

AGENDA

Cabinet

Date: **Thursday 25 November 2010**

Time: **2.00 pm**

Place: **The Council Chamber, Brockington, 35 Hafod Road,
Hereford**

Notes: Please note the **time, date** and **venue** of the meeting.

For any further information please contact:

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Agenda for the Meeting of the Cabinet

Membership

Chairman Councillor RJ Phillips

Councillor LO Barnett
Councillor AJM Blackshaw
Councillor H Bramer
Councillor JP French
Councillor JA Hyde
Councillor JG Jarvis
Councillor PD Price
Councillor DB Wilcox

GUIDANCE ON DECLARING PERSONAL AND PREJUDICIAL INTERESTS AT MEETINGS

The Council's Members' Code of Conduct requires Councillors to declare against an Agenda item(s) the nature of an interest and whether the interest is personal or prejudicial. Councillors have to decide first whether or not they have a personal interest in the matter under discussion. They will then have to decide whether that personal interest is also prejudicial.

A personal interest is an interest that affects the Councillor more than most other people in the area. People in the area include those who live, work or have property in the area of the Council. Councillors will also have a personal interest if their partner, relative or a close friend, or an organisation that they or the member works for, is affected more than other people in the area. If they do have a personal interest, they must declare it but can stay and take part and vote in the meeting.

Whether an interest is prejudicial is a matter of judgement for each Councillor. What Councillors have to do is ask themselves whether a member of the public – if he or she knew all the facts – would think that the Councillor's interest was so important that their decision would be affected by it. If a Councillor has a prejudicial interest then they must declare what that interest is. A Councillor who has declared a prejudicial interest at a meeting may nevertheless be able to address that meeting, but only in circumstances where an ordinary member of the public would be also allowed to speak. In such circumstances, the Councillor concerned will have the same opportunity to address the meeting and on the same terms. However, a Councillor exercising their ability to speak in these circumstances must leave the meeting immediately after they have spoken.

AGENDA

Pages

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 report contains a key decision. When the decision has been made, Members 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	Portfolio Responsibility	Scrutiny Committee	Included in the Forward Plan Yes/No
6	Dilwyn Church Of England Primary School: Determination Of Proposal To Continue	ICT, Education and Achievement	Children's Services	Yes

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 the Agenda.

3. MINUTES

To approve and sign the minutes of the meeting held on 21 October 2010.

1 - 4

4. INTEGRATED CORPORATE PERFORMANCE REPORT

To provide Cabinet with an overview of performance in the first half of the year against the Joint Corporate Plan 2010-13.

5 - 28

5. RESPONSE TO THE SCRUTINY REVIEW OF COMMUNICATION WITH THE PUBLIC ABOUT SERVICES AND ACCESS TO THOSE SERVICES

To approve the executive response.

29 - 78

6. DILWYN CHURCH OF ENGLAND PRIMARY SCHOOL: DETERMINATION OF PROPOSAL TO CONTINUE

To consider a report on responses to the statutory notice to discontinue Dilwyn Church of England Primary School (Dilwyn School) and to determine if the school should close with effect from 31 August 2011.

79 - 106

7. BUDGET MONITORING REPORT 2010/11

To report the forecast financial position for both revenue and capital to 31 March 2011 and provide an update on Directorates' recovery plans instigated to address projected overspends.

107 - 134

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HEREFORDSHIRE COUNCIL

BROCKINGTON, 35 HAFOD ROAD, HEREFORD.

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HEREFORDSHIRE COUNCIL

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

MEETING:	CABINET
DATE:	25 NOVEMBER 2010
TITLE OF REPORT:	INTEGRATED CORPORATE PERFORMANCE REPORT – QUARTER 2 2010-11
PORTFOLIO AREA:	CORPORATE AND CUSTOMER SERVICES AND HUMAN RESOURCES

CLASSIFICATION: Open

Wards Affected

County-wide

Purpose

To provide Cabinet with an overview of performance in the first half of the year against the Joint Corporate Plan 2010-13.

Key Decision

This is not a Key Decision.

Recommendations

THAT Cabinet considers performance to the end of September 2010 and the measures being taken to address areas of under-performance

Key Points Summary

- Those indicators where data is only reported annually are not included in these reports until the appropriate time. In-year judgements in this report are made on the basis of those indicators where data is available. Of the 63 indicators where data is available, 37 are on track to achieve target, although the number currently behind or failing to achieve target has risen to 26 (13 at Quarter 1).
- The majority of key projects are being delivered to schedule (91 of 96 projects), although five are currently behind schedule (8 at the end of Quarter 1).
- The overall revenue budget position for the Council shows a projected £2.4m overspend.

Alternative Options

1. The Joint Performance Improvement Framework provides that Cabinet will formally review

Further information on the subject of this report is available from
Tony Geeson, Head of Policy and Performance, on (01432) 261855

performance against the Joint Corporate Plan quarterly. There are therefore no alternative options.

Reasons for Recommendations

2. To ensure that progress against the priorities, targets and commitments, as set out in the Joint Corporate Plan 2010-13, are understood. Further, to ensure that the reasons for important areas of actual or potential under-performance are understood and are being addressed to the Cabinet's satisfaction.

Introduction and Background

3. The Integrated Corporate Performance Report is a regular report, focusing on progress towards achievement of the seven themes (39 outcomes) in the Joint Corporate Plan 2010-13. Progress is measured through the management and monitoring of selected performance indicators and projects, using our performance management system, 'PerformancePlus' (P+). The appendices to this report include:

- Appendix 1 a key to what the symbols used in P+ represent, and a list of outcomes;
- Appendix 2a exception report for those indicators and projects that are ahead of target;
- Appendix 2b exception report for those indicators and projects that are behind target; and

4. The more detailed financial context for this report is set out in the budget monitoring report elsewhere on your agenda. The key financial headlines are included in the commentary in the scorecard below.

Key Considerations

5. Based on a balanced scorecard approach, the following six elements (A - F) have been identified to provide an overview of the key issues that enable the Council and its partners to achieve the desired outcomes of the Joint Corporate Plan. These elements are monitored bi-monthly by the Joint Management Team (JMT).

A - Performance at the end of September

6. The nature of the indicators selected for the Joint Corporate Plan means that not all have data reported on a regular basis. In particular some information is reported annually. These are only reported at the appropriate time in the year. At this time Cabinet Members can assure themselves that appropriate in year actions are being taken to maintain good performance or improve it where necessary.

Data is available for more indicators for this report than for the previous report. Of the 63 indicators for which 2010-11 performance data is available now, 15 (12 at Quarter 1) are currently performing better than target (Appendix 2a), and 26 (13 at Quarter 1) have failed to achieve or are behind target (Appendix 2b). The rest are on target.

7. 10 of the indicators that are behind or failed to achieve target are within the outcome of 'Children and Young People achieve standards'. Many are annual indicators.

Although many of the examination results are still provisional, they show a mixed picture. Results are disappointing in the Early Years Foundation Stage and whilst Key Stage 1

and 2 results show some improvement, these are not yet at the rate of national improvement. A number of strategies are being implemented to improve future results and reduce the risk in this priority area. The focus is on improving the quality of governance to ensure that leaders in schools are challenged and supported to drive improvements in standards.

Initial assessments for children's social care are also currently behind target, following identification of a number of premature closures of cases during the recent inspections which have been re-examined. To reduce the risk in this priority area; a review team and action plan were immediately established, and the forecast for the remainder of the year is one of improved performance.

The percentage of children becoming subject to a Child Protection Plan for a second or subsequent time is ahead of target and continues to improve on last year.

8. There are examples of good performance within the theme of Healthier Communities and Older People and also areas that require continued attention. The assessment of new social care clients within the agreed four week period is currently marginally behind target which would be a risk if it were to continue and grow. In contrast the number of adults supported to live independently through social services is ahead of target.
9. The positive trend of reducing accidents on our roads has continued during the first nine months of this year, and current performance shows that the stretch target is likely to be achieved. The percentages of major and minor planning applications processed within best practice times are also ahead of target.
10. The deficit between the number of affordable homes delivered and the target reported in September remains. There is a probability that the target may not be achieved, not least as a consequence of the recession. Measures have been taken to increase delivery in the remainder of the year, and regular monitoring is taking place. However consideration will be given to adopting a more realistic target for the rest of the year.

In contrast, the number of households living in temporary accommodation is better than target, and also better than the same period last year.

11. Performance in supporting the local economy is not yet consistent. While the Council is paying invoices promptly and identifying changes to customers housing and council tax benefits quickly; the processing of these changes is currently behind target.

B - Projects at the end of September

12. The majority of projects are being delivered according to schedule. Withdrawal of external funding has impacted on a number of the projects that are currently behind schedule (Appendix 2b). For instance; progress with Hereford Futures Scheme continues, although parts of the project, such as the link road, will be progressed as funding becomes available.

C - Finance at the end of September

13. A more detailed report is a separate item on this Cabinet Agenda.
14. In summary however; at the end of September the Council's overall revenue budget position for 2010/11 shows a projected £2.4m overspend. This is approximately 1.7% of the Council's £143m million revenue budget (excluding Dedicated Schools Grant funding).
15. The key areas of concern are Integrated Commissioning Directorate, with a projected £3.8m overspend and the Children and Young People's Directorate, with a £1.0m projected

overspend. Both directorates have produced recovery plans. The delivery of the recovery plan is essential to mitigate the effect of the overspending rolling into in 2011/12. This is more pressing than at any previous time given initial analysis of the Comprehensive Spending Review and its impact on future years funding.

D - Customers at the end of September

16. Achieving high levels of customer and citizen satisfaction is a key outcome in the Joint Corporate Plan. Currently there is a reduced level of satisfaction of people making a request for service through Info by Phone and a continued high level of customer contact that could be avoidable. However this national indicator (NI14 avoidable contact) continues to travel in a positive direction, albeit less quickly than anticipated. Initial actions to improve the position are being concentrated in the higher volume contact areas. This will take some time to work through into positive performance. For example, the project which developed electronic applications for various licences is undoubtedly making a small difference to performance in this area. This will increase as take-up of the electronic service increases.
17. There are a number of customer related projects in the Rising to the Challenge transformation programme. These are:
Customer Experience: A positive, but weak direction of travel has been seen in most of the indicators since the last report. Of particular note is the work that has started in relation to reputation management. A working group made from representatives from across Herefordshire Council has now been established to develop a strategy. Broader representation from HPS is also being sought. A preliminary report has already been made to JMT.

The Service Level Agreement (SLA) between Customer Services and service areas will be reviewed. It is imperative that front and back office staff own the customer experience satisfaction measures jointly and therefore jointly own the actions required to improve performance.

The reporting system for complaints and compliments is currently being improved. Highways and transportation appear to see the highest number of complaints and this issue will be discussed at the next SLA meeting in November.

18. Service Failure: Overall there are significant improvements year on year in the performance of Info by 'Phone. The current performance of just under 11% abandoned calls is a marked improvement on the underlying performance of approximately 30%. There is still room for improvement.
19. Service Transformation: Funding for the Customer Organisation project has now been acquired. It has therefore been possible to anticipate some (small) positive progress in relation to these measures. The project is in its very early stages whereby quick wins are being identified with the intention of making a positive impact on performance in this area before the end of March 2011.

E - Employees at the end of September

20. Sickness levels with the Council are better than target. A new vacancy management process has been implemented, and the number of posts advertised has reduced in the Council. Turnover rates within the Council remain lower than target.

F - Risks at the end of September

21. Key risks are described in the performance section on the previous page.

In order to make the reporting of risk more transparent and provide detailed assurance to Cabinet; a Partnership Assurance Framework (PAF) is being developed containing high level partnership risks both internal and external for review by Herefordshire Partnership Steering Group, PCT Board, Cabinet and JMT.

The PAF is the key document which will be used in future to identify risks against the Joint Corporate Plan; it maps out the key controls in place to manage them, gaps in controls, and describes sufficiently the assurances.

The PAF will ensure that:

- High level partnership risks are reviewed on a timely basis at the appropriate level;
- Partnership working arrangements are further embedded;
- Corporate governance arrangements are enhanced; and
- Our public engagement is demonstrated by having the PAF discussed at public meetings.

Community Impact

22. Delivering the Joint Corporate Plan is central to achieving the positive impact the Council wishes to make across Herefordshire and all its communities.

Financial Implications

23. None.

Legal Implications

24. None.

Risk Management

25. By highlighting progress against the Council's Corporate Plan, including the major risks to achievement and how they are being mitigated, this report is an essential component of the Council's management of risks.

Consultees






26. None identified.

Appendices

- Appendix 1 - Key to symbols and list of Joint Corporate Plan themes and outcomes
- Appendix 2a - Exception report (Green indicators and projects)
- Appendix 2b - Exception report (Red and Amber indicators and projects)

Background Papers

27. None identified.

Measures	Symbols	Projects
More than 10% ahead of target		Ahead of Plan
Up to 5% behind target		N/A
More than 5% behind target		Behind Plan
Better than the same period last year		N/A
Worse than the same period last year		N/A

List of Joint Corporate Plan themes and outcomes

Theme and Outcome	Lead Director
Theme 1 Economic Development and Enterprise	
HPS 1.1 Higher quality, better paid jobs and reduced unemployment	Geoff Hughes
HPS 1.2 Increased participation in learning and higher levels of skills and achievement	Geoff Hughes
HPS 1.3 More and higher-spending visitors to the county	Geoff Hughes
HPS 1.4 Improved quality & availability of business accommodation and employment land	Geoff Hughes
HPS 1.5 Better roads, reduced traffic congestion, with more people walking, cycling or using public transport	Geoff Hughes
Theme 2 Healthier Communities and Older People	
HPS 2.1 People have longer, healthier lives, with reduced inequalities between different groups and localities	Akeem Ali
HPS 2.2 Older people living fulfilled lives as active members of their communities	Ann Donkin
HPS 2.3 Vulnerable people able to live safely and independently in their own homes	Ann Donkin
HPS 2.4 Enhanced emotional well-being, with fewer suicides	Akeem Ali
HPS 2.5 Personalised health and social care services, which offer people much greater choice and influence over their care	Ann Donkin
HPS 2.6 Improved dental health	Ann Donkin
Theme 3 Children and Young People	
HPS 3.1 Children and young people are healthy and have healthy life-styles, with less obesity and substance mis-use, and better dental and sexual health	Akeem Ali
HPS 3.2 Children and young people are safe, secure and have stability	David Sanders

HPS 3.3 Children and young people are enabled to develop personally, socially and emotionally, and to achieve high standards of educational attainment	David Sanders
HPS 3.4 Children and young people engage in further education, employment or training on leaving school	David Sanders
HPS 3.5 Children and young people engage in positive behaviour inside and out of school	David Sanders
HPS 3.6 Improved access to good quality care and other services for children, young people and their families through the work of Herefordshire's Children's Trust	David Sanders
Theme 4 Safer Communities	
HPS 4.1 Reduced levels of crime	Geoff Hughes
HPS 4.2 Reduced levels of anti-social behaviour	Geoff Hughes
HPS 4.3 Reduced harm from drugs and alcohol	Akeem Ali
HPS 4.4 Communities to have enhanced resilience and recovery from emergencies through effective partnership planning and co-ordination	Akeem Ali
HPS 4.5 Fewer accidents and injuries	Geoff Hughes
HPS 4.6 People feel as safe as they would like to be	Geoff Hughes
Theme 5 Stronger Communities	
HPS 5.1 Cohesive communities in which people feel accepted, confident and empowered, regardless of race, disability, gender, sexual orientation, age, religion or belief	Dean Taylor
HPS 5.2 Communities and individuals participating in local decisions and influencing them	Geoff Hughes
HPS 5.3 Affordable housing appropriate to people's needs and less homelessness, with support for vulnerable people to live independently	Geoff Hughes
HPS 5.4 Fair access to the services residents need, including high quality sporting, cultural and recreational facilities and activities	Geoff Hughes

HPS 5.5 People are able to participate in, the life of their communities	Geoff Hughes
Theme 6 The Environment	
HPS 6.1 Reduced waste and increased recycling	Geoff Hughes
HPS 6.2 Reduced CO2 emissions and successful adaptation to unavoidable impacts of climate change	Geoff Hughes
HPS 6.3 Increased biodiversity	Geoff Hughes
HPS 6.4 Natural resources are conserved and landscape character maintained, with sustainable land management	Geoff Hughes
HPS 6.5 Investment in high quality streets, public spaces and the built environment	Geoff Hughes
Theme 7 Organisational Improvement and Greater Efficiency	
HPS 7.1 The highest standards of leadership, governance and integrity	Dean Taylor
HPS 7.2 Demonstrable value for money	David Powell
HPS 7.3 Streamlined, efficient operations, including the integrated delivery of services across the boundaries of different organisations	David Powell
HPS 7.4 High levels of customer and citizen satisfaction	Dean Taylor
HPS 7.5 A highly skilled, highly motivated workforce that works in effective partnership with other organisations	Dean Taylor
HPS 7.6 Highly rated under Comprehensive Area Assessment and World Class Commissioning, and recognised as exemplars regionally and nationally	Dean Taylor







Key Performance Indicators – Exceptions (Green – 10% or more ahead of target)							
Outcome & Measure		Frequency of reporting	DoT since last year	Date of judgement	Performance (Year To Date)	Target (Year To Date)	Actual (Year To Date)
HPS.1.4 - % of major planning applications dealt with within 13 weeks (NI 157a)	Bigger is Better	Monthly		September	★	60	73
HPS.1.4 - % of minor planning applications dealt with within 8 weeks (NI 157b)	Bigger is Better	Monthly		September	★	65	73
HPS 2.1 - % of admitted patients whose wait from referral to assessment was 18 weeks or less (VSA04_01)	Bigger is Better	Monthly - 6 week delay		August	★	90	99.5
HPS 2.2 The proportion of people aged 65 or over discharged from hospital to their own home, or to a residential or nursing care home, or extra care housing bed for rehabilitation with a clear intention that they will move on/back to their own home, who are there three months after the date of their discharge from hospital (NI 125)	Bigger is Better	Monthly – 6 week delay		August	★	78	97.04
HPS 2.5 People supported to live independently through social services (all adults) (NI 136)	Bigger is Better	Quarterly		September	★	3,100	3,759
HPS.3.2 - The percentage of children becoming subject to a Child Protection Plan who had previously been the subject of a Plan, or on the Child Protection Register, no matter how long ago that Was (NI 65)	Smaller is Better	Quarterly		September	★	13	6.6
HPS 4.5 – The number of people killed or seriously injured in road traffic collisions (proxy for NI 47)	Smaller is Better	Monthly		September	★	81	48







Key Performance Indicators – Exceptions (Green – 10% or more ahead of target)							
Outcome & Measure		Frequency of reporting	DoT since last year	Date of judgement	Performance (Year To Date)	Target (Year To Date)	Actual (Year To Date)
HPS 4.5 – The number of children killed or seriously injured in road traffic collisions (proxy for NI 48)	Smaller is Better	Monthly		September	★	9	3
HPS 4.5 – The number of people killed in road traffic collisions	Smaller is Better	Monthly		September	★	12	7
HPS.5.3 - The number of households living in temporary accommodation provided by the council under the homelessness legislation (NI 156)	Smaller is Better	Quarterly		September	★	82	52
HPS.6.5 - % of relevant land and highway that has unacceptable levels of fly-posting (NI 195d)	Smaller is Better	3 times a year (July, November and March)		July	★	1	0
HPS.6.5 - % of relevant land and highway that has unacceptable levels of graffiti (NI 195c)	Smaller is Better	3 times a year (July, November and March)		July	★	1	0
HPS.7.3 - The number of changes in circumstances leading to a change in Housing / Council Tax benefit entitlement identified and processed by the authority, per 1,000 claimants (NI 180)	Bigger is Better	Monthly		September	★	750	914
HPS.7.5 - Average sickness FTE (Council)	Smaller is Better	Monthly		September	★	4.3	3.3
HPS.7.5 - Staff turnover (Council)	Smaller	Monthly		September	★	13	7.89







Key Performance Indicators – Exceptions (Green – 10% or more ahead of target)							
Outcome & Measure		Frequency of reporting	DoT since last year	Date of judgement	Performance (Year To Date)	Target (Year To Date)	Actual (Year To Date)
	is Better						







Key Performance Indicators – Exceptions (Red and Amber - behind target)							
Outcome & Measure		Frequency of reporting	DoT since last year	Date of judgement	Performance (Year To Date)	Target (Year To Date)	Actual (Year To Date)
HPS.2.1, 4.3 & 4.6 - The number of alcohol-related admissions to hospital per 100,000 population (NI 39)	Smaller is Better	Quarterly		September		606	664.5
Remedial Actions • Development of additional proxy indicator/s for measuring alcohol misuse in the county. Development of new database which went live in September to record alcohol-related assaults at A&E Department. Analysis of alcohol related admissions undertaken for an Alcohol Social marketing campaign and for inclusion in annual Safer Herefordshire strategic assessment.							
Date of comment Sep 10							
HPS.2.3 - The percentage of new social care clients aged 18 or over, where the time from first contact with social services to completion of assessment is four weeks or less (NI 132)	Bigger is Better	Monthly		September		90	86
Remedial Actions • The underperformance against this indicator is recognised. Performance information is being used by teams to identify where improvements need to be made and focus on where there have been delays. However performance continues to be affected by the high level of safeguarding referrals.							
Date of comment							
HPS.2.3 & 2.5 - The percentage of people receiving Supporting People Services who have established, or are maintaining, independent living. This includes living in their own home or in long stay accommodation (NI 142)	Bigger is Better	Quarterly ¹		June		97.7	97.57
Remedial Actions • This provisional score is based on our own calculation and will be replaced with the official CLG figure when received.							
Date of comment Jun 10							
HPS.2.3 - Average weekly rate of delayed transfers of care from hospitals/100.000 population aged 18 or	Smaller is	Quarterly		September		18.6	44.26

¹ Provisional data is available 2 months in arrears which is submitted to DCLG for ratification. There is a further 3 month delay in ratification by DCLG.






