

# AGENDA

## General Overview & Scrutiny Committee

Date: **Monday 6 January 2014**

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Time: **10.00 am**

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

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

For any further information please contact:

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If you would like help to understand this document, or would like it in another format, please call Ben Baugh, Governance Services on 01432 261882 or e-mail [bbaugh@herefordshire.gov.uk](mailto:bbaugh@herefordshire.gov.uk) in advance of the meeting.

# Agenda for the Meeting of the General Overview & Scrutiny Committee

## Membership

**Chairman**                      **Councillor A Seldon**  
**Vice-Chairman**              **Councillor EPJ Harvey**

**Councillor EMK Chave**  
**Councillor BA Durkin**  
**Councillor DW Greenow**  
**Councillor JW Hope MBE**  
**Councillor RC Hunt**  
**Councillor TM James**  
**Councillor Brig P Jones CBE**  
**Councillor RL Mayo**  
**Councillor R Preece**  
**Councillor GR Swinford**  
**Councillor DB Wilcox**

**Co-optees\***  
(\*education items only)

**Mr P Sell**  
[to be confirmed]  
**Mr P Burbidge**  
**Ms E Lowenstein**

**Church of England**  
**Primary School Governor**  
**Roman Catholic Church**  
**Secondary School Governor**

## AGENDA

		Pages
1.	<p><b>APOLOGIES FOR ABSENCE</b></p> <p>To receive apologies for absence.</p>	
2.	<p><b>NAMED SUBSTITUTES (IF ANY)</b></p> <p>To receive details of Members nominated to attend the meeting in place of a Member of the Committee.</p>	
3.	<p><b>DECLARATIONS OF INTEREST</b></p> <p>To receive any declarations of interest by Members.</p>	
4.	<p><b>MINUTES</b></p> <p>To approve and sign the minutes of the meetings held on 11 November 2013 and 10 December 2013.</p>	9 - 34
5.	<p><b>SUGGESTIONS FROM THE PUBLIC ON ISSUES FOR FUTURE SCRUTINY</b></p> <p>To consider suggestions from members of the public on issues the Committee could scrutinise in the future.</p> <p><i>(There will be no discussion of the issue at the time when the matter is raised. Consideration will be given to whether it should form part of the Committee's work programme when compared with other competing priorities.)</i></p>	
6.	<p><b>QUESTIONS FROM THE PUBLIC</b></p> <p>To note questions received from the public and the items to which they relate.</p> <p><i>(Questions are welcomed for consideration at a Scrutiny Committee meeting so long as the <b>question is directly related to an item listed on the agenda below</b>. If you have a question you would like to ask then please submit it <b>no later than two working days before the meeting</b> to the officer named on the cover of this agenda).</i></p>	
7.	<p><b>DRAFT WORK PROGRAMME</b></p> <p>To consider the Committee's work programme.</p>	35 - 52
8.	<p><b>FIRE AND RESCUE SERVICE CONSULTATION RESPONSE</b></p> <p>A Notice of Motion at Council on 18 October 2013 requested the Committee to consider the impacts of Fire and Rescue Service proposals, a Task and Finish Group was convened to prepare a consultation response and this will be circulated for consideration by the Committee.</p>	To Follow
9.	<p><b>SCHOOL EXAMINATION PERFORMANCE</b></p> <p>To consider school performance for summer 2013 and the school improvement partnership strategy and framework approved by the Cabinet Member for Young People and Children's Wellbeing to improve performance for Herefordshire's children and young people.</p>	53 - 88

**10. FREEDOM OF INFORMATION AND ARM'S LENGTH COMPANIES - AN UPDATE**

89 - 92

To update the Committee on the freedom of information report presented on 4 March 2013; this item was deferred at the 11 November 2013 meeting.

**11. DATE OF NEXT MEETING**

There will be special meetings of the Scrutiny Committees on **Monday 13 January 2014**, to consider the budget proposals.

The Health and Social Care Overview and Scrutiny Committee will convene at 10.00am to discuss the health and social care elements of the budget. *The presentation on the budget shall be given for all Scrutiny Members in this session.* General Overview and Scrutiny Committee will then convene at 11.30am, or upon the rising of the Health and Social Care Overview and Scrutiny Committee, to discuss all other elements of the budget.

**Please note, all Scrutiny Members should attend both sessions, i.e. from 10.00am.**

# PUBLIC INFORMATION

## Public Involvement at Scrutiny Committee Meetings

You can contact Councillors and Officers at any time about Scrutiny Committee matters and issues which you would like the Scrutiny Committee to investigate.

There are also two other ways in which you can directly contribute at Herefordshire Council's Scrutiny Committee meetings.

### 1. Identifying Areas for Scrutiny

At the meeting the Chairman will ask the members of the public present if they have any issues which they would like the Scrutiny Committee to investigate, however, there will be no discussion of the issue at the time when the matter is raised. Councillors will research the issue and consider whether it should form part of the Committee's work programme when compared with other competing priorities.

### 2. Questions from Members of the Public for Consideration at Scrutiny Committee Meetings and Participation at Meetings

You can submit a question for consideration at a Scrutiny Committee meeting so long as the question you are asking is directly related to an item listed on the agenda. If you have a question you would like to ask then please submit it **no later than two working days before the meeting** to the Democratic Services Officer. This will help to ensure that an answer can be provided at the meeting. Contact details can be found on the front page of this agenda.

Generally, members of the public will also be able to contribute to the discussion at the meeting. This will be at the Chairman's discretion.

(Please note that the Scrutiny Committee is not able to discuss questions relating to personal or confidential issues.)

# **The Public's Rights to Information and Attendance at Meetings**

## **You have a right to: -**

- Attend all Council, Cabinet, Committee and Sub-Committee meetings unless the business to be transacted would disclose 'confidential' or 'exempt' information.
- Inspect agenda and public reports at least five clear days before the date of the meeting.
- Inspect minutes of the Council and all Committees and Sub-Committees and written statements of decisions taken by the Cabinet or individual Cabinet Members for up to six years following a meeting.
- Inspect background papers used in the preparation of public reports for a period of up to four years from the date of the meeting. (A list of the background papers to a report is given at the end of each report). A background paper is a document on which the officer has relied in writing the report and which otherwise is not available to the public.
- Access to a public register stating the names, addresses and wards of all Councillors with details of the membership of Cabinet and of all Committees and Sub-Committees.
- Have a reasonable number of copies of agenda and reports (relating to items to be considered in public) made available to the public attending meetings of the Council, Cabinet, Committees and Sub-Committees.
- Have access to a list specifying those powers on which the Council have delegated decision making to their officers identifying the officers concerned by title.
- Copy any of the documents mentioned above to which you have a right of access, subject to a reasonable charge (20p per sheet subject to a maximum of £5.00 per agenda plus a nominal fee of £1.50 for postage).
- Access to this summary of your rights as members of the public to attend meetings of the Council, Cabinet, Committees and Sub-Committees and to inspect and copy documents.

## **Public Transport Links**

- Public transport access can be gained to Brockington via the bus service that runs from the bus station at the Tesco store in Bewell Street (next to the roundabout junction of Blueschool Street / Victoria Street / Edgar Street).
- The nearest bus stop to Brockington is located in Old Eign Hill near to its junction with Hafod Road. The return journey can be made from the same bus stop.

## **FIRE AND EMERGENCY EVACUATION PROCEDURE**

In the event of a fire or emergency the alarm bell will ring continuously.

You should vacate the building in an orderly manner through the nearest available fire exit.

You should then proceed to Assembly Point A which is located in the circular car park at the front of the building. A check will be undertaken to ensure that those recorded as present have vacated the building following which further instructions will be given.

Please do not allow any items of clothing, etc. to obstruct any of the exits.

Do not delay your vacation of the building by stopping or returning to collect coats or other personal belongings.





HEREFORDSHIRE COUNCIL

**MINUTES of the meeting of General Overview & Scrutiny Committee held at The Council Chamber, Brockington, 35 Hafod Road, Hereford on Monday 11 November 2013 at 10.00 am**

**Present:** Councillor A Seldon (Chairman)  
Councillor EPJ Harvey (Vice-Chairman)

Councillors: EMK Chave, BA Durkin, DW Greenow, GR Swinford and DB Wilcox

**In attendance:** Councillors J Hardwick, RI Matthews and AJW Powers

**Officers:** A Ashcroft (Assistant Director Economic, Environment and Cultural Services), B Baugh (Democratic Services Officer), A Brookes (Executive Manager), G Dean (Scrutiny Officer), and P Robinson (Chief Officer - Finance)

**29. APOLOGIES FOR ABSENCE**

Apologies for absence had been received from Councillors JW Hope MBE, TM James and R Preece. Councillors JW Hope MBE, RC Hunt, Brig P Jones CBE and RL Mayo were not present. Apologies had also been received from Mr P Sell.

**30. NAMED SUBSTITUTES (IF ANY)**

No substitutes were present.

**31. DECLARATIONS OF INTEREST**

No declarations of interest were made.

**32. MINUTES**

The minutes of the last meeting were received.

Referring to minute 27 (Waste Management Contract), the Chairman reported that a number of Councillors had been on site visits to a pyrolysis plant in Avonmouth and to an energy from waste plant in Coventry. The Chairman reported that Cabinet was due to consider the Waste Management Contract on 12 December 2013 and, therefore, it was likely that an additional General Overview and Scrutiny Committee meeting would need to be scheduled in order for the Committee to be assured about the robustness of the proposals and associated figures; he added that the KPMG analysis referred to at the last meeting had not yet been released.

**RESOLVED: That the minutes of the meeting held on 3 September 2013 be approved as a correct record and be signed by the Chairman.**

**33. SUGGESTIONS FROM THE PUBLIC ON ISSUES FOR FUTURE SCRUTINY**

Suggestions had been received from Mrs. Morawiecka in respect of the Five Year Housing Land Supply (with a response provided by the Assistant Director Economic, Environment and Cultural Services) and the Local Transport Plan.

## **Five-Year Housing Land Supply (FYHLS)**

At the invitation of the Chairman, Mrs. Morawiecka commented that, given developments in terms of the Core Strategy and planning appeals, there was a need for information to be made available on the FYHLS. The Assistant Director advised that: the FYHLS was a complicated issue and various methodologies could be used in the calculation; as set out in the National Planning Policy Framework (NPPF), every local planning authority was required to identify a deliverable FYHLS for their housing requirement; and, in Herefordshire's case, the accuracy of the FYHLS would be tested at a planning inquiry later in the month.

The Chairman requested that a clear definition of what the Council meant by the FYHLS be prepared and circulated. The Vice-Chairman, referring to the Strategic Housing Land Availability Assessment (SHLAA), suggested that an indication be given of where land blocks sat on a timeline, albeit recognising that this was a dynamic issue and would only represent a snapshot. A Member in attendance noted the need for clarity, as messages had not been consistent between departments.

The Assistant Director agreed to circulate officers' current assessment to all Councillors, with a caveat that a definitive statement could not be made until the outcomes of the inquiry were understood. He added that this could explain the context of the NPPF and identify the implications of having, or not having, a FYHLS. In response to a question from the Vice-Chairman, the Assistant Director said that officers would attempt to identify the geographic spread and the types of housing involved. It was noted that sites could include those under construction, those with planning consent but not yet started, 'windfall' sites, and other land currently identified in the SHLAA which had a reasonable prospect of coming forward within a five year period.

The Chairman requested that the assessment be circulated by the end of November 2013, with a version sent to town and parish councils and to Mrs. Morawiecka for information.

## **Local Transport Plan**

At the invitation of the Chairman, Mrs. Morawiecka drew attention to her question about the Local Transport Plan and requested that an indication be provided of when a new plan would be available.

## **34. QUESTIONS FROM THE PUBLIC**

Six questions had been received in advance of the meeting from Mrs. Morawiecka on the item 'Freedom of Information and Arms Length Companies - An Update'.

The questions were published on the Council's website shortly before the meeting. However, it was reported that responses to the questions had not yet been received from the relevant officers but would be made available at the earliest opportunity.

In response to a question from the Vice-Chairman, the Committee was advised that the Head of Governance and the Solicitor to the Council had not been available to respond to the questions and had forwarded their apologies for this meeting.

The Vice-Chairman commented that the meeting had been scheduled in the diary for a year in advance and requested that senior officers be mindful of the scrutiny work programme and the need to attend meetings to enable the Committee to undertake its duties effectively. The Chairman added that, unless there were overwhelming circumstances, he considered non-attendance by senior officers to be unacceptable. Other Members of the Committee supported this view.

A Committee Member questioned whether the meeting should proceed in the absence of senior officers but the Chairman said that there was business on the agenda that could be transacted, with other officers available to discuss particular items.

### **35. DRAFT WORK PROGRAMME**

The Chairman invited the Vice-Chairman to review the draft work programme with the Committee. The Vice-Chairman noted that a number of items had been identified for consideration but had not moved forward subsequently and suggested that the work programme and associated documents be tidied up, especially as Committee meetings were to be scheduled bi-monthly in the future. The principal points arising from the discussion are summarised below.

#### **Draft work programme**

The scheduled programme, for January 2014 (Fire Service Consultation) and February 2014 (Budget), was noted.

#### **Issues identified for consideration but not scheduled**

Performance Report on Hoople: The Vice-Chairman requested that this report come forward to a Committee meeting before the end of the financial year. For continuity of information, this should reference previous reports on the company's performance and ten-year plan. A Member suggested that this could include an update on IT, including Frameworki and Agresso.

Document Control and Information: This would be subsumed into the work of the Digital Strategy Task and Finish Group.

Financial Inclusion Strategy: As with other items scheduled for the cancelled 9 December 2013 meeting, the Scrutiny Officer would request officers to prepare a briefing note for Members; if it was felt that a more in depth review was required, an agenda item could be scheduled for a future meeting.

Budget Monitoring: As a future Committee agenda item, this could be removed from the list.

Response to the Francis Enquiry: A briefing note on the implications for the scrutiny function would be circulated.

School Examination Performance: The Assistant Director People's Services Commissioning had requested that this form a future agenda item given current performance issues in the county.

The Chairman commented that there was a debate nationally about the role of scrutiny with academies and free schools; although they were set up as stand-alone institutions, the local authority was still responsible for safeguarding and the welfare of the children attending those schools. Therefore, it was noted that work might be needed in this area.

Referring to budget monitoring, a Member in attendance questioned whether bi-monthly meetings were sufficient given the critical financial situation and asked whether a standing forum could be established. In response, the Chairman reported that the Leader was in the process of making arrangements for such a group, incorporating Members of the Overview and Scrutiny Committees and Audit and Governance Committee.

## **Reviews identified for feasibility study**

Governance and Management of Joint Ventures / Partnering Arrangements:	The Vice-Chairman requested that this item remain on the list for future consideration.
Review of the Council's Communication Policy:	It was suggested that elements of this could be reviewed in the Digital Strategy work, given the increasing prominence of the Council's website and other forms of digital communication.
Monitoring the Council's 'Public Services Vision':	The Vice-Chairman noted that a budget consultation was being undertaken at present and this would inform future direction. The Scrutiny Officer suggested that this matter be dealt with via a briefing note, ahead of Committee meeting on the budget.
Accommodation Strategy:	The Scrutiny Officer reported that officers were refreshing this strategy at present. Therefore, to avoid duplication of work, a briefing note would be circulated on this.
Legal Services:	This could be removed from the list, subject to the circulation of a briefing note.
Free Schools:	It was suggested that this be picked up in the report on School Examination Performance.
Council Procurement Policy:	This could be removed from the list, subject to the circulation of a briefing note.
Waste Collection:	It was noted that this would primarily look at waste transfer stations, not waste collection generally. The Scrutiny Officer advised that a scoping statement was being prepared and that questionnaires would be made available to the public at transfer stations. A Member requested that questionnaires be provided to town and parish councils also. It was anticipated that the work would be completed before the end of March 2014, to inform a review of the changes in this area.

## **Reviews in progress**

Community Infrastructure Levy:	It was noted that the Assistant Director Economic, Environment and Cultural Services was preparing a timetable for phase 3 of this work (see minute 37 below).
Cultural Services:	This Task and Finish Group was nearing completion.
Digital Strategy:	The first meeting of this Task and Finish Group was to be held on Thursday, 14 November 2013. Currently, the group comprised the Chairman, Vice-Chairman and Councillor Chave. The Vice-Chairman said that she reserved the option to co-opt further Councillors or subject matter experts from further afield.

Fire Service Consultation: The Chairman would lead on this Task and Finish Group; this would commence shortly, to report back to the Committee on 6 January 2014.

### **Executive Rolling Programme**

The Chairman noted that, in the previous week, notifications had been received about a series of decisions to be taken by the Executive. He suggested that Members should review these and consider the potential for call-in by the Committee. The Scrutiny Officer advised that, in view of the number of decisions to be taken in December 2013, a summary would be provided to Committee Members for ease of reference.

In response to a question from a Member in attendance about free schools, the Chairman re-iterated that there was a lack of clarity about the relationship between free schools and local authority safeguarding functions but confirmed that he had not been made aware of any specific concerns at this point.

Referring to the decision to be taken by the Cabinet Member Infrastructure on 'Increasing income from parking - on street charging in Hereford', the Vice-Chairman suggested that the recommendations from the Income and Charging Task and Finish Group be resubmitted to the Executive, adding that the Committee should be informed if the recommendations could not be implemented and the reasons for this.

In response to questions about 'non-key' decisions, the Executive Manager outlined the purpose of the 'Local Development Plan - Annual Review' and 'Retail Impact Study Notice of Motion' items.

It was noted that the items listed for this Committee would need to be updated.

**RESOLVED: That the report be noted and the work programme and associated documents be updated accordingly.**

### **36. FREEDOM OF INFORMATION AND ARM'S LENGTH COMPANIES - AN UPDATE**

The purpose of this item was to update the Committee on the 'Freedom of Information [FOI] and Arm's Length Companies' report that was received by the Committee on 4 March 2013 (minute 53 refers). The Chairman proposed that, as no senior officer involved with this report was present, the item be deferred. He said that Mrs. Morawiecka had consistently raised concerns about the status of arm's length companies and invited her to identify questions and information that she considered to be outstanding.

Mrs. Morawiecka made a number of points, including:

1. Given that the authority intended to become more of a commissioning organisation, it was considered vital that there was clarity about arm's length companies and FOI.
2. The Committee had not been provided with the most up-to-date information from the financial statements for the company, even though these were publicly available. Concern was expressed that the Monitoring Officer apparently did not have access to such information, despite the nature of the questions being asked.
3. Issues with the 4 March 2013 report had been raised at the 8 April 2013 meeting (minute 60 refers) and at the 8 June 2013 meeting (minute 5 refers), where the Monitoring Officer agreed to provide a report to a future meeting on the Council's part in the ownership of Hereford Futures. Mrs. Morawiecka considered that the

current report was inadequate, particularly the omission of reference to the latest financial statements.

4. The accounts for the year ended 31 March 2012 showed that the turnover for Hereford Futures was less than the grant income received from the Council.
5. Mrs. Morawiecka said that she had a letter that indicated that Herefordshire Council had made guarantees in relation to the pension for the Chief Executive of the joint venture company.
6. The answers to previous questions had not been made public or circulated to Councillors.
7. There was provision for officers to be seconded to arm's length companies and, whilst this might not be unreasonable in principle, Councillors needed to be assured that they had access to up-to-date, independent and accurate information.
8. Guarantees were being made by Herefordshire Council that Elected Members were not aware of. It was claimed that Hereford Futures was not a going concern almost two years' ago but the Council had guaranteed that sufficient income would be made available to satisfy the auditors. Mrs. Morawiecka added that this decision had been taken before any Council budget meetings.
9. Given the financial situation, there needed to be transparency about joint venture companies.
10. A concern was expressed that Elected Members did not have access to minutes and other information.
11. There needed to be clarity about the liabilities for the Council in respect of private arm's length companies and associated employees.

