is the need to define a denominational place in terms of the denominational character of the school. If this is achieved for all 25 aided schools, subsidised transport could be offered. This would continue support for denominational places and denominational schools, and answer the fears concerning increased traffic congestion. If this model were to be adopted, places on buses would be offered at the same rates as under the vacant seats policy which currently stand at £100 per term (£35 per term for those in receipt of FSM). There would be increased administration costs in implementing this. It is difficult to estimate the number of parents who would take up this option, but if the majority entitled took up this option, this would lead to a net saving of approximately £150K at the end of 5 years. The risk in increased traffic congestion would be minimised. Contributions would be waived for parents who qualify for free school meals or for third and subsequent children in a family.

#### **Note:**

In the event that Options 1, 2 or 3 are adopted it would be necessary to provide similar arrangements for genuinely secular parents who do not wish their child to attend a church school if that is the nearest school and there is no other suitable school within the statutory walking distance.

### Option 4

#### **Ceasing to provide free denominational transport for pupils admitted to Year R and Year 8 in schools in September 2006 onwards.**

This does answer the criticism of potential discrimination in the transport policy in that benefit would be withheld from all new applicants. It would treat the application to an aided school which was not the provided school, as a form of parental preference, where parents are responsible for transport.

The authority could meet its legal obligations by considering hardship cases in which various factors prevented pupils attending denominational schools.

The authority could offer an agency arrangement in which buses are provided under contract to the school or parents at cost, but is unlikely, because of the high costs involved, that this would be seen to be attractive to school or parents.

The withdrawal of free transport is unlikely to have a significant impact on overall numbers in the primary or high schools involved. In primary schools the numbers currently benefiting from school transport are low and distances travelled limited. In the secondary sector, both high schools have high reputations, and in recent years have been oversubscribed. It is predicted that this will continue, but there may be fewer children from families on low incomes, and those that live further from Hereford City. Both Governing Bodies believe that this will happen, and that it will be to the detriment of the comprehensive nature of the schools.

Some growth in the use of private cars may occur, but not to the extent which was argued in the consultation. Given that less than 50% of those benefiting from free transport travel by dedicated buses, (which if withdrawn could be replaced by commercial services), it could be expected that in future the majority of pupils would travel by public transport.

On cost, although it is impossible to be precise in this, it has always been envisaged that a net saving of around £250,000 could be expected in five years time under this option. This is on the basis that some pupils in the future will choose to go to their provided high school and be entitled to free transport.



# INTEGRATED ANNUAL OUTTURN REPORT 2004/05

## PROGRAMME AREA RESPONSIBILITY: CORPORATE STRATEGY AND FINANCE, AND CORPORATE AND CUSTOMER SERVICES

CABINET

23RD JUNE, 2005

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### Wards Affected

None

### Purpose

To consider the 2004/05 outturn information for Best Value Performance Indicators, the Capital Programme and Revenue Budget and to provide an update on strategic risks facing the Council. The integration of these key areas into a single report mirrors the structure and approach of the Corporate Plan adopted by Council in March, 2005 and is central to achieving an effective performance management system.

### Key Decision

This is not a key decision.

### Recommendations

- THAT (a) the Best Value Performance Indicators for 2004/05 be approved for publication subject to any detailed textual amendments required;
- (b) the key areas of variance of performance from agreed targets be noted;
- (c) the final Revenue Outturn be noted and the transfers to and from Reserves be approved;
- (d) the Capital Programme Outturn be noted; and
- (e) the current position in relation to key corporate risks be noted.

### Reasons

This report marks a significant change to the approach to corporate performance reporting, bringing together performance indicator, risk management and financial information into a single report to provide Cabinet with a coherent picture of the Council's performance. This report includes annual information for 2004/05 for formal Cabinet approval. Progress on performance for 2005-06 will also be reported in an integrated format at 4, 6, 8 and ten months.

### Considerations

#### Key points from the Council's performance 2004/05

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Further information on the subject of this report is available from  
Sue Griffiths, Head of Performance Management on tel: 01432 260476

or

Andrew Tanner, Assistant County Treasurer on tel: 01432 260162

1. This overview highlights areas where performance is at a significant variance with the performance in the preceding year or targeted performance. It also highlights particular difficulties with or significant issues in relation to any BVPIs. The full suite of BVPIs is included in Appendix 1.

### **Corporate Health**

2. The Council has met the level 1 Equality Standard for local government in respect to gender, race and disability. This demonstrates that it has clearly set out policies and commitments for tackling these diversity issues. This will provide a firm foundation for moving to level 2 and beyond.

LPSA 1 contained a stretched target for delivering e-enabled services and the target of all relevant services to be delivered electronically by 31st March 2004 was not met. By 31st March 2005 85% of services had been e-enabled and the Council will continue to work to meet its objectives in this important area.

Last year's staff sickness absence figures were qualified by District Audit, so an action plan has been in place for 2004/05 to improve their accuracy. This has uncovered a degree of under reporting primarily in schools. Consequently the outturn of 10.3% is disappointing being significantly above target and presenting a challenge to the Council in meeting the targets which have been set for the next three years.

The BVPI for payment of invoices within 30 days was also qualified last year and subject to an action plan. It remains below the target of 100% at 90.2%, although the Council is satisfied the information is now more robust.

### **Children's Services, including Schools**

3. At GCSE level attainment on the standard 5 A-C passes has fallen in 2004 and is well below the tough targets agreed with DfES. GCSE attainment for looked after children has increased significantly however and this is an area which had been subject to external criticism prior to the Summer 2004 sitting. Key Stage 3 results, which are normally a good indicator of future Key Stage 4 performance, have all improved and achieved the targets with the exception of science. This mirrors the downward national trend for science results at this level. Improvements continue to be made at Key Stage 2 with a sharp rise in success in the English test.

Although there has been an improvement in absences in primary schools, the number of days absent in secondary schools has increased in 2004/05.

LPSA 2 indicators and targets are still being negotiated but it is intended that in the area of education they focus both on reducing school absences and achieving the wider attainment targets at GCSE.

Performance on Special Educational Need statements continues to be problematic being significantly below target and also qualified in 2003-04. Performance on alternative tuition for excluded children is also below target. It should be noted that this represents a relatively small number of children. The revised BVPI for 2005-06 will measure the proportion of excluded children receiving a higher input of tuition i.e. more than 21 hours or more and the outturns for this year suggest this may be challenging for the Council.

There has been a 20% improvement in reducing teenage pregnancies on 2003/04 which would place Herefordshire firmly in the national top quartile using previous

year's comparisons.

In addition to improvements in educational attainment for looked after children, the numbers of children being adopted is improving and has exceeded target and the proportion of those leaving care and going into further education; employment or training has increased, reaching a similar proportion to young people generally.

#### **Health and Social Care – Adults**

4. The outturns for the key BVPI's for independent living for older people i.e. the proportion of older people being helped to live at home and households receiving intensive home care were disappointing. Performance for both fell last year, missing the target and remaining well below the top quartile nationally.

The national change in criteria re: data which can be included has significantly affected the 2004/05 position. It is not a reduction in activity.

Performance on delivery of equipment appears to be improving although a qualification on this indicator means comparisons are hard to make between years.

In relation to the assessment of older clients, performance is below target for length of time from referral but exceeding target from the time when assessment is complete to provision of a service. The LPSA 2 will continue to focus on improving performance in relation to the independence of older people but clearly this remains a challenging agenda for the Council.

#### **Housing and Homelessness**

5. An ambitious target was set for 2004/05 for no families to be placed in bed and breakfast accommodation. Although performance was improved on 2003/04 the target was again not reached. The average stay in hostel accommodation also exceeded target and was a deterioration on the 2003-04 outturns.

The extent of homelessness in Herefordshire has now been separately reported to Cabinet and short and longer-term solutions will be scoped for a report to Cabinet in July.

#### **Housing Benefit and Council Tax Benefit**

6. One of the main outcomes of the Service Improvement Programme has been the efficiency gains within the Revenues and Benefits Service. Not only will costs be reduced but the key indicator for processing housing benefit applications shows a decrease in the average time for determining new applications of 21 days. However the target for processing changes to claimants' circumstances was not met and performance was below that for 2003-04, partly due to changes in methodology.

The number of housing benefit claimants visited also missed the target and has deteriorated since 2003-04.

#### **Environmental Services**

7. In the following areas within the Environment Directorate performance either exceeded targets and/or improved on previous year's performance:
  - Cleanliness standards in streets

- The percentage of new homes built on brown field sites
- People killed or seriously or injured on the county's roads
- Condition of non-principal roads
- Waste recycling and the percentage of waste land filled
- Best practice standards for environmental health and trading standards

Areas where performance was worse than expected include temporary road closures, due primarily to the Folly Lane works, bus journeys which have fallen by 500,000 in a year which is disappointing when considering a key transport strategy is to promote the use of public transport and planning.

The turnaround of planning applications has been affected by a number of factors, not least the difficulty the Council has encountered in recruiting planning officers, Although the efficiency of the service compares well in terms of the number of planning applications handled by each officer, the key performance measurements of applications determined within defined timescales are all below target and worse than 2003-04.

It is expected that LPSA 2 once agreed will stretch performance further in street cleanliness and road safety.

It should be noted that the above improvements in the key BVPIs cover a wide and substantial range of the Directorate's business. This resulted in a service category increase from 1 to 3 in the CPA refreshed scores at December 2004.

### **Culture and Related Services**

8. Many of the culture indicators are measured via the Best Value satisfaction survey, the next one being scheduled for Autumn 2006. Of indicators reported for 2004/05, the number of library visits have improved and exceeded the target while visits to museums has gone down and missed the target.

Visits by organised school groups has also reduced dramatically and missed target but this is due to the *Museum on the Move* facility only being available in one out of three years, 2004/05 not being one of them. Targets have now been amended accordingly for future years.

### **Community Safety and Well-being**

9. The outturns for community safety and well being are generally good with targets being met, exceeded and/or improved performance since 2003-4. Two areas of concern are the increase in violent offences committed in a public place or while under the influence, both of which are worse than last year and miss their targets.

### **Performance on BVPI's 2004-5 conclusion**

10. Overall performance is on target and improving slightly. Although 128 BVPI's are reported, not all are suitable for year on year comparisons either because they are new, the definitions have been changed or comparisons are not relevant e.g. BVPI 1 requiring a yes/no response on whether the Council has a community strategy. For those indicators which can be compared 52.8% improved between 2003-04 and 2004-5, 42.7% deteriorated and 4.5% stayed the same. The quartile information for



indicators will not be available for some time but in previous years this has been good for many of the Council's BVPI's. There are clearly, however, some significant areas of under performance which will require detailed attention and improvement planning to bring back on course for 2005-06.

### **Summary Of Financial Performance**

11. Where possible linkages are being made between service and financial performance. This is important in being able to understand the impact of financial resources in terms of outcomes. In this way the alignment of resources to priorities and areas of comparatively poor performance can be monitored.

### **Revenue Outturn**

12. Appendices 2 and 3 sets out in detail the Council's revenue performance for the year. It shows a net underspend within the programme areas of £3.7 million. This can be misleading in the sense that this figure is made up of significant overspends in addition to underspends.

### **Service Underspends**

13. Some major examples of service underspends are:
  - £2 million in Children Services including Standards Fund, which is accounted for on a school year basis, and a job evaluation supplement for 2005/06;
  - £1.4 million in the Environment programme area including the anticipated significant under spend through delays in waste minimisation schemes and the PFI contract, and within the Planning service which has been reflected within the 2005/06 budget.
  - £900,000 in ICT which will be used in the current year and was is earmarked for re-investment in line with the key corporate priority to drive service improvement through ICT.

There are performance issues raised here and there is a link between the comparatively poor performance on planning application turnaround times and the service underspend. An action plan is seeking to redress performance in this area and more effectively use the Planning Delivery grant.

In addition to the above underspends the corporate budget for the financing of capital expenditure and day-to-day cash management has also shown a significant surplus for the year. On one hand this demonstrates good performance in optimising the use of the Council's cash resources through borrowing and lending, but it also shows the impact slippages in the capital programme have on the revenue budget.

### **Service Overspends**

14. Service overspends do not result from poor financial management rather than from trying to contain largely unavoidable spending pressures within approved budgets. Separate reports have been received by Cabinet on some of the major overspends and have they have also been highlighted in previous monitoring reports.

Some of the more significant examples have been:

- £2 million in Learning Disabilities (£1.5 million), which has been highlighted in

a detailed Cabinet report on 19th May, 2005 and Looked After Children (£0.5 million). Both have robust action plans to address the budget deficits with service consequences.

- £300,000 in highways maintenance.
- £225,000 in Parks and Countryside, the final position was partly mitigated by the application of commuted sums, however this action is not sustainable in the long-term.

Two key Looked After Children indicators are the stability of placements which has improved in 2004/05 and the proportion of children in family settings which has also improved. The latter is a direct result of the policy to bring children back in from expensive out of county placements.

### **Capital Outturn**

15. The capital outturn position is detailed in Appendix 4. The headline figure is a net underspend against the approved capital programme of £1.7 million. Despite this no conditional funding has been lost, however this report has already referred to the impact this has on the revenue budget for capital financing.

A summary of the major slippages on the capital programme is as follows:

- Investment programmes for Kingstone; Fairfield and Weobly Sports Hall;
- Construction delays for the replacement swimming pool for North Herefordshire;
- Delays in external funding confirmation for the Ross Creative Learning Centre Project and the Rotherwas Business Centre;

In relation to corporate performance it is particularly important that the improvements within the Rotherwas Industrial Estate are progressed as this is a key strand within the Economic Development Strategy and the potential Local Area Agreement.

Conversely there has been significant accelerated expenditure on the Roman road scheme as the contractor has made more progress than anticipated due to the mild winter. This overspend will be dealt with from within the overall capital budget for the current financial year.

### **Councils Final Accounts and Statement of Accounts**

16. The Councils Final Accounts were closed broadly in accordance with the timetable set. Preparation of the full Statement of Accounts is going well and the document will be available for approval by the Statutory Accounts Committee on 11th July, 2005. The external audit will with a start date of early July be completed much earlier this year. Both the closure of the accounts and the completion of the external audit are expected to be completed well within the statutory deadlines and to the required standards.

### **Risk Management**

17. A separate and detailed report on risk management as at 31st March, 2005 was considered by Cabinet in April, 2005. This report includes an update on corporate and cross-cutting risks only. Service risks have been updated following the adoption

of Directorate and Service Plans and will be reported on with the first progress report on the Annual Operating Plan in August.

### **Children Act**

18. The Council sees the Children Act as a positive opportunity to develop a holistic approach to the needs of children and young people. The Council has appointed a Director of Children's Service and a Cabinet member for Children's Services has been established. A Children's Change Team has been set up to drive the necessary activities required by the Every Child Matters agenda. The timing of the Joint Area Review for September/October has increased the demands placed on the Change Team who have been occupied with preparation in particular collating the self assessment that must be submitted by 13th June. The priority of the Change Team re Joint Area Review activity will have impacted on the timescales for other work, although much of this will be valuable input into the wider change programme and the Children and Young People's plan for Herefordshire. This area remains a key corporate risk for the Council.

### **Corporate Budget Position**

19. The budget for 2005/06 has been set with a significant level of savings to be realised. The challenge for the Council is to minimise the impact this level of savings will have on services and the approach the Council takes on the Efficiency Agenda will be key to its success in this respect.

An additional challenge to the Council will be to manage the key service pressures highlighted within the financial outturn for 2004/05, specifically within the Social Care area. The Council produced the Forward looking Annual Efficiency Statement on 15<sup>th</sup> April and this has a significant emphasis on cash releasing savings. This, together with the service reductions identified through the budget scrutiny exercises carried out in the Autumn, are anticipated to meet the budget gap in 2005/06. The Cabinet report on Social Care on 19<sup>th</sup> May highlighted some of the actions which have been put in place to contain expenditure within this area. This includes a directive to all managers that all spending decisions on all non-staffing budgets and care placements/service budgets must be on an emergency health and safety basis, and an emergency risk basis for users and carers. The underlying base budget position is also being addressed through a rigorous action plan through new commissioning arrangements and securing general efficiencies. This area remains a key corporate risk for the Council.

