

**To: All Members of Cabinet:
R.J. Phillips (Leader)
Mrs. L.O. Barnett
P.J. Edwards
Mrs. J.P. French
J.C. Mayson
D.W. Rule MBE (Deputy Leader)
R.V. Stockton
D.B. Wilcox
R.M. Wilson**

Chief Executive's Office
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18th January, 2006

Dear Councillor,

**MEETING OF CABINET
THURSDAY, 26TH JANUARY, 2006 AT 2.00 P.M.
THE COUNCIL CHAMBER, BROCKINGTON, 35 HAFOD ROAD, HEREFORD**

AGENDA (05/20)

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. CORPORATE PLAN 2006/09

To agree the Corporate Plan 2006/2009, subject to any changes that may be needed, before recommending it to Council for approval at its meeting on 10th March, 2006.

(Pages 1 - 60)

4. DRAFT REVENUE BUDGET STRATEGY

To receive the Corporate Management Board's (CMB) suggested revenue budget strategy for 2006/07. *(Pages 61 - 88)*



5. PROPOSALS FOR 2006/07 CAPITAL PROGRAMME

To receive a report on the key issues for consideration regarding the capital funding strategy and the allocation of supported and unsupported borrowing for capital expenditure for 2006/07. *(Pages 89 - 100)*

6. REVIEW OF THE CONSTITUTION

To update the Constitution to reflect changing legislative and Council requirements. *(Pages 101 - 116)*

7. LOCAL AREA AGREEMENT

To consider the current position in relation to the development of a Local Area Agreement (LAA) for Herefordshire. *(Pages 117 - 120)*

8. PAY AND WORKFORCE DEVELOPMENT STRATEGY 2005/08

To receive a progress report on the Council's Pay and Workforce Development Strategy Operating Plan for 2005/06. *(Pages 121 - 124)*

9. WIDEMARSH STREET PEDESTRIANISATION- RESULTS OF EXPERIMENTAL TRAFFIC SCHEME

To consider the results of the experimental pedestrianisation scheme in Widemarsh Street and High Street, Hereford. *(Pages 125 - 164)*

10. HEREFORDSHIRE UNITARY DEVELOPMENT PLAN (UDP) INSPECTOR'S REPORT

To agree a method for considering the recommendations of the Inspector following the UDP Inquiry. *(Pages 165 - 166)*

11. ACCOMMODATION NEEDS OF GYPSIES AND TRAVELLERS

To support the undertaking of a county-wide assessment of the accommodation needs of Gypsies and Travellers to enable the development of appropriate measures and solutions for further consideration. *(Pages 167 - 170)*

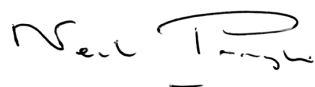
12. HEREFORDSHIRE OLDER PEOPLE'S STRATEGY

To receive a progress report on the Herefordshire Older People's Strategy. *(Pages 171 - 176)*

13. STRATEGIC MONITORING COMMITTEE

To note the report of the Strategic Monitoring Committee to Council. (*Report to follow*)

Yours sincerely,

A handwritten signature in black ink, appearing to read "Neil Pringle". The signature is written in a cursive style with a large, looped initial "P".

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

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COUNTY OF HEREFORDSHIRE DISTRICT COUNCIL

BROCKINGTON, 35 HAFOD ROAD, HEREFORD.

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CORPORATE PLAN 2006/2009

PROGRAMME AREA RESPONSIBILITY: CORPORATE STRATEGY AND FINANCE

CABINET

26TH JANUARY, 2006

Wards Affected

County-wide

Purpose

To agree the Corporate Plan 2006/2009, subject to any changes that may be needed before recommending it to Council for approval at its meeting on 10th March, 2006.

Key Decision

This is not a Key Decision.

Recommendation

THAT the Corporate Plan be recommended to Council for approval subject to any changes being made to reflect the new *Herefordshire Plan*; depending on its timing, the *Local Area Agreement* with Government; and budget decisions.

Reasons

The Corporate Plan sets out what the Council intends to achieve in the coming three years and how it proposes to do so. It is therefore the basis for setting priorities and the means to achieve them, including the management of key risks. It also provides the basis for the Annual Operating Plan, directorate and service plans and performance management. Under the Constitution, the Corporate Plan has to be approved by the whole Council as part of the Policy Framework.

Considerations

- 1 At its meeting on 17th November, 2005, Cabinet approved a draft of the Corporate Plan to be used as the basis for the preparation of the Annual Operating Plan and directorate and service plans for 2005-06.
- 2 The proposed final Plan for Council approval (subject to any changes that are necessary following the approval of the new *Herefordshire Plan*; depending on its timing, the *Local Area Agreement* with the Government; and budget decisions) is at Appendix 1.
- 3 The Corporate Plan has been further developed taking into account:
 - ❑ the resources likely to be available, having regard to recent announcements of the UK Government about future grant in 2006/07 and 2007/08;
 - ❑ the UK Government's expectation that annual Council Tax increases will not

exceed 5%;

- ❑ the need to make significant efficiency savings over the period of the Plan, which will require substantial up-front spend-to-save investment, so as to achieve a balanced budget and ensure the sustainability of modern and effective services that meet customers' needs;
 - ❑ the need for targeted additional investment on high priority services, notably those for vulnerable adults, including older people, and to tackle homelessness amongst young people and families;
 - ❑ the likely content of the new *Herefordshire Plan*, which is scheduled to be approved by the end of March;
 - ❑ the key areas for improvement following the Comprehensive Performance Assessment 2005, including the Corporate Performance Assessment and the Joint Area Review of services for children and young people;
 - ❑ Cabinet's wish to see fewer, more strategic performance indicators; those selected include all those included in the *Local Public Service Agreement 2G*, which will be subsumed in the *Local Area Agreement (LAA)*; the indicators may need some further amendment in due course to reflect the LAA.
- 4 Although there have been numerous changes to reflect these considerations and improve the presentation, the priorities and the other fundamentals in the Plan remain. A foreword by the Leader has been added.
 - 5 The most important presentational change is the substitution of a narrative Action Plan for the tables that appeared in the earlier draft and in the existing Corporate Plan for 2005/08. This is intended to make the Plan easier to read; it also makes it considerably shorter.
 - 6 In addition to any changes needed to reflect the approved *Herefordshire Plan* and the LAA, some adjustments may need to be made to targets to take account of further work on their robustness, including the implications of budget decisions.
 - 7 The Annual Operating Plan (AOP) for 2006/07 will be finalised in the light of the agreed Corporate Plan. The AOP will be brought to the Cabinet for approval in February. Providing that it is consistent with the Corporate Plan, it does not need to be approved by the whole Council but will be reported to it.

Financial Implications

The Corporate Plan has to be affordable. It has been prepared in the light of prudent assumptions about available resources.

Alternative Options

Alternative options have been considered as part of the process by which the Cabinet has established the priorities included in the Plan.

Risk Management

The risks to the achievement of the Plan are identified as an integral part of it, as are the steps the Council will take to manage those risks.

Consultees

The Plan takes into account the outcomes of the in-depth public consultation on service and budget priorities in the late 2004 and subsequent consultation and public involvement, particularly that associated with the development of the new *Herefordshire Plan*. It also takes full account of partner involvement and will be sent to the Council's principal partners to give them the opportunity to comment before the Plan is finalised for Council approval.

Background Papers

None identified.



HEREFORDSHIRE COUNCIL

CORPORATE PLAN 2006 to 2009

Action for a better Herefordshire

"A place where people, business and an outstanding natural environment will together bring about sustainable prosperity and well-being for all."

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

Quality life in a quality county

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Foreword

Herefordshire is a wonderful county in which to live and work. The Council is determined that it should continue to be so. In a fast-changing world of increasing economic competition, social change, greater diversity and increased public expectations about the quality and flexibility of services, a successful future for Herefordshire will only be secured through an ambitious programme of continuous improvement.

The Council is leading that programme. Developed with the enthusiastic involvement of people and organisations across the county, the new *Herefordshire Plan* sets out the agreed vision for the next 15 years. Our *Local Area Agreement* with our partners and the Government will provide the core of the action plan for the next three years to turn the vision into reality.

Recent major independent inspections rate highly our work with our partners and our achievements: despite spending power 8% lower than the average for other unitary authorities, our performance is at or above the average for X% of the national indicators, with Y% in the top quartile. But the inspectors also confirmed that our performance is not consistently high and that our pace of improvement should be faster. We agree.

Our top priority is to ensure that our arrangements for safeguarding vulnerable children are robust and working well. We are also determined to tackle homelessness affecting young people and families, and will continue to improve our services for vulnerable adults to maximise their independence. More generally, we will carry through our ambitious programme to improve the accessibility and responsiveness of customer services, and make additional multi-million pound efficiency savings to make possible more investment in priority services and keep down Council Tax.

We are building on success. The new Greencroft and Hunderton children's centres, the opening of the new Leominster swimming pool, the construction of the new Whitecross School with private finance, and the huge success of the *Signposting Scheme*, under which 1,300 older people have been helped to access services so that they can keep their independence at home, are just examples of what we are achieving by working with partner organisations and communities across the county.

The future holds even bigger challenges and possibilities. The Council is impatient to seize them.

COUNCILLOR ROGER PHILLIPS

Leader of the Council

1.0 Introduction

1.1 The Council shares a vision for a better Herefordshire with a wide range of partner organisations in the private, public and voluntary sectors, and with those representing communities. It is that

Herefordshire is a place where people, business and an outstanding natural environment will together bring about sustainable prosperity and well-being for all.

1.2 Looking forward to 2020, the new *Herefordshire Plan* sets out how we and our partners intend to turn this vision into reality. At its heart is our Local Area Agreement with the Government. This will establish demanding targets to ensure the continued improvement of services and better outcomes for people, businesses and communities throughout the county for the first three years – 2006-09.

1.3 This, the Council's own Corporate Plan, says what we will do over the same three years to play our part in fulfilling the vision. It also sets out how we intend to carry on improving our efficiency and effectiveness, so that we deliver a fair deal for Council Tax-payers and make sure that our front-line services are as good as they can be.

1.4 This Corporate Plan:

- identifies the main challenges facing the county and the Council
- reviews what has been achieved between April 2004 and the end of 2005
- makes clear the Council's priorities for the future
- sets out the improvements in services and in efficiency and effectiveness which are planned
- identifies the main risks to the achievement of the Plan and how they will be managed
- shows how the Council's resources – human, financial, organisational and physical (including ICT) – will be deployed to bring about the planned improvements and manage the risks
- is the Council's strategic Best Value Performance Plan¹ and Improvement Plan
- will incorporate the objectives and performance measures for the *Local Area Agreement* (LAA) once negotiations with the UK government are concluded
- is the basis for leading and managing the Council's performance
- is the basis for the Council's Annual Operating Plan and individual directorate and service plans, and for the performance objectives and targets of every team and every individual member of staff

1.5 Everything in the Plan is intended to help deliver the Council's commitment to:

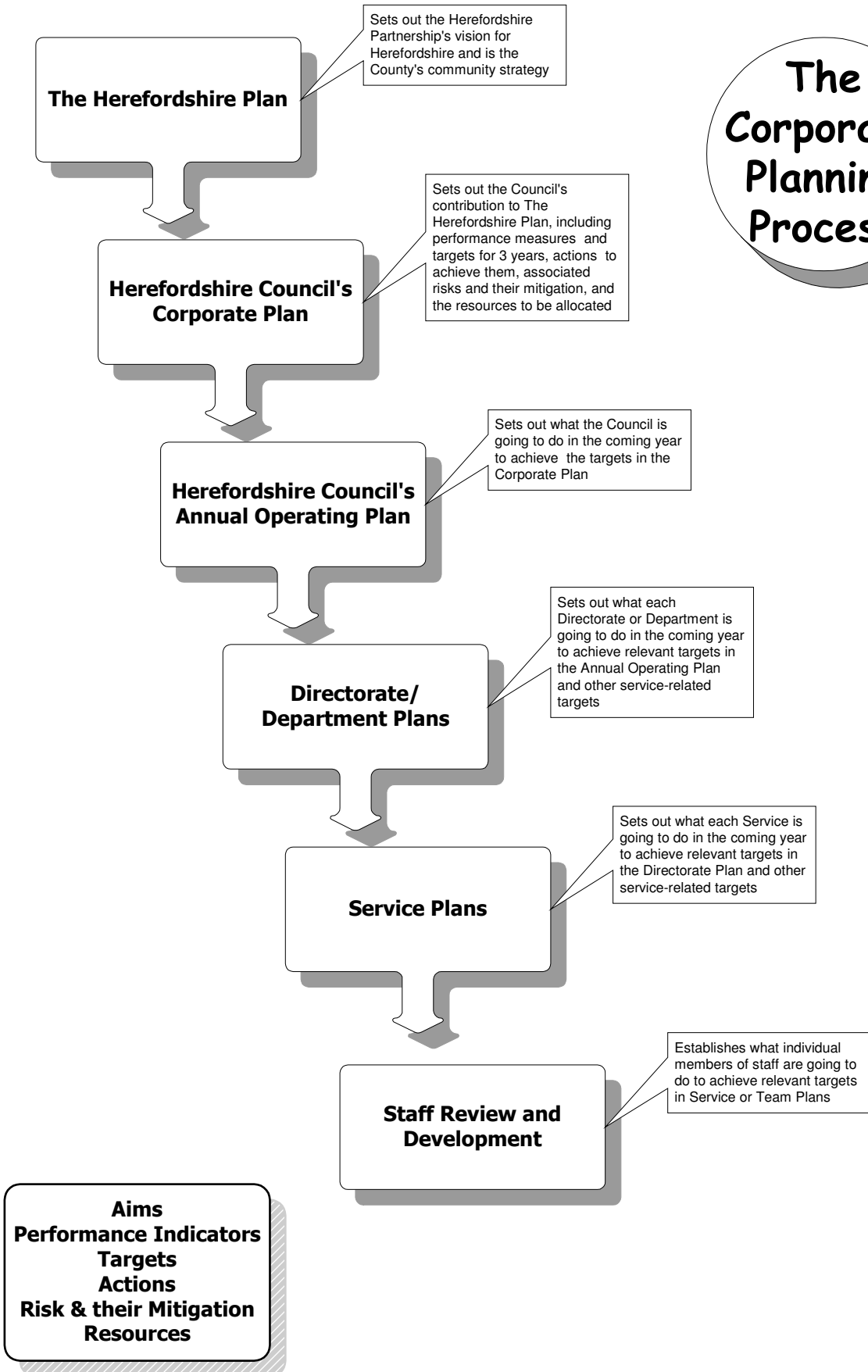
- understanding the needs and wishes of service users and Council Tax-payers, and doing all it can to respond to them - so it takes into account the views expressed during the wide-ranging public consultations carried out by the

¹ Outturns and future targets for Best Value Performance Indicators will be reported by 30th June, as an electronic link to the copy of this Plan on our website (www.herefordshire.gov.uk). Publication by this date is a statutory requirement.

Council over the past year and more, including those done with our partners in drawing up the new *Herefordshire Plan*

- understanding and responding to the distinctive needs of different communities, including rural areas
- community leadership and working in partnership with all sectors
- diversity and equal opportunities for all
- a sustainable environment

The Corporate Planning Process



2.0 Setting the Scene

- 2.1 Herefordshire's population is about 177,800. The county is sparsely populated, with the third lowest county population density in England. About one-third of the population lives in Hereford City, a little more than a fifth in the market towns and almost half in rural areas.
- 2.2 Between 1991 and 2004 the population increased by 10.8%, entirely due to net inward migration into the county, mainly from neighbouring English counties and the South East. This rate of growth was faster than that experienced by the rest of the West Midlands (2%) and England and Wales (4.5%).
- 2.3 Recent population movements have seen a considerable exodus from urban areas, mostly to recognisable villages within the immediate catchment of the main towns. Herefordshire has become a popular destination for the retired, for holiday homes and second homes and, in some areas, for out-of-county commuting.
- 2.4 The county's population has a considerably older age profile than that for England and Wales. 23.1% of the population is over retirement age, compared with 18.5% nationally, and there are fewer persons of working age (58.3% compared with 61.9%). People are, on average, healthier than nationally and live longer.
- 2.5 By 2011 the population is expected to grow by 2.7%, which is about the same as nationally. However, the number of under 18s is expected to fall by 10.9% (national fall 4%); the number of 18 to 64 year-olds to grow by only 2.2% (3.8% nationally); and the number who are 65 and over to grow by 18.4% (9.5% nationally).
- 2.6 Most dramatically, the number of people over 80 is expected to rise by a further 20.2%, to 11,800 residents, compared with a national increase of 11.3%.
- 2.7 Although the Government's 2004 Index of Multiple Deprivation ranks Herefordshire 192nd out of 354 local authorities, there are areas of poverty and deprivation within the county. Concentrations of the most deprived areas are within Hereford (South Wye and Central) and Leominster. Conversely, the least deprived areas are concentrated to the east of the county, in some of the fringes of Hereford and directly north and west of the city, and around Ross-on-Wye.
- 2.8 Average wages in the county are significantly below both the regional and national averages, although the gap has narrowed somewhat in recent years. Average house prices are high compared with elsewhere in the region.
- 2.9 Unemployment in the county is low. Manufacturing provides 19% of employment, with service industries accounting for 75%; both agriculture and tourism are a more important source of jobs in the county than elsewhere in the West Midlands. Self-employment is more common in Herefordshire (nearly 13.7%) than in the rest of England and Wales (8.3%).
- 2.10 Although Herefordshire performs well at GCSE level, there are relatively few people in the workforce with higher-level skills. There is limited higher education provision, and knowledge-based industries are under-represented in the county. There is net

out-migration of young adults from the county, probably for the most part in search of wider opportunities for employment and higher education.

2.11 The 2.5% of the population from ethnic minorities at the time of the 2001 Census is very low by national and regional comparisons. With the exception of seasonal workers, no single group numbers more than about a thousand. The biggest group probably remains the traveller communities. But the total is almost certainly rising with the recent influx of people from Eastern Europe and Portugal, principally to work in manufacturing and agriculture.

3.0 What the Council can do

- 3.1 The Council has a wide range of powers and duties. These range from a general power to promote well-being to a host of specific legal obligations. These include such things as the provision of schools, the welfare of children and vulnerable adults, the safety of roads, waste collection and disposal, licensing and trading standards.
- 3.2 This means that the Council has limited or no discretion in some areas but more in others.
- 3.3 The Council has finite resources to deliver both its legal obligations and discretionary services. The financial context is therefore crucial.

The Challenges

- 3.4 In the last financial year, general Government grant accounted for a third of the net cost we needed to pay to provide services. However, the Government has changed fundamentally the way it will distribute general grant to support local government services from 2006-07 onwards, with funding for schools being ring-fenced for that purpose. This means that the Council will have to find from its remaining resources the sums required for other services that support schools, including special educational needs and pupil transport.
- 3.5 The new formula for allocating the non-schools general grant is designed to deliver a cash sum based on various statistical features of each local authority rather than, as previously, a notional assessment of need to spend. Whilst the approach is welcome in some ways – it allows settlements for a number of years that aid forward planning – it is more subjective and less transparent than the previous system.
- 3.6 Under these new arrangements we have been given a two-year settlement that provides the following increases in funding:

Financial year	Overall increase (%)	Schools increase (%)	Non-schools increase (%)
2006-07	6.4	4.3	2.4
2007-08	7.4	4.0	3.4

- 3.7 Whilst schools will enjoy above inflation increases for the next two years, non-schools budgets will get a standstill increase in 2006-07 and an increase a little higher than expected inflation in 2007-08. It is likely that budget pressures on

schools can be contained within the grant funding much more easily than they can for other services, some of which are experiencing severe pressure.

- 3.8 These pressures are particularly intense on adult social care, including services for older people, and tackling homelessness, evidenced by high levels of overspending in both 2004-05 and 2005-06. The Council has limited discretion in these areas.
- 3.9 Nor has the Council much room for manoeuvre in respect of non-schools aspects of children's services. Its responsibilities for the welfare of children have grown as a result of the new Children Act. The concerns expressed in the Joint Area Review of services for children and young people in respect of the Council's arrangements for safeguarding vulnerable children, and the need to improve services for children with learning difficulties, underline the extent of what has to be accomplished.
- 3.10 Pressures are increasing in other areas too. For instance:
- spending has to continue to rise to meet Government targets for reducing waste
 - the costs of petroleum-based products (particularly materials used in highway maintenance) have risen sharply with the cost of oil. This has a particularly severe effect on rural counties like Herefordshire
 - the statutory exemption from bus fares of people with a registered disability and all over 60
 - the *Civil Contingencies Act* requires the Council to take on substantial additional responsibilities in leading and co-ordinating emergency planning
 - the proposals in the Government's Green Paper *Youth Matters* will place local authorities centre-stage for all youth services in their areas
 - new legislation will extend significantly the requirements to promote equality and eliminate discrimination in respect of gender, age, sexual orientation and religion or belief.
- 3.9 In aggregate, these pressures will not be matched by increases in the Council's budget:
- looking beyond the next two years, the next local government settlement – in the winter of 2006-07 - will cover the three-year period 2008-09 to 2010-11, following HM Treasury's Comprehensive Spending Review 2007. Early indications are that this will include an even more incisive efficiency review and that resources will be focused on the Government's national priorities, such as education, health and security. This would mean that cash for local government services other than schools would be squeezed yet further
 - one-off funding of major projects by the European Union and other external sources are coming to an end
 - in view of the high number of people in the county on fixed and low incomes, and the Government's rules on capping, the Council cannot make up the deficit by increasing Council Tax to the levels that would be required

- whilst the Council will continue to borrow prudently, this will only be done where it would produce long-term affordable benefits.

3.10 The net result is that the Council faces significant budget pressures in 2006-07 and beyond: base budget pressures of £2.9 million; essential growth items of £1.1 million; and adult social care budget pressures of up to £2.8 million. We anticipate budget headroom in the region of £3 million to maintain current levels of service provision. On top of this, we must make £1.65 million of cashable efficiency savings and absorb some £4.8 million of other budget pressures.

3.11 The coming years are therefore a watershed in terms of ensuring that our annual operating costs do not exceed the level of available resources. The Council cannot spend more than the budget it has for non-schools services indefinitely because reserves and working balances would run out.

The Council's Response

3.12 Herefordshire is 38th out of 44 unitary authorities in terms of Government grant per head of population, with spending power 8% below the average. The Council will continue to campaign, with other rural local authorities, for a fairer deal. Whatever the outcome, the Council will take decisive action to live within its means and ensure the affordability of this Corporate Plan.

3.13 Its strategy to do so will involve:

- moderate increases in Council Tax
- a balanced budget for non-schools services in 2006-07 and 2007-08 that will, so far as possible within available resources, deliver the Council's priorities; this means ensuring that essential obligations in all service areas are covered and that as much resource as can be found are set aside for the expected growth in demand for social care services for vulnerable adults and to tackle homelessness.
- a tough service improvement programme aimed to deliver the level of cash and service efficiencies needed to ensure that the Council's budget position is sustainable beyond the next two financial years; this requires £1.65 million of cash-releasing savings in 2006-07 and more in future years
- spend-to-save investment, the prudent use of reserves and long-term affordable borrowing that delivers service improvements, greater efficiency and maintains the Council's assets for the future
- ensuring that best value is being achieved in priority areas that are benefiting from additional resources, such as adult social care, so that the Council's total investment delivers the best possible results for customers
- targeted growth in priority services and essential infrastructure, including ICT

4.0 Performance April 2004 – December 2005

4.1 The Council is building its plan for the next three years on both a record of achievement and a good understanding of areas where it needs to improve.

4.2 The independent Audit Commission gives the Council a **Comprehensive Performance Assessment score of 3** (out of a possible 4) and adjudges us to be **improving adequately** (fuller details are given below). The Council is determined to accelerate its rate of improvement and achieve a high standard of effectiveness and efficiency across all that it does.

To do this it must:

- ensure that social care services for children are at least adequate in all respects, with priority accorded to the safeguarding of vulnerable children
- improve the performance and prospects of social care services for adults, including older people
- achieve a consistently high standard of performance management across all aspects of the Council’s work
- strengthen the scrutiny function in respect of its role in both performance enhancement and policy development
- increase its capacity to deliver better services by delivering its ICT and accommodation strategies and making significant further efficiency savings, particularly by implementing the Service Improvement Programme

4.3 Overall performance against Best Value Performance Indicators

The Council performs well overall compared to local authorities in England as a whole. Although its spending power is 8% less than the average for all unitary authorities, in 2004-05 the Council was in the top quartile for **X%** of the national Best Value Performance Indicators (BVPIs), and in the top half for **Y%**. **Z%** were in the bottom quartile. Compared to the previous year, the Council improved or maintained its performance against 52% of the indicators.

4.4 Highlights of performance against the Council’s priorities

<p>Maximise the health, safety, economic wellbeing, achievements and contribution of</p>	<ul style="list-style-type: none"> - The average length of stay in B&B accommodation of households that are unintentionally homeless and in priority need has risen from 5 weeks at the end of 2003-04 to over 9 weeks at the end of November 2005. A new Homelessness Project Manager has now been appointed and Action Plan approved with the aim of eliminating the use of B&B accommodation in the future.
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<p>every child</p>	<ul style="list-style-type: none"> - 2 Children’s Centres opened during 2005: Greencroft and Hunderton Hollybush. The Centres provide early education and childcare, family support and outreach to parents, child and family health services, links with schools and children’s information services, and links with Job Centre Plus.
<p>Improve the achievement of pupils</p>	<ul style="list-style-type: none"> - The proportion of pupils in LEA schools achieving Level 4 or above in Key Stage 2 Mathematics fell from 75% to 74%, whilst English remained the same at 81%. 93% of pupils achieved 5 or more A*-G grades a GCSE. - The Whitecross High School PFI has been agreed, building has started and the school is due to open in June 2006. In addition to providing improved teaching accommodation, the facility will allow for greater use by the local community, particularly of the high quality sports facilities that will come with its designation as a Sports College. - The % of young people leaving care with at least 1 GCSE rose from 52% in 2003/04 to 65%.
<p>Enable vulnerable adults to live independently</p>	<ul style="list-style-type: none"> - The number of older people helped to live at home per 1,000-population aged 65 or over fell from 83 to 60, although there are issues surrounding the accuracy of historical data. This puts Herefordshire in the bottom quartile of English authorities. - At the end of September 2005, 3.2 adults per 1,000-population aged 18-64 with physical disabilities are being helped to live at home compared with 2.4 in 2004/05. For the same period, 3.3 adults per 1,000-population aged 18-64 with mental health problems were being helped to live at home compared with 1.3 in 2004-05. - The You@Home Partnership was set up in 2004 to carry out essential or urgent works, identified by health or other key workers, for vulnerable people in their homes. To date, over 700 people have been assisted. - Working with a number of partner organisations, since February 2005 almost 1,300 referrals have been made through the Signposting Scheme, directing older people to necessary services to enable them to remain independent at home, including an additional £6,500,000 plus in benefits being claimed.
<p>Protect the environment, by recycling waste and reducing carbon emissions</p>	<ul style="list-style-type: none"> - The percentage of household waste which has been recycled continues to improve, and was at 24.2% at the end of December 2005 against an outturn of 19.5% in 2003/04 and 21.7% in 2004/05. - The proportion of major and minor planning applications determined against the statutory guidelines was less than in 2003-04, below the targets set. As a result, the Council was designated as a statutory planning authority by the Government and an Action Plan has been introduced to improve performance.

<p>Improve transport and the safety of roads</p>	<ul style="list-style-type: none"> - The Council, together with Herefordshire MIND, has received national recognition after a transport scheme aimed at helping people in isolated communities received top honours in June 2005 - The Council has been named as one of just 17 new centres of excellence for local transport delivery, including public transport and road safety. - The condition of local roads in the County continued to improve, achieving the Local Public Service Agreement (LPSA) target of no more than 10% of non-principal roads exceeding the prescribed deterioration threshold. - The LPSA target for reducing the number of killed and seriously injured casualties in road accidents was exceeded. Performance was 141 against the LPSA stretch target of 197.
<p>Sustain vibrant and prosperous communities, providing more efficient, effective and customer-focused services and clean streets</p>	<ul style="list-style-type: none"> - The number of people accepted as homeless and towards whom the council has a full statutory duty fell 4% to 510 in 2004-05; there were 224 acceptances to the end of September 2005, a reduction of 21% on the first half of 2004/05. - The first phase of a major enhancement project to revitalise Hereford City Centre started in May. The refurbishment will include new paving, street lighting, seating and the replanting of trees. - The number of visits to public libraries increased to 5.17 per person [from ?].
<p>Promote diversity and community harmony and strive for equal opportunities</p>	<ul style="list-style-type: none"> - Outcomes from Phase 1 impact assessments have been evaluated and will be incorporated in Service Plans for 2006-07; Phase 2 assessments are taking place. - A new race equality monitoring system was launched to encourage the reporting of incidents and allow for more accurate recording. - The proportion of Council buildings open to the public meeting Disability Discrimination Act requirements increased by 4% to 32%.
<p>Develop its community leadership role</p>	<ul style="list-style-type: none"> - A new Communications Strategy approved. - Youth Council Action Group formed. - A survey of young people aged 13-19 showed that 19.8% thought that the Council does enough to give young people the opportunity to influence important decisions, compared to 13.8% in 2003.
<p>Secure significant efficiency savings</p>	<ul style="list-style-type: none"> - A new Procurement Strategy was approved on 14th July, with milestones in the National Procurement Strategy being followed. - A new Customer Services Strategy approved. Development of the Service Improvement Programme will lead to greater efficiency savings. - Overall, the Council expects to make efficiency savings of £X

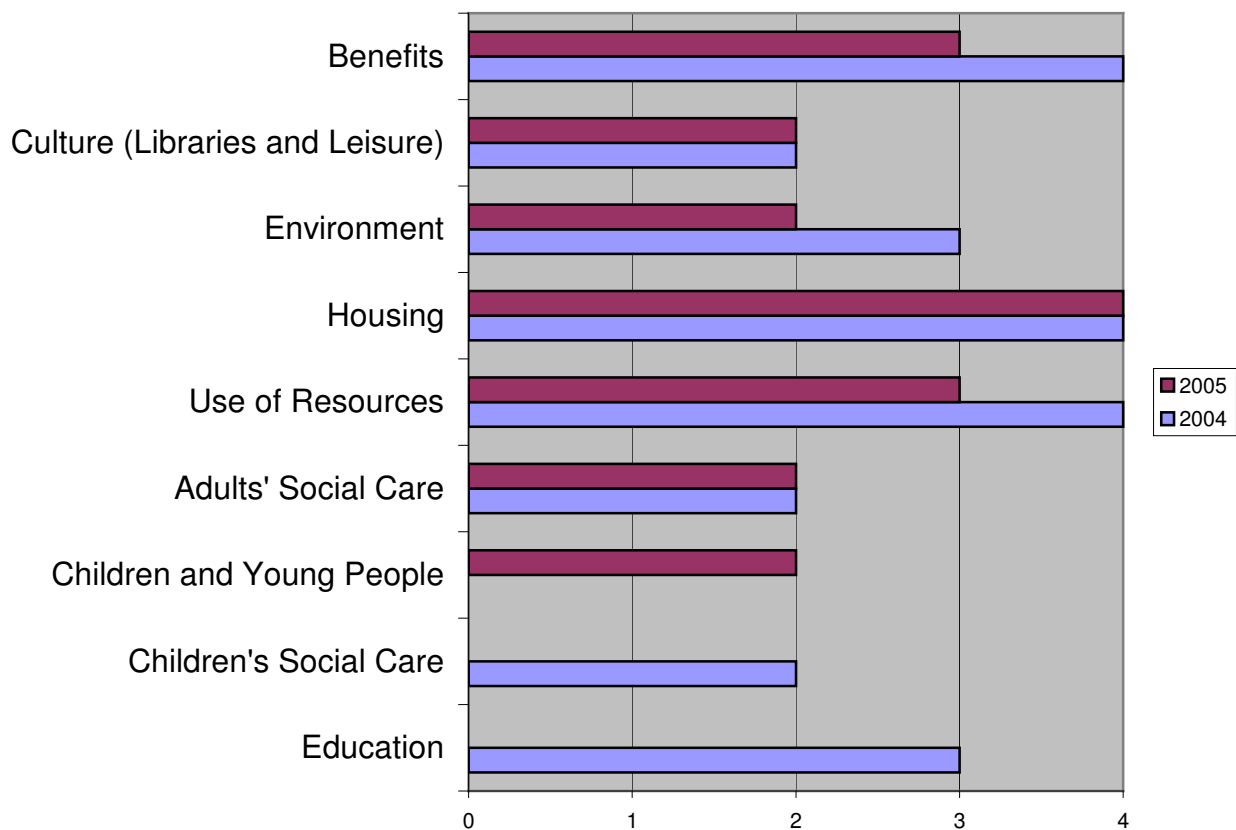
	million in 2004-05, of which £Y million will be cash-releasing
Ensure that its essential assets are in the right condition for the long-term cost-effective delivery of services	<ul style="list-style-type: none"> - Property Strategy developed [further details to be added, including re. Asset Management Strategy]
Understand the needs and preferences of service users and Council Tax-payers	<ul style="list-style-type: none"> - All of the 536 Freedom of Information requests up to August were responded to within the statutory timetable. - New Community Involvement Strategy and Action Plan approved. - Annual satisfaction surveys introduced in autumn 2005 with follow-up <i>Herefordshire Voice</i> surveys.
Recruit, retain and motivate high quality staff	<ul style="list-style-type: none"> - Sickness levels were at 11.07 days per FTE at the end of November 2005 against a target of 7 days, a drop in performance from the end of year figure reported for 2004/05. - Projects are underway in relation to centralising recruitment, career grading / generic skills, and approach agreed regarding flexible working as part of the Pay and Workforce Strategy - Job evaluation completed
Embed corporate planning, performance management and project management systems	<ul style="list-style-type: none"> - Revised Performance Management Framework and Service Planning Guidance have been produced. There is a requirement for consistent implementation across the Council for performance management to be successful. - Integrated Performance reports to Corporate Management Board, Cabinet and Strategic Monitoring Committee are being produced according to the Performance Management Framework, but the quality and timeliness of the information needs to be improved to a consistent standard.

4.5 Comprehensive Performance Assessment (CPA)

4.6 The Audit Commission introduced revised and significantly more demanding CPA arrangements in 2005: *CPA – The Harder Test*. Under these arrangements, the Council was judged overall to have maintained its services at the same level as in the previous year, notwithstanding the lower scores under this tougher regime awarded to Benefits, Environment and Use of Resources.

4.7 The previously separate scores for Education and Children’s Social Care have been replaced with an overall score of 2 for Children and Young People, with education services seen as good but social care judged to be inadequate, substantially owing to concerns about the Council’s arrangements for safeguarding vulnerable children.

4.8 Housing, Culture and Adult Social Care have maintained their service scores.



4.9 **Commission for Social Care Inspection (CSCI)** - CSCI assessed the Council as providing a 0 star service, serving some adults well, with uncertain capacity for improvement; and no children well with poor capacity for improvement.

4.10 **Audit and Inspection Letter** - the Council's overall financial position was judged by its external auditors to be sound, although it faces the challenge of delivering substantial future efficiency savings. Systems of internal control were found to be adequate, with room for improvement by further developing risk management, the assurance framework and the role of the Audit Committee. They judged the Council's achievements and management arrangements for improving value for money to be good.

5.0 Priorities

5.1 The Council's **top priorities** for the period of this Plan 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 **producing much less waste, recycling much more of what remains** 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 securing more efficient, effective and customer-focused services, clean streets, tackling homelessness and effective emergency planning**
- 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 deliver the *Herefordshire Plan*, including the *Local Area Agreement*

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

- to streamline its processes, assets and management structures, and **secure significant efficiency savings**, 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 ICT, **are in the right condition for the long-term cost-effective delivery of services, and ensure business continuity** in the face of emergencies
- 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

6.0 Identifying and Managing Risk

- 6.1 The Council is determined to make the most of opportunities and has a comprehensive approach to identifying and managing the risks it faces. The main risks to particular services and major projects, and how the Council intends to manage them, are identified in the Action Plan that follows in Section 7 below.
- 6.2 All risks are recorded and monitored by means of a corporate register. Details for 2006-07 will be included in the Annual Operating Plan and in directorate and service plans.