The Chairman thanked Mrs. Morawiecka for her comments and said that he shared concerns about the accountability of third parties and the need to safeguard public money, especially as the Council was increasingly reliant upon private companies to deliver public services.

Members made a number of points, including:

- a. The complainant's comments should be recorded in detail, to ensure that the matters were understood and addressed.
- b. Concerns were expressed about the limited information that had been provided and the consequential impact on public perception and confidence.
- c. New models for service delivery were inevitable but Members should be able to track public money as it passed through the system.
- d. The member of the public had been raising the subject for many months and it needed to be addressed urgently and with the seriousness that it deserved.
- e. Mrs. Morawiecka was thanked for continuing to bring these matters to the attention of the Committee.
- f. Given the lack of information available about Hereford Futures, it was questioned whether all board members were valued equally.

- g. It was commented that the report referred obliquely to the issues that had been raised and, consequently, Members could not be certain that questions had been properly addressed.

Referring to paragraph 7.2 of the report, the Vice-Chairman questioned whether the complainant had received an apology for the unacceptable delay in responding. Mrs. Morawiecka confirmed that she had received a letter from the Solicitor to the Council but she did not consider that all of the points had been addressed. She added that an apology should be given to Elected Members as they were dependent on information from officers in order to make sound decisions and there was a reputational risk if Members were not receiving correct and up-to-date information.

The Vice-Chairman commented on the need for the Head of Governance and the Solicitor to the Council to provide a full and updated report to the Committee at the earliest opportunity.

In response to a question, the Chairman said that the Committee could invite and gather evidence from any person with their consent but, nevertheless, there was an expectation that senior officers of the Council would be present at each meeting.

Further points made by Members included:

- i. A Member in attendance considered the absence of the relevant senior officers or members of the administration to be unfortunate.
- ii. The Chairman noted that sufficient notice was given of meetings and agenda items to enable officers to identify meetings that they should attend.
- iii. It was suggested that Cabinet Members be formally invited to attend certain meetings to give account on relevant issues.
- iv. In view of absenteeism, it was commented that Members needed to be mindful of their own commitments and forward apologies for absence where necessary.

The Chairman advised that he had sent an email to the Chief Executive about the lack of senior officer availability but he had not yet received a response.

**RESOLVED: That the item be deferred, pending the submission of a full and updated report addressing all the issues identified at the Committee.**

### **37. EXECUTIVE RESPONSE TO THE TASK AND FINISH GROUP REPORT ON COMMUNITY INFRASTRUCTURE LEVY (CIL)**

This item reported the Executive's response to the second phase report of the Task and Finish Group on Community Infrastructure Levy (CIL); minute 17 of the 16 July 2013 Committee refers.

The Assistant Director updated the Committee on the government's proposed reforms to CIL arising from practice experience in pathfinder authorities and a consultation that had been undertaken in April and May 2013. The government response was published at the end of October 2013 as 'Community Infrastructure Levy: Consultation on further Regulatory Reforms'. It was expected that, subject to Parliamentary process, the new regulations would come into effect by the end of January 2014. The main proposals included:

1. In view of the changes required, local authorities would be given an extra year to continue the current policy of pooling Section 106 obligations into broader schemes (until April 2015); this was supported by 89% of respondents.
2. Authorities would be required to strike an appropriate balance between the desirability of fund infrastructure from the levy and the potential effects of the levy on the economic viability of development across the area; supported by 86%.
3. Authorities would be allowed to set differential rates by reference to both the intended use and the scale of development, e.g. retail development; supported by 86%.
4. The government would require the Regulation 123 list, setting out the types of infrastructure that may be funded by CIL, to be available during the rate setting process, including at the examination; supported by 83%.
5. Authorities would be given the flexibility to extend social housing relief to include affordable rent and discounted housing market homes; supported by 75%.
6. As discussed at Task and Finish Group meetings, relief for self-build homes for individuals was proposed. This was only supported by 39% of respondents but the government was intending to proceed with this, subject to a rigorous two-stage vetting process.

The Assistant Director commented that, with some of the uncertainties cleared up, this would set the scene for the next phase of work on CIL. The Council was about to re-engage its retained consultants, to include input from the reinstated Task and Finish Group, to identify precisely the basis for their work and to capture the accepted recommendations from the group's second phase report. It was anticipated that the next phases of consultation would commence in the new calendar year.

The Assistant Director responded to a number of questions from the Chairman, Vice-Chairman (also Chairman of the Task and Finish Group), and other Members. The principal points included:

- a. The 'Community Infrastructure Levy (Amendment) Regulations 2013' required the charging authority to pass 15 per cent of the relevant CIL receipts to the parish council for that area. For development within an area that had a neighbourhood plan in place the authority must pass 25 per cent to the parish council for that area.
- b. It was confirmed that the legislation permitted setting a zero CIL rate in some zones, e.g. Leominster greenfield urban extension.
- c. It was the intention of the authority to have the Local Development Framework (LDF) and CIL tested by an independent Planning Inspector at the same time and, subject to the availability, this might be held in spring or summer 2014. It was noted that CIL was now lagging behind the LDF and officers would be focussing attention on this work.
- d. It was reported that the Council had received a large number of responses to the consultation on its Preliminary Draft Charging Schedule (that ran from March to April 2013) but these had yet to be published. It was acknowledged that the authority needed to update respondents on the next phase and on the changes in approach to reflect the latest government guidance.



- e. The Assistant Director confirmed that the delay in starting the third phase of work would not inhibit the Task and Finish Group from contributing in a positive way, as it had done in the earlier phases.
- f. Attention was drawn to the Executive response to recommendation 5a and b, *'Consideration will be given to phasing the infrastructure projects in the IDP (Infrastructure Delivery Plan) with the development trajectory in the Core Strategy. The phasing will also however, be potentially influenced by the development of the Core Strategy evidence base in relation to traffic modelling and the Nutrient Management Plan.'* The Assistant Director reported that significant elements of the Nutrient Management Plan had been completed but had not yet been signed off. He also reported that the traffic modelling was likely to be available later this calendar year. It was noted that the final round of consultation was likely to be delayed until the information was available to all parties, with consultation responses ultimately forwarded to the Planning Inspector.
- g. In response to a question about the IDP and the Economic Viability Assessment (EVA), it was reported that the authority would need to marry up how processes were worked through. It was likely that detailed technical work on CIL related elements would be completed and available as part of the consultation process in early 2014. It was noted that there was a difference between having CIL and LDF tested at the same time and when they were submitted. A judgement would need to be made once the new timetables and the capacity of the Council's consultants was understood.
- h. It was noted that a decision had been taken to decouple the CIL process from the Core Strategy process, partly for reasons of capacity, and it was questioned whether the EVA would be available for the final consultation on the Core Strategy. The Assistant Director reported that the viability of the LDF was one of the outstanding issues which would need to be in place before the plan could be submitted. He added that there was a subtle difference between the viability of the plan and the work that underpinned CIL.
- i. The authority was working to resolve the outstanding technical issues and have all the relevant information in place that would be expected by the Inspector. It was commented that the Planning Inspectorate was increasingly acting as an advisory service in order to address issues prior to submission and examination. It was noted that the work was being informed by the experience of other authorities, however there were specific circumstances for Herefordshire e.g. traffic modelling and water quality. It was also noted that the authority was constantly reviewing its ability to deliver the housing numbers, with significant progress made in terms of areas outside Hereford and the Market Towns in consultation with Members.
- j. It was noted that there was an interrelationship between the LDF and the FYHLS; in the event that the Secretary of State supported the submission of the plan, this would provide the ability to grant permission for some of the larger strategic housing sites which would help to meet and, and in some cases go beyond, the FYHLS.
- k. The Assistant Director said that the Council had chosen to undertake CIL but only time would tell whether CIL would have an impact on development coming forward. As referred to in point 2. above, it was re-iterated that authorities would need to strike an appropriate balance. He added that preliminary work by the Planning Obligations Manager showed that there would be relatively limited difference between CIL and the application of current policy using Section 106 Agreements.

- i. Further to point a. above, it was confirmed that the amended regulations specified a cap on CIL receipts passed to parish councils. However, it was understood that the cap was relatively generous and should not have a significant impact on the types of schemes coming forward in Hereford and the Market Towns. It was commented that, if necessary, the Council's consultants could model this as part of the next phase.
- m. Local councils could use CIL receipts for the provision, improvement, replacement, operation or maintenance of infrastructure or for anything else that was concerned with addressing the demands that development places on an area. However, no detailed schedule had been issued, so a degree of judgement would be needed.
- n. It was reported that the amended regulations would also enable greater flexibility regarding the phasing of CIL payments on larger schemes.

**RESOLVED: The Executive response and contents of the action plan be noted.**

### **38. FUTURE BUDGET STRATEGY**

The Chief Officer - Finance verbally updated the Committee on the future direction of budget strategy, the key points were as follows:

- 1. The Council was currently consulting on the proposed budget for 2014/15; the consultation would close on 20 December 2013. This would inform the decisions to be made by Cabinet in January 2014 and Full Council in February 2014.
- 2. Significant savings had to be made due to reductions in government grant and budget pressures in essential areas, particularly Adults Wellbeing; savings of £15m had to be made in 2014/15.
- 3. Presentations had been given to Cabinet Members and Group Leaders. Presentations had also been given to, or were scheduled for, each political group.
- 4. The Chief Officer - Finance invited the Committee to identify what additional information and engagement it wanted in terms of the scrutiny of the budget process, albeit acknowledging that time was limited.

The Chairman commented that there had been substantial overspend in Adults Wellbeing for many years and, whilst recognising the on-going efforts of the Director, questioned how this could be brought under control. In response, the Chief Officer - Finance advised:

- a. The starting point for Adults Wellbeing going forward would be the actual expenditure rather than the current budgets, to avoid any in built overspend. Consequently, there was a higher savings target to take this into account.
- b. The authority needed to gain assurance around identified savings, with detailed delivery plans signed off by Directors. In particular, the Chief Officer - Finance and the Director for Adults Wellbeing were working to ensure that the budget was realistic and plans were in place which were deliverable within the relevant timescales.
- c. Budget monitoring showed a downward movement for Adults Wellbeing compared to the previous position and, although a significant overspend remained, this indicated that it was going in the right direction.

- d. In response to a question about the measures being put in place to ensure that data was accurate, the Chief Officer - Finance advised that some of the finance team had been redirected to support better management information and forecasts. He added that, ultimately, he could only make judgements based on the information put in front of him.

The Chief Officer - Finance responded to questions from Committee Members, the principal points included:

- i. Further to point a. above, with expenditure as a starting point, it was reported that the authority was retendering contracts based on prices in the market and the experience of officers, and this would inform the budget process. Savings would be delivered through the reorganisation of structures and reductions in staffing, with a number of consultations currently underway. Further savings would be achieved by not filling vacancies in particular areas and by reducing the use of agency staff. It was reported that each line of savings had a plan beneath it.
- ii. The assumptions in terms of Adults Wellbeing were based on current transition rates and there was no reason to expect these to change materially, although this remained a possibility given the variables involved.
- iii. Members might wish to focus on the robustness of the care savings and officers could provide detailed projections if required.
- iv. It was noted that the Council would need to stop services in some areas but it was important to provide opportunities to local communities to take services on.
- v. Further to point a. above, it was reported that the projected overspend for the Council (using August 2013 figures) was £3.9m, with the figure for Adult Wellbeing being £4.3m.

Committee Members made a number of comments, including:

- It was refreshing that actual expenditure figures would be used to inform the budget, as some Members had been requesting this for some time.
- Sensitivity was needed about comments on figures, as hundreds of thousands might be a relatively small in global budgetary terms but could be equivalent to the entire budgets of service areas at risk, many of which were highly valued and beneficial to the public.
- It was requested that communications include more visual representations, such as pie charts, to assist with contextualisation and understanding.
- It was noted that budget holders had to be responsible and keep within targets.

The Vice-Chairman made a number of observations about how the Committee could engage with the budget process going forward, including:

- 1) In the previous year, there had been a joint Task and Finish Group involving representatives from both the Health and General Overview and Scrutiny Committees that had looked at the Adult Wellbeing budget in detail. However, it was difficult for the group to get to grips with the detail of the budget for the year ahead without the context of the operation of the directorate during the current year.

- 2) Therefore, if a particular portion of the budget for next year was to be subject to detailed scrutiny, it would be helpful if budget monitoring for the remainder of the current year be provided in order to have visibility of the issues being faced, not only in terms of the savings but also changes to service delivery. It was noted that the budget monitoring reports tended to be over two months' in arrears but it was felt that these should be released earlier.
- 3) It was commented that there was a need to address any remaining culture of complacency within directorates about meeting financial targets, as the Council no longer had the resources available to use in mitigation.
- 4) In addition to focussing on Adult Wellbeing, there was a need for the Committee to gain an understanding of the consequences of the stopping certain activities on retained services.
- 5) There was a tendency to ignore the Education budget, because it was ring-fenced in financial terms. However, the scope of primary and high schools to provide support and capability at community level through the way in which the funds were spent and school facilities made available to and shared with local communities seemed to be being missed in how the thinking on working with schools/academies and the impact of service cuts was being rationalised.

The Chief Officer - Finance commented that the consultation contextualised the budget on the basis of deliverability, the starting point for Adult Wellbeing being an actual expenditure position, and the reality that the savings proposals would impact on service provision. The Chairman said that one of the roles of Councillors would be to prepare communities for what was to come and to encourage local councils and community groups to take responsibility for services that the Council could no longer provide.

The Vice-Chairman commented on the implications of the cessation of services by Herefordshire Council on town and parish councils, including:

- a) Local councils were realising the extent of challenges but the capacity to respond was variable.
- b) There was a critical timing issue, as councils were already in the process of determining their own budgets but there were still uncertainties about the services that might need to be supported.
- c) More work was needed at a county level to help councils understand and reduce the risks of delivering services, with support given to minimise costs, avoid duplication, and undertake commissioning locally.
- d) Herefordshire Council had a responsibility to identify and address emerging gaps, or at least make communities aware of them.

The Chief Officer - Finance commented that this was an important issue and Councillors had a key role in communicating messages, alongside the budget consultation. It was acknowledged that capacity was an issue and authorities needed to work together through the transition process.

The Chairman, Vice-Chairman, and other Members made a number of observations, including:

- i.) It was commented that the Council had a mixed track record with communicating the position to the town and parish councils.

- ii.) The Bromyard locality had held a meeting with local councils over a year ago, where representatives indicated that they were willing in principle to take services on. However, the response of Herefordshire Council, about what services could be taken on and how councils might organise these on a locality basis, had been unacceptably slow. An example was given of request from Bromyard and Winslow Town Council about the possibility of taking on the operation of a car park, where the lack of a firm offer prevented the council from budgeting accordingly. This was not considered an isolated example. The Chief Officer - Finance said that he was due to speak to town and parish councils as part of the budget process, he would discuss the specific example with the relevant Director, and the importance of reacting properly to requests from local communities was noted.
- iii.) The background to the establishment of locality working and forums was noted and concerns were expressed about declining levels of support, due to officers being overstretched, and the consequential risks to the deliverability of local solutions.
- iv.) It was commented that there was an outstanding request for assurance about the ability of the finance systems to deal with the collection and distribution of funds between local councils, particularly to ensure that costs for services within localities were not entirely paid for by town councils. The Chief Officer - Finance suggested that this could be looked at in more detail after the meeting.
- v.) It was suggested arrangements could be made to invite the Chief Officer - Finance to the Market Towns' Forum. This discussed issues of mutual concern, including the potential devolution of certain services from Herefordshire Council. It was noted that there needed to be proper engagement with local councils to enable them to make informed decisions.
- vi.) It was commented that there were departments within Herefordshire Council that had consistently managed to stay within budget and cope with cuts, even though some of these teams could now be substantially reduced or disbanded. It was suggested that the authority needed to tap into the knowledge of successful teams and apply best practice to other areas, particularly to the issues in Adult Wellbeing.
- vii.) A Member in attendance expressed concern about the risks associated with the proposed savings, particularly in terms of the loss of expertise and the unintended consequences arising from cuts being made within silos without due regard to broader implications, with costs likely to bounce back into other budgets. Reference was made to the budget reductions for Cultural Services, specifically to the implications for The Courtyard Arts Centre and its nationally recognised outreach work with older people and dementia sufferers. The Chairman commented that recommendations from the Task and Finish Group on Cultural Services would come forward in the near future, he added that there was particular anxiety about the lack of an evidence base within the Council about the consequential impacts of the proposed cuts.

The Chairman proposed, and the Committee supported, the following recommendations.

**RESOLVED: That it be recommended to the Executive that:**

1. **Committee Members be provided with information on both budget monitoring for 2013/14 and budget planning for 2014/15, and if considered necessary a joint Task and Finish Group involving representatives from both the Health and General Overview and Scrutiny Committees be convened; and**

2. **Assurances be provided about progress with the devolution programme and that town and parish councils would be given adequate support to enable them to take over and maintain services locally.**

**39. DATE OF NEXT MEETING**

It was noted that the next scheduled meeting was to be held on Monday 6 January 2014.

(Note: a special meeting was subsequently arranged for 10 December 2013 in relation to the Waste Management Contract only).

The meeting ended at 12.30 pm

**CHAIRMAN**

**MINUTES of the meeting of General Overview & Scrutiny Committee held at The Council Chamber, Brockington, 35 Hafod Road, Hereford on Tuesday 10 December 2013 at 2.00 pm**

**Present:** Councillor A Seldon (Chairman)  
Councillor EPJ Harvey (Vice-Chairman)

Councillors: EMK Chave, PGH Cutter, BA Durkin, TM James, JG Jarvis, Brig P Jones CBE, RL Mayo, NP Nenadich, R Preece, P Sinclair-Knipe and GR Swinford

**In attendance:** Councillors J Hardwick, AW Johnson, MD Lloyd-Hayes, C Nicholls, AJW Powers and PD Price

**Officers:** B Baugh (Democratic Services Officer), A Brookes (Executive Manager), G Dean (Scrutiny Officer), G Hughes (Director for Economy, Communities and Corporate), B Norman (Solicitor to the Council), P Robinson (Chief Financial Officer), J Rushgrove (Accountant - Capital & VAT Services), A Tector (Head of Special Projects), K Vigus (Waste Disposal Officer), and R Wood (Head of Environment and Waste Services)

**40. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors DW Greenow, JW Hope MBE, RC Hunt, and DB Wilcox.

**41. NAMED SUBSTITUTES (IF ANY)**

In accordance with the Council's Constitution, Councillors PGH Cutter, JG Jarvis, NP Nenadich and P Sinclair Knipe attended the meeting as substitutes for Councillors JW Hope MBE, DB Wilcox, RC Hunt, and DW Greenow, respectively.

**42. DECLARATIONS OF INTEREST**

There were no declarations of interest made.

**43. QUESTIONS FROM THE PUBLIC**

It was reported that no questions had been received two working days in advance of the meeting, as per the Committee's normal practice. However, the Herefordshire and Worcestershire Action Group had submitted a number of documents the previous afternoon and these had been forwarded to all Councillors and relevant officers. The Chairman asked Members to bear this correspondence in mind during the debate.

**44. WASTE MANAGEMENT CONTRACT**

The Chairman introduced the item by commenting that the role of Committee Members should be to consider the best interests of the people of Herefordshire and to scrutinise the Cabinet report, alongside the recently released reports: *'Deloitte: Worcestershire County Council - Waste PFI; Quantitative Value For Money Options Analysis'* and *'KPMG: Herefordshire Council - Waste Contract Variation; Commentary on the processes undertaken for the proposed Contract Variation with Mercia Waste Management Limited'*.