### **Business Continuity Management**

20. The Council is currently considering its response to the Civil Contingencies Bill. As part of this it is developing its approach to business continuity management. Work is underway to produce a corporate business continuity plan incorporating individual service continuity arrangements. The plan will build on the work undertaken for ICT in the summer of 2004 and be broadened to take account of other areas such as property and human resources. This is expected to be completed by the required deadline of November 2005. Failure to recognise and plan for disruption to any Council service or function has clear reputational and operational risks. This remains a key corporate risk for the Council.

### **Comprehensive Performance Assessment and Joint Area Review**

21. The Council is currently preparing for its Comprehensive Performance Assessment taking place in September/October. This will be undertaken in parallel with the Joint

Area Review of all services for Children and Young people. Both processes are new and more challenging than the previous regimes for CPA and OFSTED. The Audit Commission, in particular, has been explicit that the new approach “raises the bar” and that to achieve a “good” category would be a significant improvement on our position in 2002. It is the Council’s intention, therefore, to seek to maintain its good status, though it is recognised there is a risk to the Council’s reputation should this not be achieved.

The first deadlines to be met are to submit the self-assessments, one for each process with close and direct links. At the time of writing the report, the Council is well placed to meet these. External advice and challenge has been sought on the self-assessment documents and the Council’s level of preparedness for the inspections. This has highlighted a number of areas that require further attention. Actions and designated personnel have now been identified to ensure progress in these areas.

The CPA/JAR preparation continues to be managed as a joint project led by the Director of Policy and Community, as overall Executive with the Director of Children’s Services as Corporate Sponsor and is managed within a PRINCE2 environment, with a supporting group of Senior Suppliers. External challenge to the self-assessment documents has been used to assure their quality and they are on target to be submitted within the required timescale. This remains a key corporate risk for the Council.

#### **Herefordshire Jarvis Arrangements**

22. Herefordshire Jarvis Services partnering arrangements continue to present a risk to the Council particularly given the difficulties Jarvis as the holding company is facing. However there are increasingly positive outcomes from the Partnership in service delivery terms.

There is an ongoing dialogue within the HJS Partnership Board on current service arrangements and the national situation is being closely monitored. A contingency plan has been drawn up in the event of a restructuring of the holding company’s business. Joint working between Council and HJS staff is operating much better and beginning to impact on service outcomes. Nonetheless, this remains a key corporate risk for the Council.

#### **LPSA**

23. The main risk from LPSA1 is not achieving the stretched targets to maximise the Performance Reward Grant (PRG), which in turn will be funding a significant part of the second LPSA. It is intended that LPSA2 would be negotiated by the end of June and this deadline has been extended from the end of March 2005. Failure to negotiate a successful LPSA will adversely affect the Council’s reputation for partnership working and being clear about the outcomes it would like to achieve over the medium term and translating these into a meaningful agreement with the government.

Cabinet received a report on LPSA progress on 19<sup>th</sup> May. This outlined the likely, but prudent level, of PRG for LPSA 1 and reported on progress being made on negotiating LPSA 2. The Council is being fast tracked by the ODPM in reaching an agreement although there is still much work to do on the detailed stretched targets. The Council is continuing to adopt a risk-based approach to the targets by seeking to strike the right balance between securing major performance outcomes but also maximising future PRG. Work is underway to ensure the Council work is completed

to meet the negotiation deadline for the end of June. Experience has shown that slippage can and may occur from Central Government's side. This remains a key corporate risk for the Council.

### **Adult Care Services**

24. The Green paper on adult services has now been published. A restructure of the senior management arrangements has been agreed and has commenced. This will establish a Director of Adult and Community Services to support a broad and inclusive approach for all adults, recognising both the needs of and contribution to the community of our residents. It may be some months until a successful candidate takes up post and in the meantime managerial capacity will inevitably be stretched as the adult agenda runs in parallel with the children's. This remains a key corporate risk for the Council.

### **Recruitment and retention of employees including the impact of Job Evaluation**

25. Current turnover has remained static at just over 9%. The Pay and Workforce Strategy presented to Cabinet on 9th June, 2005 includes the development of an approach to pay and rewards.

The adoption of a Pay and Workforce Strategy marks the next phase of the Council's approach to the modernisation of Human Resources management. Issues of recruitment and retention are an integral aspect of this. Promotion and communication of the positive benefits of this for the Council's workforce is an important aspect of its implementation. This remains a key corporate risk for the Council.

26. **Corporate capacity to deliver the range of changes that the Council has embarked on**

The Council is going through a period of extensive change at a time when it is also facing a Corporate Assessment and Joint Area Review. This is challenging the corporate capacity of the organisation. Programme management is an essential tool for supporting this, as well as clear leadership. The senior management restructuring is designed to take account of and improve corporate capacity. This is a new key corporate risk for the Council.

## **Alternative Options**

None

## **Risk Management**

The Council is required to publish end of year BVPI outturns by 30th June and to ensure the closure of accounts and completion of the external audit are completed to statutory deadlines. Failure to do this carries a reputational risk for the Council in relation to its corporate governance role.

## **Consultees**

Relevant internal officers have been consulted. No external consultation was felt appropriate.

## **Background Papers**

None identified.



**Best Value Performance Indicators 2005/06**

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
<b>Corporate Health</b>							
1a	Does the Local Authority have a community strategy developed in collaboration with the local strategic partnership for improving the economic, social and environmental well being in a way that is sustainable?	Yes	N/a	Yes	Yes	N/a	Deleted
1b	By when will a full review of the community strategy be completed? If such a review was scheduled for this year was it completed on time?	December 2005	N/a	December 2005	January 2006	N/a	Deleted
1c	Has the Local Authority reported progress towards implementing the community strategy to the wider community this year? If no, by when will this be undertaken?	Yes	N/a	Yes	Yes	N/a	Deleted
2a	The level of the Equality Standard for local government to which the Local Authority conforms in respect of gender, race and disability	Level 1	N/a	Level 1	Level 1	High	Level 1 Level 2 Level 2
2b	The quality of an Authority's Race Equality Scheme (RES) and the improvements resulting from its application	47%	63%	60%	47%	High	70% 80% 80%
3	The percentage of citizens satisfied with the overall service provided by their Local Authority	48%	60%			High	The next User Satisfaction Survey will be in autumn 2006
4	The percentage of complainants satisfied with the handling of their complaint	29%	36%			High	The next User Satisfaction Survey will be in autumn 2006
8	The percentage of invoices for commercial goods & services paid by the Local Authority within 30 days of receipt or within the agreed payment terms	90.62%	95.9%	100%	90.22%	High	100% 100% 100%

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
9	The percentage of council tax collected by the Local Authority in the year	98.6%	98.29%	98.5%	98.2%	High	98.4% 98.8% 98.8%
10	The percentage of non-domestic rates collected	99.2%	99.1%	98.9%	98.3%	High	98.9% 99.2% 99.3%
11a	The percentage of the top-paid 5% of Local Authority staff who are women	42.4%	39.05%	45%	37.4%	High	50% 55% 55%
11b	The percentage of the top-paid 5% of Local Authority staff who are from an ethnic minority	2.4%	3.7%	2.75%	3.25%	High	2.9% 3% 3%
11c	The percentage of the top-paid 5% of staff who have a disability (excluding those in maintained schools)					High	No requirement to set targets until next year
12	The number of working days/shifts lost to the Local Authority due to sickness absence	7.16 FTE	8.9 FTE	7 FTE	10.3 FTE	Low	7 FTE 7 FTE 7 FTE
14	The percentage of employees retiring early (excluding ill-health retirements) as a percentage of the total work force	0.11%	0.17%	0.2%	0.27%	Low	0.2% 0.1% 0.1%
15	The percentage of Local Authority employees retiring on grounds of ill health as a percentage of the total workforce	0.06%	0.17%	0.06%	0.14%	Low	0.06% 0.04% 0.04%
16a	The percentage of Local Authority employees with a disability	0.6%	N/a	1%	0.58%	High	1.25% 1.35% 1.5%



BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
16b	The percentage of the economically active population in the Local Authority area who have a disability	7.8%	N/a	7.8%	7.8%	N/a	7.8% 7.8% 7.8%
17a	The percentage of Local Authority employees from ethnic minority communities	0.5%	N/a	0.7%	0.51%	High	1% 1.2% 1.2%
17b	The percentage of the economically active (persons aged 18-65) population from ethnic minority communities in the Local Authority area	0.9%	N/a	0.8%	0.8%	N/a	0.8% 0.8% 0.8%
156	The percentage of Local Authority buildings open to the public in which all public areas are suitable for, and accessible to, disabled people	28.2%	64.83%	35%	32%	High	40% 50% 53%
157	The number of types of interactions that are enabled for electronic delivery as a percentage of the types of interactions that are legally permissible for electronic delivery	75%	74%	100%	85.13%	High	100% 100% 100%
<b>Education</b>							
33	Youth Service expenditure per head of population in the Youth Service target age range	£53.34	£99.71	£65.60	£76.78	High	Replaced by BV221a&b below
221a	Youth Work – The percentage of young people aged 13-19 gaining a recorded outcome compared to the percentage of young people in the Local Authority area					N/a	No requirement to set targets until next year
221b	Youth Work – The percentage of young people aged 13-19 gaining an accredited outcome compared to the percentage of young people in the Local Authority area					N/a	No requirement to set targets until next year
34a	Percentage of primary schools with 25% or more (and at least 30) of their places unfilled	9.5%	8%	10%	4.8%	Low	Deleted

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
34b	Percentage of secondary schools with 25% or more (and at least 30) of their places unfilled	0%	0%	0%	0%	Low	Deleted
38	The percentage of 15 year old pupils in schools maintained by the Local Education Authority achieving 5 or more GCSEs at grades A*-C or equivalent	58.3%	55%	62%	58%	High	63% 66% 67%
39	The percentage of 15 year old pupils in schools maintained by the Local Education Authority achieving 5 or more GCSEs or equivalent at grades A*-G including English and Mathematics	92.4%	90.1%	95.5%	88%	High	94% 96% †
40	The percentage of pupils in schools maintained by the Local Education Authority achieving Level 4 or above in the Key Stage 2 Mathematics test	74%	75%	82%	76%	High	82% 82% +
41	The percentage of pupils in schools maintained by the Local Education Authority achieving Level 4 or above in the Key Stage 2 English test	76.8%	77.6%	81%	81%	High	81% 81% +
43a	The percentage of proposed statements of Special Educational Need issued by the Local Authority in a financial year and prepared within 18 weeks excluding exceptions	69.6%	100%	85%	60.9%	High	90% 92% 92%
43b	The percentage of proposed statements of Special Educational Need issued by the Local Authority in a financial year and prepared within 18 weeks including exceptions	42.9%	83.9%	85%	46.2%	High	90% 92% 92%
44	Number of pupils permanently excluded during the year from all schools maintained by the Local Authority per 1,000 pupils at all maintained schools	1.3	0.84	1.3	1.3	Low	Deleted
45	The percentage of half days missed due to total absence in secondary schools maintained by the Local Education Authority	7.4%	7.7%	7.5%	7.8%	Low	7.3% 7.3% 7.3%

† Targets for 2007/08 are currently being negotiated with schools

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
46	The percentage of half days missed due to total absence in primary schools maintained by the Local Education Authority	5.5%	5.4%	4.9%	5.2%	Low	5.2% 5.2% 5.2%
48	Percentage of schools maintained by the Local Authority - subject to special measures	0 %	0%	0 %	0.95%	Low	Deleted
159a	The percentage of permanently excluded pupils provided with alternative tuition of 5 hours or less	7.4%	N/a	5%	17%	N/a	Replaced by BV159 below
159b	The percentage of permanently excluded pupils provided with alternative tuition of 6-12 hours	22.2%	N/a	20%	19.1%	N/a	Replaced by BV159 below
159c	The percentage of permanently excluded pupils provided with alternative tuition of 13-19 hours	7.4%	N/a	20%	17%	N/a	Replaced by BV159 below
159d	The percentage of permanently excluded pupils provided with alternative tuition of 20 hours or more	63%	93.2%	55%	46.8%	High	Replaced by BV159 below
159	The percentage of permanently excluded pupils offered full-time alternative educational provision of 21 hours or more					High	60% 62% 65%
181a	The percentage of 14 year old pupils in schools maintained by the Local Education Authority achieving Level 5 or above in the Key Stage 3 test in English	72%	73%	76%	76%	High	82% 82% †
181b	The percentage of 14 year old pupils in schools maintained by the Local Education Authority achieving Level 5 or above in the Key Stage 3 test in Mathematics	76%	74%	78%	79%	High	83% 83% +
181c	The percentage of 14 year old pupils in schools maintained by the Local Education Authority achieving Level 5 or above in the Key Stage 3 test in Science	74%	73%	77%	72%	High	84% 84% +

† Targets for 2007/08 are currently being negotiated with schools

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
181d	The percentage of 14 year old pupils in schools maintained by the Local Education Authority achieving Level 5 or above in the Key Stage 3 test in ICT	73%	72.13%	73%	74%	High	84% 84% +
192a	Average days access to relevant training and development per practitioner delivering Foundation Stage education	4.04	4.8	4	7.64	High	Replaced by BV222a&b below
192b	Average number of Qualified Teacher Status teachers per 10 non-maintained settings	9	11	10	7.92	High	Replaced by BV222a&b below
222a	The percentage of leaders of integrated early education and childcare settings funded or part-funded by the Local Authority with a qualification at Level 4 or above					High	No requirement to set targets until next year
222b	The percentage of leaders of integrated early education and childcare settings funded or part-funded by the Local Authority which have input from staff with graduate or post graduate training in teaching or child development					High	No requirement to set targets until next year
193a	Schools budget as a percentage of the Schools Funding Assessment	98%	102.1%	98%	98.5%	High	Deleted
193b	Increase in schools budget on the previous year as a percentage of the increase in the Schools Funding Assessment on the previous year	99%	108%	99%	104%	High	Deleted
194a	The percentage of 11 year old pupils achieving Level 5 in Key Stage 2 test in English	27.4%	29%	30%	29%	High	31% 32% †
194b	The percentage of 11 year old pupils achieving Level 5 in Key Stage 2 test in Mathematics	30%	31%	34%	32%	High	34% 35% +
<b>Health and Social Care – Children</b>							
49	Stability of placements of looked after children	8.7%	N/a				Amended indicator below

† Targets for 2007/08 are currently being negotiated with schools

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
49	The percentage of Looked After Children at 31 March with three or more placements during the financial year			9%	7%	Low	9% 9% 9%
50	The percentage of young people leaving care aged 16 or over with at least 1 GCSE at Grade A*-G or a GNVQ	52.2%	57%	71%	65%	High	71% 71% †
51	Cost of services for children looked after by the Local Authority by reference to the gross weekly expenditure per looked-after child in foster care or in a children's home	£454	N/a	£441	£518	N/a	Deleted
161	Employment, education and training for care leavers	68%	65.9%				Amended indicator below
161	The percentage of those young people who were looked after on 1 April in their 17 <sup>th</sup> year (aged 16), who were engaged in education, training or employment at the age of 19 to the percentage of young people in the population who were engaged in education, training or employment at the age of 19			0.74	0.96	High	0.74 0.74 +
162	The percentage of child protection cases which were reviewed regularly, out of those cases which should have been reviewed during the year	100%	100%	100%	92.6%	High	100% 100% 100%
163	The number of children who ceased to be looked after during the year as a result of the granting of an adoption or special guardianship order, as a percentage of the number of children looked after at 31 March (excluding unaccompanied asylum seekers) who had been looked after for 6 months or more on that day	4.8%	9.1%	9%	9.5%	High	10% 10% 10%
197	The percentage change in the number of conceptions amongst 15-17 year olds	- 10%	-14.9%	- 15%	- 20.8%	Low	- 15% - 19% -24%
<b>Health &amp; Social Care – Adults</b>							
52	Cost of intensive social care for adults and older people by reference to the average gross weekly costs of providing care for adults and elderly people	£438.69	N/a	£441	£488	N/a	Deleted

