

AGENDA

Cabinet

Date: **Thursday 11 February 2016**

Time: **2.00 pm**

Place: **Council Chamber, The Shire Hall, St Peter's Square,
Hereford, HR1 2HX**

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

For any further information please contact:

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Agenda for the Meeting of the Cabinet

Membership

Chairman

Councillor AW Johnson

Vice-Chairman

Councillor PM Morgan

Councillor H Bramer

Councillor JG Lester

Councillor GJ Powell

Councillor PD Price

Councillor P Rone

Non Voting

AGENDA**INFORMATION FOR MEMBERS OF THE PUBLIC****HEREFORDSHIRE COUNCIL**

Notice has been served in accordance with Part 3, Section 9 (Publicity in connection with key decisions) of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Item No	Title	Portfolio Responsibility	Scrutiny Committee	28 Day Notice Given
5	Schools capital investment strategy	Young people & children's services	General overview and scrutiny	26 November 2015
7	Options appraisal for 16 – 18 high town (burnt out shops adjacent to old house)	Economy, communities & corporate	General overview and scrutiny	3 December 2015
8	Corporate property strategy 2016-2020	Economy, communities & corporate	General overview and scrutiny	13 January 2016 (regulation 10)

1. APOLOGIES FOR ABSENCE

To receive any apologies for absence.

2. DECLARATIONS OF INTEREST

To receive any declarations of interest by Members in respect of items on the Agenda.

3. MINUTES

To approve and sign the minutes of the meeting held on 21 January 2016.

4. HEREFORDSHIRE SAFEGUARDING CHILDREN BOARD (HSCB) ANNUAL REPORT 2014/15; HEREFORDSHIRE SAFEGUARDING ADULT BOARD (HSAB) ANNUAL REPORTS 2013/14 AND 2014/15

To inform Cabinet of progress made towards the implementation of the Children and Adults Safeguarding Boards Annual Reports

5. SCHOOLS CAPITAL INVESTMENT STRATEGY

To approve the schools capital investment strategy to enable the next phase of planning to commence.

6. QUARTER 3 CORPORATE PERFORMANCE AND BUDGET REPORT 2015/16

To invite cabinet members to consider performance for the first three quarters of 2015/16 and the projected budget outturn for the year.

7. OPTION APPRAISAL FOR 16 - 18 HIGH TOWN, HEREFORD (BURNT

Pages

7 - 12

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OUT SHOPS ADJACENT TO OLD HOUSE)

To approve the purchase and making of a compulsory purchase order (CPO) if and when necessary.

8. CORPORATE PROPERTY STRATEGY 2016-2020

To approve the corporate property strategy 2016-2020 and to approve a lease for Elgar House, Hereford.

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- 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.
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- 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.
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- The Shire Hall is a few minutes walking distance from both bus stations located in the town centre of Hereford.

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HEREFORDSHIRE COUNCIL

MINUTES of the meeting of Cabinet held at Council Chamber, The Shire Hall, St Peter's Square, Hereford, HR1 2HX on Thursday 21 January 2016 at 2.00 pm

Present: Councillor AW Johnson (Chairman)
Councillor PM Morgan (Vice Chairman)

Councillors: H Bramer, JG Lester, GJ Powell, PD Price and P Rone

In attendance: Councillors JM Bartlett, WLS Bowen, BA Durkin, JA Hyde, TM James, CR Butler, ACR Chappell, PE Crockett, EPJ Harvey, JLV Kenyon, MD Lloyd-Hayes and NE Shaw

Officers: Alistair Neill, Jo Davidson, Geoff Hughes, Peter Robinson and Claire Ward

119. APOLOGIES FOR ABSENCE

Cllrs R Phillips, D Harlow, P Andrews

120. DECLARATIONS OF INTEREST

None

121. MINUTES

RESOLVED: That the Minutes of the meeting held on 3 December 2015 be approved as a correct record and signed by the Chairman.

122. ANNUAL FOSTERING REPORT - APRIL 2014-2015

The team leader for Herefordshire fostering service provided an overview of the activity, quality and impact of Herefordshire's fostering services. Proposed updates to the charter, guide for young people, and statement of purpose were outlined. Following questions by members of cabinet the following points were noted:

- Feedback from those in care indicated that generally the quality of care experienced whilst in foster care was good although there was some frustration about changes in social workers; there were continued difficulties in recruiting social workers, as experienced nationally, and there were signs that recruitment and retention was improving
- Recruitment rates for foster carers remained positive
- 70% in house placement rate was improving

In response to queries by members in attendance the following points were made:

- unannounced visits were part of the national minimum standard requirement, and the reasons underlying the process were well understood and accepted by foster carers
- sibling placements were made together where possible and appropriate to do so
- recruitment and retention strategies were having a positive effect but would take time to fully embed
- detail of the overspend in the past and current financial years as a percentage of the overall budget would be provided

Resolved that:

- (a) the activity, quality and impact of Herefordshire Council's fostering service as detailed in appendix a to this report, be reviewed and any additional actions to support improvement identified;**
- (b) the Herefordshire foster carers charter (appendix B) be approved;**
- (c) the guide for young people that are looked after (appendix C) be approved; and**
- (d) The statement of purpose (appendix D) be approved**

123. ADOPTION REPORT, ADOPTION SERVICE STATEMENT OF PURPOSE AND CHILDREN'S GUIDE TO ADOPTION

The adoption service manager for Herefordshire provided an overview of the performance of the adoption service which had consistently been rated as good by Ofsted in the last three inspections. Cabinet were advised that the statement of purpose and the children's guide to adoption had been reviewed and refreshed. It was noted that the service had a wider remit than simply facilitating adoption, retaining responsibilities to adopted children into adulthood and to adopting families.

In response to questions from cabinet members the following points were noted:

- Differences between national/Herefordshire rates of adoption were likely to be accounted for by the respective courts rates of making adoption orders
- Seeming discrepancies in activity rates across years were due to the reporting of the varying decision points required on the adoption journey of any one child which frequently straddled more than one financial year; it was agreed that consideration be given to in future providing a simple summary of data to enable members to be assured that adoptions were being progressed in a timely manner
- Consideration be given to lobbying MP's for action to reduce the tension between the courts reluctance to place children for adoption and the need to secure a stable family placement in the best interests of a child

In response to queries by members in attendance the following point was made:

- Action was always taken to follow up initial enquiries from prospective adopters swiftly and using a variety of methods

Resolved that:

- (a) the performance of the adoption service as outlined at appendices a and b to this report be reviewed, any risks to achievement of objectives noted and relevant mitigating actions approved ;**
- (b) the statement of purpose attached at appendix c to this report be approved; and**
- (c) the children's guide to adoption attached at appendix d to this report be approved.**

124. CHILDCARE SUFFICIENCY REPORT

The early years policy and strategy manager provided an overview of the provision of childcare places in the county for 0-5 year old children.

In response to questions from cabinet members the following points were noted:

- There was not a statutory duty for settings to respond to surveys
- The majority of childcare providers were city based; there was a generally good spread in the rural areas but risks around the availability of places in Ledbury,

Ross on Wye and Bromyard existed, and encouragement would be given to providers in those risk areas to develop additional places.

Resolved that:

Cabinet approve the childcare sufficiency report for 2016-2019

125. PROVISION OF SHORT BREAKS AND RESPITE CARE SERVICES FOR CHILDREN WITH DISABILITIES

The cabinet member placed on record his thanks to colleague members, partners and parents for their active engagement over recent months. The focus of activity had been to remove the 'cliff edge' faced in July 2015 by families using 1 Ledbury Road for short break and respite care; the recommendations now before cabinet would provide some certainty during the coming 12 months whilst transitional arrangements were finalised and further decisions were taken about short breaks arrangements.

The chairman of the health & social care overview and scrutiny committee task and finish group welcomed the acceptance of the majority of the recommendations made by the group and the actions now proposed for adoption by cabinet. It was emphasised that the committee would continue to monitor progress and would offer support to ensure as smooth a transition as possible.

In response to questions from cabinet members the following points were noted:

- Monitoring of progress would be undertaken through the quarterly reports to cabinet
- Predicted numbers of children and young people with assessed need had been challenged robustly; recruitment of carers was already underway and recommissioning of other services would be undertaken through the year
- Budgets for future years would need to reflect any unanticipated increase in numbers of service users requiring short stay and respite care
- There should be a clear and continued information flow to parents and families

In response to questions from members in attendance the following points were noted:

- Referrals to 1 Ledbury Road would not be re-opened; rather focus would be given to tailoring the break to the needs of the child as identified through the core assessment; provider capacity issues did not support increasing numbers and doing so may result in greater instability of service for existing users
- There were a number of potential providers, including the friends of 1 Ledbury Road, who had expressed interest in developing services
- Re-designation of 1 Ledbury Road would not resolve the issues relating to meeting higher level medical care

Resolved that:

- a) the executive's response to health and social care overview and scrutiny committee's recommendations regarding the provision of short breaks and respite services for children with disabilities, as attached at appendix 2 to this report is approved;
- b) the council takes on the role of lead commissioner on behalf of the council and Herefordshire Clinical Commissioning Group (CCG) and awards a contract to Wye Valley NHS Trust at 1 Ledbury Road, with effect from 1 April 2016;
- c) authority be delegated to the director of children's wellbeing, following consultation with the director of resources and cabinet member young people and children's wellbeing, and subject to the outcome of

consultation and ongoing funding from the CCG; to conclude contract negotiations within the financial envelope as set out in this report and enter into a contract with Wye Valley NHS Trust, to ensure the continued availability of overnight short breaks at 1 Ledbury Road for up to 12 months, through an alternative delivery model;

- d) the council budget for 2016/17 for short break services is, subject to Council approval, increased by £600k to cover the transitional cost; and**
- e) by virtue of this decision, an exemption to paragraph 4.6.13.2 of the council's contract procedure rules be granted to enable the direct award of a contract for the services provided at 1 Ledbury Road for the reasons set out in paragraph 10 and 22**

126. CORPORATE PLAN 2016-2020

The deputy leader of the council presented the draft corporate plan for the period 2016/2020, being the council's key strategic document, for cabinet consideration.

In response to questions from members in attendance the following points were noted:

- Asset disposal plans ensured that properties which provided a viable return were retained
- Disposal of unviable property often secured revenue savings
- Market towns had been supported through county wide initiatives such as investment in leisure facilities
- Cabinet members would welcome suggestions for performance indicators for future meaningful reporting
- A briefing for members on the draft economic masterplan was scheduled for 26 January

Resolved that:

- (a) the draft corporate plan 2016-2020, as set out at appendix A to this report, be recommended to Council.**

127. 2016-17 BUDGET AND MEDIUM TERM FINANCIAL STRATEGY (MTFS) (Pages 7 - 8)

The deputy leader of the council presented the draft 2016/17 budget and the draft medium term financial strategy, drawing attention to government plans for funding reductions and the consequent need to secure economic growth in the county.

The director for resources, as chief financial officer to the council, confirmed the proposed budget was sound, deliverable and reasonable. Confirmation had been received from the department for communities and local government that the council's proposals met the government's criteria for the 2% adult social care levy.

In response to questions from members in attendance the following points were noted:

- Litigation risks related to two ongoing court issues and a further longer term case; an appropriate risk mitigation reserve was maintained
- The council's liabilities in relation to introduction of the national living wage should be clearly explained.

Resolved that the following be recommended to Council:

- i. approval of a 1.9% increase in council tax in 2016-17;**
- ii. approval of an additional 2.0% increase in council tax in 2016-17.
This will result in a total council tax increase of 3.9% increasing a total band D charge from £1,275.10 to £1,324.83 for Herefordshire**

- Council in 2016/17;**
- iii. approval of the draft 2016-17 revenue budget (at appendix 1 to this report);**
 - iv. approval of the draft medium term financial strategy (MTFS) which incorporates the capital programme approved by Council on 18 December (at appendix 2 to this report);**
 - v. approval of the draft treasury management strategy (TMS) (at appendix 3 to this report); and**
 - vi. in the event of final central government funding allocations being above or below the provisional settlement level any variation is managed by an adjustment to general reserves.**

The meeting ended at 3.53 pm

CHAIRMAN



Meeting:	Cabinet
Meeting date:	11 February 2016
Title of report:	Herefordshire Safeguarding Children Board (HSCB) annual report 2014/15 Herefordshire Safeguarding Adult Board (HSAB) annual reports 2013/14 and 2014/15
Report by:	Head of safeguarding and review

Classification

Open

Key Decision

This is not a key decision.

Wards Affected

Countywide

Purpose

To inform Cabinet of progress made towards the implementation of the Children and Adults Safeguarding Boards Annual Reports

Recommendations

THAT:

- (a) the content of the annual reports and the safeguarding arrangements for children, young people and adults in Herefordshire as assessed by the boards be noted;**
- (b) the strategic priorities identified by the board be used to inform future decision making by the council; and**
- (c) any further areas that the safeguarding boards should be focusing attention upon to provide challenge regarding the council's functions to safeguard**

Further information on the subject of this report is available from
John Roughton, head of safeguarding and review on Tel (01432) 260804

vulnerable groups be identified.

Alternative options

1. This report is to inform and enable cabinet to consider the HSCB and HSAB annual reports. Cabinet could therefore suggest alternative activities or priorities for consider by either Board.

Reasons for recommendations

2. To advise cabinet of the HSCB and HSAB annual reports and priorities and review how these impact on council activity.

Key considerations:

HSCB

3. Cabinet previously received an annual report from HSCB on 9 October 2014. Cabinet accepted the report and noted the findings to enable making informed decisions with regard to providing and commissioning services for Herefordshire, which support the safeguarding children's agenda.
4. The HSCB annual report for 2014/15 (appendix 1 to this report) identifies:
 - Timescales for assessments of children in need and children at risk of harm has been closely monitored by the board. This has improved from previous years and is an indication of more timely decision making and clearer oversight. These factors continue to be monitored.
 - The report also covers the performance of the board's statutory partners in safeguarding children. Good practice is highlighted as well as areas identified for improvement, including findings of the various regulatory bodies. Details can be found in the annual report.
 - The report addresses the effectiveness of the HSCB itself, and in addition to the areas above, noted as having seen good progress; the issue of child sexual exploitation and children who go missing has also developed through a multi-agency strategy and operational oversight through the MASH.
 - The board uses performance information from all partner agencies, as well as case audits, to help inform the effectiveness of safeguarding services in Herefordshire. The board is continually looking to improve the quality of the information, in order to be better assured that children in Herefordshire are effectively safeguarded.
5. The report also identifies challenges for 2015/16, including:
 - Areas such as child sexual exploitation and children who go missing from home or care remains a priority and the pace in progressing these areas needs to continue.
 - Supporting children who are abused and neglected and the improvement of services to address these needs also remains a priority for the board.

Further information on the subject of this report is available from
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- The board will be actively working to enhance the voice of the child in work with children and families to ensure that the child's views, wishes and understanding are listened to, understood and taken account of in planning and intervention for children.

HSAB

6. The HSAB annual report for 2013/14 and 2014/15 (appendix 2 to this report) identifies:
7. The report identifies some of the achievements of the HSAB through 2013/14 in response to reports such as the Francis inquiry and Winterbourne View. The board led a campaign to support the ten dignity principles in care services across Herefordshire, as well as focusing on the "making safeguarding personal" agenda. The board also concentrated on improving partnership working, some of this work involved the support of victims of domestic abuse and rural crime. The board also worked to ensure that it was fully compliant with the Care Act 2014.
8. The report also details some of the ways that the partner agencies are working to keep people safe. Four strategic priorities have been identified for 2015/16:
 - To ensure that processes, systems and structures are in place to safeguard and promote the welfare of adults who may be at risk of being abused and/or neglected.
 - HSAB is a truly effective agent for change that has a real impact for adults at risk.
 - To improve the recognition and response to those in need of safeguarding including those who lack capacity to make decisions and drive a person-centred approach to safeguarding adults at risk.
 - To support increased resilience in individuals, families and communities with a focus on raising awareness and empowering people to better protect themselves.
9. The annual report outlines how the HSAB will deliver on these priorities.
10. There has been delay in the timetable for these reports which has been due to changes in the chairing and structure, particularly with the HSCB, and the need for sign off from all partners. The HSAB report covers a two year period. Priorities for 2016/17 are being developed based on the previous years' work, and continuing priorities. Refreshed strategic plans will be completed by the end of March 2016, and scoping is currently under way for the production of the safeguarding annual reports for 2015/16.

Community impact

11. The work of the boards' partners have statutory responsibilities for services in Herefordshire that safeguards and promotes the wellbeing of children, young people and adults. This supports the council's corporate plan delivery objective to safeguard adults to ensure that people are free from physical and emotional abuse, harassment, neglect and self-harm and to protect children and give them a great start in life. The newly published children and young people's plan highlights the detailed actions being progressed in consultation with HSCB with respect to safeguarding of children across the county, and ensuring that the levels of need threshold guidance is effective in enabling the right help to be afforded according to vulnerability and risk.

Further information on the subject of this report is available from
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12. The boards have a statutory duty to scrutinise and support this work. The HSCB and HSAB are key mechanisms for challenge, support and promoting improvement of these services within Herefordshire. The annual reports and priorities going forward identify areas of safeguarding that require sustained focus and improvement.

Equality and human rights

13. The safeguarding boards pay due regard to equality and diversity. This is considered through audits and case reviews. Partner agencies responsibilities and commitment to equality, diversity and human rights is taken in to account, for example through statutory audits of agencies safeguarding responsibilities.

Financial implications

14. The safeguarding boards receive contributions from partner agencies to fund the organisation and work of the boards. A budget is set and reviewed throughout the year and any risks identified. There will be a further review of the Boards business support unit that supports the work of the HSCB and HSAB as well as the Herefordshire Community Safety Partnership. The directors for adults and children's wellbeing are in the process of considering the future contributions of the council to the activities of the safeguarding boards, as well as discussing other multi-agency partner contributions.

Legal implications

15. The Children Act 2004 the Care Act 2014, and associated statutory guidance, set out the roles and functions of the safeguarding boards.
16. The roles and functions of the HSCB are set out in Section 14 A of the Children Act 2004 and as such are to be complied with.
17. The statutory functions of the HSAB are set out in Section 43 of the Care Act 2014 and Schedule 2 and as such are to be complied with.
18. Under statutory guidance each of the safeguarding boards has a duty to produce annual reports on the effectiveness of safeguarding children and adults respectively in the area. The reports should cover achievements and activities, considering the effectiveness of safeguarding in Herefordshire, identify weaknesses, the causes of these and proposals for continued improvement.
19. The annual reports are provided as appendices to this report.

Risk management

20. There are no risks contained within the recommendations. Risks would emerge if the safeguarding boards were unable to function properly due to issues such as lack of financial support or partnership engagement. Further risks may include the boards not carrying out their statutory functions properly and continued challenge and self / peer challenge will be necessary.

Consultees

21. The annual reports are being considered by the Health and Wellbeing Board and Health and Social Care Overview Scrutiny Committee at their March meetings.

Further information on the subject of this report is available from
John Roughton, head of safeguarding and review on Tel (01432) 260804

Appendices

Appendix 1 – HSCB Annual Report

Appendix 2 – HSAB Annual Report

Background papers

- None identified.

Further information on the subject of this report is available from
John Roughton, head of safeguarding and review on Tel (01432) 260804



Herefordshire Safeguarding Children Board



Annual Report

1 April 2014 - 31 March 2015

The effectiveness of work to safeguard and promote the welfare of children in Herefordshire

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Foreword from Independent Chair

I am pleased to report on the work of Herefordshire's Local Safeguarding Children Board (HSCB) during 2014-15. I took up the post of Independent Chair on 1st April 2015 following the departure of its previous Chair, Dave McCallum.

The HSCB is a partnership that works to safeguard and promote the welfare of children in Herefordshire.

The year was one of scrutiny, review and gradual improvement. The Ofsted inspection early in the year found that *There are no widespread or serious failures that create or leave children being harmed or at risk of harm. The welfare of looked after children is safeguarded and promoted. However, the authority is not yet delivering good protection and help and care for children, young people and families.*

Overall, Ofsted judged services to be 'requiring improvement'. It made the same judgement about the LSCB, and gave a number of pointers to areas which require strengthening.

Recognising the significant improvements that have been achieved in the way in which children in Herefordshire are safeguarded, the Department for Education lifted the Improvement Notice served in 2012. However, there is both ambition and need to increase further the effectiveness of the Board and its partners in order to ensure that children in Herefordshire are effectively safeguarded and receive consistently good services when they need them. In the coming year, the Board will need to embed the changes it has put into place to ensure improvement is sustained. All partners are experiencing serious challenges in relation to funding and workforce stability, but nevertheless they will continue to need resilience and a relentless focus on improving the safety and wellbeing of children and young people in Herefordshire.

Both Dave McCallum and I would like to record our thanks to all engaged in safeguarding children in Herefordshire for the tireless and deeply worthwhile work that they are doing, and to the young people who are increasingly contributing to the work of partners and the LSCB.

Sally Halls

Independent Chair

Herefordshire Safeguarding Children Board

Context and strategic overview

About Herefordshire

Herefordshire is a predominantly rural county, with the 4th lowest population density in England. It is situated in the south-west of the West Midlands region bordering Wales. The city of Hereford, in the middle of the county, is the centre for most facilities; other principal locations are the five market towns of Leominster, Ross-on-Wye, Ledbury, Bromyard and Kington. Herefordshire's 82,700 homes and 184,900 residents are scattered across its 842 square miles – which poses a particular challenge for service delivery and access. Almost all its land area falls within the 25 per cent most deprived in England in terms of geographical barriers to services; the Golden Valley in the south-west and the Mortimer locality in the north-west are particularly affected. Compounding the physical access issue, access to broadband, mobile phone services and other service infrastructure is an issue for some residents and businesses in rural areas. In general the county has a relatively large proportion of employment in sectors that tend to attract lower wages such as 'wholesale and retail' and 'agriculture', which affects the overall productivity of the county (as measured by a low GVA). Self-employment is more common than nationally, particularly in 'agriculture', 'arts, entertainment and recreation'. ([*Understanding Herefordshire 2014, An integrated needs assessment!*](#))

The ethnic composition of Herefordshire's population has changed in the last decade, with the percentage of residents from an ethnic group other than "White British" growing from 2.5 per cent in 2001 to 6.3 per cent in 2011. 6.6 percent of the child population is from Black and Asian Minority ethnic groups, which is low in comparison with the national rate of 24.2%. 0.4% of children are from "White Gypsy or Irish Traveller" families.

About children in Herefordshire

This year saw the development of Herefordshire's first [Children's Integrated Needs Assessment](#) providing a comprehensive range of demographic information on children.

There are 39,000 children and young people living in Herefordshire, of whom:

- 9,800 (5%) are aged under five
- 21,700 (11%) are aged 5-15 years
- 8,300 (5%) are aged 16-19 years and
- 11,500 (6%) are aged 20-25 years old.

The overall number of children is predicted to rise to 40,400 by 2031, whilst the number of under 5's is predicted to decline by 2031 to 9,200.

The majority of primary and secondary school aged children live in rural areas, hamlets and isolated dwellings.

The majority of children aged under 5 live in Hereford and Leominster (urban areas).

The higher birth rate in the county is attributed to women from the EU (Poland and Lithuania).

Live births are between 1,800 and 1,900 each year - the highest level since mid-1990s; over half of all babies are born to women aged 25-34 years.

Challenges for the public sector

The public sector continues to face the twin challenges of financial restriction and increasing demand for services. This requires all partners to rise to the challenge of maintaining a proactive approach by focusing on the development of services which families can access early, with the aim of addressing poor parenting and avoiding the need for more intrusive and expensive interventions later on. Listening to the voices of children and young people whilst doing this will be vital in order to ensure that we are doing the right thing. Over the year, the Board will be encouraging partners to 'shrink together' in order to maintain and improve services and best outcomes for children.

Challenges for partners

In their contributions to the LSCB throughout the year, partner agencies have identified the key challenges that they are facing and the steps that they are taking to respond to them. They are focusing on maintaining robust safeguarding arrangements within the context of budgetary pressures and organisational change and restructure.

There is a clear commitment across the partnership to:

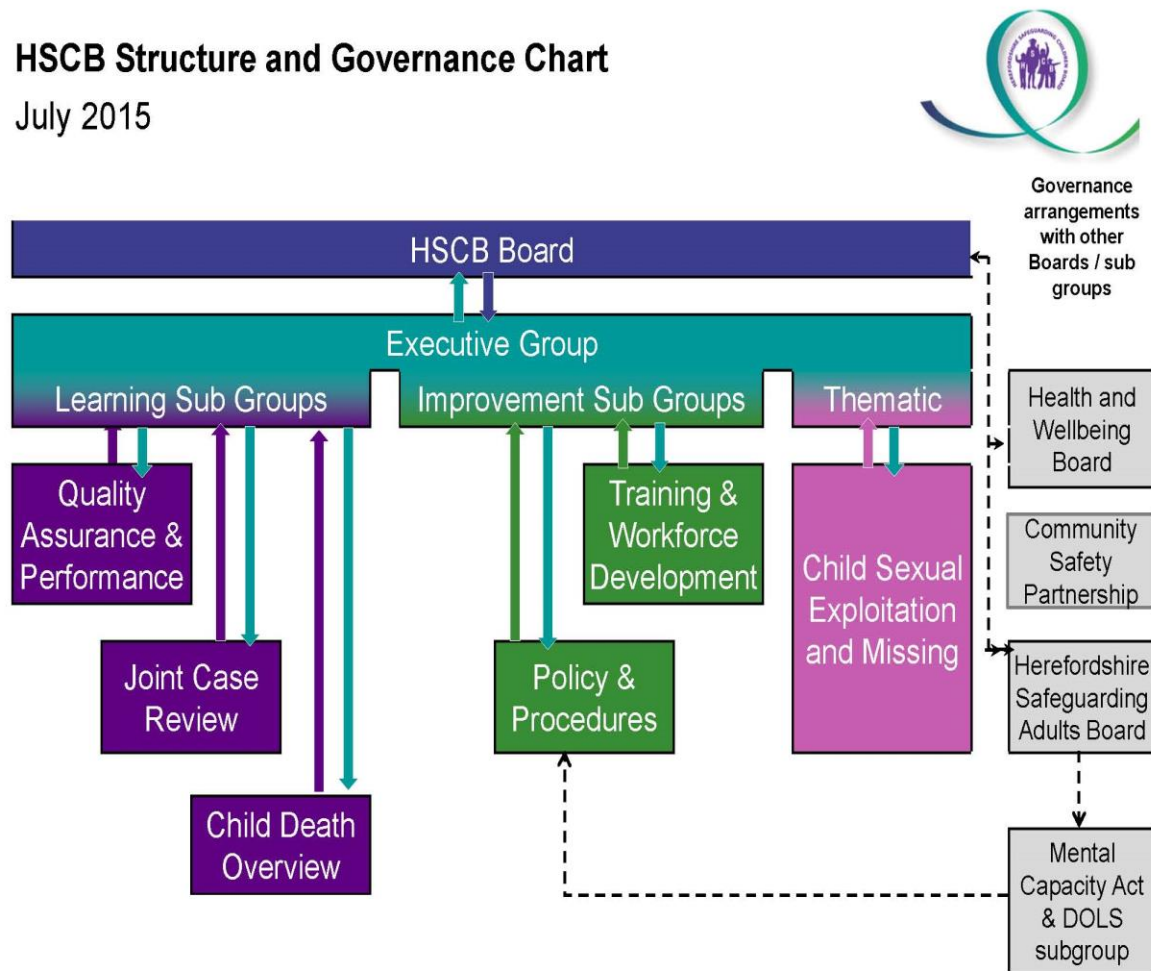
- Ensuring that the experience and views of children and young people inform the development of services;
- Engaging with and listening to the views of front line practitioners and managers;
- Learning from Serious Case Reviews and learning reviews are embedded in practice;
- Further developing robust audit processes and quality assurance processes to monitor the quality of practice and evaluate its impact on outcomes for children and young people;
- Ensuring that staff continue to have access to comprehensive and high quality safeguarding training.
- Tackling the issues which blight the lives of so many children and young people by:
 - Improving the recognition and response to child sexual exploitation (CSE) and missing children and young people;
 - Safeguarding and promoting the welfare of children and young people who are abused and/or neglected
 - Supporting increased resilience in individuals, families and communities.