The Chief Financial Officer said that:

- The officer team welcomed the opportunity to go through the points in detail and to respond to questions, adding that this was an important issue and the right decision had to be made.
- There would be a joint briefing with Worcestershire, where the Chairman would have an opportunity to express the views of the Committee, followed by Cabinet meetings at each authority on Thursday, 12 December 2013.
- He had been involved with the project for the past three months since joining Herefordshire Council but this report was the culmination of work over a number of years by a joint team of professionals from both authorities.
- A number of issues had changed at the margins recently, particularly in terms of negotiations with DEFRA.
- None of the professional advice, whether internal or external, suggested that the authorities were taking the wrong course of action.
- There was 'clear blue water' between the recommended option, Option 2 - an Energy from Waste (EfW) plant financed from prudential borrowing, and the other alternative options.

The Chief Financial Officer gave a presentation titled '*Waste Management Service*' under the following headings and made the additional comments summarised below.

### **Recommendations**

1. *Finalise contract variation to develop a 200,000 tonne per annum Energy from Waste plant (to serve the counties of Herefordshire and Worcestershire).*
2. *Councils borrow from the Public Works Loan Board (PWLB) to lend to Mercia.*
3. *Agree with DEFRA reduced level of Waste Infrastructure Grant (WIG).*
4. *Joint arrangement with Worcestershire to be updated to reflect this proposal and current best practise.*

### **Key Features**

5. *Agreement has been reached with DEFRA and HM Treasury to retain 44% of Waste Infrastructure Grant; this would also be an issue without an EfW plant and there had been a lot of discussions with government departments on this in recent months, including a meeting involving the Leader and the Secretary of State, to achieve the timescales required.*
6. *The shortfall (in WIG) mostly covered from saving made from PWLB; due to using PWLB rather than commercial finance.*
7. *Secures long term residual waste treatment capacity (landfill full by 2023/24 at current rates).*
8. *(The EfW) Avoids potential, substantial termination costs.*
9. *Possession of EfW and most other facilities reverts to both councils at end of 2023, Herefordshire will own a 25% stake in the EfW; the EfW would secure long term*



residual waste capacity going forward for at least the next 25 years. The councils had looked at the long term, especially given current forecasts for the councils' only landfill site to be full or nearly full by 2023/24 at the current rates.

### **Costs of Alternative Proposals**

10. A table was provided showing *Herefordshire NPV (Net Present Value) including WIG credits and Total NPV including WIG credits* for each option: 1. *EfW with commercial finance*; 1a. *EfW with co-finance*; 2. *EfW with council finance*; 3. *Continue as is*; 4. *Terminate and reprocure with EfW*; and 5. *Terminate and reprocure without EfW*.
11. The Chief Financial Officer said that officers were recommending Option 2 as the best way forward from a waste disposal perspective and he considered this the best option going forward over the next 25 years in cost terms as well.
12. Option 2 was shown as having *Herefordshire NPV including WIG credits* of £169 million, *Total NPV including WIG credits* of £678 million. The treatment of WIG in the tables in the Cabinet report was explained.
13. The costs associated with Options 1 and 1a were similar to Option 2. However, it could take between six and twelve months to agree commercial finance, particularly given the complex nature of the scheme and switch in ownership in 2023. Option 2 was considered deliverable within the timescales required.
14. The Chief Financial Officer explained that, whilst slightly cheaper in the short term, Option 3 would cost significantly more over 25 years because of the on-going costs of disposal of residual waste. An EfW would mean that the councils would not need to use landfill and so would not be subject to landfill tax, the vagaries of the market or needing to find alternative landfill sites.
15. Options 4 and 5, even with a 'no fault' termination, would cost substantially more than Option 2.
16. It was emphasised that a Joint Agreement was in place between Herefordshire Council and Worcestershire County Council.

### **Cost Implications**

17. *EfW financed by the councils is £32m (NPV) less than As Is option.*
18. *Commercial Finance cannot be delivered in time.*
19. *Annual cost increase within the contract term below the £1.5m provided for per annum.*

### **Key Timings**

20. *Financial Close March 2014.*
21. *EfW Operational Spring 2017.*
22. *Possession of EfW and most other facilities reverts to both councils at end of 2023.*

In response to a question from the Chairman, the Chief Financial Officer advised that the figures for Option 2 included the costs of landfill to 2017, as the councils would not be

using landfill once the EfW was operational, and Option 3 was based on continued residual waste disposal costs going forward.

The Chief Financial Officer was invited to highlight the main points of the Cabinet report.

## **Section 6 - Alternative Options**

The Chief Financial Officer provided a further overview of the options and why Option 2 was the recommended approach. In particular, for Option 3, it was noted that waste disposal services post 2023 had been modelled at a capped price of £125 per tonne based on national figures from the Waste Resources Action Programme (WRAP).

The officer team responded to questions from Committee Members, the principal points included:

- i. At present, the councils could borrow money from PWLB at 4% and lend to Mercia at a commercial rate, approximately 6%. This surplus could help to mitigate the reduced WIG credits from DEFRA.
- ii. Options 4 and 5 had taken potential termination costs into account but the values were commercially sensitive and could not be discussed in public.
- iii. In the event of payment default by Mercia, the councils would have a security against the EfW plant; an asset it would wish to own in the future in any case.
- iv. It was acknowledged that whole term costs could be significant if PWLB interest rates increased before financial close, this had not been modelled to date. However, there was the potential to pass any increases on, with an appropriate level of margin maintained.

## **Section 7 - Reasons for Recommendations**

The Chief Financial Officer reported that the recommendations would secure long-term capacity to treat residual waste, avoid the potential costs of terminating the contract, and the do nothing option would cost the councils £128 million, over the asset life, more than the recommended option.

## **Section 8 - Background Information**

The Chief Financial Officer summarised the background information, including: the signing of the Waste Management Services PFI Contract (WMS) in December 1998 for 25 years; the various facilities required under the WMS; the history of planning applications for facilities between 2004 and 2009; the Residual Waste Options Appraisal ranked EfW high, particularly with combined heat and power (CHP); Cabinet adopted a revised Joint Municipal Waste Management Strategy (JMWS) in September 2009 which included a new policy to increase diversion away from landfill; the Secretary of State granted planning consent for the EfW plant at Hartlebury Trading Estate in July 2012; and Cabinet authorised proposals to pursue alternative methods of finance for the EfW plant in December 2012. Attention was also drawn to the paragraphs under 'Purpose of Contract Variation' and 'The Energy from Waste Proposal' headings.

## **Section 9 - Community Impact and Section 10 - Equality and Human Rights**

The Chief Financial Officer noted that the proposed plant was sited in Worcestershire, with the proposal enabling both councils to move from their current reliance on the landfilling of residual waste, and the report and its recommendations did not have an impact on equality or Human Rights.

The Chairman invited further questions from Committee Members at this point, the responses of the officer team included:

- a. The Residual Waste Options Appraisal had been refreshed in 2012 to account for the fact that planning consent had been granted for the EfW plant at Hartlebury, as the site was previously unidentified in the document. The technologies within the appraisal remained the same throughout.
- b. A substantial risk transfer package was in place with Mercia and its contractor during the construction phase, so minimal risks would be borne by the councils should issues occur.
- c. In terms of interim arrangements made by Mercia to dispose of some of the residual waste at EfW plants outside the counties, referred to in paragraph 8.5 of the Cabinet report, the Committee was advised that the gate fees at Coventry were approximately £100 per tonne.
- d. The councils would take on the operation of the EfW plant at the end of 2023, with useful life to 2042. It was commented that EfW plants had a useful life of 25 years without any major refurbishment, other than maintenance, replacements parts and updates to meet new regulations as necessary. It was noted that the Coventry plant had been operating for over 40 years.

A Member, referring to Community Impact, said that the authorities had looked at various solutions and different sites across the two counties to minimise any impact; including an autoclave solution in each county but ultimately this had not been a viable option.

## **Section 11 - Financial Implications**

The Chief Financial Officer said that the full financial implications of the proposal were set out in Annex 1 to the Herefordshire Cabinet report; this contained the same information as the Worcestershire Cabinet report. The financial risks of not approving the variation as proposed included: the loss of WIG credit funding; the risk of landfill tax cost increases; possible substantial compensation costs if the contract terminated; potential retendering costs if timescales slip; the loss of a fixed capital construction price; potential lapse of planning permission if construction was delayed; and cost uncertainty of waste disposal post PFI n 2023/24.

Committee Members posed further questions, the responses of the officer team included:

- It was emphasised that the EfW plant would remove uncertainty about future landfill and waste treatment costs. The estimates used in the calculations were based on professional advice that had been received.
- It was confirmed that the figure of £125 per tonne used in the calculations was informed by baseline gate fees from WRAP which was part of DEFRA and an organisation of repute and credit.

The Chief Financial Officer advised that the Deloitte report had informed the figures used in the Cabinet report, with the KPMG report used separately as a form of quality assurance for Herefordshire. The Chairman noted that the Committee had been advised, at its 3 September 2013 meeting (minute 27 refers), that the purpose of engaging KPMG was to provide independent advice on value for money of the options for Herefordshire.

In response to a question from the Vice-Chairman, the Chief Financial Officer said he welcomed the fact that the KPMG report did not say that the authority was considering the wrong option. The Vice-Chairman did not consider that the report had provided a value for money assurance and drew attention to section 1.3 (Summary of KPMG Findings) and the paragraph:

*'KPMG has not had access to the detailed option appraisal models used to undertake the option appraisal and as such it has not been possible to interrogate and validate the financial assessment in sufficient detail to confirm whether the selection of Option 2, the Mercia Proposal is best value for money in comparison to the other options.'*

In response to questions and comments about the KPMG report, the officer team advised:

- 1) KPMG did have full access to the assumptions that Deloitte had used to model the figures, however a spreadsheet that was used to calculate the end result remained confidential to Deloitte.
- 2) Deloitte had been engaged jointly by Herefordshire and Worcestershire to provide professional advice. Herefordshire had commissioned an additional piece of work from KPMG but had not asked for this to duplicate the work that was being undertaken internally or by Deloitte. Reliance was placed on the Deloitte information, as they had produced the financial model.
- 3) Attention was drawn to the Executive Summary of the KPMG report which set out the scope of the work and the out of scope matters. A Committee Member noted that Herefordshire had occasionally commissioned its own reports into specific impacts for the county since 1998.
- 4) With clarification sought about the bottom three bullet points of paragraph 4.5.2 (Definition of Mercia Proposal) of the KPMG report, the residual value sum was explained and it was confirmed that there would be an outstanding loan balance in 2023 to repay over the remaining term of the loan but this would be partly mitigated by income from energy production; it was noted that the budget for waste disposal was around £9 million per annum currently. With reference made to the final bullet point, *'Financing of the residual value sum paid at expiry is to be funded by refinancing the original prudential borrowing'*, the Committee was advised that this was an original option but, with a PWLB loan for 25 years, it was not currently intended that there would be refinancing at that time.

Referring back to the Cabinet report, the Chief Financial Officer highlighted the financial reasons why continuing to landfill was not the preferred option, the total revenue budget impact to 2042 of the different options, the capital costs and the loan financing arrangements.

## **Section 12 - Legal Implications**

The Solicitor to the Council noted that the councils had agreed to revise the current Joint Working Agreement, to reflect the life of the asset and the shareholding arrangements.

Further questions were asked by Committee Members, the officer team responses included the following points:

- i) Worcestershire owned the site at Hartlebury Trading Estate and the potential for Herefordshire to contribute towards the land value would be explored as part of the discussions on governance arrangements.

- ii) An assurance was provided that the reversion of facilities to their owning authorities in 2023 was being addressed.
- iii) Further to point iv. above, a scenario in which PWLB interest rates increased before financial close was explored further and it was commented, although rates were not predicted to increase in the short term, it was very likely that the level of margin would be maintained. The Chairman noted that, once the loan was taken out, the rate would be fixed for the term of the loan. The Chief Financial Officer added that this was a difference between PWLB and commercial finance; as there would be options to review a fixed rate in the event of significant changes to interest rates under commercial finance arrangements.
- iv) With reference to paragraph 11.7 of the Cabinet report, *'During the EfW construction loan financing costs will be funded from the council's waste reserves'*, the Committee was advised that the authority had £2.4 million waste reserves currently and the loan fees received would be added to this balance.

The Chairman expressed concern about the speed in which decisions had to be made by Cabinet, particularly given that the KPMG report had only been released publicly on Friday 6 December and the Deloitte report shortly before this meeting. He also considered that Option 3 'Continue as is' should not be perceived as a 'do nothing' option, as there was the potential for emerging waste disposal technologies to be de-risked during the remainder of the JMWMS and an alternative plant could be commissioned and built in a relatively short number of years.

The Chief Financial Officer reminded the Committee that the contract had been signed in 1998, planning consent for the EfW plant at Hartlebury had been granted in July 2012, and officers had been working on this project for months, assisted by professional advisors. He said the report had not been rushed and it was considered comprehensive in terms of the financial position. He re-iterated that there was 'clear blue water' between the recommended option and the other options. He added that it had been important to ensure that the Deloitte report contained up-to-date figures.

The Leader advised that the apparent speed of the process was because the contractor would reprice its tender if financial close was not reached by the end of March 2014; with considerable cost implications and the potential lapse of planning permission if the timescales slipped. He acknowledged that emerging technologies may be de-risked in future years but they may not and the authority could not gamble with public money. The Leader considered that the recommended option was the only option that was proven, had a site with planning permission, and had finance in place.

In response to a question from a Committee Member, the Chief Financial Officer confirmed that officers considered that they had all the information required in order to make the recommendations in the report.

A Committee Member noted that there were a number of references in the KPMG report to the Council needing to 'seek comfort', that the report did not appear to confirm that Option 2 was either the right or the wrong option, and the 'out of scope' issues were questioned.

The Chairman did not consider that the KPMG report had enhanced confidence in terms of value for money and drew attention to paragraph 2.2.2 (Out of Scope), *'This KPMG report does not represent a Value for Money assessment for the Council in comparison against it (sic) options'*.

A Member in attendance made a number of points, including: the concept of value for money should not just narrowly relate to costs but should also consider community aspects; a question was asked about the risk associated with over capacity if an EfW plant was progressed; the potential value of waste should be considered; the level of recycling could decline as a consequence of the proposal; there were risks associated with carbon output, both in terms of climate change and the possibility of carbon taxes in the future; a proper breakdown had not been provided of the costs of alternative waste treatment solutions; and it was felt that the potential health risks of emissions from incinerators should taken into account.

The Waste Disposal Officer advised:

- a) The EfW plant had been designed to deal with the tonnage produced by the two counties, it had not been oversized.
- b) Statistical information showed that Oxfordshire had the highest level of recycling performance but they were also investing in EfW.
- c) The future of carbon taxes was uncertain at present but the plant had the potential to become more efficient through combined heat and power (CHP) in the future.
- d) There were various reports about perceived health risks, particularly from opposition groups, but the World Health Organisation and other bodies had not identified significant health issues with these plants.
- e) In terms of the value of waste, the EfW plant would be generating electricity initially, with the potential for CHP going forward.

A Member in attendance said that he had two overarching concerns: firstly, the KPMG report was intended to clarify and confirm value for money for Herefordshire but he felt that the report failed to do this and he was concerned about the lack of assurance, particularly given the scale of the decision required; secondly, he considered that Option 3 was mistakenly referred to as an 'as is' or a 'do nothing' option, as the projections and assumptions should have included realistic scenarios involving other technological alternatives to landfill, with income potential from energy generation, such as that used at the integrated facility in Avonmouth. He added that, notwithstanding the limitations of the modelling, the cost difference between Options 2 and 3 was relatively small in terms of the overall cost picture.

The Chief Financial Officer re-iterated the background to the Deloitte and the KPMG reports and explained that it was normal for reports to identify 'out of scope' issues. He said that he had not commissioned the KPMG report himself but acknowledged that some matters had moved on significantly since it was first scoped. The key consideration was the robustness of the information contained in the Cabinet report. He added that Option 3 was based on options available in the market at the present time.

A Member in attendance felt that the narrowness of the approach was problematic, particularly given that alternative technologies were well evidenced and being proven day by day. In response to a question about the role of KPMG, the Chief Financial Officer advised that the KPMG report had been provided by a waste specialist team, separate to the Council's internal audit contract. The Chairman re-iterated that KPMG, by their own admission, had not made a clear recommendation as to whether the recommended option represented the best value for money.

A Member expressed concern about the incineration of plastics and possible health risks.

There were further comments and questions from Members, the Waste Disposal Officer advised:

- o EfW tended to be the preferred option of many local authorities and waste management companies because it was proven and reliable technology. It was commented that a number of emerging technologies were yet to be proven.
- o The figures for Oxfordshire and Lincolnshire demonstrated that EfW did not negate high recycling performance.

A Committee Member said that: due consideration should be given to the need for residents to dispose of waste and for costs to be affordable to the authority; there was an opportunity to secure a solution at relatively low interest rates from PWLB, a well-respected body; a lot of information had been provided, whether individual Members agreed with it or not, but it was a fact that planning permission had been granted, technical assurances had been provided, and finance was in place; and there were risks associated with any further delay.

A Member in attendance commented that she had attended the opening of the new Greenway Bridge in Hereford shortly before joining the meeting and felt that the authority should be equally forward thinking in terms of the environmental sustainability of the waste management contract. Concerns were also expressed about the long-term affordability of the recommended option, particularly given the financial challenges already being experienced by the authority, and about transparency in terms of the alternative options. In response to a question, the Chief Financial Officer reminded the Committee that he was co-author of the Cabinet report and the proposals were not considered unaffordable.

The Vice-Chairman made a number of points, including: energy generation revenue had been taken into account for the options other than Option 3, so comparisons had not been made on a similar basis; the Cabinet report and annexes made reference to EfW plants elsewhere in the West Midlands but, given the geographic position of Herefordshire, there were other options within sensible transportation distances; in view of the alternatives and the figures given in the KPMG report, the authority would not necessarily be looking at gate fees of £125 per tonne under Option 3; and there was a need for a 'level playing field' to enable the options to be considered properly.

The Waste Disposal Officer made comments on Option 3, including: costs until the end of the current contract in 2023 were understood; beyond 2023, the residual waste disposal costs had been modelled using a ceiling price of £125 per tonne which was not technology specific and assumed some form of gate fee and transportation costs; at present, it cost around £97 per tonne to landfill waste, therefore £125 per tonne after 2023 was not considered unrealistic, especially as costs had increased by more than inflation in recent years; and the assumptions had been checked by expert technical advisors.

The Vice-Chairman made a number of further points, including:

- 1 - Option 3 was the cheapest option to 2023 based on the figures provided.
- 2 - She had spoken to Paul Fletcher of ERM, who had prepared the Residual Waste Options Appraisal (RWOA) and subsequent review, and Mr. Fletcher recognised the fast moving pace of pyrolysis and gasification technology, such as that at Avonmouth, even within the last twelve months.
- 3 - The Council was in a difficult position but this decision would last a long time and the authority had to be confident that options remained open.

- 4 - The report did not make reference to any break point or opportunity to do something else in 2023. Such a mechanism could enable the authority to assess emerging technologies during the intervening period, including the potential for developments within the county which could minimise transportation costs and maximise the value from waste.
- 5 - The EfW plant would not be producing combined heat and power at the outset.
- 6 - Within the RWOA, the nearest example to the Avonmouth option was assessed as being in parity or better than EfW for over half of the assessment criteria.
- 7 - New technologies were rapidly advancing and Herefordshire should consider these properly, rather 'playing it safe' with old technology that could become outmoded.