† Targets for 2007/08 are currently being negotiated as part of LPSA2

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
53	The number of households receiving intensive home care per 1,000 population aged 65 or over	5.9	15.7	6	5.3	N/a	6 8 10
54	Older people helped to live at home per 1,000 population aged 65 or over	83.6	101.17	75	60	High	61 65 70
56	The percentage of items of equipment delivered and adaptations made within 7 working days	38%	88%	50%	68%	High	70% 75% 80%
58	Percentage of people receiving a statement of their needs and how they will be met	85.2%	96.1%	86%	87%	High	Deleted
195	For new older clients (that is over 65 years of age), the average of (i) The percentage where the time from first contact to beginning of assessment is less than or equal to 48 hours, and (ii) The percentage where the time from first contact to completion of assessment is less than or equal to 4 weeks	69.8%	74.7%	70%	64%	High	75% 80% 85%
196	For new older clients, the percentage for whom the time from completion of assessment to provision of all services in the care package is less than or equal to 4 weeks	75.8%	89%	71.4%	81.3%	High	83% 85% 90%
201	Adults and older people receiving direct payments at 31 March per 100,000 population aged 18 or over (age standardised)			Target was not required	61	N/a	100 100 100
<b>Housing</b>							
62	Proportion of unfit private sector dwellings made fit or demolished as a result of action by the Local Authority	2.52%	4.32%	3%	2.73%	High	Deleted
64	The number of non-Local Authority-owned vacant dwellings returned to occupation or demolished during the financial year as a direct result of action by the Local Authority	42	N/a	40	33	High	45 50 75

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
<b>Homelessness</b>							
183a	The average length of stay in bed and breakfast accommodation of households that are unintentionally homeless and in priority need	5 weeks	1.21 weeks	0 weeks	4 weeks	Low	0 weeks 0 weeks 0 weeks
183b	The average length of stay in hostel accommodation of households that are unintentionally homeless and in priority need	13 weeks	0 weeks	12 weeks	16 weeks	Low	12 weeks 12 weeks 12 weeks
202	The number of people sleeping rough on a single night within the area of the Local Authority			Target was not required	0	Low	< 3 < 3 < 3
203	The percentage change in the average number of families placed in temporary accommodation			Target was not required	14.4%	Low	0% 0% -15%
213	The number of households who considered themselves as homeless, who approached the Local Housing Authority's housing advice service(s), and for whom housing advice casework intervention resolved their situation					High	No requirement to set targets until next year
214	The proportion of households accepted as statutorily homeless who were accepted as statutorily homeless by the same Local Housing Authority within the last 2 years					Low	No requirement to set targets until next year
<b>Housing Benefit and Council Tax Benefit</b>							
76a	The number of housing benefit claimants in the Local Authority area visited, per 1,000 caseload	174.25	310.45	255	131.66	N/a	340 350 200
76b	The number of fraud investigators employed by the Local Authority, per 1,000 caseload	0.34	0.44	0.33	0.21	N/a	0.25 0.25 0.36

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
76c	The number of Housing Benefit and Council Tax Benefit (HB/CTB) fraud investigations carried out by the Local Authority per year, per 1,000 caseload	40.37	52.61	38	38.62	N/a	29 30 44
76d	The number of Housing Benefit and Council Tax Benefit (HB/CTB) prosecutions and sanctions, per year, per 1,000 caseload, in the Local Authority area	5.64	4.84	7	7.5	N/a	5 6 8
78a	The average processing time taken for all new Housing and Council Tax Benefit (HB/CTB) claims submitted to the Local Authority, for which the date of decision is within the financial year being reported	52.34 days	32 days	32 days	31.73 days	Low	25 days 25 days 24 days
78b	The average processing time taken for all written notifications to the Local Authority of changes to a claimant's circumstance that require a new decision on behalf of the Local Authority	10.77 days	7.7 days	8 days	12.93 days	Low	14 days 10 days 9 days
78c	The number of renewal claims decided before the end of the existing benefit period as a percentage of all renewal claims for which the date of decision is within the period being reported on	26.6%	80.15%				Deleted
79a	The percentage of cases within a random sample for which the Local Authority's calculation of Housing and Council Tax Benefit (HB/CTB) is found to be correct	98.4%	98.8%	98.5%	97.6%	High	99% 99.5% 99.5%
79b	The percentage of recoverable overpayments (excluding Council Tax Benefit) that were recovered in the year	62.16%	55.1%	67.5%	53.04%	High	Replaced by BV79b i-iii below
79b i	The amount of Housing Benefit (HB) overpayments recovered during the period being reported on as a percentage of HB deemed recoverable overpayments during that period					High	45% 47% 48%
79b ii	Housing Benefit (HB) overpayments recovered during the period as a percentage of HB overpayment debt outstanding at the start of the period plus amount of HB overpayments identified during the period					High	42% 44% 45%



BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
79b iii	Housing Benefit (HB) overpayments written off during the period as a percentage of the total amount of HB overpayment debt outstanding at the start of the period, plus amount of HB overpayments identified during the period					N/a	12% 11% 10%
80a	Satisfaction with the Benefit Service – contact with the office	82%	83%			High	The next User Satisfaction Survey will be in autumn 2006
80b	Satisfaction with the Benefit Service – service in the office	84%	85%			High	The next User Satisfaction Survey will be in autumn 2006
80c	Satisfaction with the Benefit Service – telephone service	71%	77%			High	The next User Satisfaction Survey will be in autumn 2006
80d	Satisfaction with the Benefit Service – staff in the office	85%	85%			High	The next User Satisfaction Survey will be in autumn 2006
80e	Satisfaction with the Benefit Service – forms	62%	67%			High	The next User Satisfaction Survey will be in autumn 2006
80f	Satisfaction with the Benefit Service – speed of service	71%	76%			High	The next User Satisfaction Survey will be in autumn 2006
80g	Overall Satisfaction with the Benefit Service	82%	83%			High	The next User Satisfaction Survey will be in autumn 2006

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
<b>Waste &amp; Cleanliness</b>							
82a i	The percentage of household waste arisings which have been sent by the Local Authority for recycling	13.56%	16%	14.4%	15.03%	High	14.95% 15.5% 17.14%
82a ii	Tonnage of household waste arisings which have been sent by the Local Authority for recycling					High	14,109 t 14,688 t 16,306 t
82b i	The percentage of household waste sent by the Local Authority for composting or treatment by anaerobic digestion	5.94%	6.01%	6.6%	6.69%	High	6.85% 7.1% 7.86%
82b ii	The tonnage of household waste sent by the Local Authority for composting or treatment by anaerobic digestion					High	6,465 t 6,728 t 7,478 t
82c i	The percentage of the total tonnage of household waste arisings which have been used to recover heat, power and other energy sources	0%	3.9%	0%	0%	High	0% 0% 0%
82c ii	The tonnage of household waste arisings which have been used to recover heat, power and other energy sources					High	0 t 0 t 0 t
82d i	The percentage of household waste arisings which have been landfilled	80.5%	73.44%	79%	78.28%	Low	78.2% 77.4% 75%
82d ii	The tonnage of household waste arisings which have been landfilled					Low	73,801 t 73,348 t 71,352 t

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
84a	The number of kilograms of household waste collected per head of the population	497.81 kg	390 kg	515 kg	528.03 kg	Low	530 kg 530 kg 530.8 kg
84b	The percentage change from the previous financial year in the number of kilograms of household waste collected per head of the population					Low	0.37% 0% 0.15%
86	The cost of household waste collection per household	£38.99	N/a	£40.93	£42.59	Low	£42.99 £45.19 £47.55
87	The cost of waste disposal per tonne of municipal waste	£59.09	N/a	£62.19	£58.51	Low	£65.30 £68.57 £72.00
89	The percentage of people satisfied with the cleanliness standard in their area	62%	66%			High	The next User Satisfaction Survey will be in autumn 2006
90a	The percentage of people satisfied with household waste collection	89%	89%			High	The next User Satisfaction Survey will be in autumn 2006
90b	The percentage of people satisfied with waste recycling	67%	75%			High	The next User Satisfaction Survey will be in autumn 2006
90c	The percentage of people satisfied with waste disposal	82%	84%			High	The next User Satisfaction Survey will be in autumn 2006

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
91a	The percentage of households resident in the Local Authority's area served by a kerbside collection of recyclables	56%	100%	59%	60.28%	High	No requirement to set targets until next year
91b	The percentage of households resident in the Local Authority's area served by a kerbside collection of at least 2 recyclables					High	No requirement to set targets until next year
199a	The proportion of relevant land and highways (expressed as a percentage) that is expressed as having combined deposits of litter and detritus that fall below an acceptable level	34%	14%	33%	27%	Low	31% 29% 27%
199b	The proportion of relevant land and highways (expressed as a percentage) from which unacceptable levels of graffiti are visible					Low	No requirement to set targets until next year
199c	The proportion of relevant land and highways (expressed as a percentage) from which unacceptable levels of fly-posting are visible					Low	No requirement to set targets until next year
199d	The year-on-year reduction in the total number of incidents and increase in the total number of enforcement actions taken to deal with 'fly-tipping'					Low	No requirement to set targets until next year
<b>Transport</b>							
96	Condition of principal roads	3.86%	3.13%				Amended indicator below
96	Condition of principal roads using TRACS survey technique for measurement			Target was not required	55.38%	Low	Replaced by BV223 below
223	The percentage of the Local Authority principal road network where structural maintenance should be considered					Low	No requirement to set targets until next year
97a	Condition of non-principal roads – classified	58.01%	12.28%	51%	29.05%	Low	Replaced by BV224a below

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
224a	The percentage of the non-principal classified road network where maintenance should be considered						No requirement to set targets until next year
97b	Condition of non-principal roads - unclassified	38.74%	11.52%	44%	19.9%	Low	Replaced by BV224b below
224b	The percentage of the unclassified road network where structural maintenance should be considered						No requirement to set targets until next year
99a i	The number of pedestrians killed or sustaining serious injury in road accidents per 100,000 population	7.93	11			Low	Amended indicator below
99a ii	The number of pedestrians sustaining slight injury in road accidents per 100,000 population	28.33	36.78			Low	Amended indicator below
99b i	The number of pedal cyclists killed or sustaining serious injury in road accidents per 100,000 population	6.8	2.91			Low	Amended indicator below
99b ii	The number of pedal cyclists sustaining slight injury in road accidents per 100,000 population	22.1	18.4			Low	Amended indicator below
99c i	The number of two wheeled motor vehicle users killed or sustaining serious injury in road accidents per 100,000 population	14.73	9.02			Low	Amended indicator below
99c ii	The number of two wheeled motor vehicle users sustaining slight injury in road accidents per 100,000 population	28.9	25.84			Low	Amended indicator below
99d i	The number of car users killed or sustaining serious injury in road accidents per 100,000 population	48.73	16.87			Low	Amended indicator below
99d ii	The number of car users sustaining slight injury in road accidents per 100,000 population	342.83	242.32			Low	Amended indicator below
99e i	The number of other vehicle users killed or sustaining serious injury in road accidents per 100,000 population	6.8	1.58			Low	Amended indicator below
99e ii	The number of other vehicle users sustaining slight injury in road accidents per 100,000 population	57.8	25.17			Low	Amended indicator below

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
99a i	The number of people killed or seriously injured (KSI) in road traffic collisions			< 209	146	Low	< 197 < 187 < 177
99a ii	The percentage change in the number of people killed or seriously injured (KSI) in road traffic collisions since the previous year			-6%	-3%	Low	-6% -5% -5%
99a iii	The percentage change in the number of people killed or seriously injured (KSI) in road traffic collisions since the 1994-98 average			-16%	-41%	Low	-21% -25% -29%
99b i	The number of children (aged under 16 years) killed or seriously injured (KSI) in road traffic collisions			19	6	Low	< 18 < 17 < 15
99b ii	The percentage change in the number of children (aged under 16 years) killed or seriously injured (KSI) in road traffic collisions since the previous year			-6%	-25%	Low	-6% -6% -7%
99b iii	The percentage change in the number of children killed or seriously injured (KSI) in road traffic collisions since the 1994-98 average			-15%	-73%	Low	-20% -25% -30%
99c i	The number of people slightly injured in road traffic collisions			738	719	Low	< 744 < 750 < 756
99c ii	The percentage change in the number of people slightly injured in road traffic collisions since the previous year			1%	-15%	Low	1% 1% 1%
99c iii	The percentage change in the number of people slightly injured in road traffic collisions since the 1994-98 average			3%	0%	Low	3% 4% 5%

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
100	The number of days of temporary traffic controls, or road closure, on traffic sensitive roads, caused by roadworks, per km of traffic sensitive road	0.41	0.1	0.2	1.86	Low	1.1 1.0 0.9
102	The number of local bus passenger journeys originating in the Local Authority area undertaken each year	3,946,746	N/a	3,820,500	3,447,528	High	3,928,000 3,938,000 3,948,000
103	The percentage of users satisfied with the local provision of public transport information	48%	55%			High	The next User Satisfaction Survey will be in autumn 2006
104	The percentage of users satisfied with local bus services	51%	61%			High	The next User Satisfaction Survey will be in autumn 2006
165	The percentage of pedestrian crossings with facilities for disabled people, as a proportion of all crossings in the Local Authority area	90.91%	98%	96%	93.1%	High	65% 75% 85%
178	The percentage of the total length of rights of way in the Local Authority area, that are easy to use by the general public	43.5%	85.3%	46%	45%	High	47% 48% 49%
186a	The percentage of the principal road network where major structural treatment is not considered necessary	170.77	103.84	168	†	Low	Deleted
186b	The percentage of the non-principal road network where major structural treatment is not considered necessary	235	365.02	237	+	Low	Deleted
187	The percentage of the category 1, 1a and 2 footway network where structural maintenance should be considered	35.83%	18%	34.5%	32.35%	Low	34% 33% 32%

† Outturn for 2004/05 is currently being calculated by the Treasurer's Department

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
215a	The average number of days taken to repair a street lighting fault, which is under the control of the Local Authority					Low	No requirement to set targets until next year
215b	The average time taken to repair a street lighting fault, where response time is under the control of a Distribution Network Operator (DNO)					Low	No requirement to set targets until next year
<b>Environment &amp; Environmental Health</b>							
166a	Score against a checklist of best practice for Environmental Health	55.3%	90%	56%	90%	High	90% 90% 100%
166b	Score against a checklist of best practice for Trading Standards	66.3%	100%	72%	86.6%	High	90% 90% 100%
216a	The number of 'sites of potential concern' [within the Local Authority area], with respect to land contamination					N/a	No requirement to set targets until next year
216b	The number of sites for which sufficient detailed information is available to decide whether remediation of the land is necessary, as a percentage of all 'sites of potential concern'					High	No requirement to set targets until next year
217	The percentage of pollution control improvements to existing installations completed on time					High	No requirement to set targets until next year
218a	The percentage of new reports of abandoned vehicles investigated within 24 hours of notification					High	No requirement to set targets until next year
218b	The percentage of abandoned vehicles removed within 24 hours from the point at which the Local Authority is legally entitled to remove the vehicle					High	No requirement to set targets until next year



BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
<b>Planning</b>							
106	The percentage of new homes built on previously developed land	69%	93.5%	60%	68.3%	High	60% 60% 60%
107	The planning cost per head of population	£18.90	N/a			N/a	Deleted
109a	The percentage of major applications determined within 13 weeks	53%	63.64%	60%	46%	High	60% 60% 60%
109b	The percentage of minor applications determined within 8 weeks	67%	70.28%	65%	51%	High	65% 65% 65%
109c	The percentage of 'other' applications determined within 8 weeks	76%	85%	80%	64%	High	80% 80% 80%
111	The percentage of applicants and those commenting on planning applications satisfied with the service received	78%	81%			High	The next User Satisfaction Survey will be in autumn 2006
179	The percentage of standard searches carried out in 10 working days	89.02%	100%	100%	95.32%	High	100% 100% 100%
188	The number of decisions delegated to officers as a percentage of all decisions	88%	91.2%				Deleted
200a	Did the Local Planning Authority submit the Local Development Scheme (LDS) by 28 March 2005 and thereafter maintain a 3-year rolling programme?	No	N/a	No	No	N/a	No requirement to set targets until next year
200b	Has the Local Planning Authority met the milestones which the current Local Development Scheme (LDS) sets out?	Yes	N/a	Yes	Yes	N/a	No requirement to set targets until next year