The LSCB

HSCB is a statutory body whose objectives, functions and membership are specified in the statutory guidance *Working Together* (2015). It undertakes its work primarily through a series of subgroups, which are led and supported by staff from partner agencies, who also contribute to serious case and learning reviews and participate in the QA and audit programme. This structure is set out below:

HSCB Structure and Governance Chart

July 2015



Lay members and representatives from the voluntary sector provide appropriate challenge and are actively engaged in a range of LSCB activities. The Council's Lead Member for Children's Services is engaged in the work of the LSCB providing constructive leadership and challenge. The LSCB chair is a member of the Children and Young People's Strategic Partnership as well as the Health and Wellbeing Board.

The development of a protocol to consolidate and formalise relationships with the Health and Wellbeing Board, the Community Safety Partnership, and the Local Adult Safeguarding Board is underway.

Outcome data

Outcomes are measured by the worker, on progress made by outcome stars at the beginning, middle and the end on a scale of 1-10.

Average scores of progress in key areas by the end of interventions are as follows:

Parenting – basic care, boundaries etc:	6.2
Behaviour management:	5.0
Home conditions:	5.0
Routines:	4.5
Socialising/ friendships:	4.5
Keeping safe:	4.3
The lowest 'distance travelled' was:	
Living a healthy lifestyle:	2.6

Feedback from service users

Feedback is collected from children, young people and parents/carers at the end of the intervention and collated on a quarterly basis. The latest quarterly data:

87.5% felt **really happy or happy** following the intervention of family support with their family.

95% had a **good or very good** relationship with their worker.

91% felt the advice and guidance they received from their worker was either **good or very good**.

Comments received

“Helps me to get along with my family better”

“Helped Mum and Dad set up rules”

“Being better, helped me to control my temper”

“Happy”

“It’s really good because I get lots of help”

“I felt I could say anything and B would be able to help me out”

“Felt happier, felt listened to, get on better with parents/carers, going to school/college more, feel less angry, learnt to control my behaviour more.”

Referral rates

(This is important as it measures workflow volumes-it indicates professional confidence in referral processes-a "contact" refers to the initial information sharing)

There are an increased proportion of contacts proceeding to referral with the average rate at 42.5% in 2014/15, compared to 25.38% in 2013/14, which reflects increased confidence and awareness of the new Levels of Need threshold documentation.

The reasons for referral were:

Child Protection	121	5.44%
CYP Missing	10	0.45%
For Information Only	16	0.72%
Homeless Young Person	6	0.27%
Information Request	9	0.40%
NULL	121	5.44%
PPRC	1	0.04%
Private Fostering Assessment	4	0.18%
Request for Assessment	1936	87.05%

More referrals are meeting the threshold for formal intervention than those made last year. The average proportion of referrals which were re-referrals in 2014/15 is 22.05% compared to last year's average of 22.10%. These figures are in line with the national English average of 23.4% for 2013/14.

The above, while showing increased volume also provides early indicators of positive improvement in relation to the impact of the new MASH arrangements and is an indicator of the success of the publication of the LSCB "levels of need" document as professionals are more aware of threshold criteria and how to refer.

Assessment timescales; *(These are important as they indicate the impact of workforce stability as well as management oversight, capability and capacity.)*

The Munro review of children protection (DfE 2011) recommended that the distinction between initial and core assessments should be removed. In Herefordshire, there have been unique workforce challenges so a focus on timeliness of assessment has been retained until such time as we can demonstrate embedded improvements.

The timescale for initial assessments carried out within 10 days has improved as on average 63% of children were assessed on time. In April and May 2014 this was as high as 87% and 80% respectively in comparison to the average rate for 2013/14 which was 75.17%

The average rate of core assessments carried out on time was 69% in 2014/2015 in comparison to the average rate for 2013/2014 which was 41%.

Referral rates

There was an increased proportion of contacts proceeding to referral, with the average rate at 42.5% in 2014/15, compared to 25.38% in 2013/14. This suggests increased confidence and awareness of the new Levels of Need threshold documentation as more referrals are meeting the threshold for formal intervention than those made during the previous year. The average proportion of referrals which were re-referrals in 2014/15 is 22.05% compared to last year's average of 22.10%. These figures are in line with the national English average of 23.4% for 2013/14.

The above, while showing increased volume, also provides early indicators of the positive impact of the new MASH arrangements and is an indicator of the impact of the publication of the LSCB "levels of need" document as professionals are more aware of threshold criteria and how to refer.

Children with Child Protection Plans

At the end of the financial year 2013/2014, there were 231 children subject to Child Protection Plans in Herefordshire. The figure at 31st March 2015 has reduced to 193, a decrease of 19.6%. This reduction brings Herefordshire in line with its statistical neighbours and reflects a growing confidence with respect to securing appropriate and timely outcomes for children. This is also borne out by the reduction in children subject to Child Protection Plans beyond 2 years. The rate at the end of 2013/14 was 4.5%, and at the end of this financial year is now 2.3%. The number of Child Protection visits that were completed within timescale in 2013/14 95.12%, compared to on 63.81% in 2014/15. Performance in this area has been compromised by staff turnover, new/agency staff familiarising themselves with FWI in terms of recording visits, and newly qualified social workers, along with overseas social workers, not being permitted to undertake CP visits.

In addition to this, over the holiday period workers when on leave would have their visits covered by a duty social worker and some families have refused to see a different worker. Host local authorities where families have gone on holiday have been unwilling to undertake CP visits on Herefordshire's behalf.

Performance in this area is now being tightly managed by the Head of Service Fieldwork, and performance at the end of Sept 2015 and beginning of Oct 2015 has improved to over 70%.

Breakdown of children subject to a CP Plan as at 31.3.15

Age	0-1 yrs	2-4 yrs	5-9 yrs	10-15 yrs	16+ yrs
	32	28	63	62	8

Gender

Male	98	Female	95
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Ethnicity

White	179 (93%)
Dual Heritage	7 (4%)
Other Ethnic Groups	3 (1%)
Asian or Asian British	2 (1%)
Not Stated	2 (1%)
Disability	8 (4%)

Children with child protection plans for a second time

The rate of children with a repeat child protection plan at any time previously in their lives, as at March 2015, was 23.2%. This is an increase on the rate for 2013-2014 (17.8%). It is also higher than Herefordshire's statistical neighbours (which was 18.53% in 2013-14), higher than the all England average for 2013-14 (15.8%) and well above the local target of 10-15%. This is of concern.

Due to similar concerns in 2013-14, the local authority carried out an audit of all 66 cases (from 33 families) of children with repeat child protection plans and found the following recurring features:

- children in this cohort were more likely to have their parenting compromised by parental substance misuse, and the substance of choice was more likely to be heroin than for the general population of children subject of a CP plan;
- there was an increased incidence of adults presenting a risk to these children and these adults were usually extended family members;
- the children's parents were more likely to have suffered abusive childhoods and to have additional learning needs;
- robust action was not always taken in a timely way when the CP plan was not working;
- management oversight was not always evidenced (11 cases were referred to senior managers for immediate attention).

The audit provided challenge to practice around drift and delay and in all cases these were rectified by the operational team managers with successful outcomes for the children. Thematic findings and actions were presented to the LSCB QA group. Further audit and improved management oversight should sustain improvement. Regular audit and challenge to practice will continue, to ensure that learning is being applied and is having an impact as the numbers with repeat child protection plans has seen a gradual reduction current performance as at 31 March 2015 is 1.12% and so this indicates the learning has been implemented.

Impact of audits

- The audits have been extensively shared with teams across the Children's Wellbeing Directorate, and teams have contributed to the audit action plan. The audit has been shared at the local authority Heads of Service meeting and has informed the basis of a discussion with West Mercia Women's Aid in respect of domestic abuse findings and discussions with Community Safety Partnership in respect of domestic abuse and alcohol misuse within the Eastern European community. As a result, HSCB has agreed funding for the CRUSH programme to be delivered to young people in the 16+ service.
- 11 cases were reviewed as a result of the audit of children subject of a child protection plan for a second or subsequent time and of these cases 2 families (6 children) are now in the pre-court (PLO) process, 4 families (10 children) have been considered at Legal Gateway Panel, 3 children from 2 families are now looked after and plans for permanency are in progress.

Observations at Child Protection Conferences Nov 2014 – Feb 2015

The OFSTED inspection of Herefordshire children's services in May/June 2014 commented upon child protection conferences, and noted that they were felt to be poorly structured and long winded. A total of three review conferences were observed by OfSTED, including one which had to be run on a split basis due to the issues between the parents. Although the evidential base for the Ofsted comments was open to question it was accepted that the quality of practice needed to be established and an accurate picture gained.

In order to gain a more rounded picture, it was agreed that direct observations would be undertaken by the service manager for the safeguarding and review service and the Named Nurse Safeguarding Children for Wye Valley NHS Trust. A total of 17 conferences were observed, some jointly and some on an individual basis.

Safety

Underlying this piece of work was the fundamental question “were the decisions reached safe?” On the basis of the information available to each of the conferences, and the subsequent discussion and analysis it was felt that there were no unsafe decisions. This is not to say that there were no elements that could have been improved, but these did not compromise the safety of the decisions.

Development of the Child Protection Plan

It is the responsibility of the conference chair to ensure that an outline plan is identified by the conference, which is then developed by the core group. It was noted that Conference participants came with their information, but often seemed not to have considered the outcomes that needed to be achieved for the child or children. This impacted on the development of the plan and could result in this process being heavily led and determined by the conference chair or social worker rather than being owned by the conference as a whole. The development of the plan could be rushed, particularly where participants were under time pressure and needing to leave. In some instances it seemed that core groups did not fully understand their responsibility to amend and flesh out the detailed child protection plan.

Escalation

The operation of core groups was not part of this work, but one case was noted where it was felt that the core group should have escalated the absence of a service provision from CAMHS.

Conclusion

These observations did not support the previous external comment on conferences as being long winded or unfocused. On the contrary chairs managed conferences well and safe decisions were reached. The issue of health information being available to the conference requires further consideration elsewhere. There is a need for work within the multi-agency group to support the contribution and effectiveness.

Recommendations

Observations of conferences should be continued on a planned basis and also involve other agencies. This will give a continued emphasis to this key part of the child protection system and facilitate ongoing learning across the multiagency system.

Looked After Children

The number of **Children looked after** for 2014/15 is 270 compared to 237 in 2013/14. For 2013/14, the rate per 10,000 child population for Herefordshire was 67.0, statistical neighbours figure was 47.4 and the national average was 60.0 in 2013/2014. The highest number of looked after children originated from the Belmont, St Martin's & Hinton and Three Elms wards in the County.

Age	Under one year	16
	One	12
	Two	9
	Three	15
	Four	9
	Five	14
	Six	17
	Seven	15
	Eight	13
	Nine	9
	Ten	15
	Eleven	14
	Twelve	20
	Thirteen	8
	Fourteen	16
	Fifteen	21
	Sixteen	26
	Seventeen	21
Ethnicity	Eighteen	0
	African	1
	Any other Asian Background	2
	Any other Black Background	1
	Any other Mixed Background	4
	Any other White Background	12
	White and Asian	1
	White and Black African	1
	White and Black Carriibbean	2
White British	246	
Gender	Male	132
	Female	138
Participation in each review	Child aged under 4 at the time of the review	194
	Child physically attends and speaks for him or herself	264
	Child physically attends and an advocate speaks on his or her behalf	15
	Child attends and conveys his or her view symbolically (non-verbally)	20
	Child physically attends but does not speak for him or herself, does not convey his or her view symbolically (non-verbally) and does not	1
	Child does not attend physically but briefs an advocate to speak for him or her	20
	Child does not attend but conveys his or her feelings to the review by a facilitative medium	229
	Child does not attend nor are his or her views conveyed to the review	117
Legal Status	Interim Care Order	147
	Full Care Order	38
	Placement Order granted	1
	Single period of accommodation under Section 20	75
	Under police protection and in LA accommodation	6
	On remand, or committed for trial or sentence , and accommodated by LA	3

Health

Health indicators for the Children in Care Team from Wye Valley Trust is listed below.

Children in Care Team WVT				
Indicator	2014 Quarter 1	2014 Quarter 2	2014 Quarter 3	2014/2015 Quarter 4
Total statutory medicals attended - herefordshire team activity	65	83/87 (96%)	91/104 (87%)	90/91 (99%)
Refused Medical		2	3	1
SHA all Hfd children including those placed OOC done elsewhere	5	20	5	26
SHA Hfd Children placed OOC completed by Hfd	9	2	5	11
SHA Out of county children placed into Hereford	13	13	14	15
SHA Hfd Children placed OOC completed externally	7	5	5	15
IHAs attended	22	33/41 (80%)	40/51 (78%)	23/24 (95%)
IHAs in timescale	15/22 (69%)	12/33 (36%)	25/40 (63%)	16/19 (84%)
Attended RHA	39/39 (100%)	50/50	44/45 (98%)	67/67 (100%)
RHA within timescales	33/39 (85%)	42/50 (84%)	37/44 (84%)	52/67 (77%)
DNA rate overall	13/63 (21%)	4/87 (4%)	13/104 (12%)	2/91 (2%)
Immunisations up to date total	52/59 (82%)	76/83 (92%)	74/84 (88%)	66/86 (77%)
Immunisations up to date IHA	19/21 (91%)	28/33 (85%)	31/40 (78%)	14/19 (73%)
Immunisations up to date RHA	33/38 (86%)	48/50 (96%)	43/44 (98%)	52/67 (77%)
Compliant dental Kpi total	52/59 (89%)	67/83 (81%)	75/84 (90%)	75/86 (87%)
dental compliant IHA	18/21 (86%)	20/33 (61%)	31/40 (78%)	16/19 (84%)
Dental compliant RHA	36/38 (95%)	47/50 (94%)	44/44(100%)	59/67 (88%)
Compliant registered with GP total	58/59(99%)	67/83 (81%)	78/84 (93%)	85/86 (99%)
GP registration IHA	20/21 (93%)	18/33 (55%)	34/40 (85%)	18/19 (94%)
GP registration RHA	38/38 (100%)	49/50 (98%)	44/44(100%)	67/67 (100%)
Substance misuse identified in over 9 years	2/38 (5%)	7	6	10/53 (19%)
SDQ recorded (RHA only)	28/34 (83%)	16/30	15/ 23(66%)	25/44 (57%)
Need for CAMHS identified	16/59 (28%)	12	15	19/86 (22%)
Developmental delay identified in under 5 year old	3	15	12/28 (43%)	9/57 (16%)
Abbreviations:-				
SHA - Statutory Health Assessment				
IHA - Initial Health Assessment				
RHA - Review Health Assessment				
OOC - Out of County				
DNA - Did not Attend				
KPI - Key Performance Indicators				
SDQ - Strengths and Difficulties Questionnaire				

Assurance of performance by statutory partners

Herefordshire Council: Children's Wellbeing Services

An inspection by Ofsted in September 2012 judged Herefordshire's arrangements to protect children in Herefordshire as inadequate. The council was subsequently made the subject of a statutory improvement notice, an improvement board was put into place, and considerable efforts were made across the partnership to improve services and outcomes for children and young people.

In April – May 2014, Ofsted returned to Herefordshire to carry out an inspection of services for children in need of help and protection, children looked after and care leavers and to review of the effectiveness of the local safeguarding children board. Inspectors found that *there are no widespread or serious failures that create or leave children being harmed or at risk of harm. The welfare of looked after children is safeguarded and promoted. However, the authority is not yet delivering good protection and help and care for children, young people and families.*

Social Care Workforce

There has been a significant increase in social care establishment from 59 to 114.12 WTE, although the Council has not yet been able to fill these posts without the use of agency staff in key areas of its services.

Focus is maintained on assessment timescales and change of social worker to measure impact. This is monitored by the LSCB.

Feedback from Birmingham University was received regarding the development of the social work workforce:

I thought you might also like to know that we've recently been reviewing our statistics and found that Herefordshire candidates tend to do very well across the range of our post qualifying programmes. When they are on our programmes they always feature in the top 10% of their respective cohorts; and to our mind they bring to their studies a commendable level of professionalism and a strong commitment to learning and development.

We know too that NQSWs undertaking the Herefordshire ASYE programme particularly value the support and mentoring they receive from staff associated with the SWA – they routinely speak of the high quality reflective supervision they receive and comment on how this helps them to not only make sense of the complexities and challenges they face in their day to day work but also to develop and progress as practitioners. They have a very clear sense of being supported throughout one of the most important years of their careers and Herefordshire Council and the SWA are to be congratulated on their commitment to NQSWs and to offering them a very distinctive and indeed high quality programme. We clearly see the fruits of this when your practitioners enrol on our programmes and believe that the work of the SWA plays a significant part in helping Herefordshire's NQSWs to develop into rounded, informed and confident practitioners.

NHS services

Herefordshire's health services are commissioned by the Clinical Commissioning Group and NHS England. Its two main providers are Wye Valley NHS Trust, which provides acute and community services and 2gether NHS Trust, which provides mental health, substance misuse and learning disability services.

Herefordshire Clinical Commissioning Group

Herefordshire Clinical Commissioning Group (CCG) brings together GP practices in Herefordshire to buy and shape health and care services for the people of Herefordshire. It achieves this by putting patients at the heart of everything it does.

The CCG contributes significantly to the work of the LSCB work, including by exercising leadership in subgroups. It describes itself as *committed to working in partnership with other agencies and services to improve the health and welfare of all children and young people in Herefordshire* We do by ensuring that every CCG contract with all provider organisations includes standards such as policies, staff training and supervision that we expect that organisation to meet in relation to child safeguarding, we the monitor the work of providers regularly to ensure those standards are met.

As part of their commitment to improve services the CCG is supporting a national campaign 'Speak out Safely.' *The CCG believes that every member of staff whether employed directly, in GP practices or staff employed by health and care organisations that we commission, as well as patients supported by the NHS in Herefordshire should feel able to raise concerns about wrongdoing or poor practice when they see it and are confident that their concerns will be addressed in a constructive way....the CCG has strived to improve the lives for children/young people across Herefordshire in 2014 and looks forward to continuing to support the Herefordshire Safeguarding Children Board in the year to come.*

Wye Valley NHS Trust

WVT NHS Trust (WVT) is the smallest hospital trust in England. Its commitment to protecting children and young people it cares for or has contact with and keeping them safe from abuse and harm extends from the Board to frontline staff. The Trust's Safeguarding Children Team provides safeguarding clinical supervision both formally and informally alongside daily management of safeguarding issues throughout the Trust and represents the Trust at internal and external safeguarding meetings, training events and case reviews/lessons reviews. The

Wye Valley NHS Trust has continued to support HSCB in a number of ways, including;

- ✎ Active participation within the strategic board and all subgroups, including participating in multi-agency audits and chairing of the board's training and workforce development subgroup;
- ✎ Led/contributed to the development of new multi-agency policy/practitioner guidance;
- ✎ Delivering multi-agency training on behalf of the board

2Gether NHS Foundation Trust

2Gether provides a range of services for adults, and also provides child and adolescent mental health services.

The Trust describes itself as *fully committed to true partnership working with Herefordshire HSCB colleagues and is immensely proud of the improvements that have been achieved in the previous 12 months. Our Trust has enjoyed the challenge of endeavouring to make real sustainable improvements for children and young people in Herefordshire. We believe that we have been a diligent and active partner in the last years HSCB work plan. Looking towards 2015/16 we are keen to assist in completing the HSCB's joint work on improving services and pathways for parental mental health. Alongside this our priorities remain aligned to the HSCB business plan, with a particular organisational focus in improving the quality of recording safeguarding information, improving access to training for professionals and work around CSE issues as part of the wider Herefordshire strategy.*

In Herefordshire 2gether NHS Foundation Trust provides community Children and Adolescent Mental Health Services.

CAMHS collects feedback about services in a number of ways and always seeks to utilise this in service development and delivery. The service is focused on developing methods of hearing and action on the voice of the child and is active in contributing to local improvement initiatives such as the development work on CSE issues in Herefordshire.

Quality Reviews

On 9th December 2014 the West Midlands Quality Review Service (WMQRS) carried out a review of services for children and young people's emotional health and wellbeing in Herefordshire and benchmarked services against agreed quality standards. This included a review of 2gether NHS Foundation Trust CAMHS service, the CLD Trust and Herefordshire Clinical Commissioning Group. The report was published in April 2015. The aim of the standards and review programme is to help providers and commissioners of services to improve clinical outcomes and service users' and carers' experiences by improving the quality of services.

The review reported that

'Staff were highly committed, caring and conscientious and team working appeared good. Staff worked flexibly in order to provide the best possible care for their clients. Service users who met the visiting team were positive about the service they received and said it was caring and supportive to them.'

Education and schools

Schools are extremely important partners in safeguarding children, and are subject to a number of requirements which are set out in statutory guidance.

Schools are extremely important partners in safeguarding children and are subject to a number of requirements that are set out in the statutory guidance. These have helpfully been brought together within 'Keeping Children safe in Education'. A detailed audit for schools to self-evaluate their safeguarding arrangements has been redesigned and will sent out in the autumn term of 2015.

The HSCB has been monitoring key indicators in education during 2014-15:

1. Children Missing from Education

The tracking down of children referred as 'missing from education' has been more successful over the past 18 months with fewer children remaining as 'missing' from one quarter to the next. During 2014-15, fewer than 10 children in each quarter remained as missing from education at the end of that quarter. This is an improvement on the situation in previous years.

2. Elective Home Education

2014-15 saw a small increase in numbers in each quarter compared to previous years. This increase of approximately 10% needs to be monitored for overall numbers and the reasons for parents choosing to home educate.

3. Reporting by schools of bullying and racist incidents

Reported incidents have remained relatively static compared to the previous year. There has been an improvement in the number of schools complying with the request to submit a return although there continues to be work to be done around schools providing nil returns, i.e., no reported incidents. There would appear to be too many nil returns relative to what is known about the expected incidence of bullying.

In addition to the regular data returns to the board, there has been some good work from the school community around CSE with information being provided to Heads groups and 2 workshops for school representatives being held which were well attended.

Schools have also continued to make safeguarding a priority by renewing the financial support to employ 1.5 FTE MASH Education Officers who will provide dialogue between schools and safeguarding services. Very few local areas have made financial support available for education posts within their multi-agency safeguarding arrangements.

Criminal Justice and Public Protection

A range of statutory services are provided to young people by West Mercia Youth Offending Service (YOS), to adults and children by West Mercia Police (WMP), and to adults by the National Probation Service (NPS) and the Warwickshire and West Mercia Community Rehabilitation Company (WWM CRC)

West Mercia Police

Through its alliance with Warwickshire Police, West Mercia Police works across the four local authority areas and supports 5 LSCBs. Through the year it continued to develop MASH and the Harm Assessment Unit functions, and committed a full time Detective Inspector post to coordinate and implement the MASH model across the alliance area. This is expected to bring further opportunity to Herefordshire, in terms of scope for development and cross border working and inclusion of adult services. At the commencement of the 2014-15 financial year, West Mercia Police significantly increased funding to the LSCB's Business Unit, which now additionally supports the Community Safety Partnership (CSP) and the Safeguarding Adults Board (SAB).

A significant financial investment has been made for the recruitment and implementation of a Child Sexual Exploitation (CSE) Team, consisting of x1 Detective Inspector, x3 Detective Sergeants and x 9 Investigators across the alliance area. The team is further supported by a new 'Coordinator' post. More recently, Herefordshire & Worcestershire has been afforded the function of Missing Person Coordinator, based within the HAU command. This function identifies repeat and high-risk 'MisPers' and seeks to reduce and stop missing episodes. It ties in heavily to the local CSE strategy.

West Mercia Police have recognised that alongside heavily committed operational response to children at risk, there must be continuous development around emerging governmental initiatives and priorities and recognised local risks. There is now a team of x1 DI and x3 DS who will support this process and be a more consistent coordination for the 5 LSCB's across the alliance, including sub groups and boards.

Operation Encompass is an initiative developed in Herefordshire MASH. Police identified a process in Devon and Cornwall where schools were notified of any domestic incident reported to the police involving their pupils as victims or witness or even just present. HAU share all information and assess its significance for children and young people with up to 109 schools in Herefordshire. This provides opportunity to recognise the harm done to children through domestic abuse but also address it in the educational setting by setting up overt and covert support mechanisms and safe reporting.

Police are actively involved in the Northumbria Model sub group. The Northumbria subgroup seeks to develop a model to address holistic risk in adolescence which may include CSE. The model is still in development and terms of reference and learning from areas affectively operating the panel are being assessed.

The National Probation Service (NPS)

The NPS's priority is to ensure public protection and it delivers its services to adults in the criminal justice system. Many of these service users are parents and have contact with children. Some service users are restricted from contact with children, and some present a positive risk of harm to them.

The NPS in West Mercia has reviewed priorities for safeguarding (West Mercia Probation Trust, 2013), and its guidance documents Probation Instruction (31/2014). Guidance to all operational staff will be refreshed by 31.5.15. Training arrangements have been reviewed and updated, ensuring that all operational staff have current required knowledge. This will be delivered locally to ensure compliance with HSCB specifications, supported by Divisional NPS training. An internal audit of safeguarding referrals, risk assessment and management is planned for NPS. NPS communications will ensure the circulation of updated staff contact details, key briefing documents eg Thresholds, Children in Need & raising awareness of further developments in probation and/or criminal justice that may impact on safeguarding of children.

Safeguarding checks at the start of contact, usually when a person appears in Court, is critical in safeguarding children, and sharing appropriate information. The Herefordshire MASH performs this function well, and will benefit from a permanent NPS presence, planned to take effect during 2015. A review of the *People Posing a Risk to Children* Policy has also taken place across NPS in West Mercia, and this has helped to clarify expectations of staff.

The National Safeguarding Inspection of Probation Work

An inspection was undertaken by Her Majesty's Inspectorate of Probation August 2014, before the reorganisation of Probation Trusts into the National Probation Service and Community Rehabilitation Companies, as part of the Government's Transforming Rehabilitation strategy. In response to the findings from mainstream inspection programmes of probation and youth offending work practice which suggested that work to protect children and young people carried out by Probation Trusts and Youth Offending Teams (YOTs) was not being consistently delivered well enough. Findings were general to all Trusts and the identified issues are likely to be relevant to general practice nationally. These included:

Strategically

- Little evidence of the contribution of Senior Management to the agenda and development of local Safeguarding Children Boards (LSCBs)
- No leadership on the issue of safeguarding in relation to offenders on standalone Unpaid Work requirements.
- Limited management oversight of safeguarding cases and issues.
- No processes in place to audit safeguarding procedures, for example, to review the number, nature and quality of referrals to Children's Social Care.

Operationally

- Systems to check with Children's Social Care whether children are known are not always robust.
- Limited understanding by operational staff of their safeguarding role and duties; no routine use of home visits to inform safeguarding assessments.
- Uncertainty about the referral process to Children's Social Care services; infrequent follow up of referrals once made.
- Inaccurate assessment of risks to children, especially in relation to experiencing domestic abuse.

An action plan has been devised and is ongoing within both NPS and CRC in relation to the national safeguarding inspection of probation work, including raising awareness with Children's Social Care staff of the role of both organisations.

West Mercia Community Rehabilitation Company

Following share sale on 1 February 2015, EOS Works is the new owner of the WWM CRC. The WWM CRC is a private sector company operating to a contract with the Secretary of State to deliver offender services in Herefordshire, Warwickshire, Worcestershire, Telford and Shropshire.

The CRC says that a key priority for the CRC will be to continue with the good work in safeguarding children, ensuring robust arrangements are in place that reflect the importance of safeguarding and promoting the well-being of children. This is achieved through strong local partnerships, working together to reduce re-offending and to protect the public. The CRC is committed to maintaining its representation on safeguarding children boards, community safety boards and other multi-agency arrangements where working in partnership around joint priorities supports the reduction of reoffending and harm caused to children. We have undertaken case audits to ensure processes and systems are in place to share information and protect children and responded positively to a Probation thematic inspection of Probation Trusts and Youth Offending Teams to protect children and young people (August 2014). Safeguarding children is a key public protection matter and, therefore the supervision of offenders under Offender Rehabilitation Act (ORA) 2014 and Through the Gate will reflect the importance of safeguarding and promoting the wellbeing of children.