In response, the Waste Disposal Officer questioned whether the same arguments might have been made in 2002 but the proven technology remained substantially the same in the last ten years. He added that the choice was between a solution that was available now, with security for waste treatment going forward, or hoping that another solution came along at some point in the future.

In response to a question from a Committee Member about the financial implications if the contract was terminated in the hope of alternative solutions becoming available in the future, the Accountant (Capital and VAT Services) re-iterated the key risks in terms of the costs of termination and uncertainties about other costs going forward. It was reported that relevant figures in the report were based on 'no fault' termination costs, the costs could be substantially higher if the authority was deemed to be 'at fault'.

Responding to the points raised Members, the Leader said that:

- i - Nobody could predict what might happen in the future but the authority had to consider the best interests of the tax payers using the solutions available.
- ii - He considered that the proposal represented value for money, as it would enable the authorities to take advantage of low interest rates, generating a surplus to offset partially the loss of WIG, and ultimately result in Herefordshire having a quarter ownership of a EfW plant that would reduce per tonne costs considerably because of the value of energy generated from it.
- iii - In terms of the comment about the need for a 'level playing field', it was not considered that there was a field upon which this could be measured given the lack of viable alternatives.
- iv - Contract termination, under the best of terms, would cost huge sums of money.
- v - Emerging technologies might be proven in future years but such risks should not be taken with public money.

In response to a question from the Leader, the Chief Financial Officer said that both authorities had put a lot of effort in over the years and the recommended option was the best value for money option in his opinion.

A Member in attendance challenged the perception of lack of alternatives given the proportion of bio-degradable waste, the proven technology of anaerobic digestion and increasing investment in pyrolysis and gasification facilities.

A Committee Member noted on the benefits of achieving low, long-term interest rates.



The Vice-Chairman requested that an option be provided to enable Herefordshire to separate from the contract at 2023, rather than necessarily extending the joint arrangement with Worcestershire for the lifetime of the EfW plant. This could allow the authority to sell its quarter share at that point which could enable investment into a Herefordshire specific solution. The Vice-Chairman added that there was a risk that caution could result in the county being tied to an out-dated option.

The Solicitor to the Council noted that it was important that the EfW plant was used at full capacity to obtain maximum efficiency. In the event that Herefordshire decided not to send its waste to the plant post 2023, another source of material would be needed. If this could be found by selling Herefordshire's share, there was not likely to be an objection from Worcestershire's perspective but this would be a matter for negotiation and those detailed terms would form part of the discussions in terms of the joint arrangements going forward.

A Committee Member considered that the proposal recommended by officers could be supported and, whilst noting that there would be opportunities to explore other technologies in the future, the key consideration had to be value for money for local residents.

The Chairman commented that there was a great deal of concern amongst some Councillors and members of the public about the viability of the recommended option and the technology being employed. He added that his preference would be to pause for a period to revisit the options but recognised the risks within the existing contract if there was a delay. A recommendation from the Committee was invited to take forward to the meetings on Thursday, 12 December 2013.

The following recommendation was proposed, seconded and supported by a majority of Committee Members.

In response to a question from a Committee Member, the Chairman said that he trusted that Cabinet would consider the areas where comfort needed to be sought, as identified in the KPMG report.

The Chairman thanked the Committee and Members in attendance for the thorough debate.

**RESOLVED: That the Committee considers the proposals to be a responsible way to proceed and recommends to Cabinet that this continues.**

The meeting ended at 4.08 pm

**CHAIRMAN**



<b>MEETING:</b>	<b>GENERAL OVERVIEW AND SCRUTINY COMMITTEE</b>
<b>DATE:</b>	<b>6 JANUARY 2014</b>
<b>TITLE OF REPORT:</b>	<b>DRAFT WORK PROGRAMME</b>
<b>REPORT BY:</b>	<b>SCRUTINY OFFICER</b>

## 1. Classification

Open.

## 2. Key Decision

This is not a key decision.

## 3. Wards Affected

County-wide.

## 4. Purpose

To consider the Committee's work programme.

## 5. Recommendation

**THAT the work programme be noted, subject to any comments the Committee wishes to make.**

## 6. Alternative Options

- 6.1 It is for the Committee to determine its work programme as it sees fit to reflect the priorities facing Herefordshire. The Committee needs to be selective and ensure that the work programme is focused, realistic and deliverable within the existing resources available.

## 7. Reasons for Recommendations

- 7.1 The Committee needs to develop a manageable work programme to ensure that scrutiny is focused, effective and produces clear outcomes.

## 8. Key Considerations

- 8.1 An outline work programme is appended for this meeting. This is because the programme is under continuous review.
- 8.2 The work programme needs to focus on the key issues of concern and be manageable allowing for urgent items or matters that have been called-in.

8.3 Should Committee Members become aware of issues please discuss the matter with the Chairman, Vice-Chairman and the Scrutiny Officer.

## **9. Community Impact**

9.1 The topics selected for scrutiny should have regard to what matters to residents.

## **10. Equality and Human Rights**

10.1 The topics selected need to have regard for equality and human rights issues.

## **11. Financial Implications**

11.1 The cost of the work of the Scrutiny Committee will have to be met within existing resources. It should be noted the costs of running scrutiny will be subject to an assessment to support appropriate processes.

## **12. Legal Implications**

12.1 The Council is required to deliver an Overview and Scrutiny function.

## **13. Risk Management**

13.1 There is a reputational risk to the Council if the Overview and Scrutiny function does not operate effectively. The arrangements for the development of the work programme should help mitigate this risk.

## **14. Consultees**

14.1 The Chairman and Vice-Chairman meet on a regular basis to consider the programme.

## **15. Appendices**

15.1 Appendix 1 - Draft Work Programme  
Appendix 2 - Executive Rolling Programme (as at the time of going to print).

## **16. Background Papers**

16.1 None identified.

## GENERAL OVERVIEW AND SCRUTINY COMMITTEE

**DRAFT WORK PROGRAMME**

<b>Monday 6 January 2014 at 10.00am</b>	
Fire and Rescue Service Consultation	To receive the Task and Finish Group responses to the consultation and to approve those recommendations for submission to the Fire and Rescue Service.
Freedom of Information and Arm's Length Companies - An Update	To receive and comment on a report on an allegation that the Members of the Committee were misled by the original report on 4 March 2013.
School Examinations Performance	To receive and comment on a report regarding Herefordshire schools' examinations performance.
<b>Monday 13 January 2014 from 10.00am, formally at 11.30am</b>	
Budget	To receive and comment on the 2014/15 budget.
<b>Monday 10 March 2014 at 10.00am</b>	
Crime and Disorder	<ul style="list-style-type: none"> <li>• To receive a presentation from the Office of the Police and Crime Commissioner West Mercia.</li> <li>• To receive and comment on the proposals for probation services in Herefordshire.</li> <li>• To receive and comment on the Community Safety Partnership.</li> </ul>
<b>Monday 2 May 2014 at 10.00am</b>	
Hoople	To receive and comment on a performance report from Hoople. Including how budgetary cuts are affecting the services that Hoople can deliver.
Budget	To receive and comment on the budgetary outlook for 2015-2016. This shall include identifying any areas that scrutiny may wish to research further.

The following topics shall be dealt with via briefing notes:

Performance Report on Waste Management
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Executive Rolling Programme: December 2013

Executive Decisions to be taken – December 2013

<b>DECISION MAKER</b>		
<b>CABINET MEMBER CONTRACTS &amp; ASSETS</b>		
<b>COUNCILLOR H BRAMER</b>		
<b>Decision Date</b> (on or after)	<b>Issue Type</b>	<b>Purpose &amp; Report Title</b>
		<b>Directorate, Lead Officer &amp; Contact information for documents/report to be submitted to Decision Maker</b>
<b>DECISION MAKER</b>		
<b>CABINET MEMBER CORPORATE SERVICES</b>		
<b>COUNCILLOR PM MORGAN</b>		
<b>Decision Date</b> (on or after)	<b>Issue Type</b>	<b>Purpose &amp; Report Title</b>
		<b>Directorate, Lead Officer &amp; Contact information for documents/report to be submitted to Decision Maker</b>
<b>DECISION MAKER</b>		
<b>CABINET MEMBER CORPORATE STRATEGY &amp; FINANCE:</b>		
<b>COUNCILLOR AW JOHNSON, LEADER OF THE COUNCIL</b>		
<b>Decision Date</b> (on or after)	<b>Issue Type</b>	<b>Purpose &amp; Report Title</b>
		<b>Directorate, Lead Officer &amp; Contact information for documents/report to be submitted to Decision Maker</b>
<b>DECISION MAKER</b>		
<b>CABINET MEMBER HEALTH &amp; WELLBEING</b>		
<b>COUNCILLOR GJ POWELL</b>		
<b>Decision Date</b> (on or after)	<b>Issue Type</b>	<b>Purpose &amp; Report Title</b>
		<b>Directorate, Lead Officer &amp; Contact information for documents/report to be submitted to Decision Maker</b>
<b>DECISION MAKER</b>		
<b>CABINET MEMBER INFRASTRUCTURE</b>		
<b>COUNCILLOR PD PRICE</b>		
<b>Decision Date</b> (on or after)	<b>Issue Type</b>	<b>Purpose &amp; Report Title</b>
TBC	Non key	Local Development Scheme – Annual Review
		<i>To seek approval the annual review of the Local Development Scheme, September 2013 prior to its submission to the Secretary of State.</i>
		Economy, Communities and Corporate

DECISION MAKER CABINET MEMBER YOUNG PEOPLE & CHILDREN'S WELLBEING: COUNCILLOR JW MILLAR		
Decision Date (on or after)	Issue Type	Purpose & Report Title
Dec 13	Non Key	Executive Response to Children's Safeguarding Task and Finish Group
		Directorate, Lead Officer & Contact information for documents/report to be submitted to Decision Maker Children's Services /

Executive Rolling Programme: January 2014

Executive Decisions to be taken – January 2014

DECISION MAKER CABINET			
Meeting / Decision Date (on or after)	Issue Type	Purpose & Report Title	Portfolio Holder
23/1/14		Budget proposals	
23/1/14 TBC	<b>KEY</b>	Open Book Review of Residential and Nursing Home Fees for Older People	Health & Wellbeing – Cllr G Powell <a href="mailto:helen.coombes@herefordshire.gov.uk">helen.coombes@herefordshire.gov.uk</a>
23/1/14	Non Key	Budget Monitoring Report <i>To report the financial position for both Revenue and Capital.</i>	Corporate Strategy & Finance – Councillor AW Johnson, Leader of the Council
23/1/14	<b>KEY</b>	Customer Services and Libraries Future Delivery <i>To outline options for Customer Services and Libraries in the light of continued budget pressures and for Cabinet to consider future delivery of centres and services.</i>	Corporate Services – Councillor PM Morgan & Contracts & Assets – Councillor H Bramer
23/1/14	<b>KEY</b>	Withdrawal of Arts Commissioning Grants <i>To consider the withdrawal of Commissioning Grants for arts organisations</i>	Contracts & Assets – Councillor H Bramer
23/1/14	<b>KEY</b>	Funding for Lady Hawkins and Wigmore Leisure Centres <i>To consider the withdrawal of funding for Lady Hawkins and Wigmore Leisure Centres</i>	Contracts & Assets – Councillor H Bramer
			Directorate, Lead Officer & Contact information for documents/report to be submitted to Decision Maker Economy, Communities & Corporate / Peter Robinson <a href="mailto:Peter.Robinson@herefordshire.gov.uk">Peter.Robinson@herefordshire.gov.uk</a> Economy, Communities & Corporate / Natalia Silver
			Economy, Communities and Corporate / Mick Ligema
			Economy, Communities and Corporate / Mick Ligema



23/11/14	<b>KEY</b>	Future Trust Arrangements for Museum Services	Contracts & Assets – Councillor H Bramer	Economy, Communities and Corporate / Mick Ligema
23/11/14	<b>KEY</b>	To consider the proposal for moving Museum Services into Trust status Closure of public facing Museum Services	Contracts & Assets – Councillor H Bramer	Economy, Communities and Corporate / Mick Ligema / Elizabeth Semper O'Keefe
23/11/14	<b>KEY</b>	To consider further service reductions for the public facing Museums Service Transport and Travel Review	Health & Wellbeing – Cllr GJ Powell	Economy, Communities and Corporate / Steve Burgess
23/11/14	Non Key	Withdrawal of funding for Infrastructure Support (Voluntary and Community Sector and Parish Councils) To approval withdrawal of funding for infrastructure support services for parish councils and the Voluntary and Community Sector		Economy, Communities and Corporate / Nina Bridges

**DECISION MAKER  
CABINET MEMBER CONTRACTS & ASSETS  
COUNCILLOR H BRAMER**

Decision Date (on or after)	Issue Type	Purpose & Report Title	Directorate, Lead Officer & Contact information for documents/report to be submitted to Decision Maker
15/11/14	<b>KEY</b>	Countryside Service Review  To agree proposals to generate income and move towards a financially sustainable service.	Economy, Communities and Corporate / Steve Burgess  <a href="mailto:sburgess@herefordshire.gov.uk">sburgess@herefordshire.gov.uk</a>
16/11/14	<b>KEY</b>	Halo Leisure Prudential Borrowing Programme  To support Halo Prudential Borrowing for investment programme at Hereford Leisure Centre, Hereford Leisure Pool, Leominster Leisure Centre, Ledbury Swimming Pool, Ross-on-Wye Swimming Pool and Photo-voltaic investment. To approve in principle the allocation of capital expenditure funded by prudential borrowing for a capital investment and improvement programme at leisure facilities managed by Halo Leisure.	Economy, Communities & Corporate / Mick Ligema  <a href="mailto:mligema@herefordshire.gov.uk">mligema@herefordshire.gov.uk</a>
21/11/14	<b>KEY</b>	Disposal of land forming part of the former Whitecross School, Baggally Street, Hereford  To seek the approval of the Cabinet Member to the disposal of land forming part of the old Whitecross School site, following an extensive marketing campaign, to Miller Homes for development for residential housing to include affordable allocation.	Economy, Communities & Corporate / Tony Featherstone / Ian Higgs

<b>DECISION MAKER CABINET MEMBER CORPORATE SERVICES COUNCILLOR PM MORGAN</b>			
<b>Decision Date (on or after)</b>	<b>Issue Type</b>	<b>Purpose &amp; Report Title</b>	<b>Directorate, Lead Officer &amp; Contact information for documents/report to be submitted to Decision Maker</b>
13/1/14	<b>KEY</b>	Herefordshire County Public Services Network Provision <i>To approve proposal for provision of network services from March 2014 to serve Herefordshire Council and Partners</i>	Economy, Communities and Corporate / Jenny Lewis & Dominic Latham
<b>DECISION MAKER CABINET MEMBER CORPORATE STRATEGY &amp; FINANCE: COUNCILLOR AW JOHNSON, LEADER OF THE COUNCIL</b>			
<b>Decision Date (on or after)</b>	<b>Issue Type</b>	<b>Purpose &amp; Report Title</b>	<b>Directorate, Lead Officer &amp; Contact information for documents/report to be submitted to Decision Maker</b>
On or after 6 January 2014	<b>KEY</b>	Revision to the Current Council Tax Reduction Scheme Provides an update on the current CTRS and recommends further changes to the current Scheme that will achieve additional revenue for the Council	Peter Robinson – Chief Officer Finance
On or after 6 January 2014	Non Key	Council Tax Discount Scheme <i>To agree revisions to the current scheme.</i>	Peter Robinson – Chief Officer Finance
On or after 13 January 2014	<b>KEY</b>	European Structural and Investment Fund Strategy 2014-2020 <i>To obtain approval for the final draft submission of the Marches European Structural and Investment Fund Strategy 2014-2020.</i>	Economy, Communities and Corporate / Nick Webster
<b>DECISION MAKER CABINET MEMBER HEALTH &amp; WELLBEING COUNCILLOR GJ POWELL</b>			
<b>Decision Date (on or after)</b>	<b>Issue Type</b>	<b>Purpose &amp; Report Title</b>	<b>Directorate, Lead Officer &amp; Contact information for documents/report to be submitted to Decision Maker</b>
TBC	Non Key	Preventing Homelessness Strategy 2013-2016 <i>To focus on preventing homelessness in Herefordshire</i>	Economy, Communities & Corporate / Richard Gabb <a href="mailto:rgabb@herefordshire.gov.uk">rgabb@herefordshire.gov.uk</a>

9/1/14	<b>KEY</b>	Integrated Community Equipment Store (ICES)	Adults Wellbeing / Jacky Edwards
24/1/14	<b>KEY</b>	To award the contract for ICES Day Opportunities To award the contracts	Adults Wellbeing / Jacky Edwards
<b>DECISION MAKER</b>			
<b>CABINET MEMBER INFRASTRUCTURE</b>			
<b>COUNCILLOR PD PRICE</b>			
<b>Decision Date</b> (on or after)	<b>Issue Type</b>	<b>Purpose &amp; Report Title</b>	<b>Directorate, Lead Officer &amp; Contact information for documents/report to be submitted to Decision Maker</b>
Jan 14	Non Key	Off-Street Car Parking Charges  <i>To consider and agree a schedule of revised charges for council controlled and managed off-street car parks</i>	Economy, Communities and Corporate – Shane Hancock
17/1/14	Non Key	Development Management – Review of charging for pre-application advice  <i>To review the operation of the system for the charging of pre-application planning advice including the level of charges</i>	Economy, Communities and Corporate / Marc Willimont
17/1/14	<b>KEY</b>	Hoople Contract  <i>To seek approval for changes to the services currently provided by Hoople for the financial year 2014/15.</i>	Economy, Communities and Corporate – Richard Ball
20/1/14	<b>KEY</b>	Increasing income from parking – On Street Charging in Hereford  <i>To agree to the introduction of on street parking charges in Hereford central area</i>	Economy, Communities & Corporate / Steve Burgess  <a href="mailto:sburgess@herefordshire.gov.uk">sburgess@herefordshire.gov.uk</a>
<b>DECISION MAKER</b>			
<b>CABINET MEMBER YOUNG PEOPLE &amp; CHILDREN'S WELLBEING:</b>			
<b>COUNCILLOR JW MILLAR</b>			
<b>Decision Date</b> (on or after)	<b>Issue Type</b>	<b>Purpose &amp; Report Title</b>	<b>Directorate, Lead Officer &amp; Contact information for documents/report to be submitted to Decision Maker</b>
17/1/14	Non Key	National School Funding Formula 2014/15  <i>To approve the provisional school funding formula submitted to the Education Funding Agency</i>	Children's Wellbeing / Malcolm Green

Other Meetings – January 2014

Meeting / Decision Date (on or after)	Issue Type	Purpose & Report Title	Portfolio Holder	Directorate, Lead Officer & Contact information for documents/report to be submitted to Decision Maker
17/01/14	Non Key	Leader's Report <i>To receive the Leader's report, which provides an overview of the Executive's activity since the last Council meeting.</i>	Corporate Strategy & Finance/Leader – Councillor AW Johnson	Economy, Communities & Corporate / Annie Brookes <a href="mailto:ab1@herefordshire.gov.uk">ab1@herefordshire.gov.uk</a>
17/01/14	Non Key	Appointments to Council Committees	Corporate Services – Councillor PM Morgan	Economy, Communities & Corporate / John Jones <a href="mailto:jjones4@herefordshire.gov.uk">jjones4@herefordshire.gov.uk</a>
17/01/14	Non Key	Designation and appointment of Monitoring Officer, and Returning Officer		Deputy Monitoring Officer – Annie Brookes <a href="mailto:ab1@herefordshire.gov.uk">ab1@herefordshire.gov.uk</a>
17/11/14	Non Key	Fire Service Consultation Response <i>To note the Council's response to the Fire Service Consultation</i>		

**EMPLOYMENT PANEL**

Meeting Date	Purpose & Report Title	Portfolio Holder	Directorate, Lead Officer & Contact information
7/11/14	Pay Policy Statement		
7/11/14	Designation and appointment of Monitoring Officer, and Returning Officer		
7/11/14	Framework for Assessment of Chief Executive Performance		

Scrutiny Work Programmes – January 2014

GENERAL OVERVIEW AND SCRUTINY COMMITTEE ITEMS – JANUARY 2014		
MEETING/ BRIEFING DATE	ITEM	PURPOSE
6 January 2014	Fire Service Consultation	To receive the task and finish group responses to the fire service consultation and to approve those recommendations for submission to the fire service.