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
200c	Did the Local Planning Authority publish an annual monitoring report by 31 <sup>st</sup> December of the last year?					N/a	No requirement to set targets until next year
204	The number of planning appeal decisions allowed against the Local Authority's decision to refuse on planning applications, as a percentage of the total number of planning appeals against refusals of planning applications			No target set	21%	Low	< 25% < 25% < 25%
205	The Local Authority's score against a 'quality of planning services' checklist			No target set	89%	High	90% 92% 94%
<b>Culture and Related Services</b>							
114	Cultural Strategy – score against a checklist of the "Creating Opportunity" guidance issued in December 2000	100%	100%			High	Deleted
117	Number of physical visits to public libraries per 1,000 population	4,522	6,605	5,000	5,177	High	Deleted
118a	The percentage of library users who found a book to borrow	78%	76%			High	The next User Satisfaction Survey will be in autumn 2006
118b	The percentage of library users who found the information they were looking for	72%	72%			High	The next User Satisfaction Survey will be in autumn 2006
118c	The percentage of library users who were satisfied with the service they received overall	88%	94%			High	The next User Satisfaction Survey will be in autumn 2006
119a	The percentage of residents satisfied with the Local Authority's sports / leisure facilities	49%	60%			High	The next User Satisfaction Survey will be in autumn 2006

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
119b	The percentage of residents satisfied with the Local Authority's libraries	68%	72%			High	The next User Satisfaction Survey will be in autumn 2006
119c	The percentage of residents satisfied with the Local Authority's museums / galleries	48%	50%			High	The next User Satisfaction Survey will be in autumn 2006
119d	The percentage of residents satisfied with the Local Authority's theatres / concert halls	57%	56%			High	The next User Satisfaction Survey will be in autumn 2006
119e	The percentage of residents satisfied with the Local Authority's parks and open spaces	67%	77%			High	The next User Satisfaction Survey will be in autumn 2006
170a	The number of visits to/usages of Local Authority funded or part-funded museums and galleries per 1,000 population	812	771	815	781	High	790 800 810
170b	The number of those visits to Local Authority funded, or part-funded museums and galleries that were in person, per 1,000 population	785	513	795	715	High	750 760 770
170c	The number of pupils visiting museums and galleries in organised school groups	6,471	7,294	7,000	3,835	High	6,000 6,250 7,000
219a	The total number of conservation areas in the Local Authority area					N/a	No requirement to set targets until next year
219b	The percentage of conservation areas in the Local Authority area with an up-to-date character appraisal					High	No requirement to set targets until next year

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
219c	The percentage of conservation areas with published management plans					High	No requirement to set targets until next year
220	Compliance against the Public Library Service Standards (PLSS)					High	No requirement to set targets until next year
<b>Community Safety &amp; Well-being</b>							
126	Domestic burglaries per year, per 1,000 households in the Local Authority area	9.8	N/a	7.9	7.6	Low	7.7 7.7 7.7
127a	The number of violent offences committed by a stranger per 1,000 population	1.73	N/a	1.75	1.5	Low	Amended indicator below
127a	Violent crime per year, per 1,000 population in the Local Authority area					Low	15.5 15.5 15.5
127b	The number of violent offences committed in a public place per 1,000 population	2.05	N/a	2.08	2.7	Low	Incorporated into indicator BV127a above
127b	Robberies per year, per 1,000 population in the Local Authority area					Low	2.08 2.08 2.08
127c	The number of violent offences committed in connection with licensed premises per 1,000 population	0.77	N/a	0.78	0.6	Low	Incorporated into indicator BV127a above
127d	The number of violent offences committed under the influence per 1,000 population	1.77	N/a	1.78	2	Low	Incorporated into indicator BV127a above

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
128	The number of vehicle crimes per year, per 1,000 population in the Local Authority area	7.2	N/a	7.2	6	Low	6.1 6.1 6.1
174	The number of racial incidents reported to the Local Authority, and subsequently recorded, per 100,000 population	29	N/a	22	†	Low	28 34 +
175	The percentage of racial incidents reported to the Local Authority that resulted in further action	100%	100%	100%	+	High	100% 100% +
176	Number of domestic violence refuge places per 10,000 population which are provided or supported by the Local Authority	0.42	0.77	0.42	0.4	High	Replaced by BV176 below
225	Actions against domestic violence					High	No requirement to set targets until next year
177	The percentage of Local Authority expenditure on legal and advice services which is spent on services that have been awarded the Quality Mark and meet a priority legal need identified in the Community Legal Service Partnership strategic plan	20.5%	96.9%	39%	43%	High	Replaced by BV226a, b & c below
226a	The total amount spent by the Local Authority on advice and guidance services provided by external organisations					N/a	£399,103 £191,103 £193,014
226b	The percentage of monies spent on advice and guidance services provision which was given to organisations holding the CLS Quality Mark at 'General Help' level and above					High	17% 18% 18%
226c	The total amount spent on advice and guidance in the areas of housing, welfare benefits and consumer matters which is provided directly by the Local Authority to the public					N/a	£272,669 £472,669 £477,396

† The outturns for BVPIs 174 & 175 are currently being verified by internal audit. Targets will be set following verification.

BV Ref.	Indicator Detail	Audited Outturn for 2003/04	Top Quartile for all England 2003/04	Target for 2004/05	Outturn for 2004/05	Aim	Targets for 2005/06 2006/07 2007/08
198	The number of drug users in treatment per 1,000 population aged 15-44					N/a	Outturn and targets are not expected to be reported this year

### Local Performance Indicators

(local indicators and their targets are now contained in the Council's Annual Operating Plan)

Indicator Detail	Outturn for 2003/04	Target for 2004/05	Outturn for 2004/05	Aim
Number of recorded complaints, both formal and informal	434	440	308	High
Number of recorded formal complaints		250	229	High
Number of telephone calls answered as a percentage of all telephone calls received	78.93%	85%	80%	High
Percentage of telephone calls answered in 15 seconds		90%	94.8%	High
Percentage of Staff Review and Development interviews completed in previous 12 months	71%	80%	76%	High
Percentage of employees receiving corporate induction within 3 months of commencing employment	73%	80%	72%	High
Percentage variance on budget	2.1% underspend	1% underspend	2.5% underspend	N/a
Capital spend	6.1% underspend	100%	5% underspend	N/a

## **Statement on Contracts**

There have been no contracts awarded during the past year to which the Code of Practice on Workforce Matters applies





## FINAL REVENUE OUTTURN 2004/05

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### Purpose

1. To consider the final outturn position for 2004/05.

### Introduction

2. Whilst work continues on the range of tasks necessary to prepare the Council's statutory Statement of Accounts, matters have been sufficiently progressed to enable the final outturn picture to be presented. Annex 1 attached to the report summarises the position.
3. The 2004/05 Statement of Accounts must be approved by members before 31st July 2005. This year's statement is expected to be available by 30th June 2005, which means we are on course to meet the statutory deadline of 30th June for 2005/06 and future years. In accordance with the requirements of the Statement of Auditing Standard SAS610, a report, together with the Statement of Accounts, will be presented to the Statutory Accounts Committee on 11th July 2005. The report will be accompanied by supplementary reports on early retirements, redundancies and bank accounts changes during 2004/05. The external audit of the accounts is expected to begin in early July.

### Considerations

4. Annex 1 differentiates between those over or underspends to be carried forward under financial regulations and items where a transfer to or from reserves is proposed. The net position shows a net variation in the amount transferred to and from reserves of £6,472,000 which may be summarised in the following table:

	<b>£000</b>	
<b>Net Programme Area underspendings carried forward</b>	3740	
<b>Programme Area transfer to Reserves</b>	728	
<b>Financing transactions</b>		
Additional interest		
Treasury Management including interest received	1,837	
Transfer to and from earmarked reserves	(115)	
Other Charges	<u>282</u>	<u>6,472</u>

5. In addition, funding resources have been switched between revenue and capital to ensure the optimum use of conditional funds, which would otherwise be lost, and to provide flexibility for the future. Whilst the sum will feature in the Council's reserves as at 31st March 2005, the amount will be utilised to finance the approved Capital Programme in 2005/06
6. With regard to carry forwards, the following table shows the position by Programme Area (with overspends shown in brackets):

	<b>£000</b>	<b>£000</b>
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Economic Development	479	
Childrens Services	1,998	
Environment	491	
Social Care	(714)	
Social Development:		
General	224	
Leisure contracts	(134)	
Strategic Housing	(27)	
Policy and Finance		
Chief Executive inc Development Fund	96	
Support Services	196	
Central Services for the public	191	
Director of Policy and Community	1467	
Property	(594)	
Other including Corporate	<u>67</u>	
Net underspending carried forward		<u>3740</u>

7. The above figures take into account the funding from reserves in accordance with the Council's Financial Regulations of the overspending in excess of 2% on Social Care (Adult and Children's Services) of £770,000 and Strategic Housing (£208,000). The total overspending on these services was in fact £1,484,000 Social Care (Adult and Children's Services) and £235,000 (Strategic Housing).
8. The carry forward is an underspending of £3,740,000 or just over 2% of the Council's net budget for the year. Whilst on the face of it the net carry forward is substantial, there are significant commitments against this sum. For example, the firm commitments against the Education carry forward total of £1,998,000 are approximately £1,445,000 and the other carryforwards are also similarly heavily committed. A full analysis of commitments against the carry forward is being prepared.
9. For items shown in the "to balances" column, on Appendix 1 attached carry forward arrangements are inappropriate by virtue of the nature of the items (e.g. precepts and levies) or where previous approval has been given for expenditure to be met from reserves (e.g. Land Charges, Job Evaluation). The main transfers to reserves are the underspending on the Waste PFI contract (£906,000), the amount included in the 2004/05 base budget for Job Evaluation (£400,000), Magistrates Courts PFI credit (£298,000) and a underspending on precepts and levies (£111,000) together with the Housing Benefits net surplus of £96,000. The main charges to reserves were the £770,000 in respect of Social Care (Adult and Children's Services) and Strategic Housing (£208,000). The net transfer to General Reserves was therefore £728,000.
10. There is a net transfer to reserves of £3,352,000 in respect of non-programme areas expenditure, income including interest receivable and the funding resource transfer referred to in paragraph 5 above.

## **Economic Development**

11. The underspending of £479,000 reflects the significant level of vacancies during the year as well as the fact that significant committed amounts (£308,000) are being carried forward to be spent in 2005/06.

## **Children's Services**

12. The gross projected carry forward for Education other than schools is an underspending of £1,998,000. The majority of the underspend, however, is committed to the Standards Fund (£636,000), which is accounted for on a school year basis, a job evaluation supplement for schools (£484,000) to fund costs in excess of budget in 2005/06, Pupil Referral Unit balances (£235,000) which are similar to school balances and the Schools' sickness scheme (£92,000) which is 'owned' by schools. The net outcome is a much smaller one off surplus of £553,000, which is in line with the budget monitoring reports.
13. The schools delegated budget carry forwards, including standards fund have increased from £5,703,679 to £7,215,023 after the addition of interest for the year. The end of year balance can be split between Primary (£4,899,979), Secondary (£1,980,689) and Special (£334,356). These balances represent 11.7% of the schools 2004/05 budget, an increase of 2.2% from 2003/04. Schools have a statutory right to carry these balances forward however, proposals to manage school balances (whilst recognising legitimate budget pressures arising from job evaluation and workforce reform) will be taken forward to the next meeting of the Schools Forum.
14. Schools have, in addition, balances in respect of Devolved Capital grants of £1,576,028 which is an increase of £434,982 during the year and £127,604 in respect of extended schools.

## **Environment**

15. The outturn for the Environment Programme Area is an underspending of £1,397,000. However, as the underspending on the Waste PFI contract of £906,000 due to delays in implementing waste minimisation schemes and completing the ongoing negotiations regarding the Waste PFI contract itself is transferred to balances, the carryforward into 2005/06 is reduced to £491,000.
16. Environment Regulatory shows a net underspending £170,000 largely due to the receipt of additional income on most services.
17. Environment General shows a net overspend of £439,000, after excluding the underspending on the Waste PFI, largely due to overspendings on road maintenance (£320,000), waste collection (£104,000) and street cleaning (£116,000), offset by additional car park income (£131,000).
18. Planning Services significantly underspent as expected by £759,000 due to additional fee income (£375,000), conservation projects being delayed (£55,000), staff savings (£37,000) and other savings (£51,000). In addition £241,000 of Planning Delivery grant is being carried forward into 2005/06.
19. The first claim on the carry forward of £518,000, after deducting the Planning Delivery Grant which must be used for planning purposes, is to meet, as anticipated, the £400,000 Planning Fee budget reduction for 2005/06. Some additional fee income may well be received in 2005/06 but not necessarily anything like £400,000.

## **Social Care and Strategic Housing**

20. The outturn for Social Care is an overspend of £1,484,000. The report to Cabinet on 19th May regarding the Social Care budget based on the period to February 2005 indicated a projected overspend of £1,514,000. The report of 19th May set out the key factors that lead to the escalation of the overspend over the projections previously reported, the conclusions from the review carried out by County Treasurers, and the impact on 2005/06.
21. The two major areas of overspending were Learning Disabilities (£1,515,000) and Children's Social Care (£523,000).
22. Savings against other service areas resulted in the final overspend position of £1,484,000.
23. Older Peoples Services, an area of increased investment in 2004/05 came in within the budget target and successfully yielded a number of developments as discussed in the previous budget monitoring report to Cabinet.
24. There have been exceptional items of expenditure, totalling £892,000 that relate to the risks identified during the year, as follows
  - **PCT Contributions to Pooled Budgets-** The financial risks for 2004/05 on the pooled budgets are now shown as attributable to the partner whose service element the overspend relates to. The Mental Health overspend reported by Social Care, even though the PCT manages the service, is now included in the Social Care position (*impact £290,000-being the net effect of the Mental Health overspend offset by PCT contributions on it's share of the Learning Disabilities pool*). Negotiations on risk sharing for 2005/06 and beyond have now been agreed with a joint commitment to move to full implementation of the host commissioner taking responsibility for the budget.
  - **Continuing Care Contributions** for qualifying Learning Disability service users- includes a £250,000 contribution from the PCT. The costs attributable had been calculated at approximately £400,000( *impact £150,000*). The PCT has acknowledged this and agreed a £400,000 contribution for 2005/06.
  - **Statutory Obligations** The Council has needed to review its funding decisions for some individual cases as a result of legal challenge. This has created additional expenditure of £89,000.
  - **Loss of Grant** The Directorate has suffered a loss of Supporting People Grant income of £175,000. It has been a challenge to manage commitments within budget.
  - **Prior Year Adjustments-** Invoices totalling £152,000 have been received, which relate to the 2003/04 financial year.
  - **NHS Emergency Support** - Additional funding of £36,000, to enable discharges from community hospitals to free beds at the Acute Trust, given the pressures in November 2004 and January 2005.

## **Summary**

25. The year end position for Social Care, is an overspend of £1,484,000, (4.2% of the Social Care budget) with exceptional items of £892,000. Cabinet agreed on 19th May that £714,000 of this overspend (2% of budget as recommended under Financial Standing Orders) is to be carried forward into 2005/06 pending further review.

## **Strategic Housing Budget 2004/05**

26. The outturn for Strategic Housing budget is an overspend of £235,000 (17% of the net budget), of which £49,000 is an exceptional item relating to 2003/04 homelessness expenditure.
27. The identified risk in 2004/05 was homelessness expenditure, the issues and challenges on this for future years is to be the subject of a separate report. The budget on temporary accommodation has overspent by £454,000, but robust management action reduced the overspend down to £235,000 for the overall Strategic Housing budget.
28. Under Financial Standing Orders £27,000 of this overspend (2% of budget) will be carried forward into 2005/06.

## **Social Development**

29. In total, Social Development was underspent by £60,000. The main variations were an overspending on Parks and Countryside (£134,000) due to the cost of adoptions, inflation, Britain in Bloom and security costs, libraries services staff costs (£73,000) and the Leisure Services deficit (£134,000). The overspending on parks and Countryside would without a considerable element of the commuted sums reserve being applied have been well in excess of £200,000. The problem is solvable in year but it is at least in part due to increased volumes. The Leisure Services deficit will be reclaimed from the Halo Leisure Trust. These overspendings have been offset by underspendings on the Youth Service (£94,000) Leisure Client (£162,000) where £130,000 has been ring fenced for Leominster Pool and Management and Admin due to reductions in partnership activities following renegotiations and savings from vacancies.