Key Performance Indicators – Exceptions (Red and Amber - behind target)							
Outcome & Measure		Frequency of reporting	DoT since last year	Date of judgement	Performance (Year To Date)	Target (Year To Date)	Actual (Year To Date)
over (NI 131)	Better						
<p>Remedial Actions • Achieving the Delayed Transfer of Care target remains challenging. Nationally we have seen changes in the way information is reported which has impacted on performance. To address this and other local issues a countywide action plan has been developed and presented to the Performance and Quality Committee. The following processes have already been implemented:</p> <ul style="list-style-type: none"> - Daily monitoring of delays across providers; - Development of a system wide bed management process; - Review of assessment processes to avoid repetition of patient assessments; and - Review of panels that determine a person's eligibility for care and exploring the possibility of joint panels. <p>The Unplanned Care Workstream monitors progress against the action plan.</p>							
Date of comment Sep 10							
HPS.3.2 - % of initial assessments for children's social care carried out within 7 working days of referral (NI 59)	Bigger is Better	Monthly		September		80	54.4
<p>Remedial Actions • The impact of the unannounced and announced inspections has been significant in terms of achievement of initial assessment timescales. In particular, the unannounced inspection at the end of June highlighted a number of initial assessments that had been closed down and moved to a core assessment prematurely. There has been a major review of management and practice in the team which has impacted on timeliness. A core performance improvement team and action plan is in place and an upward trajectory of improvement is planned to the end of the year.</p>							
Date of comment Sep 10							
HPS.3.2 - % of looked after children who participated in their reviews (PAF/CF 63)	Bigger is Better	Quarterly		September		90	88
<p>Remedial Actions • Encouraging young people's participation in their reviews remains a priority for the directorate. A young person must participate in all their reviews in order to 'count' for the purposes of this indicator. For the rolling year, a number of young people chose not to participate. It is anticipated that the target for the year will, however, be achieved.</p>							
Date of comment Sep 10							
HPS.3.2 - No. of Common Assessment Framework	Bigger	Quarterly		September		250	234



Key Performance Indicators – Exceptions (Red and Amber - behind target)							
Outcome & Measure		Frequency of reporting	DoT since last year	Date of judgement	Performance (Year To Date)	Target (Year To Date)	Actual (Year To Date)
(CAF) assessments completed across all agencies	is Better						
Comments: • The number of CAFs completed as at the end of Quarter 2 is slightly below the profiled target for the year. This is largely because of the summer holidays which significantly reduce the number of CAFs undertaken by schools. We remain on track to achieve the overall target for the year.							
Date of comment Sep 10							
HPS.3.3 - Improve Key Stage 1 results year on year - Writing at level 2B+	Bigger is Better	Annually		September		54	53.8
Remedial Actions • Writing results at Key Stage 1 overall show an improvement from 2009 but still below the national averages (approximately 2% behind for level 2B+). As in reading, boys are not achieving as well as girls in writing and this is particularly the case for pupils achieving level 2B+ with a gender gap at this level of nearly 19%. A number of strategies are in place in address this including implementing intervention programmes, such as Every Child a Writer, improving the transition between Early Years Foundation Stage and the start of the national curriculum at Key Stage 1 and improving the quality of governance to ensure that the leaders in schools are challenged and supported to drive improvements in standards.							
Date of comment Sep 10							
HPS.3.3 - Improve Key Stage 1 results year on year - Reading at level 2B+	Bigger is Better	Annually		September		72	70.2
Remedial Actions • The percentage of pupils achieving level 2B+ in reading in Herefordshire has risen by one percent and has closed the gap between the Herefordshire and national average, a gap of only 2%. When reading results are analysed according to gender, it is boys who are underachieving. A number of strategies are in place in address this including implementing intervention programmes, such as Every Child a Reader, improving the transition between Early Years Foundation Stage and the start of the national curriculum at Key Stage 1 and improving the quality of governance to ensure that the leaders in schools are challenged and supported to drive improvements in standards.							
Date of comment Sep 10							
HPS.3.3 - Improve Key Stage 1 results year on year - Writing at level 3	Bigger is	Annually		September		12	9

Key Performance Indicators – Exceptions (Red and Amber - behind target)							
Outcome & Measure		Frequency of reporting	DoT since last year	Date of judgement	Performance (Year To Date)	Target (Year To Date)	Actual (Year To Date)
	Better						
Remedial Actions • A number of strategies are in place in address this including implementing intervention programmes, such as Every Child a Writer, improving the transition between Early Years Foundation Stage and the start of the national curriculum at Key Stage 1 and improving the quality of governance to ensure that the leaders in schools are challenged and supported to drive improvements in standards.							
Date of comment Sep 10							
HPS.3.3 - The percentage of children (aged 5) assessed against the Early Years Foundation Stage Profile who achieve at least 78 points across all 13 scales, and achieve at least 6 points in each of the scales in Personal, Social and Emotional Development and Communication, Language and Literacy. (NI 72)	Bigger is Better	Annually		September		53.5	44.6
Remedial Actions • Results for 2010 show a decrease of 1.4% from the 2009 data and 8.4% below the 2010 target. Analysis of the data indicates some anomalies which indicate that it is not accurate. Herefordshire data does not show the expected correlation between emotional/social literacy and communication, language and literacy skills and this highlights the need to improve the accuracy of judgements. Writing is an area for further development in early years.							
Date of comment Sep 10							
HPS.3.3 - The percentage of pupils achieving level 4 or above in both English and Maths at Key Stage 2 (aged 11). (NI 73)	Bigger is Better	Annually		September		79	71.4
Remedial Actions • Results for 2010 have risen by 0.6% from 2009. However, national results have improved by 2% to 74%. Herefordshire results fall short of the overall target of 79%. Results for English at level 4+ have declined (whereas national results have improved) although results for maths at level 4+ have improved by 0.5% from last year. Key interventions such as 1-1 tuition in English and maths will ensure that targeted support will be effective in accelerating progress and improving standards.							
Date of comment Sep 10							
HPS.3.3 - The percentage of pupils achieving 5 or more A*-C grades at GCSE or equivalent, including	Bigger is	Annually		September		60	54.9

Key Performance Indicators – Exceptions (Red and Amber - behind target)							
Outcome & Measure		Frequency of reporting	DoT since last year	Date of judgement	Performance (Year To Date)	Target (Year To Date)	Actual (Year To Date)
English and Maths at Key Stage 4 (aged 16). (NI 75)	Better						
Remedial Actions • Unvalidated results for 2010 show an improvement of 2.7 percentage points over the 2009 results, although still below the target of 60%							
Date of comment Sep 10							
HPS.3.3 - The percentage difference between the median Foundation Stage Profile score of all children (aged 5), and the mean score of the lowest-scoring 20% of children. (NI 92)	Smaller is Better	Annually		September		32	33.4
Remedial Actions • The unvalidated 2010 data indicates that the gap between the lowest 20% of children and the median is 33.4%, slightly above the target of 32%.							
Date of comment Sep 10							
HPS.3.3 - The percentage of pupils making at least 2 levels progress in English between tests at Key Stage 1 (aged 7) and Key Stage 2 (aged 11). (NI 93)	Bigger is Better	Annually		September		89	86.4
Remedial Actions • Two levels progress data shows that pupils have made better progress in English than in maths. English progress data has declined significantly since 2009 and is still below the target set. Strategies to address this include key interventions such as 1-1 tuition in English and Maths, improving the quality of leadership in schools to ensure that all pupils make the required progress and achieve well and delivering focused bespoke training and support for schools to help pupils to make the required two levels' progress.							
Date of comment Sep 10							
HPS.3.3 - The percentage of pupils making at least 2 levels progress in Maths between tests at Key Stage 1 (aged 7) and Key Stage 2 (aged 11). (NI 94)	Bigger is Better	Annually		September		87	80.2
Remedial Actions • Two levels progress data shows that pupils have made better progress in English than in maths. Maths progress data is similar to the 2009 results although the target has been missed. Strategies to address this include key interventions such as 1-1 tuition in English and Maths, improving the quality of leadership in schools to ensure that all pupils make the required progress and achieve well and delivering focused bespoke training and support for schools to help pupils to make the required two levels' progress.							
Date of comment Sep 10							

Key Performance Indicators – Exceptions (Red and Amber - behind target)							
Outcome & Measure		Frequency of reporting	DoT since last year	Date of judgement	Performance (Year To Date)	Target (Year To Date)	Actual (Year To Date)
HPS.4.2 - No. of anti-social behaviour (ASB) incidents recorded by the police	Smaller is Better	Monthly		September		5,526	5,722
Remedial Actions • A young persons ASB mapping exercise is to be undertaken. On 2nd November practitioners are to be invited to a morning seminar looking at what services are available and identify gaps, and to identify duplication across services. The deadline for this exercise is 31 January 2011. The repeat address ASB template is being developed through the Multi Agency Task and Co-ordination Group to identify 'hot spots'.							
Date of comment Sep 10							
HPS.5.3 - No. of affordable homes delivered (NI 155)	Bigger is Better	Quarterly		September		85	66
Remedial Actions • Although 21 homes were delivered during the 1st quarter and an additional 45 during quarter 2, this remains below target overall. There is a potential risk that the target of 170 will not be achieved during the remainder of the year, although measures have been implemented to increase delivery, regular monitoring is being undertaken.							
Date of comment Sep 10							
HPS.6.1 - The percentage of household waste arisings which have been sent for reuse, recycling, composting or anaerobic digestion (NI 192)	Bigger is Better	Monthly		September		41	40.8
Remedial Actions • Further improvement of recycling performance will continue by introducing the service to more flats and similar developments and further expansion to schools. Following agreement with our contractors we hope to introduce recycling services to village halls and charities within the next few weeks. We will continue to promote recycling, composting and waste prevention through events and promotional events. It should be noted that the 40.8 recycling figure is supported by a seasonally high level of garden waste composting which will reduce over the winter months. Consequently the initiatives identified here will be even more important as we reach the end of year so we meet, or exceed our 4% yearend target.							
Date of comment							
HPS.7.3 - The average time taken in calendar days to process all new claims and changes of circumstance	Smaller	Monthly		September		11	12.24

Key Performance Indicators – Exceptions (Red and Amber - behind target)							
Outcome & Measure		Frequency of reporting	DoT since last year	Date of judgement	Performance (Year To Date)	Target (Year To Date)	Actual (Year To Date)
for Housing / Council Tax benefits. (NI 181)	is Better						
Remedial Actions • Processing times continue to be affected by the high number of changes received.							
Date of comment Sep 10							
HPS.7.4 - The percentage of customer contacts with council services that are assessed as being avoidable (NI 14)	Smaller is Better	Monthly		September		25	34
Remedial Actions • The two highest reasons for avoidable contacts this month were customers seeking clarification at 17.44% and Service Failure at 13.02%. There were no areas with significantly high avoidable contacts this month. Out of the services with the highest avoidable contacts, the reasons were; Concessionary parking 5.85%, Annual Billing 2.08%, Reminder letters 3.02% Application Supporting evidence 1.72%, no black sacks 3.85%, missed black sacks 1.97%.							
Date of comment Sep 10							
HPS.7.4 - % of people making a request for service through Info that are 'satisfied' or 'very satisfied'	Bigger is Better	Monthly – 6 week delay	A new local measure for 2010. No comparison possible yet	August		95	79.8
Remedial Actions • This measure continues to stay around the 80% mark. Although a month on month improvement saw July at 84%. Further analyses of the results are required. Reasons for dissatisfaction include: switchboard often engaged; wheelie bins took 6 months to deliver; council wasting money on satisfaction surveys; and, ignored planning query.							
Date of comment Sep 10							
HPS.7.5 - Average sickness FTE (PCT)	Smaller is Better	Monthly		September		4.4	4.89
Remedial Actions • Between July and August there has been an increase in short-term sickness levels mainly in the Children's and Mental Health							

Key Performance Indicators – Exceptions (Red and Amber - behind target)							
Outcome & Measure		Frequency of reporting	DoT since last year	Date of judgement	Performance (Year To Date)	Target (Year To Date)	Actual (Year To Date)
<p>Directorates. This may reflect the structural and management change that is currently ongoing across these services. Currently 42% of all absences within NHS Herefordshire relate to short-term sickness (less than 4 weeks) while the remaining 58% relate to long-term absence (% of FTE days lost). A joint Managing Attendance Course, for both the Council and NHS Herefordshire Managers, will be available from 1st October 2010. In support of Agresso implementation, the production of sickness absence reports to management teams will, in future, be limited. A communication to managers advising them of the support available will be issued shortly.</p>							
Date of comment Sep 10							
HPS.7.5 - Staff turnover (PCT)	Smaller is Better	Monthly		September		12	13.16
<p>Remedial Actions • The most recent figure reflects the completion of 24 apprenticeships For the first 2 months of 2010/11 labour turnover was comparable with our benchmarked organisations, the main reasons being retirement and work-life balance. April traditionally is a high month for labour turnover as people leave at the beginning/end of the holiday year and this is reflected in the figures across the benchmarked organisations. The benchmarking figures (only Jan - May available to date) have been obtained from a database called I-View which is run by the Information Centre for Health and Social Care. The information in I-View is uploaded from the ESR data warehouse and includes all but seven NHS organisations.</p>							
Date of comment Sep 10							

Projects – Exceptions (Red – behind schedule)			
Project	Responsible Officer	Latest rating	Due Date
Progress the Hereford Futures Scheme	▲	Webster, Nick	Dec-11
Remedial Actions • The project has some tasks that are progressing and being delivered. These include the flood alleviation scheme for which a CPO enquiry has just been completed. Other parts of the project such as the link road are on hold currently subject to funding.			
Date of comment Sep 10			
CYPD Engagement And Involvement Strategy	▲	Sanders, David	Mar-13
Remedial Actions • A Task and Finish Group was established and a first draft has been produced for the end of September 2010. This has yet to be presented to the Children's Trust Management Group and therefore implementation, which was scheduled to start from October 2010, will not be achieved. The Children's Trust Management Group is due to consider the strategy at the beginning of November 2010.			
Date of comment Sep 10			
Equality & community cohesion programme	▲	Trachonitis, Carol	April 2011
Remedial Actions • Withdrawal of external funding – Migration Impact fund - has had a detrimental affect on this project. All other tasks are progressing as planned, apart from the review of Equality Impact Assessments which will start when the 2011-14 Service Planning Requirements are agreed.			
Date of comment Sep 10			
Improve Data Quality	▲	Geeson, Tony	June 2011
Remedial Actions • Some tasks within the data quality action plan are now behind schedule due to competing priorities e.g. the number of training sessions held. The position is still recoverable by the year end providing more time is available			
Date of comment Sep 10			

MEETING:	CABINET
DATE:	25 NOVEMBER 2010
TITLE OF REPORT:	RESPONSE TO THE SCRUTINY REVIEW OF COMMUNICATION WITH THE PUBLIC ABOUT SERVICES & ACCESS TO THOSE SERVICES
PORTFOLIO AREA:	CORPORATE AND CUSTOMER SERVICES AND HUMAN RESOURCES

CLASSIFICATION: Open

Wards Affected

County wide

Purpose

To approve the executive response.

Key Decision

This is not a key decision.

Recommendation

THAT: The Executive's response (as detailed in Appendix A) be approved

Key Points Summary

- 1.1 A draft response has been prepared to the recommendations of the scrutiny review of the communication channels used to promote services and how to access them.
- 1.2. An external review of the communications function has also made a number of recommendations which impact on the issues identified by the scrutiny review and also have wider implications for communications function.

Reasons for Recommendations

- 2 The scrutiny report requires a response and action plan

Introduction and Background

- 3.1 Overview and Scrutiny Committee established a review panel to scrutinise how the council communicates information to the public on services and how to access them, principally through publications and particularly through Herefordshire Matters, to see whether this

Further information on the subject of this report is available from
Robert Blower, Head of Communications on (01432) 260006

activity is effective and achieves value for money.

- 3.2. A 35-page report (at Appendix A) was produced with 18 recommendations and presented to Overview and Scrutiny on 27 September 2010. This report presents an executive response and an action plan in support of the recommendations set out in Appendix B.
- 3.3. At roughly the same time as the scrutiny review, an external review of the communications function was undertaken by consultants Grant Riches, which made a number of recommendations to improve the organisational impact and value for money of communications across the council and the primary care trust. A summary of the recommendations is set out in Appendix C.

Key Considerations

- 4.1 The recommendations of the review, and the proposed response, are set out in detail at Appendix B and relate to:
 - Herefordshire Matters and its effectiveness and value for money as a communications tool. Based on available objective research, it is recommended that production should continue and notes that savings have already been identified and implemented
 - The need to reduce the volume and cost of literature across the council and primary care trust and ensure that material is accessible, understandable, of the right quality and correctly branded. This is being addressed by ensuring that all material will be assessed and processed by the corporate communications unit
 - How information on services and how they can be accessed is structured around the needs of residents and communities
 - The cost and effectiveness of statutory public notices, and the opportunities to reduce expenditure
 - The importance of keeping information about services on the web site up to date, relevant and accessible
 - The use of social media in addressing the information needs of younger people
 - Consideration of the use of webcasting of committee meetings, based on public demand and cost/benefits
- 4.2 In relation to the broader issues about the future role of the communications function, the recommendations of the Grant Riches report set out a clear direction for future communications.
- 4.3 In summary, increased capacity for the central communications function will: enable more focus on strategic and reputation issues, boost skills and creative flair, develop marketing led campaigns, increase income, develop the website and intranet and help build a communications culture across the council and the primary care trust.
- 4.4 Cabinet is invited to endorse this approach for the future of the communications function, which is fully aligned to the shared services programme recently approved by Cabinet.

Community Impact

- 5.1 The commitment to engage in direct, regular and accurate communications with communities

underpins the priorities set out in Herefordshire's sustainable community strategy

- 5.2 The council and primary care trust provide several hundred different services to the people of Herefordshire. How the partnership communicates details of these services, and how to access them, has to be effective and reach as many individuals, families, communities and businesses as possible. The reach of Herefordshire Matters ensures that all households have equal access to information on service provision and marketing programmes to address health inequalities or behaviours that impact health and wellbeing, can be delivered more effectively as a result of this direct communication. Herefordshire's proposals for future production of Herefordshire Matters are fully in line with the governments draft new code of recommended practice on local authority publicity.
- 5.3 The recommended structure for communications is designed to position the team to influence more effectively the overall reputation of the council and the primary care trust, as well as how we communicate and engage with employees and deliver marketing campaigns to promote increased engagement, good community cohesion and the involvement of communities in improving services cost effectively.

Financial Implications

- 6.1 The findings of the scrutiny review echo those of the Grant Riches communications review in raising the issue of the overall cost of producing a high volume of publications, newsletters, brochures, flyers and leaflets in individual service areas. Both reviews identified the need for their production to be assessed and coordinated by a single professional source.
- 6.2 There are financial savings in channelling all the design and print work through the central communications unit because the external design agencies used by some service areas are considerably more expensive than the organisation's own design unit. In many instances, the communications unit will determine that the production of literature is not necessary and that the objective could be achieved more cost effectively through other communications channels. As overall spend on these communication activities will be monitored by the central communications unit, with the help of financial services, the cost benefits will be recorded.
- 6.3 Implementation of the recommendations in the Grant Riches review will deliver savings of approximately £150,000.

Legal Implications

- 7.1 The production of published material and the webcasting of council meetings, if undertaken in the future, need to take account of the laws and risks relating to defamation, advertising standards, data protection, intellectual property and other ancillary legal implications. The council manage these risks by ensuring that legal advice is sought in respect of its principal publications before they go to press and maintain a policy of insurance against claims for defamation and similar matters.
- 7.2.1 The restructuring of communications across the council and primary care trust will be implemented in line with the standards for managing the impact of organisational change.

Risk Management

8. The risk of not implementing recommendations is that the volume and cost of literature could remain inappropriately high, although measures have already been taken through the strict management of discretionary spend and the executive response to determine that all publicity material should be managed by the central communications unit.

Consultees

9. The response to the recommendations has consulted the head of customer services, the knowledge and web services manager and the head of partnerships (who facilitated the work of the review panel). The joint management team has endorsed the proposed executive response to the scrutiny recommendations.

Appendices

Appendix A: Report of the Scrutiny Review of Communication with the Public About Services & Access to Those Services

Appendix B: Executive Response and Action Plan

Appendix C: Summary recommendations of Grant Riches review of communications

Background Papers

- None identified.

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Foreword

How the Council communicates what it is doing, or plans to do, to the County residents is extremely important and this Scrutiny Review was established to see whether what we currently do is effective, clear and interesting, and in these financially straitened times, offers value for money.

It may be felt that the Review Group has over concentrated on 'Herefordshire Matters' but this magazine is a major method of communication with all Herefordshire households and one which regularly generates strong opinions from Council tax payers.

The Review Group hope that our findings and recommendations will ensure that communications with our residents can become even more effective.

As Chairman, I would also like to thank everyone who gave of their time to come and talk to the Review Group; their contributions were in some cases critical, but always helpful and illuminating. I would also like to thank the other review group members, Councillors Phil Cutter, Phil Edwards Terry James and Peter Watts for their invaluable suggestions, support and hard work.

Finally a huge vote of thanks to our two officers, Tim Brown and Julie Gethin whose help, good humour and ability to keep a group of vocal and strong minded Councillors 'on track' has been much appreciated.

Councillor PA Andrews
Chairman of the External Scrutiny Review Group

Introduction

1. In the context of developing an external focus to the work programme Members considered that improvements to various aspects of communication could be made. External communications have a bearing on the reputation of the Council and NHS Herefordshire and how they are perceived by the public, as well as having a direct impact on the ease with which customers are able to access services within the County. In this regard, the Committee's terms of reference for the review were:
 - To identify what external communication by the Council and NHS Herefordshire currently takes place to inform the public about services.
 - To establish what is already known from customers about what information they wish to receive and the effectiveness of current communications in meeting those needs. To consider what further information might need to be obtained from customers in this respect and to ask that it be obtained to inform this review.
 - To identify any areas of duplication both within each organisation and between organisations, as well as any potential savings.
 - To identify any areas of best practice.
 - To make recommendations that will improve public awareness of services and how to access them.
2. The following matters were excluded from the review: agendas and minutes, press releases, individual services such as the Communications Unit, Customer Services, Tourist Information Centres and the Library Service, consultation documents, general correspondence, job advertisements, internal communication, statutory notices, and tourist information. The Review Group has commented briefly on some aspects of these matters that have arisen as a consequence of its enquiries and also sought to ensure it was not duplicating other key pieces of work underway at the same time such as the scrutiny review of the impact of the Winter Weather and the response to it and the external review of the Communications Unit which has recently been completed.
3. The scoping statement for the review is attached at Appendix 1.

Method of Gathering Information

4. The Review Group considered relevant strategies and a range of other documentation and viewed a number of webcasts of meetings.
5. Interviews were held with a number of people to enable specific issues to be discussed in detail. A list of those interviewed is attached at appendix 2.
6. Members of the Review Group also visited several Council premises around the County to investigate what material was available to the public and how it was displayed.

Strategic Context

7. There are two key joint documents that set the strategic direction for the Council and NHS Herefordshire (the Primary Care Trust) in relation to communication with communities – the Communications Strategy and the HPS Customer Strategy.

8. The Communications Strategy sets out existing communications channels. The relevant extract from the Strategy is attached at appendix 3.
9. The Communications Unit leads on the implementation of this Strategy and its associated action plan. The Unit was the UK's first unified communications team for a local authority and primary care trust. As well as the strategy there is a single service plan, and joint communications policies, such as protocols, advertising and corporate identity guidelines, to support partnership working.
10. The Unit's role is to promote awareness, understanding and support for the vision, values and priorities of NHS Herefordshire and Herefordshire Council among the diverse communities and stakeholders of Herefordshire, and the wider regional and national health and government audiences. Its scope of work includes:
 - Communication and marketing strategies and campaigns, often supporting change, consultation or engagement programmes
 - Media relations – including press release production, media enquiries, media monitoring and media training
 - Internal communications – including change management
 - Elected member and non-executive director communications
 - Brand management, visual identity, graphic design and print management
 - Publications – including the residents' newsletter and various corporate publications
 - Event management
 - Crisis management (working with emergency planning)
11. Herefordshire Public Services (the partnership between Herefordshire Council and NHS Herefordshire) sets out in its Customer Strategy its commitment to deliver efficient, excellent services and improved outcomes for the citizens of, and visitors to, the County.
12. The four key commitments in the Customer Strategy are:
 - Improved outcomes for local people
 - Excellence in service delivery
 - Focus on customers' experience
 - Being efficient and delivering value for money
13. The aim of accessible services is to deliver reliable, flexible and responsive services at a time and in a way that is convenient to customers. Using a "one Stop" approach the intention is to continue to develop integrated front offices for services provided by Herefordshire Council and NHS Herefordshire. This is alongside a range of engagement methods to develop meaningful, regular and joined up engagement with all sections of Herefordshire's communities. Becoming an organisation that listens through regular, systematic and co-ordinated consultation and engagement will ensure that public services reflect what local need and want. Also, by treating customers equally and fairly and striving to become trusted by communities Herefordshire Council and NHS Herefordshire will be able to foster a sense of place and well being in all parts of the County.
14. Both of these strategies and their overarching objectives and approaches were considered by the Review Group.