**HEALTH AND SOCIAL CARE OVERVIEW AND SCRUTINY COMMITTEE ITEMS – JANUARY 2014**

MEETING/ BRIEFNG DATE		ITEM	PURPOSE	O&SC PRE-DECISION PRIOR TO:	
				A&G Committee	Meeting Date
				Cabinet	
				Council	
17 January 2014					

Executive Rolling Programme: February 2014

Executive Decisions to be taken – February 2014

<b>DECISION MAKER CABINET</b>					
Meeting / Decision Date (on or after)	Issue Type	Purpose & Report Title	Portfolio Holder	Directorate, Lead Officer & Contact information for documents/report to be submitted to Decision Maker	
13/2/14	Non Key	Budget Monitoring Report <i>To report the financial position for both Revenue and Capital</i>	Corporate Strategy & Finance – Councillor AW Johnson, Leader of the Council	Economy, Communities & Corporate /	
13/2/14	Non Key	Integrated Corporate Performance Report	Corporate & Assets – Councillor PM Morgan	Organisation Development Team / Jenny Lewis <a href="mailto:jlewis3@herefordshire.gov.uk">jlewis3@herefordshire.gov.uk</a>	
13/2/14		NDR Discretionary Relief <i>To agree revisions to the current scheme</i>	Corporate Strategy & Finance – Councillor AW Johnson	Economy, Communities & Corporate / Peter Robinson	

**DECISION MAKER CABINET MEMBER CONTRACTS & ASSETS COUNCILLOR H BRAMER**

Decision Date (on or after)	Issue Type	Purpose & Report Title	Directorate, Lead Officer & Contact information for documents/report to be submitted to Decision Maker

<b>DECISION MAKER</b>			
<b>CABINET MEMBER CORPORATE SERVICES</b>			
<b>COUNCILLOR PM MORGAN</b>			
<b>Decision Date</b> (on or after)	<b>Issue Type</b>	<b>Purpose &amp; Report Title</b>	<b>Directorate, Lead Officer &amp; Contact information for documents/report to be submitted to Decision Maker</b>
<b>DECISION MAKER</b>			
<b>CABINET MEMBER CORPORATE STRATEGY &amp; FINANCE:</b>			
<b>COUNCILLOR AW JOHNSON, LEADER OF THE COUNCIL</b>			
<b>Decision Date</b> (on or after)	<b>Issue Type</b>	<b>Purpose &amp; Report Title</b>	<b>Directorate, Lead Officer &amp; Contact information for documents/report to be submitted to Decision Maker</b>
<b>DECISION MAKER</b>			
<b>CABINET MEMBER HEALTH &amp; WELLBEING</b>			
<b>COUNCILLOR GJ POWELL</b>			
<b>Decision Date</b> (on or after)	<b>Issue Type</b>	<b>Purpose &amp; Report Title</b>	<b>Directorate, Lead Officer &amp; Contact information for documents/report to be submitted to Decision Maker</b>
1/2/14	Non Key	Autism Strategy	Adults Wellbeing / John Gorman
13/2/14	<b>KEY</b>	<i>To note and approve the draft Autism Strategy</i> Home and Community Support	Adults Wellbeing / Jacky Edwards
		<i>To award the Home and Community Support Contracts</i>	
<b>DECISION MAKER</b>			
<b>CABINET MEMBER INFRASTRUCTURE</b>			
<b>COUNCILLOR PD PRICE</b>			
<b>Decision Date</b> (on or after)	<b>Issue Type</b>	<b>Purpose &amp; Report Title</b>	<b>Directorate, Lead Officer &amp; Contact information for documents/report to be submitted to Decision Maker</b>
<b>DECISION MAKER</b>			
<b>CABINET MEMBER YOUNG PEOPLE &amp; CHILDREN'S WELLBEING:</b>			
<b>COUNCILLOR JW MILLAR</b>			
<b>Decision Date</b> (on or after)	<b>Issue Type</b>	<b>Purpose &amp; Report Title</b>	<b>Directorate, Lead Officer &amp; Contact information for documents/report to be submitted to Decision Maker</b>

Other Meetings – February 2014

<b>DECISION MAKER COUNCIL</b>			
<b>Meeting / Decision Date (on or after)</b>	<b>Issue Type</b>	<b>Purpose &amp; Report Title</b>	<b>Portfolio Holder</b>
7/2/14	<b>B&amp;PF</b>	Medium Term Financial Strategy	Corporate Strategy & Finance – Councillor AW Johnson, Leader of the Council
7/2/14	<b>B&amp;PF</b>	Pay Policy Statement	Corporate Strategy & Finance – Councillor AW Johnson, Leader of the Council
<b>Directorate, Lead Officer &amp; Contact information for documents/report to be submitted to Decision Maker</b>			
Economy, Communities & Corporate /			
Economy, Communities & Corporate /			

<b>AUDIT &amp; GOVERNANCE COMMITTEE</b>	
<b>Meeting Date</b>	<b>Purpose &amp; Report Title</b>
18/2/14	<b>Portfolio Holder</b>
<b>Directorate, Lead Officer &amp; Contact information</b>	

Scrutiny Work Programmes – February 2014

<b>GENERAL OVERVIEW AND SCRUTINY COMMITTEE ITEMS – FEBRUARY 2014</b>		
<b>MEETING/ BRIEFNG DATE</b>	<b>ITEM</b>	<b>PURPOSE</b>
10 February 2014	Budget	<ul style="list-style-type: none"> <li>To receive the recommendations of the task and finish group on the 2014/2015 Budget</li> <li>To receive and comment on the 2014/15 Budget</li> </ul>
<b>O&amp;SC PRE-DECISION PRIOR TO:</b>		
	<b>A&amp;G Committee Cabinet Council</b>	<b>Meeting Date</b>

<b>HEALTH AND SOCIAL CARE OVERVIEW AND SCRUTINY COMMITTEE ITEMS – FEBRUARY 2014</b>		
<b>MEETING/ BRIEFNG DATE</b>	<b>ITEM</b>	<b>PURPOSE</b>
14 February 2014		
<b>O&amp;SC PRE-DECISION PRIOR TO:</b>		
	<b>A&amp;G Committee Cabinet Council</b>	<b>Meeting Date</b>

Executive Rolling Programme: March 2014

Executive Decisions to be taken – March 2014

<b>DECISION MAKER CABINET</b>			
<b>Meeting / Decision Date (on or after)</b>	<b>Issue Type</b>	<b>Purpose &amp; Report Title</b>	<b>Portfolio Holder</b>
13/3/14	Non Key	Budget Monitoring Report <i>To report the financial position for both Revenue and Capital</i>	Corporate Strategy & Finance – Councillor AW Johnson, Leader of the Council
13/3/14	Non Key	Integrated Corporate Performance Report – 2013/14 Delivery Plan	Corporate & Assets – Councillor PM Morgan
13/3/14	<b>KEY</b>	NNDR Discretionary Relief <i>To consider changes to the policy.</i>	Corporate Strategy & Finance – Councillor AW Johnson, Leader of the Council
<b>DECISION MAKER CABINET MEMBER CONTRACTS &amp; ASSETS COUNCILLOR H BRAMER</b>			
<b>Decision Date (on or after)</b>	<b>Issue Type</b>	<b>Purpose &amp; Report Title</b>	<b>Directorate, Lead Officer &amp; Contact information for documents/report to be submitted to Decision Maker</b>
<b>DECISION MAKER CABINET MEMBER CORPORATE SERVICES COUNCILLOR PM MORGAN</b>			
<b>Decision Date (on or after)</b>	<b>Issue Type</b>	<b>Purpose &amp; Report Title</b>	<b>Directorate, Lead Officer &amp; Contact information for documents/report to be submitted to Decision Maker</b>
<b>DECISION MAKER CABINET MEMBER CORPORATE STRATEGY &amp; FINANCE: COUNCILLOR AW JOHNSON, LEADER OF THE COUNCIL</b>			
<b>Decision Date</b>	<b>Issue Type</b>	<b>Purpose &amp; Report Title</b>	<b>Directorate, Lead Officer &amp; Contact</b>



(on or after)			information for documents/report to be submitted to Decision Maker
<b>DECISION MAKER</b>			
<b>CABINET MEMBER HEALTH &amp; WELLBEING</b>			
<b>COUNCILLOR GJ POWELL</b>			
<b>Decision Date</b>	<b>Issue Type</b>	<b>Purpose &amp; Report Title</b>	<b>Directorate, Lead Officer &amp; Contact information for documents/report to be submitted to Decision Maker</b>
(on or after)			
17/3/14	<b>KEY</b>	Re-ablement <i>To award the contracts</i>	Adults Wellbeing / Jacky Edwards
<b>DECISION MAKER</b>			
<b>CABINET MEMBER INFRASTRUCTURE</b>			
<b>COUNCILLOR PD PRICE</b>			
<b>Decision Date</b>	<b>Issue Type</b>	<b>Purpose &amp; Report Title</b>	<b>Directorate, Lead Officer &amp; Contact information for documents/report to be submitted to Decision Maker</b>
(on or after)			
<b>DECISION MAKER</b>			
<b>CABINET MEMBER YOUNG PEOPLE &amp; CHILDREN'S WELLBEING:</b>			
<b>COUNCILLOR JW MILLAR</b>			
<b>Decision Date</b>	<b>Issue Type</b>	<b>Purpose &amp; Report Title</b>	<b>Directorate, Lead Officer &amp; Contact information for documents/report to be submitted to Decision Maker</b>
(on or after)			
<b>DECISION MAKER</b>			
<b>COUNCIL</b>			
<b>Meeting / Decision Date</b>	<b>Issue Type</b>	<b>Purpose &amp; Report Title</b>	<b>Directorate, Lead Officer &amp; Contact information for documents/report to be submitted to Decision Maker</b>
(on or after)			
7/3/14	Non Key	Council Tax Resolution  <i>To calculate the Council's Council Tax Requirement and set the Council Tax amounts for each category of dwelling in Herefordshire for 2014/15.</i>	Economy, Communities & Corporate / Peter Robinson  <a href="mailto:Peter.Robinson@herefordshire.gov.uk">Peter.Robinson@herefordshire.gov.uk</a>

7/3/14	Non Key	Leader's Report <i>To receive the Leader's report, which provides an overview of the Executive's activity since the last Council meeting.</i>	Corporate Strategy & Finance / Leader – Councillor AW Johnson	Economy, Communities & Corporate / Annie Brookes <a href="mailto:ab1@herefordshire.gov.uk">ab1@herefordshire.gov.uk</a>
7/3/14	B&PF	Review of Gambling Act Policy <i>To consider implementing new policy</i>		Economy, Communities & Corporate / Claire Corfield <a href="mailto:clcorfield@herefordshire.gov.uk">clcorfield@herefordshire.gov.uk</a>
7/3/14	N/A	Review of Licensing Act Policy <i>To consider implementing new policy</i>		Economy, Communities & Corporate / Claire Corfield <a href="mailto:clcorfield@herefordshire.gov.uk">clcorfield@herefordshire.gov.uk</a>
7/3/14	N/A	Introduction of a Sex Establishment Policy <i>To consider implementing new policy</i>		Economy, Communities & Corporate / Claire Corfield <a href="mailto:clcorfield@herefordshire.gov.uk">clcorfield@herefordshire.gov.uk</a>
7/3/14	N/A	Review of Gypsy and Traveller Policy <i>To consider implementing new policy</i>		Economy, Communities & Corporate / Claire Corfield <a href="mailto:clcorfield@herefordshire.gov.uk">clcorfield@herefordshire.gov.uk</a>
7/3/14	Non Key	ANNUAL REPORTS TO COUNCIL: Report of Executive Decisions taken under the Urgency Provisions Report of the Audit and Governance Committee		Economy, Communities & Corporate / Annie Brookes <a href="mailto:ab1@herefordshire.gov.uk">ab1@herefordshire.gov.uk</a> Economy, Communities & Corporate / Heather Donaldson <a href="mailto:hdonaldson@herefordshire.gov.uk">hdonaldson@herefordshire.gov.uk</a>
		Report of General Overview and Scrutiny Committee		Economy, Communities & Corporate / Gemma Dean <a href="mailto:gdean@herefordshire.gov.uk">gdean@herefordshire.gov.uk</a>
		Report of Health and Social Care Overview and Scrutiny Committee		Economy, Communities & Corporate / Gemma Dean <a href="mailto:gdean@herefordshire.gov.uk">gdean@herefordshire.gov.uk</a>
		Report of the Planning Committee		Economy, Communities & Corporate / Tim Brown <a href="mailto:tbrown@herefordshire.gov.uk">tbrown@herefordshire.gov.uk</a>
		Report of the Regulatory Committee		Economy, Communities & Corporate / Tim Brown <a href="mailto:tbrown@herefordshire.gov.uk">tbrown@herefordshire.gov.uk</a>
7/3/14	Non Key	Hereford and Worcester Fire and Rescue Authority Report	External Report	

<b>AUDIT &amp; GOVERNANCE COMMITTEE</b>			
<b>Meeting Date</b>	<b>Purpose &amp; Report Title</b>	<b>Portfolio Holder</b>	<b>Directorate, Lead Officer &amp; Contact Information</b>
18/3/14	Biannual forecasts of revenue and capital outturn		Corporate Services / Peter Robinson

Scrutiny Work Programmes – March 2014

<b>GENERAL OVERVIEW AND SCRUTINY COMMITTEE ITEMS – MARCH 2014</b>			
<b>MEETING/ BRIEFNG DATE</b>	<b>ITEM</b>	<b>PURPOSE</b>	<b>O&amp;SC PRE-DECISION PRIOR TO:</b>
			A&G Committee Cabinet Council
10 March 2014			

<b>HEALTH AND SOCIAL CARE OVERVIEW AND SCRUTINY COMMITTEE ITEMS – MARCH 2014</b>			
<b>MEETING/ BRIEFNG DATE</b>	<b>ITEM</b>	<b>PURPOSE</b>	<b>O&amp;SC PRE-DECISION PRIOR TO:</b>
			A&G Committee Cabinet Council
14 March 2014	Six month update on Director of Public Health's Annual Report		



<b>MEETING:</b>	<b>GENERAL OVERVIEW AND SCRUTINY COMMITTEE</b>
<b>MEETING DATE:</b>	<b>6 JANUARY 2014</b>
<b>TITLE OF REPORT:</b>	<b>SCHOOL EXAMINATION PERFORMANCE</b>
<b>REPORT BY:</b>	<b>ASSISTANT DIRECTOR, EDUCATION AND COMMISSIONING, CHILDREN'S WELLBEING</b>

## 1. Classification

Open.

## 2. Key Decision

This is not a key decision.

## 3. Wards Affected

County-wide.

## 4. Purpose

- 4.1 To consider school performance for summer 2013 and the school improvement partnership strategy and framework approved by the Cabinet Member for Young People and Children's Wellbeing to improve performance for Herefordshire's children and young people.

## 5. Recommendations

**That the Committee:**

- (a) considers school performance; and
- (b) comments on how the school improvement framework and strategy can be enhanced to improve the performance for children and young people in Herefordshire.

## 6. Alternative Options

- 6.1 Alternative options are not listed as it is for General Overview and Scrutiny Committee to decide what options they might wish to pursue in their scrutiny role in relation to school performance.

## **7. Reasons for Recommendations**

- 7.1 To enable General Overview and Scrutiny Committee to exercise its important scrutiny function in relation to pupil and school performance in Herefordshire. It is also an opportunity for General Overview and Scrutiny Committee to consider the new approach to school improvement developed with schools, the Diocese of Hereford and Archdiocese of Cardiff.

## **8. Key Considerations**

- 8.1 Good educational outcomes are critical to children's and adults wellbeing and to the development of a thriving local economy and strong communities. An effective approach to school improvement drives the performance of schools and the developmental and educational outcomes for children. Developing leadership, management, and teaching and learning are the main elements in sustainable improvement by schools. Effective education is a key driver in reducing costs to support services both during childhood and for adults, for the Council and for the wider public purse.
- 8.2 The strategy and framework plays a significant part in achieving the priorities for the Council, particularly the guiding principles for education, approved by Cabinet with the aim of top quartile performance for education outcomes by 2016, and where there is top quartile performance that Herefordshire is in the top three of its statistical neighbours. The strategy and framework are attached as appendix 1.
- 8.3 Performance headlines are set out below and Members will receive a fuller update in the presentation that will accompany this item. Comparisons against other local authorities are only just becoming available for the summer 2013 results, so where not available are given in comparison to 2012:
- 77% of primary schools were judged good or outstanding, 80% of secondary schools in October 2013. An updated picture will be given in the presentation.
  - The percentage of 5 year old children reaching a good level of development at the end of Early Years Foundation Stage (EYFS) in 2013 is above the national average and is in the second quartile of local authorities. Herefordshire's previous performance has seen a rise over the past two years in the Early Years Foundation Stage Profile to 2012, where the proportion of children achieving a good level of development has risen to 61% compared to 64% nationally. This represented third quartile performance. In 2013 a new assessment framework was introduced. In Herefordshire the proportion that achieved a good level of development was 55% compared to 52% nationally.
  - At key stage one, the proportion of children reaching expected levels of attainment in 2013 (level 2c+) in reading, writing and Mathematics by the age of 7 has improved. For reading this brings us in line with national average (89%). For writing we have improved from 80 to 84%, against a national average of 85%. For Mathematics we have improved slightly from 89% to 90%, the national average is 91%. We are therefore still below the national average for writing and Mathematics.
  - The percentage of pupils achieving the expected level (4) in reading, writing and Mathematics at key stage 2 in 2013 was 71%, compared to a national average of 76%. Previously the percentage of pupils achieving the expected level in both

English and Mathematics had risen from 72% in 2011 to 76% 2012. However, this was in the bottom quartile performance. The national average for achieving the expected level in both English and Mathematics in 2012 was 79%.

- The proportion of pupils achieving 5 A\*-C GCSEs was 87.4%, in 2012 which was in the top quartile of performance and above the national average of 83.2%. However, the proportion of pupils achieving 5 A\*-C GCSEs including English and Mathematics in 2012 was 56.5%, below the national average of 58.8%. Provisional results for 2013 indicate that 56.3% of pupils achieved 5 A\*-C GCSE (or equivalent) including English and Mathematics.
- There were 14 Herefordshire Looked After Children in the cohort for GCSEs in 2013. One has severe learning difficulties and autism and was therefore not entered for any exams. The other 13 young people have all left school with at least one qualification (92.9%). Seven of the young people have achieved the equivalent of 5 GCSEs grade C and above (53.8%) and two have achieved at least 5 including English and Maths (15.4%). These young people have overcome exceptional difficulties in their lives and all of these young people were in education, training or employment in September.
- At A-levels 91.7% of students entered achieved 2 or more passes in 2012. Herefordshire was in the top quartile for the percentage of students achieving 3 A\* - A grades at 14.9%. However, Herefordshire was also in the worst quartile (and therefore the lowest performance) in terms of proportion of 16-18 year olds who are not in education, training or employment.
- Across all ages there were significant variations between schools and between groups of pupils, including those eligible for free school meals compared to their peers, where the gap overall in Herefordshire was amongst the widest across counties in the West Midlands. For GCEs it was the widest in the West Midlands and in the bottom ten in the country. The Closing the Gap project is an initiative to address this with schools, as is the ongoing work with OfSTED.
- Herefordshire has recently been mentioned in OfSTED's annual report in a number of areas as performing comparatively poorly at a regional and national level and in particular in relation to the percentage of pupils who can attend a good or outstanding school at primary age, and on the gap in progress and achievement between pupils eligible for free school meals and their peers.
- A number of strategies are being used to address the improvement issues detailed above. These focus on supporting schools to improve leadership and management (including governance) and teaching and learning. Schools are also supported to focus on specific children and young people through the Closing the Gap project.