West Mercia Youth Offending Service (WMYOS)

West Mercia Youth Offending service has continued to develop its safeguarding work over the past year. Of particular note has been the implementation of the "Aim 2" programme. This is for the assessment of young people committing sexually harmful behaviour and delivering the subsequent intervention to reduce the risks posed by these young people. This gives practical support to the focus on child sexual exploitation that was a priority during the year, which the WMYOS supports at both strategic and operational level. This development filled an important gap with a sustainable and effective positive contribution and is a good example of the continued support made by WMYOS to the HSCB in all aspects of its work.

The findings for Youth Offending Teams of the National Safeguarding Inspection of Probation Work were that they are generally well connected to children's social care services, necessary enquiries and referrals were made and information was shared.

Although there was assessment and planning by YOT staff to help to protect children and young people where necessary, it was not consistently of sufficient quality. Parents/carers were not always involved and home visits were not always undertaken. There was little joint assessment and planning by the agencies working with the child or young person. Police intelligence to assist assessment and planning by YOT staff was not always accessed or used.

Screenings to assess the vulnerability of children and young people did not pull together all the factors identified in the assessment, and vulnerability management plans were not action focused, did not make reference to parents/carers and were not integrated with child protection plans. There was little joint assessment and planning and children's social care services did not always facilitate good information sharing or encourage joint work.

There was some excellent and imaginative direct work with children and young people and their parents/ carers and some good partnership work. Again, the role of YOT staff was not always well understood by children's social care staff, and as a result their contribution was not integrated into joint child protection work. Work to combat child sexual exploitation was being developed in partnership with other agencies.

YOTs had systems in place to check if children and young people were known to children's social care services and referrals were made where a risk of harm to children and young people was identified.

Operational management oversight systems were in place but were not always effective. Strategically, effective links between Local Safeguarding Children Boards and YOT Management Boards were not in place.

A series of recommendations were made by the inspectors:

Representatives of probation services and Youth Offending Teams on Local Safeguarding Children Boards should work with other board members to:

- ensure that multi-agency arrangements for information sharing work effectively and consistently
- establish and monitor outcome data that demonstrates effective **joint** working to safeguard children and young people
- promote better understanding across social care staff of the roles and responsibilities of probation and YOT staff.

Multi-agency case audits

The LSCB carried out 12 themed multi-agency audits in 2014/15. These included:

- Section 11 of the Children Act 2004 audit review (in Herefordshire the full s11 audit is completed bi-annually and agency's completion of the recommendations is peer challenged in the intervening year).
- Pre-birth planning processes (anecdotal information led the HSCB to have concerns regarding the functioning of the current guidance)
- Children with long term conditions (to review the impact of the SCR HH)
- Early help (this audit was undertaken by the LA QA team in 2015)
- An Ofsted 'as if' audit
- An Ofsted audit

Although Ofsted asks for local authority audit material only, Herefordshire agreed to complete the audits on a multi-agency basis.

The group also receives and reviews the learning from single agency audits undertaken by partners.

A selection of the findings and impact of some of the LSCB's multi-agency audit activity is given below.

(i) Ofsted Audit

18 cases were audited to assess whether the safeguarding service provided to the children/young people met their needs and whether we were able to determine through the records kept by various services what the children/young people's wishes and feelings about their situations were. Some of the cases included children/young people with child protection needs whilst others included children/young people who were living in foster care.. with information provided by West Mercia Police, Children's Wellbeing, CCG, Wye Valley Trust, 2gether NHS Trust, West Mercia Women's Aid, YOS and Education.

Out of the 18 cases audited: 7 cases were graded as *inadequate*, 9 graded as *requires improvement* and 2 as *good*.

Each audit generated an action plan which was monitored to conclusion by LAQA

Main findings were:

- ✎ Variability in recording and, in particular, chronologies not being up to date on Frameworki (FWi), confusion re child protection referrals on an open case
- ✎ In 5 out of 10 cases CLA health assessments were either out of timescale or could not be found and composite health plans were lacking
- ✎ The application of safeguarding policy and procedures was variable
- ✎ Information sharing poor at the point of referral
- ✎ Inconsistency across agencies regarding the outcome of strategy discussions (West Mercia Police recorded a conversation as a strategy which was not reflected in Children's Wellbeing's files)
- ✎ Little evidence of workers being mindful of life story work at the point of entry into care
- ✎ Varied multi-agency attendance at key meetings
- ✎ Administration difficulties re minutes being sent etc.
- ✎ 'Churn' in staff, especially social work staff

As a result of the audit findings, the following steps were taken:

- The health plans are now extracted from the health assessment paperwork and uploaded onto Frameworki (FWi) to enable social worker to access them quickly
- A 'significant event episode' has been included on FWi to replace referral on an open case
- NHS has now commissioned 1.5 wte staff to work in MASH to support information sharing
- A review of MASH functioning has taken place and regular audits undertaken to demonstrate improvements in practice
- Safeguarding and Family Support to undertake life story work
- Improved administrative support for child protection conferences.

Following a recommendation by Ofsted, the volume of audits has recently been reduced with a view to ensuring more systematic analysis of partnership working and an evaluation of impact on practice.

Serious Case Reviews

A serious case review takes place when a child has died or been seriously harmed as a result of abuse or neglect, and there is evidence of poor multi-agency working. The Board published a SCR in early 2014 and the resulting action plan has been monitored during the year. A summary of the key learning points from this SCR are:

- ⌘ Non-health professionals need to be informed that type 1 diabetes is a potentially fatal condition as this commonly not thought to be the case.
- ⌘ All agencies need to recognise young people's vulnerabilities as well as their rights and responsibilities as young adults.
- ⌘ Staff across all agencies must evidence that they have recognised 16 and 17 year old service users as children. There is a need to ensure that all decisions balance the needs of the young person for independence and self-determination with any need for protection.

Multi Agency and Single Agency Action plans were developed and monitored to ensure that these learnings were embedded. A series of multi agency roadshows also took place to raise awareness of the key issues and disseminate the learning, which is also incorporated into HSCB's multi agency training.

The JCR subgroup has also this year agreed an improved SCR procedure to ensure a comprehensive and robust mechanism is in place for future commissioning of reviews into significant cases, in line with the revised guidance criteria in Working Together 2015.

Key messages have been shared with practitioners via seminars and training and impact is measured through evaluation.

Key areas for development

Analysis has shown some early signs of improvement in aspects of child protection work and these must be embedded to ensure quality is consistent and improvement is sustained whilst areas of continuing weakness need to be addressed. Consistent management oversight and upholding of high practice standards is critical.

Domestic violence, poor parental mental health and substance misuse are recurring features in the analysis and case audit.

The work of child sexual exploitation needs further development, including high quality performance analysis to demonstrate impact and community awareness and engagement.

Further development of the LSCB's quality assurance activities is needed to ensure a more systematic focus of insight across the entire 'journey of the child', and feedback from practitioners and from children and their families.

The effectiveness of Herefordshire Safeguarding Children Board

During 2014-15, the HSCB Strategic Board met 6 times, with 2 additional Extraordinary meetings to discuss Ofsted findings and the Jay Report, and its Steering Group met monthly.

An attendance list for the year is provided at Appendix B. Attendance is variable across the partnership, with some agencies not fulfilling their responsibilities to the level required.

The business plan 2014-15

On the basis of a range of evidence and information, the Board identified three priorities for focus during 2014-15, as well as wishing to improve its own effectiveness and impact. Activities to support improvement in these areas were developed into a business plan and delivery was overseen by the LSCB.

In addition to improving the effectiveness of the LSCB itself, the following key areas for development in this period were identified and incorporated in the Business Plan for 2014/2015:

- 1) Improving the experience of children, young people and families when they are supported in safeguarding systems.
- 2) Improving multi-agency case work.
- 3) Tackling evidenced safeguarding issues in Herefordshire, including domestic violence, and child sexual exploitation and promoting awareness of private fostering.

A brief summary of progress is given below.

Area for Development	Progress
<p>Improving the experience of children young people and families when they are supported in the safeguarding system</p>	<ul style="list-style-type: none"> ✎ The MASH was relaunched and creates the operational arrangements for the needs of children, young people and their families to be robustly reviewed on a multi-agency basis in order that their needs can be identified and met. ✎ Levels of Need Guidance has been revised and launched to assist the workforce to identify the needs of children and young people so that support is provided at the earliest opportunity, at the right level, at the right time. ✎ Minimum Standards for Supervision were developed to influence reflective practice as well as effective management oversight.

Learning from Inspection

Ofsted reviewed the LSCB in May 2014 and found that it 'requires improvement.' A number of recommendations were made by inspectors which are detailed below, together with a summary of responses.

	Recommendation	Response
1)	Ensure that governance arrangements between the LSCB and the Improvement Board are clarified.	This was achieved (and the Improvement Board was subsequently disbanded in January 2015 following the lifting of the statutory Improvement Notice by the Minister).
2)	Ensure that LSCB policies and procedures are up to date and incorporate issues specific to Herefordshire.	The Policy and Procedures subgroup has overseen 2 updates to the West Mercia Safeguarding Board procedures. Further work is required to optimise the benefits of consistent regional procedures across the West Midlands. This is taking place in 2015-16.
3)	Ensure that the LSCB receives accurate and relevant performance information from its partners to enable it to assure itself on the quality of safeguarding work.	The Quality & Assurance subgroup has received performance information from LSCB partners. In 2015/16 the HSCB will develop a multi-agency performance scorecard.
4)	Ensure that the work of the LSCB operational groups is manageable and prioritised.	There has been a review and refocusing of LSCB priorities and from 2015/16, some subgroups have been disbanded or refocused and every subgroup has a work plan.
5)	Ensure that learning from multi-agency case audits is actioned and the impact is reviewed through repeat audits.	The Quality and Assurance subgroup re-audits learning themes as part of its work programme. Further work is needed to ensure a systematic feed through into training and practice.
6)	Ensure that robust strategies and intelligence in relation to specific vulnerable groups are developed and implemented, in particular missing children and those at risk of child sexual exploitation.	West Mercia Police completed a CSE Problem Profile and the HSCB developed a CSE Strategy. Further work is planned in 2015-16.
7)	Ensure that multi-agency safeguarding training is sufficient, taken up by partners and is robustly evaluated.	The provision of sufficient multi-agency safeguarding training remains an ongoing challenge for HSCB. This is a significant area of focus for the new joint business unit (see below) as well as for partners.
8)	Ensure that the LSCB business unit is effectively able to support	A joint Business Unit to support the work of the HSCB, HSAB and CSP was created with effect from 1st April 2015. The vision

the work of the LSCB.	is to align priorities and activities and achieve both efficiency and effectiveness through joint working across Boards.
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LSCB diagnostic

To assess progress in delivering improvements post the Ofsted inspection, the LSCB commissioned a 'LSCB diagnostic' from the Local Government Association which was carried out in November 2014. This resulted in the following recommendations:

1) Identify a small number of HSCB priorities

Response: The LSCB agreed a small number of revised priorities at its Development Day in March 2015.

2) Fund and implement a reinvigorated and fit for purpose Business Unit

Response: a newly formed Business Unit to support the work of the HSCB, HSAB and CSP was put in place with effect from 1st April 2015.

3) Streamline the Steering Group and make this a 'chair of chairs' group

Response: the Steering Group has been disbanded and a new Executive Group put into place with effect from 1st April 2015 with revised membership and terms of reference.

4) Make sure all members of the strategic board are fully engaged and understand their relationship between being on the Board, improving agency practice and achieving impact on outcomes for children.

Response: attendance is now monitored at every HSCB meeting and annual reviews with statutory board members are planned for 2015 in order to ensure appropriate agency representation and contribution.

5) Locate MASH governance sub group within Children's Services operational management structure

Response: in April 2015, the MASH subgroup was transferred into the operational management structure of Children's Wellbeing Directorate.

6) Make all agencies accountable for what they have committed to at the Board

Response: the HSCB is now systematically tracking and holding to account for what they have committed to at the Board, through use of an action log. Follow up action is taken where needed.

7) Use formal challenge by HSCB to other agencies to escalate concerns revealed through audit and feedback from the staff and families

Response: this is an area of continued focus. Most recently, for example, case studies presented to HSCB have resulted in practice issues being raised with partner agencies.

8) Evidence impact of HSCB challenge and the better outcomes that HSCB has achieved

Response: this is also an area of continuing focus and, as an example, the HSCB has recently challenged the tools used by the Local Authority to assess Child Sexual Exploitation.

9) Project manage everything especially the transition from the Improvement Board

Response: the Improvement Board and HSCB met jointly in January 2015 to ensure a smooth transition of responsibilities. A transition plan was developed and delivered, and a follow up review of progress has been commissioned from the former Chair of the Improvement Board in autumn 2015.

10) Retain a focus on impact on outcomes for children and young people

Response: priorities for the Board were reviewed in March 2015. The HSCB Business Plan 2015/16 identifies the impact on outcomes for children that the Board is seeking.

11) User voice will give the Board confidence and understanding of what has and has not made an impact

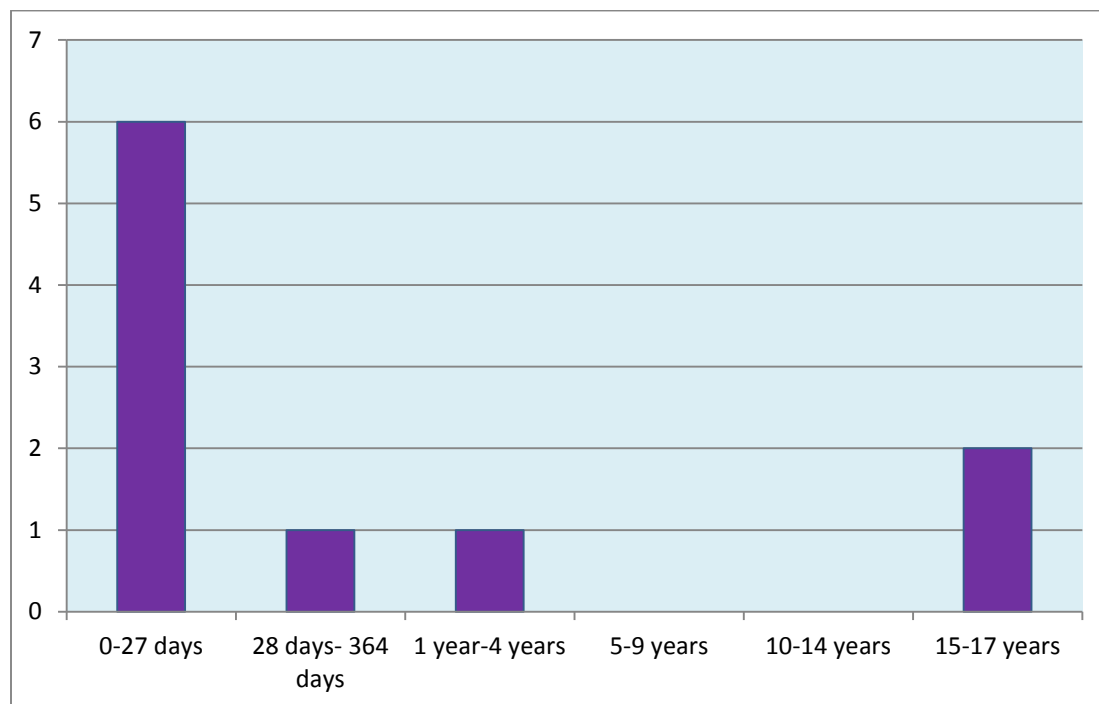
Response: This remains an area for development. It is now a standing item on each Board agenda, with a more systematic approach being put into place over 2015-16.

Child Death Overview Panel (CDOP)

The Board has a statutory responsibility to review each death of a child normally resident in the Board's area, to ascertain whether there are any individual or wider matters of concern affecting the safety and welfare of children in the area. It does this through its CDOP.

There were 10 deaths reviewed by CDOP between April 2014 and March 2015. 7 were male and 3 were female. None required a rapid response.

Details of the ages of the children are shown in the graph below.



Of the ten deaths, the Panel concluded that one of the deaths could have been prevented² and this particular death was the subject of a Serious Case Review which was commissioned and completed in the year 2014/14. The formal child death review was completed by CDOP following the concluding of the inquest.

² Section 5.11 of Working Together to Safeguard children 2015 defines preventable child deaths as “those in which modifiable factors may have contributed to the death. These are factors defined as those, where, if actions could be taken through national or local interventions, the risk of future child deaths could be reduced.

Lessons Learned	Action Taken by HSCB
Following child deaths in 2013-2014, a key recommendation of the serious case review was that the safeguarding board should assess the understanding of the additional safeguarding responsibilities of working with children with long term health conditions and the provision of support across services.	A thematic audit of children with long term health conditions was undertaken by the QA subgroup. Continued Education and professional development of health professionals and across agencies in the management of long term health conditions and the medications involved.
National research into child deaths, published by The University of Warwick in September 2014, concluded that one in five child deaths are preventable.	Dr Peter Sidebotham, lead author and associate professor of child health at the University of Warwick, was invited to Herefordshire to present his findings at a multi-agency conference which was attended by 47 professionals.

Child Sexual Exploitation

An additional work stream was commissioned during the year to consider how HSCB should address the growing national and local concerns about child sexual exploitation and as a result both a strategic and operational group were formed. A CSE strategy was developed and a CSE social worker joined the MASH.

Initial work on developing Child Sexual Exploitation multi-agency pathways and a CSE self-assessment was also completed. A Child Sexual Exploitation strategy is being progressed over the next reporting period.

HSCB is aware of its responsibilities to monitor the effectiveness of the response to children and young people who go missing from home/care. This was identified as an area for improvement in the Ofsted inspection completed in 2014. A joint draft action plan between the HSCB and Herefordshire Council was devised in 2014 however it has recently been identified that the Board's oversight of the implementation of this action plan was poor. One of the consequences of the lack of oversight is that the Board did not receive any data regarding missing children and young people in 2014-15 (Need to check if it was in HSCB dataset used during this period and if it was add "other than some data that was included in its overall performance dataset") and so the Board is unable to report in detail on missing children and young people. There are clear requirements for children who are placed in Herefordshire by other Local Authorities, who are missing and a target is to develop how Local Authorities work together to respond.

Multi-agency training

Ensuring that the workforce and volunteers across the partnership are suitably knowledgeable and competent in undertaking safeguarding tasks is a significant contributory factor in children and young people receiving timely, high quality effective services that keep them safe and improve outcomes for them. Learning and development / training events are central to developing skills, ensuring up to date knowledge of policies, procedures and guidance, and incorporating lessons learnt from research and audits into practice.

During its Review of the effectiveness of the LSCB in April- May 2014, Ofsted found that;

“The LSCB has an established multi-agency training programme, which underpins safeguarding training provided within individual partner agencies. This has recently been revised and commissioned from an external provider following the departure of the LSCB training officer. Significant effort has been put into developing e-learning for partners. However, there has been low take-up or completion of e-learning. For example, e-learning on leadership for representatives engaging in the work of the LSCB has had poor take-up, with the exception of voluntary sector representatives, even though there are increasing numbers of new representatives on LSCB groups. Evaluation of the quality and impact of training on improving practice and the experience of children is significantly underdeveloped. This is primarily based on basic feedback from training participants through short questionnaires, which are not effectively used to ensure the quality, content or relevance of training or to enable the strategic development of multi-agency training. A number of awareness raising seminars have been delivered on behalf of the board, for example on learning from case reviews. These have been well received and enhanced awareness and understanding of safeguarding issues across partners.”

Multi-agency training and staff development is led and overseen on behalf of the LSCB by the Training and Development subgroup, which has also implemented the responses to the key Ofsted findings:

- To ensure that multi-agency safeguarding training is sufficient, taken up by partners.
- Develop further the evaluation of the quality and impact of training on improving practice and the experience of children.

During 2014-2015, 45 Courses/events were delivered through the Board to 926 practitioners from a wide range of agencies during the year. A breakdown of attendance by each agency can be seen on page 37.

The HSCB also offers a number of e-learning packages, which have been completed by 320 professionals.

Training courses are free of charge to funding partner agencies; agencies that do not fund the board are charged £50pp for a day's course. Non-attendance by participants results in a charge to all partners.

Training courses / seminars delivered have focussed on a range of safeguarding themes including:

- 🎗 Universal Introduction to Safeguarding
- 🎗 Universal and Specialist Sexual Exploitation and Trafficking
- 🎗 Targeted Multi-Agency Working Together to Safeguarding Children
- 🎗 Specialist Safer Recruitment and Designated Member of Staff Training for Education
- 🎗 Understanding Neglect
- 🎗 Child sexual abuse and forensic child sexual medical examinations
- 🎗 Serious Case Review briefings.

Sexual Exploitation and Trafficking continued to be a key area for Herefordshire Safeguarding Children Board in the 2014-2015 Business Plan. One element of the action plan was to continue to raise awareness across the children's workforce and as part of those activities the Board provided the following learning opportunities:

- 🎗 The Board has offered a Sexual Exploitation and Trafficking module within all Targeted Working Together Training since June 2013. By the end of Q4 14/15 this had been delivered to 193 practitioners.
- 🎗 38 multi agency places were taken on the Specialist Sexual Exploitation and Trafficking training during 2014-2015. Feedback from the evaluations included:

"It was really helpful to discuss the legal context at the beginning and to then continually use the law in examples. I have developed my knowledge of the Sexual Offences Act 2003 and the grooming process"

"I am now confident that I can use the knowledge I have gained from attending the course and my past knowledge and skills to ensure children are safeguarded".

"I have gained an in-depth knowledge of the guidance on children who are sexually exploited and skills in identifying the warning signs for vulnerability"

"Well presented and gripping".

During the year Herefordshire Safeguarding Children Board continued to coordinate a termly Safeguarding Leads in Education Forum to ensure a regular two way conversation is facilitated between the Board and education providers to increase the effectiveness of safeguarding work.

Impact of CSE Training on case management/referrals

The following testimonial was given by a member of staff at one of Herefordshire's further education colleges and highlights how the training has supported an increase in the identification of cases of children and young people affected by sexual exploitation and how the workforce is being supported to react appropriately to it:

- 🔗 *"The signs of trafficking was especially useful. During a de-brief on the training to colleagues later that week, a member of staff recognised a situation with a student and we acted on our suspicions and the case was accepted."*

Further evaluation feedback received from a worker in the local authority's Early Help team following training who stated that they were:

- 🔗 *"Able to use new knowledge to highlight dangers and refer to police and Social Services following CAFTAC when parent raised concerns re inappropriate texts from adult male to 12 year old daughter's mobile."*

Appropriate referrals were then received within the MASH in both of these cases.

All trainees from education who completed evaluations stated that the content was pertinent and that they would be sharing learning within their establishments to other staff. Some trainees also stated that they would be using some of the learning to raise awareness among their students.

Evaluation and impact of HSCB "Understanding Neglect" Training

Development of this new course first provided the board the opportunity not only to utilise feedback from participants to develop and amend the course content, but also to increase the rate of impact evaluations received by the board by directly targeting and following up all participants.

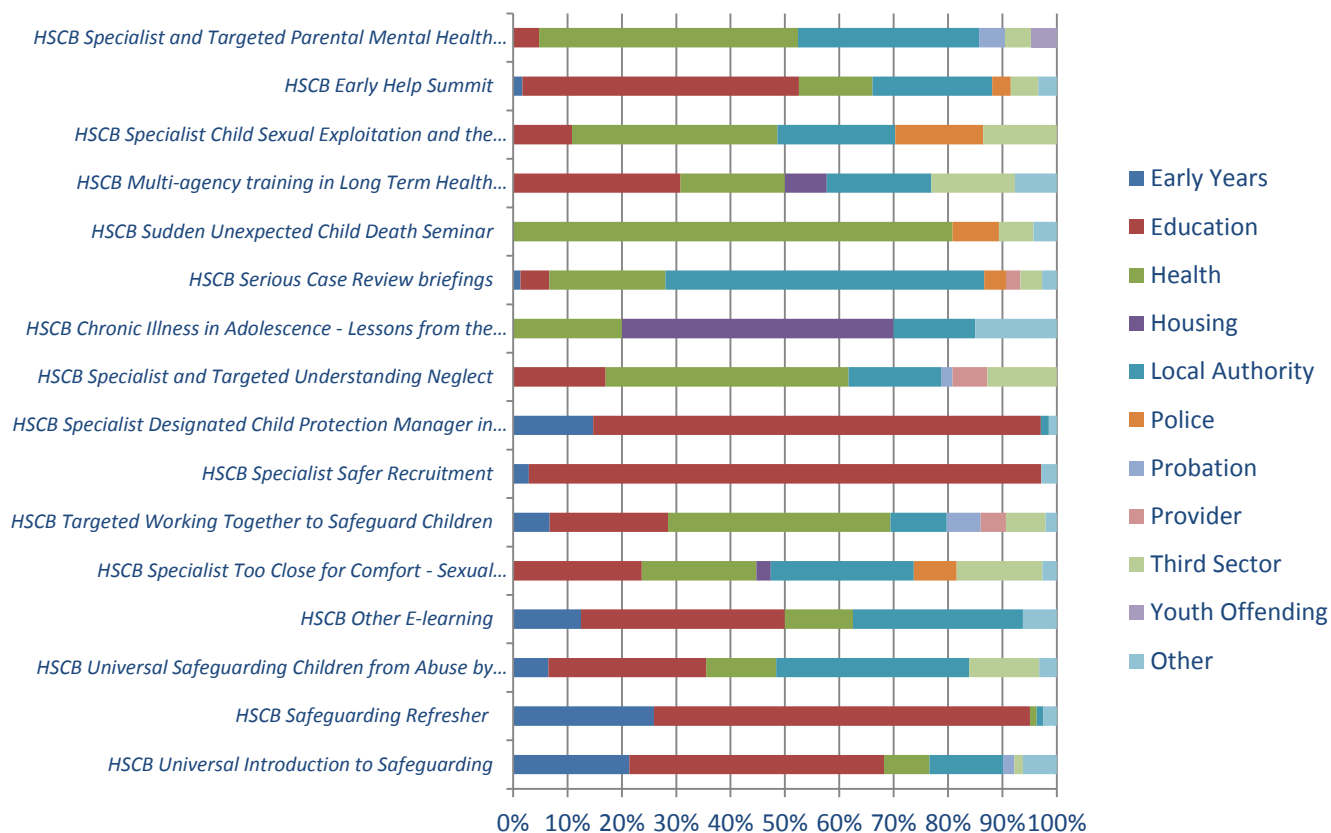
Initial findings are encouraging with all participants self-reporting greater knowledge, competence and confidence. Areas of key learning identified included;

- 🔗 *Liam's recording: Very powerful way of realising the importance of the child's voice.*
- 🔗 *Very good balance between Health and Children's Wellbeing input. Good role-modelling for multi-agency communication.*
- 🔗 *Really interesting and helpful to discuss the serious case reviews and be aware of how the system can fail.*

Impact evaluation comments 3 months post course include;

- 🔗 *It has made me more aware of the issues and more confident in addressing the issues. For instance, one of the fathers of a family that I am working with would not allow me to visit the family home. After the training, I made a point of convincing him.*
- 🔗 *In my consultancy work with social workers in complex cases it has reminded me to guide them in 'thinking the unthinkable'*

HSCB Course Attendance by Agency



Course Name	Early Years	Education	Health	Housing	Local Authority	Police	Probation	Provider	Third Sector	Youth Offending	Other	Total Numbers Attending	Number of Courses
HSCB Universal Introduction to Safeguarding	41	90	16	0	26	0	4	0	3	0	12	192	n/a
HSCB Safeguarding Refresher	21	56	1	0	1	0	0	0	0	0	2	81	n/a
HSCB Universal Safeguarding Children from Abuse by Sexual Exploitation	2	9	4	0	11	0	0	0	4	0	1	31	n/a
HSCB Other E-learning	2	6	2	0	5	0	0	0	0	0	1	16	n/a
HSCB Specialist Too Close for Comfort - Sexual Exploitation and Trafficking	0	9	8	1	10	3	0	0	6	0	1	38	3
HSCB Targeted Working Together to Safeguard Children	13	42	79	0	20	0	12	9	14	0	4	193	16
HSCB Specialist Safer Recruitment	1	33	0	0	0	0	0	0	0	0	1	35	4
HSCB Specialist Designated Child Protection Manager in Education	10	56	0	0	1	0	0	0	0	0	1	68	6
HSCB Specialist and Targeted Understanding Neglect	0	8	21	0	8	0	1	3	6	0	0	47	3
HSCB Chronic Illness in Adolescence - Lessons from the Serious Case Reviews	0	0	4	10	3	0	0	0	0	0	3	20	2
HSCB Serious Case Review briefings	1	4	16	0	44	3	0	2	3	0	2	75	4
HSCB Sudden Unexpected Child Death Seminar	0	0	38	0	0	4	0	0	3	0	2	47	1
HSCB Multi-agency training in Long Term Health Conditions	0	8	5	2	5	0	0	0	4	0	2	26	2
HSCB Specialist Child Sexual Exploitation and the Herefordshire Paediatric Pathway for Child Sexual Abuse Examinations	0	4	14	0	8	6	0	0	5	0	0	37	2
HSCB Early Help Summit	1	30	8	0	13	2	0	0	3	0	2	59	1
HSCB Specialist and Targeted Parental Mental Health Workshop	0	1	10	0	7	0	1	0	1	1	0	21	1
	92	356	226	13	162	18	18	14	52	1	34	986	45

Table 2
Outcomes by sector

Agency	Substantiated	Unsubstantiated	Unfounded	Malicious	On-going police investigation Pending	LADO Threshold Advice/Not met	Advice/Employer/ Investigations	Total
Independent Providers (Care homes)	5	2	1	1	0	2	44	55
Early Years	0	2	0	0	0	0	12	14
Education	2	3	2	0	2	8	22	39
Health	1	2	0	0	1	1	0	5
Foster Care	1	0	3	1	2	2	11	20
Police	1	0	0	0	0	1	1	3
Social Care	0	0	1	0	0	0	1	2
Herefordshire Council	0	0	0	0	0	1	0	1
Other	0	1	0	0	0	0	5	6
Voluntary Orgs and Leisure services	1	0	0	0	0	3	5	9
Total	11	10	7	2	5	18	101	154

A brief analysis shows a high number of referrals from independent care home providers, usually around restraint issues, but also medication errors. All of these have involved employer investigations overseen by the LADO. In response to concerns identified in last year's report, a presentation on the LADO process was given to the independent Care Home providers as part of the Providers Forum.