Overarching risks

- 6.3 A number of risks have the potential to affect the Council as a whole and to have direct or indirect impacts on all its services. These are **financial, reputational** and in respect of its **organisation, staff and systems**. These categories of risk often overlap and interact one upon the other.

Financial

- 6.4 The Council faces major risks in respect of the **level of resources** available to it to provide services, the maintenance of a **balanced budget** and the **effective and efficient use of resources**.
- 6.5 The UK Government is placing tight constraints on local authority spending generally, at the same time as requiring councils to take on additional responsibilities and setting more demanding service targets. These bear disproportionately on rural authorities because of the extra costs of providing services to sparse populations.
- 6.6 The impact falls especially hard on Herefordshire Council, as an authority that receives a much lower than average Government grant per head of population.
- 6.7 The Council will manage these risks by:
- continuing to make the case to Government for a fairer deal
 - ensuring that, whatever the level of resources realistically likely to be available, its forward plans are affordable
 - rigorous and robust systems of internal control, including in-year financial and performance monitoring and management, and a carefully targeted audit programme
 - delivering a major programme of efficiency savings, at least meeting the requirements of "*Delivering Efficiency in Local Services*", including:
 - the Service Improvement Programme (SIP)
 - targeted measures across all departments, without reducing customer services
 - spend-to-save investment, including the prudent use of reserves
 - getting better value from the goods and services the Council procures
 - rationalising the Council's accommodation and other property holdings, and lowering the costs of using them

- reducing lower priority services
- further developing our Medium-Term Financial Strategy in a new publication, initially in 2006-07, that will set out
- key service priorities
- the national context
- an overview of the capital plan
- a budget risk assessment
- the treasury management strategy
- details of pressures, improvements and savings
- the Prudential Indicators

Reputational

- 6.8 The Council must ensure that it has a good reputation with the people of Herefordshire, with partner organisations and with the UK Government. This is at risk in view of the financial and service challenges described above, as well as the ever-higher standards demanded by the Audit Commission and the other Government-led inspectorates.
- 6.9 The Council will manage these risks by:
- implementing its Improvement Programme, which has been rolled forward in the light of the 2005 Comprehensive Performance Assessment, including the Corporate Performance Assessment and the first Joint Area Review of Services for Children and the Young People (the key strategic elements are included in the Action Plan below). It will give the highest priority to ensuring that its arrangements for safeguarding children are at least adequate, and over the medium-term much more than that
 - an accelerated review of our corporate strategy to provide a sound basis for the comprehensive programme of service improvement and improved efficiency over the next three years
 - continuing the targeted improvement of individual services to achieve and maintain the highest possible Comprehensive Performance Assessment scores
 - under its comprehensive *Communications Strategy*, explaining to the public and partner organisations, candidly and in plain English, the issues the Council faces
 - under its equally comprehensive *Community Involvement Strategy*, consulting the public and partners fully about the major choices it has to make, taking their views into account before making them, and explaining the reasons for its decisions
 - intensifying its focus on serving its customers through its new *Customer Services Strategy*. This will include testing, through annual surveys and the monitoring of complaints and

compliments, levels of customer satisfaction with the Council as a whole and with individual services

- ensuring effective emergency planning and business continuity to maintain essential services and protect the vulnerable
- continuing to implement the Freedom of Information Act, at the same time as continuing to comply with data protection legislation
- ensuring full compliance with all equalities legislation, in particular by completing its comprehensive programme of diversity impact assessments, ensuring that the results are acted upon, and being well-prepared to meet the requirements of new legislation that will extend protection against unequal treatment on the grounds of gender, age, sexual orientation and religion or belief
- working with other organisations to achieve common goals for the people of Herefordshire, particularly by means of giving effect to the new *Herefordshire Plan* and the associated *Local Area Agreement* with Government
- maintaining the highest standards of corporate governance, propriety, integrity and impartiality

Organisation, staff and systems

- 6.10 In support of these developments, the Council is implementing a major programme of organisational change and development, which involves working in new ways across traditional service boundaries within the Council and with our partners. This requires a more driven, corporate approach to securing change so as to deliver better services, meet new statutory and regulatory requirements, and improve efficiency.
- 6.11 Foundations have been laid to meet the challenges of *The Children Act* and *Every Child Matters*. Full, successful implementation will continue to require substantial cultural and organisational change within the Council and with partners. There is a particular need to ensure fully robust social care to safeguard the most vulnerable children and to improve services for those with learning difficulties and their families.
- 6.12 This is paralleled in its importance and magnitude by the need to secure new patterns of preventative, more flexible, value for money services to maximise the choice and independence of vulnerable adults
- 6.13 These and other challenges must be met at the same time as continuing to deliver to a high standard all essential services; and do so in some cases with fewer staff, working in new structures, new management relationships and streamlined business processes. Above all, it must have a high quality, motivated workforce.
- 6.14 Underpinning the service and organisational improvements, there must be highly efficient and effective ICT. The Council's systems are undergoing major up-grading; this will continue to require significant investment over the coming years.
- 6.15 Organisational change and development of this scale and range is a huge challenge, with high inherent risks of failure.
- 6.16 The Council will manage these risks by means of:

- setting clear strategies, objectives, targets and timetables for all elements of change and improvement, taking into account their interactions one upon the other
- having a designated lead Cabinet member and member of the Corporate Management Board for each area of change, objective and performance, including in respect of children's services and an Older People's Champion
- PRINCE 2 project management, with each project led by the relevant member of the Corporate Management Board or Senior Management Team and overseen by the responsible Cabinet member
- the establishment of the Corporate Management Board, chaired by the Chief Executive. Its focus is on strategic issues, including the change agenda. Each member devotes at least 20 per cent of his or her time to explicitly corporate activities. These changes are buttressed by the creation of the new Directorate for Corporate and Customer Services, which leads and manages the corporate planning process and performance management throughout the Council.
- driving strategic change into operational reality through the new Senior Management Team of Heads of Services
- devoting dedicated staff resources to drive the programme and to safeguard affected areas during the transition to fully operational new structures
- a Pay and Workforce Strategy, including support for staff and comprehensive training and development opportunities linked to the Council's objectives, underpinned by the Council's commitment to seek accreditation as an *Investor in People*
- a systematic programme for effective two-way communication with all staff, as part of the Council's overall *Communications Strategy*
- regular monitoring by the Corporate Management Board and Cabinet of the overall programme and the individual elements, leading to vigorous action wherever necessary
- regular reports to the Strategic Monitoring Committee and the relevant subject scrutiny committees

7.0 The challenges and the Council's response: the Action Plan for 2006-09

- 7.1 The pages that follow set out, for each of the Council's priorities, what the Council aims to achieve over the coming three years and the key actions it intends to take to do so.
- 7.2 Many of the actions contribute to more than one of the priorities. Where they are of particular significance to more than one priority they are repeated, but mostly they are described in relation to the priority to which they contribute most.
- 7.3 **Part One – Making a reality of The Herefordshire Plan** – shows what the Council intends to do to fulfil the new *Herefordshire Plan*, including the *Local Area Agreement*.
- 7.4 **Part Two - Organisational improvement** – shows what the Council intends to do to the way it operates so as to deliver better, more cost-effective services to users and Council Tax-payers.
- 7.5 Except where otherwise indicated, the stated targets are to be achieved by the end of March 2009.
- 7.6 The Plan will be up-dated and rolled forward annually so that it always looks forward three years.
- 7.7 The details of what the Council will do in the first year of this Corporate Plan will be set out in its **Annual Operating Plan 2006-07**. This will include the budgets, targets and actions for individual services and organisational programmes.
- 7.8 To achieve the targets will require effective working across organisational boundaries: internally, between Cabinet members and between managers at all levels; and externally, between Council members and officers and their counterparts in partner organisations.
- 7.9 Information on the Council's budgets and income is given in Appendices 1 – 5.

The Action Plan Part One: making a reality of *The Herefordshire Plan*

Maximising the health, safety, economic well-being, achievements and contribution of every child, including those with special needs and those in care

The challenges

The overall challenge is to deliver, with our partners and across the whole of the Council's activities, fully integrated and coherent services for children and young people, as required by *Every Child Matters* and the *Children Act*.

Within that framework, we must give the highest priority to ensuring that:

- the most vulnerable children and young people are safeguarded, and enjoy and achieve to their maximum potential
- there are high quality services and support that meet the needs of children and young people with learning difficulties
- there is adequate housing provision for single young people (including those leaving care) and families
- services are provided on the basis of a sound understanding of the needs and wishes of children, young people and their families
- the foundations are laid for all children to lead healthy and fulfilled lives

The Council's response

- ✓ Building on the work of the *Children's Partnership Board*, we will **establish**, with our partners, **a Children's Trust** to provide the basis for sustainable high quality services for children and young people
- ✓ We will complete, with our partners, the development and **successful implementation of the *Herefordshire Child Concern Model*** under the direction of the *Safeguarding Children Board*
- ✓ We will establish a disability taskforce and Development Plan to **deliver service improvements for children with learning difficulties and disabilities**
- ✓ By implementing our *Homelessness Strategy* and by securing, with partners, an increase in the supply of both temporary and settled housing, we aim to **eliminate the use of bed and breakfast accommodation for households with children**
- ✓ Through the implementation of our *Community Involvement Action Plan for Young People*, including the establishment of the *Herefordshire Youth Council* and the operation of the *Community Fora*, we will maintain an up-to-date understanding of the

needs and wishes of children and young people. A key measure of our success will be to **increase from 19% to 30% the percentage of young people who feel that the Council does enough to give young people the opportunity to influence important decisions**

- ✓ Working with our partners, particularly in the NHS and the community sector, to ensure that parents get the advice and support they need, we aim by 2007-08 to:
 - **increase from 25.4% to 40% by 2008 the proportion of babies born in the South Wye area who are breastfeeding at six weeks of age**
 - **increase from 15.1 % to 30% by 2008 the proportion of babies born to teenage mothers in the county who are breastfeeding at six weeks of age**
- ✓ By delivering Local Transport Plan safety schemes and through road safety instruction in schools, we aim to **limit to no more than 12 the number of under 16s killed or seriously injured annually in road accidents in the county**
- ✓ We aim to ensure that **at least 85% of 3 year olds have access to** a good quality free early years education place in the voluntary, private or maintained sectors
- ✓ We aim to **increase from 12 to 46 by 2008 the number of young people engaged in education, training or employment at the age of 19 who had been looked after by the Council in their 17th year**

Building on the already strong performance of the county's schools and continuing to improve the achievement of pupils

The challenges

The coming three years will require the Council to continue to work successfully with schools within a developing national framework that is likely further to increase school autonomy, but with the Council still have major responsibilities for support services, such as school transport, and special educational needs.

This partnership will need to:

- raise the already impressive overall achievement of pupils across the county to even higher levels
- ensure that this extends to all Council maintained schools and all groups of pupils, with a particular emphasis on improving the achievements and life-chances of those suffering disadvantage

The Council's response

- ✓ By working with schools in partnership with the Learning and Skills Council (LSC) and further education colleges, to broaden the range and flexibility of the curriculum and available qualifications, including increased vocational options, we aim to **increase from 90.1 % to 96.5% by 2007-08 [2008-09 target to be determined] the proportion of pupils in schools maintained by the Council achieving 5 or more 5A* - G grades at GCSE, or the equivalent**
- ✓ We will work with schools to raise to even higher levels performance in the top GCSE grades, in particular **increasing from X % to Y % the proportion of pupils in schools maintained by the Council achieving 5 A* - C GCSEs, including English and Maths, or the equivalent**
- ✓ By working in partnership with schools to tackle disaffection by means of the Behaviour Support Plan and the Behaviour Support Policy produced by each school, we aim to **reduce school absences** as follows:
 - **in secondary schools maintained by the Council, from 7.8 % to 6% of half-day sessions by 2007-08**
 - **in primary schools maintained by the Council, from 5.2 % to 4% of half-day sessions by 2007-08**
 - **the number of children looked after by the Council continuously for at least 12 months, who missed at least 25 days of schooling during the previous school year, to fall from 14 to no more than 7 by 2007-08**

- **reduce by an average of 4.25% over three years (ending academic year 2007/8) the number of half-day sessions (currently 839) missed due to authorised and unauthorised absence in primary schools by children looked after by Herefordshire**
- **reduce by an average of 7% over three years (ending academic year 2007/8) the number of half-day sessions (currently 1,656) missed due to authorised and unauthorised absence in secondary schools by children looked after by Herefordshire**

Enabling vulnerable adults to live independently and, in particular, enabling many more older people to continue to live in their own homes

The challenges

Throughout the coming three years the big challenges are to:

- continue to expand provision and improve the quality of life to meet the needs of the rapidly increasing numbers of older people, especially those over 80, and their carers
- provide more effective and flexible support for other vulnerable adults (particularly those with physical disabilities, mental health problems or learning difficulties) and their carers
- in respect of all, maximise independence, well-being and choice
- tackle homelessness
- work with communities and partners to develop to the full the opportunities for all older people to have fulfilled lives and contribute to society
- provide services more efficiently so that the money released can be reinvested in better services

The Council's response

- ✓ By working with partners to reduce waiting times for assessment and care packages; mapping, co-ordinating and developing a range of rehabilitation, prevention and independent living services; establishing community wardens across the county; expanding the *Signposting Scheme*; piloting a local care sitter service; targeting further sites with Fire Service outreach workers; continuing the Trading Standards *Doorstep Crime Campaign*; and by increasing significantly the number of older people receiving direct payments to purchase social care, we aim to **increase from 60 to Y the number of people of 65 or over helped to live at home per 1,000 population** [*N.B. Targets for this and other adult social care indicators below to be set once reliable baseline data has been established*]
- ✓ By the same means, we aim to:
 - **reduce from 34,691 to 31,222 by 2007-08 the number of emergency unscheduled acute hospital bed-days in NHS hospitals occupied by a person aged 75 or more commissioned by Herefordshire Primary Care Trust**
 - **increase the satisfaction of people over 65 using home care services provided through Herefordshire Social Care or directly purchasing services using direct payments** (measured as a reduction

of at least 10% in the gap between the proportion satisfied in 2006 and 100%, and the gap in 2009)

- ✓ By working with our partners and following extensive consultation with older people and other interests, **we will have in place by October 2006 a comprehensive Older People's Strategy, with clear targets and actions to achieve them**
- ✓ Through the development of a Joint Team with the Department of Work and Pensions (DWP) and implementation of an agreed plan and methods to identify potential claimants, **increasing the number of people in receipt of Pension Credit from 7596 to 8138 by 2007-08**
- ✓ Through the development of a Joint Team with the DWP and implementation of an agreed plan and methods to identify potential claimants, **increasing the number of people aged 60 or over in receipt of Council Tax benefit from 6862 to 8061 by 2007-08**
- ✓ Through the development of a Joint Team with the DWP and implementation of an agreed plan and methods to identify potential claimants, **increasing the number of people in receipt Attendance Allowance from 5874 to 6702 by 2007-08**
- ✓ Working with partners to implement the *Physical Disability and Sensory Impairment Best Value Review Action Plan* and through the development of a new deaf-blind service, we aim to **increase from X to Y the number of people with physical disabilities per 1,000 population aged 18-64 helped to live at home**
- ✓ With partners, using improved assessment tools and providing improved advice and support, we aim to **increase from X to Y the number of people with learning disabilities per 1,000 population aged 18-64 helped to live at home**
- ✓ Working with our partners in a co-located joint service, with expanded early intervention, deliberate self-harm and carers' support services, we aim to **increase from X to Y the number of people with mental health problems per 1,000 population aged 18-64 helped to live at home**
- ✓ By implementing with our partners our *Homelessness Strategy Action Plan* and developing more affordable housing, we aim to **decrease from 417 to X the number of people accepted as homeless during a year in respect of whom the Council has a full statutory duty**
[Target yet to be set]

Protecting the environment, including by producing much less waste, recycling much more of what remains and significantly reducing carbon emissions

The challenge

Building on the strong foundations we have laid in recent years, over the next three years we must further improve our performance in respect of:

- safeguarding Herefordshire's beautiful countryside as a place where people can live, work and enjoy, and which continues to be a magnet for responsible tourism
- reducing waste and pollution across the county
- our direct contribution from the way we conduct our operations

and do so within tightly constrained resources.

The Council's response

- ✓ Primarily by means of targeted bus subsidies, the provision of bus lanes and other public transport infrastructure, and by introducing park and ride facilities, we aim to:
 - **control the increase of annual average traffic volumes to no more than 5% compared with 2003-04**
 - **increase from 3,447,528 to 4,017,000 (16.5%) the number of passenger bus journeys a year**
- ✓ By providing improved cycleways, traffic and road safety schemes, the safer routes to schools programme, and highway and footway maintenance, we aim to increase the number of cyclists using public cycle parking facilities by 5% every two years and **increase by 12% the number of cycling trips in a year compared with 2003-04 [absolute numbers to be added]**
- ✓ Through our maintenance of highway verges, school grounds, cemeteries, smallholdings, parks, open spaces and other landholdings, we aim to **increase from 2.49% to 3.3% the proportion of Council-owned or managed land, without a nature conservation designation, that is managed for biodiversity**
- ✓ By increasing participation in the kerbside collection of recyclables, supporting new facilities for waste diversion and recycling and improving the performance of household waste sites, we aim to:
 - **limit the increase in the amount of household waste collected per head in a year to 530.87 kilograms (compared to the baseline of 528.03 kilograms)**

- **reduce from 78.28 % to 71.8% the proportion of household waste that is landfilled**
- ✓ Through the implementation of *The Herefordshire Partnership's Carbon Management Action Plan*, we aspire to see a **reduction in carbon emissions per head of the population from the baseline of X to 11.25 tonnes a year**

Improving transport and the safety of roads, including further reductions in the numbers of people killed or seriously injured

The challenge

Over the coming three years we must:

- improve the condition of the roads for which the Council is responsible at a time when recurrent Government financial support for highways is set to fall
- build on our achievements by cutting road casualties even more
- continue to do all we can to promote sustainable transport that serves all the people of the county, including those who don't have a car

The Council's response

- ✓ By means of Local Transport Plan safety schemes, improving the condition of roads more generally and through road safety training in schools, we aim to **reduce from 141 to 116 the number of people killed or seriously injured in road traffic collisions in a year**
- ✓ Primarily by means of targeted bus subsidies, the provision of bus lanes and other public transport infrastructure, and by introducing park and ride facilities, we aim to:
 - **control the increase of annual average traffic volumes to no more than 5% compared with 2003-04**
 - **increase from 3,447,528 to 4,017,000 (16.5) the number of passenger bus journeys a year**
- ✓ By providing improved cycleways, traffic and road safety schemes, the safer routes to schools programme, and highway and footway maintenance, we aim to increase the number of cyclists using public cycle parking facilities by 5% every two years and **increase by 12% the number of cycling trips in a year compared with 2003-04**

Sustaining vibrant and prosperous communities, including by securing more efficient, effective and customer-focused services, clean streets, tackling homelessness and effective emergency planning

The challenges

The next three years require continued action across a wide range of complementary areas vital to the future of communities across the county:

- strengthening the competitiveness of the economy to secure better paid, higher value-added jobs
- tackling the growing problems of affordable housing and homelessness
- building on success in reducing the overall level of crime, with a particular drive to reduce the number of violent offences, crime related to the misuse of drugs and alcohol, and anti-social behaviour
- working in even more effective and focused partnerships across all sectors to maintain and improve community services, including the full modernisation of those provided directly by the Council to make them more cost-effective and user-friendly
- the fuller engagement of people of all ages, backgrounds and abilities in the life and development of their communities
- maintaining our successful partnerships to ensure that all people are safeguarded at times of emergency

The Council's response

- ✓ By implementing with partners the *Herefordshire Economic Development Strategy 2005 to 2025*, including the creation of *The Learning Village* and the £100 million plus regeneration programme for Hereford City, continued special emphasis on raising skills, employment opportunities and wages in the South Wye area, and the completion of *The Market Towns Initiative*, we aim to **continue to close the gap in average wage levels between Herefordshire and the rest of the West Midlands and nationally**
- ✓ By establishing a new grant scheme to encourage employers and by running a support programme of seminars and events, we aim to **increase the number of people employed in technology and knowledge intensive industries from 9,339 to 10,286 by 2007-08**
- ✓ Through the implementation of the *Herefordshire and Worcestershire Learning and Skills Council Local Strategic Plan*, we aim **by 2007-08 to increase the number of Herefordshire residents aged 19 and over achieving:**

- a Level 2 qualification, excluding manufacturing and engineering, from 1,738 to 1,872
 - a Level 2 qualification in manufacturing and engineering from 35 to 57
 - a Level 3 qualification, excluding manufacturing and engineering, from 825 to 878
 - a Level 3 qualification in manufacturing and engineering from 26 to 44
- ✓ By implementing with our partners our *Homelessness Strategy Action Plan* and developing more affordable housing, we aim to **decrease from 417 to X the number of people accepted as homeless during a year in respect of whom the Council has a full statutory duty**
- ✓ Through the implementation of the *Herefordshire Community Safety and Drugs Partnership Strategy*, the *Hereford Against Night-Time Disorder Scheme*, and the work of the *Community Alcohol Service*, including the *Alcohol Referral Scheme*, we aim **by 2007-08 to:**
- **decrease from 2,844 to 2,553 the number of violent crimes**
 - **decrease from 2,524 to 2,101 the number of criminal damage incidents**
 - **decrease by 5% the proportion of people who think that the following things are a problem:**
 - **speeding traffic**
 - **vandalism, graffiti and other deliberate damage to property or vehicles**
 - **people using drugs**
 - **people dealing drugs**
 - **people being drunk or rowdy in public places**
- ✓ By means of promotional campaigns, working in partnership with other agencies and voluntary and community groups (including the provision of cleansing equipment for them to use), a targeted programme of deep cleansing and enforcement action, we aim to **reduce from 34% to 15% the proportion of streets and other public areas falling below an acceptable level (Grade B) for cleanliness**
- ✓ Through a wide-ranging programme of actions, *[key elements to be defined]*, we aim **at least to maintain access to key local services, measured by the proportion of survey respondents who find it easy to access:**
- **a local shop: 86%**
 - **a supermarket: 79%**

- a shop selling fresh fruit and vegetables: 80%
- a post office: 82%
- a doctor: 77%
- a local hospital: 56%
- a green space: 81%
- public transport: 75%
- a chemist or pharmacy: 77%
- a bank or cash point: 73%
- a library: 69%
- a sports or leisure centre: 66%
- a cultural or recreational facility: 53%
- a Council office: 60%

[targets to be reviewed in the light of analysis of results from the late 2005 Annual Satisfaction Survey]

- ✓ We aim **by 2007-08 to increase from X % to Y% [by 7%] the satisfaction of adult residents with their local community as a place to live [the baseline and target will be finalised in the Spring when the results of the late 2005 Annual Satisfaction Survey have been analysed]**
- ✓ We will also measure the adult public's perceptions of improvement in the quality of life over the three years of this Plan in terms of each of the following:
 - access to nature
 - activities for teenagers
 - affordable decent housing
 - clean streets
 - community activities
 - cultural facilities
 - education provision
 - facilities for young children
 - health services
 - job prospects
 - parks and open spaces
 - public transport
 - race relations
 - road and pavement repairs
 - shopping facilities
 - sports and leisure facilities
 - the level of crime
 - the level of pollution
 - the level of traffic congestion
 - wage levels and the local cost of living

[targets and actions to be taken to be determined in the light of analysis of the late 2005 Annual Satisfaction Survey]

- ✓ By implementing our *Community Involvement and Communications Action Plan*, enabling more communities to draw up their community/parish plans, making the best possible use of the county's *Community Fora*, capacity- building and training for community volunteers and agencies, and support for activities that enable communities to come together more we aim **by 2007-08 to:**
 - **increase from X% to Y % [i.e. by 5%] the proportion of adult residents who feel they can influence decisions affecting their local community [the baseline and target will be finalised in the Spring in the light of analysis of the late 2005 Annual Satisfaction Survey]**
 - **increase from X% to Y% [i.e. by 5%] he proportion of adult residents reporting that they have engaged in formal volunteering for an average of two or more hours a week [the baseline and target will be finalised in the Spring in the light of analysis of the late 2005 Annual Satisfaction Survey]**
- ✓ Working with our partners to deliver our annual programme of risk assessment, emergency planning and exercising, business continuity management within the Council, advice to businesses and other organisations, and effective communications with the community, we will **comply fully with the Civil Contingencies Act 2004**
- ✓ By all these means, we aim to **increase by 2007-08 from X% to Y% [i.e. by 8%] the proportion of adults satisfied with their community as a place to live [the baseline and target will be finalised in the Spring in the light of analysis of the late 2005 Annual Satisfaction Survey]**

Promoting diversity and community harmony and striving for equal opportunities for all the people of Herefordshire, regardless of race, religion, disability, gender, sexual orientation, geographical location, income or age

The challenges

Over the next three years we must:

- accelerate our progress against the *Local Authority Equality Standard*
- meet existing and new statutory requirements to promote equality and eliminate discrimination in respect of race, disability and gender
- prepare effectively to meet expected new statutory requirements in respect of age, religion or belief, and sexual orientation
- continue the sound equal opportunities policies and practices the Council has established for the selection and development of its staff, and further increase the diversity of our workforce

The Council's response

- ✓ We will work with *The Herefordshire Equality Partnership*, implement fully our *Comprehensive Equality Policy Action Plan*, rolling it forward to meet new challenges and targets, and continue our comprehensive programme of elected member, staff and community awareness and development, so as to **attain Level 4 of the *Local Authority Equality Standard***
- ✓ Integral to this, we will **complete our initial three-year programme of equality impact assessments during 2006-07 and roll it forward to ensure that the results are up-to-date and cover fully new statutory requirements**, with effective action planning and performance management to ensure that the results are acted upon
- ✓ In particular, we will keep up-to-date our statutory *Race Equality Scheme* and *Disability Scheme*, with the following key targets:
[to be added]
- ✓ In doing all this, **we will take account of the equalities implications of the results of our surveys that ask the public about ease of access to key services and factors affecting the quality of life** (for fuller details see the Action Plan for *Sustain vibrant and prosperous communities* on page 33 above), **setting targets and actions accordingly**
- ✓ ***[target and related key actions to increase the diversity of the Council's workforce]***

Developing the Council's leadership role, working with partners to deliver *The Herefordshire Plan*, including the *Local Area Agreement (LAA)* with Government

The challenges

The development of a new *Herefordshire Plan* to 2020 with partners, and following extensive public involvement and consultation across all sectors, provides the foundations for an even more successful *Herefordshire Partnership*. This is now buttressed by the LAA, which provides the core of the *Partnership Action Plan* for 2006-09, with clear targets and performance management arrangements to ensure delivery.

The challenge is to take full advantage of this unprecedented opportunity to improve significantly the quality of life of the county's whole population.

At the same time, the Council must continue to maintain confidence in local democracy.

The Council's response

The full details are set out in *The Herefordshire Plan 2006 to 2020*, and many of the key targets and actions are described in the earlier parts of this Action Plan. Crucial specific areas include the **implementation of:**

- ✓ **the county's *Crime, Disorder and Drugs Strategy***
- ✓ **the *Learning and Skills Council's Herefordshire and Worcestershire Local Strategic Plan***
- ✓ **the new public health agenda *Choosing Health***
- ✓ ***Every Child Matters* and *The Children Act***
- ✓ **in terms of adult social care, *Independence, well-being and choice***
- ✓ ***The Older People's Strategy***
- ✓ ***The Civil Contingencies Act 2004***

To maintain high-levels of public confidence in local democracy, the Council will:

- ✓ do all in its power to **meet its full statutory duties, including under the *Freedom of Information Act* and data protection legislation**
- ✓ overseen by its independently chaired *Standards Committee* and through the work of the *Monitoring Officer*, **uphold in its own affairs the highest standards of corporate governance, propriety, integrity and impartiality**

- ✓ working with the *Herefordshire Association of Local Councils*, **provide training and support to enable the county's town and parish councils to demonstrate best practice and be at the forefront of national developments**

The Action Plan Part Two - organisational improvement

Streamlining processes, assets and management structures, and securing significant efficiency savings, so as to keep down Council Tax increases and invest in priority service improvements

The challenges

Over the next three years we must:

- make recurrent and cumulative cash-releasing savings of at least £1.65 million annually
- achieve these savings without detriment to our customers
- continue to modernise and improve the quality, accessibility and positive impact of our services on people's quality of life

The Council's response

- ✓ We will define the full details of the programme to achieve the cash-releasing savings during 2006-7. The principal elements are described below:
- ✓ We will **rationalise our front and back office functions, create a state-of-the-art *Info by phone* service and deliver other aspects of our Service Improvement Programme**
- ✓ Through e-procurement, benchmarking against other organisations, streamlining procedures and other initiatives, we will **continue to improve the value for money we get from procuring goods and services**
- ✓ We will **implement our *Accommodation Strategy***, including the disposal of properties, the cessation of leases and the relocation of staff
- ✓ Wherever necessary, we will **invest to save in order to achieve recurrent savings**; in particular, we will **continue our comprehensive programme of investment in ICT and meet fully Government targets for e-government**
- ✓ **Develop during 2006-7 performance indicators for resources and efficiency** as part of an updated and more detailed Medium-Term Financial Strategy (MTFS)

Ensuring that essential assets, including schools, other buildings, roads and ICT, are in the right condition for the long-term cost-effective delivery of services, and ensure business continuity in the face of emergencies

The challenges

The Council must ensure that:

- despite the need for overall reductions in expenditure, it maintains a prudent programme for the renewal and maintenance of its key assets
- it has in place tried and tested plans and systems to maintain services in the event of disaster or other crises
- it raises its performance as regards the use of resources, including the achievement of best value for money, to an even higher level

The Council's response

- ✓ We will complete our new **ICT network** to make our operations more efficient and effective, with the network **available for at least 98.5% of the time**
- ✓ With our partners, we will complete **the *Herefordshire in Touch* programme in the first year of this plan**
- ✓ By disposing of some dilapidated property and bringing up to standard the buildings we retain following the completion of our *Accommodation Strategy*, we will **raise the proportion of the gross internal floor space in ODPM categories A and B to at least 90% by 2007-08 [*higher target for 2008-09?*]**
- ✓ By embedding our business continuity plans for all parts of the Council's activities and services through an annual programme of risk assessment and business continuity management, we will ensure that we **comply with the *Civil Contingencies Act 2004*, in particular so as to safeguard the most vulnerable people in the county**
- ✓ We will embed risk management across all aspects of the Council's work and take all other measures necessary to **raise our *Use of Resources* score from 3 to 4** (the highest possible)

Understanding the needs and preferences of service users and Council Tax-payers, and tailoring services accordingly

The challenges

As the Council strives to achieve more with less, makes big efficiency savings and concentrates resources on priority areas, it must be more than ever careful to root all that it does in a solid understanding of what the public and our customers need and want.

The Council's response

- ✓ Through the completion of our network of local *Info Shops*, the creation of a state-of-the-art *Info by phone* service and the full implementation of e-government, we will provide **better, faster and more responsive services to individual customers. Phased implementation will go live in Planning and Environmental Health & Trading standards by summer 2006; full corporate implementation by late 2007.**
- ✓ By means of an action plan to define customer standards for individual services where they don't already exist, the embedding of our new customer relations management and complaints handling systems, a programme to continue encouraging customer feedback, and a rolling programme of training for complaints officers and other staff, we aim to **increase from 29 % to 50% the proportion of those making complaints who are satisfied with how their complaint has been handled**
- ✓ By implementing our *Community Involvement* and *Communications Strategy* action plans, giving effect to agreed parish plan aspirations, the implementation of changes following a review of the *Community Fora* and conducting annual customer satisfaction surveys, we aim to **increase from 11% to 30% the proportion of Herefordshire Voice respondents who feel that the Council does enough to give local people the opportunity to influence important decisions**
- ✓ Through these means and the service improvements described elsewhere in this Plan, and also by enabling more communities to draw up town and parish plans, building community and voluntary sector capacity and enabling more opportunities for people in communities to come together, we aim **by 2007-08 to increase from X% to Y% [i.e. by 8%] the proportion of adults satisfied with their community as a place to live**
- ✓ Through the implementation of our *Community Involvement Action Plan for Young People*, including the establishment of the *Herefordshire Youth Council* and the operation of the *Community Fora*, we will maintain an up-to-date understanding of the needs and wishes of children and young people. A key measure of our success will be to **increase from 19% to 30% the percentage of young people who feel that the Council does enough to give young people the opportunity to influence important decisions**

- ✓ Building on the good practice of our rolling programme of housing needs assessments across the county, we will extend this approach to other areas of the Council's work, **giving priority to understanding better the needs of the most vulnerable or disadvantaged people, including older people and those with disabilities or mental health problems**
- ✓ Continuing to operate our robust procedures for **complying with the *Freedom of Information Act* and data protection legislation.**

Recruiting, retaining and motivating high quality staff, ensuring that they are trained and developed so as to maximise their ability and performance

The challenges

The Council has loyal and dedicated staff, committed to excellence in serving the people of Herefordshire. But the ever-rising expectations of the public and Government, the fresh challenges of a fast-moving world and the need to work in new ways with our partners to achieve more with less, can only be met if we continue to have the right managers and front-line staff with the right understanding, skills and motivation. These must, therefore, be continually updated and renewed.

Specific challenges are:

- the recent Corporate Performance Assessment and Joint Area Review (JAR) of services for children and young people confirmed that we have many strengths but also the importance of developing key skills in respect of effective planning and performance management to drive continuous improvement in standards of services across the Council
- the JAR highlighted the need for a more effective workforce strategy for social care to address problems of recruitment and retention
- to maximise productivity and contribute to the drive for big efficiency savings, we must reduce sickness absence, strike the right balance in staff turnover, and improve our recruitment processes
- to make even more effective two-way communications between managers and staff at all levels.

The Council's response

- ✓ **Our *Pay and Workforce Strategy*** will continue to be the comprehensive response to these challenges; it **will be kept up-to-date to reflect changing needs**
- ✓ At the heart of the *Strategy* is our commitment to ***Investor in People* accreditation**, which we aim to achieve for the whole Council. The timescale for this will be considered as part of the Pay and Workforce Development Strategy operational plan and set in 2006-07.
- ✓ We will **continue our comprehensive programme of staff training and development**, basing it on a sound understanding of current skills and future skills needs, identifying the need for NVQs and other formally accredited training, and linking core skills to pay and grading
- ✓ In particular, we will deepen and extend our programmes to **ensure that all managers are well-equipped to plan their services and manage performance effectively to deliver the Council's priorities**
- ✓ We will integrate this approach with the annual cycle of individual Staff Review and Development, with the intention of **raising from 76 % to 100% the putting into place and implementation of personal development plans**

- ✓ By improved management of attendance, provision of timely management information, and the active engagement of Human Resources in recommending interventions and improvement, we aim to **reduce sickness absence from an average of 10.4 days per FTE in 2004 to 7.**
- ✓ Through better workforce planning, including the analysis of skills shortages and national trends, by promoting careers at the Council in schools, colleges, universities, and at national events, and by improving our recruitment and retention procedures, we aim to **maintain annual staff turnover at 9%**
- ✓ We will pay **special attention to the recruitment and retention of staff in social care and other particularly sensitive areas of service delivery**
- ✓ We will centralise the recruitment administration of permanent and temporary employees, and agency staff, to secure efficiency gains across the Council, by **creating a new Recruitment Centre**
- ✓ We will continue to improve understanding and motivation throughout the organisation by **implementing our *Communications Strategy Action Plan***

Embedding corporate planning, performance management and project management systems so as to continue to drive up service standards and efficiency

The challenges

The recent Corporate Performance Assessment and the Joint Area Review of services for children and young people confirmed that the Council has sound frameworks for planning and performance management, but also that they have not been operated to a consistent high standard across all departments. In particular, we need:

- a more systematic and rigorous approach to drive continuous improvement in standards of services
- an effective mechanism to maintain an overall view of performance against high-level ambitions and cross-cutting issues

The inspectors also confirmed the need for more effective use of Scrutiny in managing performance and corporate policy development, and recommended the review and, if necessary, reconfiguration of political structures in line with corporate priorities.