Further key information can be found in Appendix 2, contained in the slides to be circulated to General Overview and Scrutiny Committee by 31 December 2013.

- 8.4 The relationship between local authorities, schools, the DfE and OfSTED has changed considerably under the coalition government. The emphasis is very much on the autonomy of schools with a drive from the DfE to increase this, whilst at the same time holding the local authority accountable for the overall sufficiency and quality of education, and the outcomes for children and young people within their area. Herefordshire has had a mixed economy of schools and a policy position of working with all schools, including

academies, as part of the Herefordshire Learning Community.

- 8.5 Schools in Herefordshire have developed significant local school to school support relationships, including 13 headteachers becoming nationally accredited National Leaders of Education (NLEs, 7 schools), Local Leaders of Education (LLEs, 6 schools), and a Teaching School in Wigmore. All of these, along with locally developed relationships, are established to provide school to school support.
- 8.6 The Herefordshire approach to school improvement required significant change and renewal, in partnership with headteachers, the Diocese of Hereford and Archdiocese of Cardiff. It has been encouraging to see the commitment and enthusiasm from schools to establishing a clear approach with the school community.
- 8.7 The Council has clear statutory duties regarding sufficiency and quality of education in its area. The role of a local authority has increasingly moved to one of “place shaping” rather than direct delivery of services and Herefordshire has embraced this approach, including the recent development of the Herefordshire School Improvement Partnership strategy and framework. Within this approach there is a clear programme of work, and specific accountabilities set out for the local authority and how it will fulfil its statutory duties, including intervention. Risk assessments have been issued to all schools this term as part of this approach.
- 8.8 The Council has led the Closing the Gap initiative this year, which has focused on pupils at risk of not making expected progress. These have been highlighted to individual schools and a dialogue between officers and schools has promoted a clear focus on the needs of individual pupils. This complements schools own work, including the focus on the use of the pupil premium.
- 8.9 The effectiveness of the approach is overseen by the School Improvement Partnership Group, comprising of the local authority, the Diocese of Hereford, the Archdiocese of Cardiff and local leaders of education that are either nationally accredited or have a track record of improvement locally. This work is monitored through the Strategic Group for Education, which includes the Cabinet Member for Young People and Children’s Wellbeing and the Director of Children’s Wellbeing. The approach will be formally reviewed annually and developed according to the findings.
- 8.10 The Council is developing its relationship with OfSTED regional HMI and with the DfE Academies, Performance and Brokerage Division to coordinate and develop support and challenge to address pupil progress and performance. At the Council’s request, OfSTED HMI will be working with the local authority in the new year to address specific issues such as the performance of pupils with English as an additional language. The Council is also intending to work with the National College for Teaching and Leadership to enhance our approach.
- 8.11 The wider Council has a critical role to play in achieving the priorities for education, particularly in relation to vulnerable groups. Improvements in the availability and quality of housing for vulnerable groups, improvements in children’s health and wellbeing, enhancement of access to and the use of the web and Council communications so that children and families and schools can be signposted to and access services, are all examples of the way the Council and Hoople can play a key role in achieving core priorities of the Council.



## **9. Community Impact**

- 9.1 Pupil performance plays a key role in the lives of children and young people and provides a measure of their development and achievement. Results play a significant role in achieving employment or accessing higher education.
- 9.2 The development of the strategy and framework has paid particular attention to the performance data at an individual pupil level, for cohorts of pupils for example those eligible for free school meals, at a school level, local authority level and trends over time. This forms the basis of the work of the strategy and framework and enable targeted work with groups of pupils and schools, improving the outcomes at a community level.

## **10. Equality and Human Rights**

- 10.1 The development and implementation has and will pay due regard to our public sector equality duty to:
- eliminate discrimination, harassment, victimisation and any other conduct prohibited by or under this Act;
  - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - foster good relations between persons who share a relevant protected characteristic and persons who do not share it."

and the focus on particular vulnerable groups will explicitly address this duty.

## **11. Financial Implications**

- 11.1 The resources available for school improvement have reduced over a number of years in line with year on year reductions in government grant. The service has been cut by 60% (£562k in 2012/13 to £225k for 2013/14) and as a result has ceased some activities in terms of direct provision, including some trading. The accreditation of newly qualified teachers is now being done by the Wigmore Teaching School, and governor support services are now provided by surrounding local authorities or private/not for profit organisations, rather than the local authority itself.
- 11.2 The Council has had a role in brokering this support and still has some statutory duties to fulfil in relation to governors. The new model has a small staffing complement alongside funding to purchase support to act on behalf of the local authority. The budget for school improvement advisors is £225k, for a lead for improvement across early years and schools, and for a school improvement advisor. These are posts which require significant expertise and experience of school improvement. The rest of the money (£40k) will be used to buy in specific support, particularly from national and local leaders of education. In addition, school improvement support is provided by the performance team within Children's Wellbeing Services in relation to data and analysis to enable early years and school improvement to function effectively. The additional needs team also work with schools to address improvement from a special educational needs perspective.
- 11.3 These arrangements will be kept under review and the effectiveness monitored closely as this is a very slim structure and resource. The local authority's role is now established as

being involved in individual schools in inverse proportion to the success of the school. In other words a “light touch” approach for good and outstanding schools where our risk assessment does not highlight any particular issues. This approach is set out in the Herefordshire School Improvement Partnership framework and includes the local authority’s approach to warning notices and possible intervention.

- 11.4 The work of the Herefordshire School Improvement Partnership will influence the use of the dedicated schools grant (c.£110m) and school to school support, thereby maximising the use of the overall resources available across the Herefordshire Learning Community.

## **12. Legal Implications**

- 12.1 Section 13A of the Education Act 1996 places a legal duty on the Council to promote high standards and the fulfilment of potential in relation to all its education functions and specifically to ensure that all its education functions are (so far as they are capable of being so exercised) exercised by the authority with a view to:

- (a) promoting high standards;
- (b) ensuring fair access to opportunity for education and training; and
- (c) promoting the fulfilment of learning potential by every child of compulsory school age.

- 12.2 The duty in section 13A applies to community schools, but not to academies. While the Council has no direct responsibility for academies, there is an expectation that there will be a relationship whereby the local authority is aware of standards and in a position to raise concerns directly with the school, or with OfSTED, if there is not a satisfactory response.

- 12.3 Consideration of this report falls within the definition of responsibility delegated to the General Overview and Scrutiny Committee as set out in Part 3 paragraph 3.5.2.1.n of the Council’s Constitution

## **13. Risk Management**

- 13.1 The risks to the Council are that the new model does not deliver the strategic objectives, given that it is a new, untested way of working with considerably less resources available from the local authority than ever before. This will be mitigated through the development of a strong, active Herefordshire School Improvement Partnership Group, by wider engagement with governors through the Herefordshire Governors’ Association which has recently been reinvigorated, and through the clear remit of activity for the new school improvement service. Influencing the use of the dedicated schools grant by schools to address improvement activities would further mitigate the risk.

- 13.2 The effectiveness of the local authority arrangements will be reviewed through performance monitoring. OfSTED may also inspect the local authority, given the performance of some vulnerable groups, particularly those eligible for free school meals in relation to overall progress, and progress in relation to their peers.

- 13.3 There are risks that some schools do not engage with, or value the new approach and still look for a paternalistic model of local authority support. Clear communications are planned, alongside direct work between schools to open up to all to address this risk

## **14. Consultees**

14.1 Herefordshire Schools and Herefordshire Governors

## **15. Appendices**

15.1 Appendix 1 Herefordshire School Improvement Partnership Strategy and Framework

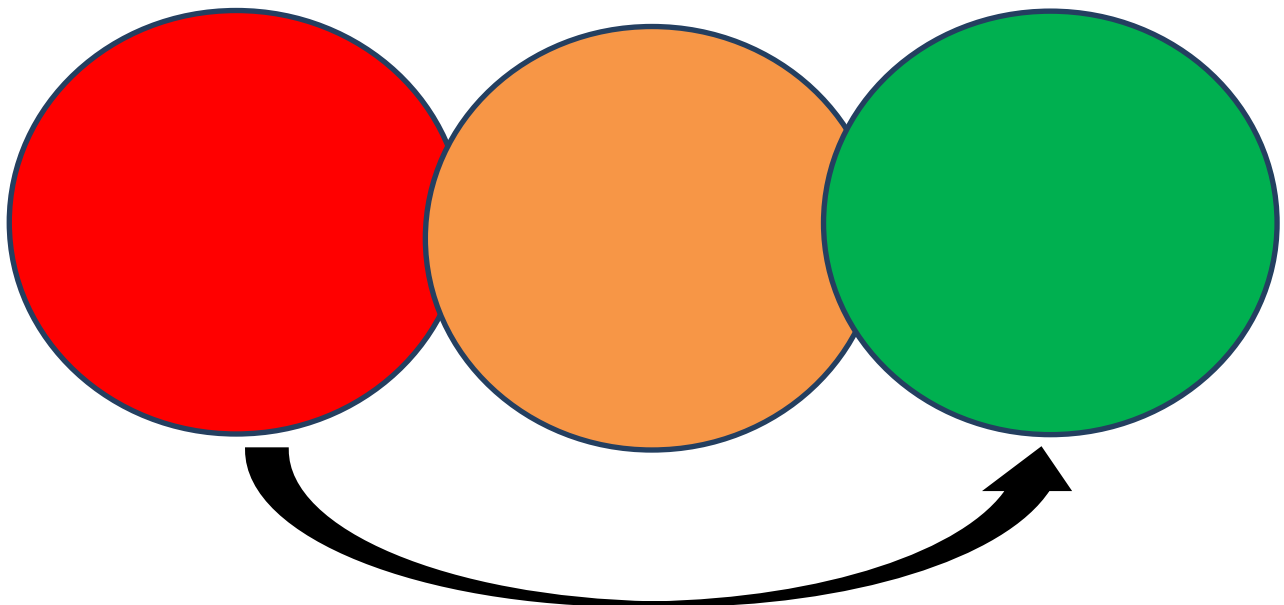
Appendix 2 Presentation of school performance to be circulated by 31 December 2013

## **16. Background Papers**

16.1 None identified.



# ***HEREFORDSHIRE SCHOOL IMPROVEMENT PARTNERSHIP***



Strategy & Framework to Improve Outcomes  
for Learners in Herefordshire  
2013/2014

*“Good ideas come from talented people  
working together”*



## **ACKNOWLEDGEMENT**

This document has been developed with the full participation of a Working Group. We thank all members of the group for their thoughtful and constructive contributions and for the significant time commitment they made for meetings, reading and editing.

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Appendix 5	High Risk Assessment Criteria
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## **Consultation Note**

This document has been subject to detailed consideration by the Working Group and we now welcome comments from all head teachers, governing bodies and stakeholders. The intention is that it starts to take effect from September 2013.

It is not intended to be a definitive document but as a guide to the direction the Working Group believes we must travel together if we are to meet the accountability we have to our children, young people and their parents/carers.

As such the structures and procedures will be subject to on-going review, comment and revision with a full review in the summer term 2014.

## **SECTION 1**

### **STRATEGIC POSITION: “Partners in Learning” to improve outcomes for learners in Herefordshire**

#### **1.1 Introduction**

Leaders, governors and staff of learning establishments, Herefordshire Council, the Diocese of Hereford and Archdiocese of Cardiff are committed to working as partners with children and young people, parents and carers, and other organisations /stakeholders to improve outcomes for children and young people and their transition into adulthood.

This commitment is an acknowledgement of our collective accountability to all our children and young people.

Our mission statement and guiding principles are explicit about what we wish to achieve.

#### **1.2 Mission statement of the Herefordshire Learning Community**

“Our business is about educating and developing EVERY child and young person within a cost effective and sustainable learning community.

We will have the highest expectation and belief in every individual’s talents and abilities - we will not turn our back on anyone.”

#### **1.3 Guiding Principles of the Herefordshire Learning Community:**

- Have the highest expectations and aspirations for every child and young person;
- Educate and develop the intellectual, physical, social and spiritual needs of every child and young person to help them achieve their best and enable them to make a positive contribution;
- Provide high quality teaching and learning, care, guidance and support;
- Have a curriculum and other learning opportunities that meet the needs of Herefordshire children and young people;
- Contribute to mutually supportive relationships with parents, carers and other agencies that put the needs and aspirations of children and young people first;
- Work with businesses to create learning experiences that are relevant to the world of work and the economic needs of Herefordshire;
- Work with partners to ensure every child and young person has barriers to their learning identified early then reduce or remove the impact;
- Implement and commission appropriate collaborative partnerships within and across education phases to deliver high quality, cost-effective, education provision;
- Ensure that all providers of education contribute to the development of their communities and to the wider community of Herefordshire.

#### **1.4 Herefordshire School Improvement Partnership**

The concept of a Herefordshire School Improvement Partnership is the response of schools and the local authority and the dioceses to develop a local model to promote school improvement suited to schools needs against a background of rapid change in the national education agenda.

While a key driver is the greater autonomy of schools and an evolving relationship with the local authority it is also recognition of the significant change agenda for schools, particularly concerning the curriculum and assessment. Schools and the Council believe this is best managed through collective support and shared learning.

There are a number of strong partnership approaches across Herefordshire; some such as Activate have built up a successful approach to shared learning over a number of years. Others such as the Wigmore Teaching School Alliance, have only recently come into existence, but build on a successful foundation of improvement, recognised by the national agenda and approval process to be a teaching school. There are also talented and committed head teachers, governors and leadership arrangements across schools that have successfully driven improvement.

The Partnership is open to all schools in Herefordshire and will evolve in how it operates in a school-led improvement framework.

The first underlying theme of this strategic approach is mutual trust between the local authority and schools that relies on collective accountability for the outcomes of children and young people across the County. It assumes that all schools and the local authority are independent and valued partners who may have different statutory accountabilities but share the same moral purpose.

The second underlying theme is the respect for the autonomy of schools. All schools, even where supported by intervention, are responsible for their improvement. Schools will achieve this through knowledge of their children and young people, their relationship with their parents/carers and local community, committed governors and staff, strong evidence based self-evaluation, and use of external support and challenge.

The third theme is that all schools will seek continual improvement for all their children and young people. This is best achieved by sharing knowledge, expertise and experience rather than working in isolation.

The Partnership will promote and value diversity among schools, support a range of networks and alliances so that there is a breadth of expertise to provide challenge to thinking, promote the development of expertise within governors, promote shared practice development within and across schools and improve learning outcomes for all our children and young people, in particular accelerated progress by vulnerable groups.

### **1.5 Policy and Framework for School Improvement**

This document sets out the main principles and processes to support a collaborative approach to school improvement for all schools. Initially the local authority will work with a group of head teachers who have chosen to develop their role as system leaders or who have a track record of school improvement. The underlying premise of the school improvement policy and framework is that through school alliances, school-to-school support, and schools not operating in isolation that this will develop as a partnership involving all schools with common accountabilities and shared responsibilities.

## **1.6 Strategic Objectives**

*(To be developed further in consultation with the Strategic Education Group and the School Improvement Group)*

- Good or outstanding schools as judged by Ofsted;
- Top quartile performance including vulnerable groups;
- Top three of statistical neighbours where in top quartile.

## SECTION 2

### FRAMEWORK AND POLICY FOR SCHOOL IMPROVEMENT

#### 2.1 Improvement through Collaboration and Partnering

This framework and policy for school improvement is applicable to all state funded schools (local authority maintained, academies, and free schools) in Herefordshire. To develop, implement and monitor its effectiveness the local authority will work with a group of head teachers who have chosen to develop their role as system leaders and/or have a track record of improving schools. This group will be known as the School Improvement Group.

Every learner in Herefordshire has the right to participate fully in learning in schools and other settings and to achieve high standards in as many areas of her/his education as possible. We (the local authority) believe this will be achieved in schools and settings where there is strong leadership and management, high quality teaching and learning, and the participation and engagement of children and young people. We support the autonomy of schools so they are in the main responsible for their own improvement. Autonomy does not mean isolation and we believe in a school-led improvement system, where schools, the local authority and other stakeholders work together as independent, valued partners, sharing a collective accountability to children, young people and their parents/carers.

The framework and policy for school improvement is based on the premise that all schools seek to continually improve outcomes for their children and young people. We believe that self-improving schools welcome challenge to support their continuous improvement. Challenge comes from within: leadership/ management, practitioners, students and the governing body. It should also come from an externally commissioned source. This framework is intended to support a collaborative, school-led improvement system that:

- provides a supportive and challenging environment for school leadership and governance;
- moves high performing schools or groups of children and young people to the next level of achievement and success;
- challenges underperformance and/or low achievement by schools and/ or groups of children and young people (for example Free School Meals (FSM), High Mobility);
- promotes autonomy but schools choose to work collaboratively for innovation and practice development so as to improve leadership, management, teaching and learning;
- shares information on practice and professional development and makes this is available to all schools;
- expects high performing schools to support the development of the wider school community.

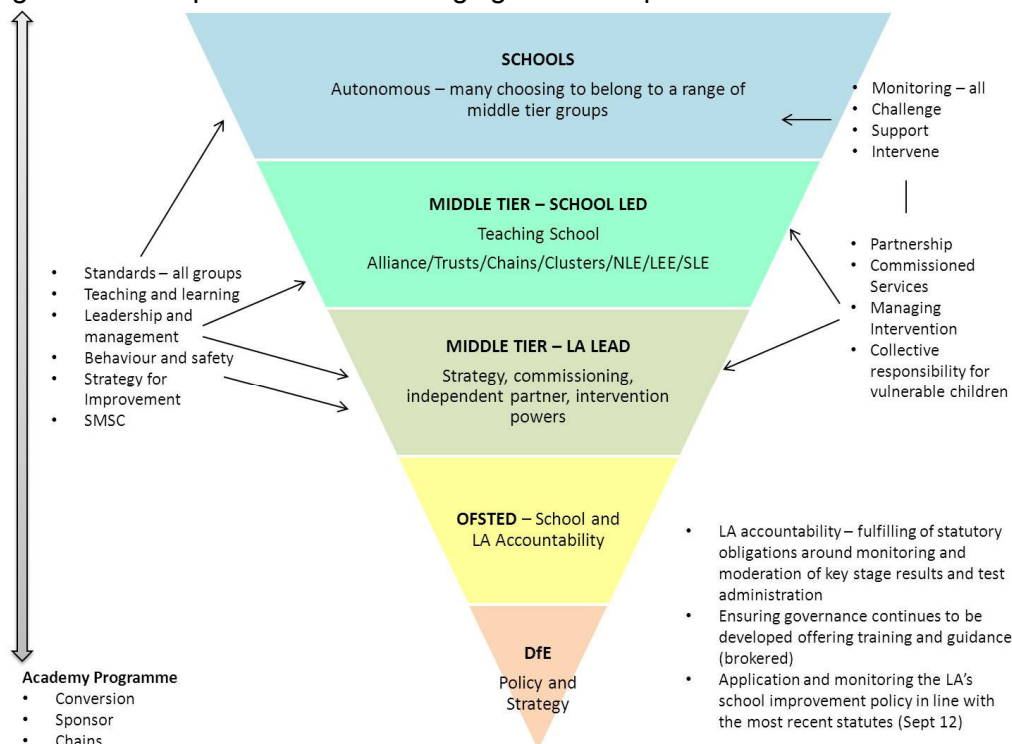
We recognise that as part of the culture of autonomy schools are seeking a range of alliances to support their own improvement. The local authority, school-led alliances and other groups (for example the Diocesan Board of Education) are now known as the “middle tier”<sup>1</sup> and the local authority will seek to work in partnership with these groups in order to provide a coherent

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<sup>1</sup> Mourshed, Chioke, Barber: How the World’s most improved school systems keep getting better McKinsey November 2010

improvement framework for schools and ensure that no school operates in isolation.

