

MINUTES of the meeting of Cabinet held at The Council Chamber, Brockington, 35 Hafod Road, Hereford on Thursday 21 October 2010 at 3.00 pm

Present: Councillor RJ Phillips (Chairman)

Councillors: LO Barnett, AJM Blackshaw, H Bramer, JP French, JA Hyde, JG Jarvis and PD Price

In attendance: Councillors PA Andrews, WLS Bowen, PJ Edwards, TM James and RI Matthews

59. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor DB Wilcox, Cabinet Member Highways and Transportation and Councillor WU Attfield, Labour Group Leader.

60. DECLARATIONS OF INTEREST

4. Shared Services.

Councillor PJ Edwards, Personal, Relative employed in public services.

61. MINUTES

RESOLVED: That the Minutes of the meeting held on 16 September be approved as a correct record and signed by the Chairman subject to an amendment to Item 6 Tourism Delivery, referring to Tourist Information Centres and potential closures.

Note: Councillor RI Matthews raised the following question regarding the minutes of Cabinet, 16 September in relation to Minute number 56 – Local Development Framework.

How could an officer rely on a report that was not signed off until 10 September, two days after the Cabinet agenda had been published? I agree the factual evidence had not altered but the executive summary had been rewritten and the recommendation for a stage 2 assessment on route selection had now been omitted in the later report. I am concerned that an officer would rely on an unofficial document, that is, not agreed and verified by its author, until after the cabinet report had been prepared.

The Interim Assistant Chief Executive Legal and Democratic responded and advised Cabinet that the minutes were accurate with regard to what happened at the Cabinet meeting.

The Assistant Chief Executive went on to state that she had looked at the three documents of August 2010, 1 September 2010 and 10 September 2010 and the second paper of September 2010 was in the report. A member of the public had raised a question over the documents and had requested access to the earlier document as it had been listed as a background paper. The Assistant Chief Executive advised that this issue had been resolved and access granted with no freedom of information access being required. It was added that

the background paper of 1 September was largely the same as the former document and came to Cabinet on that basis.

62. SHARED SERVICES

The Cabinet Member Corporate and Customer Services and Human Resources introduced to Cabinet the new Interim Transformation Director Shared Services and presented the Shared Services report to Cabinet. The Cabinet Member advised that the report had already been to the Overview and Scrutiny Committee for consideration and that the report set out the next steps on the programme taking into consideration the further work undertaken to revise the business case and develop the future shape of support services.

The director and lead officer highlighted the following points:

- The report outlines where efficiencies could be made, which would be driven by new technology and the need to change the way services were delivered.
- The project was more complex than when originally set up, with 18 months of work carried out by staff for the Council, HHT and the PCT.
- The proposals cover all back office services
- With the three partner organisations working closely together there would be a reduction in impact to frontline services.
- The business case was up to date and had been reviewed by Capita Plc. Capita confirmed the business case was viable with savings of £33m over 10 years for the three partner organisations.
- Savings of £1m had been made to date by the early implementation of recommendations primarily around procurement, HR and finance, £500k of which by the Council.
- A number of models were evaluated against the updated criteria taking into account current financial constraints

The Interim Transformation Director advised Cabinet that a multi sourcing approach was the best way of providing services and the Joint Venture Company was recommended as the best way to make savings and drive down back office expenditure.

The following points were raised in discussion:

- There was concern that the Joint Venture Company could become overly complex.
- It was requested that any savings made were tracked so a comparison could be made against predicted savings.
- In response to a question on support from the neighbouring county of Powys, the Chief Executive reminded Cabinet that the County Hospital was built for Herefordshire and Mid Wales and that both authorities worked together to ensure this was emphasised at the Welsh Assembly.
- In response to a question on the Connects Programme, Cabinet was reminded that this had been taken over by Agresso.
- In response to a question on the savings that could be made regarding transport and Council vehicles, Cabinet was informed the saving would be in the contract for the leasing of vehicles.

The Interim Transformation Director reminded Cabinet that quality was essential and this would be realised as work was dealt with on line through the Agresso system. The Leader advised Cabinet that savings would be tracked as funding would be removed from the relevant budgets and the process would be monitored. He also informed

Cabinet that the Shared Services report had been discussed by the PCT Board on 20 October and Hereford Hospitals Trust would be discussing the report the following week.