## **Policy and Finance**

30. The outturn for Policy and Finance General shows an underspending of £2,847,000. Underspendings include Policy and Community Services (£1,467,000), including ICT (£909,000) the Development Fund (£96,000), Members' Services (£36,000), Support Services (£196,000), Magistrates Court PFI credit (£298,000) Civic and Corporate costs (£341,000), the base budget provision for Job Evaluation (£400,000) Precepts and Levies (£111,000) and Central Services to the public (£258,000).
31. The Policy and Community includes in addition to ICT (£909,000), the Policy Development Fund (£81,000), External Funding Grants received (£155,000) and various staffing and other savings.
32. Additional costs of Job Evaluation implementation (£90,000) are being met from reserves. In addition there is an extra cost of externalisation (£271,000) due to the Herefordshire Jarvis mobilisation costs contributions being suspended until September 2005 initially and then subject to the profitability of the joint venture company.
33. In total, Property Services overspent by £595,000 which is an increase on the

amount brought forward of £433,000 although but for “corporate” additional property costs the overspending would have at least remained stable. Admin Buildings overspent by £387,000 partly at least due to additional spending in the later part of the year on Plough Lane, accommodation moves and associated I.T costs and dilapidations payments following leases being terminated. It is proposed that various one-off costs totalling £175,000 including the cost of the dilapidation claim on Kemble House and relocation, removal and extra ICT costs are funded from General Reserves.

34. Markets and Fairs overspent by £303,000 but this includes a deficit of £379,000 brought forward from 2003/04 so the deficit has reduced during the year.
35. Property Management and Administration underspent by approximately £146,000 owing to increased recharges to capital and additional income.
36. The Property Maintenance Pool allocation overspent by £186,000 during the year despite a concerted effort to keep spending within budget. There remains a significant backlog in Property Maintenance.
37. There was an accumulated deficit of £178,000 on Industrial Estates income although the level of income has been rising. Additional income received from retail properties totalled £209,000.

#### **ICT**

38. The ICT service accumulated £858,000 in reserves in the 2003/04 accounts through efficiency measures implemented. These funds were all earmarked for re-investment back into the ICT Service in order to benefit and improve the overall service provided.
39. At the close of 2004/05 accounts the ICT Service was £101,000 in deficit for the year leaving £757,000 in the reserve. This money has been committed for spend and is awaiting fruition of contracts, the majority being against the new back office project and the remainder against a variety of corporate initiatives. This reserve will be spent in its totality in 2005/06.

#### **IEG Underspend**

40. The IEG underspend of £909,000 was highlighted within the Cabinet report of the 2nd December 2004.
41. The underspendings are, largely due to the delayed decision by Advantage West Midlands on the e-Gateway project following their reported revenue budget position and the knock on impact for staff recruitment, particularly in the knowledge management service.
42. The underspendings highlighted in the December 2nd report have with the exception of £70,000 contingency funds all been committed for spend in 2005/06 against a variety of corporate IEG priorities including Electronic Records and Document Management, corporate GIS and email systems, and the corporate customer services strategy.

## **Financing Transactions**

43. A surplus on the Interest Receivable budget has been generated during 2004/05 totalling £715,000. An underspend on Capital Financing costs has been achieved totally £1,122,000. These are primarily as a result of taking opportunities for debt rescheduling, significant slippage in the capital programme and anticipated increases in interest rates not materialising. Greater and earlier capital receipts were generated compared to the original budgets prudent expectations. This has contributed to a better cash flow position and enabled improved investment income.

## **Commitments against Underspendings Carried Forward**

44. In accordance with the good practice adopted last year Directors and Departmental Managers are requested to give information about the level of commitments against the amounts carried forward for their services.
45. Once again the carried forward amount should be split between:-
- (a) Contract commitments
  - (b) Other unavoidable commitments
  - (c) Earmarked sums
  - (d) Amounts currently committed

## SUMMARY POSITION IN RELATION TO PROGRAMME AREAS

The net 2004/05 underspending for the Councils programme areas of £4,468,000 was made up as set out below.

Also shown are the amounts actually carried forward after transfers to reserves.

	<b>Underspending</b>	<b>Amount</b>
	<b>£000</b>	<b>Carried Forward</b>
		<b>£000</b>
Children's Services (excluding schools)	1,998	1,998
Environment	1,397	491
Strategic Housing	(235)	(27)
Social Care	(1,484)	(714)
Policy and Finance	2,847	2,017
Property	(594)	(594)
Economic Development	479	479
Social Development	60	90
	<b><u>4,468</u></b>	<b><u>3,740</u></b>

The net underspending during the year was £4,468,000 but after taking into account transfers to and from reserves £632,000 the amount carried forward was £3,740,000.

The amounts transferred to Reserves includes the underspending on the Waste PFI contract (£906,000), an underspending on precepts and levies of £409,000 and various corporate savings of £354,000. These amounts were offset by the transfers to reserves of overspendings in excess of 2% in accordance for Social Care (£770,000) and Strategic Housing (£208,000) for with the Councils Financial Regulations.

Although the carry forward at £3.740 million or just over 2% of the Councils Budget, a large proportion of this amount (xxxx) was already fully committed when the accounts were closed.



## APPENDIX 3

### 2004/2005 FINAL OUTTURN

PROGRAMME AREA	2003/04 Carry Forward £000	2004/05 Base Budget £000	2004/05 Total Budget £000	Outturn £000	Variance £000	To Balances £000	Carry Forward £000
Economic Development	331	3,159	3,490	3,011	(479)		479
Education							
Schools		63,251	63,251	63,251	0		
Other	1,369	25,337	26,706	24,708	(1,998)		1,998
	1,369	88,588	89,957	87,959	(1,998)	0	1,998
Environment							
General	(97)	24,616	24,519	24,052	(467)	(906)	(439)
Regulatory	31	2,759	2,790	2,620	(170)		170
Planning	411	2,848	3,259	2,499	(760)		760
	345	30,223	30,568	29,171	(1,397)	(906)	491
Strategic Housing	56	3,872	3,928	4,163	235	208	(27)
Social Care	(245)	38,194	37,949	39,433	1,484	770	(714)
Social Development	31	10,938	10,969	10,909	(60)	30	90
Policy and Finance							
Corporate & Democratic	391	4,494	4,885	4,368	(517)	(354)	163
Policy & Community	900	1,910	2,810	1,343	(1,467)		1,467
Support Services	135	102	237	41	(196)		196
Central Services to Public	97	2,052	2,149	1,891	(258)	(67)	191
Property	(433)	(57)	(490)	104	594		(594)
Precepts and Levies		2,018	2,018	1,609	(409)	(409)	
	1,090	10,519	11,609	9,356	(2,253)	(830)	1,423
<b>Total Programme Areas</b>	<b>2,977</b>	<b>185,493</b>	<b>188,470</b>	<b>184,002</b>	<b>(4,468)</b>	<b>(728)</b>	<b>3,740</b>
Financing and other costs	313	(10,002)	(9,689)	(13,089)	(3,400)	(3,400)	0
To/(From) reserves	(367)	82	(285)	(237)	48	48	0
To/(From) balances	(3,176)		(3,176)	4,644	7,820	4,080	(3,740)
<b>Total</b>	<b>(253)</b>	<b>175,573</b>	<b>175,320</b>	<b>175,320</b>	<b>0</b>	<b>0</b>	<b>0</b>



## CAPITAL PROGRAMME OUTTURN 2004/05

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1. The capital programme is by its nature prone to rapid changes. New schemes and new sources of finance have been identified and reported throughout the year as part of the established Capital Monitoring process. This process helps to ensure that no conditional capital resources are lost. The details of changes throughout the year are to be found in those reports. This report provides a brief summary of the overall changes from the original budget to the outturn position.
2. The capital programme outturn for 2004/05 totalled £33,198,000 compared to an original budget of £34,938,000, which represents a decrease of £1,740,000 or 5%. Changes in original capital budgets represent a combination of total increases of £7,597,000 and total decreases of £9,337,000. This is due to new schemes and new sources of funding being identified, slippages and deferment of schemes into future years, and budget virements where necessary. **Annex 1** gives a further breakdown.
3. Cabinet allocated Prudential Borrowing of £4,741,000 to various capital schemes in July 2004. Additional Supported Capital Expenditure (Revenue) (SCE(R)) funded £127,000 of this requirement. The outturn for the use of Prudential Borrowing for 2004/05 was £2,603,000 with the slippage of £2,011,000 being required in 2005/06. As Prudential Borrowing funding is unconditional no resources have been lost.
4. The outturn position is financed by SCE (R) of £17,270,000, Prudential Borrowing of £2,603,000, Unsupported Credit Approval of £130,000, Revenue Contributions of £244,000, Grants of £8,751,000 and Capital Receipts Reserve of £4,328,000.
5. Total revenue contributions to capital spend were £1,006,000. Of this £762,000 has been swapped with corporate capital receipts reserve funding in order to enhance revenue reserves. This sum does not represent additional funds merely a transfer between the capital and revenue element of general reserves in order to provide greater flexibility.
6. A summary of the significant variances between the original forecast and the outturn position are set out below. **Annex 2** gives a detailed breakdown.

**Education:** The decreases in spend are primarily due to the budget and resources for several high value property schemes, namely Kingstone, Fairfield and Weobley Sports Hall, now being profiled into 2005/06. Increased budgets relate to the site acquisition for the new Whitecross School under the PFI scheme and the funding of Weobley Science Labs.

**Social Care:** The spend has increased mainly due to the capitalisation of community equipment costs incurred in the year and the inclusion of ICT Development costs as detailed in the capital bid. These increases have been funded from Capital Reserves.

**Property:** Spend has increased mainly due to the inclusion of the purchase of Station Approach in Hereford which was funded by capital grant.

**P&F General:** Spend has increased due to the capitalisation of the Revenue and Benefits computer system. This was funded by a combination of revenue contribution and capital grant.

**ICT Services:** The increased spend is due to a combination of contract adjustments, decreasing spend on Network Enhancement and increased spend on the Herefordshire in Touch eGateway Phase 2 capital scheme funded by an increase in capital grant.

**Environment General:** Spend has increased mainly due to increased costs incurred on the Roman Road capital scheme. These increased costs are currently unfunded resulting in an overdrawn capital receipts reserve position of £875,000 in the Environment capital programme. The reserves position will be repaid from the Environment capital programme in future years.

**Social Development:** The spend for this area has decreased due to delays encountered on the building of the replacement swimming pool in North Herefordshire and delays due to waiting for confirmation of external funding towards the Ross Creative Learning Centre capital project.

**Economic Development:** Increased spend relates to the Leominster Industrial Access Road which is being funded from a combination of capital grants and capital receipts reserve, as previously reported to Cabinet. There is decreased expenditure on the Rotherwas match funding capital scheme while waiting for confirmation of external funding towards the cost of the Rotherwas Business Centre.

**Strategic Housing:** The original budget for Affordable Housing Grants included the cost of the purchase of Grange House and the former nursery site. These are Council assets therefore only a virement of funding was needed to correctly account for the transaction.

## CAPITAL OUTTURN 2004/05

Capital Programme Area	Original Budget	Original Budget after approval of Capital Bids	Outturn	Variance
	£'000	£'000	£'000	£'000
Education	7,014	7,014	5,746	(1,268)
Social Care	132	332	722	390
P&F – Property	402	702	2,568	1,866
P&F – General	25	29	941	912
ICT Services	127	1,147	1,919	772
Environment General	11,846	12,241	12,994	753
Social Development	2,467	2,834	2,209	(625)
Economic Development	4,092	4,547	3,001	(1,546)
Strategic Housing	5,633	5,833	3,098	(2,735)
Prudential Borrowing – £5,000,000 was to be allocated including £1,800,000 already allocated to Social Development, final allocation £4,741,000.	3,200	259	-	(259)
<b>Outturn</b>	<b>34,938</b>	<b>34,938</b>	<b>33,198</b>	<b>(1,740)</b>

## CAPITAL OUTTURN 2004/05 – BUDGET CHANGES

Capital Programme Area	Budget Increase	Budget Decrease	Reason - Slippage or Funded by
	£'000	£'000	
<b>Education</b>			
- Whitecross High School Site Acquisition	550		Funded by SCE(R)
- Kingstone High Sports Hall		(966)	Grant funded, drawn down after expended
- Fairfield High New Building		(460)	Funded by SCE(R)
- Weobley High Science Labs	449		Funded by SCE(R)
- Weobley Hall Sports Hall		(980)	Grant funded carried forward until 31/08/05
- Other (net)	139		
<b>Social Care</b>			
- Mental Health SCE(R)	91		Allocation of SCE(R) funding
- Community Equipment	119		Funded by revenue contribution
- ICT Development	151		Funded by capital receipts reserve
- Integrated Children's System	21		Allocation of grant funding
- Other (net)	8		
<b>P&amp;F - Property</b>			
- Purchase of Station Approach	1,989		Funded by grant
- Other (net)		(123)	
<b>P&amp;F – General</b>			
- CCTV in Ledbury	69		Funded by contribution from various bodies
- Revenue and Benefits system	692		Funded by grant and revenue contribution (swapped with capital receipts reserve)

- Garrick House SIP	128		Funded by capital receipts reserve and revenue contribution (swapped with capital receipts reserve)
- Other (net)	23		
<b>ICT Services</b>			
- Implementing Electronic Government Partnership	175		Funded by grant
- Flexible Working	114		Remainder of funding allocated to capital bid in 2003/04
- Network Enhancement		(676)	Successful capital bid funding carried forward into 2005/06
- eGateway	973		Funded by grant
- Other (net)	186		
<b>Environment General</b>			
- Local Transport Plan including Roman Road	735		Due to accelerated payments for the Roman Road capital scheme
- Other (net)	18		
<b>Social Development</b>			
- Replacement Swimming Pool		(515)	Project slippage into 2005/06
- Ross Creative Learning Centre		(117)	Awaiting external funding confirmation therefore carried forward into 2005/06.
- Other (net)	7		

<b><i>Economic Development</i></b>			
- Leominster Industrial Estate Access Road	960		Funded through grants, overspend funded by capital receipts reserve
- Match Funding Rotherwas		(1,913)	Awaiting external funding confirmation
- Hereford Shop Front Scheme		(50)	Funding carried forward into 2005/06 re late Prudential Borrowing allocations
- High Street & High Town		(145)	
- Victoria Foot Bridge		(100)	
- other (net)		(298)	
<b><i>Strategic Housing</i></b>			
- Affordable Housing Grant		(1,942)	Share of capital receipt transferred to corporate
- Learning Disability Development Fund		(240)	Funding carried forward into 2005/06
- Disabled Facilities Grant		(200)	Successful capital bid spend committed funding carried forward into 2005/06
- Other (net)		(353)	
<b><i>Prudential Borrowing budget decrease</i></b>		<b>(259)</b>	
<b>Outturn Variance</b>	<b>7,597</b>	<b>(9,337)</b>	



Managing Risk - Corporate Risks



Stage One				Stage Two				
Identified	Risk Reference Number	Assessment of Risk (Assume NO controls in place) using risk matrix			Risk Controls Measures	Assessment of Residual Risk (With control Measures implemented)		
		Impact (Severity)	Likelihood (Probability)	Priority Rating		Impact (Severity)	Likelihood (Probability)	Residual Priority Rating
Children Act	CR1	4	4	High	Children's Services Directorate established. Children's Change Team set up.	4	3	High
Corporate budget position	CR2	4	4	High	Budget set aside to address Social Care and ICT budget pressures. Preparation of AES	4	2	Medium
Business continuity management	CR3	3	4	High	Work is underway to determine an overall corporate approach. Substantial capital investment made in ICT network and disaster recovery arrangements.	3	2	Medium
Failure to maintain CPA "good" rating	CR4	4	3	High	Project management of preparation. Complete areas for improvement. Engage partners.	3	2	Medium
Failure to get a "good" JAR rating	CR5	4	3	High	Run jointly with CPA project	3	2	Medium
Herefordshire Jarvis Services arrangements	CR6	4	3	High	Ensure Council's financial liabilities are covered. Raise awareness of contingency arrangements following creation of contingency plan.	2	3	Medium
Delivery of new LSPA agreement in agreed timescales	CR7	3	2	Medium	Steering Group formed to manage the delivery of the agreement. Early liaison established with Government contacts to circumvent more formal processes	3	2	Medium