The diagram below represents these emerging relationships:



## 2.2 The School Improvement Group

To oversee the development, application and evaluation of the school improvement framework and policy there will be a School Improvement Group. The group needs to be small enough to operate effectively but also of a size to be representative of the school community in Herefordshire. The local authority will nominate head teachers from the National and Local Leaders of Education, the Teaching School Alliance and head teachers with a record of improving schools and outcomes for children and young people to be members of the group. The proposed membership is:

- Local authority;
- Diocesan Board of Education representative;
- Archdiocese representative;
- Teaching School 1 representative;
- National Leaders in Education x 3 (primary / secondary / special);
- Local Leaders in Education x 2 (primary/ secondary);
- Head teachers with a record of school improvement and /or a specific area of expertise as required.

While consistency in attendance is important, so is the spread of experience in the meetings, so members of the group will be able to send an agreed substitute from their group /phase if they are unable to attend a meeting. Membership will normally run for two academic years and will be reviewed after 18 months.

## **2.3 Functions of the School Improvement Group**

The School Improvement Group will have a cycle of meetings throughout the year (Appendix 1) which will be planned around key performance dates and a local review cycle. The main function of the School Improvement Group is to work in collaboration with the local authority to support the self-improvement of all schools and the local authority so that all children and young people achieve good outcomes from their time in schooling and can access further educational opportunities.

The areas of work of the group will be to:

- develop and implement a risk assessment approach to the monitoring of schools which supports schools in their own self-evaluation and identifies where the local authority needs a more detailed conversation with a school;
- review performance, management information and practice on thematic issues to enable schools to review their own performance, for example the rate of progress of vulnerable groups;
- develop a system to identify effective practice within the County and through schools' membership of national networks and facilitates the dissemination of this practice;
- promote research and joint practice development around standards of teaching and learning and leadership and management;
- promote school-to-school support and collaboration, including evaluation and guidance on effective collaboration;
- review the support available to schools to enable them to improve;
- advise on effective practice where it is agreed that the local authority needs to support and intervene with a school to bring about rapid improvement;
- feed into the reporting process for elected members on the performance of schools (Appendix 2);
- inform and challenge the local authority so that it works to improve its performance.

The School Improvement Group may add further functions or activities and review its relationship with other groups in the County (Appendix 3) as it develops its role.

## **2.4 Managing Change and Risk: Monitoring, Challenge, Support and Intervention**

The statutory basis for monitoring, challenging, support and intervention for both schools and the local authority is contained in Appendix 4. The underlying aim is achieved through our collective moral purpose to provide schooling that achieves the best possible outcomes for all children and young people in Herefordshire. It also recognises that the next few years will see significant changes for schools including in the curriculum and assessment process. This is best managed through shared expertise, talented people working together and achieving system wide improvement (i.e. all schools).

### **2.4.1 Monitoring**

The local authority will carry out a desktop risk assessment of all schools and share this with the School Improvement Group. It is important to remember that a risk assessment is not a judgement rather it is a tool to identify factors that may affect performance especially where there is organisational or nationally introduced change.

The areas covered by the risk assessment are attached in Appendix 5. The initial risk assessment will be carried out and agreed with the School Improvement Group in the Autumn Term each year. It will be reviewed and updated each term to reflect organisational changes and performance data publication. At the beginning of the Autumn Term schools will be invited to share their own assessment based on self-evaluation, including external reviews, as part of the risk assessment process.

On the basis of the headline assessment the risk to schools and outcomes for children and young people will be identified as per the table below:

<b>Risk level</b>	<b>Description</b>
Low	Performance data good or showing an improving trend (above floor standards) – progress data Vulnerable groups – accelerated progress No significant organisational or Ofsted factors
Medium	Performance data shows significant variation over three years or a downward trend – emphasis on progress data Vulnerable groups –progress below authority average and gap not closing One or two organisational /Ofsted factors (other than category)
High	Performance data on downward trend / below floor standard – emphasis on progress data Vulnerable groups –progress is worsening Several organisational / Ofsted factors

Once the risk assessment has been agreed with the School Improvement Group the local Authority and relevant authority (for example Diocesan Board) will notify each school of the assessment. The aim of the risk assessment is to ensure the attention of the head teacher and governing body is drawn to any issues or combination of factors which are or could affect performance and to take actions to mitigate the risk.

Notification to schools of the risk assessment will lead to the following actions:

Where it is low risk, it will be for the school to decide if it wishes further clarification or support.

Where the risk assessment is medium for maintained schools the local authority will arrange a meeting with the head teacher by a School Improvement Adviser or NLE to discuss whether there are risks and the potential impact on outcomes. An academy will be able to commission a similar conversation or use the assessment to inform its own arrangement for external challenge.



Where the risk assessment is high for a maintained school the local authority will draw up a more detailed risk assessment (Appendix 6). This will be the subject of a conversation by an SIA /NLE with the head teacher and chair of the governing body against the school's own self-evaluation. This will lead to second level risk assessment based around the Ofsted framework for schools and may lead to a support plan or intervention. There will be additional monitoring visits in this case. For an academy the Director and/or Director of the Diocesan Board of Education will invite the chair of governors and head teacher to comment on the assessment and advise her/him of any actions the school intends to take to mitigate the risk.

### **2.4.2 Challenge**

Schools within a self-improving system will welcome challenge as a driver for development. The local authority working with head teachers and middle tier alliances will provide challenge in three ways:

- with individual schools by agreeing the headline risk assessment of schools and the process of conversations where medium and high risks are identified for schools, in particular the progress of all and specific groups of children and young people. It will also assist in reviewing the evidence of impact of support and/or intervention packages in schools with high risk factors;
- with all schools by thematic reviews based on performance data for specific key stages, subjects or groups of children and young people and reviews of effective practice to address under-performance/ low-achievement;
- by reviewing the effectiveness of collaborative working and the role of middle tier bodies including the local authority and its self-evaluation evidence.

### **2.4.3 Support and Intervention**

Schools are responsible for commissioning their own support. This will be part of the self-evaluation / external review process and a planned approach to the internal interventions. Investing in support to address areas for improvement is important as the cost of not taking action can be significantly higher: financially, in lack of progress by children and young people, staff morale and the reputation of the school. Information on and access to appropriate support is integral to a school's improvement planning and its internal interventions to improve leadership, management, teaching and learning. The School Improvement Group will assist this process by signposting:

- expertise and support available from schools in the County; for example NLE/LLE/SLE, the teaching school, local groups such as Activate;
- expertise and support available including continuing professional development through school alliances;
- access to national networks and expertise in schools outside of the County through the School Improvement Group members;
- Higher Education links.

Working with the School Improvement Group, the Teaching School Alliance and other alliances the local authority will support the web-enabled access to information on support and professional development by school based staff ([www.hereteach.org.uk](http://www.hereteach.org.uk)).

Where appropriate the local authority, School Improvement Group or member body will help broker school-to-school support. The School Improvement Group will also promote shared practice development including evaluation frameworks to assess the impact of joint working.

The aim of the risk assessment is to support schools in the early identification of potential or real and issues that impact on performance so that the school can plan its own interventions or work in a partnership with other schools so that concern does not become a crisis.

Where there is a charge to schools for example for NLE time, there will be an agreed and published rate.

#### **2.4.4 Statutory Intervention**

Effective intervention needs to be early and sharply targeted so as to achieve swift improvement where necessary and prevent a decline in outcomes for the children and young people and an Ofsted inspection placing the school in category. The local authority will always aim to work with the leadership and governing body of a school to improve outcomes for children and young people.

Where a maintained school does not wish work with us or there are judged to be significant barriers to improvement the local authority will use the statutory intervention powers.

While the local authority has no power with regards to academies there is an expectation from the termly meetings with DfE and Ofsted that the local authority will inform the school and if appropriate the sponsor of any concerns, and thereafter the DfE. The local authority's aim will be to work with schools in such circumstances. Where we believe concerns are not being addressed we will inform the Department for Education (Academies and Performance Division) and they may decide on advising the Secretary of State to use her/his statutory powers.

The School Improvement Group does has a key role in ensuring that the intervention process is transparent, applied fairly and that intervention is speedy (and early if possible) so as to enable rapid improvement by the school. The School Improvement Group may be asked through its support role to advise on appropriate support programmes.

## **SECTION 3**

### **SUPPORT AND INTERVENTION**

#### **3.1 Introduction**

The sections of the document above set out how leaders, governors and staff of learning establishments, Herefordshire Council and the dioceses are committed to working as a partner with children and young people, the parents and carers, and other organisations /stakeholders to improve outcomes for children and young people. The policy and framework for school improvement sets out how this will work in practice including support for, and where appropriate intervention in, the development and continuous improvement

#### **3.2 Support and Intervention - Maintained Schools**

Schools are responsible for commissioning their own support. This will be part of the self-evaluation / external review process and a planned approach to the internal interventions so as to enable their children and young people to meet the challenges of academic excellence, responsibility and leadership, spiritual awareness and participation in a wide variety of activities.

The local authority, working with the School Improvement Group, will signpost where schools can obtain support from. Where the risk assessment process identifies areas of serious concern the local authority will discuss with the governing body and school leadership the actions that need to be taken to bring about rapid improvement and where appropriate help broker that support and monitor its impact. Where the school is a controlled or aided faith school the local authority will also consult with the Diocesan Board of Education or the Archdiocese.

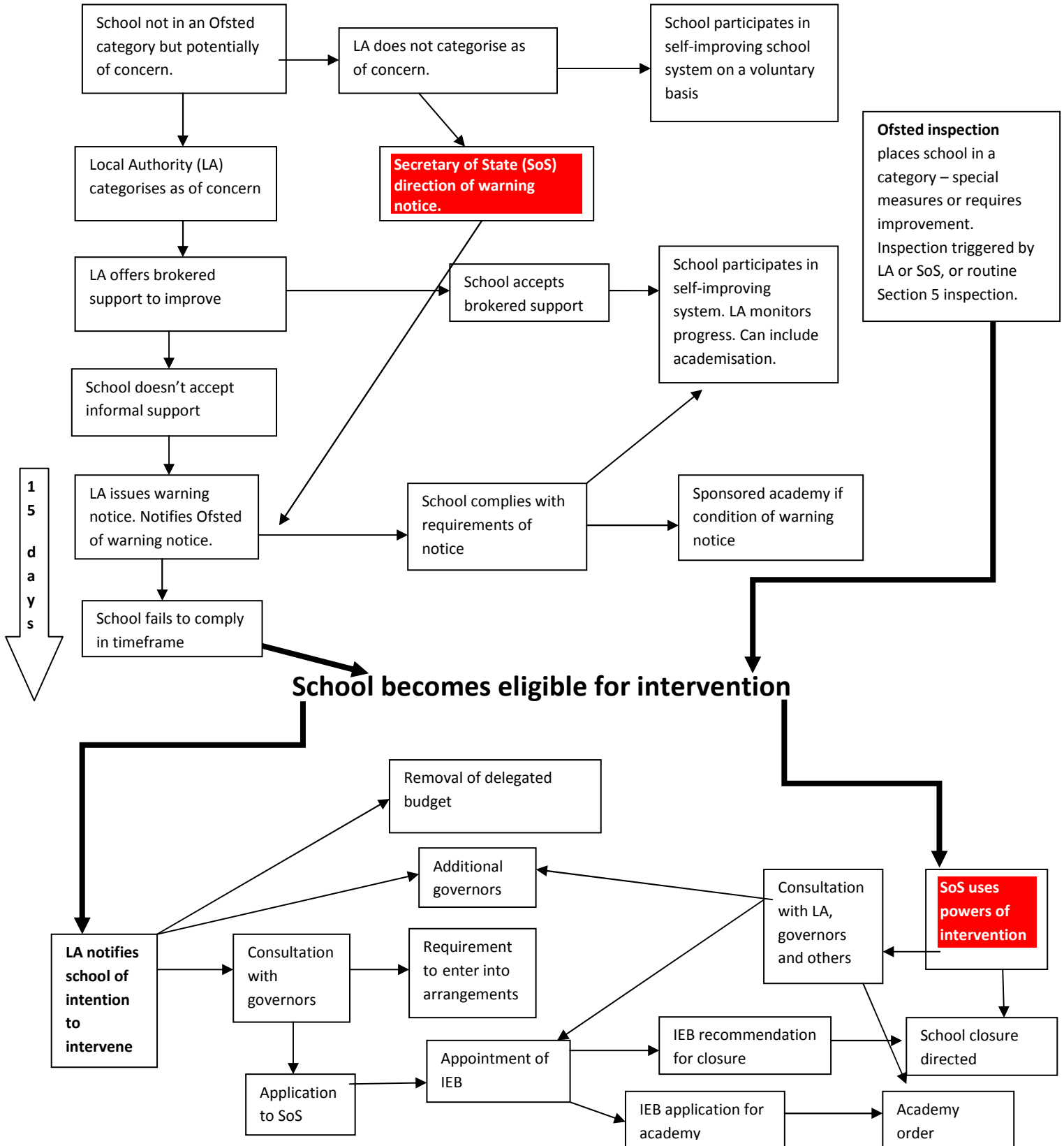
The aim is to ensure early intervention so that if possible no school is classed by Ofsted as requiring special measures. Where a school governing body decides not to follow the local authority advice / guidance then the local authority will consider the statutory powers available to it and intervene speedily so as to protect the interests of the children and young people at the school. These powers are shown in the diagram over-page and their use explained in following sections.

#### **3.3 Support and Intervention - Academies**

As previously stated the local authority has no power with regards to academies though there is an expectation (DfE and Ofsted) that the local authority will inform the school and if appropriate the sponsor of any concerns, and thereafter the DfE. The local authority would wish to work with an academy over which it had concerns. Where the school does not take actions to address concerns then the local authority will liaise with the DfE. Any intervention will be determined by the Secretary of State and are similar to those in the diagram below with the following modifications:

- the Secretary of State could change or appoint a sponsor;
- will not appoint additional governors.

### 3.4 Diagram Illustrating Support and Intervention



### **3.5 Implementing Intervention**

The local authority will issue a warning notice to the governing body, copied to the head teacher, setting out the concerns, the expected actions by the governing body, the timescale in which action is expected to bring about improvement. The Governing Body have fifteen days in which to accept the warning notice or appeal, including an appeal to the Secretary of State / Ofsted.

Then local authority, working with the Diocesan Board of Education or the Archdiocese where the school is aided or controlled, will then use which powers it believes is most appropriate.

Where Her Majesty's Chief Inspector decides a school requires special measures and the Secretary of state has been notified (prior to publication of the report) the local authority has the power to take action immediately, for example the appointment of an Interim Executive Board.

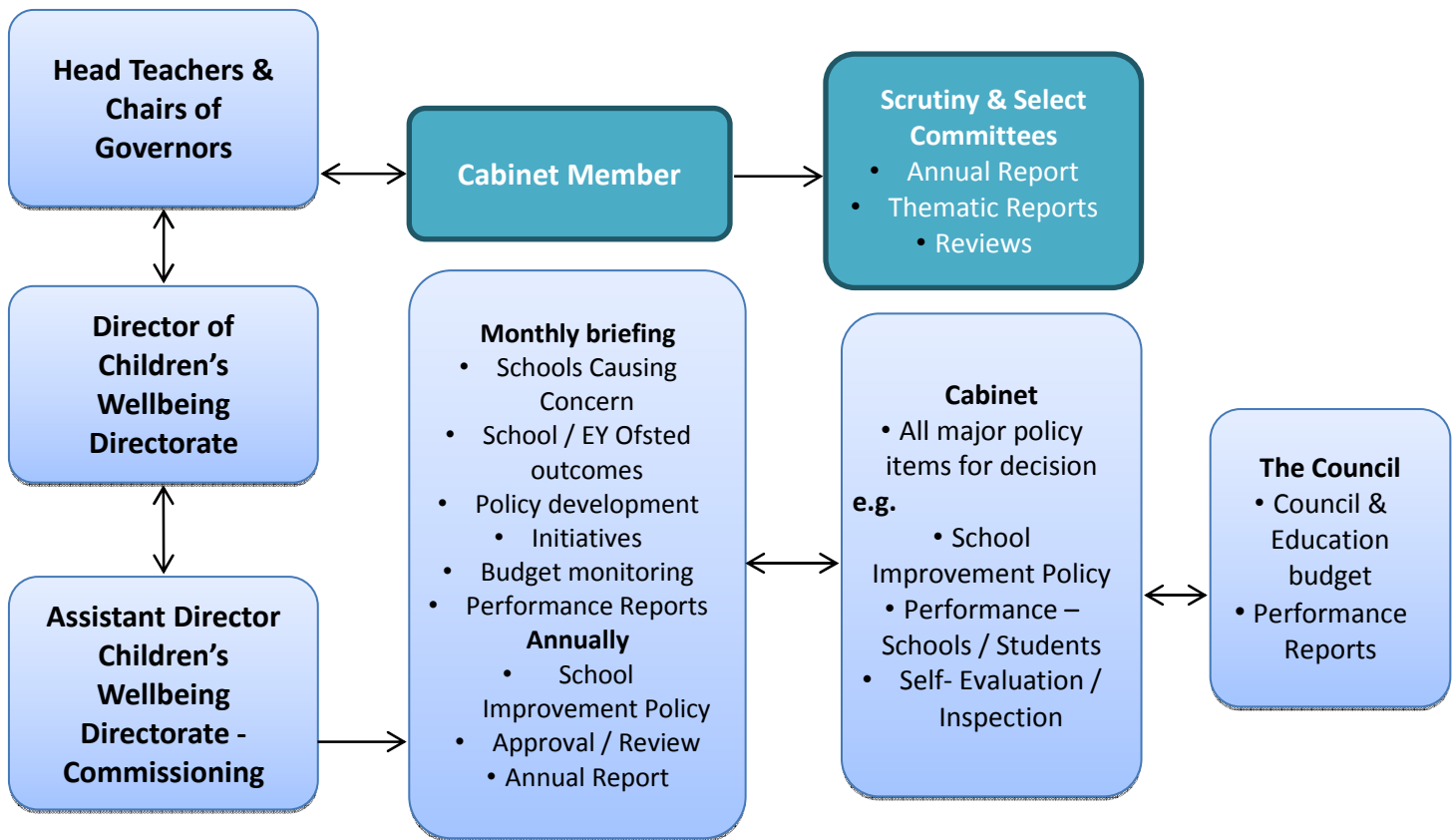
The intention is for intervention to be speedy and the use of intervention powers to be withdrawn as soon as improvement at the school has been secured.