Rapid progress in these areas is crucial to the delivery of the Council's ambitious agenda for organisational change, modernisation, greater efficiency and, above all, service improvement.

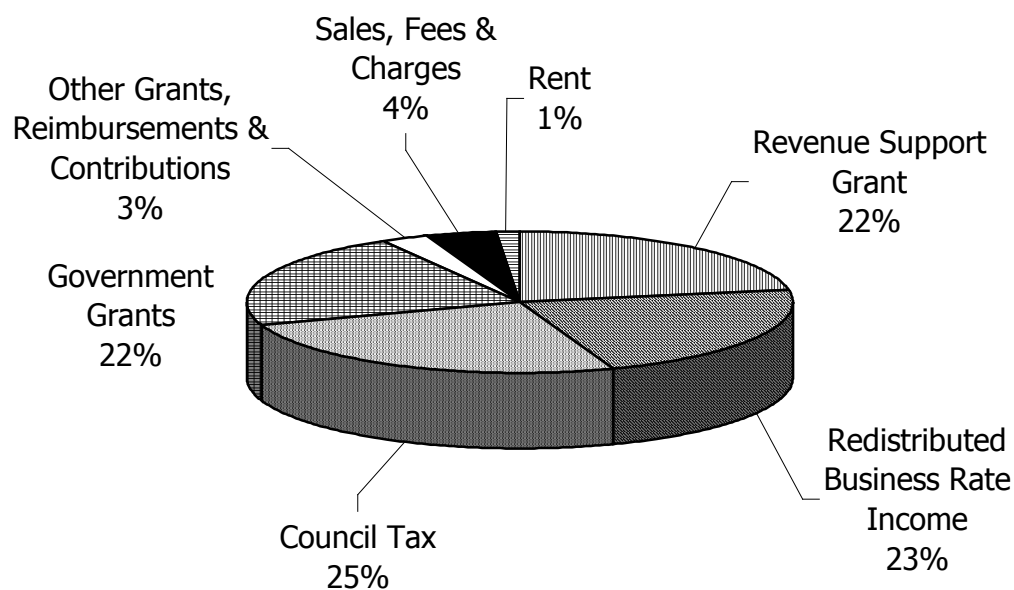
The Council's response

- ✓ We will further develop the corporate planning process to **align fully corporate, service and financial planning**, and so provide a sound basis for systematically achieving value for money across all services
- ✓ We will implement performance management systems and tools **to facilitate much more effective challenge** and so bring greater rigour to the setting of targets and the identification of the necessary milestones, actions, risks and resources, so as to drive up performance
- ✓ Starting with this Corporate Plan, there will be **fewer, more strategic performance indicators** but with clear links to all the more detailed indicators that must feature in directorate and service plans
- ✓ We will **review and make much more accessible performance reports to the Corporate Management Board, Cabinet, Strategic Monitoring Committee and subject scrutiny committees**, so as to promote more effective challenge and performance improvement
- ✓ We will put in place **a corporate ICT-based system to make much easier and faster the collection and analysis of all performance information for the Council and its strategic partners**. The timescale will be determined following the Corporate Strategy Review; that timescale will not be allowed to stand in the way of the improvements in the quality of plans and performance reporting that are needed urgently

- ✓ **Directorate and service plans will be quality-assured** to ensure that they are of the right standard and will enable the Council to deliver its priorities, including in respect of cross-cutting issues
- ✓ **Directors and Heads of Service will be required to ensure that all Council-wide policies, strategies, programmes and procedures are delivered in their areas**
- ✓ By means of our action plan to ensure robust auditable data, we aim to **retain the unqualified status of our Best Value Performance Plan** (now incorporated into this Corporate Plan [*electronic link*]) **and ensure that none of our individual performance indicators is qualified**
- ✓ During 2006-07, we will **review and implement any necessary changes to our political structures to provide the best basis for continuous improvement in the Council's performance**
- ✓ Also in the first year of this Plan, we will **strengthen the scrutiny function to maximise its contribution to policy development and performance enhancement**
- ✓ The operation of **the whole Performance Management Framework will be audited as part of Internal Audit's annual review of the Council's key processes**, providing a sound basis for continuous improvement

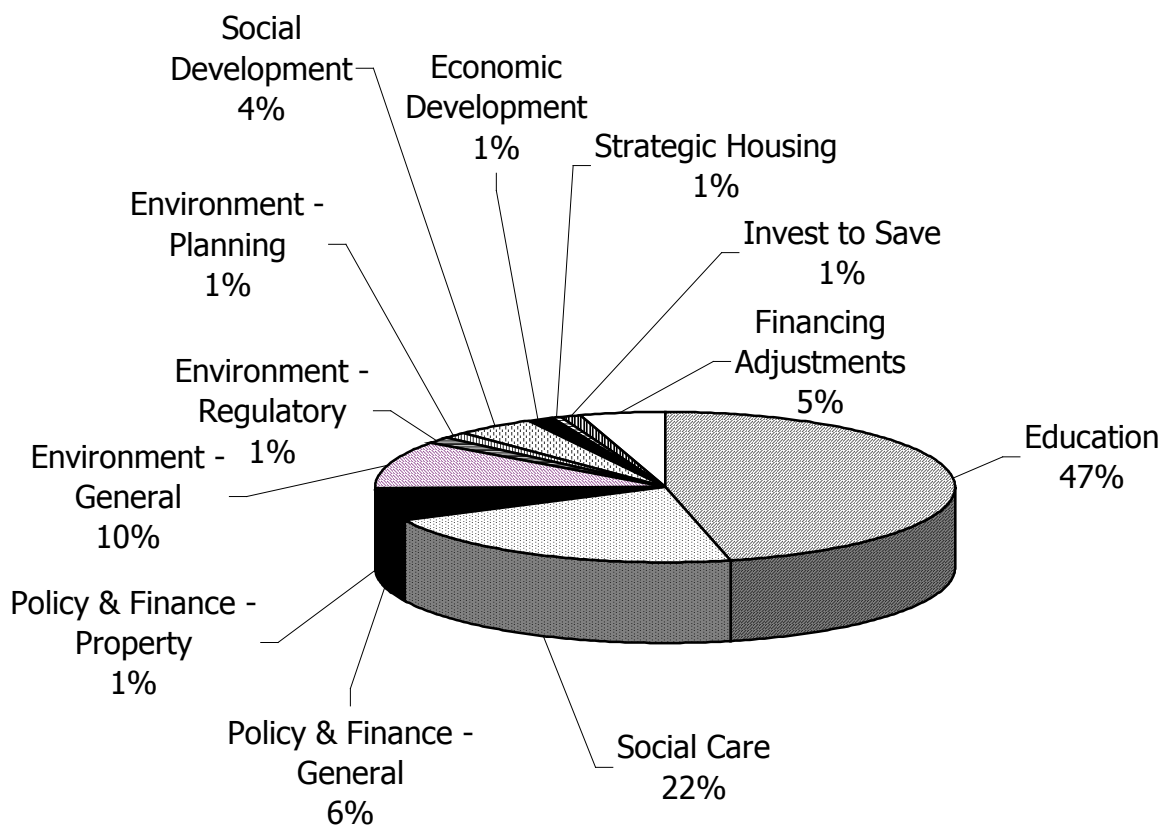
Revenue Expenditure in 2005-06 is funded by

	£'000
Revenue Support Grant	58,688
Redistributed Business Rate Income	58,954
Council Tax	67,247
Government Grants	57,839
Other Grants, Reimbursements & Contributions	7,877
Sales, Fees & Charges	10,917
Rent	3,664
Interest	696
Total Income (excluding Internal Recharges)	<u>265,882</u>



Net revenue budget in 2005-06 by Programme Area

	£'000
Education	85,605
Social Care	39,912
Policy & Finance - General	11,721
Policy & Finance - Property	1,074
Environment - General	18,949
Environment - Regulatory	2,674
Environment - Planning	2,269
Social Development	8,320
Economic Development	2,336
Strategic Housing	1,432
Invest to Save	2,048
Financing Adjustments	8,549
Total	<u>184,889</u>



Revenue Expenditure in 2006-07 is funded by

[To be added]

Proposed net revenue expenditure 2006-09 by service/corporate area

[To be added]

Proposed capital programme 2006 – 09

[To be added]

Glossary**Appendix 6*****The
Herefordshire Plan***

The Community Plan for Herefordshire. It sets out the vision, agreed by the Council and its partners following consultation with the public, for what the county should aspire to be by 2020, together with the objectives and targets to achieve it.

***Local Area Agreement
(LAA)***

A three-year agreement with the Government (initially for 2006-09) to deliver, with the Council's partners, higher levels of performance than would otherwise have been achieved. This is facilitated by greater freedom and flexibility in the operation of Government rules, including the use of Government grants.

***Local Public Service
Agreement (LPSA)***

A three-year agreement with the Government (currently for 2005-06 to 2007-08) to deliver higher levels of performance than would otherwise have achieved, in return for pump-priming additional finance to help achieve the enhanced targets and some relaxation in regulation. Achievement of the targets attracts substantial reward payments.

As from 2006-07, will be subsumed within the LAA (see above).

***Service Improvement
Programme (SIP)***

A programme to improve Council processes so as to achieve better services for the same or lower cost.

***Comprehensive
Performance
Assessment (CPA)***

The assessment of a Council's current performance and its capacity to improve. It comprises four main components: self-assessment, corporate assessment by an external team, use of resources assessment by external auditors, and service assessment based on an analysis of recent service inspections, reviews and performance indicator results. It is overseen and managed by the independent Audit Commission.

***Corporate Management
Board (CMB)***

The strategic management board of the Council, comprising the Chief Executive, Directors and the Head of Human Resources.

***The Senior Management
Team (SMT)***

The operational management board of the Council, comprising Heads of Services.

***Local Transport Plan
(LTP)***

A long-term strategy to develop an integrated and sustainable transport system for Herefordshire

***Office of the Deputy
Prime Minister (ODPM)***

The UK Government department with responsibility for, amongst other things, policy for local government and

Prime Minister (ODPM)

relations with local authorities

Joined-Up Programme (JUP)

The complete programme of work undertaken by the Herefordshire Service Delivery Partnership (Herefordshire Council, Herefordshire Jarvis Services and Owen Williams) covering highways, property and related work

DRAFT REVENUE BUDGET STRATEGY

PROGRAMME AREA RESPONSIBILITY: CORPORATE STRATEGY AND FINANCE

CABINET

26TH JANUARY, 2006

Wards Affected

County-wide

Purpose

To receive the Corporate Management Board's (CMB's) suggested revenue budget strategy for 2006/07.

Key Decision

This is not a key decision. The final decision will not be taken by Cabinet but by Council at its meeting on 10th March, 2006.

Recommendations

- THAT (a) the revenue budget strategy for 2006/07 outlined in this report be endorsed; and**
- (b) the Strategic Monitoring Committee be invited to consider the revenue budget strategy for 2006/07 in time for their comments to be incorporated into a further report to Cabinet on 23rd February, 2006.**

Reasons

Corporate Management Board needs confirmation that the approach it has developed to setting the budget for 2006/07 is acceptable in order to be able to complete the detailed budget proposals for next financial year.

Considerations

Background

1. The Budget Panel met on 7th December, 2005 to consider the feedback from the Directors' budget meetings held in November 2005. The Panel decided to ask the Corporate Management Board (CMB) to develop budget options for it to consider within the following framework:
 - Council Tax increases for 2006/07 and 2007/08 of 4.7%;
 - Transfer of unspent Invest to Save budget in 2005/06 into 2006/07;
 - Writing off the significant overspends from 2004/05;

Further information on the subject of this report is available from
Mrs Sonia Rees on 01432 383519

- Writing off 2005/06 overspends to reserves;
 - Correcting the ongoing base budget issues;
 - Preparation of detailed efficiency plans; and
 - Preparation of detailed Invest to Save plans.
2. CMB developed the draft budget strategy for 2006/07 and 2007/08 during a team exercise on 13th December, 2005. The Budget Panel considered a report from the Director of Resources outlining CMB's draft strategy on 13th January, 2006. This report describes the draft revenue budget strategy developed by CMB and incorporates the comments made by the Budget Panel.

Key Assumptions

3. The information available on the settlement available to CMB when it considered budget strategy options indicated that there would be approximately £2.75m of financial capacity in 2006/07 above that previously being indicated by the Financial Resource Model. The situation for 2007/08 was that approximately £500k of savings would be needed. CMB assumed that the Gershon target for cash savings through efficiencies of £1.65m a year would be achieved.
4. It is important to note that the financial planning figures that CMB was working with were **indicative** because the settlement information was still incomplete at the time it was developing this strategy. The accountancy team was updating the Financial Resource Model on a daily basis as settlement information arrived in piecemeal fashion.
5. CMB had to make key assumptions about capping too. CMB felt that a 4.7% Council Tax increase should be low enough to avoid attention given very clear ministerial statements that the government is expecting the average Council Tax increase to be less than 5%.
6. Whilst I believe that the key test for capping will be Council Tax increases, I do not know what other factors the government may take into account as part of the capping mechanism for 2006/07 and 2007/08. The capping principles will not be announced until after local government has set its budgets for 2006/07 so it is impossible for officers to give councillors definitive advice at this stage.
7. The local government minister has said that 'authorities should not use previous capping principles as a guide to capping for 2006/07 and 2007/08'. However, in previous years, the government's capping criteria have included reference to budget as well as Council Tax increases. Given the minister's statement, this criterion may or may not feature as part of the capping principles for 2006/07 and 2007/08. If it does, Herefordshire's budget requirement for 2006/07 would be approximately £118.3m based on a Council Tax increase of 4.7%. This is a 6.6% increase on the notional budget requirement figure for 2005/06 that the government consulted on.
8. To complicate matters further, we are querying the way the government has calculated the notional budget requirement figure for 2005/06. Certain transfers relating to social care grant that are now included in the distribution formulae have been omitted. The headline increase of 6.6% may therefore change – if indeed it is relevant for capping purposes.

9. I have written to the local government minister asking for an indication on whether his capping principles are likely to include reference to budget increases and, if so, what level of increase would give him cause for concern. I have not yet received a reply. For illustrative purposes, if the minister were minded to cap budget increases at say 5% based on the notional budget figure for 2005/06 he has consulted on, the anticipated headroom in the Financial Resource Model indicated in this report would reduce by approximately £1.8m.
10. The gaps in the detailed information, the uncertainty surrounding some of the figures we do have and the absence of capping criteria makes financial planning with any certainty very difficult until the final settlement has been announced.

Budget Strategy

11. CMB worked on the basis that current and prior year over spends would be written off given Herefordshire's overall financial position and the ability of the over spending areas to recover the situation. It also worked on the assumption that the £1.65m cash efficiency gain target would be achieved. CMB then identified 3 potential budget strategy options:
 - **Option 1** - use the £2.75m capacity to address base budget issues and growth issues in 2006/07 and identify cuts of £500k for 2007/08;
 - **Option 2** – assume no financial capacity in 2006/07 as well as a reduction of £500k in 2007/08; and
 - **Option 3** – use up to £2.25m capacity in 2006/07 leaving £500k in reserve to offset the indicative level of savings needed in 2007/08.
12. CMB felt that a strategy that involved immediate service cuts would be unacceptable as well as undeliverable and rejected options 1 and 2.
13. CMB pursued option 3 as it enabled it to use the capacity anticipated over the 2-year period to:
 - smooth pressure on Council Tax increases;
 - correct structural issues within the base budget;
 - target remaining resources at key spending pressures; and
 - develop, implement and realise the cash benefits from Invest to Save and service improvement initiatives (particularly accommodation and ICT).
14. CMB recognise that delivery of a robust Invest to Save and service improvement programme that would start to generate significant cash benefits by 2008/09 at the latest would be fundamental to Herefordshire's financial stability for the future. Current levels of spending are clearly not sustainable given the requirement to maintain at least £3m in reserves and the poor prospects for local government in the government's next Spending Review (SR07) and the 3-year settlement that will follow for 2008/09 and beyond.

Base Budget Pressures

15. CMB reviewed the list of base budget pressures identified during the Directors' budget meetings and agreed which to recommend councillors include in the base budget for 2006/07 and beyond. The updated list is set out in the table below:

CMB's proposed base budget adjustment	Addition in 2006/07	Change in 2007/08
Learning Disabilities – ongoing deficit	758	0
Homelessness – temporary accommodation costs (this figure excludes £300k virement in 2005/06)	686	-260
Loss of income from Hereford City Council	85	0
Unrealisable savings in TIC service	124	0
Land Charges – ongoing budget deficit	80	0
Concessionary Fares – excess over FRM needed to introduce the new statutory scheme	154	0
Revenues and Benefits – Academy support not included in the budget	76	0
Social Care – independent assessment of future demand for service	75	-75
Older People – catch up on contract inflation indices for SHAW contract	393	0
Parks and Countryside – catch up on contract inflation indices	41	0
Waste Collection – catch up on contract inflation indices (net of additional Trade Waste income)	200	0
Children's Services transport costs – catch up on contract inflation indices	90	0
Street Cleansing – catch up on contract indices	50	0
Property Services – excess inflation on fuel costs	75	0
Total	2,887	-335

16. CMB's initial list of base budget adjustments totals £2.9m including catch-up on contractual inflation indices in six areas of £849k. The list does not reinstate the £75k reduction in the Queenswood Country Park budget for 2005/06 to take account of the decision taken last budget cycle to introduce charges for parking.

Growth Pressures

17. CMB then went on to review the list of growth pressures also identified during the Directors' budget meetings. A significant proportion of this sum related to the Director of Adult and Community Services' and Director of Children's Services' assessment of increasing demand for social care services. All Directors agreed this was the highest priority area and recognised that even if current and prior year over spends were written off and the base budget adjustments outlined in paragraph 15 were approved, there were still significant financial risks for these services.

18. CMB was concerned however to base future financial plans for adult social services on a robust assessment of the likely level of future demand. This was felt important as further investment in this service area could lead to reductions elsewhere. CMB therefore propose that independent work linked to that currently being carried out by the Association of Directors of Social Services be commissioned to assess the service and financial impact of changing demographics as a basis for planning for the future. I suggest £75k is earmarked for this purpose and have included it on the list of base budget pressures as one-off funding for 2006/07.
19. Having agreed on this plan, CMB felt it important to recognise the ongoing financial risk for adult and children's social care budgets was significant given past trends in spending, future predictions of need and legal requirements to provide services. CMB therefore propose finding the capacity to create a contingency in the event that demand cannot be managed within the approved budget for the Adult and Community Services Directorate. This resource would not form part of base budget and would not be released without formal approval.
20. Following the CMB away event, Directors were asked to assess the impact of their agreed strategy in terms of the growth items they had previously identified (Appendices – A to F refer). Directors were asked to assess which items:
 - were essential for contractual/legal reasons;
 - did not depend on additional resources;
 - could be dealt with by the social care contingency arrangement; and
 - could be developed as Invest to Save initiatives.

Adult and Community Services – Impact Assessment of Growth Pressures

Essential Growth Items

21. The Adult and Community Services Directorate identified growth items totalling £4.9m in 2006/07 and £6.8m in 2007/08. These items have been further analysed by the Director as set out in Appendix A.
22. The table in Appendix A sets out the reasons for classifying the growth pressures identified by the Director of Adult and Community Services as essential, non-essential or a Social Care Contingency item. The risk associated with being unable to make budget provision for these items is also indicated.
23. The Director of Adult and Community Services has identified one essential, high-risk item estimated at £137k in 2006/07 and 2007/08. This is needed to maintain the level of services currently paid for by Access and Systems Capacity grant.
24. The value of growth items that the Director of Adult and Community Services has agreed he will have to manage within existing resources given the corporate financial context totals £2.292m in 2006/07 and £2.844m in 2007/08.
25. Based on the information available at the present time, the financial implications of demand led pressures in Adult Social Care Services is estimated at £2.253m in 2006/07. This figure rises to an estimated £3.603m in 2007/08. CMB propose that the risk of over spend due to increasing demand for social care services is recognised by creating a separate social care contingency.

Efficiency Gains

26. The Director of Adult and Community Services has not identified any further efficiency savings since the Budget Panel report on 7th December, 2005. This Directorate's contribution to the overall cash target of £1.65m in 2006/07 remains at £404k – this is the largest contribution to the target.

Invest to Save

27. The Director of Adult and Community Services has not identified any Invest to Save options at this stage.

Children's Services – Impact Assessment of Growth Pressures

Essential Growth Items

28. The Children's Services Directorate identified growth items totalling £2.606m for 2006/07 at the Director's budget meeting including £786k of Invest to Save Items. This figure has been adjusted upwards to £2.815m due to the addition and deletion of items that have emerged since the November meeting. The items now included on the growth list have been further analysed by the Director as set out in Appendix B.
29. The table in appendix B sets out the reasons for classifying the growth pressures identified by the Director of Children's Services as an essential, Social Care Contingency or non-essential item. The risk associated with being unable to make budget provision for these items is also indicated.
30. The Director of Children's Services has identified four essential, high-risk items totalling £688k in 2006/07 and £275k in 2007/08. These are needed to:
- maintain current levels of service provision as external support is lost / reduced;
 - support pooled budget arrangements with the Primary Care Trust; and
 - support implementation of an improvement plan following the recent JAR inspection.
31. The value of growth items that the Director of Children's Services has agreed she will have to manage within existing resources given the corporate financial context totals £841k in 2006/07 and £450k in 2007/08.
32. Based on the information available at the present time, the financial implications of demand led pressures in Children's Social Care Services is estimated at £500k in 2006/07. The corresponding figure for demand led pressures in Children's Social Care Services in 2007/08 is £575k. CMB propose that the risk of over spend due to increasing demand for adult and children's social care services is recognised by creating a separate social care contingency.

Efficiency Gains

33. The Director of Children's Services has not identified any further efficiency savings since the Budget Panel report on 7th December, 2005. This Directorate's contribution to the overall cash target of £1.65m in 2006/07 remains at £299k – this is the second largest contribution to the target.

Invest to Save

34. The Director of Children's Services has identified 3 potential Invest to Save options totalling £786k as identified at the end of the table in Appendix B.

Corporate and Customer Services – Impact Assessment of Growth Pressures

Essential Growth Items

35. The Corporate and Customer Services Directorate identified growth items totalling £283k in 2006/07. This figure grows slightly to £303k in 2007/08. The items included in this growth list have been further analysed by the Director as set out in Appendix C.
36. The table in Appendix C sets out the reasons for classifying the growth pressures identified by the Director of Corporate and Customer Services as essential, non-essential or an Invest to Save item and the risk associated with being unable to make budget provision for these items.
37. The value of essential, high-risk items for Corporate and Customer Services is £30k for 2006/07 and 2007/08.
38. The Director of Corporate and Customer Services has agreed that she will have to manage £253k of growth pressures in 2006/07 within existing resources for the Directorate given the corporate financial context. The corresponding figure for 2007/08 is £273k.

Efficiency Savings

39. The Director of Corporate and Customer Services has identified £135k of potential efficiency savings in 2006/07.

Invest to Save

40. The Director of Corporate and Customer Services has not identified any Invest to Save options at this stage.

Environment – Impact Assessment of Growth Items

Essential Growth Items

41. The Environment Directorate identified growth items totalling £1.33m in 2006/07 including £250k for an Invest to Save proposal (see paragraph 45). This figure reduces to £995k in 2007/08. The items included in this list have been further analysed by the Director as set out in Appendix D.
42. The table in Appendix D sets out the reasons for classifying the growth pressures identified by the Director of Environment as an essential, non-essential or Invest to Save item. The risk associated with being unable to make budget provision for these items is also indicated. The value of essential, high-risk items is £85k in 2006/07 and £150k 2007/08.
43. The Director of Environment has agreed that he will have to manage the remainder of the list of growth items within existing resources for the Directorate given the corporate financial context.

Efficiency Gains

44. The Director of Environment previously identified £245k of efficiency gains. This total remains the same and includes:

- Reduction in supervision between client and HJS contractor (£100k);
- Reduction in HJS rates (£45k); and
- SIPS programme in planning, environmental health and trading standards (£100k).

Invest to Save

45. The Director of Environment has identified a potential Invest to Save item needed to deliver the SIPS improvement outlined above. An investment of £250k is required to enable the electronic capture of the Planning Statutory Register.

Human Resources – Impact Assessment of Growth Items

Essential Growth Items

46. The growth items for Human Resources totals £124k in each year. The items included in this growth list have been further analysed by the Head of Service as set out in Appendix E.

47. The table in Appendix E sets out the reasons for classifying the growth pressures identified by the Head of Human Resources as essential, non-essential or an Invest to Save item and the risk associated with being unable to make budget provision for these items.

48. There are no essential, high-risk items for Human Resources. The Head of Human Resources has agreed he will have to manage all his growth items either within existing resources or as Invest to Save bids given the corporate financial context.

Efficiency Gains

49. The proposals to restructure the Human Resources team include setting up a Centralised Recruitment Team. Work is currently taking place to determine the level of efficiency savings that will be generated as a result of reduced recruitment times and reduced reliance on agency workers. The Human Resource team is currently leading a project to put in place a contract by which a single agency is retained rather than the current inefficient and costly method of using over 65 different agencies. The proposed approach has many advantages including generating savings leveraged from agreed contracted agency pay rates.

Invest to Save

50. The Head of Human Resources has identified potential Invest to Save options as identified in the table in Appendix E.

Resources – Impact Assessment of Growth Items

Essential Growth Items

51. The Resources Directorate identified growth items totalling £717k in 2006/07. This figure reduces to £678k in 2007/08. The items included in this list have been further analysed

by the Director as set out in Appendix F.

52. The table above sets out the reasons for classifying the growth pressures identified by the Director of Resources as an essential, non-essential or Invest to Save item. The risk associated with being unable to make budget provision for these items is also indicated. The value of essential, high-risk items is £179k in 2006/07 and 2007/08 although this figure will fall to £40k in following years.
53. The Director of Resources has agreed that she will have to manage the remainder of the budget pressures for her Directorate within existing resources given the corporate financial context providing the budget strain in respect of implementing the Accommodation Strategy is treated as an Invest to Save item.

Efficiency Savings

54. The Resources Directorate is currently operating using the management structures inherited from the former County Treasurer's Department and the Property Services Section that transferred from the Environment Directorate. The Director is starting to review the Directorate structure with a view to improving efficiency by:
- Creating a dedicated resource for procurement to support corporate efficiency gains and compliance with the national procurement strategy for local government;
 - Strengthening where appropriate the professional and managerial links between the Director of Resources and 'out posted' finance teams / staff;
 - Consolidating similar activity currently carried out in other Directorates – e.g. customer services and custodian services;
 - Consolidating similar activity currently carried out in different parts of the Resources Directorate;
 - Aligning accountancy support with new Directorate structures;
 - Reviewing potential for shared services across all service areas – be that joint working at one end of the spectrum to outsourcing at the other;
 - Review potential for earning additional income by providing services to others;
 - Providing capacity within Property Services to deal with the corporate property agenda; and
 - Establishing property as a support service that provides asset and facilities management services under a service level agreement in line with client requirements.
55. There may be some one-off costs associated with the restructuring of the new Directorate that will need corporate support at least at the outset to help drive the efficiency and improvement agenda for the Resources Directorate. Critical to success will be the Corporate Strategy Review that will involve the development of a Service Improvement Programme for the Directorate. A draft plan will be ready by the end of March 2006. I believe there is potential for the Resources Directorate to contribute more significantly to the efficiency agenda but am not yet able to identify how or quantify the benefits.

Essential Growth Items - Summary

56. The following table summarises the outcome of the further analysis of the growth pressures identified by Directors for the Budget Panel on 7th December, 2005 (all figures in £000s).

2006/07 Summary of Essential Growth Items

Directorate	Essential Items	Additional Resource Not Essential	Social Care Contingency	Invest to Save	Total
Adult & Community Services	137	2,292	2,253	0	4,682
Children's Services	688	841	500	786	2,815
Corporate & Customer Services (& HR)	30	291	0	86	407
Environment	85	995	0	250	1,330
Resources	179	269		269	717
Total	1,119	4,688	2,753	1,391	9,951

2007/08 Summary of Essential Growth Items

Directorate	Essential Items	Additional Resource Not Essential	Social Care Contingency	Invest to Save	Total
Adult & Community Services	137	2,844	3,603	0	6,584
Children's Services	275	450	575	300	1,600
Corporate & Customer Services (& HR)	30	311	0	86	427
Environment	150	845	0	0	995
Resources	179	399	0	100	678
Total	771	4,849	4,178	486	10,284

Efficiency Savings – Summary

57. The cash efficiency plan for 2006/07 and 2007/08 still does not achieve the £1.65m a year target required by Gershon and assumed in the Financial Resource Model. Whilst opportunities have identified resulting from the Corporate Strategy Review, structural changes and the accommodation strategy, many cannot yet be quantified in financial terms and require an Invest to Save approach to delivering them. Such programmes will have to be managed closely to avoid the risk that the investment is made and the saving not achieved.

58. The efficiency cash plan is therefore still work in progress. The following table summarises the position as at 13th January, 2006. CMB still need to identify £538k of efficiency savings for 2006/07 and a further £313k in 2007/08.

CMB's Cash Efficiency Plan 2006/07 AND 2007/08

(All figures in £000's)

Directorate	2006/07		2007/08	
	As at 07/12/05	As at 13/01/06	As at 07/12/05	As at 13/01/06
Adult & Community Services	404	404	624	624
Children's Services	299	299	299	299
Corporate & Customer Services (& HR)	135	135	130	130

Environment	145	245	145	245
Resources	29	29	39	39
Total	1,012	1,112	1,237	1,337

Invest to Save – Summary

59. CMB has identified approximately £1.4m of growth pressures for 2006/07 that could be treated as an Invest to Save initiative (see paragraph 56). Each of these ideas needs to be the subject of a robust business case setting out the management arrangements for ensuring that the savings that result from the investment will be achieved.
60. The list of potential Invest to Save bids does not include the investment that may be required to support the outcome of the Corporate Strategy Review currently underway or the full delivery of the Accommodation Strategy. The £2m Invest to Save pot that CMB propose carrying forward from this financial year into next is already under significant pressure. Any investment decisions will need to be clearly prioritised.

Key Principles

61. CMB identified a number of key principles for future financial management during the course of its deliberations on budget strategy. These principles are set out below.
62. The list of base budget pressures set out in paragraph 15 does not include any items from the Children’s Services Directorate. CMB have worked on the assumption that savings in non-schools education budgets will be used to offset pressures across the Directorate. This would include any budget pressures relating to services transferring into the Directorate as a result of the recent senior management restructure such as youth services. CMB recognise that spare capacity in budgets are a corporate resource but felt that virement within this Directorate alleviated pressures elsewhere in trying to establish a balanced budget.
63. CMB agreed that all Directors should manage their budgets at Directorate level to come in at or below approved budget for the year. CMB recognised that future over spending would be very difficult to manage given reserves would be depleted following write off of historic and current year over spends. CMB also recognised that councillors would not be best pleased if having adjusted the base budget and having written off current and prior year over spends continued.
64. CMB agreed that the base budget adjustments identified in paragraph 15 should be ring-fenced for that purpose and not used to offset overspends elsewhere within a Directorate. Directors agreed that if they could manage without the cash they would and that any surplus would be returned to the corporate pot.
65. CMB agreed the principle of a ‘one organisation’ approach to managing the use of corporate resources such as Human Resources, performance management, policy development, property management, financial management, procurement, risk management etc. CMB accepted that Directorates should find the resource to pay for any increase in demand on support services such as legal and finance rather than it being assumed that this cost will be met corporately. It was agreed that all support services expenditure should be recharged in line with best practice and that a review of Service Level Agreements would be needed.
66. CMB noted that SR07 was likely to be more incisive in terms of value for money and efficiency. It also recognised the importance of the current efficiency agenda both in terms of meeting Gershon targets and setting a budget with saving proposals clearly

identified and quantified. Directors therefore agreed to firm up on efficiency plans at the target level of £1.65m a year.

67. The recent CPA report highlights the need to continue developing a consistent approach to performance management and for further progress in rationalising office accommodation and reviewing business processes (whether ICT based or not). CMB accepted that Directorate based performance management resources need to be transferred to Director of Corporate and Customer Services to support this key corporate objective and to support the principles agreed in her Directorate restructure. CMB also committed to developing clearly defined Invest to Save, accommodation and ICT programmes with the investment requirement and pay back clearly identified in amount and over time.

Corporate Financial Risks

68. CMB identified the following corporate financial risks:

- **SR07 and future settlements** – Her Majesty’s Treasury is already planning for the next spending review that will set out public spending plans for the 3-year period starting 2008/09. This will inform the next local government settlement covering 3 financial years from April 2008. It is clear that recent growth in public spending cannot be sustained and that the Treasury is already gearing up to carry out a much more incisive efficiency review and a zero based review of the effectiveness of government spending programmes. With national priorities likely to be education, health and security services, the prognosis for local government settlements would appear fairly bleak.
- **Efficiency programme** – plans for delivering the Gershon efficiency target in 2006/07 and 2007/08 are not fully developed and are £538k short of the £1.65m target needed. Directors were asked to review their budgets with a view to firming up their efficiency plans following the CMB away day event. The current situation is outlined in paragraph 58.
- **Invest to Save/Service Improvement Programmes** – plans for driving out cash efficiencies as a result of Invest to Save and service improvement programmes need to be developed and implemented. The draft budget contains neither the investment needed to deliver the accommodation and ICT strategies nor the cash benefits that will result.
- **Accommodation** - the draft budget doesn’t include the cost of Directorate moves into Plough Lane planned for 2006, dual running costs and other one-off costs associated with this part of the accommodation strategy. The draft budget also does not allow for other premises issues e.g. Registration Service.

Conclusion

69. Herefordshire Council has a strong track record for providing good services and achieving good value for money. It has made significant changes in service delivery arrangements over the years to this end – e.g. contracting out, strategic partnership, transfer of the housing stock and purchasing supplies and services through West Mercia Supplies. The obvious routes to achieve a reduction in net spending to match the level of government funding and Council Tax income available have been largely exhausted. The scope is reduced further by the fact that a large element of the budget is now ring fenced to schools.

70. Looking to the future, CMB has identified budget pressures of some £20m for next financial year. Their initial list of base budget adjustments totals £2.9m in 2006/07 (see paragraph 15). In addition, CMB has identified essential growth items of £1.1m and social care pressures of £2.8m for 2006/07 (see paragraph 56). CMB has accepted that it will have to manage other growth pressures of some £4.8m in 2006/07 given the corporate financial context.
71. This report sets out the approach CMB propose to developing a better-balanced budget for 2006/07 and 2007/08 given the constraints. The Budget Panel has endorsed this approach and the priorities identified by the CMB. Each Director has worked within the planning framework collectively agreed at the CMB away event in December and has avoided 'over-egging' Directorate issues in recognition of the corporate financial position. This is a positive development for the Council overall but the financial and service risks at Directorate level are still potentially significant.
72. CMB also considered the potential for raising extra income to reduce net spending as an option for promoting financial stability for the future. It asked the Budget Panel for a steer on this option for protecting services at the current level due to the sensitivities surrounding changes in charging policies. The Budget Panel's view was that officers should carry out a review of fees and charges to establish:
- whether the range of services Herefordshire charges a fee for is comparable with similar authorities;
 - whether the level of fees and charges in Herefordshire is comparable with similar authorities;
 - which fees and charges it would be appropriate to give concessions for and at what level; and
 - which fees and charges could be automatically uplifted for inflation each year.
73. If Council ultimately approves the approach set out in this report, next years budget will reflect more accurately the Council's priorities and service pressures given the level of additional resources we anticipate will be available. There is however much more work to do in order to secure financial stability over the medium term. Improving services with a cash resource that is reducing in real terms will present major challenges for each Directorate.

Budget Process

74. This report marks the start of the Cabinet's consideration of the budget situation for 2006/07 and 2007/8. It is hoped that final settlement figures will have arrived by the date of the meeting. There is potential for the provisional figures and hence anticipated headroom in the budget to change.
75. The scrutiny process will run through February. The Cabinet will consider comments from the scrutiny process on 23rd February, 2006 when it makes its final budget recommendations to Council for Council Tax setting purposes in March. Both Cabinet and the Strategic Monitoring Committee will take the Budget Panel's views into account as they consider the budget issues.
76. Proposals for capital spending will be considered alongside those for revenue as outlined above.