## Managing Risk - Corporate Risks



Stage One				Stage Two				
Identified	Risk Reference Number	Assessment of Risk (Assume NO controls in place) using risk matrix			Risk Controls Measures	Assessment of Residual Risk (With control Measures implemented)		
		Impact (Severity)	Likelihood (Probability)	Priority Rating		Impact (Severity)	Likelihood (Probability)	Residual Priority Rating
Failure to deliver the LPSA targets	CR8	3	3	Medium	Amend JUP accordingly and drive change through the new management team.	4	2	Medium
Adult Care Services Green Paper	CR9	3	3	Medium	Waiting for publication of Green Paper and respond accordingly.	3	3	Medium
Recruitment and retention of staff where there are national skills shortages and including the impact of Job Evaluation.	CR10	3	3	Medium	Implement market forces / supplement. Succession planning Utilise SRDs / implement career development posts and conclude job evaluation Promote professional development support through training agreements and payment of professional fees. Develop secondment opportunities internally and with partners. Promote pride in Herefordshire.	2	2	Low
Corporate Capacity to deliver a range of changes the Council has embarked upon.	CR11	4	3	High	Programme Management, Clear Leadership and Senior Management Restructuring.	4	2	Medium

Signed: \_\_\_\_\_

Position: \_\_\_\_\_

Date: \_\_\_\_\_

## DESTINATION HEREFORD

### PROGRAMME AREA RESPONSIBILITY: COMMUNITY SERVICES

CABINET

23RD JUNE, 2005

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#### Wards Affected

County-wide

#### Purpose

To consider a proposal to establish a Destination Management Partnership (DMP) for Herefordshire in line with the West Midlands Visitor Economy Strategy 2004. This is the first stage in the process with the private sector currently being consulted on the proposal to set up one autonomous body to deliver tourism in the county by April 2006. Cabinet's approval is sought to work towards the establishment of one body for Herefordshire by April 2006. There is still work to be undertaken on the financial cost of operating the DMP and this work will be done during the preparation of the Action Plan. In particular, commitment and involvement of other directorates will need to be secured and any additional resourcing implications quantified.

#### Key Decision

This is not a Key Decision

#### Recommendations

- THAT (a) the establishment of a Destination Management Partnership for Herefordshire by April 2006, be supported in principle;**
- (b) the shadow partnership (currently named the Tourism Co-ordination group) be requested to develop an operational Action Plan for the DMP by September 2005. This plan will include the requirements for funding; staffing; the delivery mechanism; the membership and timetable for delivery. The funding for the DMP will be raised from existing Herefordshire Council (Tourism budget); membership from the private sector; sponsorship from companies and funding from Public Sector bodies;**
- (c) the service areas responsible for planning; environment; trading standards; street cleansing, transport and licensing be invited to participate in the development of a DMP and be involved in the partnership thereafter; and**
- (d) in preparation for the DMP a desk be provided within the Tourism Section of the Council for an Industry Liaison officer, a post that will be financed by the Association for the Promotion of Herefordshire until March 2006. This will be a cost to the Authority of providing a desk, IT and telephone facilities, these costs will be found from savings achieved from within the Tourism budget.**

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Further information on the subject of this report is available from  
Jane Lewis, Acting Cultural Services Manager on 01432 263068

## Reasons

The West Midlands Visitor Economy Strategy (April 2004) recommended that each destination in the West Midlands should be represented by a Destination Management Partnership, a private/public sector organisation to be a single body delivering tourism in the destination. The rationale for developing a DMP is as a means to develop a high quality, thriving Herefordshire Visitor economy. The public sector intervention is necessary in the tourism sector because of the high number of Small and Medium Size Enterprises (SME's) which form the industry in the county and because a number of the influencing factors in the destination falls within the public realm and infrastructure e.g. transport, street cleansing, planning control. All these services need to be incorporated within the structure of the DMP.

The vision is to develop a high quality, thriving Herefordshire visitor economy, based on the premise that a good place to live and work is a good place to visit. A DMP is a specific tourism visitor economy organisation approach that will allow Herefordshire to compete more effectively in an increasingly cluttered marketplace and to use limited resources more effectively.

## Considerations

1. The Tourism Industry in Herefordshire is fragmented by a number of bodies including five local Tourist Associations, one County Tourist Association and Herefordshire Council delivering tourism in the County. This fragmentation causes duplication of effort and also makes poor use of the very limited resources available.
2. The DMP could lead in the development of the destination and attract external funding from Advantage West Midlands (Cluster Development) and the Rural Regeneration Zone. This funding would not be available if a DMP was not established in line with the Visitor Economy Strategy for the West Midlands.
3. The DMP approach could improve efficiency and effectiveness and add value to current tourism activity especially by integrating the activities of the services across the Council.
4. The budget currently allocated by Herefordshire Council for the promotion of Tourism in Herefordshire will be used to match fund the private sector contribution towards the operation and marketing costs of the DMP. Discussion are ongoing with regard to the funding from the private sector and whether the DMP will be a membership organisation.

## Alternative Options

The alternative options would be to operate the tourism service for Herefordshire under the present arrangements. This would not enable us to attract any external funding or to improve the county in line with the requirements of the principles of a DMP.

## Risk Management

There are no risks identified in following this course of action.

## Consultees

Tourism groups in Herefordshire, Tourism Co-ordination group, Tourism Operators in Herefordshire and Heart of England Tourism.

## Background Papers

None

# PERFORMANCE MANAGEMENT FRAMEWORK

## PROGRAMME AREA RESPONSIBILITY: CORPORATE AND CUSTOMER SERVICES

**CABINET**

**23RD JUNE, 2005**

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### **Wards Affected**

None

### **Purpose**

To approve the revised Performance Management Framework attached as Appendix 1.

### **Key Decision**

This is not a Key Decision.

### **Recommendation**

**THAT the revised Performance Management framework be approved.**

### **Reasons**

The Council first adopted a Performance Management Framework in May 2003. Since then, and following the appointment of a Head of Performance Management later that year there have been significant developments and improvements made to elements of the framework. These have now been brought together into one document, the revised Performance Management Framework.

### **Considerations**

1. Performance Management is an important aspect of the Council's governance. It is vital that processes and systems are applied consistently across the Council and that the most up to date approach is being used. The revised Performance Management Framework ensures that the necessary elements are easily accessible, both to Members and officers. The document will be made available as part of the Rocket Science toolkit and posted on the Council's intranet

### **Alternative Options**

There are no alternative options

### **Risk Management**

Poor management of the Council's performance may result in lack of effective use of resources carrying reputational and financial implications. It is also an important element of the upcoming CPA and not applying consistent Performance Management approaches could lead to a reduction in the Council's score and consequent category.

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Further information on the subject of this report is available from  
Sue Griffiths, Head of Performance Management on 01432 260476

## **Consultees**

Relevant internal officers have been consulted. No external consultation was felt appropriate.

## **Background Papers**

None identified.



# Performance management framework

*...action for a better  
Herefordshire*

- ...**Putting** people first
- ...**Preserving** our heritage
- ...**Promoting** our county
- ...**Providing** for our communities
- ...**Protecting** our future

*Quality life in a quality county*

*Revised  
April 2005*

# Contents

<b>Introduction .....</b>	<b>3</b>
<b>Roles and responsibilities .....</b>	<b>4</b>
<b>Section 1      Planning and performance management .....</b>	<b>5</b>
<b>Section 2      Service plans .....</b>	<b>8</b>
<b>Section 3      Staff Review and Development .....</b>	<b>9</b>
<b>Section 4      Commitments .....</b>	<b>10</b>
<b>Section 5      Performance monitoring .....</b>	<b>11</b>
<b>Section 6      Verification systems and Quality Assurance Systems .....</b>	<b>13</b>
<b>Section 7      Risk management.....</b>	<b>14</b>
<b>Section 8      Self Assessment and Improvement Review .....</b>	<b>15</b>
<b>Section 9      External Assessment and Inspection .....</b>	<b>17</b>
<b>Section 10     Efficiency Agenda .....</b>	<b>18</b>
<b>Appendices:</b>	
Appendix 1      Performance Leads and Coordinators terms of reference.....	
Appendix 2      Commitments template.....	



# 1 Introduction

Herefordshire Council's Performance Management Framework was launched in May 2003 as part of the "Committed to Excellence" CPA Improvement Plan 2002-2005. This identified performance management as a key area for improvement to enable the Council to achieve its objectives. The framework built on the Council's existing strengths but introduced a more robust process for performance management.

While the basic principles of the framework remain sound, a great deal of learning has taken place over the last two years which has been incorporated into improving key aspects of it. This document reflects those changes and sets out the approach and systems from April 2005 onwards.

**The continuing principles of the framework are that it:**

- Establishes an overall corporate planning and performance management timetable
- Establishes a clear link between the ambitions set out in the higher level plans (Herefordshire, Corporate and Annual Operating plans) and the service objectives and actions to deliver those ambitions set out in the Directorate/Departmental and service plans.
- Establishes clear links between corporate and service objectives and the work of individual employees through the Staff Review and Development process
- Holds senior managers to account for the performance of services within their Directorates/Departments through a process of "Commitments".
- Ensures that the actual performance of services compared to targets and milestones is reviewed through regular performance monitoring by Chief Executive's Management Team, Directorate Management Teams, Cabinet Members and Scrutiny Committees
- Ensures that systems are in place to verify the accuracy of data collection systems
- Ensures that risk management is integrated into operational and strategic planning and performance monitoring
- Ensures that a commitment to improvement lies at the heart of all we do by using self-assessment techniques such as the Herefordshire Driver and EFQM Excellence Model, and the outcomes of external inspections to change our practice

**New features of the framework are:**

- New style Corporate Plan and introduction of an Annual Operating Plan
- Revised service planning guidance
- Formal risk management strategy adopted
- Integration of performance, risk and financial planning and performance reporting
- Implications of Delivering Efficiency in Local Services (Gershon)
- The production and distribution of all elements of the Performance Management Framework into a toolkit for Members and managers under a "Rocket Science" brand together with a rolling development and coaching programme

# Roles and responsibilities

Performance Management is the responsibility of every officer and Member, to a greater or lesser extent, as it provides the means to deliver the very best for the people of Herefordshire with the resources available. Members of CXMT have a particularly important role in driving both planning and performance management, in leading and supporting a culture in which these things are seen as important and in personally quality assuring the various products.

Responsibility for co-ordinating the implementation of the framework rests with the Head of Performance Management, supported by a network of Directorate/Departmental Performance Leads who act as “champions” and Performance Coordinators responsible for more detailed support on planning, performance management and reporting. The Head of Performance Management chairs both Groups and terms of reference can be found in Appendix

## Performance Leads

<i>Corporate Policy and Research Team</i>	Steve Martin, Corporate Policy and Research Manager
<i>Children’s Services</i>	George Salmon, Head of Policy and Resources
<i>Social Care and Strategic Housing</i>	Sue Alexander, Head of Business Services
<i>Policy and Community</i>	Geoff Hughes, Head of Community and Economic Development
<i>Environment</i>	Jonathan Barrett, Head of Planning Services
<i>County Secretary and Solicitor</i>	Pat Bailey, Business Support Manager
<i>County Treasurers</i>	Tony Ford, Principal Audit Manager
<i>Human Resources</i>	Amanda Attfield, Human Resources Manager, Organisation Development and Workforce Planning

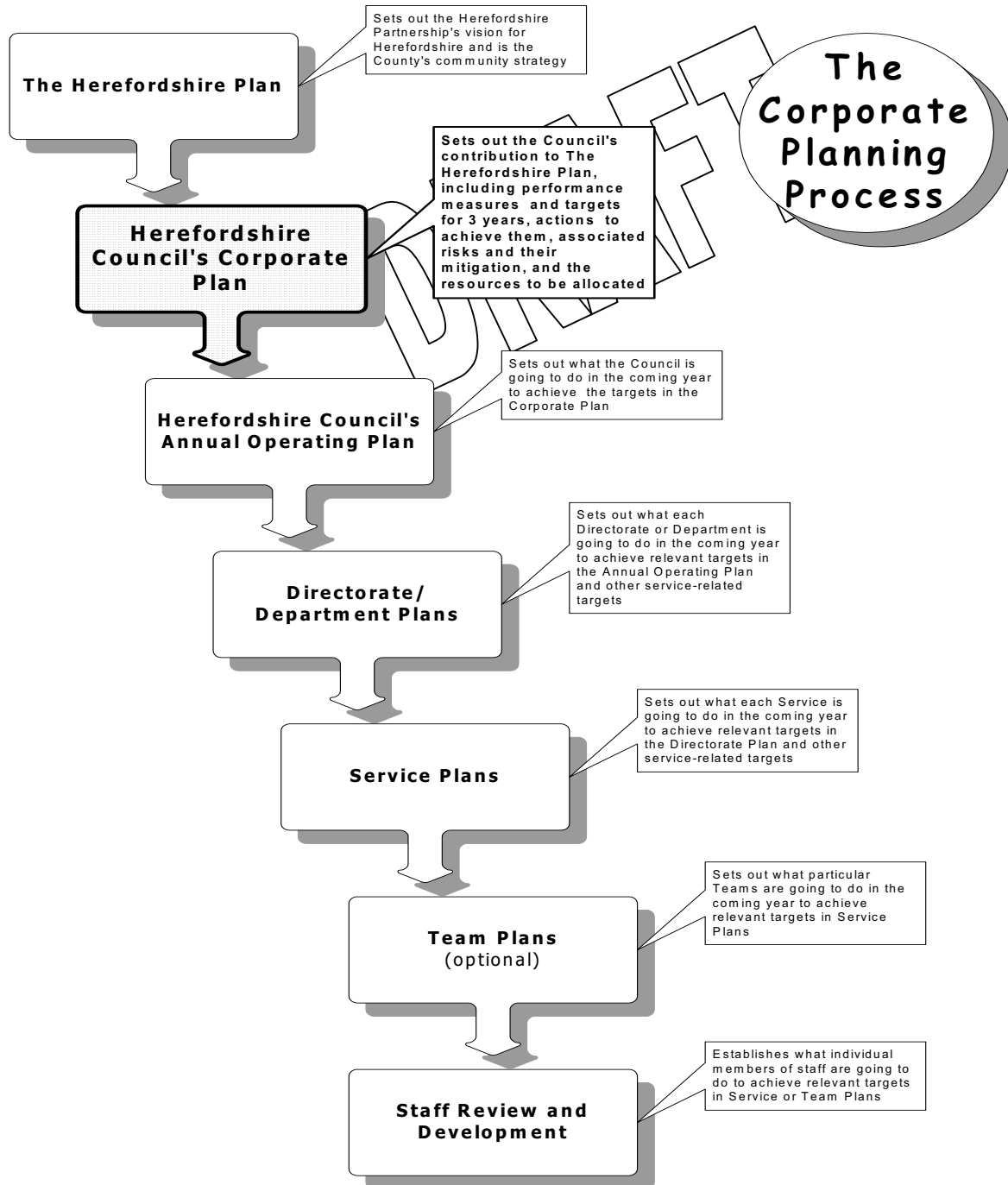
## Performance Coordinators

<i>Corporate Policy &amp; Research Team</i>	Kevin Lloyd, Policy Assistant
<i>Children’s Services</i>	Stephanie Hood, Policy, Planning & Review Officer
<i>Social Care and Strategic Housing</i>	David Mitchell, Information Systems Manager
<i>Policy and Community</i>	Audrey Rust, Performance Management Officer
<i>Environment</i>	Bob Barker, Performance Officer
<i>County Secretary and Solicitor</i>	Mary Tittle, Brockington Support Manager
<i>County Treasurers</i>	Tony Ford, Principal Audit Manager
<i>Human Resources</i>	Ann Williams, Personnel Officer

# 1

## Planning and Performance Management

The diagram below illustrates the relationship between the different levels of plans that form the basis of the Performance Management regime.