Current methods of communication and their effectiveness

HEREFORDSHIRE MATTERS AND OTHER LOCAL MEDIA

15. Herefordshire Matters (HM) is the Council's magazine for patients, service users and residents. It is delivered to every household in the county, and outlets like libraries, customer service centres, reception areas, GP surgeries, youth centres, residential homes and day care centres. Its aim is to promote public services and how to access and engage in shaping them.
16. When the review was being undertaken the magazine was published bi-monthly. The council budgets for £12,500 per edition of Herefordshire Matters and if six editions are published and distributed to over 80,000 households and locations in a year. The gross annual cost to the Council is £75,000, offset by advertising revenue of £29,100 comprising recharges to Council Departments and NHS Herefordshire amounting to £14,900 and £14,200 from other sources. The Review Group has been informed that costs have since been reviewed and, based on a quarterly publication, the net cost will be less than £50,000. The cost per page of Herefordshire Matters compares favourably with the average cost of publications by other authorities based on a benchmarking report of 45 authorities produced by Public PR.
17. It is acknowledged that if Council or PCT advertising were placed elsewhere the reach may not be as great as through advertising with Herefordshire Matters. The Review Group has been advised that Services that do advertise in Herefordshire Matters report a much better response from Herefordshire Matters than other vehicles and that it could be argued that the publication offers the best and most cost effective penetration for service areas, with the further advantage that the money comes back to the organisation.
18. The Review Group notes that the Communications Strategy identifies as a risk control measure that a policy should be secured that all advertising targeted at citizens is considered first through Herefordshire Matters. This reflects a concern over Council services advertising with unproven or small circulation publications which solicit advertising with them and the poor value for money that this represents.
19. The Audit Commission in January 2010 published findings of research into council periodicals and communication with the public. This found that over 90% of English Councils publish a periodical but almost all of these are published once a month or less frequently.
20. The Commission stated, "Communication is important to inform the public of the services that councils provide and the functions they perform. It is also important to explain to voters and council tax payers the reasons for particular policies and priorities."
21. The Commission did recommend Councils should review their editorial policies to ensure that they are politically neutral and publicly defensible. It noted that the *Code of Recommended Practice on Local Authority Publicity* states that councils need to communicate fairly and objectively about controversial issues.
22. The Commission found that a range of current practice in periodicals demonstrates that councils have taken different decisions about how to balance the community leadership role of all councillors, and the role of executive members in speaking for

the council, against the risk that the periodical may be viewed as politically biased by some readers.

23. The Commission also recommended that Councils should review the value for money of their spending on communications, including on periodicals. The Commission noted that “the financial information on council periodicals is particularly limited. The cost of periodicals is specifically described in around 10 per cent of council accounts. These accounts record average spending of £68,000 per council. A Local Government Association survey in 2009 found broadly the same figure.
24. The Government has stated that it will amend the Code of Recommended Practice on Local Authority Publicity to stop unfair competition by local authority newspapers. This was in response to concerns that “too many of these papers are branching into non-council content such as TV listings and sports reviews; that the councils dress up their literature as 'independent' publications; and the frequency of the free, delivered newspapers undermines commercial local newspapers”. The Secretary of State for Communities and Local Government said:

"The previous Government's weakening of the rules on town hall publicity not only wasted taxpayers' money and added to the wave of junk mail, but has undermined a free press.

"Councils should spend less time and money on weekly town hall Pravdas that end up in the bin, and focus more on frontline services like providing regular rubbish collections.

"In an internet age, commercial newspapers should expect over time less state advertising as more information is syndicated online for free. The flipside is our free press should not face state competition from propaganda on the rates dressed up as local reporting."

Initial indications are that Herefordshire Matters is not the type of publication that the Government is therefore seeking to curb.

25. The evidence presented to the Review Group cast some doubt on whether HM is providing information the public wants and is fulfilling its stated purpose of promoting public services and how to access and engage in shaping them. The cost could be considered high, if HM is not seen to be an effective means of letting the community know about local services.
26. It was suggested to the Group that because of the infrequency of publication the material in HM often appears outdated. One option put forward as an alternative was a more regular segment in the local newspapers containing targeted, sharp and newsworthy material. There was a view that this was more likely to be read than a separate Council publication, which as a self-standing document could be more readily discarded because people have not chosen to buy it. However, this should be balanced against the fact that readership of, for example, the Hereford Times (at approximately 36,000) is lower than current distribution of HM which goes to all households.
27. The Review Group concedes this is not an easy judgment but feels that the information gathered suggests that there is merit in further reviewing the value to the public and cost effectiveness of HM.

28. The Review Group's considerations, not just in the context of Herefordshire Matters, highlighted the importance of producing well-written targeted information with the reader firmly in mind. The impression given to the Group was that considerable effort was being expended on producing a number of pieces of information rather than taking a more selective approach. The Review Group considers that the following performance target in the Communications Strategy encourages such an approach: "Maintain press release production at 1,000 per year and maintain increased level of positive press coverage for Herefordshire Council and NHS Herefordshire to 4,000 per year through the 2010 to 2014 period". This gives a focus to the quantity of releases and could be counter-productive and is not on its own a measure of effectiveness or value for money.
29. The Public Audit Forum has recently produced some value for money indicators for central communications functions and the production of press releases is not contained in this list.
30. If the production of HM continues, the Review Group has concerns about its predominant tone of positivity, to the extent that it may give the appearance to some of being propaganda. It considers this can have a negative impact on the Council's reputation. In particular, it urges that action should be taken to ensure that reporting is straightforward, admitting to mistakes where these have occurred and setting out the steps being taken to put things right. Reporting should be realistic and should not oversell what is expected to be achieved, thereby ensuring public expectation is not falsely raised or that scepticism continues.
31. The Review Group highlighted two specific examples in this regard. The headline in the April-June 2010 edition read, "£10 million to fix county highways". The Review Group considers this is an example of raising expectations unrealistically. The money will generate improvement but will not "fix" all the County's roads. The public perception, based on their driving experiences, is likely to be that the Council has failed to deliver on its promise despite the fact that the intention is not to fix all roads across the County in this timeframe. The effect of this is to potentially jeopardise the reputation of the Council.
32. A further example of where the Review Group thought the tone of HM had been overly positive was in connection with the change to the waste management arrangements. The impression given in HM was that everything had worked well. In fact there were a number of difficulties with the delivery of bins and the ability to meet the requests from individuals as a result of an inconsistent approach to communicating the changes in service which resulted in a large volume of complaints. The experience on the ground (confirmed by feedback received from Customer Services) was at odds with what the Council was communicating to residents. The Review Group suggested it would have been better to say that there had been some problems, which was only to be expected, and the Council had done its best to solve them.
33. The Review Group considered research into residents confidence in media sources and was somewhat sceptical of the statistics quoted for Herefordshire Matters because they are solely based on surveys conducted using the Herefordshire Voice (see below).

Confidence in media sources					
	Very confident	Fairly confident	Not confident	Base	Confident = Very + Fairly
Herefordshire Matters	33%	59%	8%	559	92%
Hereford Times	22%	70%	7%	575	93%
The Journal (Hereford, Ross or Leominster editions)	16%	73%	11%	427	89%
Ross Gazette	16%	70%	14%	90	86%
Ledbury Reporter	15%	75%	10%	81	90%
Mid Wales Journal	10%	79%	10%	29	90%
Western Daily Press	9%	84%	7%	58	93%
Worcester News	2%	83%	14%	42	86%
Birmingham Post	11%	71%	17%	35	83%
BBC Hereford & Worcester	29%	67%	4%	449	96%
Wyvern FM	17%	75%	8%	229	92%
Sunshine Radio	19%	69%	12%	90	88%

34. Herefordshire Voice is the citizens' panel for Herefordshire. It is a group of approximately 1,100 local residents who have agreed to participate regularly in consultations on a variety of topics. In order to give a reliable cross-section of local views, the panel aims to reflect the gender, age and ethnic makeup of Herefordshire as a whole, with panellists from all over the county. Herefordshire Voice is maintained to provide a basis for survey research and is generally cheaper, more convenient and more reliable than surveys sent to a random selection of residents.
35. The Review Group asked for further analysis from the Council's Research section about these findings. This concluded that whilst the composition of Herefordshire Voice does not perfectly match the profile of the county's residents, further analysis suggests:
- The statement that 92% of readers have confidence in the accuracy of the information given in Herefordshire Matters is reasonable.
 - Taking into account the age profile of the panel, the statement that 73% of residents read most or all of Herefordshire Matters is likely to be a few percentage points too high.
 - The statement that over 90% find articles interesting, useful and cover important issues is reasonable.
36. However, it is perhaps worth noting that in relation to the statement above that 92% of readers have confidence in the accuracy of the information given in Herefordshire Matters 33% were very confident and 59% fairly confident.
37. Regarding the numbers reading most or all of Herefordshire Matters, 80% of respondents to the Herefordshire Voice Survey said they normally received a copy of Herefordshire Matters. Of that group 73% said they normally read most or all of it. (In effect, taking account of those who say they do not receive the document at all, this means that 58% of respondents to the survey as a whole read most or all of Herefordshire Matters).
38. Of those who said they did receive a copy of Herefordshire Matters 35% said they read all of it, 38% said they read most of it and 24% read a few articles, with 2% not reading any of it.

39. In relation to the statement that over 90% find articles interesting, useful and cover important issues the statistics were as follows:

Views on aspects of the Herefordshire Matters magazine					
	Yes	To some extent	No	Base	Yes + to some extent
Do you find the articles interesting?	44%	51%	4%	708	96%
Is the information useful to you?	33%	60%	7%	706	93%
Are the articles easy to read?	85%	14%	2%	705	98%
Is the design clear and uncluttered?	76%	19%	5%	700	95%
Does the magazine cover important issues?	38%	55%	7%	693	93%

40. The Research Section noted that although, as mentioned above, efforts are made to ensure the panel represents a reliable cross-section of local views the Panel cannot at present claim to be perfectly representative of all residents in the County, partly because, by the very fact of agreeing to join the panel, the members are to some extent atypical, though the effect this may have cannot be determined. Based on day to day experience within the community, the Review Group remains somewhat sceptical about the survey findings. It suggests Customer Services might usefully get some direct feedback about HM through its Customer Service Centres.
41. Research conducted by MORI for the Local Government Association in 2006 found that the majority of residents (55 per cent) value a local 'A-Z of services' as the most useful form of council publicity. This is followed by the council website (40 per cent) and council tax leaflets (38 per cent). Newspapers are valued by just one in three residents (36 per cent)
42. The Review Group has considered the use of one edition of Herefordshire Matters as a resident's guide to public services replacing a more traditional A-Z of services. This was produced in September 2009 as a joint 48-page publication and delivered to every household in the county. It promoted the comprehensive range of public services, principally those provided by NHS Herefordshire and Herefordshire Council, and how to access them. Believed to be the first publication of its type in the UK, the guide structured information about services around the needs of individual patients and service users, who require support, care or advice at key stages in their lives.
43. The Group considered the difficulty with this publication was that it did carry with it the risk of becoming outdated and consideration might be usefully given to producing the document in a way that made it possible for updates to be issued without the need to necessarily to replace the whole document.
44. Since the national evidence is that the public value an A-Z it is proposed that the recommended survey by Customer Services seeks local opinion on the value of this and other media, and the format in which the public would like to receive this information.

Recommendations

- (a) That the production of Herefordshire Matters should be reviewed to assess whether there is a more effective means of communication about public services.
- (b) That, if retained, the tone of Herefordshire Matters should be reconsidered, to ensure that reporting is straightforward, admitting to mistakes where these have occurred and setting out the steps being taken to put things right.
- (c) That, if retained, reports in Herefordshire Matters should not oversell what the Council is realistically expecting to achieve, thereby ensuring public expectation is not raised to the potential detriment of organisational reputations.
- (d) That Customer Services should be requested to conduct a survey on the value of HM and what information the public would like to receive from the Council and NHS Herefordshire through its Customer Service Centres and that this should include asking about an A-Z of services.

LEAFLETS AND OTHER PUBLICATIONS

- 45. The Communications Strategy states that Service leaflets and publications are published as required for patients, service users and residents on public services and how to access them. Around 300 separate publications, reports, booklets, leaflets and flyers are produced each year by the communications unit in line with corporate identity guidelines and house style and are offered for translation and interpretation as required.
- 46. However, services themselves also produce a vast array of leaflets with the intention of informing the public about services and how they can access them. The Review Group was concerned that this did not represent a good use of resources and was not the most cost effective way of informing the public about services. The language of some of the material seen by the Group was impenetrable, appearing to have been written by officers for officers with no real thought given to the needs of the members of the public who would have to read it.
- 47. Visits to a range of Council offices, libraries and Customer Service Centres found a proliferation of leaflets, with no evidence of a consistent approach to version control and some leaflets with handwritten amendments on them. This did not provide confidence that the information was up to date and accurate nor a professional view of the Council and NHS Herefordshire.
- 48. The amount of material was overwhelming and confusing. It was considered unlikely that this would be helpful if a person was uncertain of what information they required. The Group understands that when someone is seeking information it is more than likely that their first step on entering a Customer Service Centre or other Council office would be to ask where they could obtain a specific piece of information and advice.
- 49. It was also of concern that there was no control over leaflets being placed on display, other than by routine monitoring in the customer service centres which was itself complicated by the sheer number of leaflets involved.

50. There was an apparent complete absence of control of the display of documentation at the Shirehall, Hereford. It is recommended that the display of leaflets and publications in this building is specifically prohibited and any visitors seeking information on services are referred to Garrick House.
51. The Review Group considers that there is scope for a huge reduction in the number of leaflets and similar publications.
52. One example of the potential for waste is the reported production of 7,000 leaflets for one particular purpose, a leaflet that was not produced by the corporate design team and was incorrectly branded, of which an estimated 4,200 were issued.
53. During the scrutiny review of GP Services in the County, a comment was made by GPs on the vast quantities of leaflets being sent out for distribution to patients.
54. The Review Group welcomed the stated intention of the Head of Customer Services to review the quantity of leaflets and posters in Customer Service Centres.
55. To ensure that accurate, up to date information on services is provided to the public, the Review Group advocates a focus instead on storing up to date material electronically and making a hard copy available on request.
56. It is accepted that it would be practical for a limited number of leaflets on key services that are commonly requested in significant numbers to continue to be produced. However it is important that policies are in place to control production and to review and ensure the currency of the information they contain.
57. Following the Group's findings on its visits to libraries that hard copies of agenda papers were rarely requested these are no longer distributed to libraries and Info Centres. An e-mail notification is sent of their publication and a hard copy of individual reports can be made available on request.
58. The use of rolling display screens at Customer Service Centres and reception areas to provide information was also something the Group considered merited further investigation.

Recommendations

- (e) That action is taken to achieve a significant reduction in the production of leaflets and other publications and to ensure that the material that is produced complies with corporate policies. Consideration should be given to this through the Rising to the Challenge processes recently established so there is an identified lead to action this.**
- (f) That display of leaflets and publications at the Shirehall, Hereford is specifically prohibited and any visitors seeking information on services are referred to Garrick House.**

PUBLIC ACCESS TO COMPUTERS IN LIBRARIES AND CUSTOMER SERVICE CENTRES

59. Libraries and Customer Service Centres have a number of computers available for public use (85 in libraries and 11 in the Customer Service Centres). The information provided to the Review Group suggested that provision of this facility and its management seemed to have been developed piecemeal over time.
60. In the Customer Service Centres the perception was that there were a number of regular users rather than a range of people. The facility does not therefore generally serve in the Centres as a means of access to public services.
61. The Review Group suggests that whilst a case can be made for public access to computers for general usage in libraries their availability and use in Customer Service Centres is more questionable. It considers provision in both service outlets should be reviewed.

Recommendation

(g) That the provision of PCs in libraries and Customer Services Centres should be reviewed and a coherent policy developed for their use.

STATUTORY NOTICES

62. Although not within the scope of the review, the publication of statutory notices arose during discussions.
63. Statutory Notices have to be placed in a local newspaper on a range of subjects including planning applications, licensing and public rights of way.
64. The Review Group has noted the view of the Head of Communications that the language of the statutory notices is legalistic and often does not explain what is being proposed, and the implications, in a clear, user friendly way. This can create reputational issues for the Council at a later date when the public could sometimes maintain that they have not been informed of a proposal, despite statutory notice having been given. Whilst the Council can demonstrate that it has provided statutory notice this will not entirely defuse public resentment.
65. The Head of Communications considers that articles/press releases would be a simpler, easier, and more effective method of communicating the information contained in such notices. He also considers that there is the potential for cost savings.
66. The decision on which notices should be published is taken by service areas. It is suggested that the approach to producing and publishing these notices should be reviewed in consultation with the Head of Communications. The Group considers the opportunity should also be taken to confirm whether or not there is indeed a requirement to publish in the print media several of the types of notice that are currently published as statutory notices.

Recommendation

(h) That Directors be asked to review the notices published as statutory notices in the print media, clarify whether they are statutorily required, and seek the advice of the Head of Communications as to whether some form of communication other than a notice would be more effective and feasible.

WHAT INFORMATION CUSTOMERS WISH TO RECEIVE

67. The Review Group was not able to identify any specific information, aside from Herefordshire Voice Surveys containing information relating to Herefordshire Matters, on what information customers wish to receive about services and their view on what is already being provided.
68. In the absence of such information it is felt that services can only be operating on the basis of assumptions. This does not embrace the corporate approach described in the Customer Strategy of putting the customer first in all that we do.
69. The Communication Strategy details a number of communication channels for patients and service users and identifies a range of specific stakeholder groupings. There is, however, no guidance or suggestion as to what form of communication works best for different audiences. The Strategy would benefit by including such guidance and also reflecting on the number of communication channels used and their effectiveness.

Recommendation

- (i) **That the Communications Strategy provides evidenced guidance on the most effective communication channels for individual stakeholder groupings.**
- (j) **That a survey be undertaken to establish what information the public wish to receive about council and NHS Herefordshire services, the effectiveness of current communications in meeting these needs and the preferred format and channel for this information.**

A Corporate Approach to Communication

70. The Review Group found that the role of the Communications Unit and Customer Services was clear in theory, as outlined in the Communications Strategy and the Customer Strategy. However, there was less certainty as to the authority and influence these Services commanded in practice.
71. The Communications Strategy states:

“The corporate identity guidelines require all service areas to secure the maximum corporate recognition and economies of scale. Therefore, individual service areas are no longer able to use sub-brands or alternative logos. Responsibility lies with the unified communications unit to promote and regulate the use of the brand and visual identity, with support where necessary from the joint management team.

The refreshed identity unites council and primary care trust services and presents a consistent face to our customers and partners, and it makes our services more accountable and recognisable by clearly identifying the work in which the council and the PCT is engaged.”

72. There was evidence that adherence to the corporate branding guidelines across the Council, including policies relating to translation, interpretation and alternative formats, remains patchy. Services sometimes commission external design work, contrary to corporate guidelines or carry out such work in-house. The view of the

Head of Communications was that in-house work took individuals longer than the in-house design team would take and was therefore inefficient. It was also possible that the chosen means of communication would not be the most effective.

73. The role of Customer Services in front line service delivery is also not consistently recognised across the Council. An example was given of a leaflet issued by Revenues and Benefits and delivered to Customer Service Centres (CSC) for display that incorrectly stated cash offices were closed.
74. The Customer Strategy identifies the need to improve the extent to which the Council listens to the public and use that feedback to design and commission services. The Head of Customer Services has fed back, in the context of communication pressures that arose during the severe winter weather, that it became clear that the publication of information on the Council website was not meeting customer demands or expectations. Alternative and more responsive options are available if service areas liaise with and act on the advice of Customer Services managers.
75. The dilemma for the Council is that the complete control of communications by the Central Communications Unit would appear to be unmanageable given the number of Council communications and the current size of the Communications Team.
76. The Communications Unit itself is outside the scope of this scrutiny review. The Shared Services project includes Communications and it is noted that project consultants have been commissioned to examine the service including looking at the existing team's structure, remit, skills and capacity to identify any gaps or areas for improvement for the new integrated service. This will form the basis of a separate report.
77. The Review Group concluded that compliance with corporate requirements including procurement requirements in relation to print and design clearly remained an issue to which the Council needed to give further consideration.
78. The Review Group notes that the Communications Strategy is quite lengthy. Although acknowledging that the Strategy was required to meet specific requirements for World Class Commissioning, the Review Group considers a clearer simpler message might assist in encouraging a more corporate approach.
79. Similarly the pressures on Customer Services were acknowledged in the annual report of the Cabinet Member (Corporate and Customer services) to the Overview and Scrutiny Committee (OSC) on 2 July.
80. The report noted that overall performance for customer services centres against the one stop shop bench-marking group was relatively high. However, the service does less well in relation to convenience and accessibility, how enquiries are dealt with, length of waiting time and professionalism of staff.
81. The Review Group noted that there is to be a review of Customer Services to include: Info by Phone capacity and service improvements, further front office integration at Customer Service Centres, avoidable contact levels, satisfaction levels with service quality, convenience and choice and value for money across all front office service areas.
82. A report was also made to the OSC in July on the Customer Insight Unit (CIU). The Unit was set up in January 2010 to establish a single point of contact for

Herefordshire Council and NHS Herefordshire for all customer-instigated feedback, including complaints, comments and compliments.

83. Before January 2010 complaints and feedback were managed locally by services across Herefordshire Council. This resulted in differences in the way complaints were managed and inconsistent quality of processing. Because there was no unified, standardised system for dealing with complaints, it was impossible to acquire an overview across the Council. A major advantage of the CIU and the adoption of a standard process means there is a single administrative system used to manage the feedback coming into the Council and NHS Herefordshire. This enables the Council to develop a picture of overall levels of feedback and identify trends. The Committee noted the plans to develop the Unit's role and supported its continued development.

Recommendation

- (k) That the Deputy Chief Executive be requested to review the procurement of design and printing services by Directorates and conduct a spot check on the use of cost codes.**
- (l) That consideration is given to how a more corporate approach to communication can be effectively implemented.**

AREAS OF BEST PRACTICE/POTENTIAL DEVELOPMENT

WEBSITE

84. SOCITM has data that 70% of all interactions with Councils are via the web.
85. The Review Group was informed that a web strategy was shortly to be submitted to the Joint Management Team. It is understood that this has yet to be considered. However, several web projects in support of the Customer Strategy and draft web strategy have been included in the ICT Strategy programme of work for 2009/10. The Group was informed of a number of developments supporting community engagement. These are summarised in appendix 4.
86. The overall classification of the Council's website in Better Connected 2010 (a review of 433 local authority sites conducted by SOCITM during November and December 2009 and published in March 2010) is 3 stars (out of a possible 4 stars). This placed the Council in the top quartile for English Unitary Councils.
87. Independent performance data provided by Sitemorse rates all local authority websites monthly against a range of criteria. The Council has been cited for best practice for this year (Better Connected 2010) and the last two years.
88. The Review Group noted in particular that 36% of visitors to the website were not satisfied with value of information they found. This figure is comparable with benchmark group of over 120 local authorities.
89. In addition information from the SOCITM survey asks an "alternative service channels question". This is designed to allow Councils to estimate the cost of not being able to satisfy an enquiry through the web service channel. It shows that if a question can't be answered via the website the next preferred choices are

telephone, then email, then post. But there is a worryingly large portion who if they can't get an answer via the website say they will access information in 'no other way', or say they 'Don't know' how they would do so. This gap in knowledge is particularly marked in particular age groups. The following sample is taken from January-March 2009.