Substantiated Concerns

In cases where concerns were substantiated, there were:

- 5 cases involving restraint/ violence/threats of violence.
- 3 cases where there were concerns about the individual's behaviour towards their own child/ children and it was considered that there were indications of risks in the workplace
- 2 cases where individuals had taken illegal substances and this was seen as a risk in the workplace
- 2 cases involving sexual risk to children

Table 3. Action following findings of Substantiated concerns

	Warning/ Retraining	Dismissal/ No longer in regulated activity and DBS notified	Criminal Investigation/ Prosecution	NFA	Other
Physical harm 4	1	2			1 referral to Fostering panel
Emotional harm 0					
Sexual harm 2		2	2 Both convicted, 1 sentenced, 1 ongoing		Referrals to DBS completed
Neglect 1			1		Ongoing. Referral to DBS and report to Regulatory Authority
Professional Conduct 4	1 retraining	3 dismissal			

HSCB procedures on managing allegations against professionals have been updated, but following a DFE consultation period, new national procedures will need to be incorporated. In order to ensure procedures reflect the most efficient working practices, a series of meetings is being set up with agency colleagues in order to ensure there is clarity and clear communication on LADO issues.

Private Fostering

Private fostering is when a child under the age of 16 (under 18 if disabled) is cared for by someone who is not their parent or a 'close relative'. This is a private arrangement made between a parent and a carer, for 28 days or more. Close relatives are defined as step-parents, grandparents, brothers or sisters. The plan is for private fostering to move into the SGO/Kinship team.

There were no reported privately fostered children within Herefordshire in 2014/15. The national picture remains low. A set of leaflets have been produced for young people, parents and carers and further will be undertaken by the Local Authority and Herefordshire Safeguarding Children Board to improve awareness of Private Fostering in the next year.

Conclusion

In order to assess whether the LSCB is fully discharging its responsibility to evaluate the effectiveness of the safeguarding system as a whole, and to evidence the impact it is having, it is helpful to consider the following questions:

- Are we doing the right things?
- Are we making sufficient progress?
- Are we managing risk safely and appropriately?
- Is the LSCB making sufficient progress?
- What impact is the Board having?

Are we doing the right things?

The Board selected its four priorities for the year in the light of evidence and information from a range of sources, including Ofsted and the Improvement Board. These are detailed elsewhere in the report, together with information about what activities were undertaken to make progress.

Are we making sufficient progress?

Review of performance and other qualitative information during the course of the year suggests that progress has been steady overall, and this was endorsed by the Ofsted inspection outcome. However, challenges remain in delivering a consistently high quality of service across agencies, but particularly in children's social care. Instability of the workforce is a key challenge for partners, and will remain a barrier to achieving and embedding lasting change. For this reason, safeguarding and promoting the welfare of children and young people who are abused and/or neglected, and supporting increased resilience in individuals, families and communities are two of the Board's priorities for the coming year.

In relation to tackling the sexual exploitation of children and young people, initial progress was rapid, but has levelled off. Renewed impetus is required, and this area remains a priority for 2015-16 and beyond.

Are we managing risk safely and appropriately?

Partners are each finding ways of managing services in a climate of increasing demand and expectations. At the highest level, chief executives are working together to find new ways of commissioning and delivering services. However, this does not always translate through all organisational levels, and there are stresses appearing across the system. The Board did not have a systematic system of addressing this, and will be developing a risk register to provide a framework for multi-agency ownership, mitigation and problem-solving during 2015-16.

These challenges have been incorporated within the strategic plan for 2015 onwards, and incorporated into the Board's business plan for 2015-16. This is summarised in the table below.

Strategic Priorities	HSCB is a truly effective agent for change that has a real impact for children and young people.	To improve the recognition and response to child sexual exploitation (CSE) and missing children and young people.	To support increased resilience in individuals, families and communities.	To safeguard and promote the welfare of children and young people who are abused and/or neglected.
What will success look like?	LSCB work is informed by the voice of the child and front line practitioners.	Increased number of schools delivering safe and healthy relationship information to pupils.	Reduction in referral and re-referral rates to children's social care.	Maintain rate of repeat child protection plans in line with statistical neighbours.
Key Outcome	Increased use of challenge results in improvements; for example, rate of repeat referrals.		Improved quality of referrals to children's social care.	(NB: to be reviewed in line with year end data.)
Measures	The LSCB works effectively with other strategic partnerships and influences commissioning and local partnership safeguarding activity.	Percentage increase in the number of welfare return interviews completed. Increase in the disruption and/or prosecution of perpetrators.	Percentage of professionals who report they are confident in responding to concerns in accordance with thresholds document.	Increased multi-agency attendance and contribution to child protection conferences. Child protection plans clearly set out what needs to change, how and by when.

Appendix A: LSCB Finance and Staffing

The work of the HSCB is funded through contributions from partner agencies in line with an agreed funding formula.

Expenditure	2014/15
Independent Chair	£23,419
Business Unit Staff and Costs	£129,439
Additional Business Costs including overheads	£123,356
Training and development	£33,509
Meeting expenses	£3,347
Contributions from other organisations and Income from training	+ £102,094
Total expenditure	£210,976

Breakdown of Financial Contributions		2014/15
Council	£127,897	61.2%
NHS	£45,203	21.6%
West Mercia Police	£30,165	14.4%
YOS	£645	0.3%
Probation Services	£4,612	2.2%
CAFCASS	£550	0.3%
Total contributions	£ 209,072	

Appendix B: LSCB Membership and Attendance 2014-15

		Strategic Board	Steering Group	QA Sub Group	Joint Case Review	Child Death Overview Panel	MASH Governance	T&WD Sub Group	Policy and Procedure Subgroup	CSAR Strategic Sub Group	CSAR Operational Subgroup
HSCB (Chair and/or Lay Members)											
2gether NHS Foundation Trust											
Education Establishments											
Herefordshire Council (Elected Member)											
Herefordshire Council	Education										
	Children's social care										
	Sustainable Communities										
	Adult social care										
	Public Health										
Ministry of Defence											
Herefordshire CCG											
NHS England Area Team ³											
West Mercia Police											
West Mercia Probation Trust											
Third Sector											
Wye Valley NHS Trust											
Youth Offending Service											
CAFCASS ¹⁷											

Attendance Key

Attended more than 70% of meetings
Apologies sent, representative attended 30% or more meetings
Did not attend 30% or more meetings
Not a member of sub group

³⁻¹⁷ The agencies are not expected to attend all Strategic Board meetings and attendance rating is calculated on their agreed attendance.



Herefordshire
Safe guarding
Adults board



Annual Report
2013/14 and 2014/15



Vision

“that Herefordshire’s adults at risk are able to exercise choice and control in an environment in which their wellbeing needs are met and they are safe from harm”.

4 Contents

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Introduction 5

This report covers two years 2013/14 and 2014/15 and is published on behalf of Herefordshire Safeguarding Adults Board and its partners.

We have chosen a new format which we hope makes it more accessible, reflects our achievements and identifies where we should and can do more to safeguard adults at risk.

Our story is set out in this report, and we have tried to use case studies to illustrate some of the work we have been doing and the positive impact it has had on individual lives.

The Care Act 2014 places safeguarding adults on a statutory footing, and states that local authorities must establish a Safeguarding Adults Board. Though Herefordshire already had a board, the preparations for the Care Act have helped us focus on leadership, planning and how we make sure that people who we work with feel safer as a result of our work.

A key decision was to appoint an independent chair, and in September 2014 Ivan Powell was appointed as our new Chair. Ivan has worked in the police for a number of years, many of them in the local community and has already made improvements in our partnership working.

We would both like to take the opportunity of thanking all of the individuals, families, communities and organisations that work hard to protect adults who are at risk or who are abused. Through partnerships and collective effort we can continue to make improvements and look forward to your continued support.



Ivan Powell
Independent Chair



Helen Coombes
Director of Adults Wellbeing

6 Some of our achievements from 2013-14

Our response to the Francis inquiry

The Francis Report was published in February 2013 and examined the causes of the failings in care at Mid Staffordshire NHS Foundation Trust between 2005 and 2009. The report made many recommendations, including:

- improve openness, transparency and candour throughout the healthcare system (including a statutory duty of candour), fundamental standards for healthcare providers;
- improve support for compassionate caring and committed care and stronger healthcare leadership.

Each local area Clinical Commissioning Group (CCG) was asked to look at local services and produce and deliver an action plan. The Herefordshire action plan has been presented to the board and will continue to be monitored to ensure the actions are implemented and that the failings of the Mid Staffordshire NHS Foundation Trust will not be repeated in Herefordshire.

Our response to Winterbourne View

On 31 May 2011, an undercover investigation by the BBC's Panorama programme revealed criminal abuse of patients by staff at Winterbourne View Hospital near Bristol. In response, in December 2012 The Department of Health published "Transforming Care: A national response to Winterbourne View Hospital and the Concordat: Programme of Action". This agreement and related action plan sought to address poor and inappropriate care and achieve the best outcomes for people with a learning disability, or autism, who may also have mental health needs or challenging behaviour.

Following the publication of this report, Herefordshire Council worked collaboratively with health (CCG, 2gether Foundation Trust and Wye Valley NHS Trust) colleagues to produce an action plan which was shared with the Department of Health in July 2013.

Work on the action plan continued throughout 2013 and 2014 and a revised updated action plan was submitted to the Department of Health in December 2014.

The board continues to work closely with health professionals and commissioners of care services to ensure that the changes brought about in response to this report improve the outcomes for the people using these services.

Some of our achievements from 2013-14

The dignity challenge

To support the ten dignity principles in care services across Herefordshire, the board launched a campaign, in partnership with providers, to make them more accessible to adults at risk and their care providers, both voluntary and paid.

9,000 leaflets were distributed via providers to those in receipt of services and a poster was delivered to all care providers for them to display.

Feedback from these providers has shown that it raised awareness and supported those in receipt of care services, giving them a stronger voice in planning and reviewing their care.

You have a right to quality care:

THE DIGNITY CHALLENGE

High quality services in Herefordshire respect people's dignity.

BE SAFE
You will be safe and free from any sort of harm.

BE TREATED WITH RESPECT
You will always be treated with courtesy, dignity and respect.

GET THE SERVICE YOU WANT
You will be offered a personalised service because you are an individual.

HAVE CHOICE AND CONTROL
You will be supported to have independence, as well as choice and control over your life.

BE LISTENED TO
You will be heard and something will be done about any concerns you have.

PRIVACY
Your right to privacy will be respected.

SPEAK OUT
You will be able to tell us what you think about the service even when things are going wrong.

INVOLVE YOUR FRIENDS & FAMILY
You can involve your family and friends in your care and support.

FEEL GOOD ABOUT YOURSELF
You will be supported in a way that helps you to feel good about yourself.

CHOOSE HOW TO SPEND YOUR TIME
You can choose who you spend time with and how.

IF YOU ARE UNHAPPY YOU SHOULD SPEAK TO:

If they are not listening you can contact **Healthwatch** in Herefordshire on **01432 364 481**.

healthwatch Herefordshire
Herefordshire Safeguarding Adults Board

Partnership working

We established links into work already taking place across the council, in communities and with other organisations to keep people safe such as Safe Places Scheme.

We worked closely with trading standards and the police around door step crime, distraction burglaries and targeting of older people, raising awareness amongst staff, communities and individuals about what to do if you are a victim of crime and what support is available.

Working with the community safety partnership, we helped support victims of domestic violence, rural crime and hate crime.

Some of our achievements from 2013-14

Learning and improvement

Sometimes individuals are not protected well, and regulators and the public want us to review what we have done, and what we can do to improve. Where it is a very serious incident like a death caused by abuse or neglect, we undertake a Safeguarding Adult Review (SAR). Sometimes, although it is a serious incident, it does not meet the criteria for an SAR but we do still want to learn from it. During 2013-2014, in conjunction with Herefordshire's Safeguarding Children Board, we developed a locally agreed "Herefordshire Evaluation and Learning Process" (HELP). This involves reviewing cases where multi-agency failings may have contributed to someone experiencing significant harm. To date, it has been used to review two cases; the learning from these reviews has been presented to the board for action which led to a series of developmental events for professionals.

Social care commitment

During 2013/14, local authorities along with all other sectors in the adult social care world were encouraged to sign up to the Social Care Commitment. This is a commitment to provide people who need care and support with high quality services through focusing on a core set of principles:

- work responsibly
- uphold dignity
- work co-operatively
- communicate effectively
- protect privacy
- continue to learn
- treat people fairly

By putting these principles at the heart of our safeguarding work as a partnership, we have emphasised to our workforce, the residents of Herefordshire and other organisations that protecting the rights of vulnerable people is a key priority.



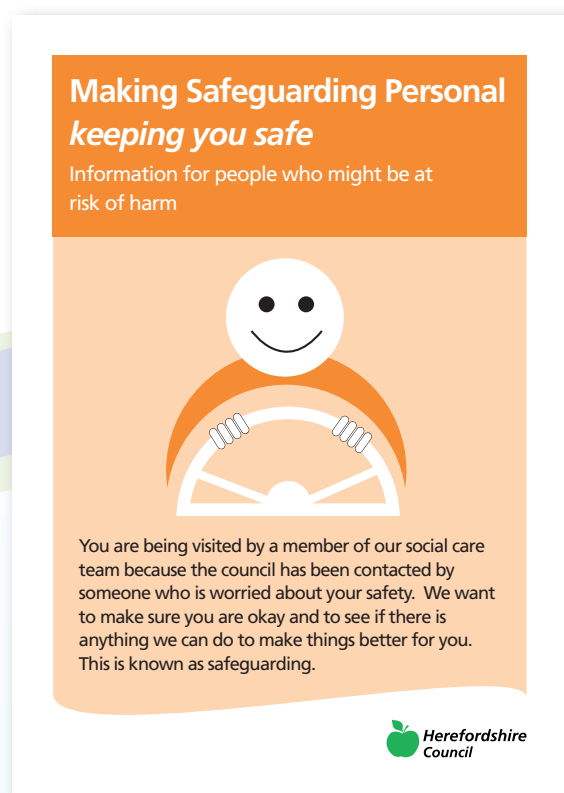
Some of our achievements from 2014-15 9

Making Safeguarding Personal

We have heard from individuals, their families and our workforce that often in the local authority when we start the safeguarding adults process we are not always very good about checking with people what they would like to happen and what a good outcome would be for the individual. As a result, in 2014-15 we started to implement Making Safeguarding Personal (MSP) in Herefordshire. MSP is a national programme aimed at listening to what people who are at risk of harm or abuse want to achieve and then at helping them achieve it by:

- talking and listening to people about what they want to happen
- recognising the person as the expert on their own life
- giving people greater choice and control
- working with the individual to attain outcomes determined by themselves
- improving the quality of life, wellbeing and safety

We began our programme of change in September 2014 with a focus on removing some of the administration from the referral process, improving our communications back to people who have referred suspected cases of abuse, and making sure that people who may be victims of abuse are clear about what we can do to support them. We have taken considerable time and effort in training our front line social work staff to think about the new approach to safeguarding adults and reduced some of the paperwork they have to complete.



10 Some of our achievements from 2014-15

The Care Act 2014

This new legislation, which became statutory in April 2015, heralded a change in the way the board needs to work and requires new policies and procedures to be developed. The board implemented an improvement plan to ensure full compliance with the legislation by the required date of 1st April 2015.

To support compliance we have:

- recruited an independent chair
- rearranged the remit of the board and its sub groups
- recruited new members to the board in addition to the statutory members
- developed a constitution, members' pack and induction process, so that all members of the board are aware of their membership commitment
- developed the correct governance arrangements both within the board and its sub groups and with partner agencies
- developed the support resource available to the board through a newly established business unit
- worked with the rest of the West Midlands councils to produce a new policies and procedures

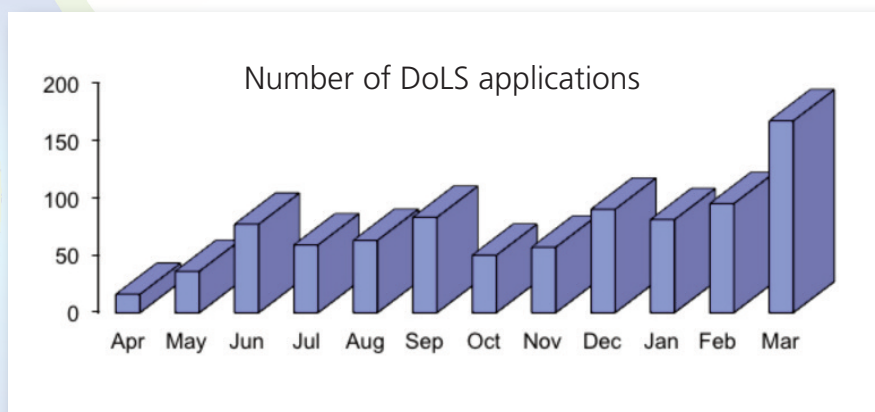


Some of our achievements from 2014-15 11

Deprivation of Liberty Safeguards (DoLS)

Some of our most vulnerable people are not always able to understand the consequences of decisions and therefore may place themselves at risk. The council has a responsibility for authorising appropriate care for people that will keep them safe. This applies to care homes, hospitals and some supported housing in the community. The council can only authorise restrictions on where people live or what they do after a number of independent assessments have been made.

During 2014 a court judgement on a specific case meant that all providers of care had to re-look at where they might be restricting someone's freedom in order to keep them safe. This has led to more people being referred for an assessment.



In order to address this in Herefordshire we have recruited a new DoLS lead and support staff. They are responsible for monitoring the process and also informing and training our partner agencies and providers.

We continue to recruit and train best interest assessors. These professionals help to inform decisions about care and support, when the person concerned is no longer able to do so. It is based on a person's likes and dislikes and is an integral part of the DoLS application.

Joined up working across adults' and children's safeguarding

We undertook a review of both the children's and adults' boards, looking specifically at the governance and support arrangements and taking into account the new statutory responsibilities for both areas. We recognised that there is learning to be gained across children's and adults' safeguarding, and that we have common areas of interest such as sharing information, working with families and workforce development. We are developing plans to consolidate this joint work.

12 How well are we doing?

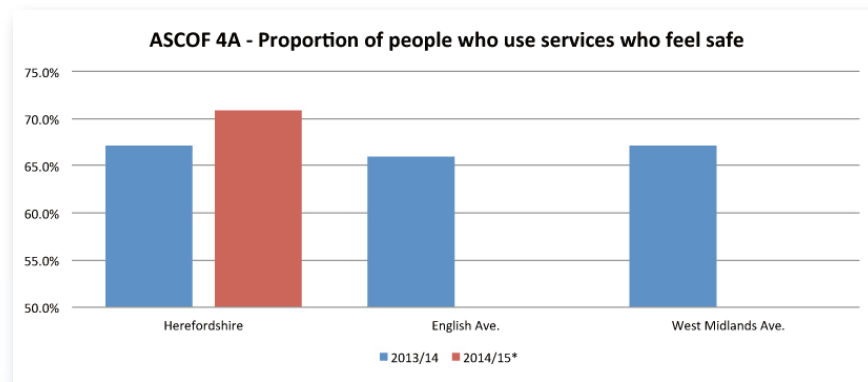
Our performance - Feeling Safe

Herefordshire has a total population of 186,100 which includes approximately 157,400 adults. During 2013/14, adult social care worked with 4,200 people aged 18 years and over. This is 2.27% of the population. Each year we take part in surveys, collect data and ask the people we work with about our performance. Some key highlights are:

Proportion of people who use services who feel safe

* 2014/15 figure is current draft and subject to change as part of the PI validation process

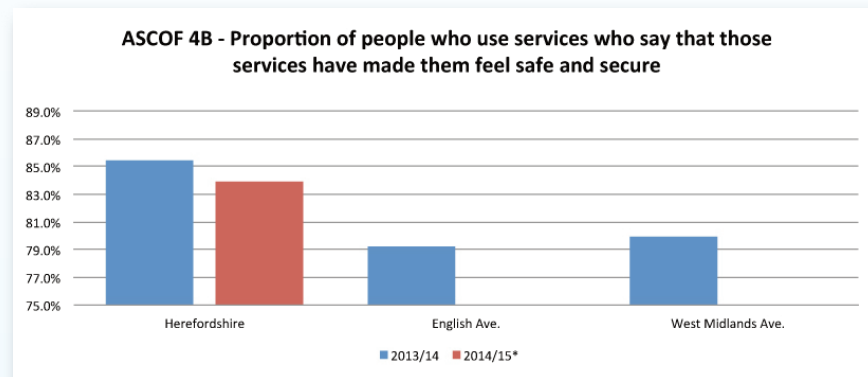
	2013/14	2014/15*
Herefordshire	67.1%	70.9%
English Average	66.0%	} Not yet available
West Midlands Average	67.1%	



Proportion of people who use services who say that those services have made them feel safe and secure

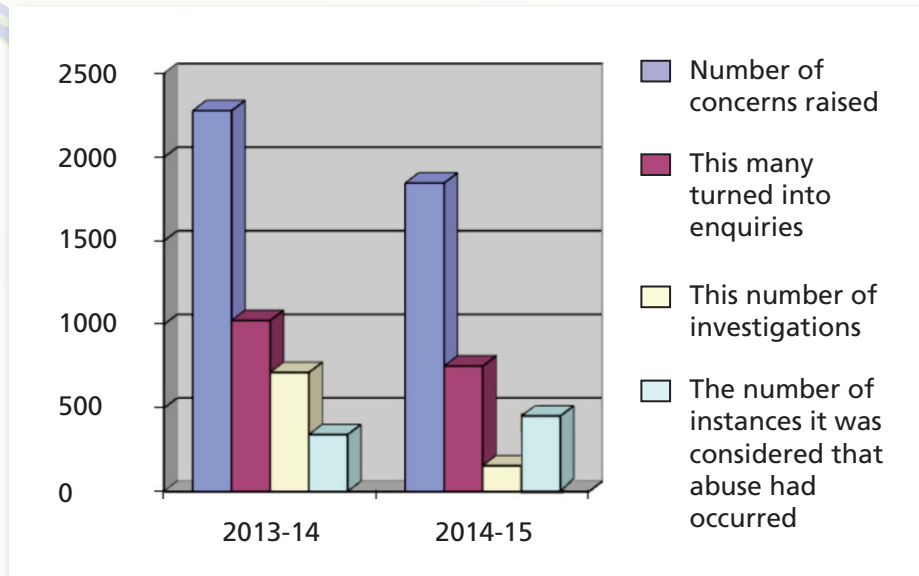
* 2014/15 figure is current draft and subject to change as part of the PI validation process

	2013/14	2014/15*
Herefordshire	85.5%	83.9%
English Average	79.2%	} Not yet available
West Midlands Average	79.9%	



How well are we doing? 13

How many people contacted us about suspected abuse

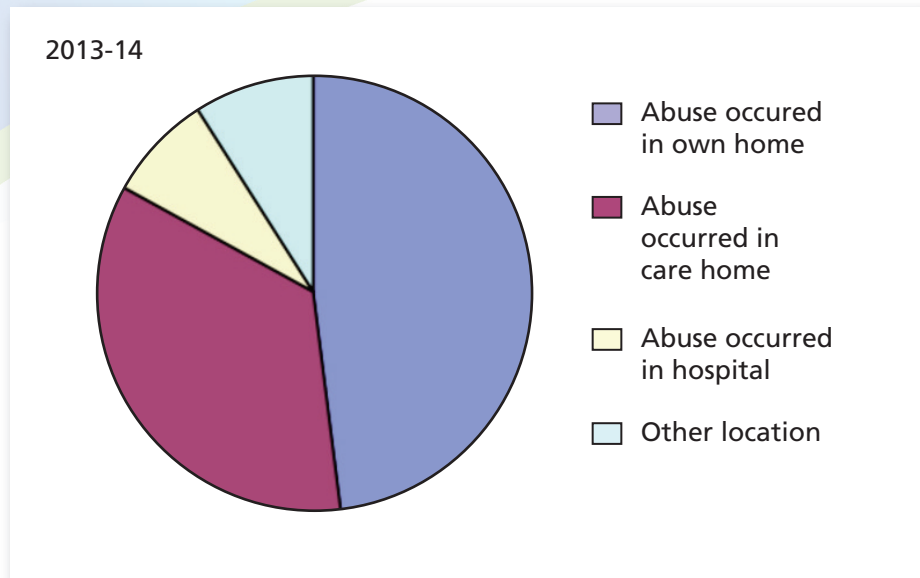


*figures for 2014/15 are not yet finalised and may change

- Concern is the initial contact made raising concerns. It can be made by anyone; police, health, social care professionals, any other professional or members of the public
- Once the information contained in the concern has been verified, an enquiry is sent to social care staff and they begin an investigation
- Once an investigation is completed the social care staff, taking into account all of the information will make a decision about whether the allegation of abuse can be substantiated and how we can work with an individual to protect them in the future

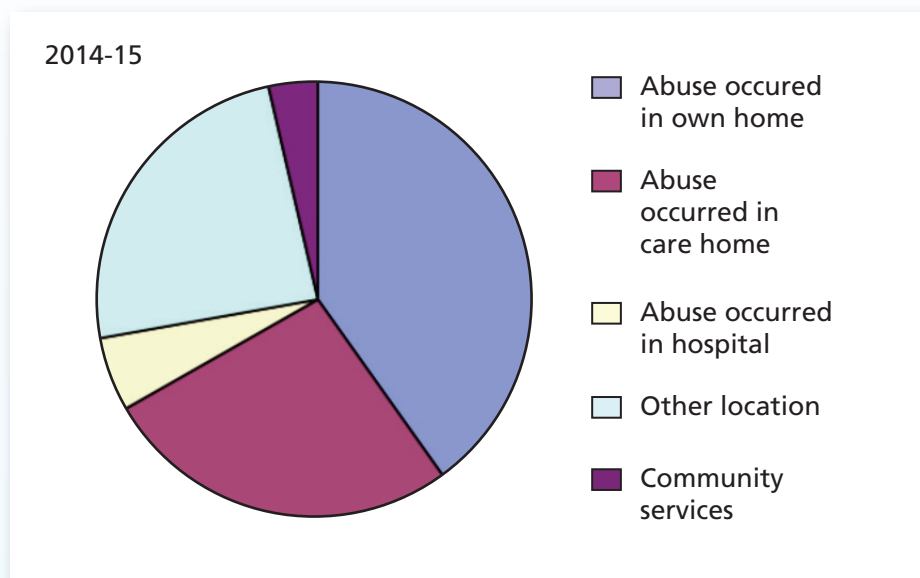
14 How well are we doing?

