

MINUTES of the meeting of Cabinet held at THE COUNCIL CHAMBER, BROCKINGTON, 35 HAFOD ROAD, HEREFORD on Thursday 18 February 2010 at 2.00 pm

Present: Councillor RJ Phillips (Chairman)

Councillors: LO Barnett, AJM Blackshaw, H Bramer, JG Jarvis, PD Price and DB Wilcox

In attendance: WLS Bowen and PJ Edwards

21. APOLOGIES FOR ABSENCE

Apologies were received from Councillors JP French (Cabinet Member for Corporate and Customer Services and Human Resources), TM James (Liberal Democrat Group Leader) and RI Matthews (Herefordshire Independent Group).

22. DECLARATIONS OF INTEREST

There were no declarations of interest.

23. MINUTES

RESOLVED: That the Minutes of the meeting held on 21 January 2010 be approved as a correct record and signed by the Chairman.

24. SUSTAINABLE COMMUNITY STRATEGY - REFRESH

The Head of Partnership Support presented the report which sought approval to the refresh of Herefordshire's Sustainable Community Strategy for recommendation to Council. Cabinet was reminded of the requirement to have a Sustainable Community Strategy and was advised that the current strategy, which covered the period up to March 2010, required refreshing in light of achievements to date and new challenges that Herefordshire was currently facing.

Cabinet was advised that the Herefordshire Partnership had agreed to undertake a substantial review of the Strategy during the coming year in order to reflect 'place' rather than the strategic themes as was currently the case. The Partnership Board further proposed that the refreshed document would have a lifespan of a year from April 2010.

The Chairman of Overview and Scrutiny was invited to comment and referred Cabinet to the observations outlined within the report. Specific emphasis was given to the need for the Strategy:

- to address the critical issue of affordable housing, which was vital to the wider wellbeing of the public;
- to emphasise the importance of continuing to improve educational standards and to provide opportunities for young people returning to the county

It was additionally highlighted that consideration needed to be given to limiting the cost of the publication by confining the use of colour reproduction to the front cover. Concern was expressed that one part of the Strategy's strapline 'everyone is someone' did not fully capture the previous wording of 'everyone matters'.

The following points were raised by Cabinet:

- The importance of partner organisations owning the Strategy and ensuring the co-ordination and alignment of investments, ambitions and other strategic documents.
- The close connection between the Sustainable Community Strategy and the Local Development Framework (LDF) was highlighted and it was stated that the comments received from Overview and Scrutiny Committee would be captured for inclusion within the current LDF consultation.
- The Cabinet Member Environment and Strategic Housing requested being involved in finalising the draft for recommendation to Council (outlined in recommendation b).

RESOLVED that Cabinet:

- (a) agreed the draft Sustainable Community Strategy, subject to amendments reflecting the views of Overview and Scrutiny Committee; and**
- (b) agreed that the Leader in consultation with the Chief Executive, finalise the draft for recommendation to Council.**

25. SHARED SERVICES STRATEGY

The Deputy Chief Executive Interim presented the report on the Shared Services strategy and programme. Cabinet was reminded of the key drivers which underpinned the Shared Services and Herefordshire Connects work, and the work undertaken in exploring and taking forward a shared services study and formal business case which had been supported by PA Consulting. Political groups had been kept informed of the approach during group meetings. Members were advised that the business case provided a strong case for change and that the status quo was not an option. Cabinet was advised that whilst 11 services had been in the scope of the shared services study, consideration would be given to whether additional services should be explored; though Members were assured that service improvements were being undertaken externally to the formal shared services programme. It was stated that a shared service approach would be a proactive sustainable option to ensuring good and effective services rather than the reactive approach of cutting posts which created smaller and weakened support. Cabinet was advised that the aim of developing a shared services approach was to ensure the highest possible quality of support at the lowest cost, and ensuring the delivery of services in the longer term.

The Director of Resources advised Cabinet that the savings that would be realised through a shared services approach, had been factored into the Council's finances and would be an important element in balancing future budgets.

In discussion the Cabinet raised the following points:

- Several staff and Trade Union briefings had been held and would continue to be arranged.
- Whilst the standardisation of tasks and more effective ICT would require fewer personnel, both the staff and public need to be given assurance that the quality of service would be maintained and improved. This provided a good opportunity to modernise systems and processes.