Alternative Options

Alternative Option 1

Outlined in paragraph 11 of the report.

Risk Management

Outlined in paragraph 68 pf the report.

Consultees

Corporate Management Board, Budget Panel, Community Forum events.

Background Papers

None identified.

ADULT AND COMMUNITY SERVICES

Growth Item	Amount (£000)		Impact Assessment	Reason
	2006/07	2007/08		
Older People – maintaining services currently funded by Access and Systems Capacity Grant	137	137	Essential – high risk of budget pressure	This item is seen as essential in order to protect current levels of service provision.
Older People – improving performance in intensive home care services	827	1,614	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context
Older people – improving performance in community equipment services	300	350	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context
Older People – increase in cost of Shaw contract development	207	207	Additional resource not essential	Still assessing extent of budget pressure
Older People – potential extension of anti bed-blocking measures to community hospitals	200	200	Additional resource not essential	Still unsure when this might come into effect
Older People – full year cost of net growth in 2005/06 placements	204	204	Social Care Contingency – high risk of budget pressure	Provisional figure pending independent research and assessment of financial implications
Older People – current assessment of increasing demand for services	476	1,710	Social Care Contingency – high risk of budget pressure	Provisional figure pending independent research and assessment of financial implications

Mental Health – full year cost of net growth in 2005/06 placements	226	226	Social Care Contingency – high risk of budget pressure	Provisional figure pending independent research and assessment of financial implications
Mental Health – current assessment of increasing demand for services	115	231	Social Care Contingency – high risk of budget pressure	Provisional figure pending independent research and assessment of financial implications
Learning Disabilities – full year cost of net growth in 2005/06 placements	337	337	Social Care Contingency – high risk of budget pressure	Provisional figure pending independent research and assessment of financial implications
Learning Disabilities – current assessment of increasing demand for services	895	895	Social Care Contingency – high risk of budget pressure	Provisional figure pending independent research and assessment of financial implications
Social Care performance management – production of PAF statistics from CLIX	270	0	Additional resource not essential	A plan to replace CLIX is one of the outcomes anticipated from the Corporate ICT Strategy Review. Growth that needs to be managed within the existing base budget for the Directorate
Homelessness – further development of prevention and mediation services	28	28	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context
Strategic Housing Enabling Services – further development of Rent Deposit Scheme and HNS	111	96	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context
Parks, Countryside and Rights of Way – a number of service improvements plus shortfall in funding due to declining s106 availability	159	159	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context. The proposed restructure of the Legal Services team will ensure there is increased capacity for s106 management.

Social and Economic Regeneration – providing extra CCTV services	80	80	Additional essential	resource	not	Increase in demand as a result of extended opening hours not yet established. Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context.
Cultural Services – Phase 3 of Museums Resource Learning Centre	40	40	Additional essential	resource	not	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context
Cultural Services – supporting the Bromyard Centre following grant reduction	20	20	Additional essential	resource	not	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context
Cultural Services – support for Olympic project	20	20	Additional essential	resource	not	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context
Cultural Services – increasing libraries book stock	30	30	Additional essential	resource	not	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context
Total	4,682	6,584				

CHILDREN'S SERVICES

Growth Item	Amount (£000)		Impact Assessment	Reason
	2006/07	2007/08		
Children with Disabilities	279	250	Essential – joint budget with health	Contribution to the Joint Agency Agreement from Social Care over and above the contribution from Direct Schools Grant
Children's Commissioning – replacement of one-off funding	160	0	Essential – high risk of budget pressure	Necessary to maintain current level of service provision
Safeguarding Children – replace reduction in grant funding	149	0	Essential – high risk of budget pressure	Necessary to maintain current level of service provision
JAR / Children and Young People Action Plan	100	25	Essential – however an indicative figure at this stage	Funding necessary to deliver JAR improvement plan – a key corporate priority
Secure Placements – anticipated increase in demand for service	250	200	Social Care Contingency	Smooth impact on revenue account by managing this pressure through the proposed Social Care Contingency arrangement
Placements – anticipated increase in demand for service for children with learning disabilities	200	200	Social Care Contingency	Smooth impact on revenue account by managing this pressure through the proposed Social Care Contingency arrangement
Children with Learning Disabilities – anticipated growth in demand for service	50	50	Social Care Contingency	Provisional figure pending independent research and assessment of financial implications

New transport policy with LSC for post 16 NVQs	60	35	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context
Foster Carers and Adopters Allowances – above inflation allowances anticipated as a retention measure	46	23	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context
Recruitment and Retention of social workers	25	12	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context
Early Years EPPE Birth to Three	30	30	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context
Early Years Area SENCO	40	40	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context
Family support - transitions Post	40	40	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context
Family Support – provision of services falling outside the Joint Agency Arrangement	70	100	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context
Family Support - NCH contract	30	50	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context

Youth Service – development of Youth Council	73	25	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context
Youth Service – increased provisions as set out in LAA	85	50	Additional resource not essential	Mainstream activity – LPSA2 allocations have been made separately
Youth Service – voluntary sector grants	26	0	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context
CASS – increase in level pupil support service provision	45	45	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context
CASS – TLR payments	6	0	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context
CASS – correct over spend	50	0	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context
CASS – specialist PD teaching assistant	22	0	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context
Children’s management costs – assume current additional costs continue	93	50	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context
ICT issues – change programme / information sharing	100	75	Additional resource not essential	Growth that needs to be managed within the existing base budget for the Directorate or as part of the Corporate ICT Strategy Review Programme

Children's Commissioning	306	100	Invest to Save	Potential bid to improve service provided is being worked up.
Homelessness	320	100	Invest to Save	Potential bid to improve the housing available to care leavers and young people is being worked up.
Out County Placements	160	100	Invest to Save	Potential bid is being worked up.
Total	2,815	1,600		

CORPORATE AND CUSTOMER SERVICES

Growth Item	Amount (£000)		Impact Assessment	Reason
	2006/07	2007/08		
Coroners Service	30	30	Essential – high risk of budget pressure	Legal obligation to pay increased fees.
Electoral Services	30	10	Non Essential – medium risk of budget pressure	Director has concerns about the adequacy of current base budget for elections and postal voting. Director to manage within context of Directorate's overall budget as far as possible.
Member IT Support	25	25	Additional resource not essential	Growth due to increasing number of users. Director to manage within context of Directorate's overall budget.
CA improvement plan	56	56	Additional resource not essential	Growth bid to support improvement work in readiness for next inspection. All Directorates will need to contribute to creating the capacity to deliver their aspects of the improvement plan.
Policy and Research	24	24	Additional resource not essential	Growth bid to improve the Council's research capacity. All Directorates will need to contribute to creating this capacity as a corporate resource in line with the structure principles paper for Corporate and Customer Services.
Communications Strategy	28	28	Additional resource not essential	Growth bid to improve the Council's PR capacity in line with the Communications Strategy. All Directorates will need to contribute to creating this capacity as a corporate resource in line with the structure principles paper for Corporate and Customer Services.

Web development	50	90	Additional resource not essential	Growth bid to recognise need to replace external funding for this work which is coming to an end. Service risk is inability to maintain current status of best local authority web site. Director to manage within context of Directorate's overall budget.
Total	283	303		

ENVIRONMENT

Growth Item	Amount (£000)		Impact Assessment	Reason
	2006/07	2007/08		
Subsidised Bus Services – withdrawal of AMW funding	85	150	Essential – high risk of budget pressure in maintaining existing service level	This growth item is considered essential if the current level of service provision is to be maintained.
Winter maintenance – improving level of service current provided for by base budget	200	200	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context. Some contingency is available.
Gully emptying – increased cost of disposing of contaminated detritus	150	150	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context
Street Cleansing – development of enforcement services relating to littering and dog fouling	50	50	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context.. Director to investigate as a potential Invest to Save option.
Flood Alleviation – increased levy from Midland Regional Flood Defence Committee	70	70	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context.
Clinical Waste Collection – increase in demand for service	30	30	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context. Director to investigate as a potential Invest to Save option.

Regulatory Services – creating capacity to meet new statutory duties and utilise new powers under the Cleaner Neighbourhood and Environment Act 2005	75	75	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context.. Director to investigate as a potential Invest to Save option.
Trading Standards – creating capacity to meet new statutory obligations	45	45	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context
Licensing – anticipated shortfall in income	80	80	Additional resource not essential	Need to monitor the position and manage any shortfall within the existing base budget for the Directorate.
Out of Hours Services – provision of service to meet statutory duties	50	50	Additional resource not essential	Growth that the Director recognises will have to be delivered from existing resources given the corporate financial context
Planning – e-enabling the service	95	95	Additional resource not essential	There is potentially £236k of unused PDG that could help offset this cost
Planning - outstanding costs of the UPD Inquiry and Adoption Process	60	0	Additional resource not essential	There is potentially £236k of unused PDG that could help offset this cost. There may be scope to use under spends carried forward from the current financial year to help offset this cost as it is one-off in nature.
Planning – cost of transition from UDP to LDF development plan	90	0	Additional resource not essential	There is potentially £236k of unused PDG that could help offset this cost. There may be scope to use under spends carried forward from the current financial year to help offset this cost as it is one-off in nature.
Planning – electronic capture of Planning Statutory Register	250	0	Invest to Save	Investment required to support the Service Improvement Programme for the Directorate – could also be linked to the Corporate ICT Programme Review.
Total	1,330	995		

HUMAN RESOURCES

Growth Item	Amount (£000)		Impact Assessment	Reason
	2006/07	2007/08		
Employee Relations and Rewards – service development	30	30	Invest to Save	Following the deletion of the post of HR Manager – Employee Wellbeing structural changes are required to ensure compliance with Health and Safety legislation. Employee sickness levels are currently 11 days per employee. This Invest to Save bid will enable HR to target resource to reduce sickness levels.
Organisational Development and Workforce Planning – service development to provide statutory performance statistics	31	31	Invest to Save	Growth that needs to be managed within the existing base budget for the Directorate. Potential for Invest to Save if linked to the Corporate ICT Strategy Review.
Training and Development Services – service development	25	25	Invest to Save	A large proportion of employee training and development is bought in. This post would enable the Council to reduce the amount spent on external trainers.
HR support to Directorates – service development to ensure statutory compliance	38	38	Additional resource not essential	Whilst recognising there is a risk this is growth that needs to be managed within the existing base budget for the Directorate
Total	124	124		

RESOURCES

Growth Item	Amount (£000)		Impact Assessment	Reason
	2006/07	2007/08		
Senior management restructure	139	139	Essential – high risk of budget pressure	Legal obligation. Commitment ends 2007/08.
Support for Adult and Community Services	40	40	Essential – high risk of budget pressure	Social care budgets are a corporate financial risk. Additional accountancy support needs to continue.
Gideon House	269	269	Additional resource not essential	Aim to manage cost within housing benefit subsidy budget. Actively seek alternatives.
Edgar St Grid development	0	130	Additional resource not essential	Loss of rent income on Livestock Market – this is a genuine budget pressure but may arise later than 2007/08. This is a client rather than a support service budget.
Accommodation Strategy	269	100	Invest to Save – high risk of budget pressure	Revenue implications of the Accommodation Strategy - link to Service Improvement Programme
Total	717	678		

PROPOSALS FOR 2006/07 CAPITAL PROGRAMME

PROGRAMME AREA RESPONSIBILITY: CORPORATE STRATEGY AND FINANCE

CABINET

26TH JANUARY, 2006

Wards Affected

County-wide.

Purpose

To receive a report on the key issues for consideration regarding the capital funding strategy and the allocation of supported and unsupported borrowing for capital expenditure for 2006/07.

Key Decision

This is not a Key Decision.

Recommendations

THAT it be recommended to Council that:

- (a) **the basis of distributing supported borrowing for Children's Services, Transport and Housing as outlined in paragraph 6 be endorsed;**
- (b) **a minimum level of Prudential Borrowing of £5,843,000 for 2006/07 be approved as outlined in paragraph 15; and**
- (c) **£5,000,000 Prudential Borrowing be approved for each year 2007/08 and 2008/09 to enable commitments from previous years Prudential Borrowing allocations to be funded and to enable future bids to be considered.**

Reasons

Cabinet is responsible for recommending to Council the basis for allocating supported and unsupported borrowing in line with the Council's Capital Strategy.

Considerations

ALIGNMENT OF THE CAPITAL STRATEGY TO THE CORPORATE PLAN

1. The Council's Capital Strategy needs to be integrated with the Medium Term Financial Plan and consequently the Corporate Plan. It cannot be seen in isolation and decisions made in regard to the capital programme over the medium term need to be aligned with the priority objectives set out in the Corporate Plan.

Further information on the subject of this report is available from Steve Cameron, Principal Financial Policy Manager on (01432) 261865

2. Capital investment by its nature is very different to revenue expenditure and certain factors need to be borne in mind when making decisions on the programme. This report is set out into two parts, firstly providing a view on the broader financial constraints and service issues, and secondly providing detail on the affordability aspects and how the programme is financed.
3. Following the introduction of Prudential Borrowing the main financial constraint now is affordability in terms of the impact capital financing costs have on Council Tax levels. The significant source of capital funding is Supported Capital Expenditure (Revenue) (SCE(R)) that is provided directly by the government through the Revenue Support Grant. This is directed towards Children's Services, Transport and Strategic Housing although not formally ringfenced. The second main source of funding, which is largely the subject of this report, is Prudential Borrowing. **Appendix 1** details the 2006/07 SCE(R) allocations totalling £13,151,411. (2005/06 SCE(R) totalled £13,920,847).
4. For planning purposes Council has already indicated a limit for Prudential Borrowing of £5,000,000 per year. It is proposed that in line with previous commitments that this level of borrowing is maintained in the next three years as it creates the right balance between investment in Council assets without overburdening either the Council Tax payer or the long term indebtedness of the Council. The position will be reconsidered on an annual basis to reflect any change in circumstances.
5. The medium term budget projections currently provide for a level of borrowing at this level and members will therefore need to decide whether they want to borrow more which may have a direct impact on Council Tax. Alternatively members have the option of using some of the SCE(R) provisionally earmarked for Children's Services, Transport and Strategic Housing or extend the repayment periods for borrowing. This would be contrary to the agreed capital strategy and members will need to take this into account when making a decision in this respect.
6. The capital programmes for Children's Services, Housing and Transport are in line with the investment plans developed by these areas. These plans are based on analysis of need and have been developed through rigorous appraisal processes in order to attract supported borrowing approvals from Government. The SCE(R) awarded for these areas has provisionally been ringfenced to those areas accordingly. The capital funding strategy is therefore that unsupported borrowing needs to be considered to resource projects for other areas. Non-ringfenced SCE(R) for Social Care is not earmarked for specific projects and has previously been used to supplement Prudential Borrowing capacity.

PRUDENTIAL BORROWING ALLOCATIONS 2006/07

7. Prudential Borrowing allocations were made in 2004/05 and 2005/06 and these included future year commitments which are detailed on **Appendix 2**. The future years allocations agreed in 2004/05 and 2005/06 become the first call on 2006/07 and 2007/08 allocations.
8. The Capital Scheme Selection and Prioritisation (SSP) process has been used again to collate new capital bids for 2006/07 and future years. The bids are scored against various detailed criteria to enable comparison between bids and against corporate objectives. The criteria includes alignment with the Corporate Plan, business criticality, the leveraging of external funds and revenue implications.

9. 15 bids were considered by officers in the Capital Strategy Group (CSG) and are summarised in **Appendix 3**. The total value of these exceeds the level of funding provisionally agreed. Further details of each SSP bid are provided in **Appendix 4**. The CSG has reviewed these bids and the following parts of this report are based on the Group's recommendations.
10. There are a number of major scheme bids submitted which include the replacement of Hunderton School, Rotherwas Access Road and the investment needed in Social Care ICT. Members will also be aware of other significant capital projects which may have an impact on future prudential borrowing allocations. These include the relocation of the livestock market and the corporate accommodation project. No prudential borrowing bid has been submitted for these schemes at this stage.
11. 5 schemes are recommended by the CSG for funding whilst the remaining 10 bids require further consideration. A brief summary of the reasons for recommending or deferring each bid are set out below.
12. Recommended Bids:
 - Bid 2: The Museum Resource & Learning Centre Phase 3. Significant external funding of over £1,200,000 has been committed by Heritage Lottery Fund subject to the contribution from Herefordshire Council.
 - Bid 7: Redevelop Pembridge Travellers Site. Significant positive impact and effect on diversity agenda.
 - Bid 13: Improvements to Public Toilet Facilities. Minimum funding recommended to allow a rolling programme of improvements.
 - Bid 14: DDA Compliance Work. Legal requirement.
 - Bid 22: Hunderton School replacement. New school required for September 2006. Highest service priority.
13. Bids requiring further consideration:
 - Bid 1: Phase 2 of The Children's Centre Strategy. Affordability concerns. Priority is to provide funding for Hunderton School replacement.
 - Bid 3: Resurfacing of Queenswood Car Park. This is to be considered as an Invest to Save bid.
 - Bid 5: Gas Flare, Stretton Sugwas Landfill Site. Risk assessment needs to be stronger. Possibility of alternative funding available.
 - Bid 6: Library Diversity Improvement. To be included as part of corporate DDA compliance work.
 - Bid 8: Leominster Area MTI Business Project. Stronger and more specific business case required.
 - Bid 9: Rotherwas Relief Road. Strong business case. Awaiting confirmation of regional funding allocations.
 - Bid 15: Re-roofing units at Rotherwas (Tarsmill Court). Possibility of funding

through property capital receipts.

- Bid 17: 2nd Phase of Drainage Work - Broad Street, Leominster. The allocation of funding for the first phase has not been spent.
 - Bid 20: Energy Conservation Schemes. To be resubmitted as an Invest to Save bid.
 - Bid 21: Integrated Community Equipment Store. Stronger business case to be provided.
14. The largest bid still pending is the Rotherwas Relief Road. The total cost of the scheme is in the region of £12,000,000. The outcome of the regional funding allocation process is still awaited. Should funding from the Council become necessary, then adjusting the timing of future capital allocations for other approved schemes may be necessary to accommodate this project. The capital financing costs for this scheme would be £45,000 in the first year rising to £296,000 in the final year.
15. The table below sets out the Prudential Borrowing requirements of meeting those bids recommended by the CSG. The table does not reflect slippage, which is managed and reported through the capital monitoring process. Meeting the shortfall will not impact upon the sums currently provided in the FRM.

PRUDENTIAL BORROWING REQUIREMENTS				
	Total	2006/07	2007/08	2008/09
	£'000	£'000	£'000	£'000
2006/07 Bids Recommended by CSG	6,063	3,105	2,258	700
Allocations agreed in 2004/05 to be funded	1,863	813	1,050	
Allocations agreed in 2005/06 to be funded	3,850	2,050	1,800	
Non-earmarked SCE(R) able to fund SSP bids	(250)	(125)	(125)	
Net Prudential Borrowing Required	11,526	5,843	4,983	700
Indicated level of Prudential Borrowing Available	(15,000)	(5,000)	(5,000)	(5,000)
Additional Requirement / (Capacity)	(3,374)	843	(17)	(4,300)

Risk Management

This report concerns the risk management of carrying long term debt and the impact this has on the financial position of the Council.

A risk is that if SCE is diverted from Education, Transport and Housing then this might prejudice future funding from Government.

Proposals put forward for consideration have undertaken a rigorous review process, ensuring consistency with the Council's strategic objectives, together with legal and other relevant considerations.

Consultees

None.

Background Papers

None identified.

APPENDIX 1

FORECAST SUPPORTED CAPITAL EXPENDITURE (REVENUE)

	Allocation	Initial Allocation	Provisional Indication		
	2005/06 £	2006/07 £	2007/08 £	2008/09 £	2009/10 £
Children's Services					
New pupil places - formulaic	435,725	470,320	477,479		
Prior basic need commitments	339,863				
Schools Access Initiative	256,623	255,583	255,583		
Targeted Capital - Sutton		304,350			
Targeted Capital - Weobley		221,350			
Modernisation – all schools need	1,064,162	985,005	1,015,611		
Modernisation – primary need	774,137	1,028,080	1,028,008		
Less – 1/3 modernisation funded through SCE(C)		(805,205)	(613,085)		
Total Education SCE(R)	1,032,211	2,459,411	2,163,596		
Environment					
Integrated Transport Allocation (Single Pot)	2,900,000	2,673,000	2,307,000	2,241,000	2,163,000
Maintenance Block Allocation (Single Pot)	7,559,000	7,802,000	7,958,000	8,356,000	8,774,000
Ross-on-Wye Broadmeadows Flood Alleviation Scheme	103,950				
	10,562,950	10,475,000	10,265,000	10,597,000	10,937,000
			<i>(figures do not include potential SCE funding sought for Rotherwas Relief Road)</i>		
Housing					
Housing (Single Pot)	1,935,500	774,200	580,650		
To be received as Capital Grant		(774,200)	(580,650)		
Private Sector Renewal Kick Start Funds (Ringfenced)	127,500	-	-	-	
	2,063,000	-	-		
			<i>Housing Allocations TBA - but there is a safety net of 40% in 2006/07 and 30% in 2007/08 of 2005/06 HIP SCE allocation</i>		
Adult Social Care					
Mental Health SCE(R)	137,686	92,000	93,000		
	137,686	92,000	93,000	-	-
Social Care - Single Pot funding used to supplement Prudential Borrowing					
Adults (Single Pot)	95,000	95,000	95,000		
Children (Single Pot)	30,000	30,000	30,000		
	125,000	125,000	125,000	-	-
Total SCE(R)	13,920,847	13,151,411	12,646,596	10,597,000	10,937,000

APPENDIX 2

2004/05 & 2005/06 PRUDENTIAL BORROWING ALLOCATIONS

	Total	2004/05	2005/06	2006/07	2007/08
	£'000	£'000	£'000	£'000	£'000
Approved in 2004/05					
North Herefordshire Swimming Pool	2,258	1,800	395	63	
Friar St Museum Resource & Learning Centre	140	140			
Aylestone Park	100	100			
Ross Creative Learning Centre	117	117			
Ross Library	10	10			
Hereford City of Living Crafts	120	60	60		
Hereford City Shop Front Scheme	150	50	50	50	
Hereford City Eign Gate	500	100	400		
Hereford City High Town & High St	145	145			
Hereford City Victoria Foot Bridge	300	100	100	100	
Ledbury Info	4	4			
Disabled Access	200	200			
Energy Conservation	100	100			
Crematorium Hereford	100	100			
Leominster Landfill Infrastructure	45	45			
Public Toilets Improvements	150	150			
Hereford Cemetery	100	100			
Network Enhancement	3,170	770	950	500	950
Continuity / Disaster Recovery	950	250	500	100	100
Community Equipment	200	200			
Disabled Facilities Grants	200	200			
Approved in 2005/06					
Disabled Access	200		200		
Leominster Broad Street Car Park	100		100		
Powell Croft Sewage Plant	50		50		
Restore Leominster Landfill Site	710		210	500	
Crematorium	3,050		450	800	1,800
Aylestone Park - Canal Safety	166		166		
Improvements to Toilet Facilities	215		215		
Relocation Ledbury Library	53		53		
Kington Library Refurbishment	535		535		
Info by Phone	1,500		750	750	
Hereford City Centre Enhancement	2,000		2,000		
4 x Minibuses (Soc Care)	97		97		
Holistic Resource at St. Owens	9		9		
Queenswood Car Park	137		137		
2 x Mobile Libraries	180		180		
Total	18,061	4,741	7,607	2,863	2,850

APPENDIX 3

2006/07 SCHEME SELECTION & PRIORITISATION BIDS

Ref	Total £'000	06/07 £'000	07/08 £'000	08/09 £'000
2006/07 Bids Recommended by CSG				
2 Museum Resource & Learning Centre phase 3	703	645	58	
7 Redevelop Pembridge Travellers Site	60	60		
13 Improvements to Public Toilet Facilities	600	200	200	200
14 DDA Compliance Work	600	200	200	200
22 Hunderton School replacement	4,100	2,000	1,800	300
New Prudential Borrowing Required	6,063	3,105	2,258	700
Allocations agreed in 2004/05 to be funded	1,863	813	1,050	
Allocations agreed in 2005/06 to be funded	3,850	2,050	1,800	
Non-earmarked SCE(R) able to fund SSP bids	(250)	(125)	(125)	
Total Prudential Borrowing Required	11,526	5,843	4,983	700
Indicative Prudential Borrowing Available	(15,000)	(5,000)	(5,000)	(5,000)
Shortfall / (Excess) in indicative funding	(3,474)	843	(17)	(4,300)
2006/07 Bids for further consideration				
1 Phase 2 of The Children's Centre Strategy	1,010	400	610	
3 Resurfacing of Queenswood Car Park	50	50		
5 Gas Flare, Stretton Sugwas Landfill Site	55	55		
6 Library Diversity Improvement	33	33		
8 Leominster Area MTI Business Project	240	160	80	
9 Rotherwas Relief Road	3,400	1,805	1,595	
15 Re-roofing units at Rotherwas (Tarsmill Court)	150	150		
17 2nd Phase of Drainage Work - Broad Street, Leo	75	75		
20 Energy Conservation Schemes	150	150		
21 Integrated Community Equipment Store	100	100		
Total 2006/07 Bids for further consideration	5,263	2,978	2,285	

2006/07 SCHEME SELECTION AND PRIORITY BIDS

Bid 1: Phase 2 of the Children's Centre Strategy

A critical element in the delivery of integrated services for children and families in Hereford is the development of 6 additional Children's Centres. To add to 3 which were provided in Phase 1, the DfES require a further 6 to be operational by March 31st 2008, and to that end have given a capital allocation of £940k.

Feasibility work suggests that to provide accommodation to deliver the 'core' services a budget of at least £2,000,000 is needed. There is a further DfES Sure Start Capital Grant for extended schools that can be used, but this would leave a shortfall currently estimated at £610,000. Bids are being made for European Funding, but only 2 of the projects would be eligible.

In the normal course of events further funding would be found with the Education Capital Programme. However, all available resources are being applied to the project to amalgamate Hunderton Junior and Infant Schools. Unless the funding position improves funding of £610k is sought to support the delivery of Children's Centres in 2007/08'.

Bid 2: Museum Resource and Learning Centre phase 3 (Friar Street, Hereford)

Match funding is required for a major Heritage Lottery award of £1.2 million to undertake phase 3 of the project. This will extend the building to create an interpretative display area, a learning centre, staff and volunteer accommodation, purpose build storage for the county fine and decorative art collection and future collection care and management capacity for all county collections. Phases 1 & 2 of the project have been successfully completed on time and within budget, with 63% contribution from Heritage Lottery Fund. Phase 4 of the project will create an enhanced and enlarged museum and art gallery at the Broad Street site with re-located new library.

The total budget requirement is £1,878,000 in 2006/07 and £90,000 in 2007/08. External funding from HLF towards this is £1,233,000 receivable in 2006/07 and £32,000 receivable in 2007/08. Net Prudential Borrowing is therefore sought of £645,000 for 2006/07 and £58,000 in 2007/08. Repayment of the borrowing would be over 25 years.

Bid 3: Resurfacing of Queenswood Car Park

To resurface Queenswood Country Park car park using a process that reuses waste Highway planings that would normally be disposed of as contaminated waste to landfill at considerable cost. The scheme involves the cleansing & re-use of the waste material and will be a county pilot of a process that is well established elsewhere. If the scheme works well it will lead to consideration of this application for further sites where a more natural surface is appropriate, i.e. non-black top surfaces without demarcated bays. The surface is expected to last a similar period to a blacktop finish.

A total of £100,000 is needed but £50,000 will be provided over a 5 years period from the Parks & Countryside Service resources. The asset will last 10 years.

Bid 5: Replacement Gas Flare, Stretton Sugwas Closed Landfill Site.

The existing landfill gas flare is of poor design and does not burn the gas at the correct temperature resulting in potentially harmful emissions from the various trace components in landfill gas. The current flare does not comply with the requirements of current Waste Management Licensing conditions.

Bid 6: Library Diversity Improvement

To purchase appropriate signage and equipment to improve access to services - in particular to collections targeted at priority groups identified in the Equalities Impact Assessment. This includes those with visual and hearing impairment, low literacy levels and for whom English is not their first language. 9 out of 10 libraries will benefit from this investment.

Bid 7: Pembridge Traveller Site

Redevelop site providing new access, safe dedicated parking area for Primary Care Trust, Play and Sure Start buses. Secure adjacent industrial estate access road so as to discourage unauthorised traveller encampments.

Bid 8: Leominster Area Market Towns Initiative (MTI) Business Project

Leominster Area MTI is currently funding a Leominster Area Business Feasibility Study by Dr Rick Ball Staffs University Centre for Economic and Social Regeneration. The study will propose projects that meet identified local business needs and AWM capital/economic criteria to lever up to £350k MTI funding into the Leominster Area. The indicative project will involve purchase of land or a building (possibly on the Enterprise Park) to provide sustainable, need driven business services, generate income, and support the generic development of the local economy.

Total cost of scheme would be £460,000 for 2006/07 and £230,000 in 2007/08. External funding of £300,000 and £150,000 could be levered meaning a net £160,000 2006/07 and £80,000 2007/08 is required from Prudential Borrowing.

Bid 9: Rotherwas Access Road

The Hereford Integrated Transport Strategy is set out in the Herefordshire Local Transport Plan 2001/2 - 2005/6. Maintaining the economy of Hereford City is important to achieve the overall aim of this Strategy. The Rotherwas Industrial Estate, located to the south east of Hereford provides approximately 2000 jobs and in light of the significant transport constraints the Council proposes a package of measures including the construction of a new access road to the Estate. The access road is necessary in order that the development strategy of Regional Planning Guidance and current Development Plan is implemented. The access road is also necessary in order to improve the living conditions of the residents along Holme Lacey Road and is a key element in a package of measures designed to reduce congestion and improve access to the estate for staff by sustainable modes of transport. The Provisional second LTP was published in July 2005 and covers the period 2006/7 to 2010/11. The Rotherwas Access Road is identified as the Council's top priority major transport scheme and forms an essential part of the overall transport strategy for Hereford and the County as a whole.

Total cost of scheme would be £6,290,000 for 2006/07, £4,960,000 for 2007/08 and £570,000 in 2008/09 (a total of £11,820,000). LTP funding of £4,485,000, £3,365,000 and £570,000 might be allocated by Government towards this. Confirmation of this funding will not be known until early 2006. This would leave a net £1,805,000 for 2006/07 and £1,595,000 for 2007/08 required from Prudential Borrowing.

Bid 13: Improvements to the Public Toilet Facilities in Herefordshire

Works to implement the recommendations of the Improvement Plan (appendix 1 to the Best Value report). This will provide improved facilities, reduction in anti-social behaviour associated with Public Toilets and an improved image to visitors to Herefordshire.

Bid 14: DDA Compliance Work

Upgrading council property to meet DDA requirements

Bid 15: Re-roofing of units at Rotherwas

These are major works which have resulted in claims against the Council for disruption in production. In view of the reduction in the Maintenance Budget there are no additional funds from the Revenue account to fund this type of work.

Bid 17: 2nd Phase of Drainage Work - Broad Street, Leominster

£75,000 is required to complete the drainage work in the car park.

Bid 20: Energy Conservation

Improvements to the energy conservation measures within Council property. Scheme will cost £150,000 but will ensure efficiency savings through the avoidance of using increasingly expensive energy.

Bid 21: Integrated Community Equipment Store (ICTS)

To lease and refurbish a more suitable premise for ICES, which would allow the service to grow in line with Dept of Health's ICES guidance. The capital costs would cover the infrastructure and refurbishment costs.

Bid 22: Amalgamation of Hunderton Junior and Infants Schools

In April 2004, approval was given to amalgamate Hunderton Junior and Infants schools from September 2006. The proposal is to provide a new 3-form entry primary school in new buildings. A bid for external funding from the DfES was made in March 2005, but unfortunately, this was unsuccessful. With Statutory Proposals published, the expectation is that the new building will be provided. However, the scheme costs cannot be contained within the Education Capital Programme alone, and therefore additional funding is sought for the shortfall.

Total cost over four years is £2,542k £3,084k £880k and £125k (£6,631k) totalling £from 2006/07 to 2009/10. Income from DfES Formulaic Allocations towards this is £542k, £1,284k, £500k and £125k. This leaves a net sum required from Prudential Borrowing of £2,000k, £1,800k and £300k totalling £4,180k.

REVIEW OF THE CONSTITUTION

PROGRAMME AREA OF RESPONSIBILITY: CORPORATE STRATEGY AND FINANCE

CABINET

26TH JANUARY, 2006

Wards Affected

County-wide

Purpose

To update the Constitution to reflect changing legislative and Council requirements.

Key Decision

This is not a Key Decision.

Recommendation

THAT Cabinet considers the recommendations set out below and recommends their approval to the Council.

- That
- (a) the duties previously assigned to the County Treasurer (including Section 151 Officer) be re-assigned to the Director of Resources;
 - (b) the duties previously assigned to the County Secretary and Solicitor (including Monitoring Officer) be re-assigned to the Head of Legal and Democratic Services;
 - (c) Cabinet Member portfolios be revised as set out in paragraphs 7 and 9 of the report;
 - (d) the Children's Services portfolio be renamed Children and Young People to reflect its enhanced role;
 - (e) in the case of unexpected vacancies arising in Cabinet the Leader be authorised to re-assign responsibilities within the Cabinet, until such time as the Council has an opportunity to review the situation or to appoint a Cabinet Member to the vacant post;
 - (f) SO 6.2.2.1 - Terms of Reference for Cabinet be amended to include responsibility for Risk Management;
 - (g) the following words be added to S.O. 2.11 of the Constitution "There are additional rights of access to documents for Members of overview and scrutiny committees as set out in Regulation 18 of the Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2000."
 - (h) Councillors' rights to inspect documents and proposals set out at paragraph 16 and 17 of the report be endorsed;
 - (i) the rules relating to the co-ordinating role of the Strategic Monitoring

Further information on the subject of this report is available from
Christine Dyer, Members Services Manager and Executive Officer on (01432) 2602222

Committee be revised as set out at paragraph 20 of the report;

- (j) the Independent Remuneration Panel at its next scheduled meeting in September 2006 considers whether the post of Chairman of the Audit Committee should be entitled to a Special Responsibility Allowance;
- (k) Appendix 4 - Financial Regulations, paragraph 6.2 be amended to include "Where the signature is printed on the cheque by a Council system, the signature will be that of the Director of Resources.";
- (l) Appendix 23 - Allocation of Miscellaneous Functions be revised to correct a number of anomalies and reflect recent changes in legislation;
- (m) a revised Appendix 6 Appointment and Discipline of Employees (attached) be approved; and
- (n) the Political Group Leaders be asked to consider what changes they might wish to make to the membership of the Constitutional Review Working Group to ensure that political proportionality across the Council is more closely reflected, and subject thereto, the Chief Executive be authorised to implement the appointments notified by the four Political Group Leaders.

Reasons

To ensure the Constitution meets all legal and operational requirements.

Considerations

Membership of the Constitutional Review Working Group

1. The current membership of the Constitutional Review Working Group includes the Leader and Deputy Leader of the Council, the Leaders of the other political groups, the Chairman and Vice-Chairman of the Strategic Monitoring Committee and the Chairman of the Council. Because of recent changes this means that currently the membership based on political groups is as follows:

Group	Number of Members in Political Group	Number of Members in Working Group	Postholders
Conservatives	21	1	Leader of the Council and Group Leader
Liberal Democrats	17	2	Group Leader and Chairman of Strategic Monitoring Committee Vice-Chairman of Strategic Monitoring Committee
Independents	16	3	Deputy Leader of the Council Group Leader Chairman of the Council
Labour	4	1	Group Leader

2. Clearly this means that the current Working Group is not politically proportionate. Political Group Leaders will be asked to advise Council what changes would be acceptable to ensure a closer reflection of the Council's political proportionality within the membership of the Working Group.