Where abuse occurred



Some of the information we collect allows us to make decisions about what work we should undertake as a board.

Because abuse in care homes is a large percentage in the overall figure we are working very closely with care providers to help reduce this number.



Some of the ways we work to keep people safe 15

How the local authority works to help keep people safe

The local authority has a quality and review team (Q&RTeam) responsible for monitoring safeguarding and quality concerns. They will support social workers and other professionals who have concerns with regard to specific services.

An example of this is that a number of safeguarding alerts and concerns regarding the quality of care had been raised about a particular care home. The team collected further feedback from residents, their families and professionals. A report was generated which contained all of the information which was then shared with the provider in question.

The provider reviewed all of this information and agreed with the concerns identified and began to work with the Q&RTeam to address the concerns in order to improve the quality of care being given to their residents.

Together they produced and implemented an action plan that identified areas for improvements to be made. Progress was reviewed during regular monitoring visits until all the actions had been completed. In addition, a training provider became involved to provide some additional support and promote and build excellence with staff in the home.

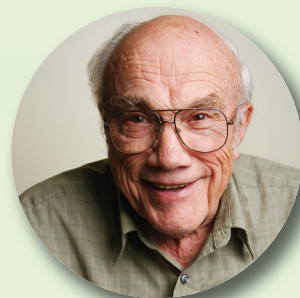
This improvement process is made possible by good collaborative working relationships between the local authority, its partners and providers to improve the experience of residents in care homes.



16 Some of the ways we work to keep people safe

Best interest decisions

Mr Adams is a gentleman in his seventies, he was admitted to hospital after having had a stroke. Prior to being admitted to hospital he had been living at home caring for himself with some support from a family member who lived close by. In addition to having a stroke Mr Adams also had a diagnosis of vascular dementia. After having the stroke Mr Adams experienced some difficulties in his abilities to express himself and he was assessed as not having capacity to make decisions about where to live and what care and treatment he needed. However he was still mobile and able to wash and dress himself. It had been suggested to Mr Adams' family that he might need to go into residential care and because of this they had started to look at possible homes for him to live in when he was discharged from hospital. However Mr Adams had repeatedly said that he wanted to return to live at home.



In order to work out what was in Mr Adams' best interests, a best interest assessor (bia) was appointed to help to decide if Mr Adams could return home or if he needed to go into residential care.

The bia met with Mr Adams to talk to him about his needs and what his wishes were and what his understanding of the options was. She also spoke with other professionals involved in Mr Adams' care and his family. The family initially felt that Mr Adams' should be placed in residential care, as this is what another professional they had spoken with had suggested. However the bia considered Mr Adams' needs, his abilities to care for himself, his wish to return home and options of support that could be available to him, and felt that he could be supported to return home. The bia asked the care team to identify support services that could be offered to support Mr Adams at home. The care team then held a best interest meeting and invited Mr Adams, his family and the professionals involved in his care to look at what options would be available to Mr Adams when he was ready to be discharged. They explained to the family what support could be offered to Mr Adams and the family to support Mr Adams to return to live at home. It was agreed at the best interests meeting that it was in Mr Adams' best interest that he should be discharged back home with a package of care to support him.

Mr Adams did return home and his family were pleasantly surprised at how well he managed to cope with the support from the package of care that had been provided.

Some of the ways we work to keep people safe 17

Living independently safely

A social worker raised a safeguarding concern relating to John, a service user with a learning disability. John has support from a care agency and also his extended family. The care agency were concerned that some members of the family were not looking after John properly and were expecting the care agency to do things which were not in John's care plan. There were also concerns that John's mother who lived with John was not being looked after properly.

A meeting was held following concerns regarding John's appearance, lack of food in the house, attitude of some family members to the carers and concerns about medication. It was also agreed that the social worker would complete a mental capacity assessment (mca) (this is an assessment of a persons ability to make decisions).

A planning meeting was held a week later at John's house with his sister, his main carer, his sister Helen and her husband Graeme to look at the issues. A plan was put in place to ensure that John was getting appropriate support. There were other members of the family who seemed to be visiting and staying in John's house.

It was decided at the meeting that John would benefit from the support of an Independent Mental Capacity Advocate (IMCA) to make sure he was happy with all the decisions made and also that his voice would be heard.

The IMCA worked with John and other people who were important to him, his sister and brother-in-law, the carers, a support worker at a horticultural project to improve his life. Helen and Graeme agreed to look into the actions of the other family members who were monopolising the washing machine and causing issues for the carers. The other family members were eating all John and his mother's food and not replacing it. Helen also agreed to provide some meals for John and his mother and monitor what they were eating on other days as well.

John was supported to have his own bank account so he could keep his money separate from his mothers and it would be 'protected'.

Following the safeguarding meetings the carers from the care agency reported that there had been an improvement in the support John received from his extended family. There is always food in the house and John and his mother are having well-balanced meals. The laundry is being managed and John goes to his day centre dressed appropriately in clean and tidy clothing. The care agency monitors the situation closely and liaises with John's sister and social worker if required.

John had a positive outcome from the safeguarding concern. Although he lacked capacity, he was able to make his views known through his advocate. By working closely with the care agency and family, the social worker was able to effect a change in the behaviours of some family members. John was able to remain at home with his mother which was his wish.

18 Some of the ways we work to keep people safe

How trading standards works to help keep people safe

Henry lives with his wife at their address near the centre of Hereford. Over a 5-10 year period Henry was targeted by scammers who sold him financial investments which didn't exist, conned him into sending money to bogus prize draws and entering fake foreign lotteries. The scammers were so convincing Henry gave over £50,000 of the couple's life savings to them. He was told by scammers that the details were completely confidential and not to discuss the matters with anybody. Therefore Henry hid everything from his wife (who is a dementia sufferer) family members and all other agencies, nobody was aware of the problem.

Recently Trading Standards acquired a "victims list" full of names and addresses that the scammers trade amongst themselves on the black market so they know who to target and exploit. On the list were the details of Henry and his wife. Trading Standards were able to contact Henry and his family to highlight the extent of the problem. Henry's family and Trading Standards are now in regular contact and have put various measures in place to protect him from falling victim to scams and giving away his entire life savings to fraudsters. The intervention has saved them around £1,500 per month.

Many victims like Henry are persuaded into thinking they are due to win huge sums of money and are told by the scammers not to tell anyone until the money is released. Victims therefore continually hide the problem which makes detection extremely hard. Even when family members or friends become aware of the problem and try to advise the victim they still refuse to accept they are being scammed. It's only when intervention from Trading Standards occurs that the victim starts to understand they are being scammed and successful measures can be put in place to combat the problem. If anyone suspects a scam victim they should be report the information to Trading Standards directly.



Some of the ways we work to keep people safe 19

How Women's Aid works to help keep people safe

Kay was being physically abused by her ex-partner in the home they had previously shared. Kay fled to stay with her mother, although this was still in the same area, as she was too frightened to stay alone.

On speaking to the agency concerned she stated that she wanted to leave the area to escape the ongoing abuse, which had left her feeling suicidal.

The agency then worked with Kay to understand fully the issues she was dealing with which as well as the abuse included mental health issues, a diagnosis of COPD and social isolation.

Once all of the information has been gathered a suitable refuge was identified which, as well as providing a place of safety, would also be able to enable Kay to address her mental and physical health issues.

Kay is now residing in a refuge and planning on applying for permanent accommodation. Her needs are being met and she is looking forward to a safer and more productive life.



20 Some of the ways we work to keep people safe

How the police work to help keep people safe

Alice lives alone in a bungalow in a street in Kington populated with similar residents. During 2013 a number of men cold called at her address offering to do 'essential' building work. Alice has a large supportive family although they are not local, so with a view to not bothering them, she agreed for the men to do the work.

The men charged an initial price of £2000 to do the work and once paid they took this as an opportunity to obtain more money from her. Over seven months and after bombarding her with phone calls and requests for money Alice parted with £34,000. There was no work completed on the property.

Alice has since explained that at the time she felt sorry for them. The men repeatedly told her that their business was struggling and that they had families to support. She felt that she was doing her bit to support them. She almost found the routine of going to the bank to withdraw money and meeting with them to hand over the money, a comfort in her lonely everyday life.

Alice has not had any interaction with local services or adult social care: she has only had support from the local policing team. The use of an intermediary for the Court process is being considered but due to her good communication and lack of 'needs' it is unlikely that they can assist.

The case is awaiting trial at Crown Court.

Our plans and priorities for 2015-16 21

Our board priorities

A multi-agency safeguarding adults board is responsible for coordinating and overseeing work of all of the partners in Herefordshire that helps keep adults safe. The board held a development day during March 2015 with key partners and agencies as part of our preparation for the Care Act. From this six strategic priorities were identified:

- To ensure that process, systems and structures are in place to safeguard and promote the welfare of adults who may be at risk of being abused and/or neglected
- HSAB is a truly effective agent for change that has a real impact for adults at risk
- To improve the recognition and response to those in need of safeguarding including those who lack capacity to make decisions and drive a person-centred approach to safeguarding adults at risk
- To support increased resilience in individuals, families and communities with a focus on raising awareness and empowering people to better protect themselves
- To raise the awareness of safeguarding in the workforce, service providers and communities to ensure the safety of adults at risk
- To promote the work of the board and the difference our strategic priorities has made to the safeguarding of adults at risk and the provision of quality services delivered by a well-informed workforce

Specific projects have been identified to meet these strategic objectives which include the quality of care delivered by local providers, training, performance data and the issue of self neglect. (Full details of the work plans are available as Appendix 1).

We have commissioned a safeguarding peer challenge to take place during this year. A peer challenge is when a team of experts from another area comes and spends time with the board and the council to review our work, identify good practice but also advise where further improvements could be made.

In addition the board will continue to embed the making safeguarding personal ethos into practice and decision-making and undertake regular audits.

22 Our plans and priorities for 2015-16

Our workforce training is key to the board having confidence that abuse is identified and then steps are taken to protect vulnerable people. We have prioritised investing in the workforce and will be providing professional development opportunities to all partner agencies by hosting practitioner forums on a quarterly basis. All of the agencies are also planning their own programmes and development.

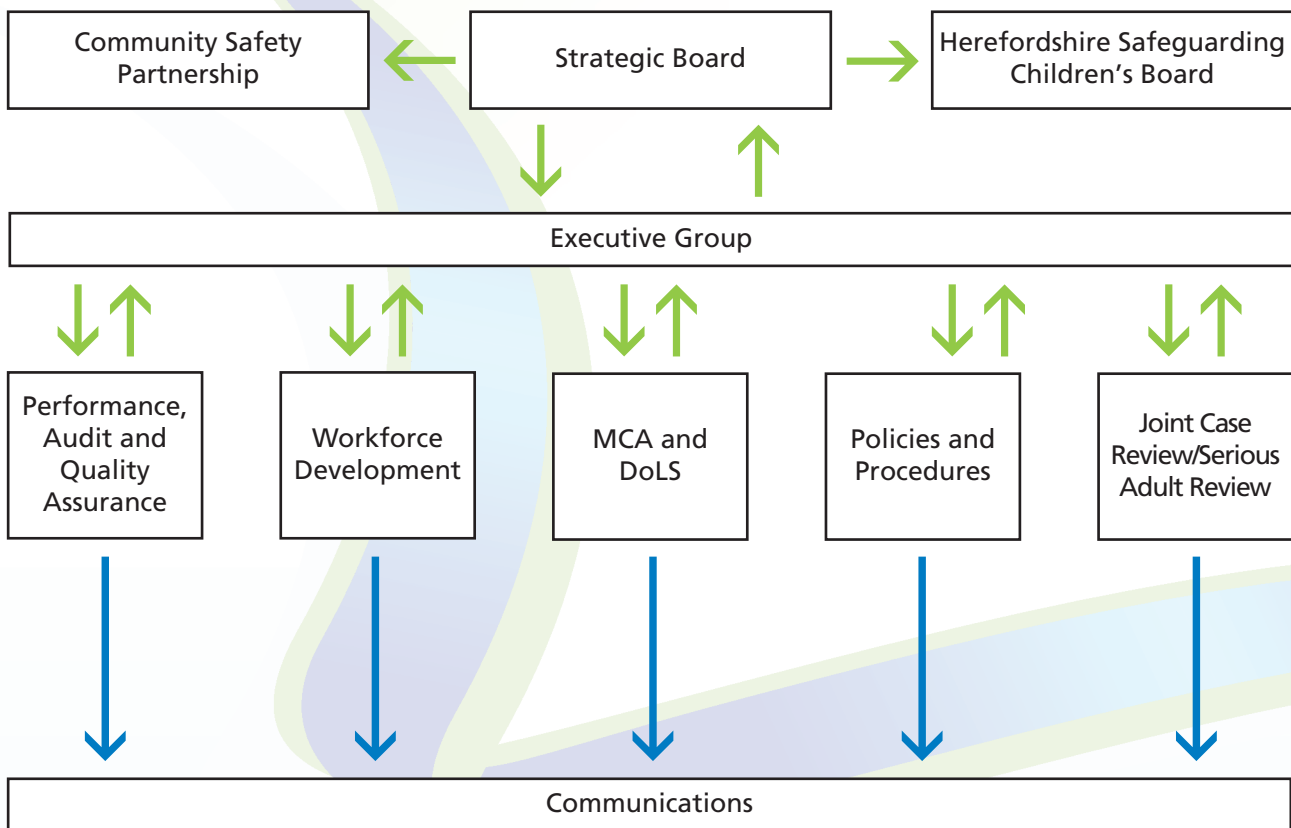
The care act continues to demand changes in our systems and processes and a project team within the local authority makes regular representation to the board with updates. We also plan to increase the level of communication and engagement that we have with people who use services, their families/carers, voluntary sector providers and other organisations that provide care and support.



How we will deliver our priorities 23

Our board has developed working sub groups to ensure priorities are agreed and delivered. These are set out below:

HSAB Structure and Governance Chart



It is the task of the Strategic Board to agree the priorities for the year and to inform the Executive Group of these.

For each identified priority there will be a workplan which will be owned by the chair of each sub group. The workplan will contain the activity required to deliver the priorities, which will be carried out by the members of that group. The chair will report developments or barriers preventing progress back to the Executive Group.

The sub groups will also be measuring the impact of the changes that are put in place so that the board can evidence it is making a difference to the lives of people in Herefordshire.

24 The sub groups

Performance and Quality Assurance

This group is responsible for data quality, audit and effective information systems. It has to make sure we meet current and future expected national and local data reporting requirements. Importantly it enables performance to be managed and seeks assurance on the quality of local safeguarding.

Policies and Procedures (commissioned January 2015)

This group ensures there is a comprehensive catalogue of policies which underpin the multi-agency safeguarding procedures. It ensures that all staff across the partnership have access to the necessary range of multi-agency safeguarding and adult protection policies and procedures and that these policies and procedures are embedded into practice. It also includes the review and maintenance of existing policies.

Mental Capacity Act and Deprivation of Liberty Safeguards

This group provides clear leadership in the promotion of the application of the Human Rights Act, Mental Capacity Act and the Deprivation of Liberty Safeguards in everyday clinical practice and ensures that a framework is in place to support staff in relation to their responsibilities and monitor compliance with this legislation.

Training and Workforce Development

This group is responsible for developing and maintaining Herefordshire's competency framework and provides evidenced assurance that partner agencies are meeting the requirements of the framework.

The group has particular responsibility to ensure that multi-agency development opportunities exist for all practitioners. By undertaking such activities the group will ensure people working with adults at risk, or people who may engage with adults at risk as part of their work, in Herefordshire understand their responsibilities.

Joint Case Reviews

The board has a legal duty to undertake reviews of cases where an adult at risk has died or suffered serious harm, the criteria for such reviews is set out in the Care Act 2014. The reviews involve all agencies who were working with the adult and are used as a learning platform for both good and bad practise.

Arrangements for co-ordinating work 25

Our board is made up from representatives from the local authority (social care provider), the clinical commissioning group (responsible for the purchase of health care) Wye Valley Trust (health care provider) 2Gether NHS Trust, West Mercia Police, National Probation Service, Community Rehabilitation Company, West Midland Ambulance Service, Healthwatch, Herefordshire Carers Support, Herefordshire Housing and members from the provider and voluntary sectors.



This multiagency approach ensures that all partner organisations receive the same information and messages and work together cohesively to provide the strategic direction for work undertaken on their behalf.

The business unit

We recognised that we have a shared agenda with some elements of the Community Safety Partnership work so we have increased our investment in the business unit that supports the board.

A plan to provide tripartite resource across Herefordshire Safeguarding Children’s Board, Herefordshire Safeguarding Adults Board and the Community Safety Partnership was agreed by all chairs.

The new business unit which provides support to sub groups, the strategic board and the chairs went live on 1st April 2015 and consists of one business unit manager, three learning and development officers and three business support co-ordinators.

We are the first area in the West Midlands to do this; it illustrates our commitment to keep improving how we work.



Business plan 2015-16 27

This document sets out the strategic objectives for Herefordshire HSAB for 2015-16 and the high level measures of success. Delivery group work plans provide the details of how the priorities will be achieved. The HSAB’s multi-agency performance dataset, audit programme and other associated learning and improvement activity will enable the HSAB to evaluate the impact of this plan on improving practice and outcomes for adults at risk in Herefordshire. The impact of the plan will be reported in the HSAB Annual Report 2015-16 and any further areas of improvement will also be identified.

The previously agreed strategic priorities of “Operational effectiveness” “Partnership working” “Prevention and protection” and “Communications and engagement” have been aligned to the HSCB priorities where possible. The projects that were agreed under these headings have been assigned to the new headings.

Strategic Priorities	HSAB is a truly effective agent for change that has a real impact for adults at risk.	To improve the recognition and response to those in need of safeguarding including those who lack capacity to make decisions and drive a person centred approach to safeguarding adults at risk.	To support increased resilience in individuals, families and communities with a focus on raising awareness and empowering people to better protect themselves.	To ensure that process, systems and structures are in place to safeguard and promote the welfare of adults who may be at risk of being abused and/or neglected.
Aligns to	Partnership working	Prevention and protection	Communications and engagement	Operational effectiveness

Key Outcome Measures	Partnership working to ensure positive outcomes for adults at risk of abuse or neglect.	MCA and DoLS are embedded into practice.	Communities and individuals are aware of what safeguarding means and who to contact and when.	Service providers deliver quality care.
	Partnership working to ensure best practice is maintained across all agencies.	MSP is embedded into practice.		Staff are well trained and learnings from audits and SARs are embedded into practice.
		The voice of the adult informs decisions.		
		Partner agencies and providers are aware of legislation and raise appropriate referrals.		

What will we do to deliver the four strategic priorities?

Executive Board	Develop protocols HSCB / CSP.	Monitor relevant sub group work plans.	Monitor relevant sub group work plans.	Monitor relevant sub group work plans.
	Peer review.	Risk register.	Risk register.	Risk register.
	Learning from other areas.			Publish annual report on the effectiveness of local safeguarding arrangements.
	Risk register.			
	Develop SAR process and notification arrangements for serious cases for discussion at JCR.			
	Ensure the needs of adults at risk are addressed in the JSNA and HWB strategies.			

Policy and Procedures

Maintain up to date HSAB procedures that align with sub regional arrangements and address cross border issues.

Disseminate information sharing protocol.

Embed MSP protocols into practice.

Incorporate learnings from DV pathway into practice.

Launch safeguarding toolkit for town and parish councils.

Work regionally to develop self neglect pathway.

Communications and engagement (including the voice of the adult)

Engage with front line staff and use their experiences to inform HSAB activity.

Engage and learn from front line staff at each board meeting – methodology to be agreed.

Consider the experiences of adults at risk at each board meeting via case study.

Promote HSAB membership and purpose.

Introduce "Chairs Blog".

Introduce Roadshow.

Increase awareness of DoLS and MCA.

Gather from BIAs evidence of the voice of those without capacity.

Develop arrangements to gather SU feedback of the safeguarding experience.

Raise awareness of adults at risk.

Work collaboratively with DVA Workstream to raise awareness of domestic violence in relation to dementia.

6 monthly reports from MIR evaluating their work with vulnerable groups.

Raise member and community awareness.

Pilot a safeguarding initiative with existing community champions.

Ensure the issue of self neglect is addressed in JSNA.

Develop HSAB website.

<p>MCA and DoLS</p>		<p>Develop multi-agency MCA and DoLS policies.</p>	<p>Raise awareness of MCA and DoLS.</p>	<p>Develop multi agency training strategy.</p> <p>Implement MCA / DoLS audit process.</p>
<p>Performance and Quality Audit</p>	<p>Develop and monitor multi-agency scorecard and understand measures on single agency scorecards.</p> <p>6 monthly report from HCC compliance team.</p> <p>Develop audit arrangements to measure quality and impact of organisational safeguarding arrangements.</p>	<p>Monitor application of DoLS process.</p> <p>Carry out routine audits of MSP.</p>	<p>Monitor support provided to carers and young carers.</p> <p>Adapt LA audit format to include the voice of the carer.</p> <p>Monitor results of the support provided via the Domestic Violence, Substance Misuse and Reducing Reoffending work plans held by the Community Safety Partnership.</p>	<p>Monitor the effectiveness of services provided to adults at risk.</p> <p>Interrogate findings from audits to inform practitioner learning.</p> <p>Annual report on the implementation of the competency framework.</p>

Workforce Training and Development

Launch competency framework.

Use local and national learning including SCR / DHR / SAR to shape service delivery and improvement.

Implement significant incident learning process.

Develop guidance to support partner agencies to evaluate training.

Promote dementia friendly initiative.

Develop guidance to support partner agencies to evaluate training.

Notes

Notes

www.herefordshire.gov.uk/hsab



The LSCB

(a) To coordinate what is done by each person or body represented on the Board for the purposes of safeguarding and promoting the welfare of children in the area; and

(b) to ensure the effectiveness of what is done by each such person or body for those purposes.



The annual report

- the effectiveness of child safeguarding and promoting the welfare of children in Herefordshire
- a rigorous and transparent assessment of the performance and effectiveness of local services
- identify areas of weakness, the causes of those weaknesses, the action being taken to address them as well as other proposals for action
- include lessons from reviews undertaken within the reporting period.



Performance and effectiveness of local arrangements

Services for safeguarding children and young people in Herefordshire have only recently improved since they were judged to be inadequate in the Ofsted inspection of child protection in 2012. No widespread or serious failures were identified by this inspection that currently left children being harmed or at risk of harm. However, progress to improve how children are safeguarded has been slow and many improvements are very recent. Too many of the areas for development from the inspection in 2012 continue to be areas that require improvement.

(Ofsted 2014)

Effectiveness of LSCB



The effectiveness of the LSCB requires improvement

(Ofsted 2014)

Conclusion



Are we doing the right things?
Are we making sufficient progress?
Are we managing risk safely and appropriately?
Is the LSCB making sufficient progress?
What impact is the Board having?

Challenges for 2015-16



Challenges to the Children and Young People's Partnership

Promoting early help for families, developing the "Think Family" approach and culture across the Partnership;

Improving the emotional and mental health and well-being of children, young people, and their parents and carers;

Meeting the needs of children and young people requiring safeguarding.

Challenges to the Health and Wellbeing Board, the Safeguarding Adults Board and the Community Safety Partnership

Promoting more integrated multi-agency working in responding to children and young people who live in the context of 'compromised parenting' (where there are adult issues of domestic violence, substance misuse, mental health problems and learning disability);

Supporting young people to make the transition to adulthood successfully.

Challenges for the LSCB itself

Priorities 2015 onwards



Improve the recognition and response to child sexual exploitation (CSE) and missing children and young people.

Support increased resilience in individuals, families and communities.

Safeguard and promote the welfare of children and young people who are abused and/or neglected.

HSCB is a truly effective agent for change that has a real impact for children and young people.



Meeting:	Cabinet
Meeting date:	11 February 2016
Title of report:	School capital investment strategy
Report by:	Head of education development

Classification

Open

Key Decision

This is a key decision because it is likely to be significant in terms of its effect on communities living or working in an area comprising one or more wards in the county.

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

Wards Affected

Countywide

Purpose

To approve the schools capital investment strategy to enable the next phase of planning to commence.

Recommendation(s)

THAT:

- (a) the schools capital investment strategy be approved;**
- (b) detailed financial plans, including representation to the secretary of state for education be developed and brought to cabinet for approval as required.**

Further information on the subject of this report is available from
Andy Hough head of education development Tel (01432) 260920

Alternative options

- 1 The council does not approve a schools capital investment strategy. Without a clear approach, based on sound principles, the significant maintenance and suitability issues that the Herefordshire schools estate has will only be addressed in a largely reactive, ad-hoc and inefficient basis. The opportunity to develop Herefordshire schools as a valued and important part of our infrastructure and a major contributor to learning and economic growth may be lost.
- 2 The council approve a different approach to capital investment in schools. The approach outlined has been consulted on extensively with schools and provides the best opportunity to develop a coherent approach to making Herefordshire schools of a high quality such that the staff can work more effectively and creatively delivering the best outcomes for children and young people.

Reasons for recommendations

- 3 On 23 July 2015, the cabinet member for young people and children's wellbeing approved the approach to developing a schools capital investment strategy. Following detailed analysis of data associated with schools and discussion with a wide range of stakeholders, a high level strategic approach, based on clear set of principles, has been prepared.
- 4 To implement the strategy the council and partners will need to invest significant capital resource and fundamentally change the way capital schemes have been developed, drawing together a range of partners and funding sources. The strategy is over a 20 year period and begins with the first five years of prioritised work. It identifies the indicative high level costs which will be subject to variations. Each scheme will have different profiles for resourcing. The cost of each scheme will need to factor in potential from national grants, conversion of revenue to capital, potential sale or purchase of land and the contributions from other stakeholders including the diocese and archdiocese.
- 5 Herefordshire has not benefited fully from successive national government initiatives. This continues to be the case across the whole school sector, including academies and will be for the foreseeable future unless Herefordshire is able to make a coherent and transformative case. The strategy provides the opportunity to effectively lobby national government.

Key considerations

- 6 The council's aim is for Herefordshire to be a desirable place to invest, live and work, so that the economy grows, as well as local communities. Education plays a crucial part in this aim. It is essential our schools are seen as both delivering good results for children and young people and also in a good state of repair and suitable for the delivery of a modern curriculum.
- 7 The strategy represents an opportunity to take a proactive approach to improving schools in Herefordshire, maximising investment across schools and partners at a time when the alternative would not lead to fundamental improvement across schools in Herefordshire.

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- 8 The challenges and responsibilities associated with managing the Herefordshire school estate was set out in a report to the cabinet member for young people and children's wellbeing on 23 July 2015 and the general overview and scrutiny meetings on 10 March 2015 and 30 September 2015. There are a mix of schools across the county, some of which are new and modern; while others are in a poor state and have developed rather haphazardly from when they were created in Victorian times. The challenges of some schools being in poor condition and not fit for purpose has been highlighted by the experience of Colwall CE Primary School. A costly reactive response was needed to address the issues that an agreed school capital investment strategy could have averted.
- 9 Council officers have been consulting widely on the approach to a schools capital investment strategy during the autumn term. There have been many meetings with clusters of schools and individual head teachers and governors, members of Herefordshire Council, the Diocese of Hereford, the Archdiocese of Cardiff, the education funding agency and the regional schools commissioner. There is wide support for a clear strategy, as the council's previous approach to reorganisation in 2008 was shelved due to the strength of opposition. The revised approach for the development of the strategy has involved detailed engagement with schools and governors with the data and information about their schools and considerable discussion about the options and ideas for investment and change. All head teachers have been engaged in this process and have contributed. For some there will be little impact for others there are significant options and ideas.
- 10 A key part of the strategy has been to develop some principles that will underpin any investment or scheme. These have been consulted on in meetings and through the council's website, where there were over 100 individual responses to a questionnaire. There is broad support for the principles, with respondents being pleased that the approach is about considering investment and consolidation rather than a previous perceived programme of school closures.
- 11 The school capital investment strategy is aligned with the council's core strategy which runs through to 2031. There is a need to ensure that the supply of school places is sufficient, as development takes place, but taking a strategic approach to school buildings provides options for enhancing existing provision rather than assuming a new school where there are large developments. This will fulfil the statutory duties of the local authority as well as recognising the diverse school system at present including maintained schools, academies and free schools, sponsors, governing bodies, and the dioceses.
- 12 There is a pressing need to invest in Herefordshire schools and the council makes use of current funding sources within its capital investment strategy (37% of the capital programmer) to do so. However, there remains a significant maintenance backlog. Funding for academies, for schools in locally coordinated, voluntary aided programme (LCVAP) capital scheme and local authority schools is insufficient for the maintenance work required. With poor and or untimely maintenance work, the likelihood of more expensive reactive emergency work increases. There are schools that need additional spaces and facilities and there is no capital allocation available to them. Schools have been using their devolved capital sums and additionally converting revenue to capital to undertake work. This conversion of revenue to capital may be seen as detracting from funding that could have been used to enhance children's learning; additionally with pressures on school budgets increasing, the opportunity to make this conversion is likely to be very limited.
- 13 The principles underpinning the schools capital investment strategy establish that

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capital improvement schemes need to draw on a variety of funding streams. The proportional contribution of funding for each will vary and will need to be considered in detail as the scheme is brought forward. The council retains responsibility for local authority maintained schools. Clarity of how any development fits into an overarching approach will assist in the decision making for either the council, a governing body, other service or government.