RESOLVED That Cabinet:

- a) **agreed to enter into formal shared service arrangements with its partners, NHS Herefordshire (NHS) and Hereford Hospitals Trust (HHT), adopting a ‘multi-source’ approach; enabling different fit-for-purpose models to be used to deliver shared services for each service or group of services;**
- b) **endorsed the establishment of a Joint Venture Company and recommends to Council that such a company be established;**
- c) **delegates the negotiation and agreement of the Heads of Terms for the shared service arrangement for the establishment of the Joint Venture Company to the Chief Executive (with appropriate liaison with the Chief Executive of HHT);**
- d) **instruct the Chief Executive to undertake a full consultation with employees within the scope of the shared services programme, in accordance with policy and procedure for implementing these changes;**
- e) **instruct the Chief Executive to report progress of the implementation, as part of the corporate performance reporting process, linked to key milestones with risk management reports; and**
- f) **agreed to establish a ‘Shadow Board’ consisting of representatives from the three partners in order to provide strategic governance during the implementation phase.**

63. HEREFORDSHIRE’S EQUALITY AND HUMAN RIGHTS CHARTER

The Cabinet Member Corporate and Customer Services and Human Resources noted that work on the Equality and Human Rights Charter had been done in conjunction with partner organisations Hereford Hospitals Trust (HHT), Primary Care Trust (PCT) and the equality and diversity team. The new charter sets out a common sense approach to the duty that authorities have to their communities and residents and that everyone could expect the same level of treatment with respect and dignity.

Cabinet noted that Herefordshire was one of the first in the country to underpin the statutory duties with the charter which is supported by all three organisations.

RESOLVED: That the Herefordshire Equality and Human Rights Charter be approved as the overarching equality policy for the Council.

64. HEREFORDSHIRE 2010 JOINT STRATEGIC NEEDS ASSESSMENT (JSNA)

The Leader of the Council welcomed the Director of Public Services to the meeting and reminded Cabinet that this would be Dr Ali’s last opportunity to attend Cabinet as he was taking up a new post in Surrey.

Cabinet was reminded of the processes around the needs assessment and the analysis that had already been undertaken on children’s services and adult social care across both the Council and NHS Herefordshire. A joint strategy was now available on the website to ensure that it was easily accessible and it pulled in the various areas to ensure funds were spent fairly.

Cabinet noted that some key findings were not as expected, with lifestyle behaviours contributing to ill health and mortality rates and areas of deprivation showing clear links to educational attainment. The gap between the best and poorest performing wards at GCSE level was increasing. Nationally however, young people in Herefordshire generally attained better qualifications as compared to England as a whole.

RESOLVED That:

- a) the development of the JSNA website as a dynamic resource that also draws upon the wide range of local information and analysis across Herefordshire be noted;
- b) the key points and recommendations from the 2010 JSNA (Appendix 1) be noted; and
- c) it be agreed that these be used to inform future plans, strategy development, budget decisions and commissioning of services.

65. BUDGET CONSULTATION

The Cabinet Member Resources presented the Budget Consultation report to Cabinet, which he advised had been carried out in line with the Council's Constitution outlined at Appendix A to the report. The Cabinet Member added that this year's consultation on the Comprehensive Spending Review would be extensive given the economic position nationally and referred Cabinet to Appendix B to the report, which gave the schedule of meetings. The Cabinet Member commended the report on budget consultation to Cabinet.

A question was raised on how general the consultation would be as residents would want to know specific information on how they would be affected in Herefordshire. The Leader of the Council stated there was a clear process outlined in the report and shared services had agreed the scale of redundancies required for the savings that needed to be made. The Leader added that the views of the public would be reported and that the challenges would be dealt with as set out in the budget. It was agreed that Members would be kept informed regarding redundancies before it was made known in the media.

The Chairman of Overview and Scrutiny reiterated that Members would wish to be kept informed on staff redundancies and suggested a Member seminar was held in mid December as the matter would not be discussed at Cabinet again until January 2011. The Leader stated that budget planning was further ahead this year because of the current financial situation. It was anticipated that there would be 30% cuts over the next four years. Should this substantially differ then a Member briefing would be considered. Cabinet was reminded that the government had removed the ring fencing of funds so that local authorities could decide where funds were spent and that extra funding was to be made available for social care. It was noted that the organisational design strategy would assist with deciding which posts would be made redundant. The Deputy Chief Executive reassured Cabinet that staff would be treated carefully when looking at minimising the number of posts.

RESOLVED That:

- a) the approach to consultation and engagement with the public be approved; and
- b) the proposed timetable attached at Appendix B to the report be approved.

The meeting ended at 4.00 pm

CHAIRMAN