Review of the Constitution

3. The Constitution will need to be revised in the light of the recommendations of the Corporate Assessment and the Council's improvement plan. It is intended that those changes will be submitted to the Annual Meeting of Council in May for approval. In the meantime a number of other revisions need to be implemented and these were considered by the Constitutional Review Working Group at its meeting on 12th January, 2006. The key issues to be addressed are:
 - To update the Constitution to reflect recent changes to the senior management structure.
 - To consider arrangements for filling unavoidable vacancies in Cabinet Member posts.
 - To consider Members' access to information and availability of reports.
 - To consider a revision to the Scrutiny Rules concerning the process for calling in key decisions.
 - To review the Members' Allowances Scheme.
 - To review Appendix 6 of the Constitution - the Appointment and Discipline of Staff.

Review of the Senior Management Team

5. In March 2005, Cabinet approved a restructuring of the Senior Management Team which established new or revised Directorates for: Adult and Community Services; Children's Services; Corporate and Customer Services; Environment and Resources. The Constitution was amended in May to reflect these changes. Since then Directors have been appointed to all the vacant posts and the posts of County Secretary and Solicitor and County Treasurer have been deleted.
6. It is necessary to amend the Constitution to remove any reference to the two deleted posts and it is proposed that the duties previously assigned to the County Treasurer (including Section 151 Officer) be re-assigned to the Director of Resources. Similarly it is proposed that the duties previously assigned to the County Secretary and Solicitor (including Monitoring Officer) be re-assigned to the new Head of Legal and Democratic Services who is due to take up the post in April 2006.

Cabinet Portfolios

7. There are a number of functions which need to be re-assigned as a result of the senior management restructure set out above. These include:

	FUNCTION	CURRENT PORTFOLIO	PROPOSED PORTFOLIO
1	Responsibility for Common Land (including Council-owned Commons and determination of any complaints about the management of the Council's Commons)	Rural Regeneration and Strategy	Adult and Community Services
2	Public Rights of Way	Highways and Transportation (but not currently specified in the Constitution)	Adult and Community Services
4	Youth Services	Community Services	Children (see para 8 below)
5	Housing Benefit	Not specified	Resources

8. Councillor D.W. Rule, MBE. Cabinet Member (Children Services), has proposed that the Children Services portfolio be renamed Children and Young People's Services to reflect its enhanced role. This was accepted by the Working Group.
9. Responsibility for markets has previously been shared between the Cabinet Member (Economic Development) and Cabinet Member (Rural Regeneration and Strategy). Because of the vacancy which has arisen in the post of Cabinet Member (Economic Development) it is proposed that the Cabinet Member (Rural Regeneration and Strategy) takes responsibility for all markets in the County including the Hereford City Markets and associated business (including the Hereford Livestock Market).
10. Council appoints Cabinet Members at its annual meeting. When unexpected vacancies arise in Cabinet the Leader has the right to make any decisions in relation to the relevant programme area. At present it is not possible for the Leader to delegate any functions to another member of the Cabinet other than to the Deputy Leader (in the Leader's absence). It is proposed that, in the case of unexpected vacancies arising in Cabinet the Leader be authorised to re-assign responsibilities within the Cabinet, until such time as the Council has an opportunity to review the situation or to appoint a Cabinet Member to the vacant post.

Cabinet Terms of Reference

11. Following an Inspection on the Use of Resources the Audit Commission has recommended that the terms of reference for Cabinet be amended to include responsibility for Risk Management.

Members' Access to Information

12. The Working Group discussed Members' access to information including availability of "exempt" reports. The Working Group was advised of the current arrangements in relation to Members' access to information, drawn from statute and common law as set out in the Constitution and also to the distribution of Committee and Cabinet

papers.

13. It is suggested that the following words should be added to S.O. 2.11 of the Constitution "There are additional rights of access to documents for Members of overview and scrutiny committees as set out in Regulation 18 of the Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2000."
14. Information is currently routinely communicated to Members as follows:
 - Cabinet Papers are circulated to the Members of Cabinet, Members of the Strategic Monitoring Committee, Group Leaders, and Chairman of the Council, and those Members who have requested copies. Reports affecting particular wards are sent to the Local Ward Member(s).
 - Cabinet papers are also available to all Members on the intranet and internet.
 - The circulation of exempt Cabinet reports is restricted to Members of Cabinet Members of the Strategic Monitoring Committee, Group Leaders, and Chairman of the Council (both in hard copy and via the internet/intranet), but those reports are open to inspection by any Councillor (and will be sent to them on request) excepting where the business concerns a quasi-judicial matter or information relating to legal proceedings by or against the Council or information of a personal nature supplied in confidence, where a need to know must be demonstrated.
 - The Cabinet bulletin giving notice of forthcoming items on Cabinet is sent to all Members.
 - The Forward Plan listing Key Decisions that the Council believes are likely to be taken over a four-month period is sent to all Members.
 - In the case of a report which contains a key decision a letter is sent to the Chairman of the relevant Scrutiny Committee advising that a key decision is to be taken and when. Once that decision is made a further letter is sent to the Chairman of the Scrutiny Committee notifying the decision and advising that the decision will take effect unless it is called in within 3 working days of the date of the decision.

(It is accepted that this process does place the onus on the Committee Chairman to contact those Members of the Committee who have not requested copies of the Cabinet agenda.)

- Notification that an exempt key decision is to be taken is sent to the Chairman of the relevant Scrutiny Committee in the same way as an open report.
- The same process is followed for key decisions by individual Cabinet Members.
- Non-key decisions can be taken by Cabinet Members without giving advance notice. The policy is that non-key decisions by Cabinet Members should also normally be based on a written officer report. Because single non-key decisions can be taken immediately, reports relating to these will not be circulated in advance, unless the Cabinet Member has asked for this to happen. However, Councillors will be entitled to request a copy of any such report from the time that it is available.
- Any Councillor can ask to receive reports for particular Cabinet Members.
- A list of key decisions taken by Executive Members and officers and non-key decisions by Executive Members is sent on a weekly basis to the Cabinet Members and any other Member who requests it. A register is available for

inspection in the Members' Room and the decision notices may also be viewed on the intranet and internet.

15. Clearly, there is a considerable amount of information distributed directly to Members and available to Members on request. In considering how to take this matter forward four assumptions are made:

- that it would be unrealistic and indeed unwelcome to Members to send every Member every agenda and report and, that being the case, the onus must be to an extent on Members themselves to request information;
- that the Council must protect its position by restricting the circulation of exempt and confidential reports;
- that there is no wish to change the definition of a key decision;
- that there is no wish to extend the call-in powers to allow non-key as well as key decisions to be called-in.

16. On this basis the Working Group agreed the following proposals:

- The last survey by Members Services asking Members which agendas they wanted to be posted to them was carried out in May 2004. It is proposed that a written guide be produced explaining clearly what information is available.
- In the case of a report which contains a key decision it is proposed that in addition to informing the Chairman of the relevant Scrutiny Committee that a key decision is to be taken and when, notification is also given to Members of the relevant Scrutiny Committee. Once that decision is made, in addition to sending a further letter to the Chairman of the Scrutiny Committee notifying the decision and advising that the decision will take effect unless it is called in within 3 working days of the date of the decision, a letter will be sent to each Member of the Scrutiny Committee. (This notification will be by e-mail).
- At present if a Key Decision is **not** included in the Forward Plan and the decision is for Cabinet, a separate letter is sent to the Chairman of the relevant Scrutiny Committee along with the Cabinet agenda, to satisfy Section 15 of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 which requires that: "that decision shall only be made where the proper officer has informed the Chairman of the relevant overview and scrutiny committee ... by notice in writing of the matter about which the decision is to be made". To streamline this process it is proposed that a notice be included on the front of the Cabinet agenda which will highlight any key decisions contained in the report, whether included in the Forward Plan or not. This could be along the lines of:

HEREFORDSHIRE COUNCIL - NOTICE UNDER REGULATION 15 OF THE LOCAL AUTHORITIES - (EXECUTIVE ARRANGEMENTS) (ACCESS TO INFORMATION) REGULATIONS 2000 (AS AMENDED)

Notice is hereby given that the following reports contain key decisions. When a decision has been made the Chairman of the relevant Scrutiny Committee will be sent a copy of the decision notice and given the opportunity to call-in the decision.

Item No	Title	Cabinet Portfolio	Scrutiny Committee	Included in Forward Plan Yes/No

- A similar notice could appear on the Cabinet Bulletin.

17. The Working Group agreed that the current arrangements appeared to work well and emphasised that, in the case of Cabinet reports, it was up to individual Members to request copies of Cabinet reports that were of interest to them. It was also agreed that the Chairman of the Scrutiny Committees had a responsibility to their Committee Members to alert them to any significant reports (especially exempt reports) which affected their particular programme area. It was also proposed that any exempt reports to Cabinet be highlighted in the Cabinet Bulletin so that members could spot them more easily.

Communication between Cabinet Members and other Councillors

18. A further aspect of communication is that between individual Cabinet Members and other Councillors. In the past Cabinet Members have set aside time to see other Members to discuss matters of mutual interest (eg budgets). It would be fair to say that there has been very little take up of these opportunities. One suggestion made in discussions earlier this year in developing an Improvement Plan for Scrutiny was that smaller briefing sessions might be preferable to large seminars. The Working Group endorsed this view. Group Leaders also agreed to brief their Members on how to make representations to Cabinet Members.

Process for calling in key decisions

19. It is only when parts of the constitution are tested in practice that the need for refinement or fine tuning becomes apparent.

20. One such example relates to the Scrutiny Rules and the provisions for call-in as set out in appendix 2 to the Constitution. In the recent call-in of the Cabinet decision relating to the livestock market the matter was referred first to the Community Services Scrutiny Committee as the body responsible for that programme area. The Chairman of the Strategic Monitoring Committee took the view that the issue was of strategic importance and as such should be determined by the Strategic Monitoring Committee, exercising its co-ordinating role. The call-in was accordingly referred to that Committee based on rule 16. The rule, as drafted was not as clear as it might have been, The current rules on the co-ordinating role and a proposed revision is set out below:

"Co-ordinating Role of the Strategic Monitoring Committee

The Strategic Monitoring Committee will have powers of oversight in relation to the operation of the Scrutiny Committees and, in particular, in relation to the call-in procedure. The Chairman of the Committee will have power, ~~subject to Rule 16~~, to direct that any call-in by a Scrutiny Committee shall be ~~subject to approval by his/her Committee~~ considered instead by the Strategic Monitoring Committee. When this happens a meeting of the Strategic Monitoring Committee shall be held to determine

the matter within the time limits applying to consideration of the matter by the Scrutiny Committee. In addition, following consideration of a call-in by a Scrutiny Committee the Strategic Monitoring Committee may call a meeting to review that decision prior to a recommendation being made to Cabinet or a Cabinet Member. When this happens a meeting of the Strategic Monitoring Committee shall be held within 10 working days of consideration of the matter by the Scrutiny Committee or such longer period as may be agreed by the originating decision maker and/or the Leader on behalf of the Cabinet.

~~Where he/she directs a meeting of the Strategic Monitoring Committee shall be held to determine the matter within the time limits applying to consideration of the matter by the Scrutiny Committee.~~

In exercising its call-in powers a Scrutiny Committee shall only refer a matter to Council in those circumstances where either the original proposal or the alternative action contemplated by the Scrutiny Committee would require a decision by Council on the Policy Framework and Budget. All references to Council under the Scrutiny Committee's powers will need the approval of the Strategic Monitoring Committee.

In dealing with cases other than call-in, where a Scrutiny Committee has reached a view on a matter which it is scrutinising and wishes to make recommendation to Council, its views will normally be submitted first to the Cabinet. The Strategic Monitoring Committee will be responsible for regulating the flow of reports to Cabinet and on to Council."

Councillors' Allowances Scheme

21. At its meeting on 29th July, 2005, Council approved the establishment of an Audit Committee to replace the Statutory Accounts Committee.
22. The current scheme prohibits any Member from receiving more than one SRA in addition to the Group Leader's Allowance. The current Chairman of the Committee is Councillor A.C.R. Chappell. As Councillor Chappell currently draws an SRA for holding the offices of Group Leader and Chairman of Community Services Scrutiny Committee, he would not be entitled to draw any additional allowance for chairing this Committee. However, it is important to establish whether the Chairman of this Committee (if entitled to claim SRA) would be paid for this appointment.
23. In order to decide on the appropriate level of SRA, the Council would need to have regard to the recommendations of the Independent Remuneration Panel which is due to meet in September 2006 to review the Councillors' Allowances Scheme prior to the elections in 2007. The Working Group recognised that it was important for the Chairman of the Audit Committee to be properly remunerated but considered, in the current circumstances, it would not be necessary for the Panel to meet before September.

Appendix 4 - Financial Regulations

24. The Working Group agreed to recommend that Appendix 4 - Financial Regulations - Banking Arrangements, paragraph 6.2 be amended to include: "Where the signature is printed on the cheque by a council system, the signature will be that of the Director of Resources."

Appendix 6 - Appointment and Discipline of Staff

25. The Working Group has recommended a revised Appendix 6 - Appointment and Discipline of Employees (attached) which reflects recent changes to the Senior Management Structure together with changes in employment law and Local Authority Regulations.

Appendix 23 - Allocation of Miscellaneous Functions

26. The Scheme of Delegations will need to be revised to correct a number of anomalies and reflect recent changes in legislation particularly in relation to public rights of way. It is intended to draft a revised appendix for the report to Council in February.

Alternative Options

There are no alternative options recommended.

Risk Management

Ensuring that the Constitution remains up to date and relevant will avoid legal challenge and uncertainty.

Consultees

The Constitutional Review Working Group
Directors

Background Papers

None identified.

APPOINTMENT AND DISCIPLINE OF **STAFF** EMPLOYEES

1. INTRODUCTION

- 1.1 In this Appendix "Director", for the purpose of this Appendix, applies to the following officers of the Council:
- a. Chief Executive (Head of Paid Service)
 - b. Director of Adult and Community Services
 - c. Director of Children's Services
 - d. Director of Corporate and Customer Services
 - e. Director of Environment
 - f. Director of Resources ([Section 151 Officer](#))
 - g. ~~County Secretary and Solicitor (Monitoring Officer)~~ [Head of Human Resources](#)
 - h. ~~County Treasurer (Section 151 Officer)~~

This Appendix (except paragraphs **8** and **9**) shall not apply to teachers.

2. DIRECTORS - APPOINTMENTS

- 2.1 When a vacancy occurs in any of the posts mentioned in paragraph **1.1** the Chief Executive, after consultation with the relevant Cabinet Member, shall review the terms and conditions of employment attaching to the post and determine if any alterations are required.
- 2.2 The Chief Executive shall arrange for the post to be advertised in a manner designed to attract the maximum interest from suitably qualified persons following consultation with the relevant Cabinet Member.
- 2.3 The Chief Executive in consultation with the relevant Cabinet Member or the Leader, shall:
- a. Agree a statement specifying the duties of the vacant post, the qualifications and qualities sought in the person to be appointed, and a copy of this documentation shall be supplied to any person on request;
 - b. Make arrangements for the shortlisting and ~~appointment-~~ [interview](#) of applicants by a Panel of Members to which appointments will be made by the Chief Executive in consultation with political group leaders. The composition of the Panel shall, as near as may be, reflect the rules on proportionality between the political groups on the Council and must include at least one member of the Cabinet. In addition to the powers for shortlisting and appointments, the Panel shall also have responsibility as required to determine the terms and conditions of Director's contracts of employment. The Chief Executive will be invited to advise the Panel.

- c. Following the shortlisting described in **2.3.b** above, interviews shall be conducted by a Panel of Members which, as near as may be, shall reflect the rules on proportionality between the political groups on the Council. The appointments to the Panel will be made by the Chief Executive in consultation with political group leaders. The Chief Executive and Head of Human Resources will be invited to advise the Appointments and Contracts Review Panel (Part **9**) save in the case of the appointment to the post of Chief Executive when the Head of Human Resources and the Monitoring Officer shall be invited to attend to give advice on personnel and procedural issues respectively.
- d. The Panel shall submit to every member of the Cabinet for comment by a specified date and time the name of the candidate recommended for appointment save that additionally in the case of the Head of Paid Service the name of the candidate recommended for appointment shall be submitted to the Council for **appointment approval**.
- 2.4 An offer of employment as Director shall only be made where no material ~~or~~ **and** well-founded objection has been received by the Chief Executive from the Leader on behalf of the Cabinet within the specified time limit.
- 3. DIRECTORS - DISMISSAL OR OTHER DISCIPLINARY ACTION RELATING TO ALLEGED MISCONDUCT**
- 3.1 Save in the case of the Head of Paid Service, Monitoring Officer and Section 151 Officer, any question of dismissal, non-renewal of contract, or disciplinary action relating to alleged misconduct in regard to any Director shall be determined by a Panel convened in accordance with paragraph **2.3(b)**.
- 3.2 No disciplinary action, ~~other than suspension on full pay for a period not exceeding two months for the purpose of investigating the alleged misconduct occasioning the action,~~ shall be taken against the Chief Executive, Monitoring Officer and Section 151 Officer, otherwise than in accordance with a recommendation to the Council for a decision in a report made by a designated independent person under Regulation 3 of the Local Authorities (Standing Orders) Regulations 1993 and Regulation 7 of the Local Authorities (Standing Orders) (England) Regulations 2001 (investigation of alleged misconduct).
- 3.3 Any Director subject to possible dismissal or other disciplinary action shall have the right to be informed as to the basis of any action which may be taken and to appear before the Panel (see **3.1** above).
- 3.4 The Director concerned shall also have the right to appeal in accordance with the Employment Act 2000 (Dispute Resolution) Regulations 2004 to a Special Committee convened by the Chairman of the Council and comprising the Chairman of the Council, the Leader of the Council and the relevant Cabinet Member, together with not less than one and not more than two other Councillors in accordance with the rules of "political proportionality" required by Section 15 of the Local Government and Housing Act 1989.
- 3.5 The Panel or Special Committee (as the case may be) shall submit to every Member of Cabinet for comment by a specified date and time the name of the Director recommended for dismissal.
- 3.6 Notice of dismissal shall only be given where no **material and** well-founded objection

has been received by the Chief Executive from the Leader on behalf of the Cabinet.

4. APPOINTMENTS

~~4.1 Every appointment other than is mentioned in paragraph 1.1 shall be made in accordance with the Council's appointments procedure incorporated in the Personnel Handbook.~~

4.1 Other than in relation to the procedural points contained within this appendix, appointments to the posts listed in paragraph 1.1 above will be in accordance with the Council's Recruitment and Selection procedure. In particular issues of confidentiality and the proper formal seeking of references are to be observed.

4.2 Appointment of officers below deputy chief officer is the responsibility of the Head of Paid Service or his/her nominee and may not be made by Councillors.

5. VACANCIES TO BE ADVERTISED

5.1 All vacancies shall be publicly advertised, except where otherwise determined by the Chief Executive following consultation with the Leader.

6. VOTING ON APPOINTMENTS

6.1 Where two or more candidates are being interviewed for an appointment to a post with the Council, and there is not a majority of votes cast at the relevant meeting in favour of one candidate, the candidate receiving the least number of votes shall be disregarded and a fresh vote taken, and so on until one candidate receives a majority of the votes.

7. PAYMENT OF EXPENSES

7.1 Every candidate, who attends for interview in connection with any vacant appointment, shall be reimbursed their expenses in accordance with the conditions of service approved by the appropriate Joint ~~Industrial Council~~ Negotiating Committee or other similar Negotiating Committee as amended, adopted or varied by the Council. In the event of no scale of allowance having been prescribed, the candidate shall be paid their actual and reasonable travelling and out-of-pocket expenses.

8. CANVASSING OF COUNCILLORS

8.1 Canvassing of Councillors or of co-opted members of any committee or other body directly or indirectly, for any appointment under the Council, shall disqualify the candidate concerned for the appointment. This requirement shall be stated in any application form issued.

8.2 A Councillor or a co-opted member of a committee or other body shall not solicit for any person any appointment under the Council, but shall not be precluded from giving a written testimonial, where named as a referee by the candidate, of a candidate's ability, experience or character.

9. RELATIVES OF COUNCILLORS OR OFFICERS

9.1 Every candidate for any employment by the Council who knows that they are related to any Councillor, any co-opted member of a committee or other body or senior

officer of the Council, shall disclose that relationship in their application. Failure to do so ~~may shall~~ render the candidate disqualified for the appointment and, if appointed, liable to dismissal. The intent of this paragraph must be made clear in any form of application for a relevant appointment or, where no such form is issued, be notified to every shortlisted candidate prior to interview.

- 9.2 Every Councillor, co-opted member of a committee or other body and senior officer of the Council, shall inform the ~~County Secretary and Solicitor~~ Head of Legal and Democratic Services in writing of any relationship known to them to exist between themselves and any person whom they know is a candidate for an appointment under 9.1 above, as soon as they are aware of that person's candidature. The ~~County Secretary and Solicitor~~ Head of Legal and Democratic Services shall report any such disclosure to the persons or body making the appointment. No candidate so related to a Councillor or an officer will be appointed without the authority of the relevant chief officer or an officer nominated by him/her.
- 9.3 For the purpose of this Appendix, 'senior officer' means Director, Head of Service and any other officer holding an appointment at Service Manager level or Principal Officer's Grade 1 or equivalent or above, ~~and p~~Persons shall be deemed to be related if they are the spouse, partner, parent, grandparent, child (including step child and adopted child), grandchild, brother, sister, uncle, aunt, nephew, niece or first cousin of an existing Councillor, or senior officer or of the partner of such a person.

10. **SUSPENSION AND DISMISSAL OF ~~STAFF~~EMPLOYEES**

- 10.1 Councillors will not be involved in the dismissal of any officer below deputy chief officer except where such involvement is necessary for any investigation or inquiry into alleged misconduct, through the Council's disciplinary, capability and related procedures or as adopted from time to time to allow a right of appeal to members in respect of ~~disciplinary action~~ dismissal.
- 10.2 The following paragraphs (**10.3 – 10.67**) are subject to:
- a. Any conditions of service approved by the National Joint Council for Local Government Services as amended, adopted or varied by the Council;
 - b. Any conditions of service approved by the Joint Negotiating Committees for Local Authorities' Services (Building, Civil Engineering and Engineering Craftsmen) as amended, adopted or varied by the Council;
 - c. Any conditions of service approved by the Joint Negotiating Committee for Youth Workers and Community Centre Wardens as amended, adopted or varied by the Council;
 - d. Any conditions of service agreed between the Council of Local Education Authorities and the recognised trades unions in relation to teaching staffemployees in schools as amended, adopted or varied by the Council, and also to any provisions relating to teaching staffemployees in the Articles of Government of such establishments;
 - e. Any special conditions of service prescribed by the Articles of Government of ~~colleges and~~ Voluntary Aided schools in relation to non-teaching staffemployees in such establishments;

~~10.3—A Director shall have the power to dismiss any employee:-~~

- ~~a. Who is employed under a fixed term or temporary contract of employment which is about to expire;~~
- ~~b. Whose post is or is about to become redundant;~~
- ~~c. On the expiry of an agreed probationary period where performance of their duties has been unsatisfactory;~~
- ~~d. Who has been medically certified to be incapable of discharging their duties by reason of ill health; or~~
- ~~e. Who has reached normal retirement age.~~

10.34 A Director, or ~~any employee member of their staff~~ nominated by them for the purpose of this Appendix, shall have the power to suspend any employee suspected of potential gross negligence or gross misconduct where such suspension shall, ~~in the opinion of the Director or nominated officer,~~

- a. Be necessary to enable the alleged negligence or misconduct to be investigated, or
- b. Be otherwise desirable in the interests of the Council or the employee.

10.45 During any such period of suspension, the employee shall be entitled to ~~full salary normal pay. or wages, subject to any agreement to the contrary that they may reach with the Council.~~

10.56 A Director, or any ~~member of their staff~~ employee nominated by them for the purpose of this Appendix, shall have the power:-

- a. To dismiss with due notice any employee ~~whose standards of conduct or efficiency are unsatisfactory~~ in accordance with the appropriate procedures;
- b. To dismiss any employee without notice where satisfied on reasonable enquiry that the employee has been guilty of gross misconduct;

10.67 Any employee dismissed in pursuance of paragraph 10.65 shall have a right of appeal. ~~as described in the Council's Disciplinary Procedure.~~ Where a dismissal is confirmed ~~by the Employee Appeals Panel, following an appeal,~~ the employee shall not be entitled to payment of salary ~~or wages~~ in respect of the period between the date of the dismissal and the date of the appeal if he or she was dismissed under paragraph 10.56.b above, or in respect of the period (if any) between the expiry of the notice and the date of the appeal if he or she was dismissed under paragraph 10.56.a above. Where an appeal against dismissal is upheld, the employee shall be entitled to payment of salary ~~or wages~~ in respect of any such period.

11. APPOINTMENT AND DISMISSAL OF DEPUTY CHIEF OFFICERS (HEADS OF SERVICE)

11.1 The appointment of Deputy Chief Officers is the responsibility of the Chief Executive as Head of Paid Service or his/her nominee.

11.2 The ~~Chief Executive~~ Head of Human Resources shall submit to every member of Cabinet for comment by a specified date and time the name of the candidate recommended for appointment as Deputy Chief Officer.

- 11.3 An offer of employment of a Deputy Chief Officer shall only be made where no material ~~or~~ and well-founded objection has been received by the ~~Chief Executive~~ Head of Human Resources from the Leader on behalf of the Cabinet within the specified time limit.
- 11.4 The ~~Chief Executive~~ Head of Human Resources shall submit to every member of Cabinet for comment by a specified date and time the name of any Deputy Chief Officer recommended for dismissal.
- 11.5 The dismissal of a Deputy Chief Officer shall only be made where no material ~~or~~ and well-founded objection has been received by the Chief Executive from the Leader on behalf of the Cabinet within the specified time limit.

LOCAL AREA AGREEMENT

PROGRAMME AREA RESPONSIBILITY: CORPORATE STRATEGY AND FINANCE

CABINET

26TH JANUARY, 2006

Wards Affected

County-wide

Purpose

To consider the current position in relation to the development of a Local Area Agreement (LAA) for Herefordshire.

Key Decision

This is not a key decision.

Recommendation

THAT the LAA work to date be noted, and that the proposed LAA submission arrangements be endorsed.

Reasons

The second draft is required to be submitted by 3rd February, 2005.

Considerations

1. On 19th May, 2005 Cabinet gave consent for interest to be registered with Government Office for the West Midlands (GOWM) in obtaining an LAA. A Local Area Agreement is an agreement drawn up between the Local Authority and its partners on one hand and central government on the other. The LAA will set out outcome targets and key performance indicators, reflecting local as well as national priorities. It will also incorporate the LPSA2 agreement.
2. A successfully negotiated agreement will mean that certain existing funding streams can be pooled and the local area given discretion as to how to spend the money. LAAs will have to satisfy some national priorities but these would be fewer than is currently the case. There is also scope to negotiate some freedoms and flexibilities for current service delivery arrangements.
3. Herefordshire Council duly registered interest in being one of the second round LAAs. On 22nd June, 2005 Herefordshire Council was advised that it had been successful, in securing an LAA, and that Herefordshire was to be one of thirteen areas to have a Single Pot LAA. On 22nd September, 2005 Cabinet approved outline LAA proposals to be submitted to GOWM by 30 September 2005.

4. On 17th November, 2005 Cabinet approved our first draft LAA, which was sent to GOWM on 25th November 2005. A second draft has to be submitted by 3rd February, 2006 and the final submission has to be submitted by 17th February, 2006. Ministers have to sign off all the second round LAAs by 24th March, 2006.
5. The LAA will run for three years, and is based on four service blocks. These cover Children and Young People, Healthier Communities and Older People, Safer and Stronger Communities and Economic Development and Enterprise.
6. For our part, the LAA has to be jointly signed off by the Local Strategic Partnership and Herefordshire Council. The LAA work continues to run in parallel with the review of the Herefordshire Plan and is being jointly project managed. The LAA Vision and Outcomes are the same as those proposed for the new Herefordshire Plan.
7. The LAA offers the opportunity to improve collaboration with partnership organisations, leading to improved service delivery, and should mean considerably reduced bureaucracy. The process streamlines reporting arrangements for funding streams, to gain efficiency savings, after the initial time investment.
8. The LAA is, effectively, an Action Plan of the Herefordshire Plan, and will be subject to rigorous performance management arrangements.
9. The LAA Board will be the Herefordshire Partnership Board. Cabinet will oversee the LAA, and Herefordshire Council will be the Accountable Body.
10. We are undertaking an engagement process with stakeholders to secure full support for the LAA. This is particularly challenging for the Voluntary and Community Sector.
11. The draft LAA is being negotiated and revised on a daily basis, and will continue to be amended until the final submission takes place. This means that the document presented for SMC consideration will almost certainly be subject to further amendment, and will look a little different from that to be submitted to GOWM.
12. Negotiations are robust, and in common with other Local Authorities that are negotiating LAAs, we are finding considerable Central Government resistance to our requests for freedoms and flexibilities. The majority of requests nationally have, to date, been turned down. However, these discussions will continue throughout the first year of the LAA.
13. The amount of pooled funding in year one of the LAA will be modest, and work will concentrate on aligning funds of partner organisations. The pooled funding could be much larger in years two and three.
14. LAAs are subject to a six monthly review, and, with the exception of the LPSA2 targets, can be revised. It is possible that over the period of the LAA, we will wish to see changes to such areas as performance indicators, targets and freedoms and flexibilities.
15. The LAA will be considered by Strategic Monitoring Committee on 26th January, 2006. Any recommendations made by that Committee will be made available for consideration by Cabinet.
16. A new national template for the LAA has been received and the current information will be transferred into the new template.

Risk Management

There are continuing capacity issues, which will have to be addressed at peak times during the negotiations and, to a lesser extent, the implementation phase.

Alternative Options

There are no Alternative Options.

Consultees

GOWM, AWM, Partners in the Herefordshire Partnership, Shropshire and Worcestershire County Councils

Appendices

Latest draft LAA (to follow)

Background Papers

None identified

PAY AND WORKFORCE DEVELOPMENT STRATEGY 2005/08

PROGRAMME AREARESPONSIBILITY: CORPORATE AND CUSTOMER SERVICES AND HUMAN RESOURCES

CABINET

26TH JANUARY, 2006

Wards Affected

None

Purpose

To receive a progress report on the Council's Pay and Workforce Development Strategy Operating Plan for 2005/06 (agreed by Cabinet in June 2005).

Key Decision

This is not a Key Decision.

Recommendation

That the report be noted.

Considerations

1. The Council's Pay and Workforce Development Strategy 2005/08 adopted the Employers Organisation's five themes as key areas that Council needed to address - Pay, Reward and Recognition, Resourcing, Developing Leadership Capacity, Developing the Skills and Capacity of the Workforce, and Organisational development. There was an added emphasis in the Council's Strategy on ensuring workable pay, reward and recognition structures to help recruit, motivate, and retain the employees the Council needs to deliver its services building on the implementation of Job Evaluation and Single Status. The Strategy aims to ensure the Council:
 - has the right people in the right places, with the right skills, to deliver the agenda and priorities set out in the Corporate Plan – improved services with greater efficiency and better customer focus;
 - is well-placed to respond to environmental and societal changes, and emerging technology;
 - meets its statutory obligations as an employer, and where possible exceeds those to demonstrate best and leading edge practice as the largest local employer;
 - becomes an employer of choice amongst those seeking employment and career opportunities.

Further information on the subject of this report is available from Human Resources
on 01432 383055

2. An Operational Plan 2005/06 was devised to ensure specific actions were in place address the key Strategic themes. Highlights have included significant progress towards:
- Modernising recruitment processes and agency staff provision to deliver savings in time and cost to the Council;
 - Development of a generic skills and careers pathway linked to pay progression;
 - Establishment of a Skills for Work Centre;
 - Improved Directorate consultation mechanisms;
 - Support post Job Evaluation leading to a 30% reduction in numbers of those employees in receipt of job evaluation protection;
 - Management Competencies are in place and are being rolled out;
 - Staff Review and Development has improved hugely – now well over three quarters of employees have a review at least annually. The SRD process is firmly linked to the Council's performance management cycle;
 - Improvements to communications have been implemented, for example, the Chief Executive and Leader now regularly hold Talking Point sessions for all employees;
 - Recognition of achievement proposals being developed;
 - Jobs Fair attended plus two careers evenings in schools, with more planned for January/February 2006;
 - The Council has signed up to achieving the Investor in People Standard, a light touch assessment has been carried out;
 - A programme of tailored Diversity awareness is in place, and a voluntary language register for employees established;
 - A new Directorate structure is taking shape, and is being fully communicated to employees as changes progress;
 - Improved response rate to Staff Opinion Survey;
 - Increased focus on managing attendance;
 - A successful Leadership Programme has been developed in conjunction with the seven Worcestershire Councils.
3. Employee opinions have improved across the vast majority of Staff Opinion Survey question areas. Employee turnover continues to be steady at just under 9% (8.05% for 12 months to end November 05). In 2004/05 the most commonly cited reason for leaving was insufficient pay or benefits (cited by 41% of respondents, and against 26% the previous year). Job content dissatisfaction, lack of job security and career prospects, lack of recognition, and management were also cited as prime reasons for leaving. However the Leaver Survey for the second quarter of 2005 reveals that

'change in domestic circumstances' as the most common primary reason for leaving. Career progression and pay were the most commonly cited attractions of a new organisation. The Pay and Workforce Development Strategy will address these issues through the identified actions for the operational plan 2006/07, and as part of the longer-term aims for 2008.

Risk Management

The risks are contained in the Pay and Workforce Development Strategy.

Consultees

N/A.

Background Papers

None identified.

Appendices

None.

WIDEMARSH STREET, HEREFORD

REVIEW OF EXPERIMENTAL PEDESTRIANISATION SCHEME

PROGRAMME AREA RESPONSIBILITY: HIGHWAYS AND TRANSPORTATION

CABINET

26 JANUARY 2006

Wards Affected

Central

Purpose

To consider the results of the experimental pedestrianisation scheme in Widemarsh Street and High Street, Hereford.

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 .

RECOMMENDATIONS

- THAT (a) the Experimental Traffic Regulation Orders prohibiting traffic in Widemarsh Street and High Street, Hereford, between 10.30am and 4.30pm each day and imposing a 20mph speed limit on these roads be made permanent;
- (b) further consideration be given to the provision of additional facilities, including minor highway adjustments, to support access and parking by coaches, taxis and disabled vehicles;
- (c) subject to detailed design, revised traffic signal control at the Newmarket Street/Blueschool Street/Widemarsh Street/Maylord Orchard junction be implemented to improve conditions for pedestrians and to provide greater automation of the traffic control measures in Widemarsh Street;
- (d) a programme of targeted action be developed to promote visits to Hereford by more sustainable means of travel, including additional promotional activity and a study of coach accessibility identifying improvements to signing, coach stopping and coach waiting facilities;
- (e) subject to necessary consultation, an Experimental Traffic Regulation Order be made prohibiting the driving of vehicles in Bewell Street between the hours of 10.30am and 4.30pm each day from its junction with Widemarsh Street to a point 3 metres west of that point; and

- (f) **the funding of associated streetscape improvements be addressed within the preparation of the Council's capital programmes for 2006/07.**

Reasons

Consultation and monitoring carried out between July and December 2005 indicates that the experimental pedestrianisation of Widemarsh Street (south of Blueschool Street) and High Street has received widespread support from the community and has not had a significant adverse impact on strategic traffic routes in Hereford.

On the basis of the monitoring information, the experimental provisions appear to have improved shopping conditions in Hereford. Several matters of concern have been raised which could be addressed through separate studies.