- 14 The school capital investment strategy seeks to address the varied demography and distributed population of Herefordshire by examining different locations and situations. The schools in the council's core strategy planning areas of Hereford city and the market towns of Ross-on-Wye, Kington, Ledbury, Leominster and Bromyard are considered along with the rural areas where there are the key secondary school areas of Wigmore, Weobley, Kingstone and Fairfield. The spread of the population attending primary schools, and preferences parents make, means that detailed consideration needs to be given to rural schools, many of which have less than 105 pupils on roll. Additionally, special schools and alternative provision are integral to the overall strategic approach.
- 15 The overall strategic approach uses the data and information about the schools in the different locations and situations mentioned above and proposes an indicative level of funding that the council might invest in a scheme to improve the quality and efficiency of the provision. These figures reflect only the indicative net cost to the council of each scheme, as at this stage of development it is not possible to determine with precision what grants might be available, what land may need to be purchased, what assets could be realised or any other issues arising from detailed consultation.
- 16 Schools are becoming more autonomous with more varied governance arrangements and a wider range of responsible bodies. The Education Funding Agency (EFA) manage the academy capital programme on behalf of the secretary of state. The council is responsible for local authority maintained schools and the dioceses and archdiocese have a role to play in funding schools under their control. An agreed strategic approach to investment in schools provides opportunity for good and outstanding leaders to assist in managing change so there is a wider benefit to the community of Herefordshire.
- 17 The timing and urgency of bringing forward detailed proposals will vary. The strategy includes an assessment of each area in Herefordshire and the priority issues to resolve.

Community impact

- 18 The development of high quality schools will support the council's vision of Herefordshire being a place where people, organisations and businesses work together within an outstanding natural environment, bringing about sustainable prosperity and wellbeing for all. In particular for children, it will support giving them the best start in life set out in Herefordshire's Children and Young People's Plan 2015-2018.

Equality duty

- 19 An equality impact assessment (appendix 3) has been undertaken for the schools capital investment strategy.

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Financial implications

- 20 There are no direct financial implications arising from this report. The recommendations include the development of a financial plan to deliver the strategy which will form part of the council's capital investment strategy and decision making process. It will necessitate funding being combined from a variety of sources including potentially schools own budgets, the Diocese and Archdiocese, national funding streams and sources, the council, borrowing, release of capital, economic and housing developments.

Legal implications

- 21 The proposal as detailed within the body of the report accords with the local authorities statutory duty under s.13 of the Education Act 1996 which requires it to contribute toward the spiritual, moral, mental and physical development of the community by securing that efficient primary and secondary education are available to meet the needs of the population of its area.

Risk management

- 22 Without an agreed capital investment strategy the maintenance, condition and suitability issues in schools will at best deteriorate in an unplanned and unmanaged way and at worst lead to significant reactive works or the unplanned closure of schools. All of which will ultimately incur more costs for the council than a planned approach and potentially affect learning outcomes for the county's children.
- 23 While the strategy sets out the overarching approach to schemes in particular areas, there is a risk that there is not sufficient agreement to develop a workable detailed plan. Thorough and detailed planning and performance review arrangements will need to be in place.
- 24 It may be that realistic schemes are put forward but the council fails to agree a way forward. The presentation of detailed schemes will need to be thoroughly and properly researched and costed.

Consultees

- 25 Head teachers and governors of all schools have been invited to meetings with the director for children's wellbeing, assistant director education and commissioning and the head of education development. These meetings have provided opportunity to clarify the development process for the strategy and explore ideas. A number of ideas have arisen as a direct result of these meetings. Individual and groups of schools have engaged in more detailed discussions to modify and amend the proposals. All schools are aware of the proposed schemes included and mentioned in the strategy.
- 26 Diocese of Hereford, Archdiocese of Cardiff.
- 27 Governors of schools, including academies, voluntary aided and voluntary controlled.
- 28 Education Funding Agency (EFA).
- 29 Representatives from the office of the regional schools commissioner (RSC).
- 30 The principles that underpin the strategy have been formally consulted on through a

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questionnaire on the council's website. There were in excess of 100 individual responses and a wide spectrum of views. There was wide support of the need for the strategy and a diversity of views about the importance of specific elements. This suggests that any detailed plans will have balance of those in favour and those against.

31 General Overview and Scrutiny Committee were consulted on 30 September 2015. A full response to the recommendations is attached at appendix 2 and their recommendations will be taken into account as follows:

- The anticipated growth set out in the core strategy through plans for the city, market towns and rural areas has been referenced for each school. The assumptions about yield of pupil places from the housing developments is complicated by low movement rates of families and the fact that on average 50% of parents do not send their child to their local school.
- Principle 8 has been amended to make it clearer that school journey distance, mode and time are taken into account, not only in terms of environmental and transportation impacts but also the effect of journey times on pupils, with schools encouraged to keep school travel plans up-to-date;
- Academy school central funding bids for infrastructure work will be supported by the local authority in line with the strategy.
- There will be discussions:
 - with neighbouring authorities as the strategy develops.
 - discussions with the diocese and archdiocese over the appropriate number of faith places
- Principle 11 has been amended to “Participatory budgeting as a means of enabling local communities to assist in supporting a local school’.
- The wider experience for children and young people is recognised as schools can and do offer services outside of school hours. Many schools are developing additional services, including expanding range of after school activities and clubs including breakfast clubs. It is important that information about the wider offer is available. The planned development of the WISH website will provide information about services being offered.

32 All views have been considered and have informed the strategy and approach.

Appendices

Appendix 1 – School capital investment strategy.

Appendix 2 – executive response to general overview and scrutiny committee

Appendix 3 – equality impact assessment

Background papers

None.

Further information on the subject of this report is available from
Andy Hough head of education development Tel (01432) 260920

**Herefordshire
schools capital investment
strategy**
January 2016

Preface

We want every child in Herefordshire to have a great start in life. So we want our schools to be great places for learning and working. If our children grow up having had the best education possible, we know that gives them the best chance to be successful adults. It also gives Herefordshire businesses and employers the best chance to have the skilled people they need. That means Herefordshire will continue to flourish.

We are proud of the work that our schools do. We have many different types of schools, increasingly working in collaboration with each other. We are also proud of the support that our schools get from their communities and we want to see that collaboration grow between schools and between schools, communities and businesses.

There are challenges ahead of us. With the economic situation as it is, although funding for the day to day running costs of schools has been protected, increasing pay bills and changing numbers of children mean that our schools need to find ways to reduce their costs. At the same time they need to continue to improve the quality of the work that they do. So they need to be set up to run in the most cost effective way.

With the number of households with children growing again in Herefordshire, and the pattern of housing and economic development set out in the local core strategy and development plans, we need to make sure that we have enough school places. We have more than enough places overall in Herefordshire for the foreseeable future, just not always in the right place. So we need to add some places to some schools.

Although excellent teaching is not wholly dependent on the quality of school buildings, the condition of some of our schools needs improving. We know from the work that we've done, that some school buildings are facing very costly repair bills; are in buildings which are now outdated and tired; or are designed in a way which are suited to the past, but which present challenges to delivering the modern curriculum in a cost effective way. So we want to take steps now to set out a strategic approach to improving our school estate. This gives us the best chance of making better use of our assets and ensuring we have a sustainable schools system for the long term, keeping pace with changing needs.

Whilst the council has particular responsibilities for local authority maintained schools, this strategy is not just about what the council will do. This strategy is also a call to action to government, academy sponsors, the Dioceses, trustees, land owners, developers, businesses and communities. We can see already from the work done to develop the strategy to this stage, that there is a will to take a broader look at different ways of upgrading school buildings in Herefordshire. There is also a real belief that the schools in Herefordshire are worth investing in. So by taking a thoughtful approach to this, we are looking at securing in the region of £100m investment over the next 20 years. Taking a collaborative approach to change and to funding that change is the right way forward.

This strategy establishes the principles we will use to guide school developments and also the priority areas of focus and potential developments for the first 5 years of our 20 year plan. There is much debate and consultation still to do about some of the precise changes. However, this strategy gives us a clear opportunity to secure investment and resources from a range of sources so that our children can learn in high quality schools.

Councillor Jonathan Lester
cabinet member young people and
children's wellbeing

Jo Davidson director for children's
wellbeing

January 2016

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- 6. First cycle of Herefordshire's strategic approach**
- 7. Summary financial implications**
- 8. Priority schemes**

Introduction

Education in Herefordshire is good; in 2015 88% of primary pupils attend a good or outstanding school (*82% national and 80% across the west midlands*) and 83% of secondary pupils attend a good or outstanding school (*70% national and 71% west midlands*). Herefordshire has an adequate supply of school places. There are more than enough school places to meet the current and immediately foreseeable demand overall. The condition of the schools, their suitability for, and compliance with, modern day curriculum demands is, however, very variable. The infrastructure of schools across the county includes some that have been renewed in recent times, others that are now rather ungainly complexes which have been added to and modified following their original construction in Victorian times along with some tired, dated buildings reflecting the prevailing construction era of the 1960's or 1970's. The council, with its partners and government is now seeking to provide a coordinated strategy that will guide the approach to investment in schools.

The Herefordshire schools capital investment strategy is underpinned by a set of principles that have been widely consulted on. These principles have been applied to a detailed understanding of each school in Herefordshire to provide options for improvement. In some instances the improvement options are very clear cut and relatively easy to apply, whilst in others there are more challenging issues associated with change. For example the development of a school to take an additional form of entry because of rising demand is, assuming funding can be found, easier to agree and implement than perhaps the building of one new school which consolidates provision made by two or three other schools that need renewal. In recent years there has been a national move to see schools operating with greater autonomy so they are less dependent on the council.

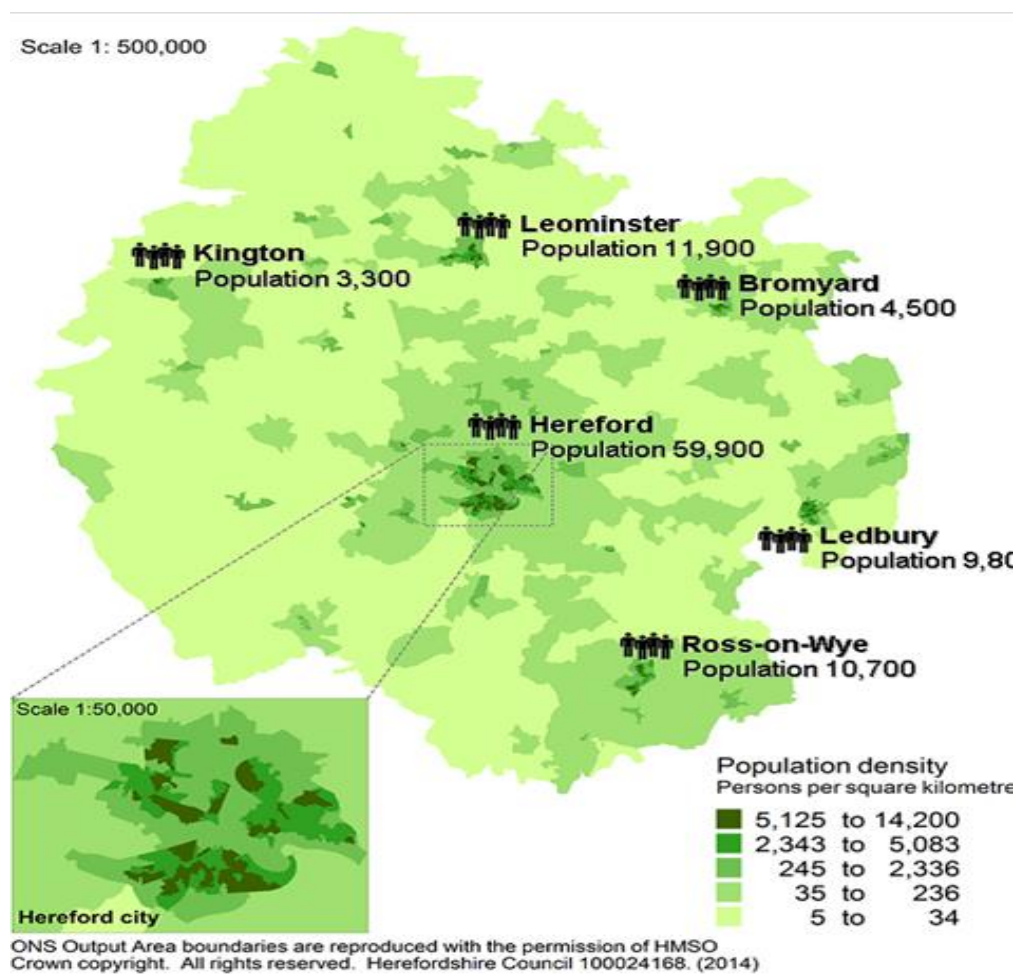
In common with many councils, there is a mix of types of schools in Herefordshire; academies, free schools, church schools, local authority schools and private schools. While the duty to provide sufficient school places remains with the council, it is important for the county that there is a clear and ambitious approach to ensuring the school places are of the highest quality and supportive of the wider ambitions of the county.

Herefordshire Council, alongside the Diocese of Hereford, the Archdiocese of Cardiff, and schools themselves, have recognised the need to establish a clear well thought out approach to the strategic management of schools such that the council not only fulfils its duty to supply enough school places but that these places are in high quality learning environments. Herefordshire schools capital investment strategy sets out how this is to be done.

1 Background to Herefordshire and its schools.

1.1 Herefordshire is situated in the south west of the midlands region bordering Wales. The city of Hereford is located in the middle of the county, and is the centre for most facilities. Other principal locations are the 5 market towns of Bromyard, Kington, Ledbury, Leominster, and Ross on Wye. The pattern of the population across the county creates unique challenges for planning and the delivery of services including schools.

- 1.2 Herefordshire covers 2180 square kilometres (842 square miles) and is predominantly a rural county with the 4th lowest population density in England. There are 186,000 residents, 53% of whom live in what are classified as rural areas. The map below shows the population density across the county.



- 1.3 In 2011 there were 31,400 children aged 16 years and younger. Numbers of children had been declining in Herefordshire throughout the whole of the last decade despite rising numbers of births and people moving into Herefordshire. However, the number of children rose by almost 200 (half of 1%) in each of the last two years (2011-12 and 2012-13) to reach 31,700, and this gradual rise is predicted to continue until 2023.

Herefordshire schools

- 1.4 In common with other local authorities there are a variety of different schools with different governance and responsible body arrangements.
- 1.5 *Community schools* are any school that is owned, funded and maintained by the council and which is non-denominational. The council employs the staff, owns the land and buildings, and decides which admissions criteria to use.

- 1.6 *Voluntary aided schools* are mainly religious or faith schools, although anyone can apply for a place. The governing body employs the staff and determines admissions arrangements. School buildings are normally owned by a charitable foundation, often a religious organization. The school governing body contribute to building and maintenance costs.
- 1.5 *Voluntary controlled schools* are similar to voluntary aided schools but are run by the council. As with community schools, the council employs the schools staff and sets the admissions criteria. The school land and buildings are normally owned by a charity, often a religious organization, which also appoints some of the members of the governing body.
- 1.6 *Foundation schools* are where the governing body employs school staff and has the responsibility for the admissions arrangements. Land and buildings are usually owned by the governing body or a charitable foundation.
- 1.7 *Trust schools* are a type of foundation school which forms a charitable trust with an outside partner. A decision to become a trust is taken by the governing body with parent consultation.
- 1.8 *Academies* are independently managed, all-ability schools set up by sponsors from business, faith or voluntary groups in partnership with the Department for Children, Schools & Families and council. Together they fund the land and buildings, with government covering the running costs.
- 1.9 *Free schools* are funded by the government and are not run by the council. They have more control over how they do things. They can set their own pay and conditions for staff and change the length of school terms and the school day.
- 1.10 The number of each different type of school is set out in the table below.

Asset category	VA	VC	Academy	Community	Trust	Free
Primary Schools	20	12	17	26	2	1
Secondary Schools	2	0	9	3	0	1
Special			2	2		
PRU				1 (two sites)		
All through School			1			

2 The strategic approach

- 2.1 Herefordshire's schools capital investment strategy takes the following 6 step cycle:
1. Have a set of ***principles*** that will underpin and guide processes and decision making.

2. Ensure there is a thorough detailed ***understanding*** of all the issues including:
 - The condition and future maintenance demands of the schools;
 - The extent to which the schools comply with modern standards;
 - Patterns of attendance at the schools and parental preference;
 - The likely future demand for school places;
 - Funding models and national funding formulae;
3. Apply the principles to the understanding to determine the ***priority issues*** to address in areas and across the county.
4. Develop through consultation and discussion options about how best to address the priority issues which are in line with the principles.
5. Plan and get formal approval for detailed and financial costed schemes that adhere to the principles representing best value.
6. Implement schemes

2.2 Ensure the cycle is kept under regular review.

3 The principles that underpin the strategy

- 3.1 The following principles have been developed and revised over a period of time with elected members, head teachers, governors, other responsible bodies and through online consultation.
- 3.2 Under the Education Act 1996 section 14(1) a local authority has a duty to ensure there are enough school places for the children in their area. In Herefordshire we want to do this in a way that supports the delivery of high quality education and contributes to the attractiveness of the county as a place to live and work.
- 3.3 The schools capital investment strategy is a key strand of our overall strategic plan for education, which in turn complements the children and young people's plan. The schools capital investment strategy sets out our collective approach to delivering our lawful duty and is based on the following 11 principles:
 1. High quality learning environments are more likely to deliver the best outcomes for all children and young people.
 2. A high quality learning environment is one where:
 - The building is in good condition with an affordable and planned programme of maintenance. Where the combined cost of any backlog and future maintenance commitments becomes disproportional to the asset value, renewal should be considered.
 - The building(s) have the right number of suitable places that are at least of the size as set out in the government building specifications. (Building Bulletin 103[BB103])

- The buildings are supportive of the delivery of a suitable curriculum and learning.
 - There is sufficient suitable outdoor space including playing fields and all weather surfaces.
 - Children are not taught in temporary classrooms.
 - The building is energy efficient.
 - The school is fully accessible to children, staff and parent/carers with disabilities.
 - The school meets all health and safety requirements.
3. There will be a mix of size of schools in Hereford city, the market towns and villages across Herefordshire that will support the future population trends. We anticipate most parents choosing their local school, but do want to support parents/carers choice. We will aim for 95% of parents to get their first preference school. There will be an appropriate number of faith places. We have no preference about whether schools are academy or not.
 4. High quality popular schools will be supported to expand. Judgements about quality and popularity are based on;
 - Ofsted judgement is outstanding/good
 - 3 year trend of outcomes is good
 - Total number of parental first preferences received is in excess of published admission numbers over time.
 - The schools expansion does not unduly compromise the quality aims set out in 2 above and is financially sustainable.
 5. There is no preferred size or organisation of school and opportunities to consolidate provision through development of all through schools and nursery provision will be encouraged.
 6. All schools should be planning 5 years ahead. There are risks regarding the continuity of education for small schools. Schools with less than 105 on roll, particularly those which are stand alone, are to have a detailed 5 year plan setting out arrangements for continuity. These plans might include succession planning arrangements, shared leadership and/or merger, federation or amalgamation.
 7. Across Herefordshire as a whole there should be no more than 10% surplus places. This margin is designed to reflect population variations and trends over time.
 8. We want to be increasingly responsible towards the environment. This means all schools are to:
 - work towards achieving a displayed energy certificate (DEC) rating level of grade C or above;
 - sign up to and to work towards achieving a silver rating on the Eco schools status.

- seek to reduce energy consumption per child/building area.
9. We will promote non-vehicular access routes to schools and seek to have schools located conveniently to the community assets.
 10. Financial investment must represent best value for any investor and will need to come from a variety of sources. These will include:
 - Specific grants and one off government schemes.
 - The planned release of sites to sell and reinvest.
 - Conversion of revenue funding to capital.
 - Herefordshire Council capital programme.
 - A local community council tax charge if the community want to support the continuation of a local school.
 - The Education Funding Agency Academy funding stream.
 - Diocesan and Arch Diocesan board.
 - Developer contributions
 - Participatory funding
 11. There will be detailed consultation on any changes or investment proposals.
 12. New housing developments contributions Community Infrastructure Levy (CIL) and S106 need to be integrated into school place planning.

4. Developing the understanding

- 4.1 To inform the schools capital investment strategy the following data about schools has been used:
 - Land and building ownership and information about who is the responsible body.
 - Building maintenance and condition.
 - Size of the school site and building and the extent to which they comply with modern standards
 - Occupancy and patterns of parental preference
 - School performance data and Ofsted judgement.
 - Information and maps showing the school context within the local community.
- 4.2 The information used to develop the strategy is available on the Herefordshire Council website – www.herefordshire.gov.uk/schools-capital-investment-strategy

Land ownership

- 4.3 Schools are operating from land and sites that have a variety of different ownership, lease and covenant arrangements. Some school sites are on valuable land that might be considered prime residential land others are on sites held by trustees with restrictive covenants on them.

Condition and maintenance

- 4.4 The Education Funding Agency (EFA) undertakes a condition building survey for all schools. The survey grades the condition of a number of elements on a 4 point scale A- D and rates the urgency of any work on a 3 point scale 1-3. The council commissions a more detailed survey of council and church schools on a 5 year rolling cycle. The council surveys set out the detail of maintenance work and gives an estimate of the likely expenditure needed and when. To get the best understanding of the condition and maintenance work needed, it will be necessary to combine the EFA work with the council's more detailed approach. Undertaking this as a detailed exercise once every five years will provide opportunity to get the best understanding of the condition of schools and inform the strategic cycle set out section 3.

Size and compliance including energy efficiency and accessibility

- 4.5 The Department for Education (DfE) produces guidance BB103) on the building design and specification of schools. The guidance makes recommendations about the overall site area along with recommendations about the number and areas of:
- Basic teaching spaces
 - Halls
 - Storage space
 - Administrative and staffing facilities
 - Learning resource areas and
 - Other areas associated with circulation.
- 4.6 All schools can be compared with a standard specification, taken as the mid-range of the DfE BB 103 to establish the extent to which they are under or over compliant and where there are key differences in particular aspects e.g. halls, teaching spaces. The percentage of compliance of site or buildings provides scope to determine if there are opportunities to dispose of surplus land or where it might be necessary to improve the buildings or address the size of the site. In some cases the extent of the non-compliance may suggest the need to adjust the size of the school. This may mean the size of the school is reduced alternatively it may provide a case for expansion.
- 4.7 While the dimensions of schools and sites provide very measurable and objective data sets, there is additional information about the extent to which the buildings are modern and fit for purpose that should inform an approach to capital investment. Temporary buildings may be in use but some buildings are ageing and may only be best described as "tired"; this description is very difficult to define objectively.
- 4.8 To establish schools suitability and compliance all schools have been compared with the following set of standard sizes. For primary schools 70, 105, 140, 210, 360, and 630. The number of classes for these numbers is set out in the table below:

Published admission number	Number of children	Class configuration
10	70	3 class bases
15	105	4 class bases
20	140	5 class bases
30	210	7 class bases
60	420	14 class bases

- 4.9 For secondary and special schools, these have been refined to reflect the numbers and differing demands. The alignment of a school to a standard size gives an indication of the numbers of children that could reasonably be accommodated. There will be occasions where these numbers are exceeded and also when the schools are operating below these guideline measures. The school capacity and compliance may also be affected by how nursery provision is configured in the area and the extent to which schools are making use of this provision.
- 4.10 The energy efficiency of schools is also a consideration. Some schools have poor insulation and inefficient heating systems. The differences between old and more modern buildings can make significant difference to the annual revenue cost associated with them.
- 4.11 The accessibility of school buildings is important to ensure that those with disability can access the building and participate alongside peers and fellow professionals. All schools have been assessed for accessibility on a four point scale, with 3 representing a school that is fully accessible and 0 a school that is inaccessible. There is more detail on the [accessibility ratings](#) and the following is highlighted:
- 22 Primary schools fall below 75% building compliance
 - The lowest compliance figure for a school building is 42%
 - 13 schools are over 110% compliant.
 - The highest figure for school building compliance is 152%
 - Overall 72% of the classrooms provided are below the required size set out within BB103.
 - Overall there are 64 classrooms in 52 temporary buildings (not including the temporary Colwall Primary School)
 - 19 schools are a class 1 rating partly accessible.

Occupancy and parental preference

- 4.12 It is desirable for schools to be operating with the number of pupils they were designed to accommodate. In reality this is rarely consistently achieved, particularly in small schools serving rural areas. The occupancy is closely linked to the issues of compliance set out above. The schools capital investment strategy will acknowledge variations on year group numbers and acknowledges that the numbers on roll may be either above or below the planned capacity for short periods of time. The numbers of

children on roll in the school also affect how the age groups and classes are configured.

4.13 The extent to which a school serves the immediate population area and the choices of parents affect the numbers on roll. Parental choice is a key driver behind the longstanding national policy agenda that competition between schools will drive up standards. The number of parents expressing a preference for a school on entry at year R or year 7 is also an indicator of popularity. Variations in and reasons why these numbers change needs to be monitored carefully and are usually a result of a number of different factors. Patterns of work and proximity to childcare may also affect the reasons why parents choose particular schools. The number of children requiring a school place needs to be carefully planned for. There are a number of detailed models that forecast pupil numbers linked to house building and migration. A characteristic of Herefordshire is that overall migration is low and there has not been the increase in pupil numbers seen in other council areas. The main expansion is in Hereford and the market towns.

School occupancy facts

4.14 In 2015:

- capacity provision at primary schools across the county is 14,000 places with 11% surplus places;
- capacity provision at secondary schools across the county is 10,000 places with 14% surplus places;
- we have 8,629 secondary school children on roll;
- the number on roll in primary schools ranges from 31 to 597;
- 28 schools have an occupancy rate that is less than 80% of the schools current capacity.

Parental preference facts

4.15 In 2015, the:

- average percentage of the pupils attending the school from their catchment is 50.5%;
- range for the percentage of the pupils attending the school from their catchment is as low as 8% of their roll for some schools and up to 86% at the highest level.

4.16 Across Herefordshire there has been a surplus of places. However, there are areas where there are not enough places to not only meet the number of children in a particular year group but also to meet parental preference.

School performance and Ofsted judgements

4.17 The school building is not the sole determinant of the outcomes for children and young people. There are schools operating in overcrowded buildings that achieve high standards; equally, there are newer more fit for purpose buildings where standards and outcomes are lower than expected. However, high quality facilities do enhance

learning and provide opportunities that can be harder to achieve in old buildings. Quality of buildings is not a judgement Ofsted will normally make but is an important factor in improving the educational experience of children and young people in Herefordshire.

The school in the community

- 4.18 Linked to understanding the occupancy of schools is how they are integrated into their community. For some, the community may be around faith, for others it relates to the wider services in a village like shops, playing fields, village halls and nurseries. Those in the community are often most aware of these elements. Local communities living around a school can place a very high value on the activities of a school within the life of their community, though the actual numbers of children attending the school from these communities may have reduced over time. Schools also need to be strategically located to support pupils walking to school. Inevitably, given the rurality of Herefordshire, the distance to the nearest school needs to be considered carefully.
- 4.19 Nursery provision is a key element of the community facilities and the council has responsibility for ensuring there is a proper supply of places. There are a variety of different governance structures supporting nurseries including the private and voluntary sector and governor run arrangements. Transition into school from nursery is important for children and all schools are looking to have the best arrangements. The implications for nursery provision will need to be considered on an individual and local basis and aligned with the strategy principles.