% by Age range	17 and under	18-29	30-39	40-49	50-59	60-64	65-79	80 and over
By telephone	17	29	57	47	53	44	44	39
By post	4	2	3	1	1	1	5	15
In person	12	13	10	9	7	21	8	8
By email	21	28	23	24	19	19	21	23
In no other way	21	12	2	10	12	13	15	0
Other	4	2	1	2	4	1	1	0
Don't know	21	14	4	6	3	1	5	15
Not answered question	0	0	0	1	1	0	1	0

90. The cost differential between the three main channels of communication is huge, as illustrated by the latest figures from the *Channel value benchmarking service*.

- Face to face **£8.23** per visit
- Phone **£3.21** per call
- Web **£0.39** per visitor

Source: Socitm *Insight* (December 2009)

Socitm states "For fractions of a pound, a typical website visit is much, much cheaper than a typical phone call, which in turn is much cheaper than a typical face to-face transaction. Sometimes overlooked when these figures have been presented before is the point that the higher the volume of web visits, the lower the unit cost is likely to be. With good back office processes, the website can handle major increases in traffic without incurring extra costs, whereas the phone or face to face will incur extra costs, unlike the other main channels. "

91. The Review Group noted in particular the intention to build up user based research to make the use of the website more customer friendly. The view was expressed that the website structure did not necessarily reflect how users accessed the website. There was a distinction between a function based approach and the way professionals might structure information. It was noted some Councils had moved to a blank homepage like the Google front page with just a search facility. There could be an option to couple this with a "classic" homepage view which the user could opt to use. Lancashire County Council is an example of this approach.

92. The Overview and Scrutiny Committee has commented several times on the importance of keeping information up to date and removing out of date material and reiterated this point in its Scrutiny Review of the Winter Weather December 2009-10 and the response to it. That review also highlighted a number of issues in relation to updating Council web pages and how information was structured, in particular the need to distinguish between news and other important information.

93. One issue brought to the Group's attention was that Council news was often but not always published immediately to the website. Reasons for this included a concern that it would undermine the local press, the local media being part of the fabric of

local society, and that if, having been on the Council's website the news was considered old news it would not be printed. A judgment was made on a case by case basis by the Communications Unit. The Review Group considers that news items should be placed on the Council website to ensure currency and not held back to fit in with print media publication dates.

94. An example of how the Council could improve the currency of information is by developing the existing provision by the web team of a Twitter feed of news (from the articles published by the Communications Unit on the website) which is followed by 96 local businesses, members of the public and other interested parties such as Sunshine Radio, the Herefordshire Times and CommunityFirst. So for example if news articles are posted on the website the Hereford Times will pick it up from Twitter: <http://twitter.com/myherefordshire/>

Recommendation

(m) The Review Group considers that news items should be placed on the Council website to ensure currency and not held back to fit in with print media publication dates.

(n) Service areas should again be reminded of the need to ensure their information on the web site is updated on a regular basis.

SOCIAL MEDIA

95. The Review Group considered user engagement and the use of social media. The Group was advised that failure to engage through these means was potentially damaging to the Council's reputation. The Council could be seen to be imposing its own preferred way of consultation on users and not engaging with the way in which they wanted to be consulted, for example through online discussions. There appears to be a public expectation that these facilities would be available.
96. The Review Group recognises that younger people are less inclined to rely on print media for information and communication. It encourages exploring the use of social media for communicating about Council business and services, in particular to this audience.

Recommendation

(o) That investigations into developing the use of social media for communicating about Council business and services should be explored as soon as possible, as a key mechanism for reaching younger people in particular.

WEBCASTING OF COUNCIL MEETINGS

97. The Review Group has viewed a number of Council websites broadcasting Council meetings. Whilst viewing figures ranged from 0, to almost 7,000 for the planning permission for a new stadium for Bristol City FC, it was noticeable that the general pattern was that significantly more people viewed the archive of the meeting rather than viewing it live. (The webcast of the planning application referred to above was an exception to this with 80% viewing that particular webcast live.

98. The benefits of webcasting set out in a report by the Improvement and Development Agency based on a survey of local authorities included:
- Makes authorities more accessible,
 - PR value
 - Councillors can see themselves,
 - Reduces the impact of distance,
 - Meets the expectations from the public (esp. younger generation),
 - Drives use of broadband,
 - Improves communications,
 - Reduces costs
 - Interactivity/public participation,
 - Consistency of delivery,
 - Social inclusion.
99. The Review Group considers that in a rural County where the Council holds meetings during normal working hours, webcasting does offer a means of improving access to the Council's decision making structures that merits further exploration. It considers that a trial webcast of a Planning Committee meeting would be particularly appropriate, given the pressures that have been experienced on occasion in accommodating all those wishing to attend certain meetings and the associated transport implications.
100. The Group understands that a firm might be prepared to webcast one meeting as a pilot. It recognises that given the financial pressures the cost of a trial needs to be assessed before deciding whether to proceed.
101. In any event the Committee considers a report should be submitted to Cabinet and the Overview and Scrutiny Committee setting out an analysis of the pros and cons of webcasting Council meetings and its feasibility

Recommendation

- (p) That a trial webcast of a Planning Committee meeting should be undertaken, subject to the costs being reasonable.**
- (q) A report be submitted to Cabinet and the Overview and Scrutiny Committee setting out an analysis of the pros and cons of webcasting Council meetings and its financial feasibility.**

EXPENDITURE ON COMMUNICATIONS

102. The Review Group sought to clarify the Council's expenditure on external communication informing the public about council services.
103. The annual accounts published by all Council were required to contain a figure on publicity expenditure (until 2009/10). (Publicity is defined as "any communication, in whatever form, addressed to the public at large or to a section of the public"). The figure included in the Council's 2008-09 accounts was £502,000. Although not necessarily comparable, the following are recorded for different local authorities - West Berkshire £378,000, Bath and North East Somerset £878,000, East Riding £1.928 m

104. An analysis of expenditure on promotion and advertising activity over all directorates covering the aspects in the scoping statement for the review produced the broadly similar figure of £484,000 (once the cost of the website including the web team and all operational costs is excluded) compared to 2008/09
105. The Review Group subsequently requested further information on expenditure on consultation and other promotional events. This showed expenditure on public consultation in 2008-09 of £589,900 and on general promotion of £482,700. This is in addition to the figure of £484,000 above.
106. The Review Group also noted the following costs:
- Website including the web team and all operational costs £449,101. (This cost covers the intranet and web-based applications/services support (internal and external) e.g. Academy plus additional websites hosted and/or managed by Herefordshire Council or content feeds connections provided e.g. WM jobs, Local Directgov, English Heritage Gateway.
 - Communications Team (including Herefordshire Matters) £597,309 (nb this includes staff costs, advertising and publicity, office expenses related directly to the team and central recharges).
 - INFO Service £1,580,927.
107. The Review Group noted that the breakdown of information on costs was not easy to produce and that the knowledge of costs incurred on external communication was limited and incomplete. As mentioned earlier, the integrity of this information is dependent on accurate and consistent coding and this has given some cause for concern, particularly when allied with information provided to the Group about expenditure on the procurement of print and design.
108. It is noted that this is not the first occasion on which it has proved difficult for the financial systems to deliver the financial information sought for a scrutiny review. It is acknowledged that this might in part be because in a cross service review anomalies may more readily arise but the Group does consider that in reviewing the systems for recording expenditure on external communication, as recommended below, this wider concern should be borne in mind.
109. The Director of Resources has commented that the Executive's response to the views expressed by the Review Group can be taken into account in the design and implementation of the new financial system.

Recommendation

(r) That the systems for recording expenditure on external communication should be reviewed.

Next Steps

110. Subject to approval by the Committee this report will be presented to Cabinet for consideration.
111. The Committee expects that within two months of receipt of the report Cabinet will consider the report and recommendations and respond to the Committee indicating what action Cabinet proposes to take, together with an action plan.

Summary of Recommendations

- (a) That the production of Herefordshire Matters should be reviewed to assess whether there is a more effective means of communication about public services.
- (b) That, if retained, the tone of Herefordshire Matters should be reconsidered, to ensure that reporting is straightforward, admitting to mistakes where these have occurred and setting out the steps being taken to put things right.
- (c) that, if retained, reports in Herefordshire Matters should not oversell what the Council is realistically expecting to achieve, thereby ensuring public expectation is not raised to the potential detriment of organisational reputations.
- (d) That Customer Services should be requested to conduct a survey on the value of Herefordshire Matters and what information the public would like to receive from the Council and NHS Herefordshire through its Customer Service Centres and that this should include asking about an A-Z of services.
- (e) That action be taken to achieve a significant reduction in the production of leaflets and other publications and to ensure that the material that is produced complies with corporate policies.
- (f) That display of leaflets and publications at the Shirehall, Hereford is specifically prohibited and any visitors seeking information on services are referred to Garrick House.
- (g) That the provision of PCs in libraries and Customer Services Centres should be reviewed and a coherent policy developed for their use.
- (h) That Directors be asked to review the notices published as statutory notices in the print media, clarify whether they are statutorily required, and seek the advice of the Head of Communications as to whether some form of communication other than a notice would be more effective and feasible.
- (i) That the Communications Strategy provides evidenced guidance on the most effective communication channels for individual stakeholder groupings.
- (j) That a survey be undertaken to establish what information the public wish to receive about council and NHS Herefordshire services, the effectiveness of current communications in meeting these needs and the preferred format and channel for this information.
- (k) That the Deputy Chief Executive be requested to review the procurement of design and printing services by Directorates and conduct a spot check on the use of cost codes.
- (l) That consideration is given to how a more corporate approach to communication can be effectively implemented.
- (m) The Review Group considers that news items should be placed on the Council website to ensure currency and not held back to fit in with print media publication dates.

- (n) Service areas should again be reminded of the need to ensure their information on the web site is updated on a regular basis.**
- (o) That investigations into developing the use of social media for communicating about Council business and services should be explored as soon as possible, as a key mechanism for reaching younger people in particular.**
- (p) That a trial webcast of a Planning Committee meeting should be undertaken, subject to the costs being reasonable.**
- (q) A report be submitted to Cabinet and the Overview and Scrutiny Committee setting out an analysis of the pros and cons of webcasting Council meetings and its financial feasibility.**
- (r) That the systems for recording expenditure on external communication should be reviewed.**

APPENDIX 1
Scoping Statement

TITLE OF REVIEW:	A review of the effectiveness of communication by the Council and NHS Herefordshire with the public about services and access to those services.
Committee:	Overview and Scrutiny Committee

SCOPING

Reason for Enquiry
Members considered, in the context of developing an external focus to the work programme, that improvements to various aspects of Communication could be made. External communications have a bearing on the reputation of the Council and how the Council is perceived by the public, as well as having a direct impact on the ease with which customers are able to access services within the County.

Links to the Community Strategy
The review contributes to the following objectives contained in the Herefordshire Community Strategy, including the Council’s Corporate Plan and other key plans or strategies: Organisational improvement and greater efficiency including better value for money by working in partnership with the Primary Care Trust and other local organisations

Summary of Review and Terms of Reference
Summary
This review is to consider the effectiveness of communication by the Council and NHS Herefordshire with the public about services and access to those services.
Terms of Reference
<ul style="list-style-type: none"> • To identify what external communication by the Council and NHS Herefordshire currently takes place to inform the public about services. • To establish what is already known from customers about what information they wish to receive and the effectiveness of current communications in meeting those needs. To consider what further information might need to be obtained from customers on this respect and to ask that it be obtained to inform this review • To identify any areas of duplication both within each organisation and between organisations, as well as any potential savings. • To identify any areas of best practice • To make recommendations that will improve public awareness of services and how to access them.

What will NOT be included

Agendas and Minutes

Press Releases

Individual services such as the Communications Unit, Info Service, Tourist Information Centres or the Library Service.

Consultation documents

General Correspondence

Job Advertisements

Internal Communication

Statutory Notices

Tourist Information

Potential outcomes

- Improved public awareness of services and how to access them
- Efficiency savings
- A consistent approach to communication with the public
- Improved quality of communication to seek to ensure equality of access

Cabinet Member (s)

Cabinet Member (Corporate and Customer Services and Human Resources)

A PCT Board Member

Key Stakeholders/Consultees

Directorates

PCT Readers Panel

Service User Groups

Public

Voluntary Sector Assembly

Chamber of Commerce

Schools

Local Medical Council

Potential Witnesses

Deputy Chief Executive (To set the policy context)
Cabinet Member (Corporate and Customer Services and Human Resources)
PCT Board Member
Head of Communications
PCT Board Secretary
Heads of Service (as appropriate depending on review of publications issued).
Joint Director of ICT
Diversity Officer
Info in Herefordshire Manager
(Officer from another authority to provide peer review)
Head of Customer Services
Young Peoples Groups

Research Required

Compilation of publications over past 12 Months
Comparative information
Herefordshire Voice
Survey Information (eg SOCITM)
Potential to commission Focus Groups (eg older people/younger people and also test ease of use of website)
MORI
Society of Local Authority Chief Executives
Local Government Association (including Improvement and Development Agency)
Office of Public Management
Costs

Potential Visits

(Checklist for visits to be prepared)
Info in Herefordshire Offices
Main Council Offices
PCT Reception
GP Surgeries
Libraries

Publicity Requirements

Launch of Review

During Review

Publication of the Review and its recommendations

Herefordshire Matters

Timetable

<i>Activity</i>	<i>Timescale</i>
Confirm approach, programme of consultation/research/provisional witnesses/meeting dates (and proposed topic)	First meeting of the Review Group. December 2009
Collect current available data	Mid January 2010
Collect outstanding data	End January 2010
Analysis of data	1 st week Feb
Final confirmation of interviews of witnesses	1 st week Feb
Carry out programme of interviews	March
Agree programme of site visits	1 st week Feb
Undertake site visits as appropriate	February
Present interim report to relevant scrutiny Committee, if appropriate.	tbc
Final analysis of data and witness evidence	
Prepare options/recommendations	End April 2009
Present Final report to Relevant Scrutiny Committee	Mid June 2010
Present options/recommendations to Cabinet (or Cabinet member (s))	June 2010
Cabinet/Cabinet Member (s) response	September 2010
Implementation of agreed recommendations	TBC

Members	Support Officers
Councillors: Councillor PA Andrews (Chairman of Review Group)	Lead Support Officer, J Gethin – Head of Partnership Support Democratic Services Representative, T Brown
Additional members of the Review Group Councillors PGH Cutter, PJ Edwards, TM James and PJ Watts	

APPENDIX 2

List of Interviewees	
Richard Beavan-Pearson	Head of Customer Services
Graham Biggs	President of Hereford and Worcester Chamber of Commerce
Robert Blower	Head of Communications
Greg Evans	Management Accounting Manager
Zack Pandor	Joint Director of ICT
Ellen Pawley	Knowledge and Web Services Manager
Fiona Phillips	Editor of the Hereford Times

EXTRACT FROM COMMUNICATION STRATEGY

9 Communication Channels

- 9.1 Across the partnership there are a large number of established communication channels reaching a variety of audiences and stakeholders. Many of these channels are formal, monitored and evaluated (most of our publications for example) while others might be informal and unstructured (such as word of mouth (usually positive) or rumour or gossip (usually less so)).
- 9.2 Identifying the various channels, which audiences they reach, to what frequency and to what reason or benefit, helps us to determine how effectively we reach our key stakeholders. Having identified key stakeholders, it was clear that investment was needed in strengthening existing channels or developing new ones to help us become more effective in delivering key messages to stakeholder groups.

Patients and Service Users

- 9.3 Herefordshire Matters – a bi-monthly magazine for patients, service users and residents is delivered to every household in the county, and outlets like libraries, info centres, reception areas, GP surgeries, youth centres, residential homes and day care centres. Its aim is to promote public services and how to access and engage in shaping them.
- 92 per cent of readers have confidence in the accuracy of the information given
 - 73 per cent of residents read all or most of it, 24 per cent read a few articles and 2 per cent do not read any at all
 - Over 90 per cent find articles interesting, useful and covering important issues
 - Readership levels are high for a public services publication and exceed those of mainstream local press
 - Pagination has increased from 16 to 24 pages in 2009
 - A regular public health column, written by the director for public health addresses the key health issues, promotes behaviour change and signposts readers to other local services
 - More emphasis has been placed on human interest stories but linked to hard-hitting statistics or social marketing messages
 - Further emphasis on reducing costs and improving distribution will be made during 2010
- 9.4 Press releases - are produced by the integrated communications unit for local, regional, national and professional media as appropriate.
- Around 1000 press releases on public services are researched, packaged and placed each year
 - Over 95 per cent of all press releases are used by the media
 - Around 4,000 press items are recorded each year and made available to all employees
 - Over 90 per cent of press coverage is positive or neutral
 - In 2010, press release production and evaluation will be refreshed to demonstrate support for key messages, resident priorities and social marketing campaigns
 - Local media support is negotiated for campaigns to improve quality of life and inequalities – such as public health priorities, environmental improvement and recycling, regeneration or road safety

- 9.5 Service leaflets and publications - are published as required for patients, service users and residents on public services and how to access them.
- Around 300 separate publications, reports, booklets, leaflets and flyers and produced each year by the communications unit in line with corporate identity guidelines and house style and are offered for translation and interpretation as required.
 - The council tax leaflet is produced annually each spring and mailed to every household, providing a report on how revenue and capital is spent and an overview of public services available
 - The primary care trust pocket guide to services is produced annually and mailed to every household, although most recently this has been expanded and presented in the new 'life events' structure in an integrated way with council and other partner services and delivered to every household as part of a comprehensive residents guide.
- 9.6 Guide to Public Services – was produced in September 2009 as a joint 48-page publication and delivered to every household in the county. It promoted the comprehensive range of public services, principally those provided by NHS Herefordshire and Herefordshire Council, and how to access them. Believed to be the first publication of its type in the UK, the guide structured information about services around the needs of individual patients and service users, who require support, care or advice at key stages in their lives.
- The 'life events' structure enabled the primary care trust and the council to demonstrate more effectively the benefits of integration
 - The structure will be replicated on the new joint web site under development by ICT, providing an alternative but complimentary means of accessing information
 - The structure will also inform the presentation of advice, information and publications in public-facing services, such as the info shops located in every major settlement in the county
- 9.7 Annual review and report – two separate statutory reports are required and produced for NHS Herefordshire and Herefordshire Council in order to inform stakeholders on the respective financial performance for each organisation. However, the publications are written and designed to be used as companion documents and promote jointly the progress on the shared vision, values and priorities for the enhanced partnership.
- A combined annual summary will be produced in 2010 to promote the public services partnership and its benefits for patients, service users and residents (this may be further integrated with the guide to public services and how to access them.
- 9.8 NHS Herefordshire Service Leaflet – is produced annually as a guide to local healthcare services for patients and is circulated to every household with the residents' publication Herefordshire Matters, although there is an opportunity in 2010 to integrate the contents of the leaflet within the Residents' Guide to public services and how to access them.
- 9.9 Council tax leaflet – is a statutory leaflet produced annually and communicates the council tax rate set and agreed by the council and provides a summary of performance and how the council tax is spent. The mail out to every household reports on the partnership working with the primary care trust and provides a further opportunity to cost-effectively distribute health or social care related information to residents.
- 9.10 Web sites – the NHS Herefordshire and Herefordshire Council web sites are regularly updated with news releases and other information by the communications unit, although

unusually the development of the design, structure and content of the web site is undertaken by a separate knowledge management team within ICT.

- Around 600 press releases are posted on the NHS Herefordshire and Herefordshire Council web sites
- The communications unit is working with the knowledge management team to combine 'landing pages' to promote a single internet entry point for NHS Herefordshire and Herefordshire Council services
- The communications unit has developed a comprehensive and integrated 'life events' structure for public services and how to access them for Herefordshire and this is forming the basis for online information that is arranged around what makes sense for patients and customers, rather than in terms of organisational structure

- 9.11 AGM and Exhibition – the NHS Herefordshire AGM is an opportunity to engage the public and other partners in sharing information on strategy and progress and this also entails a major display and exhibition, bringing together service areas on a key theme. During 2009, the theme was prevention and treatment of stroke and a new theme will be agreed for the 2010 event.
- 9.12 Annual Public Health Conference – was established in 2009 to focus on public health issues and engage patients, service users and employees in discussing the public health challenges for Herefordshire and performance of the public services partnership. This event also provides a strategic opportunity to feed back the results of key engagement programmes and publicise them.
- 9.13 Consultation – a large number of consultation programmes are initiated each year and are designed to engage stakeholders in shaping place, services or change. Each is supported by communication plans in line with the agreed principles for the council and the primary care trust.
- 9.14 Community forums - or partners and community together (PACT) meetings, are undertaken quarterly, with partner representatives, across several rural areas and are designed to engage communities on issues of local relevance and are regularly used as part of consultation programmes
- 9.15 Community events – a wide range of community events, consultations and displays are organised and promoted to create opportunities to present campaigns and engage in dialogue
- 9.16 Reception areas - new professional display units have been installed and populated with information to keep staff and visitors informed on progress across the primary care trust and council partnership
- 9.17 Photo library - the communications unit has built up an extensive photo and image library for use by the primary care trust, the council and potentially other agencies in the county. This is managed within the small design unit
- 9.18 Freedom of information - the communications unit works closely with the Freedom of Information teams within the council and the primary care trust to help ensure effective media management of issues.

ICT MEASURES SUPPORTING COMMUNITY ENGAGEMENT

- We have a Twitter feed reposting council news articles - <http://twitter.com/myherefordshire>
- We have a Facebook account, MySpace pages, YouTube channel, Flickr presence but these are not really used or pushed as much as they should be (see the Better Connected 2010 Severe Weather survey comments for Herefordshire - Appendix).
- We have begun a 12 month pilot using iNovem Collaborate (collaborative working software) running under <http://communities.herefordshire.gov.uk/connect.ti> which allows us to work more closely with the public and interested partners, incorporating blogs, polls, forums etc..
- We have iNovem e-Consult running under <http://consult.herefordshire.gov.uk/consult.ti> which allows members of the public to respond to online consultations.
- We are shortly implementing GovDelivery (<http://www.govdelivery.com/>) which will then facilitate all our online external communication channels (RSS, email subscribing). We will need to provide 25 information channels available for syndication such as focused news, events and updates but will also provide national feeds such as the severe weather alerts.
- e-Petitions have to be live on our websites by Dec 2010 and we are currently looking at options - the modern.gov e-petitions is looking promising as it is free but we have also considered options such as Citizenscape.
- You can see a list and links to all the subsites we manage here: http://www.herefordshire.gov.uk/council_gov_democracy/council/42045.asp
- We will be replacing our current Content Management System – this is planned in this financial year. A key requirement is to provide closer integration with social media networks and allow us to push more content through those channels. It must also support the management of user-generated content which will support 'hyperlocal sites' – community owned and issue or geographic focused local sites. We are actively seeking to implement an open source solution if fit-for-purpose.
- We will develop both iPhone apps, similar to the ones already in place by Warwickshire, Bristol/Avon and Brighton, taking services such as news, events, what's in my area, emergency broadcasts etc. to the users and widgets to help make it easy to consume open data sets (in line with the Government strategy regarding re-use of Public Sector information). Establishing a robust GIS public platform will add considerable value to these.
- The web strategy will aim to expand the number of digital service channels to include DigitalTV and mobile channels where a business case can show benefits for delivering business objectives outlined in the Customer Strategy for example. . It is very closely tied with the Customer Strategy and supporting web projects have been included in the 2009/2010 ICT Strategy programme of work.
- We will be including syndicated content branded as our own e.g. from NHS Choices. We have already done this for Trading Standards data.
- The SMS working group is developing a business case for a corporate SMS solution.