## Appendices

### Appendix 1- Work Programme for the School Improvement Partnership

When	Items
10 October (9.00am-12.00 Noon)	Risk assessment – schools and actions Developing the directory School-to-school support / development work November conference
8 November	Ofsted Conference on closing the gap for vulnerable groups
21 November (2.00pm-5.00pm)	Feedback on risk assessment Update on risk assessment e.g. changes with validated data Conference feedback and resulting actions Directory Feedback on first and second stage risk assessment Report on Ofsted inspection outcomes Any issues from publication of performance data
February / March	Review of any changes to for individual school risk assessment Progress with practice directory Thematic report e.g. good governance with external input Any issues from publication of performance data
May	Review of any changes to for individual school risk assessment Report on Ofsted inspection outcomes Thematic report Practice development
June	Review year and plan programme for next academic year

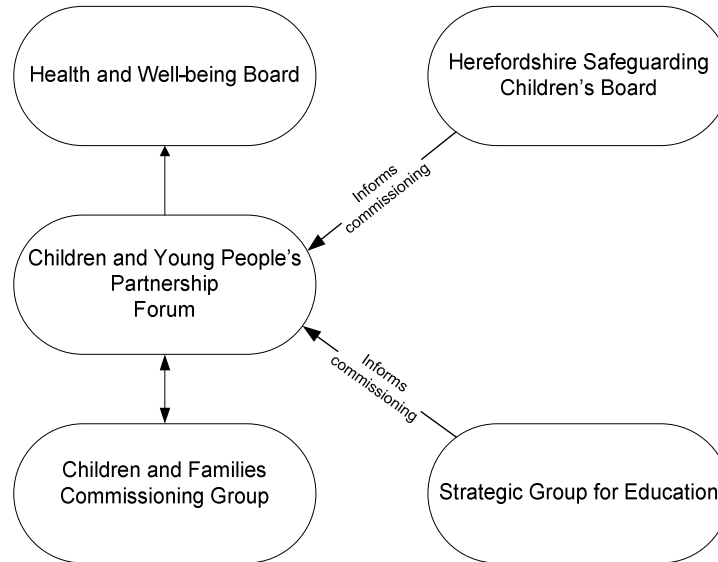
## Appendix 2 – Reporting to Elected Members on School Improvement.



## Appendix 3: Consultative and Strategic Groups

Our approach to school improvement forms a critical part of Herefordshire's drive to improve outcomes for our children and young people, particularly for vulnerable groups.

The diagram below sets out the overall partnership governance structure within Herefordshire



The purpose of the Strategic Group for Education is:

- I. To give strategic leadership to improving education across Herefordshire.
- II. To recognise and celebrate high achievement and progress.
- III. Test out and develop priorities that will support improvement.
- IV. To constructively challenge areas and aspects of underperformance.

The group considers issues from a whole county perspective and covers the whole range of issues including for example overall achievement, vulnerable and minority groups, admissions, sufficiency, planning, performance, and does this from early years through school age and into higher education.

The Strategic Group is supported by three sub groups

- Early Years Group;
- School Improvement Group;
- 11-19 Group.

Underpinning the work of these groups is Herefordshire Learning Communities approach to Closing the Gap.



## **The role of Schools Forum**

Schools Forum is made up of representatives from schools and academies, but with some representation from other non-school organisations, such as nursery and post-16. The forum acts as a consultative body on some issues and a decision making body on others.

The forum acts in a consultative role for:

- Changes to the local funding formula. (The local authority is responsible for the final decision, although in some cases it may delegate the decision-making power to the Schools Forum);
- Proposed changes to the operation of the minimum funding guarantee;
- Changes to or new contracts affecting schools (e.g. school meals);
- Arrangements for pupils with special educational needs, in pupil referral units and in early year's provision.

The forum is responsible for decisions on:

- How much funding may be centrally retained within the Dedicated Schools Grant (e.g. for the Admissions Service, prudential borrowing costs, additional funding available for growing schools);
- Any proposed carry forward of deficits on central spend from one year to the next;
- Proposals to de-delegate funding from maintained primary and secondary schools (e.g. for staff supply cover, insurance, behaviour support);
- Changes to the scheme of financial management.

## **Schools' representation**

Schools and academies representatives on the forum should be roughly proportionate to the number of pupils in each sector and would generally include representatives from:

- Maintained primary, secondary and special schools;
- Maintained pupil referral units;
- Academies and free schools.

Where there is at least one school in a particular category, there must be at least one representative for that group on the forum.

Representatives should be elected by their peer group. In the case of maintained schools, representatives should be head teachers (or their representatives) or governors, elected by their appropriate phase. Academies members should be elected by the Academy Trusts in the local authority area.

## **Appendix 4 – Statutory Framework for Schools and the Local Authority**

Under section 13A of the Education Act 1996, as amended by section 1 of the Education and Inspections Act 2006, the council has a legal duty to promote high standards and the fulfilment of potential in relation to all its education functions. This section applies to education for children of compulsory school age, whether at school or otherwise; and children under or over that age who are registered as pupils at schools maintained by the council. A child is defined as a person under the age of 20.

Section 13A places a legal duty on the council to ensure that all its education functions are (so far as they are capable of being so exercised) exercised by the authority with a view to:

- (a) promoting high standards;
- (b) ensuring fair access to opportunity for education and training; and
- (c) promoting the fulfilment of learning potential by every person to whom the section applies.

This duty applies to community schools, but not to academies. While the council has no direct responsibility for academies, there is an expectation that there will be a relationship whereby the local authority is aware of standards and in a position to raise concerns directly with the school, or with Ofsted, if there is not a satisfactory response.

Various Education Acts define the responsibility of schools and governors with respect to financial management, staffing, the curriculum and inspection. There are also prescribed general responsibilities around specific groups of children and young people.

## Appendix 5 – High Level Risk assessment of schools

Notes:

1. The risk assessment process is being aligned with that used by Ofsted and will be modified in the light of any changes to Ofsted frameworks
2. The initial assessment will be carried out at the start of the academic year but it is a rolling process so that changes (for example publication of final validated data, Ofsted anniversaries) may lead to revised assessments during the year.
3. The focus is on attainment and progress of children and young people
4. In the primary phase attainment / progress data has been translated into quartiles (county data)

### High Risk

#### Primary Schools

- Below Floor targets (with 11 or more children in cohort) for progress measures:
- Below 60% with combined scores for Reading, writing, maths;
- Less than 92% median percentage in English; and
- Less than 90% median percentage in Maths.

Five or more of the eight measures in fourth quartile (lowest) within county.

- EYFS;
- Phonics;
- Year two reading;
- Year two writing;
- Year two maths;
- Year six reading;
- Year six writing;
- Year six maths.

#### Secondary Schools

- Below floor standard (40%) for 5+ GCSE A\* - C incl E & M;
- Poor level of progress in English and mathematics.

#### All schools

- Ofsted category or Requiring Improvement;
- Inequalities gaps in attainment and progress for vulnerable pupils are high, not reducing and /or a trend of low attainment over at least three years This includes Free School Meals (FSM), Black Minority Ethnic (BME) , Gypsy, Roma and Traveller (GRT), English as an Additional Language (EAL), Special Educational Needs (SEN) children;
- Imminence of Ofsted inspection (relative to last inspection date):
  - Over three years for Good / Outstanding schools
  - Over twelve months for Satisfactory.

### Medium risk

#### Enhanced priority

Schools with

- Ofsted Anniversary dependent on date and grading;
- Four of the eight measures in fourth quartile (primary);

- Significant variation in performance between English / mathematics and/or year-on-year and/or boys / girls (secondary);
- A declining trend in attainment/progress over 2 and/or 3 year;
- Significant gaps in attainment and progress for vulnerable pupils with little improvement. year-on-year.

#### Timetabled support

Schools with:

- Significant gaps in attainment and progress for vulnerable pupils but with trend of improvement;
- New heads/federation/amalgamation/governor support necessary;
- Leadership issues (e.g. recruitment of senior leaders);
- Low attendance;
- Falling roles.

#### **Low risk (at least three indicators)**

- Experienced leadership and governance;
- Good or Outstanding grading in a recent inspection last two years;
- Consistent trend of achievement and attainment: actual and progress measures;
- The achievement of pupils for whom the pupil premium provides support at least matches that of other pupils in the school or has risen rapidly, including in English and mathematics;
- The standards of attainment of all groups of pupils are likely to be at least in line with national averages or a trend in that direction over 2 – 3 years.

## **Appendix 6: Support and Intervention**

### **a. The Legal Basis for Intervention**

Various Education Acts have detailed and developed the statutory powers of the local authority for intervention in schools:

#### **Standards and Framework Act 1998 Sections 16 and 17 Schedule 15**

- Issue a formal warning notice to the governing body;
- Power for the local authority to appoint additional governors;
- Suspend the school's delegated budget;
- Replace the governing body with an Interim Executive Board.

#### **Education Act 2002 Sections 54- 59 and Schedules 3, 5 and 6**

The Act confirmed the above powers but also provides a framework to allow them to be applied more rapidly, in particular establishing an Interim Executive Board where a governing body has not complied with a warning notice or the school is deemed by Ofsted to require special measures.

#### **Education and Inspection Act 2006**

- Part 1 Section 1: the duty of the local authority in relation to promoting high standards and fulfilment of potential;
- Part 4 Sections 59-66: reiteration of the local authority powers of intervention. Section 63 enables the local authority to direct a governing body to work with another nominated school to bring about improvement;
- Part 4 Sections 67-69: sets out the authority for the Secretary of State to intervene when it is thought the local authority has not taken action. It is also the enabling legislation for the Secretary of State to intervene in academies or free schools.

### **b. Formal Warning Notice**

Where the governing body of a maintained school has refused to work with the local authority to address areas of serious concern identified by the risk assessment process a warning notice will be issued. The warning notice will be to the governing body, copied to the head teacher, and will set out:

- the nature of and basis for concerns;
- action taken to date by the local authority to support the school;
- action the Director of Children's Wellbeing requires the governing body to take and the period for this action (not more than six months) to bring about improvement;
- criteria to assess improvement (focus on student progress);
- establishing a project group to review and monitor progress.

The governing body has fifteen days in which to consider the warning notice and either accept the proposed actions or appeal to the Secretary of State.

### **c. Suspending the School's Delegated Budget**

The Director of Children's Wellbeing may suspend governing body powers under financial delegation. This action will be taken where the governing body has:

- failed to comply with the agreed scheme;
- action is needed to safeguard the financial position of the school or local authority.

The last point can be interpreted widely and include the need to address around staffing.

Where delegation is to be removed the governing body should be given written notice outline the reasons for such action and a period of time in which to agree or to appeal to the Secretary of State. Where the Director has serious concerns the suspension may take effect of the date of the written notice.

Once delegation has been removed the local authority will work with the governing body and head teacher to address the areas of concern with the aim at returning delegated powers at the earliest possible date.

#### **d. Interim Executive Board**

Where governance is identified as a key issues and a barrier to improvement the Director may decide to replace the governing body with an Interim Executive Board (IEB). The IEB will be appointed by the local authority and normally consist of three or five members who have the expertise to work with the leadership of the school to bring about rapid improvement. The aim of a small group is to speed decision making.

Where an IEB is to be established the Director will consult with the governing body and other stakeholders.

The aim will be to return to normal governance arrangements as soon as possible (normally within twelve months).

#### **e. Establish Arrangements to Work with another School**

The basic premise of this school improvement policy and framework is a school-led self-improving system where sharing and collaboration is the norm. Where there are serious concerns over a school the Director may determine that more formal arrangements for collaboration and support are required. The exact arrangement will be based on particular need and experience of what is effective (the School Improvement Group will gather case studies as part of its work).

#### **f. Project Group**

When a school is high risk following the headline and detailed risk assessment or in an Ofsted category there will be a requirement from the Director to instigate a Project Group to monitor the actions taken by the school against agreed outcomes recorded in the Rapid Recovery Plan within an agreed timeframe.

Aims:

- To liaise on the Rapid Recovery Plan and the support for delivery;
- To monitor progress against the outcomes in the Rapid Recovery Plan and to measure the impact of these actions;
- To agree the next steps;
- To challenge lack of progress.

Timescale:

- The Project Group will meet at regular intervals of no more than one month.

Key Personnel:

The School Improvement Adviser (or commissioned NLE) will coordinate the Project Group.

The core members will include:

- Head teacher;
- Chair of Governors;
- School Improvement Adviser;
- and /or NLE/LLE (as appropriate);
- any other person who will bring required expertise to the discussion.

Procedures:

- The Head Teacher will produce a Rapid Recovery Plan with the support of the School Improvement Adviser (NLE/LLE as appropriate) and Chair of Governors. The plan will outline the remedial actions needed to address the areas identified. It will include agreed outcomes and timescales. This is copied to the Assistant Director (Commissioning) and Director for People's Services;
- The appropriate officer will liaise with the head teacher and the School Improvement Group so that targeted support can be commissioned;
- At each Project Group meeting, the head teacher will report back on progress made against each key issue. Progress will be evaluated and new actions agreed as appropriate.

Roles of the Project Group:

- To evaluate progress on any actions identified at the previous meeting;
- To identify barriers to improvement and what is to be done to overcome them or tackle them;
- To formulate bids for resources and monitor and evaluate the impact of these;
- To agree any amendments or add to the identified concern;
- To ensure minutes of each meeting are kept and copied to the appropriate bodies.





<b>MEETING:</b>	<b>GENERAL OVERVIEW AND SCRUTINY COMMITTEE</b>
<b>DATE:</b>	<b>6 JANUARY 2014 (DEFERRED FROM 11 NOVEMBER 2013)</b>
<b>TITLE OF REPORT:</b>	<b>FREEDOM OF INFORMATION AND ARM'S LENGTH COMPANIES - AN UPDATE</b>
<b>REPORT BY:</b>	<b>HEAD OF GOVERNANCE</b>

### 1. Classification

Open.

### 2. Key Decision

This is not an executive decision.

### 3. Wards Affected

County-wide.

### 4. Purpose

To update the Committee on the freedom of information report presented on 4 March 2013.

### 5. Recommendation

**THAT:**

**(a) The Committee notes the report.**

### 6. Reason for Report

- 6.1 An allegation was made at General Overview and Scrutiny Committee on 3 September 2013 that the Committee had been misled in connection with the report 'Freedom of Information and Arm's Length Companies'. The allegation states that the Committee were given misleading information about the governance of Hereford Futures and how the Freedom of Information Act 2000 applies to such companies.

### 7. Key Considerations

- 7.1 As a direct result from a complaint received from a member of public into this allegation, the matter was referred to the Solicitor to the Council. The substance of his response to the complainant was as follows (references to the name of the complainant have been anonymised):

"I have read the report entitled 'Freedom of Information and Arm's Length Companies' ('the Report') which was considered by the General Overview and Scrutiny Committee ('GOSC') on 4 March 2013. The Report was written by Geoff Hardy, a solicitor and the council's former Governance Services Manager. In addition, I have read the questions and the published answers contained in the Supplement to the Agenda for the GOSC meeting on 4 March 2013. Lastly, I have also undertaken a company search for Hereford Futures Limited. I am satisfied that the Report, and particularly paragraphs 9.9 and 10.4, presents an accurate statement of the relevant law on Freedom of Information as applicable to Hereford Futures Limited.

It seems to me that the essence of the complaint centres on the answer given by Mr Jones to his/her Question 1 ('Question 1') to the GOSC on 4 March 2013. That question and answer exchange are set out below.

*Question 1. AS Hereford Futures Ltd has no shareholders, but is wholly funded by Herefordshire Council, could the situation regarding FOI and private companies limited by guarantee please be clarified?*

*Answer. For the purposes of the Freedom of Information Act, Hereford Futures is not wholly owned by Herefordshire Council, it is owned by the directors and Herefordshire Council has only a minority interest. Hereford Futures has a number of public and private funding sources, and for these reason (sic) does not come under the terms of Section 3 or Section 6 of the Freedom of Information Act. Hereford Futures does not hold information on behalf of Herefordshire Council, it holds information as a company in its own right. With reference to the point raised in question one: "As Hereford Futures Ltd has no shareholders, but is wholly funded by Herefordshire Council." I am informed that "Hereford Futures is not wholly owned by Herefordshire Council, it is owned by the directors and Herefordshire Council has only a minority interest. Hereford Futures has a number of public and private funding sources, and for these reason (sic) does not come under the terms of Section 3 or Section 6 of the Freedom of Information Act." "...could the situation regarding FOI and private companies limited by guarantee please be clarified" I consider that Geoff's report more than adequately sets out how FOI works in relation to information held by companies for and on behalf of a public authority (9.4, 9.5, 9.6, 9.7, 9.8,9.9, 9.11, 10.3 and 10.4)". As detailed in para 10.4 if Hereford Futures holds information commissioned by the Council, or relating to a council core function which it carries out on the council's behalf this may fall under the remit of FOI, however information relating to the general running of Hereford Futures is unlikely to fall under the remit of FOI.*

In my opinion the answer to question 1 was correct in its fundamental point: that Hereford Futures Limited is neither 'a public authority' (for the purposes of section 3 of the Freedom of Information Act 2000 ('the FOI Act')) nor 'a publicly owned company' (for the purposes of section 6 of the FOI Act). However, the language used by Mr Jones (who is not a lawyer) in his answer to Question 1 could have been more precise.

Hereford Futures Limited is a company limited by guarantee. As such, the company has no shares and is not 'owned' by any shareholders. In a company limited by guarantee the members of the company (not the directors) guarantee to contribute to the company's assets in the event that it is wound up. This guarantee is limited to a specified sum, frequently only £1, as is the case with Hereford Futures Limited.

The company search I have undertaken suggests that the only members of Hereford Futures Limited are the original members; two companies used by Bevan Brittan, solicitors, for the purpose of forming 'shelf' companies for use by their clients. Of the 13 directors of the company, only two may be nominated by the council: the Leader and the Chief Executive. As such, I consider it incorrect to

say that the council, or the directors, 'own the company.'

The Directors' Reports and Financial Statements do not purport to list all sources of income for Hereford Futures Limited. What they do record are 'Related Party Transactions' (i.e. where there is a connection between the company (or its directors) and a donor or contractor). The Financial Statement for the year ending March 2011 discloses a grant of £163,426 from Advantage West Midlands as a related party transaction. This is clear evidence that Hereford Futures received funding from at least one non-council source, but it does not prove that this was the only non-council source of income. However, my understanding of section 6 of the FOI Act is that the key question to consider is whether a company is owned by a public authority, not whether it receives some or all of its funding from a local authority.

My conclusion is that the advice given by Mr Jones to GOSC on 4 March 2013 in relation to X's Question 1 was correct in substance, but inaccurate in detail. I am very strongly of the opinion that it was not intended to mislead the committee."

- 7.2 The Solicitor to the Council then went on to consider that the delay in the council responding to the complainant was unacceptable and apologised for this. He also provided the complainant with the necessary information if they wished to complain further.

## **8. Community Impact**

- 8.1 The report to General Overview and Scrutiny Committee on 4 March 2013 identified the community impact implications.

## **9. Equality and Human Rights**

- 9.1 The report to General Overview and Scrutiny Committee on 4 March 2013 identified the equality and human rights implications.

## **10. Financial Implications**

- 10.1 The report to General Overview and Scrutiny Committee on 4 March 2013 identified the financial implications.

## **11. Legal Implications**

- 11.1 The report to General Overview and Scrutiny Committee on 4 March 2013 identified the legal implications.

## **12. Risk Management**

- 12.1 The report to General Overview and Scrutiny Committee on 4 March 2013 identified the risk management issues.

## **13. Consultees**

- 13.1 None.

## **14. Appendices**

14.1 Link to the report 'Freedom of Information and Arm's Length Companies':

<http://councillors.herefordshire.gov.uk/documents/s50011755/FOI%20and%20Arms%20Length%20Companies%204%20March%2013.pdf>

## **15. Background Papers**

15.1 None identified.