Future pupil numbers

- 4.20 To effectively apply the principles there is a clear need to make an assessment on future changes in pupil numbers. There are a number of overarching considerations, but to make the assessment more meaningful Herefordshire as a whole has been broken down into identifiable areas linked to the housing strategy

Planning forecasts of housing development in Herefordshire

- 4.21 The development of the schools capital investment strategy has involved consulting with the council's planning services over the proposed housing developments within the county that are to be undertaken. The recent changes within the county's unitary development plan (UDP), the local development plan (LDP) and together with the development of neighbourhood development plans (NDPs) has indicated that across the county an additional 16,000 new homes are expected by 2031.
- 4.22 An expansion of this nature will apply pressures on the education provision across the county, and it is essential that the schools capital investment strategy takes this into consideration.
- 4.23 From a detailed review of the planned core strategy development sites and housing allocations for the neighbourhood development plans, we have been able to develop a good understanding of the expected development levels within the county for market towns and parish areas.

4.24 Through the application of a ratio formula currently used in determining S106 agreements and contributions (which has an approved methodology that is based upon historic data relevant to the county), we have been able to forecast the expected numbers of children for each market town and parish areas. This does not necessarily mean the children will attend their local school.

Detailed local forecasting of the school age population

4.25 The council is required to submit an annual school capacity survey (SCAP) return to the DfE which gives detail of its expected school age population and its school places for them. The content of the return affects the amount of additional central government “basic need” funding for school places. In preparation for the return, consideration is given to the number of births, recent changes in the school population due to migration and any new houses that are likely to be built. The return projects five years ahead. The current mechanism for forecasting primary pupil numbers is based on historical catchment areas. The secondary school pupil places forecasts are for the county as a whole.

4.26 It is acknowledged there are limitations to using the SCAP return and these are noted below:

- Parents make choices about which school they send their child to, and it is not always a local or catchment school
- On transfer to secondary school children do not always go to their assumed feeder secondary school.
- The planning areas do not adequately reflect local pressures for school places, particularly in the market towns.

4.27 The schools capital investment strategy aligns the future pupil numbers with the planning areas in the council’s core strategy. Analysis of the planned housing supply, (see appendix 4 of the Core Strategy) planning applications, population surveys and trends in parental choices will lead to an understanding of the number of school places required.

5 Applying the principles

5.1 Applying the principles to our understanding of schools and school issues gives the following possible approaches:

5.1.1 Where buildings are not compliant consider the significance and whether:

- specific spaces should be increased or remodelled; or
- temporary buildings are replaced with permanent buildings.
- the planned number of children admitted is changed; or
- spaces are moth balled or used for income (e.g. private nursery); or
- building use is changed to minimise maintenance liabilities.

5.1.2 Where sites do not meet recommended sizes, or are not likely to meet future size requirements consider:

- Acquiring additional suitable land
- Relocating the school
- Consolidating the provision with another nearby school.
- Selling off surplus land for alternative investment.

5.1.3 Size of schools:

- Small schools can be financially fragile so detailed plans for the future of schools with less than 105 on roll should be made having particular regard to their building and site.
- The size of school can affect financial viability. Schools should plan to be financially viable based on the modelled information, taking into account opportunities to maximise the use of resources through shared arrangements with other schools.

5.1.4 Disability access

- Reasonable adjustments to schools should be made to accommodate children with disabilities and any changes to schools should seek to improve disability access.

5.1.5 Energy efficiency

- Opportunities to improve energy efficiency should be a priority in any change and through appropriate maintenance.

5.1.6 Delivering change

- There should be detailed consultation on proposals with clear timelines for decisions.
- The potential to disrupt and delay change is significant. This will require different type of leadership approaches from all communities and organisations involved in the capital strategy

5.1.7 Maintenance

- Address ongoing maintenance items.
- Ensure that schools have a feasible five year maintenance plan in place.
- Develop a parallel local authority five year maintenance plan.

6 First cycle of strategic actions

6.1 Following consultation on the strategic approach to schools capital investment with groups of head teachers and governors, a number of issues in each planning area have been identified. These are set out in the table below and will form the basis of generating solutions in line with the principles in section 3.

BROMYARD

Summary of key issues in Bromyard area
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- | |
|--|
| <ul style="list-style-type: none"> • No significant investment in the town and surrounding schools for some time, will lead to significant maintenance costs at rural sites in particular. • The town primary school is not large enough to accommodate those for whom it is |
|--|

the nearest/catchment.

- There is significant migration from the town to the smaller rural schools and from other local authority areas.
- There are significant maintenance and compliance issues at some of the surrounding rural schools.
- The town school sites are relatively large.
- There is a significant mismatch between compliance and published admission numbers at Brockhampton Primary.

KINGTON

Summary of key issues in Kington area

- There are significant maintenance issues at Kington Primary and Almeley (where temporary classrooms need replacing and there have been some significant concerns about the structural elements of the buildings).
- Kington primary school is too small.
- Lady Hawkins occupies a site that is surplus to requirements.

LEDBURY

Summary of key issues in Ledbury area

- Ledbury Primary is not able to accommodate a significant number of its nearest children and has significant imminent maintenance issues.
- Some surrounding rural schools are serving small local community populations.
- Eastnor appears to be significantly under compliant.
- Colwall needs to be rebuilt.
- John Masefield has a large number of temporary classrooms reaching the end of their useable life.

LEOMINSTER

Summary of key issues in Leominster area

- Leominster Primary School is a new build.
- Earl Mortimer High School and Sixth Form is a relatively new build school.
- Planned housing in the south-west of the town (may expand numbers of children beyond Leominster Primary School capacity).
- A number of parents from the town choose to send their children to surrounding schools.
- Ivington primary school is significantly under compliant and could not accommodate extra pupils from south Leominster development on its current site.

ROSS-ON-WYE

Summary of key issues in Ross on Wye

- Minimal investment in local primary schools over a long period of time has given rise to some very “tired” buildings.
- Some schools need significant maintenance works soon e.g. Ashfield Park and St Joseph’s.
- The schools are not particularly conveniently located to serve their community e.g. Brampton Abbots is not in its own catchment.
- Some challenging travel and transport routes and distances.
- Currently there are more than enough primary school places to accommodate existing and future numbers.
- A bigger secondary school may be needed if the housing target is met.

HEREFORD CITY NORTH

Summary of key issues in Hereford City North

- Minimal investment in the area primary schools and some high schools over a long period of time has given rise to some very “tired” buildings.
- Several schools are operating in and on very under-compliant buildings and site areas e.g. St James and Lord Scudamore.
- Productive joint use arrangement for site compliance at Holmer.
- Some schools need significant maintenance works completed soon e.g. St James and Trinity primaries.
- Some challenging travel and transport routes e.g. to St James and Lord Scudamore for numbers of young people.
- Significant migration from the south wye area is creating pressure on primary school places.
- Two of three secondary schools have tired buildings.
- There are also capacity issues east of the city to resolve, which impacts on city schools.
- There will be significant reshaping and remodelling in the north of the city associated with the new relief road and other development.

HEREFORD CITY SOUTH

Summary of key issues in Hereford City South

- Overall numbers on roll are increasing (250 more since 2008).
- Riverside is a modern school now filling up in lower year groups.
- Schools north of the river and east of the city draw children from this area.
- Marlbrook Primary (outstanding school) parental first preferences regularly exceed the school’s published admission numbers.
- Significant investment is required at St Martin’s and Our Lady’s primaries which both occupy relatively old buildings. Numbers on roll at those schools are static or decreasing.
- 1000 new homes at Lower Bullingham are planned.

RURAL GOLDEN VALLEY

Summary of key issues in Rural Golden Valley

- Peterchurch Primary has significant pressing maintenance liabilities. (At least £1m)
- Fairfield (outstanding) has major compliance issues and a large number of temporary classrooms.
- Proposed housing development indicates that pupil numbers in the area will not increase significantly.

RURAL AREAS OF KINGSLAND AND WESTON-UNDER-PENYARD

Summary of key issues in the rural areas of Kingsland and Weston-under-Penyard

- Kingsland is an outstanding school with pressures in terms of site, buildings compliance and parental preference.
- Weston-under-Penyard is located on a very under-compliant and restricted site.

OTHER RURAL SCHOOLS

Summary of key issues for other rural schools

- A number of schools have small non-compliance issues e.g. size of or no hall, lack of circulation space, or are using temporary classrooms. While these are not an immediate priority they do need consideration. Examples include Weobley High School, St James Primary, Kimbolton and Weston under Penyard Primary.
- Many school buildings have small classrooms which make class organisation challenging.
- A number of schools now have shared leadership arrangements.

SPECIAL SCHOOLS AND ALTERNATIVE PROVISION

Summary of key issues for special schools and alternative provision

- Special schools have relatively recently received significant renewal and rebuild work. However this still leaves Barrs Court, Westfield and Brookfield under compliant.
- Unsatisfactory space leading to difficult organisation of an outstanding school is linked to recent commissioned alternative provision.
- It may be that some extra specialist provision is needed for key areas of disability e.g. autism

7 Summary financial implications.

- 7.1 Bearing in mind the above, the initial estimate for funding implications for the strategy is £100m. Further funding will be required in the longer term for the second and third cycles of the strategy. The principles indicate the range of funding sources that will be explored to create the funding required and a financial plan which represents best value will be devised to support this strategy.

8 Priority next investment steps for this cycle of Herefordshire schools capital investment strategy

- 8.1 The successful delivery of the schools capital investment strategy will require a partnership approach between governors, head teachers, councillors, parent/carers and young people and communities. Ideas, options and possible solutions for the best way forward in each of the core strategy areas will be developed and collated to form a clear development plan. The plan will capture the initial thinking and set out the detailed next steps as to how the issues in the areas can be addressed through the application of the principles. As referenced in the principles the financial implications will require particular focus. A clear agreed strategic plan for each area will provide opportunities to lever in or encourage external funding including government.

Summary of recommendations and executive responses [The development of a schools capital investment strategy]

On 30 September 2015, the General overview and scrutiny committee considered the item: [The development of a schools capital investment strategy](#)

The following was recommended to the executive in relation to the strategy principles:

Recommendation No. 1	Include reference to the need to be responsive to anticipated growth and reductions in communities, including the key role of local schools in the sustainability of growth villages in Core Strategy policies RA1 and RA2;			
Executive Response	The anticipated growth set out in the core strategy through plans for the city, market towns and rural areas has been referenced for each school. The assumptions about yield of pupil places from the housing developments is complicated by low movement rates of families and the fact that a on average 50% of parents don't send their child to their local school.			
Action	Owner	By When	Target/Success Criteria	Progress
Ensure anticipated housing growth is shown in school summaries	HoS	Jan 2016	All schools referenced	On target

Recommendation No. 2	(Within principle 8) take school journey distance, mode and time into account, not only in terms of environmental and transportation impacts but also the effect of journey times on pupils, with schools encouraged to keep school travel plans up-to-date;			
Executive Response	Travel arrangements are a key principle and discussion about over the interpretation is helpful. The Local Authority can encourage and promote to schools the importance of having up to date travel plans but there is not statutory basis to enforce. The travel times for children as regularly reviewed and the council would not normally be expecting children to have to spend more than an hour travelling to or from school.			
Action	Owner	By When	Target/Success Criteria	Progress
Revise principle wording to better reflect the discussion	HoS	Jan 16	Clearer principle	On target

Recommendation No. 3	recognise what schools can and should offer, outside school hours, to local communities – such as libraries, information hubs, meeting venues, open space etc.;			
Executive Response	The wider experience for children and young people is really important. Many schools are developing additional services, including expanding range of after school activities and clubs including breakfast clubs. It is important information about the wider offer is available. The planned development of the WIS website will address this			

Action	Owner	By When	Target/Success Criteria	Progress

Recommendation No. 4	provide assurance that the authority would provide backing and support for academies to make bids for central funding to improve infrastructure;			
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Executive Response	Agreed. Academy leases are generally for 125 years. The academy must make repairs and can bid to a central funding pot. The local authority will support where it is in line with the agreed strategic approach.			
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Action	Owner	By When	Target/Success Criteria	Progress
Give support to academy bides where it is in line with agreed stargey	DCS	As required	More academy bids are successful	

Recommendation No. 5	include consideration of county boundary transitions, including dialogue with adjoining authorities to ensure that provision was not considered in isolation;			
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Executive Response	The local authority recognises the importance of linking with neighbouring local authorities as it develops the strategy. Currently the authority brings in many more children than go out to other authority schools.			
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Action	Owner	By When	Target/Success Criteria	Progress
Discuss principles and proposals with neighbouring authorities	Hos			

Recommendation No. 6	clarify how the authority would assure itself that 'There would be an appropriate number of faith places' (principle 3);			
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Executive Response	This is an important issues and will involve detailed discussions with the diocese and archdiocese.			
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Action	Owner	By When	Target/Success Criteria	Progress
Discuss and agree with appropriate representatives	Hos	Jan 16	Agreed statement	

Recommendation No. 7	revise principle 11 e. to ‘Participatory budgeting as a means of enabling local communities to assist in supporting a local school’.			
Executive Response	This clarification is helpful and may need additional explanation to assist with clarity of meaning			
Action	Owner	By When	Target/Success Criteria	Progress
Revise principles	Hos	Jan 16	Included in principles	

DRAFT

Equality Impact and Needs Assessment Form

A) Description

Name of service, function, policy (or other) being assessed

Schools Capital Investment Strategy

Directorate or organisation responsible (and service, if it is a policy)

Children's Wellbeing

Date of assessment

21.01.16

Names and/or job titles of people carrying out the assessment

Andy Hough

Accountable person

Chris Baird, Assistant Director, Education & Commissioning

What are the aims or main purpose of the service, function or policy? What does it provide and how does it provide it?

The school's capital investment strategy is an approach designed to ensure the local authority meets its duty to provide enough school places and that these places are of high quality.

Location or any other relevant information

The schools capital investment strategy affects all state funded schools, regardless of governance arrangements (free school, academy, local authority faith etc.) and all phases including primary, secondary and special and alternative provision.

List any key policies or procedures to be reviewed as part of this assessment.

Under the 1996 Education Act section 14(1) the local authority has duty to ensure there are enough school places for children in their area.
The department for education provide building bulletins setting out expected standards for all schools. The relevant document for this assessment is Building Bulletin 103

Who is intended to benefit from the service, function or policy?

Children and young people who are attending schools along with the staff working there and visitors including parents and carers to the premises.

Who are the stakeholders? What is their interest?

- Local authority officers to ensure the council is fulfilling its duty.
- Governors of schools who have duties associated with the running of schools
- Ofsted who will inspect provision on a periodic basis.
- Education Funding agency who have responsibility for academies.
- The Diocesan Boards who have duties associated with running schools
- Trustees of schools who have responsibility for running schools

B) Partnerships and Procurement

If you contract out services or work in partnership with other organisations, Herefordshire Council remains responsible for ensuring that the quality of provision/delivery meets the requirements of the Equality Act 2010, i.e.

- Eliminates unlawful discrimination, harassment and victimisation
- Advance equality of opportunity between different groups
- Fosters good relations between different groups

What information do you give to the partner/contractor in order to ensure that they meet the requirements of the Act? What information do you monitor from the partner/contractor in order to ensure that they meet the requirements of the Act?

All schools are provided with information about their building and the extent to which there are issues which may relate to compliance with the act. Specifically regarding disability all schools have been externally assessed for accessibility. Where there is non-compliance they are given information and opportunity to discuss the reasonableness of adjustments that may need to be made.

Are there any concerns at this stage that indicate the possibility of inequalities/negative impacts? For example: complaints, comments, research, and outcomes of a scrutiny review. Please describe:

There is information from the detailed survey of schools to suggest there are different stages of readiness to meet the needs of those with disabilities both as visitors, pupils and staff.

C) Information

What information (monitoring or consultation data) have you got and what is it telling you?

The information on the accessibility of each school is lodged with the school and summarised on the council website.

D) Assessment/Analysis

Describe your key findings (eg. negative, positive or neutral impacts - actual or potential). Also your assessment of risk.

Strand/community	Impact
Children and Young People	Positive: Where there is investment in a school the it will be comply with modern standards of accessibility.
Staff	Positive: Where there is investment in a school the it will be comply with modern standards of accessibility
Visitors	Positive: Where there is investment in a school the it will be comply with modern standards of accessibility

E) Consultation

Did you carry out any consultation?

YES NO

Who was consulted?

All head teachers and governors of school
Specialist advisory teacher of

Describe other research, studies or information used to assist with the assessment and your key findings.

DfE Building Bulletin 103 comparisons

Do you use diversity monitoring categories? Yes No

(if No you should use this as an action as we are required by law to monitor diversity categories)

If yes, which categories?

- Race
- Sex
- Sexual Orientation
- Religion & Belief
- Disability
- Age
- Gender Reassignment
- Marriage & Civil Partnership
- Pregnancy & Maternity

What do you do with the diversity monitoring data you gather? Is this information published? And if so, where?

The relevant data is stored in a data file about each school and is available on the council web site for any interested or affected parties When any investment is made accessibility will be improved the data will be updated.

F) Conclusions

	Action/objective/target OR Justification	Resources required	Timescale	I/R/S/J
a)	Not all schools can immediately be made fully accessible.	Any scheme taken forward for approval under the strategy	formal agreement	I

	will be fully accessible to those with disabilities.		
b)	Where a change or investment is made it is subject to an Equality impact assessment	Professional designers/ architects / user consultation	As and when a scheme is put forward for approval R
c)			
d)			

(I) Taking immediate effect.

(R) Recommended to Council/Directors through a Committee or other Report*.

(S) Added to the Service Plan.

(J) To be brought to the attention of the Herefordshire Equality & Human Rights Group.

*Summarise your findings in the report. Make the full assessment available for further information.

NB: Make sure your final document is suitable for publishing in the public domain.



MEETING:	Cabinet
MEETING DATE:	11 February 2016
TITLE OF REPORT:	Quarter 3 corporate performance and budget report 2015/16
REPORT BY:	Director of resources and assistant director, commissioning

Classification

Open

Key decision

This is not a key decision.

Wards affected

County-wide

Purpose

To invite cabinet members to consider performance for the first three quarters of 2015/16 and the projected budget outturn for the year.

Recommendation(s)

THAT:

- (a) **Cabinet notes the council is currently projected to spend within its overall budget in 2015/16; and**
- (b) **Performance for the first nine months of 2015/16 is considered.**

Alternative options

1. Cabinet may: choose to review performance more or less frequently; or request alternative actions to address any identified areas of under-performance, including referral to the relevant scrutiny committee.

Further information on the subject of this report is available from
Peter Robinson, director of resources on (01432) 383514 and Richard Ball, assistant director
commissioning on (01432) 260965

Reasons for recommendations

- To provide assurance that progress is being made towards achievement of the agreed outcomes and service delivery targets, and that the reasons for important areas of actual or potential under-performance are understood and are being addressed to the cabinet's satisfaction.

Key Considerations

- Council approved the corporate plan 2013-15 in November 2012, framed around the key priorities of: enabling residents to be independent and lead fulfilling lives with resources focussed on supporting the most vulnerable; and creating and maintaining a successful economy. The supporting delivery plan for 2015/16 was approved by cabinet in March 2015.
- Progress is measured through a number of performance measures. These have been selected because they demonstrate progress towards achievement of the council's priorities and also provide an overview of the council's performance from a resident's perspective. The databooks, which are available on the council's website, contain the latest performance outturns available. Where monitoring information is only available annually, these measures will be reported at the point it becomes available.
- The council is currently projected to spend within its overall budget in 2015/16. This is based upon spend to the end of December 2015 and a £333k overspend without applying any of the £700k corporate contingency which has had no calls on it. This is similar to that reported for November.

Projected revenue outturn 2015/16			
Directorate Net Budget	Net Budget (£000)	December Outturn (£000)	December Variance Over / (Under)spend (£000)
Adults and wellbeing	54,114	54,202	88
Children's wellbeing	23,199	25,107	1,908
Economy, communities and corporate	53,634	52,671	(963)
Directorates Total	130,947	131,980	1,033
Other budgets and reserves	11,046	10,346	(700)
Total	141,993	142,326	333
Unallocated Corporate Contingency			(700)

- Appendix A provides a further breakdown of directorate budgets and forecast spend.
- Appendix D provides an overview of performance during the first nine months of 2015/16. Whilst 69% (65% at the end of September) of performance measures show a positive shift in performance, some 29% (32% at the end of September) are currently performing worse than the same period last year, and consideration needs to be given to actions to improve performance. A summary of performance and the challenges faced within each directorate is included below in paragraphs 8-40.

Adults and wellbeing

- The latest forecast predicts an £88k overspend of the budget at year end. This

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includes an overspend within client groups of £1m, due to higher than budgeted expenditure on direct payments over and above the compensating reduction in domiciliary care spend that would normally be expected.

9. This overspend is mitigated by staffing expenditure underspends arising from unfilled vacancies. This isn't sustainable as the posts will need to be filled in order to deliver the assessments and reviews that are needed to comply with Care Act requirements and deliver the MTFs savings plans for 2016/17 onwards.
10. As part of the budget setting process for 2016/17, client budgets have been 'rebased' to reflect the actual spend patterns in 2015/16. This growth pressure has been offset by the savings that have also been built into the budget.

What is going well?

11. In November 2015 a revised care pathway was introduced which was intended to bring equity for service users in how adult social care teams are allocated to individuals. Historically, cases were allocated to teams based on diagnostic cohorts, rather than on the basis of their needs. Staff within the Learning Disability, Mental Health and Acquired Brain Injury teams have come together into the North and South teams. These teams now focus on the most complex cases and help ensure that support is provided proportionately based on the needs of the individual and that reviews are provided as needed, in a timely manner.
12. Both the sexual health and substance misuse contracts were mobilised at the beginning of December. Sexual health services were awarded to a partnership of Worcester Health and Care NHS Trust and Taurus Healthcare. The contract covers a range of community and specialist services, including information and advice, sexual health screening, contraception (emergency and long acting) and treatment.
13. Substance misuse services were awarded to Addaction. This covers adults and young person's cessation and recovery support services. Both services expect to deliver from other localities in Herefordshire after setting up initially in the city.
14. In order to meet the Care Act requirement to review all cases against new eligibility standards, a review team has been put in place. To date, 45% of people have received a review, with all remaining cases due to be concluded by the end of the first quarter of 2016/17. Reviews are an important part of care management and are vital in ensuring that the needs of individuals are met in the most cost effective way, supporting the enablement philosophy.
15. The Wellbeing Information and Signposting (WISH) service, comprising a face-to-face walk-in centre in Hereford and a website, went live on 1 February 2016. WISH help inform and signpost both people in the community and professional staff to a wide range of services that could meet their needs and help improve their health and wellbeing. At present, 500 local community services are listed within the directories component of the website and around 150 information content pages have been developed. A schedule of regular 'pop-up' hubs around the county is also in development.

Challenges

16. During the last quarter, a care home within Herefordshire closed. Whilst the closure was managed appropriately, keeping people safe and in receipt of appropriate levels of care, it did highlight the need to review our home closure processes. This review is now complete and a training session has been delivered, enabling staff to practice

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the processes that need to be followed in the event of care home closures.

17. There is continued fragility in the home care market with difficulty placing packages of care in certain areas of the county being experienced. This has meant that alternative care provision has had to be sought. In order to help alleviate some of the problems within the market, an uplift of 1% has been agreed for providers.
18. Work has commenced on the commissioning of a new Home and Community support service that will focus more on enabling people to regain independence and stay at home where possible. The new service will commence in July 2017 and engagement with providers, service users and other key stakeholders to support this redesign will be undertaken in early 2016.
19. The directorate continues to face challenging financial targets; and has plans for the delivery of savings for 2016/17. Whilst the targets are challenging, there is a degree of confidence over delivery, however, planning for savings in 2017/18 will require more fundamental changes to service models and reviewing all non-statutory services. Consultation on these plans is now underway.

Children's wellbeing

20. The forecast outturn is a £1.9m overspend and the safeguarding overspend is £2.4m. Other key overspends are shown below:

	December Outturn Overspends	
	(£000)	(£000)
Placements and Allowances		
Residential and Fostering	1,031	
Kinship Carers	268	
Special Guardianship Allowances	132	
Direct Payments	50	1,481
Agency Staff		829
Social work Academy		142
Overspend in Safeguarding		2,452
Underspend in Directorate, Education & Commissioning		(550)
Estimated Outturn for Children's Wellbeing		1,902

21. There continues to be increased demand on placements. During December there were two new residential placements and one extension at a cost of £133k. As of December 2015, the number of looked after children was 299 (a year on year increase of 28).
22. Agency spend has been a pressure for 2015/16. Clear plans are in place for 2016/17 around recruitment and use of agency staff to ensure that costs stay within the establishment budget.

What is going well?

23. The percentage and number of young people not in education, training or employment (NEET) is better than target for this quarter. 255 young people were NEET, which represents 4.4% and is below the 5% target. The project to support learners transitioning from the pupil referral unit into education, training or employment started in the summer 2015 and is showing benefit. 15 from 20 pupils are still in education and training, the remainder are either re-engaging with education

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or in employment with no training. There has also been focused support from the traveller learning mentor and the Gypsy Romany and Traveller team which has enabled 17 out of the 29 young people in the cohort to access training; a number have entered employment and post 16 learning through mentoring and family support.

24. Provision for post 19 learners with Learning Difficulties at New Horizons in Hereford is continuing its success into the second year. Herefordshire now has 20 out of 41 learners in local provision, reducing the reliance on out of county provision that has traditionally been used which places young people away from their family and local friendship and community groups.
25. Education Health and Care Plan timescales are improving and now are running at 81%. The Department for Education has noted that this is one of the higher figures nationally.
26. The Frameworki transformation project has completed 70% of the work. However, whilst the work is being completed within project timescales, further improvements have been put on hold as attention turns to the upgrade to MOSAIC in April 2016. We do now have a much better understanding as to how the whole system is operating than we have had previously, and this has enabled an improved focus on understanding and targeting performance improvement areas.
27. Contacts received by children's safeguarding being screened by a qualified practitioner on the same working day has been consistently strong. Audits have confirmed that all contacts were screened appropriately.
28. There is clearer definition of when a contact should be appropriately progressed to a referral, and as at December, 51.95% of contacts were progressed, reflecting a broad trend over the last six months. Whilst the majority of contacts and referrals from the police during the period follow the established pattern of domestic abuse notifications, the upward trend of sexual abuse has continued in relation to significantly heightened awareness of child sexual exploitation. The high rate of contact from the police is being explored, and work is progressing in the implementation of a triage system to reduce unnecessary contacts, albeit is too early to evaluate the impact of this.
29. The re-referral rate has continued to remain within expected parameters and consistent with regional and national levels.
30. The number of initial assessments completed within timescales is improving in comparison with the late autumn, and is at an all year high of 143 completed within timescales and 206 completed overall, therefore 69.42% completed in timescale. This improving figure reflects the consolidation of resources in the MASH and a clearer business process in terms of transitioning cases from MASH appropriately.

Challenges

31. The council, clinical commissioning group and Wye Valley NHS trust continue to work closely together to support short breaks for families with children with disabilities. The children with disabilities team have completed the core assessments with families who currently use number one Ledbury road. In addition consultation is currently being carried out with regards to the provision at Ledbury road and is considering what provision can be provided within the resources available.
32. Of continuing concern has been the increase in the number of strategy discussions/meetings leading to S47 child protection (CP) investigations reported in

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June and July, reflecting the higher than usual number of CP referrals from the police in relation to an ongoing child protection investigation. However, whilst having reduced, there were still 97 during December, of which 29.9% did not progress to S47, which may be indicative of a too low threshold being applied to convening such meetings. Audit activity to test this hypothesis is due to commence.