Appendix B

Review of communications: recommendations

1. A review of the central communications function was undertaken in August 2010 by communication consultants Grant Riches. This was done at roughly the same time as the scrutiny panel review of how the council communicates information on services and how to access them. The findings were that:
2. The communications team is:
 - Hard working and generally doing the right things
 - Small when compared to similar local authorities and is over stretched
 - Implementing too many detailed strategies
 - Not impacting sufficiently at strategic level
 - Providing good internal communications but struggles to meet demands
 - Lacking in marketing and e-communications resource
 - Needs to meet increasing expectations of senior people
3. The communications team needs to be:
 - Evident at 'top table' to give advice and influence reputation
 - Focused on relationship management and building a communications culture
 - Enhanced to provide more capacity, skills and influence
 - Delivering a handful of influential campaigns
 - Generating increased income to supplement savings
4. Two important functions are missing:
 - Marketing resource to lead creative campaigns
 - Web and e-communications resource to ensure web and intranet are effective communication and engagement tools that support the organisation
5. In the current financial environment, the review found that maintaining other communications resources in other service areas was not viable and that significant savings could be made overall and invest in strengthening the corporate communications team to better deliver corporate priorities and major change programmes.

6. The review identified a number of posts outside of the corporate communications team that were engaged in media relations, communications, information, marketing, design or web development.
7. These posts are, to varying degrees, supported by their own budgets for design and print, advertising and other communications and marketing activity. The key recommendation of the review was to transfer the budgets associated with posts and activity in the service areas to create an improved corporate communications and marketing structure and resource

New structure for communications and marketing

8. The proposed new structure for a central communications and marketing team will deliver the following benefits:
 - Free up the head of communications to concentrate on strategic and reputational issues at senior level, provide high level advice, build effective relationships across the organisations, lead the communications and marketing strategy and develop the team
 - Boost the skills and creative flair of the central team, including marketing, new media and social marketing – building confidence across service areas
 - Create more management capacity to raise Herefordshire's national profile
 - Upgrade communication channels and develop marketing-led campaigns
 - Ensure team is able to devote time to working with directorate management teams and cabinet members, and build a communications culture across the organisations
 - Enable all design work to be channelled through the central team in order to control costs, quality and brand identity to support reputation (a communication to this effect went to all service areas in November 2010)
 - Increase income for advertising, sponsorship and design
 - Development of the websites and intranet to promote priorities and deliver improved communication and engagement
9. Although this will result in an increase in capacity and skills base of the corporate communications and marketing team it will reduce costs overall (and still result in a much smaller team than other benchmarked local authorities).
10. A recent benchmarking of around 40 other local authorities showed that Herefordshire is well into the top quartile in terms of productivity and output, whilst in the bottom quartile in terms of cost, indicating that the communications unit provides a value for money service.
11. Another key recommendation was to reduce the frequency of Herefordshire Matters to four issues a year. Also a DCLG consultation into local government publicity currently proposes that distribution of council magazines should be no more frequent than quarterly.
12. In parallel, the communications unit had reviewed every element in the production of Herefordshire Matters. The unit negotiated a new arrangement for Royal Mail to distribute to every household at the reduced cost of around £1,000 an edition, and a review of printing has reduced costs further by a further £1,000 per edition. Design and origination costs are also reduced down. Benchmarking with other local authorities demonstrated that the cost of producing Herefordshire Matters was very favourable, using all comparison criteria.

- 13. Importantly the executive response is to maintain Herefordshire Matters as a citizen publication delivered to every household, while further improving its focus, relevance and cost effectiveness.
- 14. The joint management team approved the recommendations to create an improved corporate communications and marketing resource, with the capacity to oversee the production of all published material to determine whether it is needed, and if so, to ensure that material is produced cost effectively, to deadline, quality and brand.
- 15. Summary of staff savings

Current staffing costs

Central communications team	£256,000
Other communication posts in the organisations	£165,000 (estimated)
Total	£421,000
Recommended central communications structure	£323,000
Potential staff saving	£98,000 (estimated)
Other savings from non-staff recommendations	£50,000 (estimated)

Appendix A: Executive Response and Action Plan

Recommendation No. A	That the production of Herefordshire Matters should be reviewed to assess whether there is a more effective means of communication about public services			
Executive Response	<p>Herefordshire Matters is periodically reviewed as part of the communications strategy. Recent LGA reputation studies show that direct distribution of a citizen publication to every household is an essential part of communicating service information and managing reputation. Over 90 per cent of English councils publish a periodical. The fact that Herefordshire Matters is distributed to every household in the county, and, according to successive objective studies by the council's research team, enjoys very high readership figures, indicates that the publication is an effective and direct means of communicating with residents; however, there is always room for improvement.</p> <p>Every element of the production process for Herefordshire Matters was reviewed earlier this year and steps have been taken to reduce costs further. Value for money compares very favourably with other authorities – based on a recent benchmarking with 45 other authorities.</p> <p>Consequently the executive response is that the council and primary care trust should continue to produce Herefordshire Matters, which is valued by the majority of residents, but costs will be reduced and content and design impact improved.</p>			
Action	Owner	By When	Target/Success Criteria	Progress
The communications unit has negotiated reduced costs on every element of Herefordshire Matters production	R Blower	Done	To reduce the cost of each edition by £2,500 (14 per cent) Four issues a year to be produced.	Done
Recommendation No. B	That if retained the tone of Herefordshire Matters should be reconsidered to ensure that reporting is straightforward, admitting to mistakes where these have occurred and setting out the steps taken to put things right.			
Executive Response	Established communication protocols already cite that if the council discovers for itself that it may be at fault in terms of the operation or delivery of its services, or its internal processes, then it will, through the offices of the communications unit, proactively tell the public what has gone wrong and what it will do to put it right.			
Action	Owner	By When	Target/Success Criteria	Progress
Continue to ensure Herefordshire Matters conforms to house style and plain language and accessibility guidelines	R Blower	Ongoing	Herefordshire Matters is viewed as easy to read by residents	Ongoing
Articles for publication will include the opportunity to admit to errors if they occur and set out the steps taken to put them right	R Blower	Ongoing	Reflected in the next readership study of Herefordshire Matters	Editorially reviewed to ensure realistic expectations are set

Recommendation No. C	That Herefordshire Matters should not oversell what the council is realistically expecting to achieve, thereby ensuring public expectation is not raised to the potential detriment of organisational reputations.			
Executive Response	The need to 'under sell and over deliver' is an important value in terms of managing organisational reputation and this will be reinforced through all communications output, including Herefordshire Matters			
Action	Owner	By When	Target/Success Criteria	Progress
To reinforce realistic messages through all communications channels	R Blower	Ongoing	Ensure the council sets realistic deadlines and expectations for service improvements	Ongoing
Recommendation No. D	That customer services should be requested to conduct a survey on the value of Herefordshire Matters and what information the public would like to receive from the council and NHS Herefordshire through its customer service centres and that this should include asking about an A to Z of services			
Executive Response	The research team, which uses objective market research methodology and principles, periodically undertakes surveys on preferences for communications on public services and how to access them. Herefordshire Matters has regularly included an A to Z of services but also a life events structure. This is planned to be undertaken again in the Spring 2011 edition.			
Action	Owner	By When	Target/Success Criteria	Progress
The research unit has already studied residents' preferences for communications channels and their effectiveness (this will be undertaken again when budget permits)	R Blower	Done	To inform the communications strategy on how residents prefer to be communicated with	Ongoing
A to Z of services and life events guide to be produced as special edition (reflecting the residents' guide produced in Sept 2009)	R Blower	Spring 2011	Information on services produced in line with customer preferences	Mapping of life events services undertaken
Web site to reflect life events mapping of services	E Pawley	Apr 2011	Easier to find and access services online	Web site will use established structure and content
Recommendation No. E	That action be taken to achieve a significant reduction in the production of leaflets and other publications and to ensure that the material that is produced complies with corporate policies			
Executive Response	All design and commissioning of leaflets, brochures, flyers, newsletters and other publications to be channelled through the central communications unit to determine whether they are really appropriate and if so are produced to cost, quality, deadline and brand.			
Action	Owner	By When	Target/Success Criteria	Progress
Policy to be communicated to all council and primary care trust service areas as part of control of discretionary spend	JMT R Blower	Nov 2011	All design work channelled through communications – overall numbers of publications rationalised considerably and discretionary spend controlled	Communication on control of discretionary spend forwarded to all service areas

Recommendation No. F	That display of leaflets and publications at the Shire Hall, Hereford, is specifically prohibited and any visitors seeking information on services are referred to Garrick House			
Executive Response	Displays of customer service information to be structured using the life events format through the customer service centres and audit to be undertaken to rationalise where leaflets and publications are displayed. The customer service strategy already identifies the need to present service information around life events. Signposting is an important strand of the customer services strategy to ensure the information needs of residents are met.			
Action	Owner	By When	Target/Success Criteria	Progress
Life events structure to be agreed for displays and of customer services to review quarterly the quantity of leaflets and posters in service centres	R Beavan Pearson R Blower	Apr 2011	Customers find it easier to locate service information they need	Life events structure agreed
Publications structured by life events and posted on the website and updated by service areas	E Pawley R Blower	Apr 2011	As above	Life events structure agreed
Recommendation No. G	That the provision of personal computers in libraries and customer service centres should be reviewed and a coherent policy developed for their use			
Executive Response	The policy for public access to the use of computers in service centres to be reviewed to ascertain whether more needs to be done to promote the facility to a wider range of customers (linked to review of services)			
Action	Owner	By When	Target/Success Criteria	Progress
Sustainable communities directorate to review policy (to be refreshed if required)	G Hughes	Apr 2011	To ensure that the facility is accessed by a representative range of customers	To be started
Recommendation No. H	That directors be asked to review the notices published as statutory notices in the print media, clarify whether they are statutorily required and seek the advice of the head of communications as to whether some form of communication other than a notice should be more effective and feasible.			
Executive Response	In line with the council's drive to reduce costs, it will seek the latest clarification on statutory obligations in terms of public notices and determine whether promotion through Herefordshire Matters or via the council website will meet requirements			
Action	Owner	By When	Target/Success Criteria	Progress
Public notices to be placed when statutorily required	R Blower	Jan 2011	Volume and cost of public notices to be materially reduced	To be started
Negotiate reductions in costs of placing public notices in local media	R Blower	Jan 2011	Cost/benefit matrix guide produced for service areas	Discussions with local media underway

Recommendation No. I	That the communications strategy provides evidenced guidance on the most effective communication channels for individual stakeholder groupings.			
Executive Response	The communications strategy incorporates, with evidence provided as far as is possible, reasons for the use of communications channels. This is be informed by national research and by previous Herefordshire research into stakeholder communication preferences (this was last undertaken in 2008 and other surveys have already determined internal stakeholder communication preferences).			
Action	Owner	By When	Target/Success Criteria	Progress
Continued research on effectiveness and preferences of communications channels to be undertaken within budget constraints	R Blower	Feb 2011	The communication strategy is informed by data on channel preferences and effectiveness	To be started
Recommendation No. J	That a survey be undertaken to establish what information the public wish to receive about council and NHS Herefordshire services, the effectiveness of current communications in meeting these needs and the preferred format and channel for this information.			
Executive Response	There is generic information available through the LGA reputation study (on which our communication strategy draws) which identified the most effective communication tools and residents' preferences. However, the research team periodically undertakes surveys on preferences for communications on public services and how to access them (this will continue but will be determined by budget pressures)			
Action	Owner	By When	Target/Success Criteria	Progress
Continued research on effectiveness and preferences of communications channels to be undertaken	R Blower		The communication strategy is informed by data on channel preferences and effectiveness	To be started
Recommendation No. K	That the director of resources be requested to review the procurement of design and printing services by directorates and conduct a spot check on the use of cost codes.			
Executive Response	The communications unit will periodically request details of invoices for design and print suppliers to determine that service areas adhere to the new policy that all design and print is commissioned through communications. The joint management team has agreed to centralise communications resources to ensure there is maximum control of the quality, volume and cost of design and print output.			
Action	Owner	By When	Target/Success Criteria	Progress
Regular reviews of communications, design and print spend in the service areas	R Blower	Quarterly Nov 2011	To reduce overall volume and cost of publications, while improving information on services	To be started

Recommendation No. L	That consideration is given to how a more corporate approach to communication can be effectively implemented.				
Executive Response	There exists corporate guidelines on communication and these include corporate identity guidelines, publications policies, the house style for the written word and plain language guidelines, and these are being supplemented by guidelines for customer communication through letters (in line with reputation management strategy)				
Action	Owner	By When	Target/Success Criteria	Progress	
A recent review of communications will result in a strengthening of the central communications resource, while reducing overall spend	R Blower	Apr 2011	To ensure the corporate communications team has the capacity to implement the new requirements of the organisation	Implementation plan being developed	
That fresh promotion of corporate guidelines for communications be implemented – taking into account the new policy for channelling all print and design through the central unit	R Blower	Dec 2010	High awareness and acceptance of the need for corporate guidelines on communications	A suite of guidelines is available but this is being reviewed in line with new policies	
Recommendation No. M	That the review group considers that news items should be placed on the council website to ensure currency and not held back to fit in with print media publication dates.				
Executive Response	News items are placed regularly on the council's website but statements are often produced in line with local newspaper deadlines.				
Action	Owner	By When	Target/Success Criteria	Progress	
The website will continue to be updated with news items at least once a week	R Blower	Ongoing	Ensure news items are posted regularly on the website	Implemented	
Recommendation No. N	Service areas should again be reminded of the need to ensure their information on the website is updated on a regular basis.				
Executive Response	Continuing improvements in website design, content and interaction will be implemented as part of the Customer Focus work stream of Rising to the Challenge				
Action	Owner	By When	Target/Success Criteria	Progress	
A promotion of the need to keep service information up to date on the website to be undertaken through internal channels	R Blower E Pawley	Dec 2010	Ensure service content on the website is clear, useful and up to date	To be implemented	
Recommendation No. O	That investigations into developing the use of social media for communications about council business and services should be explored as soon as possible as a key mechanism for reaching younger people in particular				
Executive Response	Social media is used to promote some services and work on a consistent policy and set of guidelines is underway – this work is undertaken as part of the Customer Focus work stream in the Rising to the Challenge transformation programme.				

Action	Owner	By When	Target/Success Criteria	Progress
Clear policies to be determined to ensure the council and primary care trust are able to use social media effectively, with confidence and in ways that support reputation	R Blower E Pawley	Jan 2011	The council and the primary care trust has protocols and mechanisms in place to enable better use of social media	Draft guidelines to be produced
Herefordshire Matters to be promoted online more robustly using social media	R Blower	Feb 2011	Online visits to Herefordshire Matters pages increase due to social media marketing	Draft guidelines to be produced
Recommendation No. P	That a trial webcast of a planning committee meeting should be undertaken, subject to the costs being reasonable.			
Executive Response	The use of webcasting to be explored, taking into account the experiences of other authorities, but due to the need to focus on savings and supporting frontline services, implementation cannot be afforded in 2010/11.			
Action	Owner	By When	Target/Success Criteria	Progress
Experiences of webcasting to be explored with other local authorities	R Blower E Pawley	Feb 2011	To determine effectiveness of webcasting in public engagement	To be implemented
Recommendation No. Q	A report be submitted to cabinet and the overview and scrutiny committee setting out an analysis of the pros and cons of webcasting council meetings and its financial feasibility			
Executive Response	See response to Recommendation P.			
Recommendation No. R	That the systems for recording expenditure on external publications be reviewed			
Executive Response	As part of the drive to control discretionary spend, the joint management team has determined that all design and print needs to be approved by the communications unit to ensure that it is needed, and adheres to guidelines on quality, cost and branding. Often other means of communicating service information, that will be more effective and/or costs less, will be used instead			
Action	Owner	By When	Target/Success Criteria	Progress
The policy on discretionary spend to be communicated to all managers and service areas	R Blower	Nov 2011	To reduce the overall volume and cost of publications, while improving information on services	Implemented



MEETING:	CABINET
DATE:	25 NOVEMBER 2010
TITLE OF REPORT:	DILWYN CHURCH OF ENGLAND PRIMARY SCHOOL: DETERMINATION OF PROPOSAL TO CONTINUE
PORTFOLIO AREA:	ICT, EDUCATION & ACHIEVEMENT

CLASSIFICATION: Open

Wards Affected

Golden Cross with Weobley

Purpose

To consider a report on responses to the statutory notice to discontinue Dilwyn Church of England Primary School (Dilwyn School) and to determine if the school should close with effect from 31 August 2011.

Key Decision

This is a Key Decision because it is likely to be significant in terms of its effect on communities living or working in Herefordshire in an area comprising one or more wards.

It was included in the Forward Plan.

Recommendation

THAT Dilwyn Church of England Primary School be discontinued on 31 August 2011.

Key Points Summary

- The Local Authority is supported by the Roman Catholic Archdiocese of Cardiff in its views that:
 - Dilwyn School is not sustainable as a stand-alone entity.
 - The revised proposal to federate with St Mary's Roman Catholic (RC) High School (St Mary's School) has addressed some of the concerns of the Local Authority and diocesan bodies, but does not address sufficiently the issue of low pupil numbers, resulting finances and therefore sustainability of quality education and experience

Further information on the subject of this report is available from David Sanders, Interim Director of Children's Services on Tel: (01432) 260039

into the future.

- The Diocese of Hereford Board of Education, whilst previously not supporting the original federation submission, has considered the revised submission from Dilwyn School and stated that “the Diocesan Board of Education in principle supports collaborative working in a formal partnership, subject to the agreement of outstanding details”. The Board has voted in favour of the revised submission, and suggested a three year period for the schools concerned to work through and implement new working arrangements, procedures and staffing adjustments.
- The Governing Body of St Mary’s School supported the head teacher of St Mary’s School in his submission entitled “Proposal for working together within a hard federation” which has formed part of the revised submission of Dilwyn School. However this was done with the following caveats, that “the approval of any association between the two schools being sanctioned by the Anglican and Catholic Diocesan authorities and that the plans did not involve St Mary’s ‘bank-rolling’ Dilwyn” (extract from the minutes of the Governing Body of St Mary’s School meeting). The Archdiocese of Cardiff does not support the revised federation submission.

Alternative Options

- 1 The following alternative options have been considered and rejected for the reasons given:

That Dilwyn School continues as a standalone entity. Although there has been much support for this option from members of the Dilwyn community, no new evidence was forthcoming from the responses to the statutory notice to alter the view of the Local Authority and the Hereford Diocese Director of Education that the school is not sustainable as a standalone entity.

That Dilwyn School should amalgamate with another school. Neither the Local Authority, nor the Hereford Diocese Director of Education believe there to be advantages to amalgamation over closure. There was very little support for this option during the initial consultation over the future of the school and no new evidence was forthcoming in the responses to the statutory notice to alter the view of the Local Authority and the Hereford Diocese Director of Education.

That Dilwyn School should federate with another school, or schools. During the representation period, the Local Authority received from the governing body of Dilwyn School a revised proposal for federation produced in conjunction with St Mary’s School, Lugwardine. For reasons described later in this report, the Local Authority and the Archdiocese of Cardiff have not been convinced that the revised proposal for a federation between St Mary’s School and Dilwyn School addresses adequately the educational and financial concerns highlighted through the review of Dilwyn School. The Diocese of Hereford does believe that the partnership approach should be supported.

Reasons for Recommendations

- 2 The recommendation to discontinue Dilwyn School is made in the educational interests of the pupils of Dilwyn now and in the future, for the effective use of public funds, and in accordance with council policies.

Introduction and Background

- 3 On 12 July 2010 Cabinet considered a report by the Interim Director of Children's Services on the future of Dilwyn School. The report explained the process and findings of a review of the school under the Council's Small Schools Policy from February 2010 to June 2010, which had been carried out in conjunction with the Hereford Diocese Director of Education and in consultation with the Commissioner of Schools and Colleges for the Archdiocese of Cardiff. The Diocese of Hereford and the Archdiocese of Cardiff were in full support of the recommendations and letters confirming this were subsequently received from both. Cabinet agreed the recommendation that the Local Authority should initiate the statutory process concerning the closure of Dilwyn School with effect from 31 August 2011.

Key Considerations

Process

- 4 A statutory notice, summarising the proposal was published on 9 September 2010, in accordance with the statutory regulations. Copies of the full proposal were sent to all statutory parties.
- 5 The statutory notice invoked a six weeks representation period, during which time anyone could comment on, or object to, the proposal.
- 6 67 responses to the statutory notice were received. All the points raised have been considered in the development of this report. All of the responders objected to the proposal. The key issues raised are covered in the body of the report with a more detailed analysis of the issues raised being provided at Appendix A together with the authority's response to those issues.
- 7 Responders identified themselves primarily within the following categories, although many were, for example, parents and/or governors and residents. A number of responses reflected the views of two or more people in a household:

Parents of children at Dilwyn C of E Primary School	7
Parent/carer considering a place at Dilwyn school	2
Residents in the Dilwyn area	33
Staff/Governors/Pupils/PTFA	4
Member of Parliament	1
Local businesses	6
Other interested individuals	6

An additional eight responses were received from the following organisations/bodies:

Dilwyn School Governing Body (including a revised proposal for a federation with St Mary's School)
Dilwyn Parish Council
Leominster Team Ministry
Dilwyn Playgroup
Dilwyn Women's Institute,
Dilwyn Mothers Union
Dilwyn Cedar Club
Campaign for Rural England (Herefordshire Branch).

Issues Raised

- 8 The responses demonstrated some strong support for the continuation of Dilwyn School, with the majority valuing the ethos of the school and the standard of attainment of its pupils. There was a strong concern for the sustainability of the Dilwyn community if the school were to close, including support for the early years playgroup, Church, community events and local facilities, groups and businesses. Many of the community responses refer to the fact that the village of Dilwyn has lost its post office and shop in recent years.
- 9 The majority (51) of responders favoured a proposal to federate with St Mary's School as a means to address the Local Authority and diocesan bodies' concerns about the sustainability of the school. In particular responders felt that such a federation would attract more pupils to the school because of its proposed ecumenical, gospel based ethos, and that it would attract local pupils whose parents had chosen other schools because of a long term perceived threat of closure for Dilwyn School.
- 10 Responses to the consultation felt that pupil numbers could rise again, quoting a shortage of primary school places in the West Midlands and possible housing development in Dilwyn.
- 11 Some (14) responders felt that the financial savings from the closure of the school were insignificant in terms of the redistribution of funding to other schools.
- 12 Some of the responses reflected continuing criticism of the Local Authority with claims of failure to meet due statutory process, bias in the presentation of information and data, misrepresentation, predetermination of decisions and coercion of Diocesan opinion. Throughout the process, the Local Authority has strongly refuted such allegations, with the backing of both diocesan bodies.