Considerations

1. The experimental pedestrianisation of Widemarsh Street and High Street, Hereford, came into effect on 8 June 2005 and was monitored until 31 December 2005. The scheme is currently suspended while repaving work is carried out in High Street.
2. Widemarsh Street and High Street had been closed to traffic to enable Transco to undertake essential maintenance works to gas mains from July to October 2004. Public consultation during and after those works demonstrated strong public support for the introduction of a pedestrianisation scheme. Of those surveyed during the Transco works, 72% of pedestrians and 59% of retailers surveyed favoured some form of pedestrianisation for Widemarsh Street.
3. During a subsequent, more comprehensive public consultation in February 2005, 81% of responses were in favour of a trial pedestrianisation and 65% were in favour of a trial to continue through to December 2005. On the specific options available for pedestrianisation, 45% of responses were in favour of a 10.30 am – 4.30 pm closure and 38% were in favour of full 24 hour daily closure (with exemptions for service access outside core shopping hours).
4. Cabinet considered these results on 28 April 2005. Cabinet agreed to implement an experimental pedestrianisation prohibiting traffic from Widemarsh Street and High Street between 10.30am and 4.30pm each day until at least 31 December 2005.
5. Extensive consultation and monitoring was carried out during the experiment, covering the following:
 - a. Face to face interviews with the public in the city centre
 - b. Questionnaires to city centre retail/business premises (750 copies distributed)
 - c. Public questionnaires, including an insert in the November edition of Herefordshire Matters and an on-line questionnaire
 - d. Consultation with stakeholder groups and statutory bodies
 - e. A retail assessment by specialist consultants
 - f. Traffic surveys

- g. Monitoring of car park income
 - h. Monitoring of public “foot fall” in a central shopping location, Shopmobility usage and visitor numbers to the Museum and the Old House
 - i. Air Quality Monitoring
 - j. Review of accident data
6. Full details of the results of this research are available in the background papers. Some summary extracts of data are provided in Appendix 1. Stakeholder comments are shown in Appendix 2. In outline, the results indicate:
- 71% of 2,413 respondents to public questionnaires felt that the pedestrianisation made the overall experience of visiting Hereford better and 66% were in favour of making the experimental scheme permanent. A total of 75% support pedestrianisation in some form.
 - In face to face interviews, 72% of 373 people interviewed said they would like the pedestrianisation experiment to be made permanent.
 - 55% of 227 responses from retailers/businesses within the area directly affected expressed support for making the experiment permanent.
 - Opinion from stakeholder groups is evenly balanced in favour and against making the scheme permanent.
 - Public transport (bus) operators indicated that the experimental scheme could detract from the attractiveness of their services.
 - Coach and tour operators, including the Association of Group Tour Operators, generally supported the scheme.
 - Shopping footfall has shown an overall increase compared with 2004.
 - Use of council car parks in Hereford has declined slightly during the experimental period but to a lesser extent than across the county as a whole.
 - Traffic counts undertaken at Greyfriars Bridge, Broad Street, Widemarsh Gate and Bridge Street show that there has been some diversion of traffic from Widemarsh Street to the strategic road network but the impact is very small. Although Victoria Street (A49) has shown a small increase, there is little change in Newmarket Street or Greyfriars Bridge (A49). The Highways Agency has not raised an objection to continuation of the pedestrianisation scheme.
 - The air quality in Widemarsh Street shows a marked improvement. The air quality for the Edgar Street roundabout shows little change during the closure.
 - Shopmobility usage has shown a general reduction, continuing a trend from 2004 but at a slightly slower rate.

- The retail consultant's report concludes that there is no evidence from their survey that the permanent pedestrianisation of Widemarsh Street would impact directly on the retail economy of Hereford and highlights the potential of a pedestrianised Widemarsh Street to improve shopper flows through the city as whole. Of 50 retailers consulted for this report, only 7 responded with feedback, with only one reporting weaker trading performance since June 2005. The report highlights that Hereford enjoys a dominant position of its shopping catchment, performing better than other towns and cities within its benchmarking category, and commands around two-thirds of the retail market of Herefordshire.
 - Road casualties have been monitored within an area bounded by the A49, Ring Road, Widemarsh St/Broad St/Bridge St and St Martins St. There is no evidence of any detrimental effect on casualties within the relatively short monitoring period.
7. Through the course of the experiment, some specific issues have emerged as of particular concern to various groups/stakeholders. Apart from objections to the principle of restricting the use of Widemarsh Street and High Street as through routes, some of the specific concerns are tabulated below:

Issue	Comment
Lack of access for public transport	<p>First Bus had ceased using Widemarsh Street for their commercial services before the implementation of the pedestrianisation scheme. Only subsidised rural routes contracted to the Council had continued to use Widemarsh Street, as required by the contract specifications.</p> <p>Significant complaints had been made to the Council about congestion problems at the stop in Widemarsh Street when First had been routing their commercial services through the city centre.</p> <p>First Bus has now expressed the view that their services on the alternative routes may be delayed by increased congestion as a result of the Widemarsh Street closure.</p> <p>Delays when leaving the Maylord Service Road have also been cited as a problem. Significant delays were certainly evident during the initial months of the experimental scheme but some of these were associated with repeated failures of Hereford's central traffic signal control system (SCOOT). That system was replaced and upgraded in October/November 2005 since when the reliability has substantially increased.</p> <p>Stagecoach did use Widemarsh Street, High Street and Broad Street for their services before the experimental pedestrianisation scheme. The frequency of services was approximately one each hour. These services have now been re-routed to the Maylord Service Road, the Ring Road and the A49. Stagecoach comments that the diverted services are likely to be less attractive to customers but do not confirm any continuing reduction in patronage.</p> <p>The public consultation did ask for views on how the scheme had affected the ease of getting to/from a bus stop. Across all the questionnaires, 24% of respondents found no difference, 10% found it to be better or much better and 10% found it to be worse or much worse.</p> <p>So, whilst the scheme has affected local bus services, it does not appear that these effects are substantial and would not appear to justify any change to the scheme.</p>
Lack of access for taxis	Widemarsh Street contains a rank for 8 taxis. This cannot be accessed during the restricted hours of the scheme. Shortly after the introduction of the experiment, the new rank in St Peters Square (2 spaces) became operational and a rank in Maylord

	<p>Orchard Service Road (2 spaces) was re-introduced.</p> <p>Taxi operators have objected strongly to the loss of the Widemarsh Street facility. The public consultation did ask, "How easy is it to get a taxi?" Across all responses, 12% of respondents found getting a taxi to be worse or much worse, compared to 6% who found it better or much better.</p> <p>To provide an exemption for taxis from the pedestrianisation scheme would represent a fundamental change, providing the potential for significant volumes of traffic to be re-introduced into the pedestrian area.</p> <p>If the scheme is retained, there may be the opportunity to revise the facilities in Broad Street, where there is an existing rank. This would need to be the subject of a separate traffic order and associated consultation.</p>
<p>Lack of access for the disabled</p>	<p>The prohibition of vehicles during pedestrianised hours does not provide an exemption for disabled badge holders. It has been suggested that this may disadvantage disabled passengers wishing to be dropped off/picked up outside Marks and Spencer. Comments have also been made that the exclusion of traffic provides improved conditions for use of the street by disabled/less able persons.</p> <p>Any exemption for disabled badge holders would require the removal of physical access restrictions such as the gates. Experience elsewhere demonstrates that, without physical restriction, access controls would be compromised.</p> <p>As with taxis, a review of the provision for specialist parking provision in Broad Street could be undertaken if the pedestrianisation scheme is retained. The council does support the Hereford Shopmobility scheme, in conjunction with Hereford Access for All who are generally in support of the pedestrianisation scheme.</p>
<p>Cycling in Widemarsh Street</p>	<p>Several respondents have raised cycling as an issue. Some object to the lack of access for cyclists during the restricted hours, others are concerned by illegal cycling in Widemarsh Street during the pedestrianised period.</p> <p>Widemarsh Street has previously been identified for the development of improved cycle access and a contra-flow cycle lane scheme has been prepared. However, promoting cycling during the pedestrianised hours would represent a significant detraction from the aim of improving the pedestrian environment and the level of complaints of cycle intrusion supports this.</p> <p>The recent revision to the High Town traffic orders has permitted cycle access in that area before 10.30am and after 4.30pm. There remains the possibility of improving access for cyclists in Widemarsh Street during similar periods if it can be safely designed into any future streetscape options. No access during the restricted hours is recommended.</p> <p>In consultation, Cycle Hereford has expressed support for the pedestrianisation scheme because of the benefits for vulnerable road users. However, they do ask that the needs of cyclists be more appropriately reflected.</p>
<p>Pedestrian/vehicle conflict at the Newmarket St/Bluschool St junction</p>	<p>The pedestrian crossings of the Ring Road between the north and south sections of Widemarsh Street are key routes for pedestrian access to the city centre. The pedestrianisation of Widemarsh Street has not physically altered these crossing points but has changed the traffic patterns at the junction. Traffic that normally turns left into Widemarsh Street continues straight on to the Edgar Street roundabout.</p> <p>Several comments have been received from pedestrians that motorists ignore the pedestrian priority at the signals when exiting the yellow box eastbound toward Edgar Street. This happens because the junction exit across the pedestrian crossing is not signalled once vehicles have entered the yellow box. A study by consultants has been commissioned into options for reconfiguring pedestrian/signal arrangements at this junction if the scheme is made permanent. Some improvements do appear viable but are restricted because of the need to retain full operation of the junction before 10.30am and after 4.30pm. Funding would be available from the Local Transport Plan</p>

	<p>programme.</p> <p>Modifications to the signals would include timed controls on filter lights to indicate the prohibition in Widemarsh Street during pedestrianised hours.</p> <p>There may also be the potential to link the signals to automated rising bollards in Widemarsh Street, replacing the manually operated gates. The design of a rising bollard facility would need to be undertaken in conjunction with the suppliers and would need to incorporate access control for emergency services.</p>
Difficulty of accessing Broad Street from West Street	<p>When Widemarsh Street and High Street are closed, the alternative route to Broad Street is via West Street. Some consultees refer to difficulty in negotiating the West Street/Broad Street junction with buses and coaches and suggest that this is a deterrent to access.</p> <p>The geometry of the junction does permit large vehicles to make the turn into Broad Street, although obstruction can be caused if double parking takes place close the junction. Very few incidents of actual obstruction have been identified. There is scope for minor junction alterations to address this problem but the experiment has not provided evidence that there is a need for such an improvement. The conditions could continue to be monitored.</p>
Traffic entering Widemarsh Street from Bewell Street	<p>The experimental pedestrianisation traffic order does provide an exemption for traffic to enter Widemarsh Street/High Street from Bewell Street if the traffic has legitimately entered Bewell Street. Bewell Street is controlled by a "No Entry Except for Access" order.</p> <p>This exemption was provided because of the lack of alternative egress from Bewell Street (the Tesco Bus Station is not an adopted public highway). Because of the exemption, Bewell Street has not been gated.</p> <p>Traffic surveys have confirmed that very low levels of traffic do use the Bewell St/Widemarsh St/High Street route with the maximum recorded traffic flow 26 vehicles in the 6 hour period of pedestrianisation on 12 December 2005. However, complaints from the public and the Police have continued throughout the experiment expressing concern for the safety of pedestrians.</p> <p>The Ambulance Service used Bewell Street on one reported occasion during the experiment when their personnel could not open the Widemarsh Street gates. The Ambulance Service has highlighted the occasional problems at the Widemarsh Street gates but supports the pedestrianisation scheme itself on the basis that it seems to offer a safer environment for pedestrians.</p> <p>In view of the level of complaint, a separate traffic order could be introduced for an experimental period banning traffic from exiting Bewell Street on to Widemarsh Street during the pedestrianised hours. Any problems for local access traffic could then be assessed during the experimental period. A short length of prohibited street could be enforced by the installation of a single, removable bollard for the experimental period. If retained permanently, consideration could be given to an automated rising bollard.</p>
Adverse retail impact in the Broad Street/King Street/Bridge St areas	<p>Both during and prior to the introduction of the experiment, traders in the Broad St/King St/Bridge St areas expressed considerable opposition. The basis of the objections is generally that the traffic restrictions will deter passing trade and reduce the opportunity for vehicle users to identify shopping opportunities.</p> <p>These issues are frequently raised when pedestrianisation schemes are proposed, as confirmed by the report from the retail consultants, Experian. Little objective evidence is available to confirm the impact on retail activity and only 7 out of 50 retailers responded to the detailed inquiries undertaken by Experian.</p> <p>However, it is inevitable that shopping patterns will change with the introduction of pedestrianisation. That is the key purpose of the scheme. In most cases the changes are beneficial and the public and commercial reaction to the Widemarsh Street scheme certainly indicates that this should be expected in Hereford. The experimental period is</p>

	not sufficient to provide a firm long-term picture of the likely changes but, despite the level of initial objection, there remains little evidence to support a view that the scheme is having any overall negative impact on trade.
Effect on visitors to Hereford Cathedral	<p>The Cathedral has commented on the risk of a decline in visitors to the Cathedral, exacerbated by the possibility that coach operators would be deterred from using the West Street/Broad Street route for access. Visitor numbers did suffer a decline in 2004 but following more marketing by the Cathedral, numbers recovered slightly in 2005 although remaining depressed.</p> <p>In discussion, it appears that coach visits to the Cathedral have been reducing for some years. It has been suggested that this may be because coach operators are deterred by general traffic conditions in Hereford and/or a relative lack of quality waiting areas for coaches.</p> <p>In response to the stakeholder survey, the Association of Group tour operators, together with some independent tour operators, have supported the pedestrianisation scheme, suggesting that improved pedestrian conditions make conditions more attractive for tourists.</p> <p>There is scope to develop a plan to improve the attractiveness of Hereford for tour operators, both through physical improvements to signing/waiting facilities and through promotion. Local Transport Plan funding could support such a project as part of the accessibility improvement programme.</p>

Petitions

8. Four petitions/independent opinion surveys have been submitted during the experiment. These have come from:
 - a. The Hereford City Partnership. A survey of 319 city businesses carried out as the scheme became operational asking “Do you agree with the closure of Widemarsh Street?” The results indicated 63 agreed and 241 disagreed. Some supplementary information was subsequently received from traders in the area around the northern section of Widemarsh Street (not the City Partnership) adding 39 names disagreeing with the scheme.
 - b. The Herefordshire Hackney Carriage and Private Hire Association submitted petitions from members and passengers stating “The following names and signatures are members of the HHCPHA/members of the general public who are opposed to the pedestrianisation of Widemarsh Street and High Street in the Hereford City. 72 HHCPHA members and 27 members of the public signed the petitions. 21 of these signatures were prefixed with the phrase “As long as the rank is in place”
 - c. On behalf of local of local traders, ‘Pleasance and Harper’ presented a petition to the Chairman of the Council showing 36 (out of 39) traders in the Widemarsh Street area and over 1200 customers supported the scheme.
 - d. ‘Beads –in-Abundance’ of Capuchin Yard, Hereford submitted a petition signed by 108 members of the public stating “We the undersigned wish to keep the pedestrian scheme subject to a review of access”.

Community Services Scrutiny Community

9. The Community Services Scrutiny Committee held a meeting in the Green Dragon Hotel on 11 January 2005 at which several witnesses were asked to give views on the operation of the experimental pedestrianisation scheme.
10. A further meeting of the Committee took place on 13 January at which the views of the Committee on the experiment were agreed for the further information of Cabinet. A summary of the Committee's considerations is shown in Appendix 4. The Committee resolved:

That the Cabinet Member (Highways and Transportation) consider the range of views expressed by the Community Services Scrutiny Committee at its meeting on 11th January 2006 and reconvened on 13th January 2006, and has particular regard to its two principal conclusions, that:

(a) the Committee supports a form of pedestrianisation in Widemarsh Street, Hereford;

and;

(b) that taxis, buses and coaches should not be granted special access to Widemarsh Street if a form of pedestrianisation is approved.

Financial Considerations

11. The experimental scheme has cost approximately £45,000, funded by the Local Transport Plan programme. The works were deliberately designed to be of a temporary nature and, if the scheme were not continued, removal costs would be very low.
12. If the scheme is made permanent, several packages of work are proposed:
 - a. The traffic signals at the Widemarsh Street/Ring Road junction would be revised and pedestrian crossing facilities improved. If viable, the gates would be replaced with automated rising bollards. At this stage no detailed cost estimates for this work have been prepared but a budget figure of £100,000 should be allowed.
 - b. A study would be commissioned to identify improvements for access and waiting by taxis, coaches and disabled vehicles in the city centre. In addition a programme of targeted action would be developed in conjunction with Hereford Cathedral and the Hereford City Partnership to promote visits to Hereford by coach and other sustainable travel modes. This would include additional promotional activity and measures to improve coach accessibility, including a review of signing, coach stopping and coach waiting facilities. A contribution of £50,000 could be made available from the Local Transport Plan programme to support these projects.
 - c. Streetscape (paving) improvements would be possible to reinforce the pedestrian priorities around the gated area of Widemarsh Street, the eastern end of Bewell Street and the northern end of Broad Street. Some of these works might be included in the scheme to refurbish High Town and the

surrounding area but a minimum sum of £100,000 should also be identified for specific works to reinforce the pedestrianisation scheme.

- d. To further improve the pedestrian environment, traffic should be prohibited in the eastern end of Bewell Street between 10.30am and 4.30pm each day to prevent vehicles entering Widemarsh Street. This restriction would be introduced by means of an experimental traffic order and would be retained permanently subject to the consideration of any representations received during the first 6 months of the experimental period. The estimated cost of £5,000 to be funded from the Local Transport Plan.
13. The actions above identify a total of £155,000 to be funded from the LTP programme. This could be made available from the indicative budget allocation of £195,000 in the Provisional LTP programme for City Centre Pedestrian Enhancement in 2006/07. Since publication of the Provisional LTP the Government announced a reduced level of LTP funding for 2006/07, some £65,000 less than originally anticipated.
14. The LTP programme does not currently include identified provision to cover the streetscape improvement works at an estimated cost of £100,000. If this were to be funded from LTP resources, there would need to be adjustments to other parts of the transport programme. The Council's capital programme (included elsewhere in the Agenda) does not identify funding for the Widemarsh Street scheme within the prudential borrowing proposals.

Next Steps

15. An experimental traffic regulation order can remain in force for a maximum of 18 months unless extended by agreement of the Secretary of State. Following consideration of any representation received during the first 6 months of the experimental period, the council may decide to abandon, modify or retain the scheme on a permanent basis. If modified, a further 6 month period would be required for representations.
16. If Cabinet were to decide to abandon the scheme, the streets (Widemarsh Street and High Street) would revert to their former status as through routes once the current refurbishment works in High Street have been completed (expected late February/early March 2006).
17. If modifying or retaining the scheme, the 10.30am to 4.30pm pedestrianisation controls would be reintroduced on completion of the High Street works. Any proposed modification to the traffic order would require some consultation/notification to specified bodies prior to implementation.

Summary

18. The experimental pedestrianisation scheme has provided the opportunity to monitor and consult widely on the benefits and disbenefits of restricting vehicular traffic in these city centre streets. The very clear majority of the public response supports retention of the scheme on a permanent basis.
19. Although many issues have been raised during consultation as disadvantages of the scheme, none of these in itself appears sufficient to justify abandoning the scheme. Several of the specific concerns could be addressed through

subsequent studies and actions, such as the introduction of an experimental ban on traffic exiting Bewell Street into Widemarsh Street.

20. Cabinet will wish to consider whether the combination of the range of concerns is sufficient to negate the clear public support for retaining the scheme. Some of these concerns are summarised above and are reported in detail in the background papers.
21. On the evidence available, the advantages of the scheme appear to be significant in terms of improving the pedestrian and shopping environment. Improvements to pedestrian access to the city centre are a priority in the Local Transport Plan and the scheme itself is consistent with the recommendations of the Hereford Transport Review.

Risk Management

From the evaluation of the experimental period, the partial pedestrianisation of Widemarsh Street and High Street has improved conditions for shoppers in the city centre and significantly reduced conflict between vehicles and pedestrians. No evidence has been found of increased risk to safety on the alternative routes but the evaluation period is too short to provide the normal level of statistical reliability adopted for road safety measures.

If the scheme is retained on a permanent basis, there appears from consultation responses to be some small risk of adverse impact on a part of the local retail sector. Overall, the high level of public satisfaction provides confidence that there could be long-term retail benefits for the area.

Consultees

Details of stakeholder consultations are set out in Appendix 2.

Detailed analyses of the public consultations are available in the background papers and will be available in the Members Room.

The local member, Cllr David Fleet, comments that whilst supporting the principal of pedestrianisation of Widemarsh Street he has the following reservations:

- Traffic continuing to use Bewell Street at all times confusing pedestrians
- Poor traffic control at Blueschool crossing, traffic stopping on box crossing and blocking access across Blueschool Street from Widemarsh Street North to Widemarsh Street South as traffic lights and density of traffic make these lights unworkable for vehicles and dangerous for pedestrians. Traffic unable to access Widemarsh Street then blocks Widemarsh Street North traffic wishing to turn left onto Blueschool Street
- A safe solution needs to be found for the disabled parking area at All Saints end of Broad Street

- It is believed that with minor realignment of the kerbs and parking bays, the right turn from West Street into Broad Street for coaches can be achieved.

Hereford City Council has expressed support for retention of the scheme but have expressed some concern that the positioning of the gates allows vehicles to stop in the entrance to Widemarsh Street and for unloading.

The Member of Parliament, Paul Keetch MP, comments that he believes the pedestrianisation could be advantageous as long as access for the disabled, vehicular and other modes of transport inclusive, taxi and bus/coach access can be included in the final scheme. He would also wish to see swifter emergency access incorporated to allow the ambulance and fire services in particular immediate entry through the gates and not losing valuable, potential lifesaving moments waiting for the gates to be unlocked.

Alternative Options

The experimental traffic regulation orders could be revoked or modified.

Background Papers

- Reports of consultation, Widemarsh Street Pedestrianisation
- Retail Impact Study, Widemarsh Street Pedestrianisation – Experian Business Strategies.



**Widemarsh Street and High Street
Experimental Pedestrianisation Monitoring
Data**

January 2006

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Chart 2 – total car park income for Herefordshire July-December (2003-05).

2. Tourism

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3. Air Quality – Nitrogen Dioxide levels

Chart 4 – Broad Street Air Quality by month (2003-05).

Chart 5 – Widemarsh Street (Nr. Maylord Street) Air Quality by month (2003-05).

Chart 6- Edgar Street Roundabout Air Quality by month (2003-05).

4. Shopmobility usage

Chart 7 – Shopmobility Usage July/December (2003-05).

5. City Centre Footfall

Chart 8 – footfall at City Centre shopping location July-December by month (2004/05).

6. Traffic Flows

Chart 9 - Greyfriars Bridge/Barton Rd Junction (12 hr Counts)

Chart 10 - Broad Street/West Street/East Street (12 hr Counts)

Chart 11 - Widemarsh Gate (12 hr Counts)

Chart 12 – Vehicles Exiting Bewell Street between 10:30am and 4:30pm

Chart 1: Total Car Park income for Hereford City July - December (2003-5)

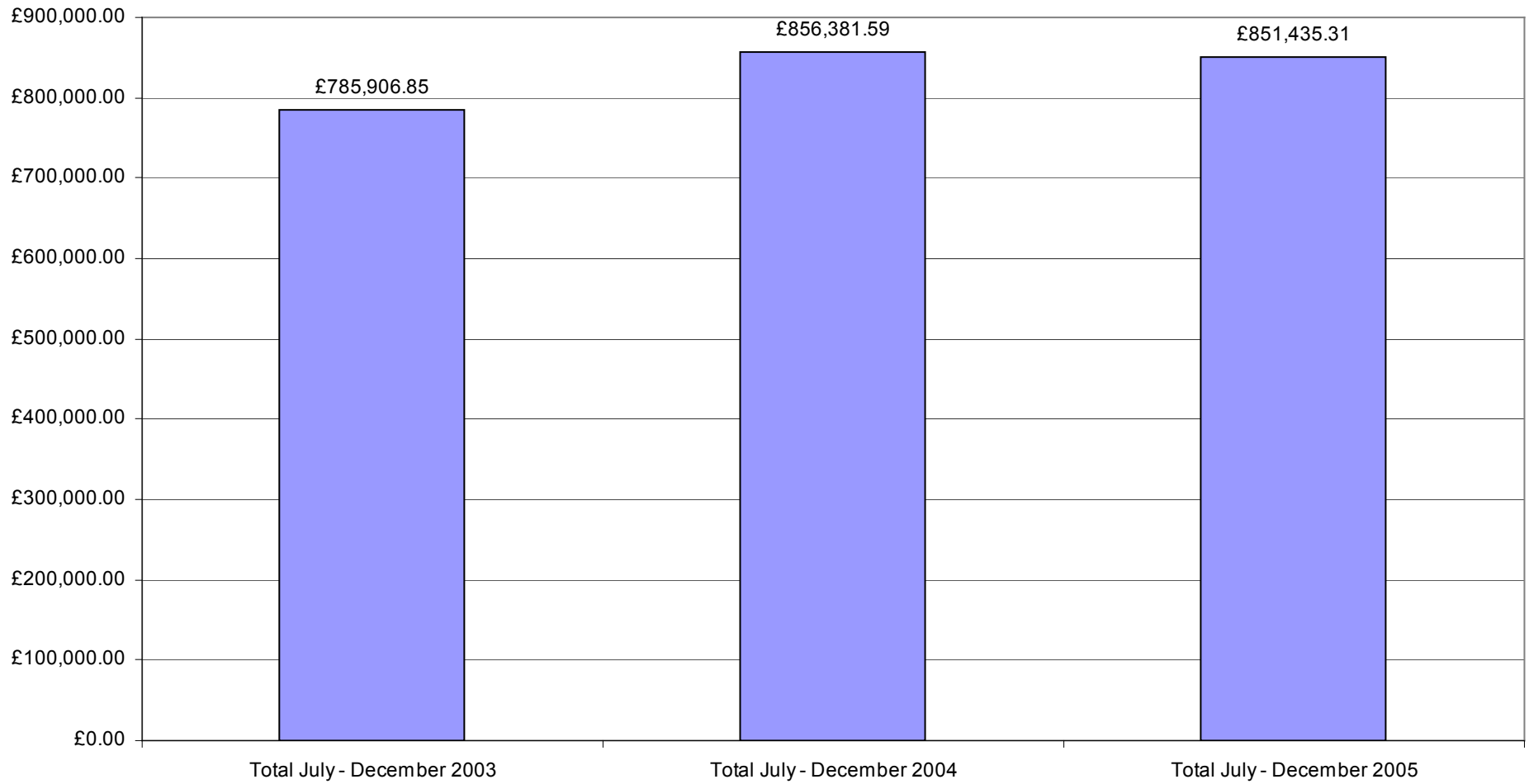
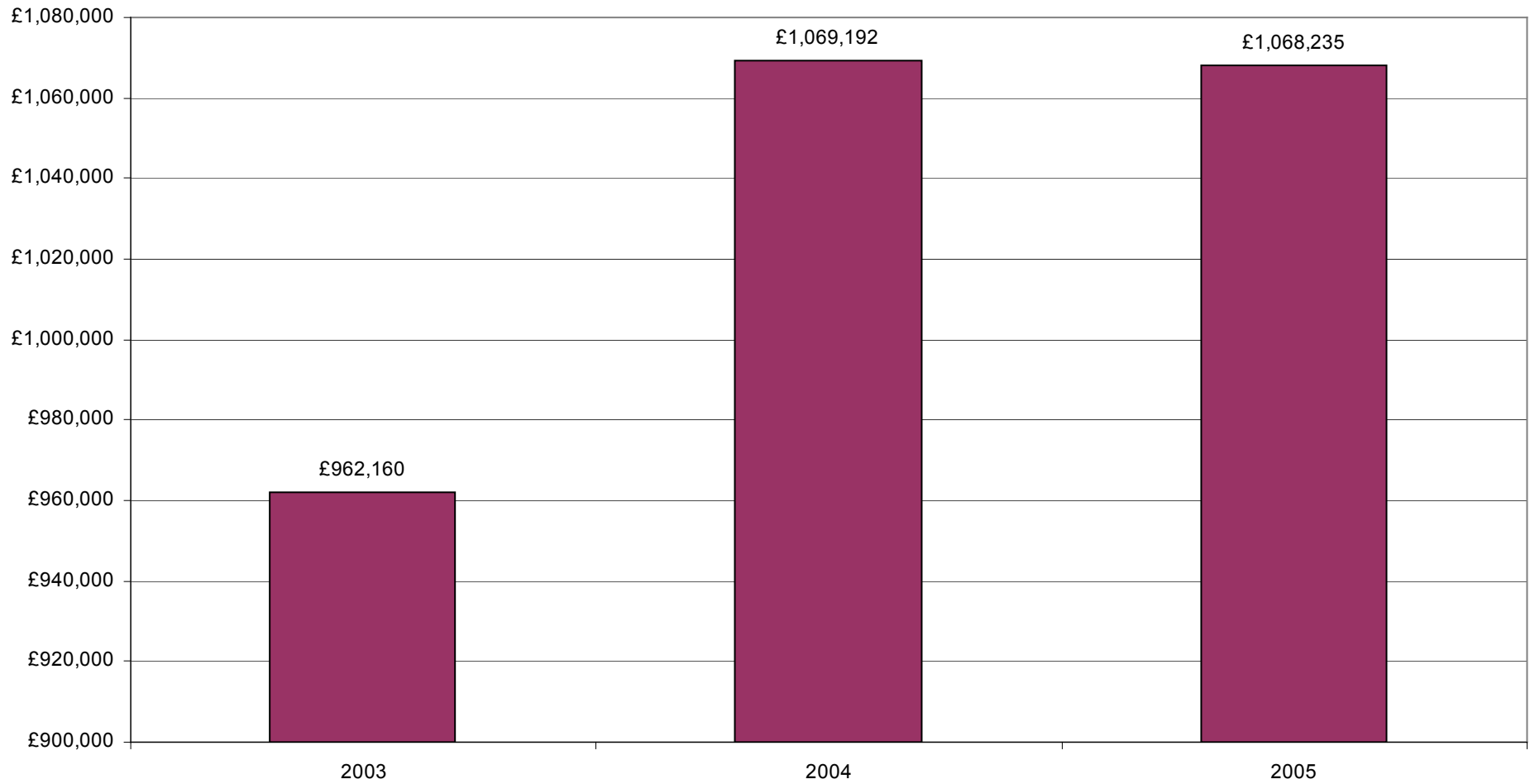
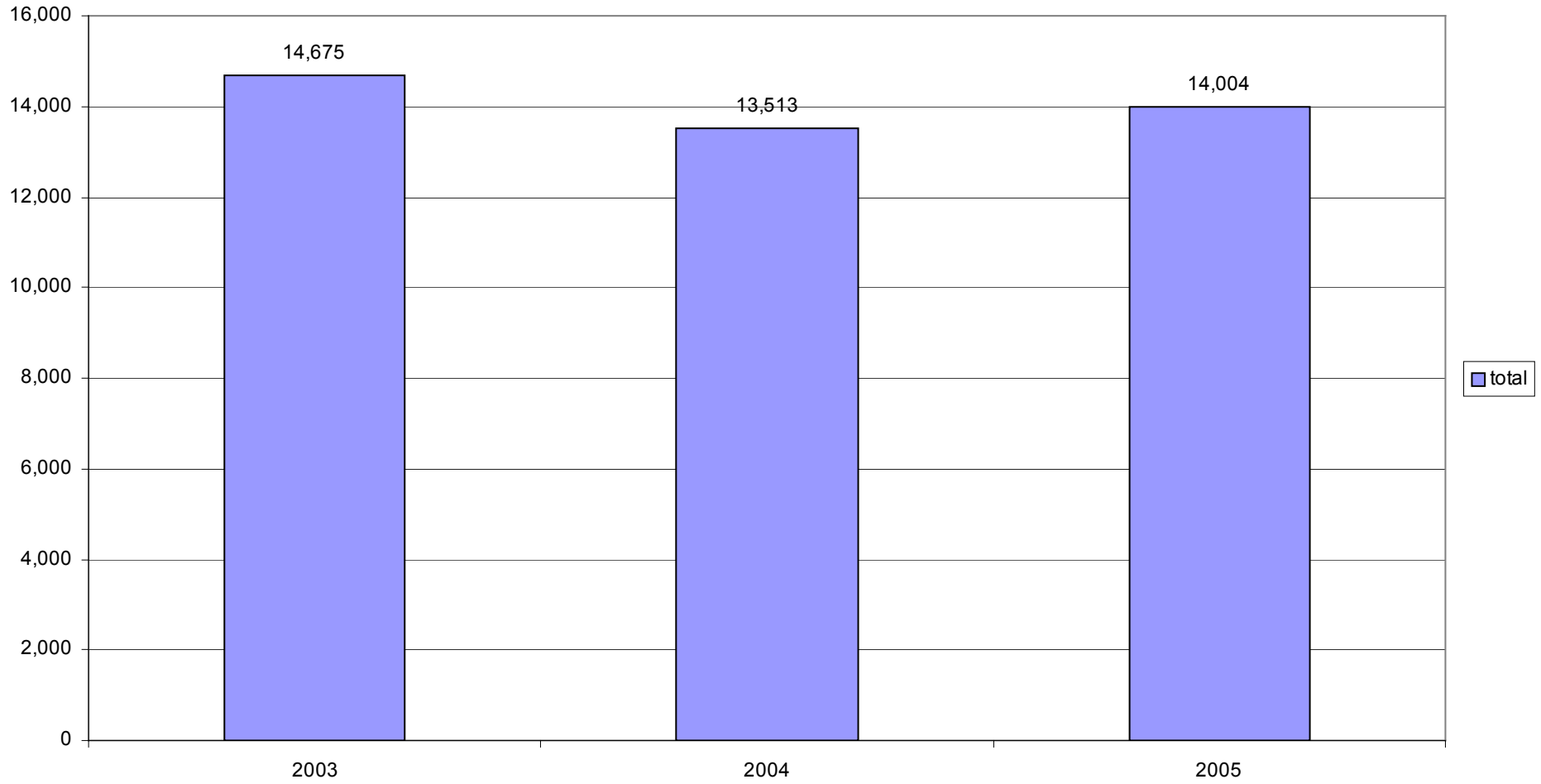


Chart 2: Total Car Park income for Herefordshire July - November (2003-5)



140

Chart 3: Total Visitor Numbers to the Museum and Art Gallery (July - December) 2003-5



141

Chart 4 - Broad Street Air Quality by Month (2003-5)

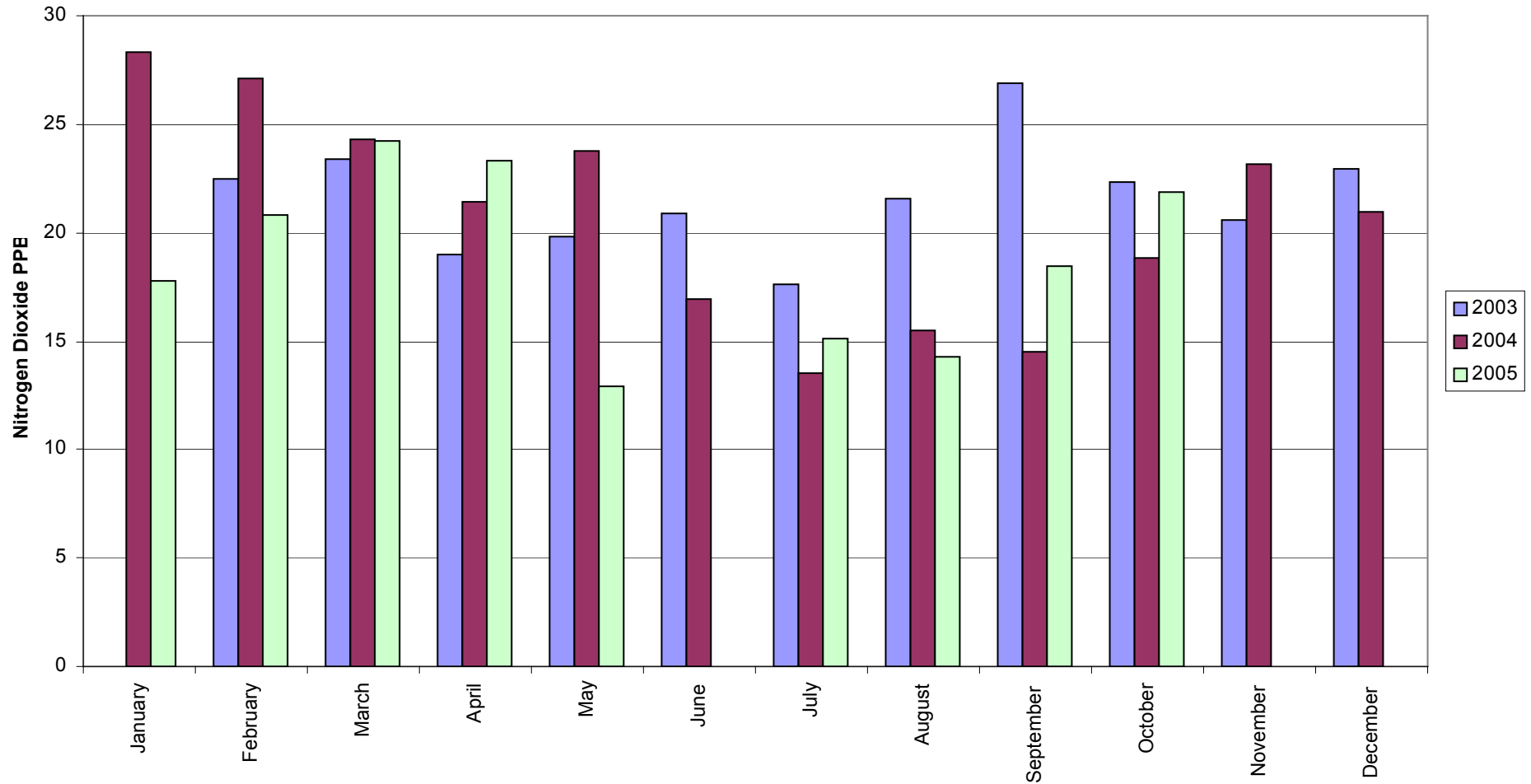


Chart 5 - Widemarsh Street (Nr Maylord Street) Air Quality by Month (2003-5)