- The shared services approach provided for clear savings and more efficient use of public money to deliver public services; the approach needed to be done swiftly, but in the right way.
- The establishment of the Business Transformation Board had been vital to ensure tight project management of the shared services programme; failure to deliver would have huge impact on the authority's budget.
- It was acknowledged that the business case for Shared Service and its recommendations had been accepted by the Joint Management Team.
- It was noted that the scoping of services had not yet been completed.
- Working in partnership with NHS Herefordshire and the Hereford Hospital Trust provided both functional and financial future viability for all three partners.

The Chairman of Overview and Scrutiny stated that it was vital to use new technology in an efficient way to support the savings expected of the partnership.

RESOLVED

THAT Cabinet:

- (a) accepted the business case for shared services and confirmed its support for the development of shared services to realise the benefits outlined;**
- (b) noted there were three models under consideration for fully implementing shared services;**
- (c) agreed that the Council should continue to develop the Shared Services using one or more of these models as appropriate;**
- (d) noted that the Business Transformation Board would be responsible for implementing Shared Services; and**
- (e) authorised the Deputy Chief Executive to progress negotiations with partner representatives and to provide a further report seeking formal decisions from the Cabinet and/or individual Cabinet Member(s) as necessary.**

26. INTEGRATED CORPORATE PERFORMANCE REPORT

The Corporate Policy and Research Manager presented a performance report for the period April-December 2010 against the Council's key indicators and associated projects and programmes in its Annual Operating Statement 2009/10. Cabinet was referred to the key considerations section of the report which highlighted assessments against each of the themes. Members were advised that, where appropriate, Directorates were working in line with the recovery plans which had been drawn up to support improvements in performance and control over spending.

In discussion Cabinet raised the following points:

- It was pleasing to note that action plans had been implemented for all LAA indicators as reward grant depended on their achievement. It was important to remain vigilant on the progress of targets.
- To support NI155 ('number of affordable homes delivered') two further initiatives would be implemented by the Council to assist in meeting the target; the release of funding and of land. It was expected that the impact of both initiatives would be realised within the second quarter of 2010/11.

- It was acknowledged that sustainable improvement in educational standards was required, though it was noted that the details of performance relating to exam and SATS results related to summer 2009.

The Leader, on behalf of Cabinet, acknowledged that the meeting would be the last for Steve Martin as Corporate Policy and Research Manager prior to his departure from the authority. The Leader expressed his thanks for the work he had undertaken in driving improvement in performance recording and management throughout the organisation as well as providing clear and coherent reports to Cabinet and Scrutiny Committees.

RESOLVED That: Cabinet considered performance to the end of December 2009 and the measures to be taken to address areas of under-performance.

27. BUDGET MONITORING REPORT 2009/10

The Cabinet Member Resources introduced the report on December 2009 budget monitoring information which provided an indication of estimated outturn for both revenue and capital to 31 March 2010. The report additionally outlined approval of virements which were required to fund service deficits and treasury management activities in the first nine months of 2009/10.

Cabinet was advised that the overall position was that of improvement, though pressures on Directorates were acknowledged. The authority had budgeted for a reduction in income and there was no evidence of recovery from this position.

Two corrections were highlighted for amendment within the report:

- (i) para 20 (page 129) should read: 'Total predicted overspend £124k' (not £465k)
- (ii) para 72 (page 137) should read: 'project an underspend of £1.45million' (not £1.4k)

The Head of Financial Services, advised Cabinet that whilst the report outlined that the overall revenue position for 2009/10 showed a projected overspend of £847k, this had improved since December 2009 due to financial recovery plans taking effect. There had been significant spend due to the adverse weather conditions which would in part be off set by the underspend projected on the waste disposal budget for 2009/10. Cabinet was informed that due to the use of both the winter maintenance and social care reserves, approval of virement was sought in order to deliver a balanced budget.

The Director of Resources emphasised that the latest position indicated a balanced budget by the year end due to the delivery of recovery plans and the proposed virements.

Responding to comments the Director confirmed that; in balancing the budget further savings would be identified; an underspend in waste management was partly due to the late starting of a managing agent contract, due to its complex nature; and that capital programmes would be prioritised as part of the MTFS.

The proposed additional £1million which would be provided to Children and Young People's Directorate was acknowledged.

The Chairman of the Overview and Scrutiny Committee advised Cabinet that the Committee would be considering the Budget Monitoring Report at its March meeting.

RESOLVED

That Cabinet:

- (a) noted the report and its approach to delivering a balanced outturn position at year end; and**
- (b) approved the transfer of the Winter Maintenance Reserve to Highways to support expenditure incurred as a result of bad weather.**

The meeting ended at 3.00 pm

CHAIRMAN