Response to the issues raised

- 13 The Education and Inspections Act 2006 requires that a Local Authority that is considering the closure of a rural primary school must consider the following matters, when formulating their proposals:-
- the likely effect of the discontinuance of the school on the local community;
 - the availability, and likely cost to the Local Authority of transport to other schools;
 - any increase in the use of motor vehicles which is likely to result from the closure of the school, and the likely effects of any such increase;
 - and any alternatives to the closure of the school.
- 14 If Dilwyn School was to close, the Local Authority has a duty to ensure that there is sufficient pre-school provision available in the area. Whilst having no similar duty in respect of other community facilities the council already promotes all village/community halls through its website and offers advice and access to funding for a range of community facilities/activities.
- 15 The considered views of the Local Authority, Hereford Diocesan Board of Education and the Roman Catholic Archdiocese of Cardiff are as follows:
- Dilwyn School is unsustainable as a stand-alone entity.
 - The proposal to enter into a federation with St Mary's School is a serious and

- constructive attempt to attempt to show an education and funding model which would sustain Dilwyn School. The proposal has been revised since it was first considered by Cabinet in July and addresses some of the concerns held by the Local Authority and diocesan bodies at that time.
- 16 However, the proposal is still particularly weak in its proposals for Key Stage 1 and, in the view of the Local Authority and the Archdiocese of Cardiff, does not address the fundamental concerns about pupil numbers and consequently the future financial and educational sustainability of the school. From the evidence within the revised proposal these issues are beyond the ability of the proposal to influence them sufficiently to provide a long term sustainable arrangement.
- 17 The Local Authority, Archdiocese of Cardiff, and the Diocese of Hereford also recognise that though the proposal from St Mary's School is entitled "Proposal for working together within a hard federation" there are insufficient details about the creation of a hard federation or the governance arrangements to provide a clear way forward and timescale.
- 18 The recent and current pattern of pupil enrolment is that only about one third of children living in the catchment area attend the school. Responses to the initial consultation and Parish Council questionnaire earlier this year did not identify any parents who had chosen other schools because of a perceived threat of closure for Dilwyn School, although the Governors of Dilwyn School suggest they have subsequently identified 13 pupils whose parents either have, or would in the future, send their children to Dilwyn School if there were no threat of closure. The Governors of Dilwyn School also state in their response that they have written declarations from the parents of 19 children who would consider sending them to Dilwyn School if the school were to federate with St Mary's School, and state their intention to reach an initial target of an additional 40 pupils. The 19 pupils referred to include younger, currently pre-school age children, and therefore the potential for 19 children to attend Dilwyn School would be phased over a number of years. The St Mary's School proposal for federation states 16 children whose parents would consider Dilwyn School if it federated with St Mary's School. St Mary's School's proposal provided a breakdown - 3 are current primary age pupils, 5 for the 2011 intake, 1 for 2012, 2 for 2013 and 5 for 2014. The numbers quoted, even with the perceived attraction of federation with St Mary's School would not see any significant increase in the school's roll as higher numbers of pupil in some upper year groups will transfer to secondary school
- 19 Whilst a significant number of members of the Dilwyn community are passionate about their wish to see primary education maintained at Dilwyn School, the parents of only just over one third of the children in the school's catchment area choose to send their children to the school. Over one third of pupils attending Dilwyn School live outside the catchment area.
- 20 The Local Authority and Archdiocese of Cardiff do not have any evidence that pupil numbers would rise significantly to ensure that Dilwyn School would not be a drain on the financial resources of St Mary's School. The financial climate facing schools will provide additional challenges over the next budget cycle. The Diocese of Hereford, whilst wanting to support the partnership proposal has offered no additional evidence that would alter this view and has stated that they are not in a position to financially underwrite the proposal.

- 21 Dilwyn School has been judged satisfactory by Ofsted, with its capacity to improve also satisfactory. The two nearest schools to Dilwyn, Weobley Community Primary and Pembridge C of E Primary, which currently accommodate 28 pupils from the Dilwyn catchment area are judged by Ofsted to be good schools, with good capacity to improve. Other schools currently attended by children from the Dilwyn catchment area are judged either good or outstanding. Some parents have also opted for independent school education. The Local Authority and the Archdiocese of Cardiff question whether a significant number of families whose children have settled into these other schools, and established friendship groups, would transfer their children, even with the possible attraction for some of a potential advantage in gaining a place at St Mary's School at secondary transfer. Siblings would therefore be most likely to follow to the same schools.
- 22 The Local Authority and diocesan bodies recognise one aim of the proposed federation would be to open up an opportunity for children of the Catholic faith to access a gospel based education in the north of the County. However, as reported to Cabinet in July 2010, the low number of Catholic baptisms in the north of the County suggests this would not increase pupil numbers significantly, with an average total of just 5 baptisms a year being recorded between 2005 and 2009 in the Weobley/Kington and Leominster parishes. It cannot be assumed that all would choose to send their children of primary age to Dilwyn from this wide geographic area.
- 23 While parts of the West Midland are experiencing greater demand for primary school places and in particular the urban conurbations, Herefordshire as a whole, and the Dilwyn area in particular, are not. The Parish Council is working with Herefordshire Council planners on a proposal to build 25 new homes, 50% of which would be affordable housing. The Council's planning documents identify a probable yield of fewer than 5 primary age pupils from such a development. While Dilwyn is identified as a Main Village in the Local Development Framework, any future housing is likely to be in proportion to its size, currently about 123 residential dwellings and will therefore not be significant enough to greatly increase pupil numbers in the catchment area. There are currently some 140 surplus school places in and neighbouring the Weobley School's Cluster, which would readily meet any projected additional demand from such growth.
- 24 Since school funding is largely reliant upon the number of pupils on roll, the financial concerns considered by Cabinet in July remain. The responses suggest that there has been success in gaining pledges of money from individuals, groups and businesses amounting to £14,700 and with an expectation to reach at least £20,000 to support the school financially in the short term. However, the school's financial stability is reliant upon overcoming the significant challenges mentioned above in terms of attracting more pupils to the school. Further detail on the financial implications is set out in the relevant section below.

Community Impact

- 25 Community impacts have been explored within the key considerations above.

Financial Implications

- 26 The closure of Dilwyn School would have the following financial implications:

- a) There would be no savings made to the Local Authority in terms of the school's delegated budget. The 'per pupil' funding element would follow each pupil to the school to which they transfer. The other elements of the budget such as the management and premises base allocations and small schools' protection funding, around £60,000, would be distributed between all schools through the Herefordshire schools funding formula.
- b) The Dilwyn School budget would therefore be reinvested, partly in the schools to which Dilwyn School pupils transfer and, in part, across all Herefordshire schools. Although there is no financial saving to the Local Authority, distribution of the budget across other schools, and in particular the 'per pupil' element brings financial benefit to the new host school or schools in terms of their spending power. As pupils join classes already established with teachers and teaching assistants a higher proportion of the extra pupil funding can be spent of additional classroom support and curriculum resources.
- c) There would be a cost to the Local Authority in terms of transport provision to an alternative school or schools. This has been calculated at £22,000 per year. The rural nature of Herefordshire requires the Local Authority to spend around £5 million a year on home to school transport. There would also be a potential one-off maximum staff redundancy cost of £71,880, though the Local Authority would work with the school, using the Council's policies, to minimise the effects on staff wherever possible.
- d) The Diocese of Hereford, whilst supporting the partnership approach has not suggested that it would be willing to support the proposal financially.
- e) The governors of St Mary's School have stated that any collaboration should not result in St Mary's School "bailing out" Dilwyn School. It is the view of the Local Authority and the Archdiocese of Cardiff that the position of Dilwyn School would mean that St Mary's School is likely to face financial pressures as a result of collaboration in terms of providing support. Further detail on the analysis of how costs could be reduced in the proposal are contained in Appendix A.

Legal Implications

- 27 The legal context for the process of considering the future of a school and possible closure of a school is provided by the Education and Inspections Act 2006 (EIA 2006) and The School Organisation (Establishment and Discontinuance of Schools) (England) Regulations 2007 (as amended by The School Organisation and Governance (Amendments) (England) Regulations). It also is within the context of the statutory guidance "Closing a Maintained Mainstream School".
- 28 Having received objections to the proposal to close Dilwyn School, the proposal must be decided by the Local Authority by 21 December 2010, that is, within 2 months from the end of the representation period. If a decision is not made by this date, the Local Authority must forward the proposals and any representations to the schools adjudicator for decision. This must be done within one week from the end of the 2 month period. As there have been objections to the proposal, the following bodies may appeal against the Local Authority decision - the local Church of England Diocese; the Bishop of the local Roman Catholic Diocese; and in the case of foundation or a voluntary school, such as Dilwyn School, the governing body or trustees of the school

that is proposed for closure.

- 29 Appeals must be submitted to the Local Authority within four weeks of the notification of the Local Authority's decision. On receipt of an appeal the Local Authority must then send the proposals, and the comments and objections received, to the schools adjudicator within one week of receipt of the appeal. The Local Authority should also send to the schools adjudicator a copy of the minutes of the Local Authority's meeting or other record of the decision and any relevant papers.

Risk Management

- 30 A decision to close Dilwyn School on 31 August 2011 would require school places to be found for existing pupils. The Local Authority would work with receiving schools and the pupils and parents to ensure successful transitions to new schools. In the run up to closure, the Local Authority would work with the parents/carers of children attending Dilwyn School to offer places at the next nearest school with available places. The next nearest school to Dilwyn School is Weobley Primary School. The Local Authority would also work with families seeking a place at an alternative Church of England faith school on denominational grounds. The Local Authority would look to provide this at the next nearest Church of England school with places available. The Local Authority's policy on assisting pupils with home to school transport would apply. In addition to the Council's normal home to school transport policy, the Council would also provide transport to any pupil on roll at, and living in the catchment area of, Dilwyn School when it closes, where the journey to the next nearest primary school, or next nearest Church of England primary school, is greater than their journey would have been to Dilwyn School.
- 31 In addition a decision to close Dilwyn School would require the redeployment or redundancy of the school staff. The Local Authority would support staff through this process and implement the Council's alternative work policy and procedures.
- 32 A decision to keep Dilwyn School open would mean that, given the low pupil numbers the school cannot be considered to be independently educationally and financially sustainable in the near future so there is a risk to pupils' education. The Local Authority would be required to provide additional support to the school to attempt to ensure appropriate pupil education and progression. The school would work with other schools to enhance pupil experience and where possible share and maximise resources.
- 33 If there were to be an appeal to the School Adjudicator through the closure process the School Adjudicator could choose to direct that the school remain open. However, the view of the Local Authority and the Archdiocese of Cardiff indicates that there are strong reasons for a decision to discontinue the school. This view was shared by the Diocese of Hereford until the receipt of the latest submission from Dilwyn School.

Consultees

- 34 The issue of a statutory notice on 9 September 2010 invoked a 6 weeks representation period during which anyone could object to, or comment upon, the proposal to close Dilwyn School.

Appendices

Appendix A Summary of issues raised in responses to the Statutory Notice and the response to those issues.

Background Papers

- Responses to the Statutory Notice.

Dilwyn C of E Primary School - Responses to Statutory Notice to close

67 responses were received. The following table sets out the main themes contained in responses, with the evidence provided and commentary. Figures in the response column indicate the number of letters that explicitly mentioned the issue concerned. There were overlaps in the points raised.

Response	Claimed evidence	CHILDREN & YOUNG PEOPLE'S DIRECTORATE Response
Statutory guidelines have been ignored. (5)	That the Children & Young People's Directorate has acted improperly by announcing an intention to close the school some years ago. This has resulted in parents sending their children to other schools because of the threat of closure.	<p>As part of a county-wide review of schools, in January 2008, the Children & Young People's Directorate proposed the amalgamation of Weobley, Dilwyn and Canon Pyon primary schools on the Weobley school site. Across the county, the review proposed the amalgamation of 34 schools in total.</p> <p>In January 2007, Dilwyn had 43 pupils on roll. In January 2008 the school had 36 pupils on roll. It is true to say that pupil numbers have declined since January 2008, but numbers had already declined to the threshold for review under the Council's Small Schools' Policy.</p> <p>During the consultation (February to April 2010) responses from parents living in the Dilwyn catchment area, and whose children were attending other schools, gave a number of reasons for their positive choice of alternative school, including ease of access, before/after school care and private education. No parents said that a perceived threat of closure was the reason they had</p>

	<p>The Children & Young People’s Directorate has ignored plans for increased housing in North Herefordshire; shortage of primary school places in the West Midlands and increasing workforce at a local employer - Tyrrells.</p>	<p>chosen an alternative school. During the consultation, the Parish Council conducted its own questionnaire of residents. Again, no parents said that they had chosen an alternative school because they were concerned about closure of Dilwyn.</p> <p>The Governors now state that they have written statements from parents of 13 of 34 children from the Dilwyn catchment area not attending Dilwyn, that their decision to choose another school was influenced by the threat of closure. Governors have not shared details with the Children & Young People’s Directorate.</p> <p>Some authorities in the West Midlands, predominantly in urban areas, are experiencing a shortage of primary school places. This is not the case in North Herefordshire. Dilwyn and other local and cluster schools have 146 (15%) surplus places.</p> <p>Dilwyn is identified as a main village in the Local Development Framework. There are approximately 123 residential dwellings in the main village. Any new housing would have regard to the size of the current residential community. The Parish Council is liaising with Herefordshire planning officers on the possible development of land which may</p>
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	<p>Schools should only be closed as a last resort: Insufficient weight given to the Government's presumption against the closure of a rural school. No strong reasons to close Dilwyn, particularly given moves to federate with St Mary's. Children & Young People's Directorate must provide diversity, choice and a system shaped by parents. Arguable that to close when school stands an excellent chance of securing a viable future through federation would be illegal.</p>	<p>accommodate around 25 houses, of which 50% would be affordable. On average, a development of this size, with a mixture of 2, 3 and 4 bed properties, is likely to yield around 5 primary aged children.</p> <p>There is a government presumption against the closure of rural schools. This does not mean that a village school should never close, but the case for closure should be strong and any proposals clearly in the best interests of the educational provision for the children now and in the future. Standards at a school need to be taken into account, as does the likely affect of closure on the community.</p> <p>There are sufficient places in other schools in the area, including other Church of England schools to enable many parents to exercise choice. There are 34 pupils within Dilwyn C of E Primary School's catchment area who are going to other schools.</p>
<p>Council would breach statutory obligations if it did not allow the innovative plan for an ecumenical federation to be implemented. This option should be pursued. (3)</p>	<p>No evidence provided.</p>	<p>The Council has followed the statutory regulations. In determining the future of the school, the Council must consider federation as an option and must consider any federation proposals. The Children & Young People's Directorate, the Hereford diocese and Archdiocese of Cardiff have each</p>

		<p>considered the revised business plan for federation with St Mary's RC High School.</p> <p>The Local Authority is supported by the Roman Catholic Archdiocese of Cardiff in its views that Dilwyn C of E Primary School is not sustainable as a stand-alone entity and that the revised proposal to federate with St Mary's Roman Catholic (RC) High School has addressed some of the concerns of the Local authority and diocesan bodies, but does not address sufficiently the issue of low pupil numbers, resulting finances and therefore sustainability of quality education and experience into the future. The Diocese of Hereford Board of Education, though it has some reservations, supports the proposal.</p>
<p>The Children & Young People's Directorate and councillors believe standards of teaching and learning would be better in a larger school. It was stated that children are happier, more confident, and achieve better results in a small school. (7)</p>	<p>Statistical evidence gathered by the National Association of Small Schools that small schools produce better results.</p> <p>Claim that no evidence that the standard of teaching and learning at Weobley Primary School, the named successor school, is any better than at Dilwyn.</p>	<p>The Cabinet report of 12 July 2010 recognised the statistical evidence that small schools often produce markedly better results, but after adjusting for socio-economic factors, these differences are marginal.</p> <p>Weobley Primary School was inspected by Ofsted in October 2010. It has been judged to be a good school overall with the standard of teaching and learning judged as good with some outstanding features. This is not necessarily reflective of the size of the school, but Ofsted have also judged as good the school's capacity to improve further.</p>

<p>Questions regarding the financial rationale. Closure will result in little or no economies (14)</p>	<p>Claim that this is recognized by the Children & Young People's Directorate; any savings will make little difference when spread across all schools; children will go to other schools which attract the small schools supplement; all small village facilities cost more per head.</p>	<p>There would be no savings made to the Local Authority in terms of the school's delegated budget. The 'per pupil' funding element would follow each pupil to the school to which they transfer. The other elements of the budget such as the management and premises base allocations and small schools' protection funding, around £60,000, would be distributed between all schools through the Herefordshire schools funding formula.</p> <p>The Dilwyn school budget would therefore be reinvested, partly in the schools to which Dilwyn C of E Primary School pupils transfer and, in part, across all Herefordshire schools. Although there is no financial saving to the Local Authority, distribution of the budget across other schools, and in particular the 'per pupil' element brings financial benefit to the new host school or schools in terms of their spending power. As pupils join classes already established with teachers and teaching assistants a higher proportion of the extra pupil funding can be spent of additional classroom support and curriculum resources.</p> <p>There would be a cost to the Local Authority in terms of transport provision to an alternative school or schools. This has been calculated at £22,000 per year. The rural nature of Herefordshire requires the Local Authority to spend around £5 million a year on</p>
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		home to school transport.
Devastating effect of closure on the community (56)	<p>Already lost village shop and post office. Most young families introduced to the Church through school. Danger of losing early years provision. Secure school would attract young families to Dilwyn village. Fall in house prices if school closes. Lose an institution at the heart of the community. Long term impact should be considered – wider impact on rural village communities. Retain school for housing expansion.</p>	<p>Some responses recognise that shops, post offices, pubs and schools are closing in villages; also that church congregations are aging and declining. This is a concern, but the village school is as susceptible to demographic change as any other facility or institution. As demography has changed over the decades, as rural based trades and jobs have declined and the population has migrated to more urban areas and to new trades and industries, so facilities, including schools across Herefordshire and across the country have closed. In this respect, Dilwyn is not unique.</p>
Adverse effects on current pupils who are doing well (16)	<p>Ofsted report recognising strengths. Views of pupils themselves. Concern about disrupting a happy group. Opportunities for children in the future lost.</p>	<p>If the school were to close the local authority and the diocese of Hereford would work with parents and pupils to identify a suitable school. The receiving schools would work closely with the pupils and parents to make the transitions as successful as possible, as they do with other pupils that join their schools.</p>
Closure was predetermined – consultation merely following process (24)	<p>Minority view, held by Governors on the Review Group, held under the Small Schools Policy was not reported.</p>	<p>The consultation document stated that the majority of the Review Group concluded that the school as a standalone entity is not viable. This clearly indicates that a minority felt that it was viable, although specific reference is not made to the minority view being held by governors on the Review Group.</p>

	<p>Bias of consultation document. Ofsted judgement is satisfactory – school not failing. Good SIAS judgement.</p> <p>Lobbying of Diocesan authorities by Children & Young People’s Directorate.</p> <p>Lobbying of Weobley Cluster schools after consultation period had ended.</p>	<p>The Ofsted judgement was reflected and acknowledged in the consultation document. The SIAS report was published later, but the judgement was acknowledged and accepted. The consultation document however was concerned with the future challenges that the school would face in raising its standards to good or outstanding. It was important that the consultation document reflected the significant concerns held by the Children & Young People’s Directorate and Hereford Diocese and to seek views on those concerns including on options to address them.</p> <p>The Hereford Diocese was represented on the Review Group since it began. The Children & Young People’s Directorate liaised with both Diocesan bodies in an open exchange of views on the evidence and consultation responses, including the proposal to federate with St Mary’s RC High School.</p> <p>Officers were invited by the Weobley Schools Cluster to attend a meeting of headteachers and chairs of governors on 14 May to discuss the implications for their cluster working in the light of the St Mary’s federation proposal, submitted during the consultation period. The Headteacher and Chair of Governors of Dilwyn were invited, but were unable to attend.</p>
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<p>Transport will be required and will have a negative effect on families and the environment (6)</p>	<p>Stated that families will have to make alternative arrangements, transport would be required whereas at the moment some pupils walk. No footpaths or cycle paths as alternative routes to other schools. Goes against national government objectives of environmental and sustainable living.</p>	<p>These are part of the considerations in determining the future of Dilwyn School and have been weighed against all the other factors involved. It is evident that families from the Dilwyn catchment do go to other schools and are able to make arrangements to do so. There is the ability to share transport amongst families and this does occur. Statutory transport entitlement will also be available.</p>
<p>Option of Federation was never going to be accepted. The proposal should be given time to work (51)</p>	<p>Federation with St Mary's was rejected mainly on grounds of financial viability owing to small pupil numbers. The issue of numbers would be the same for a federation with any school, so the Children & Young People's Directorate were never going to consider this option, only closure. There are a number of positive developments associated with an ecumenical approach. It is exciting and innovative and should be given time.</p>	<p>The Children & Young People's Directorate and Dioceses felt that the original business case to federate with St Mary's did not adequately address a number of concerns, including safeguarding arrangements, finance and pupil numbers. During the Review stage, the Children & Young People's Directorate and Hereford Diocese were proactive in engaging neighbouring schools to consider federation with Dilwyn.</p>
<p>Evidence presented for consultation was heavily biased towards closure (23)</p>	<p>The Children & Young People's Directorate claimed general disadvantages in terms of teaching and learning in small schools. This ignores evidence researched and collected by the National Association of Small Schools. Staff recruitment and retention.</p>	<p>As mentioned above, the Cabinet report of 12 July 2010 recognised the statistical evidence that small schools often produce markedly better results, but after adjusting for socio-economic factors, these differences are marginal. In terms of staff recruitment and retention, the Children & Young People's Directorate and the Hereford Diocese were drawing on very recent experience of small schools struggling</p>

	<p>Quality of teaching and learning – inferred standards and capacity to improve were unacceptable.</p>	<p>to retain and attract staff.</p> <p>In terms of the quality of teaching & learning, the consultation document reflected the Children & Young People’s Directorate and Hereford Diocese concerns about workloads, the opportunities for training and development and for peer support within the school setting. The very small numbers of pupils and the limited funding that results from this, minimises the number of staff that can be employed. This significantly impairs the ability of staff to learn from and support each other, and to take up training opportunities (both in terms of paying for training and to provide cover to go on training). The consultation document referred to the Ofsted inspection of Dilwyn C of E Primary School in January 2010 which judged the quality of teaching and learning as satisfactory. Although improvement had been made since the previous inspection in 2007, insufficient progress has been made overall to improve beyond a judgement of satisfactory. The Local Authority has been able to give the school support in this area, but both the Children & Young People’s Directorate and the Diocesan Board of Education were and remain concerned that as a standalone school, Dilwyn does not have the capacity necessary to make continued and sustained improvement to the standard of teaching and</p>
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	Safeguarding	<p>learning.</p> <p>The Children & Young People's Directorate and Hereford Diocese had, and still have, serious concerns around safeguarding, given the low staff numbers and implications for safeguarding arrangements if one or more members of staff are absent or needing to supervise pupils off site.</p>
Reaction to proposal for Federation was improper (18)	<p>Claim that the Children & Young People's Directorate has put effort into preventing a viable plan for federation.</p> <p>51 of the 67 responses felt that the proposal to federate with St Mary's should be given a chance to work.</p>	<p>The Children & Young People's Directorate, together with the Hereford Diocese and Archdiocese of Cardiff gave full and proper consideration to the specific federation proposal submitted by the Governors and St Mary's RC High School during the consultation period.</p> <p>See also the observations, below, of the Children & Young People's Directorate and Archdiocese of Cardiff on the revised proposal to federate, which was submitted in response to the statutory notice.</p>
Cabinet report was incomplete, inaccurate and biased. Numbers of pupils now and in the future will increase to enable a viable school and partnership. (23)	<p>Statement that past, present and future pupil numbers do not enable valid educational provision as a standalone entity. Past numbers did allow this until threat of closure.</p> <p>Availability of school places in the area is not a valid reason to close a rural school. A school should not be closed in order to fill</p>	<p>See comments above in response to 'Statutory guidelines have been ignored'.</p> <p>The availability of alternative school places is one of a number of 'key reasons' for the recommendation to close the school. It is an</p>

	<p>another school.</p> <p>View of the Archdiocese of Cardiff was not accurately represented. Archdiocese was supportive of the proposal to federate with St Mary's until the Children & Young People's Directorate persuaded the Anglican diocese of non-viability.</p> <p>Teaching and learning – general bias against small school.</p> <p>Solicited response from the Weobley cluster of schools.</p> <p>Dilwyn School has identified 13 children where the threat of closure was a significant factor in their parents' decision to choose other schools.</p>	<p>important factor that places are available at an alternative school or schools.</p> <p>Please see earlier comment under 'Closure was predetermined'</p> <p>Please see earlier comment under 'Children & Young People's Directorate and councillors believe standards of teaching and learning would be better in a larger school.'</p> <p>Please see earlier comment under 'Closure was predetermined'</p> <p>In response to the consultation, no parents living in the Dilwyn catchment, who had chosen other schools, stated threat of closure as a reason. This was also the case with a separate Parish Council questionnaire. The St Mary's RC High proposal states 16 children whose parents would consider Dilwyn if it federated with St Mary's. Of these only 3 are current primary age pupils, 5 for the 2011 intake, 1 for 2012, 2 for 2013 and 5 for 2014. It is unclear whether the school has asked all</p>
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	<p>Legal implications – the Cabinet report does not refer to statutory guidance – Closing a Maintained Mainstream School, which states that there is a presumption against closure of rural schools.</p>	<p>parents of preschool age children in the Dilwyn area, but the numbers quoted, even with the perceived attraction of federation with St Mary’s would see the school’s roll reduce further as higher numbers of pupil in the upper year groups transfer to secondary school. N. B. while St Mary’s quote 16 children, the Dilwyn Governors quote 19, with a target of 40, but no age range is quoted.</p> <p>The Cabinet paper refers to the legislation from which the statutory guidance is derived – Education & Inspections Act 2006. The specific considerations that a local authority must undertake in respect of a rural school are stated in the Community Impact section of the report.</p>
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The Governors of Dilwyn believe that Federation with St Mary's RC High School is "virtually certain to provide a sustainable future for Dilwyn School." The Governors recognise that "nothing is ever certain and plans can go wrong", but the Governors believe "there is a very strong probability that the revised business plan produced by St Mary's will succeed." The Governors have provided the following evidence, supported by other submissions, which is shown with the observations that have been part of the decision making process to inform the report and the recommendation to discontinue Dilwyn C of E Primary School.