The Corporate Planning process for 2005-6 marked a significant departure from previous approaches in making much more explicit links between the hierarchy of plans and integrating planning and budget setting. The Corporate and Annual Operating plans are much clearer about priorities, targets, milestones and actions and accountability. This is designed to make managing performance against them more straightforward. This is

further supported by the inclusion of resources and risk. The Corporate Plan is also the Council's Best Value Performance Plan and Improvement Plan. It will also incorporate the performance indicators and targets for the Local Public Service Agreement (LPSA), once approved, and of any subsequent Local Area Agreement.

The Council's **top priorities** for the period of the Corporate Plan 2005-8 are:

- to **maximise the health, safety, economic well-being, achievements and contribution of every child**, including those with special needs and those in care
- to build on the already strong performance of the county's schools and continue to **improve the achievement of pupils**
- to **enable vulnerable adults to live independently** and, in particular, to **enable many more older people to continue to live in their own homes**
- to **protect the environment**, including by **recycling much more waste** and significantly **reducing carbon emissions**
- to **improve transport and the safety of roads**, including further reductions in the numbers of people killed or seriously injured
- to **sustain vibrant and prosperous communities**, including by **providing more efficient, effective and customer-focused services and clean streets**
- to **promote diversity and community harmony** and **strive for equal opportunities** for all the people of Herefordshire, regardless of race, religion, disability, sex, sexual orientation, geographical location, income or age
- to **develop its community leadership role**, working with partners to achieve the *Herefordshire Plan* Ambitions and deliver the Local Public Service Agreement (LPSA) with the Government

To make these things possible, **the Council's organisational priorities** are:

- to streamline its processes, assets and management structures, and **secure significant efficiency savings** in line with the Government's proposals contained in "Delivering Efficiency in Local Services", so as to keep down Council Tax increases and invest in priority service improvements
- to **ensure that its essential assets**, including schools, other buildings, roads and information and communications (ICT) infrastructure, **are in the right condition for the long-term cost-effective delivery of services**
- better to **understand the needs and preferences of service users and Council Tax-payers**, and to tailor services accordingly
- to **recruit, retain and motivate high quality staff**, ensuring that they are trained and developed so as to maximise their ability and performance
- to **embed corporate planning, performance management and project management systems** so as to continue to drive up service standards and efficiency

In all it does and to underpin the delivery of the above priorities, the Council ethos is to maximise **impact through partnerships**. The Herefordshire Plan is being reviewed in 2005-6 and the outcome will continue to inform the corporate and service planning processes thus ensuring the link between the Community Strategy and the Council's ambitions and activities.

**The annual performance management timetable runs as follows:**

<b>September</b>	<ul style="list-style-type: none"> <li>✓ Publish Corporate Plan for following three years</li> <li>✓ Undertake Commitments review for current year</li> <li>✓ Individual services undertake six-monthly review of service plans and initial planning for next year's service plans</li> <li>✓ First four months' budget and performance monitoring reports</li> </ul>
<b>October</b>	<ul style="list-style-type: none"> <li>✓ Undertake Herefordshire Driver assessments (EFQM assessment every third year)</li> <li>✓ Commence budget planning and consultation</li> </ul>
<b>November/December</b>	<ul style="list-style-type: none"> <li>✓ Draft Annual Operating Plan in place</li> <li>✓ Commence negotiations on Service Level Agreements</li> <li>✓ Six months' budget and performance monitoring reports</li> </ul>
<b>January</b>	<ul style="list-style-type: none"> <li>✓ Quality Assure draft service plans</li> <li>✓ Undertake Commitments review for current year</li> <li>✓ Draft Commitments agreed for Directors and Heads of Departments</li> <li>✓ Eight months' budget and performance monitoring reports</li> </ul>
<b>February/March</b>	<ul style="list-style-type: none"> <li>✓ Confirm budget</li> <li>✓ Final review and sign-off of Commitments for current year</li> <li>✓ Commitments for Directors/Heads of Department and Heads of Service finalised</li> </ul>
<b>March</b>	<ul style="list-style-type: none"> <li>✓ Finalise Annual Operating Plan and service plans</li> <li>✓ Finalise Service Level Agreements</li> <li>✓ Service managers agree their Commitments with Heads of Service</li> <li>✓ 10 months' budget and performance monitoring reports</li> </ul>
<b>April/May</b>	<ul style="list-style-type: none"> <li>✓ Roll out programme of Staff Review and Development interviews for all employees</li> </ul>
<b>May/June</b>	<ul style="list-style-type: none"> <li>✓ Publish Best Value performance information for previous year and targets for future years</li> <li>✓ 12 months' (outurn) budget and performance monitoring reports</li> </ul>
<b>July</b>	<ul style="list-style-type: none"> <li>✓ Start planning Herefordshire Driver sessions/EFQM assessments</li> <li>✓ CXMT/Cabinet session for planning next Corporate Plan</li> <li>✓ Audit of service plans</li> <li>✓ Devise Annual Training and Development Plan</li> </ul>

## 2 Service plans

The Corporate Plan sets out, at a strategic level, what the Council wants to achieve over the next three years (initially for 2005 to 2008). The Annual Operating Plan spells out the milestones, actions and budgets for the first of those years (initially 2005-06). The overall performance of the Council will be monitored and managed against these plans.

Service planning is how the Council will make sure that the Corporate and Annual Operating Plans are delivered. It will do this by making clear:

- What has been achieved so far
- What a service is to achieve to fulfil the Corporate and Annual Operating plans
- How it will be achieved

By doing this, the service plan will be the basis for monitoring and managing the performance of the service. It will also be the means by which the ambitions of the Herefordshire Partnership and the objectives of the Council are delivered through the work of teams and individuals. What is in the service plan will determine the performance targets set out in an individual's commitments or SRD.

A good quality plan should take account of the context in which the service operates, be customer-focused and take account of the changing environment, including finance, human resources and legislation. It needs to be clear and succinct and be capable of communicating to stakeholders and employees where the service is going. Most importantly, it must be the vehicle for driving the service forward, of being reviewed on a regular basis and of being revised to adjust to new circumstances or to respond to targets not being met.

The revised framework for service plans requires that the following areas be addressed:

- What we do
- How well we're doing
- What is changing
- What we will do
- Capacity to deliver

It also includes recommendations for how the process should be managed, who should be involved and a detailed timetable for production and quality assurance. Following an evaluation of the process for production of plans for 2005-6 the guidance has been amended to explicitly require more emphasis on the assessment the needs of residents and service users, and to draw attention to new corporate consultation arrangements.

The focus on using the service plans to manage performance is much stronger in the revised guidance both in terms of setting measurable targets and defining resource requirements. There a common and **mandatory** approach to the presentation of performance indicators and targets in order to guarantee a corporate and consistent approach to performance management This is to ensure that the links with the Corporate, Annual Operating and Herefordshire Plans are maintained and strengthened.

Service plans will continue to be audited on an annual basis .The revised Service Planning Guidance can be found on the intranet.

# 3

## Staff Review and Development

The SRD process is a key aspect of managing the performance of the Council, in that it makes the link from corporate and service objectives to the activities, responsibilities and performance of individuals. This is an essential element in making the Council's objectives a reality.

It is the policy of the Herefordshire Council that a formal review of staff development and performance (SRD) is held at least once a year for all employees (not employed in a teaching capacity in schools). The review and development discussion is conducted between an appropriate manager or supervisor and the individual jobholder. The SRD has three main purposes for the individual jobholder, namely:

- a review of performance in the previous year;
- setting objectives, performance indicators and targets for the coming year, linked to the service plan;
- identifying and agreeing training and development needs for both the coming year, and in the longer term

The SRD discussion also forms a key part of career management and development for all employees.

SRDs normally take place face to face, however there is an optional paper based process that can be used in certain operational circumstances. Service plans are required to be in place by 1<sup>st</sup> April and SRD's should be completed by the end of May to ensure appropriate and direct links between service and individual targets.

The policy guidance and relevant forms are available on the Intranet under Personnel/Training and Development/Staff Review & Development.

The effectiveness of Staff Review and Development is tracked using two main local indicators

- 1) % Completion of SRDs in a 12 month period, and between February and June each year;
- 2) the annual staff opinion survey is used to monitor the quality and value of SRDs.

Completion of Staff Review and Development is an important indicator in the Council's Pay and Workforce Development Strategy as it enables the development of an effective overall Training and Development Plan for the Council.

## 4 Commitments

Directors, Heads of Departments and Heads of Service have their performance managed through the “commitments” process. Annual commitments are drawn up primarily from the accountabilities set out in the Corporate and Annual Operating Plan, together with any additional commitments deriving from their Directorate or service plans. These might reflect service specific national objectives, improvements arising from inspections, service improvement reviews or self-assessments such as the Herefordshire Driver. Senior managers are also expected to contribute to wider corporate objectives such as efficiency gains or human resources strategies, which are assigned to the relevant corporate lead who must satisfy themselves that all Directorates are meeting such commitments.

Directors and Heads of Department’s Commitments are:

- negotiated and agreed with the Chief Executive
- monitored by the Chief Executive with the support of the Head of Performance Management.

Commitments are negotiated in parallel with the signing off of service plans. Pre-meetings between the Head of Performance Management and Directorate/Departmental performance coordinator or lead are to ensure that the meetings between the Director/Head of Department and the Chief Executive are more focussed. Heads of Services’ commitments are agreed and monitored by the relevant Director/Head of Department with the support of their performance coordinator.

Formal review of and feedback on progress on commitments is monitored twice a year, usually in September and January. These also take place in the context of pre-meetings between the Head of Performance Management and the relevant Directorate or Departmental performance contact. Progress meetings between Directors/Heads of Department and their Heads of Service will take place ahead of those between the Director and Chief Executive so that the most up-to-date evidence is available. (see Annual Performance Management timetable)

The current template for the commitments is included as Appendix 2 and while initially based on the balanced scorecard, its structure is evolving to reflect the changes to the Corporate Plan layout. The commitments process is seen as a significant aspect of performance management and will continue to be evaluated and improved on an annual basis. Particular attention will be paid during 2005-6 to rolling the process out consistently through Heads of Service.



# Performance monitoring

The Council is in the process of devising a new approach to corporate reporting which integrates performance, financial and risk information on the basis of the contents of the Corporate Plan and the Annual Operating Plan. The final version is still to be approved by CXMT but the broad approach has been agreed as follows:

## **Principles & Assumptions:**

In accordance with the agreed corporate planning process, to integrate fully information about performance against the Annual Operating Plan with financial and risk management information.

To provide appropriate reports to enable Cabinet, CXMT, Strategic Monitoring Committee, individual lead Cabinet and CXMT members and individual scrutiny committees to monitor and manage performance, budgets and risk in an integrated way

To provide reports which enable closest attention to be paid to the key issues and highlight major issues on an exception basis

## **Timetable:**

The current arrangements of 4,6,8, and 10 with outturn on the end of the previous operating year at month 2 (in June) will continue. Additionally, performance against the milestones and actions in Annual Operating Plan will be reported to CXMT at month 2 (in June). A review of this timetable will take place during 2005-6 to assess the feasibility of increasing the frequency to monthly.

## **Initial Structure:**

Title of reports to CXMT, Cabinet and Strategic Monitoring Committee: **Corporate Performance, Finance and Risk Management Report**

To provide an overview to highlight outstanding performance issues in monitoring the Operating Plan and make relevant links with budget performance and risks.

To highlight areas of major budget variances which impact on the Annual Operating Plan.

Separate section on all risk issues not covered in above overview (including any issues arising in relation to matters of major significance not covered by the selection of PIs and targets in the Corporate Plan and Annual Operating Plan).

## **Appendix A**

Corporate Performance Report using the operating plan template (which includes LPSA targets)

Annual report on BVPI outturn and targets (June)

## **Appendix B**

Revenue Budget Reports Focus on performance against the Operating Plan.

Each to include relevant budget driver information – input/output information.

More detailed explanations of budget variations.

**Appendix C**

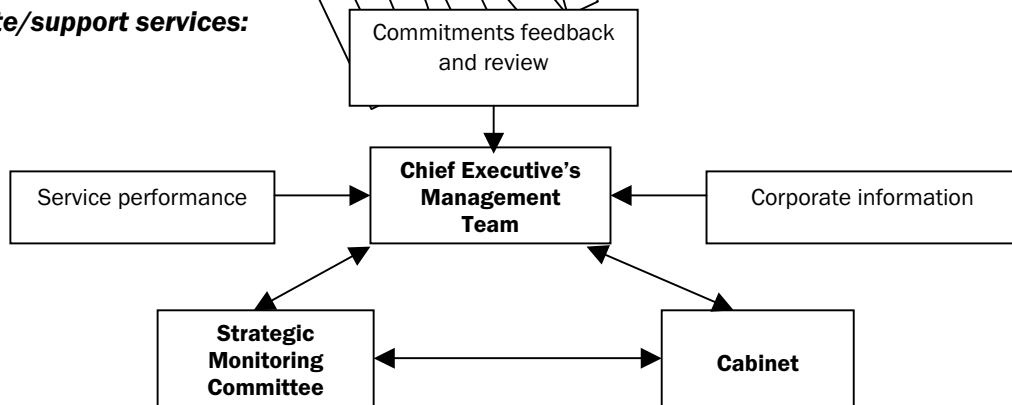
Corporate Capital report with more detailed explanations of programme slippage or budget variations.

**Appendix D**

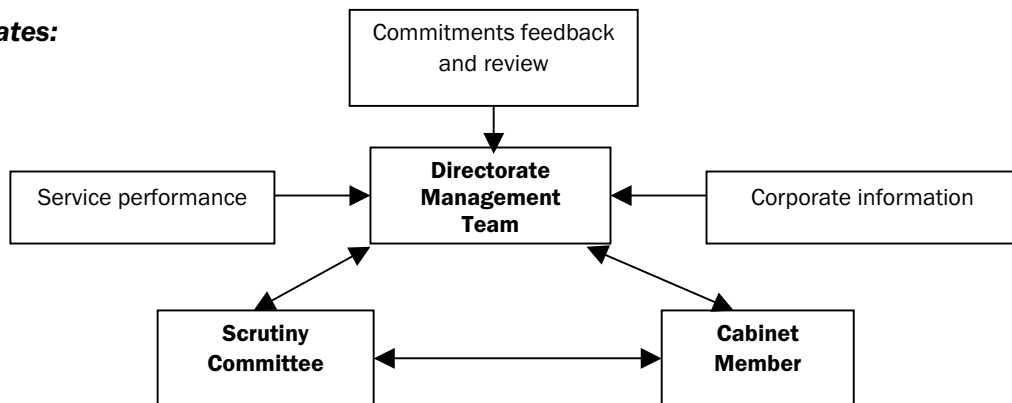
Risk Management logs including corporate risks

The diagram below illustrates how information about individual, corporate and service performance is fed into the various monitoring and decision-making forums.

**Corporate/support services:**



**Directorates:**



# 6

## Verification and quality assurance systems

Ensuring the quality of performance data continues to be a high priority. Year on year performance has improved in this area but following the qualification of some performance indicators for 2003-4 by District Audit. Consequently a more robust improvement plan was developed by the Head of Performance Management and internal audit and approved by CXMT was adopted. The key features of this are as follows:

- the development of a corporate handbook for all BVPI's (to be supplemented by local PI's and subsequently LPSA2 indicators) indicating definition, method of calculation and management ownership
- a commitment to the earlier production of BVPI's to enable more timely internal processes of audit to take place ahead of publication
- Internal Audit to focus on any qualified or new BVPI's and to offer support to any managers with concerns or uncertainties in this area
- A programme of training and coaching for PI administrators in Directorates and Departments to be led by Performance Coordinators
- A commitment from Performance Leads to ensure that the work is driven, supported and prioritised within their Directorates and Departments.
- Closer working with District Audit and joint set up and feedback sessions with Performance Coordinators

There is a commitment by the Head of Performance Management and Internal Audit to produce an annual verification improvement plan, the content of which will be reviewed on basis, for approval and monitoring by CXMT.