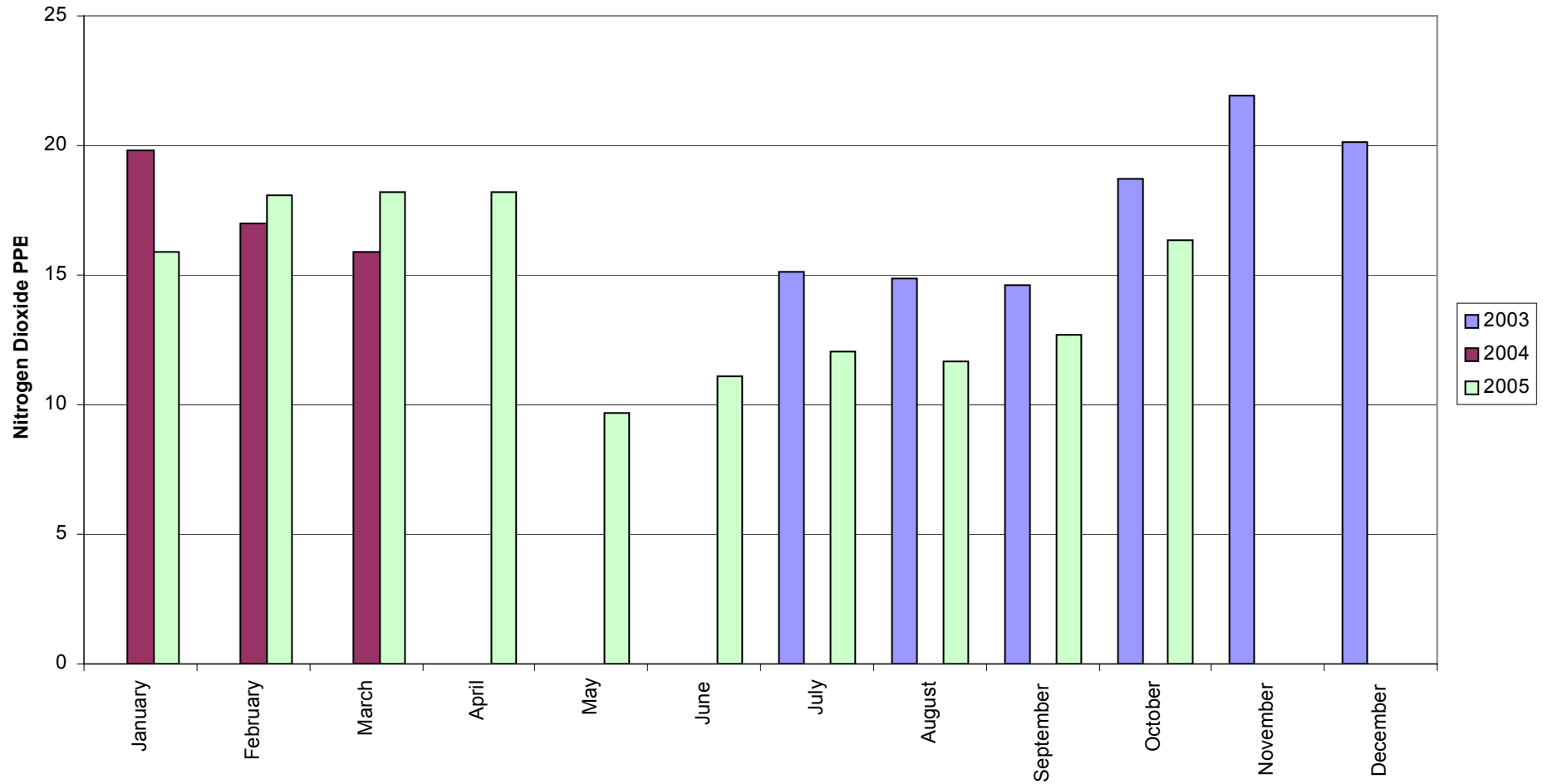


Chart 6 - Edgar Street Roundabout Air Quality by Month (2003-5)

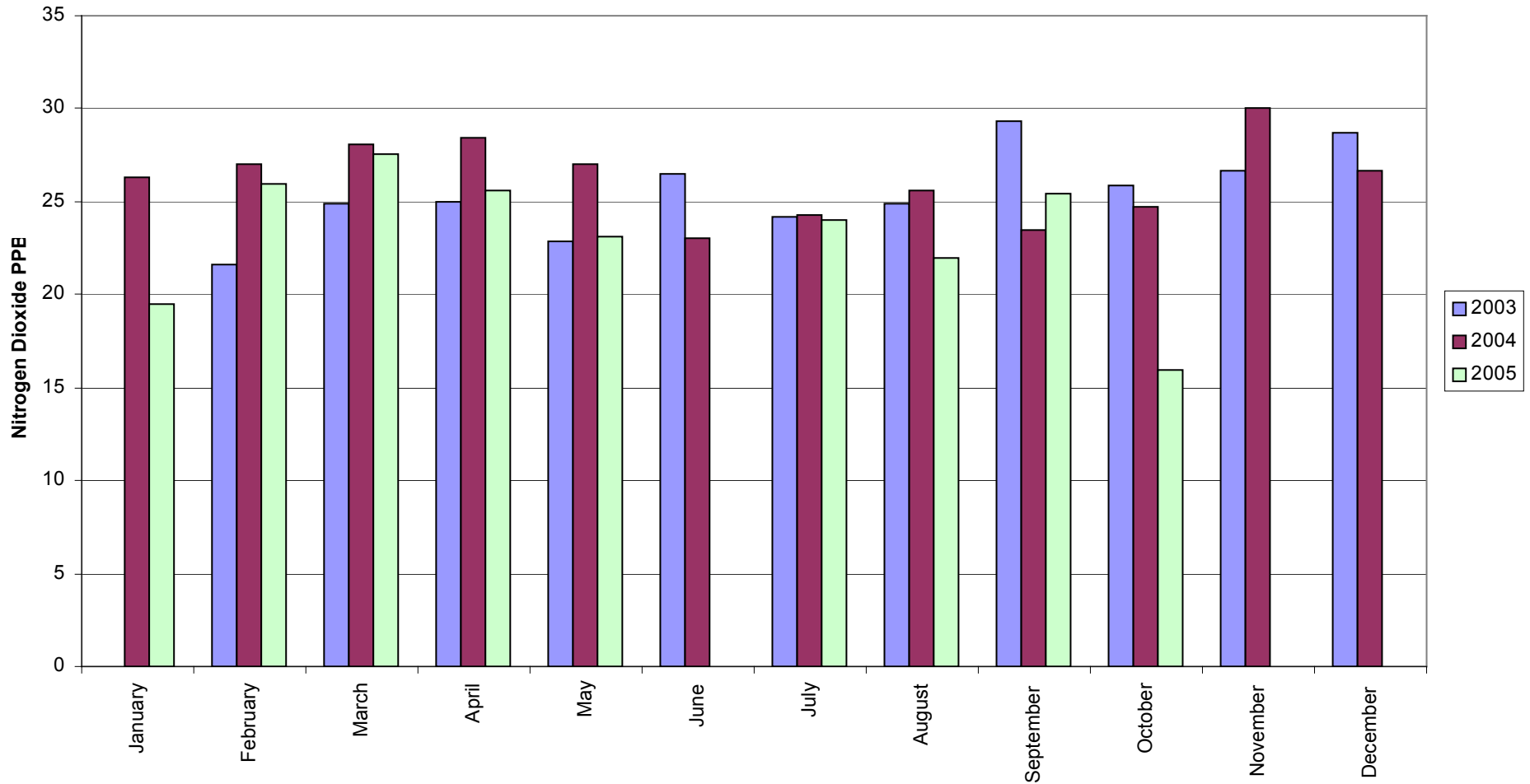


Chart 7 - Shopmobility Usage July - December (2003-5)

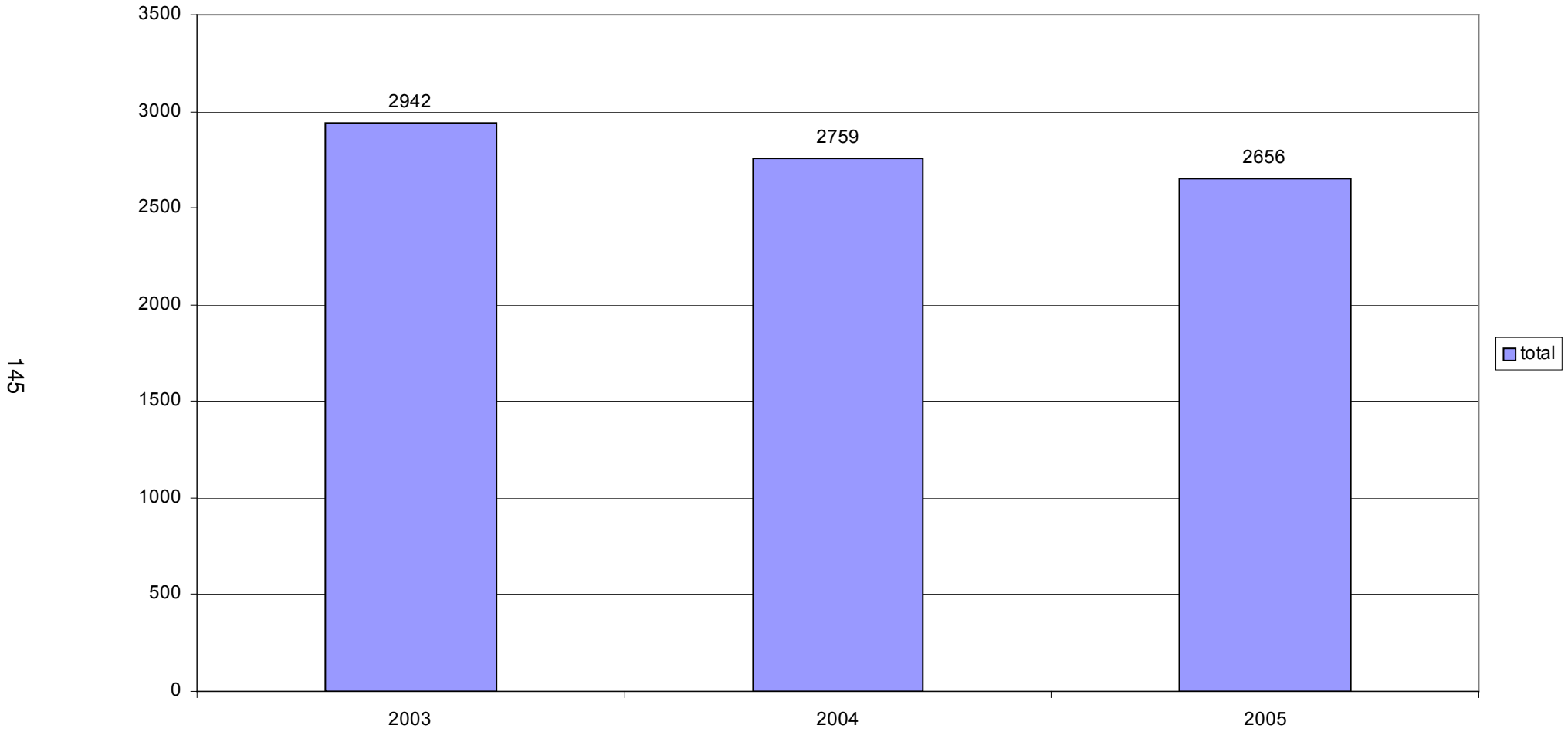


Chart 8 - Footfall at City Shopping Location by Month (2004-5) excluding Sunday Trading

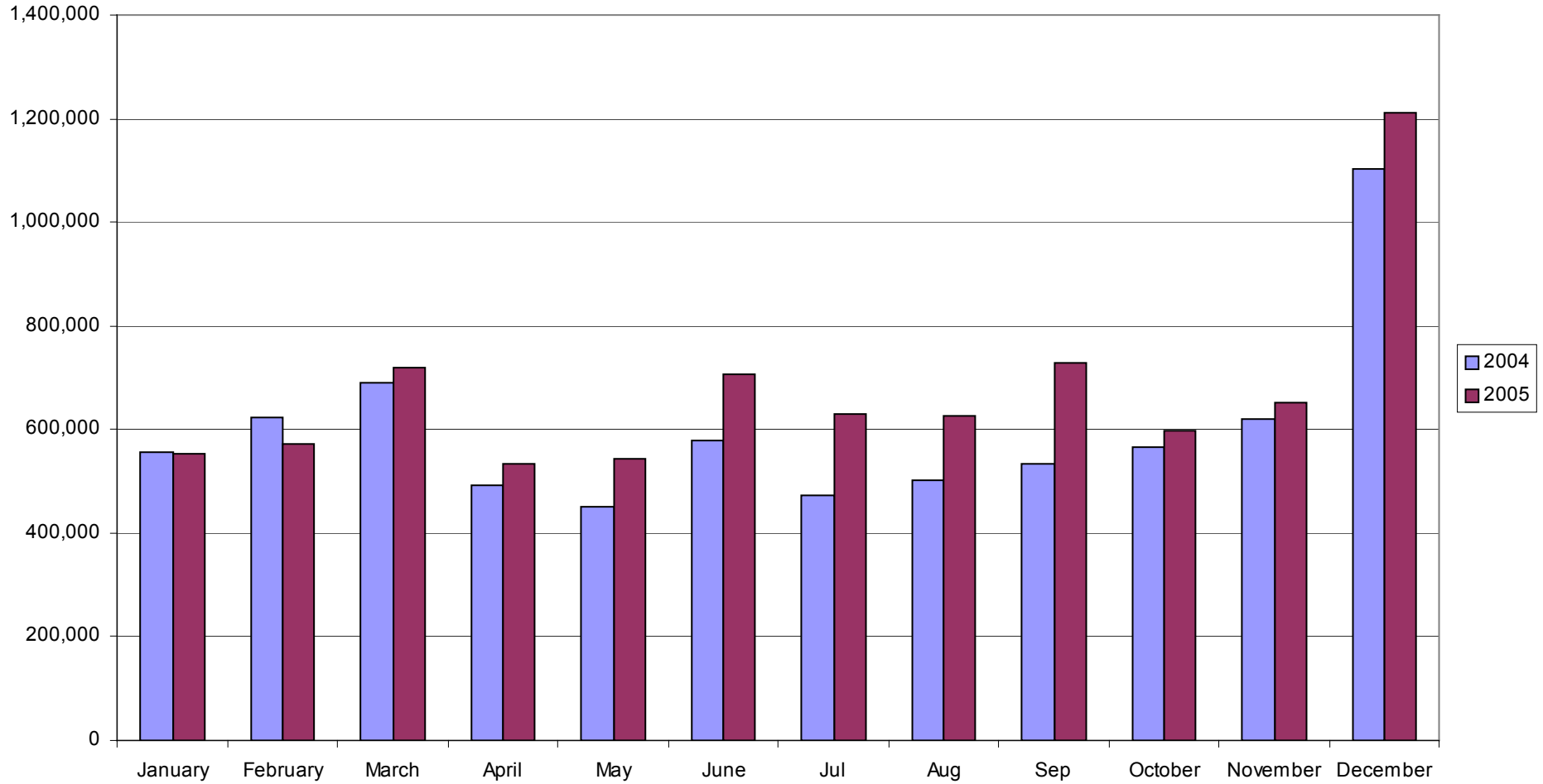


Chart 9 - Traffic Flows - Greyfriars Bridge/Barton Rd Junction (12 hr Counts)

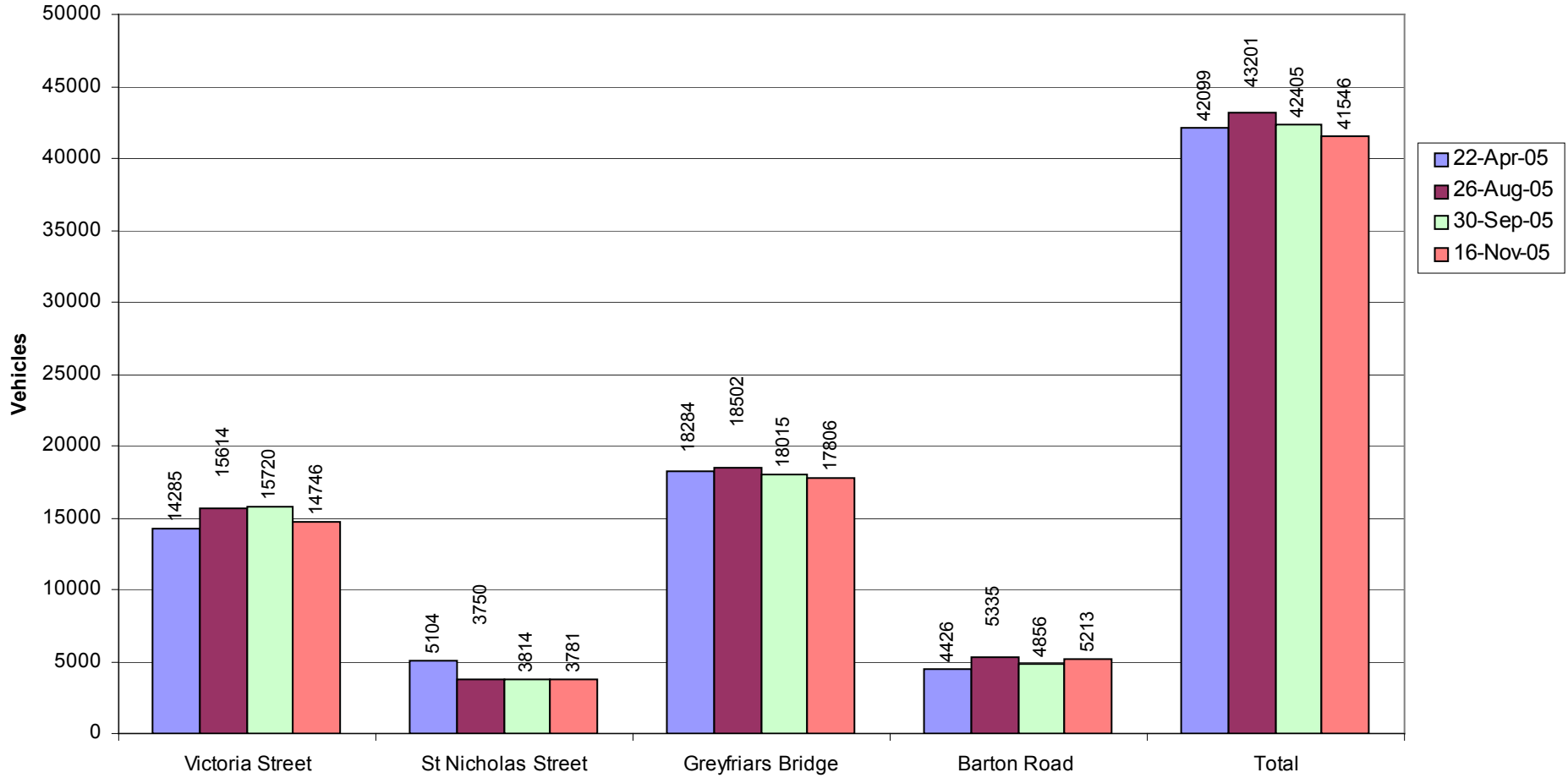


Chart 10 - Traffic Flows Broad Street/West Street/East Street (12 hr Counts)

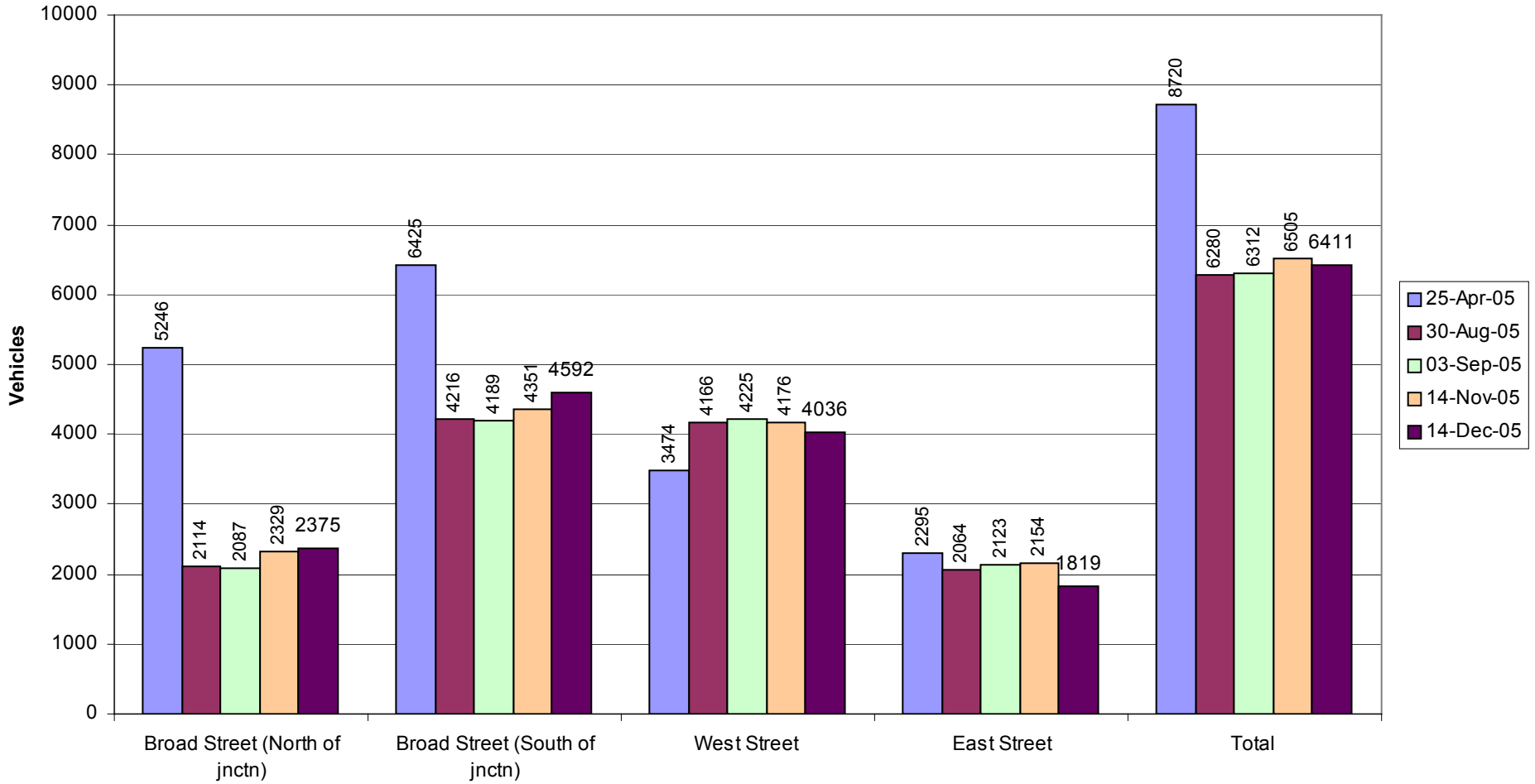


Chart 11 - Traffic Flows Widemarsh Gate (12 hr Counts)

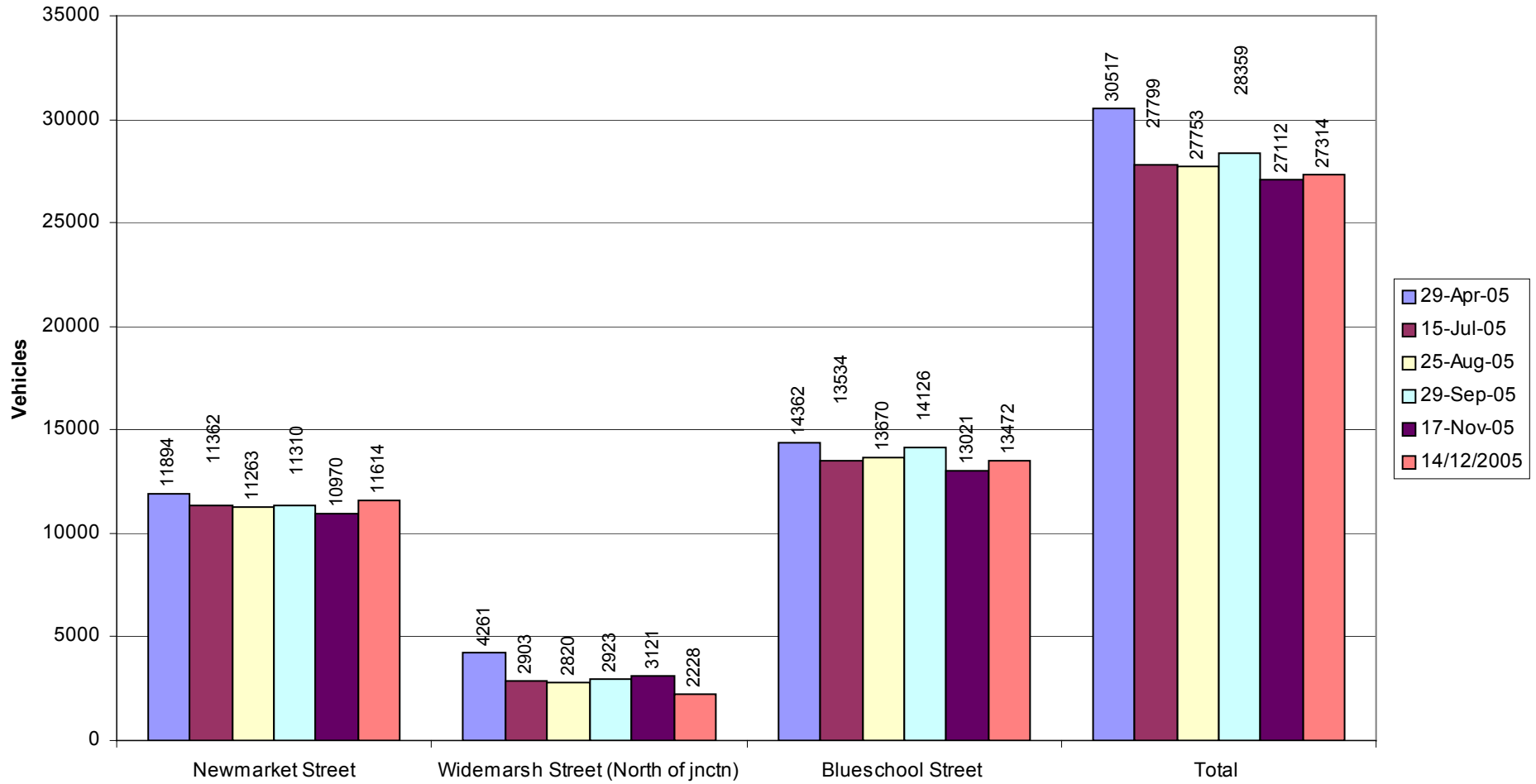
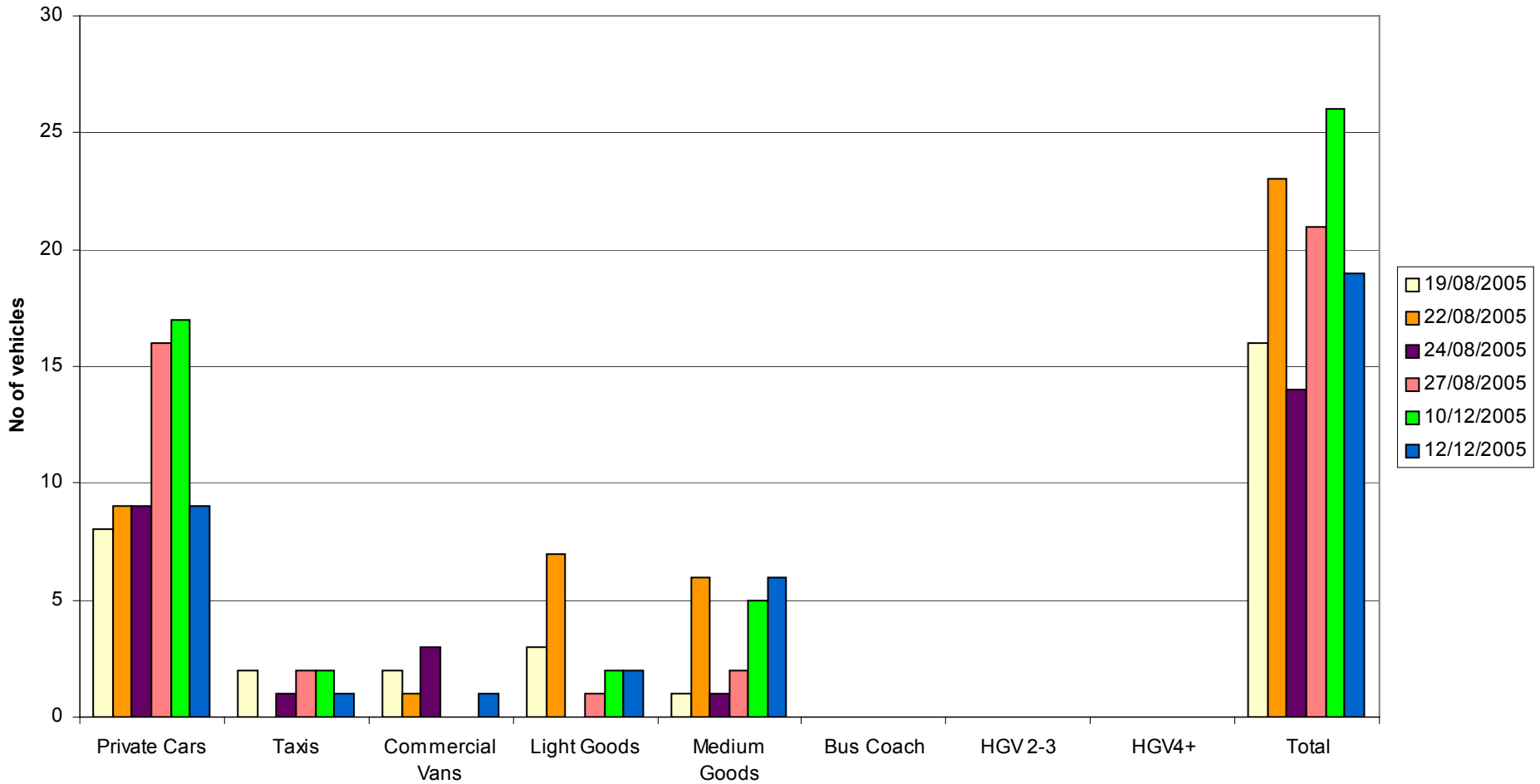


Chart 12 - Vehicles Exiting Bewell Street between 10:30am and 4:30pm



150

**WIDEMARSH STREET PEDESTRIANISATION EXPERIMENT -
RESPONSES FROM STAKEHOLDER CONSULTATION**

Organisation	Do you/your group support the scheme	Please explain why you support the scheme	Please explain why you oppose the scheme	Please explain if you have experienced any technical problems with the scheme. Are there any improvements you would like to see?
Abbey Cars	Yes	Safer for pedestrians		
Arctic Circle	Yes	More inviting environment for people		Access to disabled spaces at top of Broad St (opposite Barclay's) not available once Widemarsh St closed off at 10.30 am
Assn of Group Tour Operators	Yes	Past experience is that a pedestrian area is needed more than ever to provide environmental friendliness		
Castle Garage Ltd, Coach Tours	Yes	It enhances the centre of Hereford for tourists and shoppers, enabling the visits to be safer, more relaxed and less stressful, making it a more attractive tourist centre.		Parking and drop off points will be a problem which will need addressing.
Chamber of Commerce, Herefordshire & Worcestershire	No		The Chamber can see any evidence that increasing the pedestrianised area of the City Centre would attract more visitors, as wider issues such as congestion and parking problems are more significant factors. Lack of a strategic view on the impacts that the closure can affect a number of businesses, attractions and organisations. Previously disabled people could access close into City Centre by taxi to Marks & Spencer, banks. Now this person cannot access the city centre without a greater walk. Lack of provision of taxi ranks leads to increased parking in areas not serviced by the City Centre. Lack of clear evaluation process to justify the scheme. Lack of a willingness to work with the business community and listen and respond to their concerns.	Poor signage. Lack of Emergency Vehicle access. Vehicle accessing "closed" area through Bewell Street. Willingness to work together to find a solution.
CPRE	Yes	Good for pedestrians, business and the environment. Business will find that in the future it will increase trade.		
Crusader Holidays	No		The scheme prohibits coach access to the Green Dragon hotel between 10.30 and 16.30 which is too restrictive when we have our groups staying at the city's only hotel large enough to accommodate coach groups	Yes as detailed above. An exception during 10.30 - 16.30 to allow coach access needs to be made.