Area	Evidence	View of the Children & Young People's Directorate and Archdiocese of Cardiff
Pupil numbers can be addressed	<p>Perceived attraction of partnering with St Mary's RC High School, which is popular with parents.</p> <p>Meet demand for Catholic places in the north of Herefordshire.</p> <p>Written statements from parents who would send their children to Dilwyn if it federated with St Mary's RC High School.</p>	<p>Only about one third of children living in the catchment area attend the school.</p> <p>Responses to the consultation and Parish Council questionnaire earlier this year identified no parents who had chosen other schools because of a perceived threat of closure for Dilwyn.</p> <p>The potential for 19 children to possibly attend Dilwyn would be phased over a number of years. The St Mary's RC High school proposal for federation states 16 - 3 are current primary age pupils, 5 for the 2011 intake, 1 for 2012, 2 for 2013 and 5 for 2014. The numbers quoted, even with the perceived attraction of federation with St Mary's would not see the school's roll increase significantly as higher numbers of pupil in some upper year groups transfer to secondary school. The Dilwyn Governors quote 19, with a target of 40, but no age range is quoted.</p> <p>Dilwyn School has been judged satisfactory</p>

		<p>by Ofsted, with its capacity to improve also satisfactory. The two nearest schools to Dilwyn, Weobley Community Primary and Pembridge C of E Primary which currently accommodate 28 pupils from the Dilwyn catchment area are judged by Ofsted to be good schools, with good capacity to improve. Other schools currently attended by children from the Dilwyn catchment area are judged either good or outstanding, with some parents opting for independent school education. The Local Authority and the Archdiocese of Cardiff question whether a significant number of families whose children have settled into other schools, and established friendship groups, would transfer their children, even with the possible attraction for some of a potential advantage in gaining a place at St Mary's R. C. High school at secondary transfer. Siblings would therefore be most likely to follow to the same schools.</p> <p>The Local Authority and Diocesan bodies recognise one aim of the proposed federation which would be to open up an opportunity for children of the Catholic faith to access a gospel based education in the north of the County. However the low number of Catholic baptisms in the north of the County suggests this would not increase pupil numbers significantly with an average total of just 5 baptisms a year being recorded between</p>
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		<p>2005 and 2009 in the Weobley/Kington and Leominster parishes. It cannot be assumed that all would choose to send their children of primary age to Dilwyn from this wide geographic area.</p> <p>Responses to the consultation felt that pupil numbers could rise again, quoting a shortage of primary school places in the West Midlands and possible housing development in Dilwyn. While parts of the West Midland are experiencing greater demand for primary school places and in particular the urban conurbations, Herefordshire as a whole and the Dilwyn area in particular are not. The Parish Council is working with Herefordshire Council planners on a proposal to build 25 new homes, 50% of which would be affordable housing. The Council's planning documents identify a probable yield of fewer than 5 primary age pupils from such a development. While Dilwyn is identified as a Main Village in the Local Development Framework, any future housing is likely to be in proportion to its size, currently about 123 residential dwellings and will therefore not be significant enough to greatly increase pupil numbers in the catchment area.</p>
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<p>Costs can be reduced</p>	<p>Supply cover Administration Additional funding for additional pupils. Replacing retiring teacher with a Newly Qualified Teacher. Use St Mary's for building maintenance</p>	<p>There are some discrepancies in the Dilwyn budget figures used for the 3 year projections. 20% savings on supply is shown as £2,731pa but Dilwyn School has reduced its budget in 2010/11 to £7,920 so a 20% savings is only £1,584 - hence savings overstated by £1,147 per annum. Likewise savings on admin costs are shown as £1,955 pa but the 2010/11 budget only includes £1,288 again overstating by £667 per annum.</p> <p>The increase in pupils shows a rising income but does not adjust for any loss of small schools protection, for example, for 8 pupils this would be worth around £900.</p> <p>A substantial saving is shown by replacing a 0.74 UPS2 teacher by a 0.74 NQT. The cost of an NQT will rise each year and potentially rise back to the level of the UPS 2 teacher.</p> <p>Whilst all these are very small differences and total £2,714 these are the tolerances that the St. Mary's plan is working to.</p> <p>In addition, there are no recharges to St Mary's for supply, AST teachers (1 day) and management time for the St Mary's</p>
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		Headteacher and it is unclear what salary is proposed for the current Headteacher of Dilwyn in the new structure. The cost effectiveness of the proposed leadership team is questionable.
The administrative burden will be reduced	Single administrative function for both schools, including procurement.	This may produce some efficiencies, but it is not clear how this is intended to operate in practice and, as noted above, the financial saving is overstated in the proposal.
Teaching & learning can be greatly improved	<p>Consultancy available from Madley Primary School and the Wigmore Trust schools.</p> <p>Joint CPD and benefits from wider partnerships set up by Madley Primary.</p> <p>Curriculum development with Madley Primary.</p> <p>St Mary's Advanced Skills Teacher to provide additional support in literacy, science and the environment, local history etc.</p> <p>Specialism staff to provide support in maths and technology.</p>	While St Mary's lacks expertise, particularly in Key Stage 1, the involvement of Madley, Wigmore and St Joseph's would undoubtedly provide that expertise. The intention of these schools to provide long term advice and support is unquestionable and a fine example of the potential benefits of collaborative working. What is less clear from the proposal is how the capacity will be created to achieve this and what, if any, costs/recharges will be incurred. A formal federated or collaborative arrangement would increase confidence in the longevity of such arrangements, but this is not proposed to happen imminently, if at all.
Safeguarding can be assured	<p>Dilwyn staff appropriately trained.</p> <p>Identified person on Dilwyn site at all</p>	While all of these proposed arrangements are welcome, assurance will be needed

	<p>times. Appropriate St Mary's staff available in an emergency. Rapid reaction team in Dilwyn village. Expertise available from Madley Primary.</p>	<p>on how each will operate in practice. For example, the resource implication of ensuring an identified person on Dilwyn site at all times, the robustness of communication/availability arrangements for the rapid reaction team and St Mary's staff ability to get to Dilwyn site quickly.</p>
<p>The disadvantages of distance between schools can be easily mitigated</p>	<p>Broadband video link Minibuses Integrated communications systems.</p>	<p>Video links between school are seen as a possible solution to sharing teaching expertise, skills and resources, particularly between schools in rural areas. Minibuses would provide access to other schools and resources, but the journey time between St Mary's and Dilwyn is significant at 1 hour for a return journey, plus time at either end to get ready for the journey and to get to the appropriate facility. It is not envisaged that this could be used too often without seriously reducing classroom time for pupils. An integrated communication system would be essential.</p>
<p>Any short-term financial shortfalls can be dealt with by pledges of financial support from individuals and businesses in the area.</p>	<p>£14,000 in written pledges received. £20,000 claimed to be likely. Still many potential contributors to approach.</p>	<p>While such funds may help in the short term, the longer term financial plan is dependent upon increasing pupil numbers at the school. As stated above, this is a significant challenge and one which the business plan does not address sufficiently, for the reasons stated above.</p>

MEETING:	CABINET
DATE:	25 NOVEMBER 2010
TITLE OF REPORT:	BUDGET MONITORING REPORT 2010/11
PORTFOLIO AREA:	RESOURCES

CLASSIFICATION: Open

Wards Affected

County-wide.

Purpose

To report the forecast financial position for both revenue and capital to 31 March 2011 and provide an update on Directorates' recovery plans instigated to address projected overspends.

The report also provides information on treasury management activities in the first six months of 2010/11.

The report also includes the number and amounts written off for individual debts exceeding £1,000 covering the period 1 April 2010 to 30 September 2010.

Key Decision

This is not a Key Decision.

Recommendation

THAT

- a) the report and the forecast deficit position of £2.4m be noted;**
- b) the Chief Executive's requirement that Directors deliver recovery plans to support delivery of balanced revenue budget be noted; and**
- c) it be noted that 66 debts totalling £185k be written off.**

Key Points Summary

- As of the end of September the overall revenue budget position for 2010/11 shows a projected £2.4m overspend. This is approximately 1.7% of the Council's £143m revenue budget (excluding Dedicated Schools Grant funding).

- The forecast capital outturn has decreased from the original budget position by £3.1m to £74.6m, due to slippage on schemes.
- Virements exceeding £140k are highlighted throughout the documents.

Alternative Options

- 1 There are no alternative options.

Reasons for Recommendations

- 2 To ensure Cabinet is informed of the forecast outturn and receive assurance that officers take appropriate action as necessary to ensure a balanced outturn position is delivered.
- 3 To demonstrate there is the appropriate use of virements to fund the revenue deficits and the re-profiling of capital funding where schemes have slipped into 2011/12.
- 4 To ensure that Cabinet is kept informed of treasury management activities in accordance with CIPFAs recommended best practice.

Introduction and Background

- 5 The Council's revenue and capital position is reported to Cabinet quarterly throughout the year. The information provides an indication of the Council's performance against budgets.
- 6 CIPFA best practice recommends Members are informed of Treasury Management activities on a regular basis and as a result Cabinet receives an update every quarter. Treasury management is a key activity for the council and given concerns about financial markets in the recent past it is important that Cabinet remains aware of performance.

Key Considerations

- 7 Appendix A includes the detailed revenue budget monitoring report. The key areas of concern are Integrated Commissioning Directorate, with a projected £3.8m overspend and the Children and Young People's Directorate, with a £1.1m projected overspend.
- 8 Both directorates have produced recovery plans and Cabinet should note the actions detailed in Appendix A which will continue to be effectively monitored over the coming months. The delivery of recovery plans is essential to mitigate the effect of the overspend rolling into 2011/12. This is more pressing than at any previous time given initial analysis of the Comprehensive Spending Review and its impact on future years funding.
- 9 The Council's overall financial performance has a direct bearing on the level of reserve balance at year end, as any overspend on the revenue account would be funded from this source.
- 10 For Integrated Commissioning, their 2009/10 deficit outturn and the full year impact of placements meant a starting budget shortfall of £3.7m, which has in part (£2.2m) been mitigated by central budgets. The Directorate has an ongoing recovery plan of £2.0m to meet 2009/10 shortfalls and, in addition, is establishing what further measures are required to balance the current year overspend.
- 11 The capital programme budget monitoring is provided at Appendix B. The forecast outturn has decreased by £3.1m to £74.6m. Where possible, use of time limited grants will be

maximised before other more flexible resources.

- 12 Appendix C is the quarterly update on treasury management, which ensures the Council is following best practice in accordance with CIPFA's recommendations. Maximising investment interest and rescheduling loans, should see the delivery of £1.0m above budget, to assist the financial concerns highlighted in Appendix A.
- 13 The Council's Financial Procedure Rules, require that the number and amounts written off for individual debts exceeding £1,000 is reported to Cabinet twice a year for information purposes. This information for the period 01/04/10 to 30/09/10 is detailed in appendix D.

Community Impact

- 14 Not applicable.

Financial Implications

- 15 These are contained in the report.

Legal Implications

- 16 None.

Risk Management

- 17 Effective financial reports, used to facilitate robust budget monitoring are an essential element in the management of risks and the delivery of the Council's and Herefordshire Partnership's priorities.

Consultees

- 18 None.

Appendices

- Appendix A – Revenue Budget Monitoring
- Appendix B – Capital Programme
- Appendix C – Treasury Management Update
- Appendix D – Write Offs

Background Papers

- None identified.

REVENUE BUDGET MONITORING
Summary

1. The following table summarises the 2010-11 projected outturn based on the financial position as at 30th September 2010.

£'000	Budget	Projected (over) or under spend
Integrated Commissioning	40,516	(3,814)
Children & Young People	24,483	(1,081)
Deputy Chief Executive	13,726	0
Sustainable Communities	34,197	0
Public Health	2,136	(20)
Central Services	2,899	0
Resources	7,022	521
Directorate Position	124,979	(4,394)
Borrowing and investments	15,380	1,030
Revenue contribution to capital	320	500
Centrally held budget	995	0
WMS Profit Share	(546)	156
Transfer to/from Reserves	1,716	300
Total	<u>142,844</u>	<u>(2,408)</u>

2. The overall revenue budget position for 2010-11 shows a projected £2.4m overspend. This is approximately 1.75% of the council's £143m million revenue budget (excluding Dedicated Schools Grant funding). In order to address the forecast position the delivery of recovery plans is required by the relevant Directorates.
3. The most significant overspend relates to Integrated Commissioning, the overspend in part has carried over from last year, but activity levels continue to increase. Other service deficits are being mitigated by the recovery plans. It is clear that the Integrated commissioning position is a key financial risk.
4. In addition to the revenue overview, a capital monitoring summary is provided at Appendix B. The forecast outturn spend is £74.7m.
5. Appendix C provides a Treasury Management update and explains an expected underspend of £990k on borrowing costs. This is in part due to a programme of loan rescheduling that replaces higher cost loans with new borrowing at lower rates than budgeted.
6. Throughout the report reference is made to virements that have been actioned across the services.

Recovery Plan

7. As a result of the projected overspend the Chief Executive has required that council directorates meet additional savings targets. The targets are supported by the stop on discretionary spend. The combination of targets plus additional central financing activity will deliver a balanced budget if directorates take the necessary action.
8. The analysis of the prior year's spending profile indicates that spending targets for the months leading up to the end of the financial year will also help control expenditure. These targets are being put together by Financial Services for agreement with directorates.

Reserves Update

9. The general reserve balance as at 1st April 2010 is £6.4m. The council held the following earmarked reserves of £14.2 million at 31st March 2010.

	31.03.09	Transfer to/(from)	31.3.10
Commuted sums	78	0	78
Schools balances in hand	5,476	21	5,497
Industrial Estates - maintenance	333	39	372
Support Services & Equipment renewals	80	(80)	0
Schools Balance of Risk	85	88	173
Winter maintenance	500	(500)	0
Planning	24	0	24
College Hill Community Centre	180	0	180
Waste Disposal	2,774	0	2,774
LSC	32	(32)	0
Wye Valley AONB	104	(10)	94
Invest to Save	1,079	252	1,331
Contingent liabilities	300		300
Social care contingency	926	(772)	154
Modernisation plans	454	(454)	0
Edgar Street Grid	150	541	691
Whitecross school PFI	202	79	281
LPSA 2 reward grant	1,482	(1,258)	224
Carbon Reserve	30	(10)	20
Schools Redundancies	294	(284)	10
Service Delivery Review	112	(112)	0
Schools Rates Reserve	869		869
Economic Development	346	(80)	266

	31.03.09	Transfer to/(from)	31.3.10
Herefordshire Safeguarding Children Board	21		21
Accommodation	133	(133)	0
Insurance reserve	0	544	544
Pool car reserve	0	10	10
Local development framework	0	270	270
Area based grant	0	53	53
	16,064	(1,828)	14,236

INTEGRATED COMMISSIONING DIRECTORATE

£'000	Annual Budget	Under / (Over) spend
Learning Disabilities	11,612	(1,607)
Mental Health	7,407	(917)
Older People	13,190	(2,016)
Physical Disabilities / Sensory Impairment	3,896	(1,293)
Section 75 Arrangements	936	(69)
Commissioning Directorate	1,620	0
Other Services	1,855	2,088
Total	40,516	(3,814)

Overview

10. The 2010/11 budget has been set using actual outturn activity and predicted increase in demographics and client numbers phased throughout the year, alongside contract inflation that has only recently been given to providers. This gives a realistic target to the service areas, but clearly demonstrates the deficit starting position that has to be recovered.
11. The forecast is a net overspend of £3.8m. This is based on existing commitments projected forward in combination with realistic assumptions about the recovery measures of £2m.
12. The annual budget now includes virements of £2.2m transferred from central services.

Major Budget Exceptions

13. Learning Disabilities - Total predicted over spend is £1,607k.
14. The full year anticipated over spend relates to increased costs in:
 - Residential/ Nursing. The Budget for residential and nursing care includes increases in the cost of packages for more complex needs. There was an overspend in 2009/10 of £1m at year end, thus this is included in the budget assumptions for 2010/11 along with the assumption that there will be 1 additional package previously funded by Children's Services. During September there were 2 high value packages approved costing £192k for the remainder of the year.
 - Domiciliary Care packages have increased year to date and resulted in an increase to the forecast.
 - Personal Budgets are proving to be a greater than anticipated pressure and predicted to overspend by £145k. The budget included the assumption for in year increases of 15% to 61 packages from 53 at the start of the year. The number has already reached 73, with six months remaining. Direct Payment packages are costing less than anticipated year to date with surpluses being refunded to the Council.
15. Mental Health - Anticipated over spend of £917k.
 - The projected outturn for the year within residential and nursing has increased by £105k

due to the increased use of respite care. The full year impact of the increase in standard rates for residential homes has the effect of £327k. The budget assumed a reduction in the number of clients by 33 for the full year and by 23 year to date. However the number of clients has only reduced by nine.

- There has been an increase in domiciliary care packages. There are five new 'action4housing' packages where clients require high levels of intensive care. These are averaging £1,500 per week. The impact of these is £202k for the year. Additional packages are anticipated to increase spend by a further £61k.
- An increase in agency staff within the Mental Health Older People Team, (to cover the increase in workload relating to the number of safeguarding cases), has a financial impact of £43k.

16. Older People - Total predicted over spend £2,016k.

- Residential and nursing care packages continue to rise along with more expensive package requirements. Last financial year resulted in an over spend of £221k. It is anticipated that due to demographics the number of older people requiring care will rise and built into the budget is a 3% increase in the number of packages. At the start of year there were 242 packages, this rose to 255 in July and is currently 254 packages. Predicted over spend in addition to the brought forward deficit is £160k.
- Domiciliary care was over spent by £1m last financial year. The current budget assumes a 5% rise on the actual spend last year. Year to date there is an overspend on the budgeted figure of £161k. The predicted outturn has been increased to reflect this giving a rise of £391k.
- The number of Personal Budgets for older people is only slightly higher than last year.

17. Physical Disabilities Full year forecast over spend of £1,293k.

- The budget for 2010/11 assumes that the number of packages reduces by three during the year. At the end of August 1 package had been lost, saving £19k and during September one client moved to a Personal Budget.
- Domiciliary Care over spent in 2009/10 by £108k. The full year projection for 2010/11 is based on year to date activity and an over spend of £389k is predicted.
- In 2009/10 there was an overspend of £562k on personal budgets. 2010/11 budget assumed there would be a rise by a further 26 during the year. Year to date this has increased by 12 and the projected outturn has thus been reduced by £70k.

18. Section 75 agreements. Total predicted over spend is £69k.

- There is an anticipated over spend within the Community Equipment Store of £141k. This will be met 50:50 with the PCT and is due to the high demand for (in particular) specialist equipment.

19. Hillside is predicting an overspend of £114k with the Council's contribution to this being £33k. The year end forecast is based on current pressures of agency, physiotherapy cover, utilities and unachieved efficiency savings

Recovery Plan

20. All directorates projecting a overspend are required to submit a recovery plan. The Recovery Plan actions for Integrated Commissioning are now being developed into business cases and

implemented where possible, they include

- review of all legacy homecare and residential packages
- review of Out of County Placements for all client groups
- increase reablement on hospital discharge
- higher use of Telecare
- decommissioning of Norfolk House
- savings in transferring clients into supported living
- contracts review – including a major review of the Shaw contract - voids and maximising value from all contracts and clawback from under performance and Rose gardens
- review of in-house services to improve efficiency, including review of STARRS
- review of daycare services
- Implementing a new charging policy, potentially instigating new and increased charges
- introduction of the Electronic Monitoring System – reducing inefficiencies within payments to suppliers in line with actual hours delivered

CHILDREN AND YOUNG PEOPLE'S SERVICES DIRECTORATE (CYPD)

£'000	Annual Budget	Under / (Over) Spend
Improvement & Inclusion	4,895	(126)
Safeguarding and Assessment	12,181	(913)
Planning, Performance & Development (PP&D)	6,932	488
Community Operations	301	145
Central Directorate	174	(675)
Total	24,483	(1,081)

Key Points Summary

21. The overall forecast shows a net over spend of £1,081k. Recent pressures on external placements and placements for children with complex needs comprise £1,022k of the total over-spend, £722k and £300k respectively. In both cases this is due to additional cases coming through the system.
22. Other savings across the directorate have delivered the planned saving of £857k as well as the 5% saving included in the local authority budget for vacancy management, £493k.
23. The number of looked after children showed a significant increase over the summer period with increased numbers of children being placed with agency foster carers up from 28 at the end of July to 37 at the end of August. Since then the numbers have continued to rise significantly with numbers as at 12th October being 14 in residential placements and 45 in agency foster placements.
24. The numbers also increase budget pressures on staffing costs and court costs. Case loads per social worker are currently increasing.
25. In addition to the pressures on placements for looked after children there are staffing pressures particularly within the referral and assessment team. Additional agency social workers have been brought in to provide cover for vacancies and also to provide additional experience to support the high number of newly qualified social workers. Due to a national shortage of social workers hourly rates are increasing and the cost per hour is at least 50% more than employing own staff. This has resulted in increased staff costs within the Safeguarding area.
26. Case numbers for both Child Protection, 190 and Looked After Children, 205 are very high and CYPD indicate that these have to be allocated to social workers with at least four years post qualification experience. As there are currently only nine permanent staff meeting this criteria there has been a need to bring in experienced agency social workers. Actions are underway to resolve these issues.
27. Complex Needs cases also continue to increase reflecting national trends encompassing Safeguarding, special educational needs and health issues. The average annual cost per case is approximately £160k per annum although some cases can cost considerably more.