In addition to the verification of performance information the revised corporate planning process has included a quality assurance stage for the assessment of service plans to ensure compliance with the service planning guidance. This is supplemented by an annual audit, which for 2005-6 will focus on the extent to which the plans are used as a basis for managing performance.



# Risk management

The Council's Risk Management Strategy was approved by Cabinet in March 2004 and reviewed and re-ratified in March 2005. The following extracts from the strategy provide an outline of the main principles. The full document is available on the intranet.

## Statement of Policy on Risk Management

The Council recognises its business has an impact on the people who live, work and play in Herefordshire.

The Council undertakes to take all reasonably practicable measures to ensure that the impact of its decisions does not have an adverse effect on the resources of the Council, the people working for the Council or those receiving the services of the Council by ensuring that:

- A strategic overview of the management of risks facing the Council is undertaken
- Risk assessments are undertaken on any projects, service plans, and changes to procedures or processes
- The 4 stage cycle of risk management is adhered to
- Employees at all levels understand their role in managing risk

## Responsibilities for Risk Management

**All employees** have a responsibility to identify and manage the risks that they face on a day-to-day basis (operational risks).

However, certain roles carry specific responsibilities in respect of managing risk, particularly strategic risks, as follows:

**Elected members** have overall responsibility for managing the strategic risks of the Council.

The **Chief Executive** is accountable on a day-to-day basis for managing the Council's risks and for providing advice to Elected Members to enable them to undertake their role.

**Directors and Heads of Service** are responsible for managing risks effectively within their Directorate/Department/Service.

The **County Treasurer** is the Council's nominated Risk Manager and manages the Council's insurance arrangements.

The **Head of Performance Management** is responsible for monitoring the overall policy/strategy, assisted by the **Performance Leads Group**. (see below)

The **Risk Management and Insurance Officer** maintains the Council's corporate risk register, providing monitoring reports as required to the County Treasurer and Head of Performance Management.

The Head of Human Resources, Head of ICT, and Head of Property Services have a role in ensuring the strategic risks in these key support areas are identified and remedial measures

set in place. They also have an advisory role to support Directorates in the identification and risk mitigation in these areas.

## **The Risk Management Cycle**

The risk management cycle consists of four stages

### **Identification**

This process is achieved by:

- Specifying the risks to which the Council is exposed both strategic and operational.
- Analysing past claims, incidents and other losses.
- Creation and maintenance of a corporate risk register.

### **Evaluation**

Having identified areas of potential risk they need to be analysed by:

- An assessment of impact.
- An assessment of likelihood.

### **Risk Control**

Following evaluation there are four main control options:

- Tolerate – monitor and re-evaluate in the future
- Terminate –do not undertake the activity
- Treatment (pre and/or post loss) – manage it, put in place effective controls
- Transfer – pass the risk on (e.g. to contractor/insurer)

### **Monitoring**

This will need to operate at a number of levels

- Corporately as an aspect of the revised corporate reporting arrangements
- At Directorate and Departmental level at Management Team
- At service level by Heads of Service and Service Managers

The Head of Performance Management works with the Performance Leads Group to ensure a corporate overview is maintained and consistency of approach is maintained. Chief Executives Management Team reviews the strategy itself on an annual basis and Cabinet approves any amendments. The next review is due in early 2006.



# Self Assessment and Improvement Review

## EFQM Excellence Model and the Herefordshire Driver

The Council made a decision in February 2002 to use the EFQM Excellence Model as a tool to help strengthen its approach to performance management and to drive continuous improvement at all levels in the organisation. A large pool of assessors were trained and detailed feedback given to all Directorates and Departments. This was felt to be a useful and powerful tool particularly if revisited on an annual basis. However, in terms of capacity and resources required this was not felt to be an option.

It was agreed that a self-assessment approach based on the themes and principles of the EFQM model would be a very acceptable substitute and have the advantage of generating additional ownership of the areas for improvement. During 2003/4 a customised product, the "Herefordshire Driver" was developed in partnership with an accredited EFQM company.

The following approach has now been approved.

- **An annual self-assessment using the Herefordshire Driver** – this is now a key aspect of the service planning process. During 2005 Directorates and Departments have piloted different approaches to using the tool which will be evaluated. The common features are an assessment involving senior managers and a reality check seeking views of frontline staff.
- **A full EFQM peer assessment every three-years** – the next assessment will take place in 2006. Lessons from the last assessment will be incorporated to ensure the approach takes account of available capacity.

## Service Improvement Programme

The Service Improvement Programme has been identified as a key aspect of the Council's strategy to reduce costs and improve efficiency. Targets for the contribution of S.I.P, to the efficiency agenda have been identified over the next three years. The key elements of the programme for consideration will be:

- Organisational realignment
- Process redesign
- Improved use of corporate resources – financial, people and technology.

The detailed Service Improvement Programme is currently being developed and is likely to have a major impact on the culture of the Council.

# 9

## External assessment and inspections

Feedback on external assessments and inspections is seen as a critical aspect of the Council's Performance Management framework. The Council welcomes the opportunity to learn from inspections about those processes which are working well and where improvements are required. Increasingly such inspections require a self-assessment and this is seen as an opportunity to improve our self-awareness.

Recent and forthcoming inspections include:

- Older Persons
- Adult Learning
- Area Wide Inspections (14-19 education and training)
- Trading Standards Peer review
- Comprehensive Performance Assessment
- Joint Area Review of Children's Services
- LEXCEL

The Council is also scored, on an annual basis for some services and the scores are used to update its CPA score. The Council has maintained its "Good" categorisation since it was first scored in 2002, however individual scores have altered during that time. Feedback is received, both formal and informal, from Inspectorates via our relationship managers.

Performance against Best Value Performance Indicators, both chronologically and in relation to other Councils (our quartile position) also provides useful benchmark material on the Council's improvement agenda.

## Efficiency Agenda

Following the Gershon Efficiency Report the Audit Commission have placed a number of requirements on local authorities to demonstrate that they are addressing the efficiency agenda both in delivering actual efficiencies and promoting a culture of value for money. There is an overall requirement to produce ongoing efficiency gains of 2% year on year. These must be set out in the Forward Looking Annual Efficiency Statement to be produced annually in April, with 2005 being the first year. The Backward Looking Statement has to be produced in the June to evidence how efficiency gains have been realised in the previous year.

There are intrinsic links between the efficiency agenda and performance management, particularly in terms of building a culture of continuous improvement. Efficiencies can be demonstrated by performance gains as well as by cash savings. If service output increases at a faster rate than its financial resource, then by inference it is operating more efficiently. The Council has decided to focus initially, due to financial planning considerations, on releasing cash savings. Over 80% of the gains in the first Annual Efficiency Statement are cash releasing. Major service blocks have been given target savings to find in 2005/06 although all services are expected to find savings both now and in future years.

The Council has identified a number of key strands where a coordinated and corporate approach will be applied to maximise its efficiency gains. These include the adoption of a number of corporate strategies as follows:

- Pay and Workforce Strategy
- Procurement Strategy
- Service Improvement Programme
- ICT Strategy
- Accommodation Strategy

It is intended that the adoption and implementation of these strategies will lead to a more effective use of our key resources in finance, ICT, property and people.

Although the County Treasurer has responsibility for overall co-ordination and submission of the Efficiency Statements the responsibility for delivering efficiencies remains with managers. The success of this approach will depend on the ability of managers, and indeed all employees, to integrate best practice into their own areas of work and to support the corporate initiatives and changes.

Dissemination and sharing of best practice is vital and this will be integrated into future management development programmes as well as through corporate working, discussion and learning. Progress on proposed efficiencies, gains and cash savings will be reported on as part of the new corporate reporting arrangements.



Appendix 1

**Roles and Responsibilities of Performance Leads and Performance Coordinators**

Performance Leads	Performance Coordinators
Champions (on DMT's)	Technical experts
Can apply carrot/stick	Request/chase information
Display enthusiasm/ownership	Communicate detail of PM
Act as critical friend to other Heads of Service	Provide technical support/info to Heads of Service
Ensure information used to make improvements	Ensure accurate Performance Information available
Communicate expectations re: processes e.g. service plans	Support processes/chase deadlines
Follow up progress where problems	Monitor progress
Feedback decisions/plans to DMT's	Implement decisions/plans
Ensure risk registers in place	Ensure managers do risk assessments
Ensure good audit trails	Ensure good audit trails
Promote good practice with managers	Technical networking/sharing good practice
Promote overall picture	Pull it all together/join up
Keep coordinators informed of changes to services/plans/relevant decisions.	Keep Leads informed of any changes to PI's, problems collecting data, changes to reporting
Monitor commitments in liaison with Head of Performance Management	Provide monitoring information for the commitments process

Appendix 2

Commitments Template 2005-06

Indicator	Outcome / Issue	Source or evidence	Action/Improvement Plan	Risk Assessment (Impact/Likelihood)	Comments/Progress
	Our Customers				
	Our Operations				
	Our Resources				
	Our Innovation and Learning				

Chief Executive/Director .....

CXMT Member/Head of Service .....

Date .....

# HEALTH AND SAFETY ANNUAL REPORT

## PROGRAMME AREA RESPONSIBILITY: CORPORATE AND CUSTOMER SERVICES AND HUMAN RESOURCES

CABINET

23RD JUNE 2005

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### Wards Affected

None

### Purpose

To receive a report on actions taken during the last year to progress addressing Health and Safety issues.

### Key Decision

This is not a key decision.

### Recommendation

**That the report be noted.**

### Reasons

The Council has put in place a series of actions to improve the health, safety and well-being of its workforce. These actions have been effective in identifying sickness absence issues to be addressed and reducing employee turnover rates to well below the average for Local Government.

### Considerations

1. The actions taken which are described in this report are part of a continuing process and are monitored by the Safety Committee at their quarterly meetings. During 2004 the Head of Human Resources took over the chair for these meetings as it was felt important that a member of the Chief Executive's Management Team chairs the Safety Committee. It is pleasing to note that this increased profile of the Safety Committee has led to improved attendance by all Directorates. Update reports from the Safety Committee are presented to the Chief Executive's Management Team for consideration and action. The Trades Unions have two representatives on the Committee who have been suitably trained by their union.
2. Following discussions with the Health and Safety Executive the Chief Executive's Management Team agreed a health and safety action plan. As part of this action plan it was decided that an assessment would be carried out on how well change is managed within the Council. This has been done using the Staff Opinion Survey as the vehicle so that the views of as many employees as possible could be captured.
3. Overall the "Change Management" questions showed 63% agreed that the organisation communicated with employees regularly when going through change.

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Further information on the subject of this report is available from David Johnson, Head of Human Resources on 01432 383055

Individual Directorate results have been produced and circulated so that they can be discussed and addressed within the Directorate Management teams and also involving the Council's Health and Safety Officers to provide support to the Directorates.

4. A number of further actions have been taken in response to issues identified via Management Teams. These include

- The Occupational Health Unit regularly runs a series of 'lifestyles days' where employee's health is monitored and advice and guidance is given on suitable life styles. It is similar to a well man or well woman clinic with the inclusion of different and alternative therapies to reduce stress. The lifestyles days are held annually and set up in two different premises on two different days so as to allow as many employees as possible to attend. Last year 151 employees attended and of these 13 employees were referred to their GP for further checks because initial indications were showing high blood sugars, cholesterol or blood pressure. They were advised to see their GP with an accompanying report. The Council's employee assistance counsellors are also in attendance to discuss issues with the employees.

The role of the employee assistance counsellors is to provide a confidential counselling service to individual or groups of employees distracted from the effective performance of their duties by a range of personal concerns, including but not limited to: emotional stress, relationships, family, alcohol, drugs, financial, legal or work-related stress, organisational change and career issues. Additionally they also assist the organisation in the identification and amelioration of workplace stressors which adversely affect job performance through the provision of consultancy, training and group support. An example of this is the provision of mediation services following the breakdown of working relationships.

- A robust process was put in place to ensure the accurate reporting and recording of employee absence as a result of recommendations made following an audit of the sickness absence statistics. Attached at Appendix 1 is the end of year absence figures by Directorate/Department. It shows the level of sickness absence to be 10.3 days per employee. The average for local authorities employees is 10.5 days per employee. As part of the monitoring of sickness absence, employees on long-term sickness are referred to our Occupational Health Physician following a period of absence of 4 calendar weeks. The trigger of 4 short-term absences over a period of 6 months is also used as a benchmark for referral to Occupational Health. Reports on who meets each criterion are circulated monthly to Directorate Personnel Officers, who liaise with managers to determine the best course of action.
- Herefordshire Council has a fast track physiotherapy system in place to reduce the time taken for a reported muscular-skeletal disorder to receive treatment.
- Further a rehabilitation scheme is established for a phased return to work should it be needed to assist employees back to work. It is monitored by Occupational Health and is being used very successfully across the organisation.
- A number of Managing Attendance workshops were run last year. The workshop is designed for 6 to 8 management participants and the use of communication skills with employees forms a major part of the course material. The course is being reviewed to ensure Managers are given the information and training to enable them to manage sickness absence in the workplace in a caring and appropriate manner.
- A stress (psychosocial hazards) risk assessment template has been published

and can be downloaded from the Intranet. The HSE Stress Management Standards are used as hazards. The suggested preventative measures against each hazard are listed for managers to use when doing the risk assessment. Over the last two years 84 employees from all Directorates have been trained to carry out the risk assessments.

- An annual Managing Safely Institute of Safety and Health accredited certificate course was run during May. Over the last 3 years 28 managers have attended this course run by accredited trainers. A refresher one-day course is also run for employees who took the Managing Safely course more than three years ago. The course gives the delegates a basic qualification in safety and health. The aim of the course is to ensure that safety requirements are appreciated by those employed in a managerial role and enables them to review departmental systems for safety, introducing new controls or implementing changes as appropriate to make the workplace safe.
- In addition to the above course for managers a series of regular corporate health and safety training courses are available for all employees. This includes Health and Safety induction for all new employees, Risk Assessments and Manual Handling.
- Directorates also provide specialist Health and Safety training geared towards specific jobs such as managing personal safety for front line employees.
- Attached at Appendix 2 are statistics relating to accidents for the year ending 31/3/05. Overall there has been little change in the number of accidents year on year. In respect of reportable accidents to the Health and Safety Executive, i.e. those where the employee is subsequently absent for 3 or more days, Herefordshire Council has one of the lowest rates across the West Midlands. Violence at work and reports of those who have suffered a physical assault has generally remained static year on year. Work is ongoing to further implement control and preventative measures to reduce the level of incidents.

## **Risk Management**

The risk of not having adequate mechanisms in place to manage health and safety issues is that such a situation would likely lead to a reduction in the quality of service delivery as a result of increased levels of sickness absence, higher rates of employee turnover and lower levels of morale and motivation.

Processes have therefore been put in place to manage these risks using best practice advice and guidance from the Health and Safety Executive and the National Employers Organisation for Local Government

## **Consultees**

Recognised Trades Unions, Health and Safety Committee.

## **Background Papers**

None identified.



**Sickness Absence for year end 31-03-05**

<b>Directorate/Department</b>	<b>Days lost per employee 2004/05</b>
Chief Executive's including HR	9.44
County Secretary & Solicitor	8.97
County Treasurer	10.52
Children' Services	
<i>Education</i>	8.86
<i>Schools</i>	8.66
<i>Social Care and Strategic Housing</i>	18.73
Environment	9.41
Policy and Community	7.32
<b>BVPI 12 reported fte days lost per fte employee</b>	<b>10.30</b>





***Breakdown of accident by cause year ending 31st March 2005***

<b>General Description of incident</b>	<b>Incidents</b>	<b>Reportable to HSE</b>	<b>Time lost FTE days</b>
Another Kind Of Accident	25		
Contact With Electricity/elect Discharge	2		
Contact With Moving Machinery	5		
Exposed/contact With Harmful Substance	8		
Fell From A Height	2		
Hit By A Moving Flying Or Falling Object	42		
Hit By A Moving Vehicle	8		
Hit Something Fixed Or Stationary	25		
Injured By An Animal	7		
Injured While Handling/lifting/carrying	61	3	57
Physically Assaulted By A Person	203	2	31
Slipped/tripped/fell On The Same Level	65	3	49.23
Trapped By Something Collapsing	2		
	<b>455</b>	<b>8</b>	<b>137.23</b>



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