**WIDEMARSH STREET PEDESTRIANISATION EXPERIMENT -
RESPONSES FROM STAKEHOLDER CONSULTATION**

Organisation	Do you/your group support the scheme	Please explain why you support the scheme	Please explain why you oppose the scheme	Please explain if you have experienced any technical problems with the scheme. Are there any improvements you would like to see?
Cycle Hereford (formerly Hereford Cycle Forum)	Yes	<p>Cycle Hereford supports measure to significantly reduce traffic impacts in Hereford City Centre. There are many ways to do this, but since the Council is piloting part pedestrianisation, we believe this approach should be supported for the time being with some adaptations in order to increase access for cyclists and provide a more considered long term approach. In particular we wish to see the road user hierarchy developed by York rifulously pursued in Hereford. The heirarchy recognises that all road users benefit when the needs of the most vulnerable are given priority. Therefore schemes which favour pedestrians in principle deserve support. Our concern in this reply is to ensure that the needs of cyclists are more appropriately reflected in the development of the scheme.</p>		<p>To provide a permanent shared space with priority in descending order for pedestrians, cyclists, buses and taxis, 24 hours a day. All private vehicles to be permanently excluded with some concession to disabled vehicle access. Authorised vehicles and emergency services to have access into Widemarsh St controlled by retractable bollards which do not hinder pedestrians or cyclists. We support continuation of the restriction on loading and unloading between the hours of 10.30 am and 4.30 pm. <i>There is a long list of other issues attached</i></p>
Director Herefordshire Trade Federation	No		<p>The scheme is damaging business and continuity, especially Cathedral visits which also brings trade to the surrounding areas. The Council seems unable/unwilling to reason with the business owners/managers.</p>	<p>We regard West Street as unable/unfit to cope with all the incoming traffic to Broad Street/Cathedral/King Street and this aspect has been taken for granted as the acceptable option which it cannot be. Has an authorized traffic agency been asked to coment? If so, may we see a copy of their views/advice?</p>

**WIDEMARSH STREET PEDESTRIANISATION EXPERIMENT -
RESPONSES FROM STAKEHOLDER CONSULTATION**

Organisation	Do you/your group support the scheme	Please explain why you support the scheme	Please explain why you oppose the scheme	Please explain if you have experienced any technical problems with the scheme. Are there any improvements you would like to see?
First Group (Bus Operator)	No		<p>The Company does not support the scheme because it results in a loss of public transport access to the City Centre area. Prior to the implementation of the experimental scheme, country services from the Country Bus Station picked up passengers in Broad Street. Because of difficulty in negotiation West Street, the nearest stops for these services will be Maylord Orchards and Bridge Street. The exit from Maylord Orchards is difficult at many times, causing delays to services. The scheme does not consider the implications for public transport - any scheme should ensure that access for public transport is improved, in furtherance of aims of promoting sustainable transport modes for environmental reasons.</p>	<p>I note that there are no proposals to assist access by public transport via West Street, as suggested in my response to the consultation on the experimental scheme.</p>
Hereford & Worcester Ambulance Service	Yes	Seems to provide a safer environment for pedestrians		<p>Although we have the code to unlock the gates we have had problems with this. Also, we have had problems in accessing the gates due to unattended vehicles parked at the gate site.</p>
Hereford Access for All	Yes. Partly	<p>I, myself, am in favour of the scheme, and Access members agree, on the whole. It is safer for those with mobility impairments, and there is more room on the road for pedestrians.</p>	<p>Some Access members are not in favour of the scheme for the following reasons - some parking spaces for the disabled have been lost (e.g. outside Barclays Bank). The bus stop in Widemarsh Street was more convenient than where it has been re-sited. Some older people miss being able to get a taxi from outside M&S</p>	<p>Some vehicles have been using Bewell Street as a short-cut between 10.30 am and 4.30 pm which means that pedestrians could be taken by surprise by vehicles on the road. I have some concerns about emergency vehicles being able to access the High Town/High Street area. Is there some way that the gates could be opened quickly in an emergency to let emergency vehicles through?</p>

**WIDEMARSH STREET PEDESTRIANISATION EXPERIMENT -
RESPONSES FROM STAKEHOLDER CONSULTATION**

Organisation	Do you/your group support the scheme	Please explain why you support the scheme	Please explain why you oppose the scheme	Please explain if you have experienced any technical problems with the scheme. Are there any improvements you would like to see?
Hereford Cathedral	No		<p>It does not form part of an overall integrated scheme for Hereford City and may, if implemented without regard to proposed development elsewhere, jeopardise those developments. It does not provide vehicle access to the city centre for those with mobility difficulties. It delays (and occasionally prevents) access by emergency vehicles to Widemarsh St/Broad St and the cathedral and increases the potential risk to life and property. It does not provide adequate bus/coach access to the cathedral. West St is not suitable for coaches; the right turn from West St to Broad St is difficult to locate. Coach visits fell dramatically in 2004 when Widemarsh St was first closed and remain seriously depressed in 2005. Associated with the need to provide easy access for coaches is the need to provide suitable drop-off points, coach parks and facilities for drivers. The consultation process has been inadequate and imbalanced. Statistical samples have been size-based rather than quality based, and insufficient weighting has been applied to 'informed' opinion.</p>	<p>Allow bus/coach/taxi and emergency vehicle access to Widemarsh St and High St or widen West St and improve turn into Broad St. Signage - a carefully planned and comprehensive set of signs on all approaches to Hereford and on all roads within Hereford city, regardless of which agency has responsibility for those roads. Provision of an adequate coach park, easily accessible from the cathedral and within easy access to the cathedral, with adequate facilities for coach drivers.</p>
Hereford City Council	Yes	<p>Provided adequate delivery arrangements are made outside 10.30 am - 4.30 pm</p>		<p>Yes, gates too far into Widemarsh St; area is being used as a drop off point.</p>
Hereford City Partnership	In principle yes, but not in its current form		<p>As the remaining north-south artery through the city, the total closure has a severe impact on business in the city overall - not just Widemarsh Street. Also the lack of access for disabled and elderly needs to be reviewed.</p>	<p>Coach access to cathedral, taxi access throughout the city and access to public transport are all more difficult. We would like to see a scheme that accommodates all users' needs to retain vibrancy of city centre.</p>
Herefordshire Association for the Blind	Not specific (some people like it, some feel it should be either open or closed all of the time)			<p>Disadvantages include loss of Widemarsh Street taxi rank, difficulty of access to Resource Centre, traffic light settings, delivery access and traffic entering Widemarsh St from Bewell St.</p>

**WIDEMARSH STREET PEDESTRIANISATION EXPERIMENT -
RESPONSES FROM STAKEHOLDER CONSULTATION**

Organisation	Do you/your group support the scheme	Please explain why you support the scheme	Please explain why you oppose the scheme	Please explain if you have experienced any technical problems with the scheme. Are there any improvements you would like to see?
Herefordshire Hackney Carriage and Private Hire Association	No		The views of the association are: (1) Lack of disabled and taxi access to city centre i.e. Buttermarket, Marks & Spencers etc; (2) Concerns with extra congestion on Ring Roads and West St; (3) Regeneration of the City Centre needs to be a complete package and Widemarsh Street should not be considered in isolation.	The closure is affecting the livelihood of taxi drivers. The closure is depriving disabled people from being dropped off at drop-off points within the closure area. Taxis that normally use Widemarsh Rank during the day are finding it difficult to find alternative ranks. I have seen ambulances at fist hand unable to access locked gates. <i>There is a long list of extra reasons separately attached.</i>
Herefordshire Primary Care Trust	No views either way			
K W Board Ltd, Coaches, Cinderford, Glos	Yes	I think that pedestrianisation is best for shoppers being the streets concerned are narrow and traffic can be dangerous to the public.		No problems with the proposed arrangement but we experience problems turning right out of West Street into Broad Street due to poor parking at the junction.
Ledbury Area Cycle Forum	No		The scheme excludes cycles. Hereford is not a particularly "cycle friendly" city at the best of times. There is only one "legal" way for cyclists to reach the city centre from the east and that is via the inner ring road. St Owen St, East St and Gaol St are all (at least in part) one-way west-to-east. Although Castle Street is available, the pedestrianised cathedral precinct is a barrier there. Closing Widemarsh St requires a further detour round the ring road and also excludes access from the north.	<i>There is a long list of suggested improvements - too many to include here. Available as a separate sheet</i>
Neville's Tours	Yes	Narrow streets difficult for coaches and all other traffic. Hazardous for pedestrians.		For this to work, coach set down and pick up areas in St Peter's Square/St Owen's Street must be kept clear - they are often obstructed by cars. Without clear coach areas the coach trade will disappear. Enforcement is essential.

**WIDEMARSH STREET PEDESTRIANISATION EXPERIMENT -
RESPONSES FROM STAKEHOLDER CONSULTATION**

Organisation	Do you/your group support the scheme	Please explain why you support the scheme	Please explain why you oppose the scheme	Please explain if you have experienced any technical problems with the scheme. Are there any improvements you would like to see?
Road Haulage Association Ltd	No		The members of the Road Haulage Association oppose it on 2 grounds - (a) Forcing HGVs to deliver at the busiest time of the day will increase congestion (b) Road safety - I.e. with regard to children returning from school at the busiest/most congested time of day.	
Royal National College for the Blind	No		The scheme makes independent travel difficult for people with a visual impairment (VI) for the following reasons: A person with VI needs to have clear facts on traffic flow before making a road crossing and the current situation is variable and changeable. When providing information to a person with a VI it is currently necessary to explain that the road is pedestrianised during certain hours only. Although Widemarsh St is said to be pedestrianised during the day, taxis and delivery drivers are still using the road and moving much faster now that the traffic flow is lighter. Clearly this presents a danger to a visually impaired pedestrian.	The current situation does not allow for a clear road crossing strategy for a person with a VI. It is confusing and ambiguous to say that a road is pedestrianised when there is still a traffic flow at any time of the day and a heavy traffic flow at certain times of the day.
Stagecoach West	No		The views of Stagecoach are that this road closure will mean that some of our customers will need to walk further to catch their bus. This will dissuade some people from using buses as the service may be less attractive with a revised route.	No technical problems, just prefer to operate the service through the city centre to maximise journey opportunities.
Worcester Police	Unknown	Not going to fill in Widemarsh Street Questionnaire - will wait for formal consultation		

WIDEMARSH STREET PEDESTRIANISATION
STAKEHOLDER CONSULTATION – NO RESPONSE RECEIVED

A B Coaches Ltd	Fenn Holidays Ltd
Abbey Travel - London Ltd	First Choice Travel
Abbott & Sons	Fleet Coaches Ltd
Ace Travel (Tedham Coaches)	Fosters of Aylesbury Ltd
Albatroe Travel Group	Freight Transport Association
Amber Coaches	Galina Travel Ltd
Andrews of Tideswell	GEORGE YOUNGS COACHES LTD
Bach Travel	Goodwins Coaches
Barfordian Coaches	Harrison Holidays
Barton Buses	Hereford Fire Station
Beacon Coaches	Highcliffe Coaches
Bell Bros	Highways Agency
Blue Iris Coaches	Hodgsons of Millom
Bob Smith Travel Ltd	Hookways Pleasureways
Booths Coaches	Hulleys of Baslow
Borda Coach	Hunts Coaches
Boultons of Shropshire	Impact Travel Ltd
Brighton & Hove Coaches	J E Clyde, The Taxi Association
Broadoak Travel Ltd	J F Huxley British & European Coach Holidays
Browns Luxury Coaches	JAK Travel/Westercroft Coaches
Camelot Coaches	Jim Dicken, Hereford Wheelers Club
Carmel Coaches	John Flanaghans Coach Travel
Classic Tours	Johnsons Coach Travel
Compass RoystonGroup Travel	Johnsons Quality Coach Company
Cooks Coaches	K W Beard Ltd
Coopers Coaches	K.W. BEARD COACHES
Coppenhall's Coaches	Kings Coaches
Cresswells Coaches (Gresley) Ltd	Kings Luxury Coaches
Currian Tours & Coach Hire	Kingsley Coaches
Daglish Coaches	L B Travel
Dartline Coaches	Lavender Travel
David Price	Leander Coaches
David Randle	Living Planet Travel Ltd
Dawlish Coaches Ltd	London Pullman
Dewent Travel	Macpherson Coaches
Diamond Holidays	Marine Travel
Dianes Coaches	McLaren Coaches
Dolphin Travel	Messengers Coaches Ltd
Drury Travel	NBM Coaches
DUKES TRAVEL	NICK MADDY COACHES
Eagles Luxury Coaches	Owens Motors Ltd
Eddie Brown Tours Ltd	P C Coaches of Lincoln
Elite Coaches	Panorama Coaches
Enterprise Travel	Park Lane Travel
Euro-lines(UK) Ltd	Parnhams Coaches Ltd
Excalibur Coach Travel	PC Colin Meers
	Pearson Coaches

WIDEMARSH STREET PEDESTRIANISATION
 STAKEHOLDER CONSULTATION – NO RESPONSE RECEIVED

Peter Carol Coaches	Warners Coaches LTd
Phil Weaver	Watson Travel
Powell's Coaches	Webbs Coaches
Primrose Travel	Wessex International Ltd
Prospect Coaches West Ltd	Western Greyhound Ltd
Pulman & Sons Coaches	Windsorian Coaches
RAC	White Bus Services
Red Rose Travel	Wold Travel
Redwing Coaches	Woodwards Coaches
Reynolds Diplomat Coaches	Wright Bros (Coaches) Ltd
Richard Green Travel	YEOMANS CANYON TRAVEL
Richmond's Coaches	
Robinsons Coaches	
Roger Hughes	
Shaw's Coaches	
Sherwood Travel	
Smiths Coaches	
Smiths of Marple Ltd	
Snowdon Coaches	
Solent Coaches Ltd	
South Quay Travel	
St Bannrocks Travel	
Stephensons Coaches	
Success Tours	
Swallow Travel	
T H Jones & Son - Caelloi Motors	
Tally Ho! Coaches	
Tates Coaches	
Tay & Torridge Coaches Ltd	
The AA	
The Complete Travel Service	
The Travellers Choice	
Thompsons Tours	
Tonna Luxury Coaches 86 Ltd	
Tony Dodd	
Top Travel Coaches	
Torbay Luxiline Coaches	
Travel Wright Coaches	
Traveline	
Travelstyle VIKING	
Trueman Coaches	
Truronian Ltd	
Turners Coachways	
Turners Tours	
Very Revd Michael Tavinor	
Vision Travel	
Walkers Executive Coaches Ltd	
Wallace Arnold Coaches Ltd	

Summary of deliberations of the Community Services Scrutiny Committee 11 and 13 January 2006

In reviewing the experiment to pedestrianise Widemarsh Street, Hereford the Community Services Scrutiny Committee heard evidence from a wide range of key stakeholders.

The meeting was a follow up to the meeting held on 26th January, 2005 when the Widemarsh Street Review Group, established by the former Social and Economic Development Scrutiny Committee, considered the then proposed experiment to pedestrianise Widemarsh Street, Hereford.

Summary of Evidence from Key Stakeholders on 11 January 2006

- The Committee had received a number of written submissions in advance of the meeting, these included:
 - Letter from Cllr Alan Taylor, Hereford City Council, suggesting that new disabled parking spaces could be provided in Norgate Street during the hours Widemarsh Street was closed to traffic.
 - Letter from Mr and Mrs Jones, Hereford Residents, who were against pedestrianisation. Also outlined was the additional problems with finding disabled parking spaces since pedestrianisation and a suggestion that if pedestrianisation was to remain in place then access should be allowed to buses, taxis and disabled badge holders.
 - Letter from Nick Romans, Manager, Marks and Spencer, discussing taxi access to the store from East Street and a reduction in elderly customers now that taxis could not collect them from High Street.
 - Letter from Georgia Smith, Association of Town Centre Management on issues to consider when considering a pedestrianisation scheme and the retail climate.
 - Letter from Steve Zanker, Commercial Director, First Buses, calling for a quality city centre bus stopping area and priority road measures for buses. The letter proposed that Widemarsh Street could be the site of a new bus terminal for Hereford.
 - Letter from Paul Keetch MP stating that “pedestrianisation could be advantageous as long as access for the disabled, vehicular and other modes of transport inclusive, taxis and bus/coach access can be included in the final scheme.” He also wished to see “swifter access incorporated to allow ambulance and fire services in particular immediate entry through the gates and not losing valuable, potential lifesaving moments waiting for gates to be unlocked.”
- The Committee received a petition signed by 108 members of the public at *Beads-in-Abundance*, Capuchin Yard, off Church Street, Hereford which supported the pedestrianisation scheme subject to a review of access.
- The Police Representatives informed the Committee that: from their perspective there were no additional traffic problems caused by the experiment; emergency response times had not increased; problems with emergency vehicles accessing Widemarsh Street in the day had been resolved; there were safety problems with vehicles exiting Bewell Street into High Street, with vehicles reversing to park in Norgate Street and with vehicles waiting on the ring road to enter Widemarsh Street prior to its opening. There had been a reduction in crime during the hours in which Widemarsh Street was closed to traffic. Subsequent to the meeting on

the 11th PC Colin Mears provided an email stating that access to Widemarsh Street to all vehicles would provide no significant reduction in congestion on the ring road and that they believed that if the gate stayed closed until 6.00pm it would eliminate most of the current potential danger identified when traffic re-enters Widemarsh Street at 4.30 pm when many people were still shopping.

- The Representatives of the Taxi Association informed the Committee that: congestion in the City had increased which had resulted in a 20% reduction in takings; the number of rank spaces had reduced; free phone calls from people calling taxis from Marks and Spencer had reduced by 60%; fewer elderly people were using taxis than before; traffic tailbacks to enter the ring road had increased; drivers were working an extra 2 hours a day to earn the same income prior to pedestrianisation; pick up points to the rear of Marks and Spencer were no good to customers who lived south of the river; the pedestrianised area should be open to taxis and buses; alternatively a taxi rank down the length of Broad Street was proposed; Tesco's taxi rank was described as chaos.
- The Representatives of Stagecoach Bus Company informed the Committee that: Stagecoach now used Maylord Orchards as its stop closest to the City Centre; moving stops had increased journey times and inconvenience to customers; takings and passenger numbers dropped when pedestrianisation was initially introduced but had now recovered; it was felt that buses and taxis should be allowed access to the pedestrianised area.
- The Representative of the Phillip Morris store informed the Committee that: takings were on or above target in the last three quarters and this could be due to pedestrianisation; deliveries had improved to the store but pressure had increased for shipping out online orders at the end of the day; sales of large heavy goods had reduced; Widemarsh Traders Association were in favour of retaining pedestrianisation; he was conscious of potential danger to pedestrians when traffic was reintroduced at 4.30pm.
- The Jeans Station Representative informed the Committee that: summer trading had been difficult due to Eign Gate refurbishment but had now improved; deliveries now arrived earlier; customers were happy with pedestrianisation; in the long term he favoured the installation of an automated gate at the entry point to Widemarsh Street thereby to allowing taxis and buses access to the pedestrianised area.
- The Marks and Spencer (M&S) Representative informed the Committee that: takings had been down fractionally but he could not attribute this to pedestrianisation; M&S deliveries had not been affected; a taxi collection point at the rear of M&S was not favoured by customers; conscious of wider traffic problems in the city the M&S representative suggested that perhaps the scheme should be reconsidered, if not, then the area should be open to taxis and buses.
- The Chave and Jackson Representative informed the Committee that: the store was performing in line with the company's other stores; concern was expressed regarding the City's traffic problems; there was a suggestion that existing loading bays in Broad Street be used for short term parking at weekends.
- The Bill Jackson Estate Agent Representative informed the Committee that: retail businesses in the Broad Street/King Street/Bridge Street area had declined by

5% since the experiment was introduced; traffic problems had impacted upon the operation of his business.

- The Left Bank Village Representative informed the Committee that a downturn in trade had been experienced during the experiment as fewer coaches were visiting the City.
- The Access for All Representative informed the Committee that: most patrons were pleased with pedestrianisation however, there were problems with vehicles entering the area during its closure and with cyclists; some elderly people were no longer visiting the city as they could not be dropped off in the city centre;
- The Royal National College for the Blind representative informed the Committee that: partial pedestrianisation was confusing particularly as vehicles could enter the zone via Bewell Street; there were problems for visually impaired people where High Street met Eign Gate as it was now difficult to differentiate between the road and the pavement as they were the same height with too discreet a colour difference; previous to pedestrianisation visually impaired people had been disadvantaged by vehicles mounting the pavement and causing obstacles.
- The Hereford Cathedral Representatives informed the Committee that: visitor figures to the Cathedral had dropped since Widemarsh Street had been closed to traffic both in 2004 and 2005; coach drivers had reported difficulty in accessing the venue; a drop off point at the Shirehall was not considered to be convenient for most tour operators.
- The Hereford City Partnership representative informed the Committee that: 2005 had not been a particularly good year for retail; it was important that visitor access to the Cathedral was maintained as these visitors increased the city's economic viability; if coach operators could not access the Cathedral easily they would soon find somewhere else to visit; West Street was not a suitable alternative access point for coaches.
- Herefordshire Council's Acting Cultural Services Manager provided evidence to the Committee that: visitor figures to Hereford Museum had declined between 2003-2005 but this was in line with figures from neighbouring authorities; visitor numbers to the Old House had increased; visitor figures to the Tourist Information Centre had reduced in line with national trends. Subsequent to the meeting on the 11th Members were informed at the reconvened meeting that the visitor figures presented at the meeting on the 11th which showed a reduction in visitor numbers were made up from statistics from April-December. However, if visitor figures for June-December were viewed, during the time of the experiment, visitor figures had actually increased.

Summary of Reconvened Meeting on 13 January 2006

The Committee had received a number of written submissions in advance of the reconvened meeting, these included:

- Email from PC Colin Mears.
- Letter from Maurice Jones, summarising the points made at the earlier meeting.
- Copy of the Petition signed by members of the public at *Beads-in-Abundance* as received at the earlier meeting.

- Letter to Jim Lawes from Mrs T Minton highlighting her personal problems experienced since the closure of Widemarsh Street.
- Letter to Jim Lawes from Anne Rolfe, Royal National College for the Blind, highlighting the problems experienced by visually impaired people since pedestrianisation and the refurbishment of Eign Gate.
- Letter from Widemarsh Street Traders Association, in favour of pedestrianisation also highlighting problems which need to be addressed to improve the scheme including: introducing measures to prevent cyclists in the pedestrianised area; introducing measures to prevent vehicles entering High Street from Bewell Street; introduction of more dropped kerbs for disabled visitors; consideration be given to altering the time which vehicles re-enter Widemarsh Street in the afternoon; and that pedestrianisation be introduced during Christmas late night shopping.
- Letter to Stephen Oates, outlining visitor trends since pedestrianisation had been introduced in Widemarsh Street and its impact on coach visitors, the Cathedral and Hereford generally.
- Three articles from the local press, one article against pedestrianisation and two in favour.

The Committee was grateful for the time taken by all those who presented evidence to it both in person and in correspondence. It also noted the evidence provided to it from the Head of Highways and Transportation which highlighted key issues which had arisen during the monitoring process implemented during the pedestrianisation experiment. The Committee recognised the complexity of pedestrianisation and the arguments both in favour of and in opposition to the scheme and the numerous potential variations to the scheme. It was clear that there was no easy solution which would meet the aspirations of all parties.

Two main proposals were finally made to the Committee, one in favour of reopening Widemarsh Street to most traffic and the other in favour of retaining pedestrianisation with suggestions to improve the current scheme including: extending the hours of the road closure from 4.30pm to 6.00pm; providing better provision for taxis including new rank spaces; providing new bus and coach stops; better road signage to enable visitors to access the City and pay on exit car parks.

RESOLVED:

That the Cabinet Member (Highways & Transportation) consider the range of views expressed by the Community Services Scrutiny Committee at its meeting on 11th January 2006 and reconvened on 13th January 2006, and has particular regard to its two principal conclusions, that:

(a) the Committee supports a form of pedestrianisation in Widemarsh Street, Hereford;

and;

(b) that taxis, buses and coaches should not be granted special access to Widemarsh Street if a form of pedestrianisation is approved.

HEREFORDSHIRE UNITARY DEVELOPMENT PLAN (UDP): INSPECTOR'S REPORT

PROGRAMME AREA RESPONSIBILITY: ENVIRONMENT

CABINET

26TH JANUARY, 2006

Wards Affected

County-wide

Purpose

To agree a method for considering the recommendations of the Inspector following the UDP Inquiry.

Key Decision

This is not a key decision.

Recommendation

THAT the UDP Working Group be re-convened to allow initial consideration of the Inspector's recommendations, advising Cabinet accordingly.

Reasons

Each of the Inspector's recommendations have to be considered by the local planning authority. A method is required to facilitate Cabinet's consideration of the Inspector's recommendations which should provide for the incorporation of the views of the Planning and Scrutiny functions, prior to final approval by Council.

Considerations

1. The UDP Inquiry was held between February – June 2005. The Inspector's Report is expected to be submitted to the Council before the end of the financial year and with this in mind it is prudent to establish a process for its consideration.
2. On receipt of the Report, the Council has eight weeks to make it available to the public.
3. The Council must decide whether to accept or reject each of the Inspector's recommendations. Reasons must be provided in any cases where the Inspector's recommendations are rejected. The outcome of this process is recorded in a document called the Statement of Decisions and Reasons.
4. In a number of instances, accepting the Inspector's recommendations will lead to modifications being proposed to the Plan. There will also be a number of modifications which the Council will wish to put forward to reflect factual changes. All Proposed Modifications are set out in a separate document.

Further information on the subject of this report is available from David Nicholson, Forward Planning Manager on 01432 261952

5. The Statement of Decisions and Reasons and the Proposed Modifications documents are then subject to a further six week public deposit period. A sustainability appraisal and other supporting documentation will also be required. Objections and representations may be made to both the Proposed Modifications and in respect of any cases where the Council do not intend to accept a recommendation of the Inspector.
6. In order to facilitate consideration of the Inspector's recommendations, it is proposed to re-convene the UDP Working Group. This Group was first established by Cabinet in 2003 to consider representations to the original draft Plan, under the chairmanship of the Cabinet member (Environment), and performed a similar role in 2004 in respect of representations to the Revised Deposit Draft. It is proposed that as before the Group comprise:
 - Cabinet members for Environment (Chair) and Highways and Transportation
 - Chairman and Vice-Chairman of Environment Scrutiny Committee
 - Chairman and Vice-Chairman of Planning Committee
7. The views of local members on Inspector recommendations affecting sites in their wards will be sought as part of the process.
8. The response to the Inspector's recommendations should be considered through the Group, Cabinet and Council in order to allow the public deposit of documents in the autumn. It is envisaged that this stage will commence in September, with a view to adoption of the Plan in March 2007. UDP policies will be saved for a three year period from the date of adoption whilst replacement elements of the Local Development Framework are prepared in accordance with the Council's Local Development Scheme.

Risk Management

Consideration of the Inspector's recommendations is a statutory requirement in the plan making process.

Consultees

None.

Background Papers

None identified.

ACCOMMODATION NEEDS OF GYPSIES AND TRAVELLERS

PROGRAMME AREA RESPONSIBILITY: SOCIAL CARE, ADULTS AND HEALTH; AND ENVIRONMENT

CABINET

26TH JANUARY, 2006

Wards Affected

County-wide

Purpose

To support the undertaking of a county-wide assessment of the accommodation needs of Gypsies and Travellers to enable the development of appropriate measures and solutions for further consideration.

Key Decision

This is not a key decision

Recommendations

- THAT (a) the proposed approach in undertaking the needs assessment of Gypsies and Travellers be supported; and
- (b) a further report confirming the findings of the survey and recommendations for consideration be submitted to Cabinet.

Reasons

The Housing Act 2004 places a statutory requirement on the local housing authority to carry out an assessment of accommodation needs of gypsies and travellers residing or resorting to their district, as part of the review of housing needs in their districts under section 8 of the Housing Act 1985. In addition, national planning guidance indicates that local planning policies should aim to meet the housing needs of all sections of the community, including those with special accommodation needs.

Considerations

1. Part 6 of the Housing Act 2004 contains several provisions designed to mainstream the accommodation needs of Gypsies and Travellers alongside those of the settled community, and to ensure that local authorities take a strategic approach to assessing and meeting the needs of Gypsies and Travellers. These measures, in summary, include

Further information on the subject of this report is available from
Richard Gabb, Head of Strategic Housing, on (01432) 261902

- a. Extending the meaning of a 'protected site' to include council sites providing accommodation for Gypsies and Travellers – this entitles residents to a minimum notice period before eviction. Possession can only be obtained by a court order and they are covered by the provisions of the 1968 Act concerning harassment and illegal eviction.
 - b. Provides the courts with powers to suspend eviction orders against those occupying local authority Gypsy and Traveller sites, to last a period of up to 12 months.
 - c. Require local authorities to undertake regular assessments of the needs of Gypsies and Travellers, either living in, or resorting to, their area, under Section 8 of the Housing Act 1985.
 - d. Require local authorities to develop a strategy to meet the needs of Gypsies and Travellers in line with section 87 of the Local Government Act 2003.
 - e. Allows for regulations to be issued which define Gypsies and Travellers, which can change over time. It also states that 'accommodation' can be sites where caravans can be stationed, in addition to bricks and mortar housing.
 - f. Allow for the Secretary of State to issue guidance on carrying out needs assessments and the preparation of housing strategies.
2. There is currently no national or regional guidance available to support the local authority when considering how to undertake the needs assessment of the Gypsy and Travellers accommodation needs throughout the county, although guidance was due to be published during 2005.
 3. The Office of the Deputy Prime Minister (ODPM) collates, twice yearly, a caravan count which is carried out by local authorities with the latest being completed in July 2005. This indicated that there were over 15,000 Gypsy and Traveller caravans in England with 76 being identified in Herefordshire. However, it has been recognised by government that this count does not provide an accurate figure of the needs of this group.
 4. The Government has recognised that there are insufficient numbers of pitches on authorised sites to accommodate those wishing to have a permanent place to stop.
 5. The new planning system, introduced in the Planning and Compulsory Purchase Act 2004, will seek to ensure that local authorities deliver adequate land for sites.
 6. Planning Circular 1/94, which deals with Gypsy and Traveller sites, is currently being revised, and is seeking to overcome some of the barriers to obtaining planning permission for sites, which have otherwise provided difficult. The new circular will provide robust guidance on the establishment of new sites, namely
 - a. Changed definition of 'Gypsy' recognising that they may stop travelling, either permanently or temporarily for health or educational reasons or because of caring responsibilities.
 - b. Requirement that local authorities identify suitable sites in their development plan documents, (only exceptionally will it be acceptable to meet needs by specifying criteria for the identification of sites without identifying any specific sites).
 - c. Improved guidance on drafting the criteria in development plans against which applications for sites not allocated in the plan will be judged, stating they should be fair, reasonable, realistic and effective in delivering sites.
 - d. Explanation of how local housing needs assessments will assist to quantify the level of need and how the planning system and the involvement of

- Regional Housing Boards will translate that need into allocations in the planning process.
- e. The local authorities responsibilities under the Race Relations Act.
 - f. How local authorities should seek to engage Gypsies and Travellers and build trust.
 - g. The inclusion and advice on how Gypsies and Travellers can engage in the planning process.
7. New providers of sites will also be entering a market with the extension of permissible purposes of the Housing Corporation, which will enable them to provide funding to Registered Social Landlords for the establishment of Gypsy and Traveller sites.
 8. Despite the lack of guidance, work has begun in Herefordshire to identify a base line position to include the following:
 - a. Identifying existing sites, including permanent, transit, legal and illegal both tolerated and others;
 - b. Identifying those in settled accommodation;
 - c. Identify those seeking settled accommodation;
 - d. Personal interviews with Gypsies and Travellers;
 - e. Review of the housing related support service to Gypsies and Travellers;
 - f. Those known to be seeking settled accommodation and registered with Home Point;
 - g. Identify any cross boundary working.
 9. The Regional Housing Board, through the Housing Corporation has made available £56m grant funding available for the next 2 years, for the provision of new sites and refurbishment of existing sites nationally. This is the first time grant allocations have been made available for sites through the Annual Development Programme. The level of grant available is 100% grant for new sites and 75% grant for refurbishment of sites (with 25% match funding). Whilst an application is currently being considered, the Council may not be in a position to submit an application due to uncertainty over match funding and planning approvals.
 10. The strategic importance that the local authority places on meeting the accommodation and housing related support needs of Gypsies and Travellers is reflected in the Supporting People Strategy 2005-2010. The development of the Traveller Liaison Scheme is a commissioning priority for this financial year. The Housing Strategy 2005-2008 gives priority to addressing the increasing needs of homelessness and to ensure that vulnerable people needing housing linked to support have their needs met.

Alternative Options

As the assessment of the needs of Gypsies and Travellers is a statutory duty of the local housing authority, and the increasing emphasis in national planning policy on the allocation of Gypsy and Traveller sites, the option to do nothing is not viable. There are no alternative options. However, by assessing and positively addressing the needs of the Gypsy and Traveller communities, this is likely to result in less time and financial burden in pursuing unnecessary enforcement action cases through planning.

Risk Management

Once the assessment has been completed, the local authority will have a clearer understanding of the accommodation needs of Gypsies and Travellers and will be in a position to establish a clear strategic approach to meeting the identified need, through allocation of sites and providing housing related support services where possible.

Consultees

None.

Background Papers

None identified.

HEREFORDSHIRE OLDER PEOPLE'S STRATEGY

PROGRAMME AREA RESPONSIBILITY: SOCIAL CARE, ADULTS AND HEALTH

CABINET

26TH JANUARY, 2006

Wards Affected

County-wide.

Purpose

To receive a progress report on the Herefordshire Older People's Strategy.

Key Decision

This is not a key decision.

Recommendations

- THAT**
- (a) the progress made to date on the development of Herefordshire's Older People's Strategy be endorsed; and**
 - (b) a further progress report be submitted to Cabinet in June 2006.**

Reasons

1. At its meeting on 20th September, 2005 Cabinet approved the production of a Strategy for Older People for Herefordshire. Cabinet also agreed that a progress report on this work be tabled at its meeting in January 2006.
2. The "Healthier Communities and Older People" theme of the Herefordshire Plan and Herefordshire's Local Area Agreement (LAA) outlines key outcomes. It is anticipated that implementation of Herefordshire's Older People's Strategy will have a direct and positive influence upon these outcomes. In addition, a number of the Herefordshire Plan/LAA's cross-cutting themes will be directly impacted by this Strategy.
3. It is anticipated that the final Strategy will be circulated widely amongst relevant statutory, voluntary and private sector agencies. In order that the Strategy has the required impact, it is important that it is professionally printed and produced.

Considerations

1. At its meeting on 18th November, 2005, the Herefordshire Partnership Board agreed to support the development of a Herefordshire Older People's Strategy. In addition, the Board agreed to identify link officers from each of the partner organisations to act as contact points in the development of the Strategy.

Further information on the subject of this report is available from
Jenny Goldsbury, Directorate Support Manager on 01432 260667

2. In September 2005, it was agreed that Councillor Mrs. Olwyn Barnett would be the Older People's Champion for Herefordshire. The Cabinet Member has subsequently received a report setting out the key requirements of this role. The principal role will be to act as the Elected Council Member who leads for older people across the Council and to take responsibility from the Council side for supporting the implementation of the National Standards Framework and wider Older People's Strategy for Herefordshire. The key commitments of this role will be to:
 - identify, challenge and help to eradicate age discrimination;
 - ensure that issues of concern for older people are always considered in local planning and decision making;
 - ensure (through enablement and empowerment) wide participation by older people in local decision making;
 - promote dignity and independence for older people.
 - to act as an advocate for the inclusion of older people in all aspects of Herefordshire life and to promote their positive contribution to the social and economic well-being of the County.
3. It is intended that Herefordshire's Older People's Strategy will become the strategic document that drives the Healthier Communities and Older People's theme, and that the Partnership Board will assign lead organisations to deliver the targets and actions of the Strategy and to monitor and review its progress on an on-going basis.
4. An initial Project Team has been established. This currently consists of Council officers, a representative of the Herefordshire Partnership and the PCT's Impact Officer (Older People).
5. As required under the PRINCE 2 project methodology, the Project Mandate and Project Initiation Document have been completed and agreed.
6. The Council's Research Team has provided key data regarding Herefordshire's population of older people.
7. The PCT's Impact Officer (Older People) is currently working in partnership with a colleague from Public Health on a mapping exercise which will identify activity in Herefordshire that relates to older people. This exercise will be completed by March 2006 and will be used initially to inform the consultation events scheduled for April 2006.
8. Age Concern, Hereford and Worcester, has commissioned a Scoping Study to identify how older people across Herefordshire would like to be consulted and involved in issues that concern them. This Study will be complete by May 2006. The Older People's Strategy Project Manager has met with the Consultants that Age Concern has commissioned to undertake this Study in order to ascertain how partnership working between Age Concern and the Strategy Project Team can mutually benefit the aims of both groups.
9. It is intended that the results of Age Concern Scoping Study will directly influence how the consultation event(s) with older people (see timetable at Appendix A) are structured and delivered.

10. Contact has been established with BGOP (Better Government for Older People) to ascertain how this organisation can assist in Herefordshire's production of its Older People's Strategy.
11. Research has been undertaken into the approach of other local authorities to the production of strategies for older people. Information from this research will be used as initial guidance in ensuring that Herefordshire considers all key themes and issues in the development of its Strategy.
12. A timetable for the development and production of the final Strategy document is attached at Appendix A.

Risk Management

As per previous report.

Alternative Options

Alternative Option 1

Not to proceed

Consultees

Age Concern
BGOP (Better Government for Older People)
Herefordshire Primary Care Trust

Appendices

Appendix A – Timetable.

Background Papers

None identified.

Timetable (Draft)

		2005/06
1.	Data Collection/Scoping Study/Mapping Exercise	November-February
2.	Consultation with Stakeholders, Agencies and other interested parties	January-April
3.	Consultation Event - Organisations	April
4.	Consultation Event – Older People	June/July
5.	Consultation Event – LSP/Herefordshire Council Members	July
6.	Strategy – First Draft and Consultation	July/August
7.	Strategy - Final Approval (HC and LSP)	September
8.	Printing and Launch	October

TBA