Savings Identified to Date

28. Savings have been identified across the directorate through a combination of vacancy management (pending restructure), minimising non essential spend, contract re-negotiation

and route rationalisation on schools transport. Savings are also being targeted on all available grants and used to offset local authority spend wherever possible.

29. Within Improvement and Inclusion the School Improvement team has found vacancy savings of £32k plus £65k to offset versus grants. Early years and additional needs team costs have been charged to grants.
30. The Safeguarding vulnerable children service has identified savings within the other looked after children and fostering team primarily due to court costs and post 16 provision, children with disabilities and Family Assessment from contract savings and special guardianship.
31. PP&D savings have been driven through a combination of vacancy management (which has absorbed the cost of the withdrawal of the contact point grant and delivered additional savings of approximately £125k plus savings on schools transport totalling £355k. These comprise route review £107k, revision of year end estimate of year end accrual £58k (one off benefit), historical income performance £106k, increases in season ticket charges denominational £16k, and additional college students £7k.
32. Savings of approximately £100k have been included as an estimate of the quarter 4 savings to be made following completion of the staff restructure.

ACTIONS

33. Action is underway to identify alternative ways of sourcing the additional social workers required to minimise the financial impact, focusing on negotiations with Pertemps and recruiting experienced staff. A recruitment event is being planned and will be targeted to attract more experienced social workers.
34. Reviews of current placements will be undertaken to ensure that children are returned home from placements as soon as it is appropriate to do so.
35. The forecasts already reflect actions being taken to reduce contract costs across the directorate.
36. Herefordshire is actively recruiting new foster carers with 4 attending the November fostering assessment panel with a further 3 scheduled for December.
37. Actions to develop a more integrated approach to commissioning placements for both looked after children and complex needs cases are being explored by the Integrated Children's Commissioning Group.
38. Options for income generation are being developed and additional savings will be driven out through continued tight financial controls over non essential expenditure.

Other Key Financial Information

39. It has now been confirmed that Wigmore is likely to apply for academy status this is in addition to John Kyrle. It is currently estimated that the financial effect would be £300k in DSG funding and £400k on local authority budgets (from April 2011). An early estimate is that potentially up to 50% of the shortfall could be recovered by charging for services but that the remainder could not be absorbed by CYPD. However the details of which services will be top-sliced has still to be confirmed by the Department for Education and the implications worked through in detail with the affected service areas.

DEPUTY CHIEF EXECUTIVE DIRECTORATE

£'000	Annual Budget	Under / (Over) Forecast
Legal & Democratic Services	3,024	(200)
Communications	372	0
Director and Administration	202	0
Policy & Performance	707	0
Herefordshire Partnership	246	0
Customer Services	1,547	0
ICT	6,111	100
Human Resources	1,517	100
	13,726	(0)

Major Budget Exceptions

40. There are two major pressures affecting the Legal budget:
- Local Land Charges is to become a FOI requirement; the service will not longer be able to charge for Personal Searches. The impact to income is estimated at £70k.
 - The cost of interim posts for the first half of 2010/11 for Legal and Democratic Services is likely to be £30k, additional agency staff are also being used within the service expected to cost £100k above budget.

Recovery Plan Actions Instigated

41. The recruitment of permanent staff is underway to remove the use of interim posts. A review of Coroners Services should result in a reduction to costs, and the consolidation of Registrar Services will also create administration savings.

Other Risks

42. An impact assessment is currently underway covering changes to land charges income
43. ABG and Grant funding cuts will affect Corporate Training's ability to deliver the Adult Social Care training programme. The service currently receives 70%, (£470k) of its funding from ABG. The Grant cuts will also affect the programme of work delivered by Diversity and Herefordshire Partnership.

SUSTAINABLE COMMUNITIES

£'000	Annual Budget	Under / (Over) Forecast
Highways, Transport & Community Services	12,458	(48)
Environment, Planning & Waste	13,563	0
Homes & Communities	2,632	0
Economy & Culture	5,019	0
Directorate Management & Support	524	48
	34,197	0

Major Budget Exceptions

44. Following the virement to reduce the income budget the shortfall on Parking income has reduced to £65k. Income from the sales of Car Park tickets to the end of September 2010, continues to be 3% lower than the same period in 2009. The charges have not been increased for inflation and both these factors produce the shortfall against the budget. Income from penalty charge notices will be below target by £60k.
45. Vacancy management savings of £105k previously identified were vired to reduce the income budget in Parking.
46. Further savings have been identified within Highways, Transport and Community Services to assist in managing the remaining pressure in Parking. These relate to ceasing Security Patrols in Car Parks, reducing, equipment maintenance and licence fee reductions along with further vacancy savings within the service.
47. Both Building and Development Control have exceeded their budgeted income targets at this point in the year; Building Control by £77k and Development Control by 99k.
48. The latest estimates from Worcestershire County Council (WCC) of waste disposal contract costs project an overspend of £420k against the current budget but this will largely be mitigated by an unrealised provision made in 2009/10. This provision reflected the risk that waste growth between Herefordshire and Worcestershire would vary by more than 1% to the detriment of Herefordshire. The final position for 2009/10 was an increase of 0.94% for Herefordshire so the additional 1% increase in contract costs was not triggered. If required the Waste Disposal reserve will be used.
49. The outturn estimates from WCC is based on an increased share of 1% as waste growth at the end of August triggering the 1% variance. The current increase in waste growth at the end of August is 1.6% and reflects the additional waste being managed within the joint contract as a result of extending the recycling service.
50. Although trade waste income budget was initially increased by £70k as part of the 2010/11 savings target, this is now not expected to be achieved – since 1st April 2010, 85 contracts have been cancelled and these are mainly due to lower prices and recycling with other companies. This shortfall is mitigated by the reduced costs of the collection contract, some of which are directly related to the reduced volume of trade waste contracts.
51. After accounting for the savings made from the introduction of performance plus a net saving of £48k is forecast for directorate support. This comes from staff vacancy savings.

Other Risks

52. The Transportation route subsidies rely heavily on the Area Based Grant so any reduction in this grant will cause further overspending if current contracts are maintained. It is however possible to end contracts and reduce costs accordingly but these will incur the payment of a financial penalty, dependant upon the individual contracts.
53. Community Safety staffing and Safer Roads Partnership funding is also reliant upon Area Based Grant funding so any significant loss of this funding could result in potential redundancies and reduced support to partners.

PUBLIC HEALTH

£'000	Annual Budget	Under / (Over) Forecast
Environmental Health & Trading Standards	1,968	0
Emergency Planning	152	(20)
Public Health Support Team	16	0
	2,136	(20)

Major Budget Exceptions

54. In the development of the Joint Emergency Planning Unit, staffing costs for the Emergency Planning team are expected to exceed budget by £20k.

Recovery Plan Actions Instigated

55. Whilst additional contributions are being negotiated with the Primary Care Trust and Hereford Hospital Trust which will mitigate the pressure on Emergency Planning budgets, this has not yet been agreed.
56. Annual savings of £189k have been identified through expected vacancy management savings.

CENTRAL SERVICES BUDGETS

£000's	Annual Budget	Under / (Over) Forecast
Chief Executive	393	0
Director of Public Health	296	0
Director of Clinical Leadership & Quality	55	0
Other Central	1,028	0
Corporate Management	1,127	0
	2,899	0

Major Budget Exceptions

57. There are no expected variations from Budget.

Major Virements Completed

58. A Budget provision has been made for the Monitoring Officer Duties in Legal and Democratic Services of £15k.

RESOURCES DIRECTORATE

£'000	Annual Budget	Under / (Over) Forecast
Asset Management & Property Services	3,139	150
Financial Services	1,759	87
Audit Services	426	11
Benefits and Exchequer Services	1,516	358
Central Budgets	181	(84)
Total	7,021	521

Current Position

59. Overall the Directorate is predicted to underspend by £521k.
60. Historically the authority has received higher benefits subsidy than the actual costs of payments to claimants. This is due to efficiencies that attract higher subsidy. Latest estimates show this continuing in the current year with an anticipated surplus of £315k which more than offsets unavoidable overspends in the central budget.

Major Budget Exceptions

61. Asset management and property services include a predicted surplus on retail properties which exceeds budget by £143k mainly due to supplementary rental income from Maylord Orchards.
62. Some £40k of the predicted underspend in financial services is an amount currently unallocated but which may be required for property valuation work necessary in implementing International Financial Reporting Standards. Employment costs are likely to be £23k below the budgeted level. Total income from schools finance is expected to be £18k better than budgeted.
63. Staffing is the main area of underspending within audit.
64. In benefits and exchequer potential overspends on archiving, software and bailiff costs are being offset by holding staff vacancies.
65. The overspend within central budgets relates to project management costs.

Capital Monitoring Summary

1. The capital forecast outturn for 2010/11 now totals £74.7m, a summary by directorate and funding source is provided in Table A below.

Table A – Funding of 2010/11 Capital

Directorate	2010/11 Forecast £'000	SCE(R) £'000	Prudential Borrowing £'000	Grant £'000	Revenue Contribution £'000	Capital Receipts Reserves £'000
Children's Services	31,679	915	480	29,891	65	328
Resources	4,828	-	3,926	33	-	869
Deputy Chief Executive	3,507	-	3,507	-	-	-
Adult Social Care	974	-	300	551	-	123
Sustainable Communities	33,562	12,315	4,230	9,108	143	7,766
Public Health	105	-	50	22	-	33
Total	74,655	13,230	12,493	39,605	208	9,119

2. Various changes to the capital forecast have been identified recognising the programming of spend and confirmation of funding announcements. Change scheme revisions exceeding £140k are listed below;-
- The Ledbury library scheme remains in the capital programme but until a project is developed the forecast for this years has been reduced by £2,239k. This would be funded by prudential borrowing.
 - The Ross library scheme has been scaled back following a scheme review reducing the forecast for this year by £592k. This reduction returns the allocation to corporate funding.
 - The Credenhill flood alleviation scheme forecast has been re-profiled in agreement with the funding body (AWM) reducing this years expected spend by £750k.
 - A review of revenue expenditure has identified £669k of costs that can be capitalised. These are ICT costs relating to the PC standardisation programme and community network costs.
 - The Leominster closed landfill site forecast has slipped by £232k due to late approval of the scheme by the Environment Agency. This means works will be carried out in the next financial year.

3. Details of capital schemes with a forecast spend in 2010/11 exceeding £500k are provided in Table B below.

Table B - Schemes with an expected outturn exceeding £500k in 2010/11

Scheme	2010/11 Forecast £'000	Spend to end period 6 £'000	Comments
Children's Services			
Hereford Academy	13,256	5,422	Work in progress scheme on schedule both time and budget
Earl Mortimer Replacement School	4,171	2,876	Work in progress scheme on schedule both time and budget
Co-location project	1,912	157	Six schemes are progressing at various locations with a yet to be confirmed proposal for Leominster
Devolved Capital Programme	1,900	2,030	Devolved allocation of capital funding to schools
Intervention Centres	1,823	823	14 schemes at high schools are progressing
Primary Grant	1,500	181	This will fund the amalgamation of Leominster's junior and infants school, a business case will be presented when costings available.
Co-location – Bromyard HOPE	1,416	252	The largest co-location scheme is in Bromyard, mainly funded by AWM grant
TCF Standards and Diversity	675	76	Rural funding towards plant and equipment costs
Childcare / QuAc	662	480	Various schemes to complete in 2010/11
Wave 2 Playbuilder	607	12	No longer ringfenced
Condition property works	600	358	Annual programme of works at various sites committed on a highest need basis, budget under pressure
Childrens Centres	563	252	Springfield children's centre completes soon, Conningsby is scheduled to complete this year
Resources			
Corporate accommodation	3,000	211	Programme manager recently appointed, this year's scheme to be confirmed shortly.
Smallholdings	723	170	Regulatory works at various sites
Hereford Leisure Pool	600	-	Essential refurbishment works to commence shortly
Deputy Chief Executive			
Integrated Support Services	2,780	724	Anticipated HR and finance system to go live April 2011
Sustainable Communities			
Road, Bridge & Footway Maintenance	11,769	5,671	Annual programme of works
Livestock Market	5,800	652	Access and preliminary works underway
Rural Enterprise Grant	1,667	766	Various grant funded schemes
Grange Court	1,500	36	Refurbishment works to commence soon

Affordable Housing Grants	1,338	263	Allocation of grants to external schemes of which a number are currently on hold
Mandatory Disabled Facilities Grant	1,230	443	Various schemes are referred and committed before expenditure is recorded this may delay actual spend
Extreme winter highway damage	1,017	252	Large amount of Amey works completed in August
Hereford City Centre Enhancements	891	547	Improvement works to complete in November
Credenhill flood alleviation scheme	750	318	Grant funded alleviation works in association with Hereford Futures
Rotherwas Futures Estate Development Work	718	(162)	The negative spend to date represents an opening creditor for infrastructure costs
Private Sector Housing	697	145	Schemes will be reduced to be replaced by available Kickstart loans
Sustrans Connect 2	558	108	Cycle scheme linking Hereford to Holme Lacy
Sub Total	64,123	23,063	
Schemes with a budget <£500k in 2010/11	10,532	3,468	This includes the Riverside capital scheme which is being temporarily funded from the primary grant funding allocation
Total	74,655	26,531	

4. This report has been presented to the Capital Strategy Working Group, whose remit is to focus and investigate any exceptional deviations from the approved capital scheme.

Prudential Borrowing

5. A summary of the Prudential Borrowing position is set out below.

	£'000	£'000
2010/11 Original Prudential Borrowing Forecast		18,601
Add: Slippage from 2009/10	4,789	
New funding allocations	1,136	
		5,925
Less: Slippage into future years	(11,289)	
No longer required	(744)	
		(12,033)
Expected use of Prudential Borrowing in 2010/11		12,493

The bulk of slippage into future years relates to the accommodation strategy (which has a forecast spend of £3m this year) and Ledbury library, which is under review.

Capital Receipts Reserve

6. The capital receipts reserve totalled £13.3m as at 31st March 2010; £9.1m of this is expected to fund the 2010/11 capital programme. Future year commitments include funding the provision of a livestock market and improvements to smallholdings.

This quarterly report ensures the council demonstrates best practice in accordance with CIPFA's recommendations. This is achieved by informing members of Treasury Management activity.

1. The Economy

1.1. Recent economic statistics show:

- The Bank Base Rate remaining unchanged at 0.50%.
- CPI inflation remaining relatively high: year on year inflation fell from 3.2% to 3.1% in July and stayed at this rate in August and September.
- GDP growing in the third quarter by 0.8%, twice as much as economists had forecast.

2. The Council's Investments

2.1 As at 30th September 2010 the council held the following investments:

Investment	Term	Maturity Date	Interest Rate	Amount invested	
				£m	£m
Instant access bank accounts:					
National Westminster	N/A	N/A	1.10%		
Santander	N/A	N/A	0.80%	5.00	10.00
15 day notice account:					
Clydesdale	N/A	N/A	0.75%	5.00	5.00
Instant access Money Market Funds:					
Prime Rate	N/A	N/A	0.81%	5.00	
Ignis	N/A	N/A	0.68%	5.00	
Insight	N/A	N/A	0.61%	1.22	
Standard Life	N/A	N/A	0.59%	5.00	16.22
Rolling monthly programme of £1 million one year term deposits:					
Lloyds	364 days	27/07/11	1.95%	1.00	
Lloyds	364 days	19/08/11	1.95%	1.00	
Barclays	364 days	16/09/11	1.46%	1.00	3.00
Other fixed term deposits:					
Bank of Scotland	364 days	27/01/11	1.82%	5.00	
Nationwide	183 days	24/12/10	0.96%	2.00	
Nationwide	123 days	25/10/10	0.74%	3.00	
Barclays	213 days	25/02/11	1.04%	2.00	
Barclays	241 days	25/03/11	1.12%	2.00	14.00
Total					48.22

2.2 Since the last quarterly report two further Money Market Funds have been opened with Prime Rate and Ignis. These Funds are recommended by the Council's advisor (Arlingclose) and provide the same levels of security and liquidity as existing Funds but offer a slightly higher return.

- 2.3 An instant access account with the Royal Bank of Scotland has also been opened. Royal Bank of Scotland is in the same banking group as National Westminster and so, following Arlingclose's advice, a group limit of £7.5 million is used. An additional £2.5 million will be invested with the Royal Bank of Scotland who have agreed to pay an interest rate of 1.10%, consistent with the council's existing National Westminster account.
- 2.4 There has been no change in the bank base rate during the quarter and the council's treasury adviser has provided the following forecast of the bank base rate (forecast provided October 2010):

	Dec-10	Mar-11	Jun-11	Sep-11	Dec-11	Mar-12	Jun-12	Sep-12	Dec-12	Mar-13
Bank Rate	0.50	0.50	0.50	0.75	1.00	1.25	1.50	2.00	2.50	2.75

Comparing the above rates with the forecast provided in the last quarterly report shows rates remaining low for longer. The current forecast shows the base rate probably remaining unchanged at 0.50% until September 2011 (whereas their previous forecast was June 2011).

- 2.5 The council has earned interest on its investments as follows:

Month	Average Invested £m	Average rate of interest earned	Amount of interest earned
April 2010	23.7	1.02%	£19,866
May 2010	30.5	0.94%	£24,156
June 2010	44.7	0.80%	£29,272
July 2010	49.3	0.85%	£35,726
August 2010	41.4	1.01%	£35,136
September 2010	47.6	1.09%	£38,175
Total			£182,331

- 2.6 The 2010/11 budget for interest receivable is £249,000. Whilst the above figures are before deducting interest paid out to third parties (such as schools and trust funds), and although balances fall sharply in the last few months of the year, the current projection is for investment income to exceed budget by around £40,000.
- 2.7 The level of investment balances in August and September remained relatively high due to taking out some short-term borrowing. The borrowing was offered at competitive rates and was taken out to assist with liquidity requirements (being used in preference to the council withdrawing funds earning higher rates). The amounts borrowed were as follows:

Date of advance	Lender	Period	Interest rate (including 0.10% brokerage)	Amount £'m
03/08/10	London Borough of Barnet	29 days	0.40%	5.00
19/08/10	London Borough of Barnet	61 days	0.45%	2.80
19/08/10	Northamptonshire C C	61 days	0.45%	2.20
23/08/10	London Fire Authority	49 days	0.45%	5.00

3. The Council's Longer Term Borrowing

3.1 So far in the year to date the council has taken out the following new loans from the Public Works Loan Board (PWLB):

Date	Term	Amount	Repayment method	Interest rate	6 monthly repayment of principal
26/06/10	10 years	£10 million	EIP	2.47%	£500,000
27/07/10	9 years	£5 million	EIP	2.24%	£277,778
27/08/10	50 years	£5 million	Maturity	3.95%	N/A
15/10/10	5 years	£4 million	Maturity	1.85%	N/A
15/10/10	6 years	£3 million	Maturity	2.16%	N/A

EIP = Equal Instalments of Principal repaid every six months
Maturity = All principal repaid at end of term (unless repaid earlier)

3.2 In addition the following PWLB loans have been repaid:

Date	Remaining term to maturity	Amount	Repayment method	Interest rate
28/07/10	23 years	£5 million	Maturity	4.25%
02/08/10	37 years	£5 million	Maturity	4.20%
02/08/10	41 years	£5 million	Maturity	4.20%

Maturity = All principal repaid at end of term (unless repaid earlier)

3.3 The historically low base rate has meant that short-term borrowing has been comparatively inexpensive and so new borrowing has concentrated on fixed rate loans with terms of ten years or less. The exception was when the 50 year maturity rate dropped below 4.00% for a week at the end of August. It is rare for the 50 year rate to drop below 4.00% (this was the first (and last) time in 2010) and so the council borrowed £5 million for 50 years at 3.95%.

3.4 A comparison of total borrowing now to that at the start of the year shows the following:

	Principal outstanding	Annual interest payable thereon	Average rate of interest
At 31 March 2010	125,147,302	5,448,289	4.35%
At 15 October 2010	136,522,358	5,490,282	4.02%

3.5 Therefore as the result of the availability of better priced short-term loans, and the rescheduling of some more expensive longer term debt, the average annual interest rate payable has fallen by 0.33% (which is equivalent to £413,000, based on the principal outstanding at the start of the year).

4.0 Projected outturn for borrowing costs

4.1 So far in the year to date the council has taken out net new borrowing of £12 million (i.e. new loans of £27 million less £15 million repaid). Based on the capital programme, and after deducting slippage in the planned programme of expenditure, it is estimated that the council will need to take out additional new borrowing of at least £7 million before the year end. The exact amount will depend on other factors including cashflow requirements and movements in PWLB rates, however, current projections based on further borrowing of £7 million indicate an underspend against budget of around £990,000.

5.0 Change In PWLB interest rates announced in the Spending Review on 20 October 2010

5.1 On 20 October HM Treasury instructed the Public Works Loan Board (PWLB) to increase the interest rate on all new loans to an average of 1.00% above the government's cost of borrowing. The increment had been 0.25% and so the directive resulted in PWLB rates increasing across the board by an average of 0.75%.

5.2 Whilst the council had already met nearly two-thirds of its projected borrowing requirement for 2010/11, around £7 million for 2010/11 (and any PWLB loans taken out in future years) will now have to be funded at higher rates.

5.3 The increase in the variable rate was by a margin of 0.90% (from 0.70% to 1.60%). After taking out some fixed rate loans to lock in the lower rates, variable rate loans were one of the options being considered for the remaining borrowing in 2010/11 and to finance the capital programme in 2011/12.

5.4 In addition to the change in rates, in order to ensure that borrowing decisions are transparent and consistent with measures adopted elsewhere in the public sector, HM Treasury has determined that a detailed list of individual local authority loans will be published on the PWLB website. The first list was published on 1 November.

WRITE-OFFS – APRIL TO SEPTEMBER 2010

Income Type	April – September 2010		2009/10 (Full year)	
	No. of cases	Amount	No. of cases	Amount
Council Tax	24	£39,215.05	41	£70,477.72
Business Rates	23	£106,276	55	£304,193.60
Benefit Overpayments	14	£27,752.73	16	£31,912.82
Debtors	5	£11,862.56	36	£149,001.28

1. For Business Rates (National Non-Domestic Rates), irrecoverable amounts are fully reimbursed by Central Government subject to the approval of the Audit Commission; therefore, there is no cost to the Authority. The amount written off continues to be affected by the financial climate.
2. For benefit overpayments, a provision is made for irrecoverable amounts from the subsidy paid by the Department for Work and Pensions. Irrecoverable amounts for Sundry Debtors are recharged to the originating department.
3. In general, debts considered for write-off fall into the following categories:
 - Bankruptcy or liquidation
 - Debt relief order
 - Unable to trace debtors
 - Committal
 - Debtor deceased with no estate
 - No further action possible
4. For bankruptcies and liquidations, a claim is lodged with the Receiver and no further effective action can be taken as, under current legislation, local authority debts are non-preferential.
5. An individual with debts of less than £15,000 and a low income can apply for a debt relief order if they cannot afford to pay off their debts. It is granted by the Insolvency Service and is a cheaper option than bankruptcy.
6. Whilst there is an option for committal for non-payment of council tax and business rates, there has been a big increase in the initial costs payable to the court which makes this option uneconomic in the vast majority of cases. Additionally, the Magistrates can remit part or all of the debt and where this happens the amount remitted is written off.