33. The rate per 10,000 in Herefordshire of children subject to a child protection plan is higher than our statistical neighbours and the England average, and this number continues to rise to 274 children subject to a plan at the end of December. The incremental rise in the number of children subject to plans as a consequence of emotional abuse, where domestic abuse is the common factor of concern, and as highlighted above due to increased awareness of child sexual exploitation, in part reflect the reasons behind this increase. However, further analysis is being undertaken with respect to the progress of children remaining subject to a plan beyond 18 months, to better understand the factors as to why children are remaining subject to a CP plan for so long. As at December 2015, however, only 1.82% of those on a child protection plan were subject to such a plan for a second or subsequent time. This figure is lower than the all England and West Midlands local council average (15.8% and 9.5% respectively) and indicates that children are at least not being stepped down from a CP plan precipitately.
34. The performance at all key stages for vulnerable groups and particularly those eligible for free school meals remains an area of focus for individual schools and the local authority. The gap between these groups and their peers remains too great. Specific work to address this is being co-ordinated through the Herefordshire school improvement partnership.
35. There is a mixed picture of Ofsted judgements and educational performance in several of the Herefordshire academies, with one being judged as inadequate in the last quarter.

Economy, communities and corporate

36. The December forecast outturn is an underspend of £963k, similar to November.
What is going well?
37. Good progress has been made on completing the Energy from waste plant, with the only major challenge being to the sub-contractor undertaking the civils work. This part of the contract has been successfully re-let and the planned takeover date of 28 February 2017 is still forecast to be achieved. Since the start of the site works, officers of the council's waste management team have regularly attended update meetings at the building site to check on progress. Of particular note is the recent completion of the plant boiler, and the successful pressure test of the boiler that was satisfactorily carried in December. Substantial progress has been made in the installation and insulation of pipework and flue gas treatment systems.
38. Investment in Hereford since the opening of the Old Market has seen a number of new retail premises open within the city centre. This, together with a series of successful Christmas markets coordinated and promoted by the Council alongside the Hereford Business Improvement District (BID) team, contributed to an increased vibrancy of the city centre. For the six week period in the run up to Christmas, early results suggest that within Hereford City there was a 5% increase in footfall in the main shopping areas, with an increase in sales of more than 7% being reported by shops, compared to the same period in 2014.

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39. A new Local Transport Plan (LTP) covering the period 2016-2031 has been prepared, reflecting the adopted Core Strategy which covers the same period. The proposals contained in the plan have been subject to considerable consultation and the General Overview and Scrutiny Committee considered the draft at its meeting in January this year. It is due to be considered by Cabinet today and, subject to approval, will be considered by Council in March 2016. The LTP sets out the county's long term transport strategy to achieve transport objectives and provide the infrastructure necessary to deliver the new jobs and homes required by the Core Strategy.

Challenges

40. Digital Strategy: although considerable activity is taking place for services to be delivered digitally as a way of meeting customer trends and creating efficiencies, there is much more that can be achieved. This includes an overhaul of the website as a key tool of engagement with the citizens of the county, with an increased functionality and improved navigation. Investment is needed to carry out this overhaul and a specification produced that meets the different aspirations of the services and can be future proofed in terms of customer use and expectations. The new website is due to be commissioned by March 2016 for implementation later in the year.

Other budgets and reserves

41. The forecast outturn is to underspend by £700k compared to the budget. This is in three areas: managing change is expected to underspend by £100k; a one-off contribution to the general fund reserve of £500k is not required due to the 2014/15 £600k underspend being transferred to reserves last year; and treasury management is forecast to underspend £100k. More details are provided in Appendix C.

Council Tax and Business Rate Collection Performance

42. The overall collection fund outturn forecast is a deficit position of £1.3m. Whilst council tax receipts are forecast to be higher than budgeted, business rate income is expected to be lower due to the impact of successful appeals. The overall deficit has been included in the 2016/17 budget requirement. A more detailed analysis of the revenue outturn is provided in Appendix A.

Capital forecast

43. A summary of capital schemes is provided in Appendix B, scheme forecasts are within the budget approved. The Local Enterprise Partnership has accelerated the grant funding of the link road. The budgets for this scheme has not been amended but the need to borrow funds has been delayed resulting in a £100k treasury management forecast underspend for 2015/16.

Treasury Management

44. Treasury Management is forecast to underspend by £100k due to the delayed need to borrow. Appendix C provides further details.

Community Impact

45. The recommendations within the report do not have any community impact.

Equality and human rights

46. There are no specific implications in the report. As regards demonstrating due regard to the council's public sector equality duty (PSED), as part of our decision making processes we ensure that individual directorates and service areas assess the potential impact of any proposed project, leading to fairer, transparent and informed decisions being made.

Financial implications

47. Included within the report.

Legal implications

48. None.

Risk management

49. The risks associated with any delivery plan objectives and projects are entered onto the relevant service or directorate risk register and escalated as appropriate. The corporate risk register is available on the council's website and an overview of the significant risks is included within Appendix D.

Consultees

50. None in relation to this report. The development of the delivery plan was informed by the evidence base already gathered during the year and which includes user, resident and partner feedback where available.

Appendices

Appendix A Revenue forecast

Appendix B Capital forecast

Appendix C Treasury management forecast

Appendix D Scorecards: Adults and wellbeing
Children's wellbeing
Economy, communities and corporate
Organisation wide

Additional Documentation

- [Adults and wellbeing databook](#)
- [Children's wellbeing databook](#)
- [Economy, communities and corporate databook](#)
- [Corporate risk register \(December 2015\)](#)

Further information on the subject of this report is available from
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Background Papers

None identified

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Revenue Outturn

Directorate Net Budget	Net Budget	December Variance	November Variance	Change to forecast £000
	£000	£000	£000	Adv / (Fav)
		Over / (Under)spend	Over / (Under)spend	
Adults and wellbeing	54,114	88	79	9
Children's wellbeing	23,199	1,908	1,885	23
Economy, communities and corporate	53,635	(963)	(997)	34
DIRECTORATES TOTAL	130,948	1,033	967	66
Other budgets and reserves	11,045	(700)	(600)	(100)
TOTAL	141,993	333	367	(34)

Adults and wellbeing

	Annual Budget				December	November	Change to Forecast
Service	Budget Expenditure	Budget (Income)	Net Budget	December Forecast Outturn	Projected Over/(Under)spend	Projected Over/(Under)spend	Adv/(Fav)
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Learning Disabilities	17,102	(2,277)	14,825	15,557	732	695	37
Memory and Cognition/Mental Health	10,185	(2,310)	7,875	7,237	(638)	(628)	(10)
Physical Support	25,559	(7,116)	18,443	19,555	1,112	1,089	23
Sensory Support	873	(205)	668	489	(178)	(169)	(9)
Client Sub-Total	53,720	(11,909)	41,811	42,838	1,028	987	41
Operations	8,238	(1,689)	6,549	5,802	(746)	(719)	(27)
Commissioning	6,621	(1,598)	5,022	5,121	99	(216)	314
Directorate Management	926	(1,682)	(755)	(801)	(45)	257	(302)
Public Health	8,091	(7,971)	120	125	5	0	5
Transformation	1,373	(5)	1,368	1,116	(252)	(230)	(22)
Use of one off reserves/grants	0	0	0	0	0	0	0
Non Client Sub-Total	25,249	(12,945)	12,303	11,363	(940)	(908)	(32)
Adults and wellbeing	78,968	(24,854)	54,114	54,201	88	79	9

Children's wellbeing

	Annual Budget				December	November	Change to Forecast
Service	Budget Expenditure	Budget (Income)	Net Budget	December Forecast Outturn	Projected Over/ (Under)spend	Projected Over/ (Under)spend	Adv/ (Fav)
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Directorate	874	(1,230)	(380)	(826)	(446)	(264)	(182)
Directorate	874	(1,230)	(380)	(826)	(446)	(264)	(182)
Additional Needs	2,455	(46)	2,409	2,409	(0)	(0)	0
Children's Commissioning	1,245	(36)	1,209	1,153	(56)	(56)	0
Commissioning Management	471	(78)	393	393	0	0	0
Development and Sufficiency	3,815	(1,976)	1,839	1,798	(41)	(41)	0
Education Improvement	254	(93)	161	161	(0)	(0)	0
Education & Commissioning	8,240	(2,228)	6,011	5,915	(96)	(96)	0
Safeguarding and Review	959	(268)	691	707	15	15	0
Early Help and Family Support	2,393	(478)	1,915	1,815	(99)	(127)	27
Fieldwork	3,053	(5)	3,048	3,744	696	696	0
Looked After Children	7,255	(235)	7,019	8,060	1,040	946	95
LAC External placements	2,907	(30)	2,877	3,529	652	519	133
Safeguarding Development	871	0	871	947	75	125	(50)
Safeguarding and Early Help Management	1,169	(23)	1,146	1,216	71	71	0
Safeguarding & Family Support	18,608	(1,040)	17,568	20,018	2,451	2,245	205
Children's wellbeing excluding DSG	27,722	(4,499)	23,199	25,107	1,908	1,885	23

Economy, Communities and Corporate

	Annual Budget				December	November	Change to Forecast
Service	Budget Expenditure	Budget (Income)	Net Budget	December Forecast Outturn	Projected Over/ (Under)spend	Projected Over/ (Under)spend	Adv/ (Fav)
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Directors	1,696	(4)	1,692	1,282	(410)	(501)	91
Commissioning	42,581	(13,218)	29,363	28,734	(629)	(573)	(56)
Resources	19,884	(6,662)	13,222	13,198	(24)	(8)	(16)
Growth	2,230	(172)	2,058	1,986	(72)	(44)	(28)
Communities	8,609	(1,309)	7,300	7,472	172	129	43
Total ECC and Chief Executive	75,000	(21,365)	53,635	52,672	(963)	(997)	34

2015/16 Capital Forecast Outturn

Scheme	Total Scheme Budget £000	Spend to end December £000	Comments
Children's wellbeing			
Colwall Replacement School	6,500	-	Provision of a new school
Peterchurch Primary School	5,500	-	Replace leaking roof & internal remodelling, additional works required, business case being constructed
Aylestone and Broadlands Relocation	1,257	1,243	Release current buildings and grounds, modify & adapt Aylestone
Condition property works	1,215	533	Annual programme of works at various school sites committed on a highest need first basis
Adults and wellbeing			
Disabled Facilities Grant	1,000	561	Annual forecast of individual grants awarded through an application process, enabling independent living
Economy, communities and corporate			
Leisure Centre Improvements	9,496	7,118	Works at Leominster, Ross and Hereford leisure sites. Ledbury works to be defined
Local Transport Plan	12,542	5,447	Annual programme of capital works to highways, footways and bridges
Fastershire Broadband	28,200	14,584	Investment in broadband infrastructure in Hereford and Gloucester. Increased by the additional roll out contract yet to be awarded
Link Road	27,000	15,950	Acquisition costs and construction works
LED Street Lighting	5,655	3,513	Phased installation of LED street lighting
Solar Panel Installations	2,134	462	Photovoltaic instalment at various locations
South Wye Transport Package	27,000	1,149	Funded from LEP growth deal, construction to start in 2017
Hereford Enterprise Zone	16,000	3,723	Self-financed investment in serviced plots
Road investment	20,000	19,326	Investment improvements to the highway infrastructure
Three Elms Trading Estate	2,850	2,087	Purchase and improvement works to be funded from rental income
Energy from Waste plant	40,000	17,634	Construction loan
Marches and Worcestershire LEP RBG Scheme	1,500	425	Capital grant support of £3k to £50k to small job-creating businesses to refurbish underused and redundant buildings, bringing them back into commercial use.
Total	207,849	93,755	

This report ensures the council demonstrates best practice in accordance with CIPFA's recommendations in their Code of Practice for Treasury Management, by keeping members informed of treasury management activity.

1. The UK Economy

1.1. There has been little change in the UK economic climate:

- The third quarter showed GDP growing by 0.4% over the quarter and 2.1% year-on-year.
- Inflationary pressure is very low (annual CPI (November 2015) is currently 0.1%) and is expected to remain so in the short term returning to its 2% target in 2017.
- The latest data for October 2015 shows the UK labour market improving, with an increase in employment and decrease in the number unemployed. Yearly wage growth was 2.0% excluding bonuses in the three months to October 2015.
- There has been no change in the bank base rate.

2. The Council's Investments

2.1 At 31 December 2015 the council held the following investments:

Investment	Term	Maturity Date	Interest Rate	Amount invested
				£m
<u>Instant Access Money Market Funds:</u>				
Ignis	N/A	N/A	0.50%	5.00
Federated	N/A	N/A	0.49%	3.23
<u>1 Month Notice Account</u>				
Close Bros	N/A	N/A	1.00%	2.50
Total			0.61%	10.73

2.2 The council's current eligible counterparties and their associated maximum maturity periods (as recommended by the council's treasury advisors, Capita) are as follows:

UK Financial Institution	Maximum maturity period from:	
	30/09/15	31/12/15
Barclays, Goldman Sachs International Bank	100 days	100 days
Close Brothers Ltd, Santander UK and Standard Chartered Bank	6 months	6 months
Cumberland BS, Darlington BS, Harpenden BS, Leeds BS, Loughborough BS, Scottish BS and Vernon BS	100 days	100 days
Furness BS, Hinckley & Rugby BS, Leek United BS, Mansfield BS, Market Harborough BS, Marsden BS, Melton Mowbray BS, National Counties BS, Newbury BS and Tipton & Coseley BS	100 days	6 months
Stafford Railway BS	Nil	6 months
Bank of Scotland, HSBC and Lloyds Bank	13 months	13 months

Coventry BS and Nationwide BS	6 months	6 months
NatWest and RBS	35 days	35 days

Non-UK Financial Institution	Maximum maturity period from:	
	30/09/15	31/12/15
ING Bank NV and Credit Suisse	100 days	100 days
Danske Bank	Nil	100 days
Deutsche Bank AG	35 days	35 days
Landesbank Hessen-Thuringen (Heleba) and Pohjola Bank	6 months	6 months
DBS Bank Ltd, Oversea-Chinese Banking Corporation and United Overseas Bank	6 months	Nil
Bank Nederlandse Gemeenten N.V, Nordea Bank AB, Rabobank and Svenska Handelsbanken	13 months	13 months
Approved Australian Banks	6 months	6 months
Approved Singaporean Banks	Nil	13 months
Approved Canadian and US Banks	6 months	13 months

From 30th November 2015 the council appointed Capita Asset Services as its treasury advisors. The contract with them includes a credit worthiness service, which employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies. The modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system to which Capita Asset Services allocate a series of colour coded bands with suggested maximum durations for investments as shown below;

- Yellow 5 years
- Dark pink 5 years for Enhanced money market funds (EMMFs) with a credit score of 1.25
- Light pink 5 years for Enhanced money market funds (EMMFs) with a credit score of 1.5
- Purple 2 years
- Blue 1 year (only applies to nationalised or semi nationalised UK Banks)
- Orange 1 year
- Red 6 months
- Green 100 days
- No colour not to be used

2.3 The council has earned interest on its investments as follows:

Month	Average amount invested		Average rate of interest earned		Amount of interest earned / Forecast £000	Budget £000	Adv (Fav) £000
	Actual / Forecast £m	Budget £m	Actual / Forecast %	Budget %			
Apr-15	20	30	0.52%	0.4%	8	10	2
May-15	17	30	0.56%	0.4%	8	10	2
Jun-15	16	30	0.57%	0.4%	8	10	2
Jul-15	23	30	0.53%	0.4%	10	10	-
Aug-15	16	30	0.58%	0.4%	7	10	3

Sep-15	13	30	0.63%	0.4%	7	10	3
Oct-15	14	30	0.60%	0.4%	7	10	3
Nov-15	13	30	0.58%	0.4%	6	10	4
Dec-15	16	30	0.55%	0.4%	7	10	3
Jan-16	20	30	0.5%	0.4%	8	10	2
Feb-16	20	30	0.5%	0.4%	8	10	2
Mar-16	20	15	0.5%	0.4%	8	5	(3)
Total					92	115	23

2.4 Due to lower balances being maintained, to reduce the need to borrow, interest income to date is lower than expected. The interest rate earned has been higher than budgeted but investing lower balances gives a projected overspend of £23k.

3. The Council's Borrowing

Short-term borrowing

3.1 The council is continuing its policy of mainly using short-term borrowing from other local authorities for short-term liquidity needs. These short-term interest rates are significantly below levels available from other sources avoiding a large cost of carry when comparing fixed interest debt to current (variable) investment rates.

3.2 The council can only borrow up to its Capital Financing Requirement, which represents the need to borrow for capital spend, and cannot borrow beyond this to finance the revenue budget.

3.3 At the end of December 2015 short-term borrowing from other local authorities consisted of nine loans totalling £41m with an average interest rate of 0.59% (including brokers commission of between 0.01% and 0.10%). Loan periods ranged from five weeks to two years and averaged 226 days.

Long-term borrowing

3.4 At 31 December 2015 the council held long term borrowing of £142.4m. No new long term debt has been taken. Longer term Interest rates (20 year EIP) have fluctuated between 2.77% and 3.10%, with an average of 2.90% over the period, significantly higher than current short term interest rates.

3.5 The current capital financing budget position is summarised below:

Summary of Borrowing Budget	Budget	Forecast	Adv / (Fav)
	£m	£m	£m
Minimum revenue provision	9.5	9.5	-
Interest on existing loans	5.8	5.8	-
New borrowing interest cost	0.9	0.5	(0.4)

Less capitalised interest	(0.3)	0	0.3
Total	15.9	15.8	(0.1)

3.6 The council is able to capitalise interest costs relating to interest paid on borrowing used to fund large capital schemes that take substantial periods of time to get to the point at which the assets may be utilised. Such interest, incurred at the construction or installation phase, is added to the cost of the associated asset. No interest is forecast to be capitalised in 2015/16.

3.7 The forecast interest cost of new borrowing has been revised due to the accelerated grant funding of capital spend delaying the need to borrow reducing the interest cost.

4. Summary of forecast outturn

4.1 The need to borrow has been less than expected giving a current net treasury forecast underspend of £0.1m.



Decision maker:	Cabinet
Decision date:	11 February 2015
Title of report:	Option Appraisal for 16 – 18 High Town, Hereford (burnt out shops adjacent to old house)
Report by:	Head of development management and environmental health

Classification

Open

Key Decision

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

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements)(Meetings and Access to Information)(England) Regulations 2012.

Wards Affected

Central

Purpose

To approve the purchase and making of a compulsory purchase order (CPO) if and when necessary.

Recommendation(s)

THAT:

- a) Subject to the conditions outlined at paragraph 17, the listed building premises known as 16-18 High Town (shown edged in red on the location plan attached to this report) are purchased and a compulsory purchase order be approved if necessary; and,**

Further information on the subject of this report is available from
Penny Jones, regeneration programmes manager Tel (01432) 260613

- b) Authority is delegated to the director for economy communities and corporate, following consultation with the relevant cabinet member and director of finance, to approve the business case and take all necessary steps to effect the purchase within the financial parameters set out within the report.**

Alternative options

- 1 Not to take action, as recommended above, and to continue to entrust the current owner/receiver, with ensuring the fire damaged premises are repaired, which will be dependent on what such receiver deems to be favourable market forces, which therefore may mean that these premises could remain derelict for a further indeterminate period of time.
- 2 The council could serve a new Section 215 Town and Country Planning Act 1990 notice.

Key considerations

- 3 Following a serious fire, in October 2010, the properties known as 16 – 18 High Town, Hereford were extensively damaged. No lives were lost but, at the time, it was reported as being one of the most severe fires known to have occurred in modern day Herefordshire.
- 4 The property now comprises the extensively fire damaged remnants of a three to four storey terraced grade II listed building, formerly arranged as two separate retail units. The properties front High Town and have a rear boundary off East Street. There are retail units housed adjacent to the property and it also adjoins the grade II* listed Booth Hall Public House (“the Booth”).
- 5 The former buildings are believed to have comprised of a 16th Century framed section to the rear, and a mid 19th Century classical three storey façade, with pillars, although much of this has been lost.
- 6 The public walkway beside the Booth has been closed since the fire and the inaccessibility of the public house from High Town has been reported in the media to be the reason for the Booth ceasing trading.
- 7 A planning application was granted consent, in 2011, to rebuild and refurbish it. The permission was implemented it therefore remains extant. However, the estimated cost in delivering this consent has not rendered it marketable to date and the buildings remain in their dilapidated state.
- 8 After a period of 4 years, and increasing pressure from the public and media, it became clear that market forces alone, were not going to resolve the problem. Therefore, in October 2014, a Section 215 Town and Country Planning Act 1990 notice was served on the then owners of the premises (Omaha Properties Ltd) requiring that the building be internally stabilised and supported, including the erection of boarding to make the site secure, and applying a pictorial representation on the northern elevation. The notice was effective from 2nd

Further information on the subject of this report is available from
Penny Jones, regeneration programmes manager Tel (01432) 260613

December 2014, and required compliance within 80 days (ie by 20th February 2015). As was well reported at the time, the council were then informed that the said owners had gone into liquidation and the receivers made it clear that they were not in a position to broker a satisfactory resolution, and were therefore unable to comply with the steps required under the section 215 notice. Taking enforcement action against an insolvent company would not have resolved the situation and so the council did not proceed with a prosecution. As a gesture the expired notice was withdrawn in October 2015 given the concern that the notice on the property may make it unattractive to interested buyers. If similar enforcement action were to be considered then a 015 and a new notice would now be required.

- 9 In March of 2015 the existing scaffold was reclad to a height of 4.8m. However, the footprint was left as before, taking much of the immediately adjoining High Town pedestrianised area out of use. As a gesture, the owners did agree to a local artist painting a commemorative mural of the First World War Gallipoli battle. The council made no objection to this alternative proposal as it was arguably better than the initial hoarding proposals and may, to some extent, have lessened some of the public feeling, in the short term regarding this sensitive site.
- 10 In addition, for safety reasons, the highways scaffolding licence, required to retain the supporting structure of the fire damaged buildings, has continued to be renewed, at least until September 2016, by Balfour Beatty Living Places, (“BBLP”), acting on behalf of the council, as highway authority. It is very likely that a further closure extension will need to be applied for.
- 11 On 1 October 2015, council officers met with the receivers, following correspondence from Historic England (formerly English Heritage) confirming that they would relax many of the listed building constraint conditions, in relation to any planning consent that they had previously insisted upon.
- 12 As an outcome of this meeting, the receivers instructed a firm of local architects, Hook Mason, to recommence pre-application planning discussions with the council so that a different, and less onerous planning application could be agreed, to enable market forces to support such a venture.
- 13 In December 2015 a meeting was held with Historic England to discuss the extent to which the surviving façade of the building should be safeguarded. It was agreed that, subject to the appropriate permissions, as well as the relaxation of many of the listed building constraints, the façade could be dismantled and rebuilt, so long as it incorporated as much historic fabric as possible. This further increased the viability of the property being re-marketed.
- 14 It was therefore confirmed to the architects in December 2015 that the pre-application proposals were acceptable and pre-application discussions are well underway. As a result, it is hoped that the ownership of the property will shortly be transferred from the receivers and that there will be visible works on site by autumn 2016.

- 15 However, it is still not clear if or when the site will be purchased and should it be purchased there is no guarantee that it will be developed.
- 16 It is vital that this key High Town frontage is redeveloped in order to underpin the viability and vitality of this important part of the urban historic core and in order to provide commercial confidence and help enhance High Town footfall. To that end it is considered prudent for the council to have a “fall back” position so that CPO procedures could be implemented as soon as possible, should they be required.
- 17 This report is therefore seeking authority for the purchase of the site (detailed on the attached location plan) and making of a compulsory purchase order if necessary, provided that there is a sound business case, supported by the cabinet member and the director of resources, if:

by 31st July 2016:

- there is no evidence of a clear timetable for redevelopment of the site in place; or,
- where there is a redevelopment timetable in place, there is no evidence that it is being delivered within a reasonable timescale.

Community impact

- 18 The present state of these dilapidated commercial buildings severely impacts upon the amenity of High Town for both the local community who reside in the central ward and the larger community who shop in and frequent this area. The site, in its current state, will also have a negative impact upon out-of-county visitors who choose to shop or visit Hereford.

Equality duty

- 19 The council is of the view that, in pursuing a CPO, it has carefully considered the balance to be struck between individual rights and the wider public interest. Any interference with convention rights, if there is any, is considered to be justified in order to secure the repair of the listed building in a sensitive historic town centre site. Appropriate compensation will be available to the current owners of the premises, by agreement, or under the relevant statutory CPO provisions.

Financial implications

- 20 Herefordshire Council is aware of the current value of 16 – 18 High Town, following an independent valuer’s report it commissioned, in April 2015. This report values the properties as they currently stand and as a finished development as per the 2011 consent. The council is also aware of the estimated monthly outgoings for maintaining the site. The report and maintenance information are attached as a background papers, for the Cabinet, but are exempt from publication because they contain information relating to the financial affairs of a particular person and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
- 21 The acquisition will follow the approval of a business case by the director of resources which demonstrates how the potential future capital receipt and/or rental

Further information on the subject of this report is available from
Penny Jones, regeneration programmes manager Tel (01432) 260613

payments will finance the costs incurred. also details the estimated monthly outgoings for maintaining the site.

- 23 Should an appropriate business case be made then the purchase figure for the site could be found from the council's capital programme.

Legal implications

- 24 Should a CPO be contemplated, as mentioned in the recommendation, because the premises are listed, it is necessary firstly to serve on the owners of the premises, a listed building repairs notice under the provisions of section 48 of the 1990 Act. This notice would set out the repair works that the council's historic building officer determines are reasonably necessary for the preservation of the listed building premises.
- 25 Section 47 of the 1990 Act gives the Council powers to acquire listed buildings in need of repair. This compulsory acquisition is a reserve power, after service of a repairs notice, under section 48, subsequent to it's non-compliance, and is designed to secure longer term preservation of listed buildings.
- 26 As this relates to listed buildings, if a CPO is made the owner served with a notice of the making of a CPO may, within 28 days, appeal to the Magistrates Court for an order to stop any further proceedings. This would be granted by the Court if it is satisfied that reasonable steps are being taken by the applicant to properly preserve the building. There is a further right of appeal from the Magistrates Court to the Crown Court.
- 27 The test the Secretary of State (SofS) applies in deciding whether a CPO should be confirmed is whether there is a compelling case in the public interest. He must also be satisfied that:-
- reasonable steps are not being taken to preserve the building and;
 - that it is expedient that the building should be preserved and;
 - that it should be compulsorily purchased to ensure its preservation.
- 28 In other words the council must be seen, at the time of confirmation of the CPO by the SofS, to have a credible plan in place to secure the building's future. That plan obviously must include financial measures and may include a proposal to immediately transfer the property to a third party funder to carry out the repairs. In this regard, the council would endeavour to identify a private individual or body which has access to funds to carry out the necessary repairs and to which the building will be sold on as quickly as possible. Therefore, in such circumstances, a "back to back" or cost indemnity agreement, with a third party would be required to ensure that the Council's expenses relating to the acquisition of the land, through the CPO proceedings and subsequent disposal to the third party, will be recovered. This would include the compensation payable to the owner.
- 29 If the CPO is confirmed and implemented, compensation will be payable to the owner based upon the market value of the land with the listed building on it. This would include its development value. The amount of compensation will either be agreed between the council and the owner or, failing this, determined by the Upper Tribunal (previously called the Lands Tribunal).

- 30 In exceptional cases, where the listed building has been deliberately allowed to fall into disrepair for the purpose of justifying demolition and/or redevelopment, only minimum compensation is payable (i.e. market value as it stands without any prospect of development value). Officers do not, however, believe this applies in this case as the premises were severely damaged by fire and it has been the cost of the repair works, and market forces that is preventing its renovation.
- 31 It should be noted that the amount of compensation is not required to be agreed prior to the land transferring to the council under the CPO.
- 32 Whilst the human rights of the respective owners of the listed buildings are engaged in the compulsory purchase order process, this is considered to be a legitimate interference for the reasons set out in this report.
- 33 This process is likely to take.

Risk management

- 34 If the recommendation of this report is agreed, the main risk to the Council is that the CPO is not confirmed by the Secretary of State. The implications of this are that there would be no certainty on the development of this site. This risk will be mitigated by negotiations with landowners and other parties affected by the orders and continuing with suitable professional guidance and advice.
- 35 It should be noted that, if this recommendation is approved, there may be a risk of the owner or receiver serving a statutory “blight notice” on the council. To the effect that they are unable to now sell the premises. An assessment of the potential risk of this happening is currently considered to be low.
- 36 Should the council acquire the site there is a risk that they would be unable to sell to a developer and would need to cover the costs of maintaining and then developing the site.

Consultees

- 37 Historic England is aware of the council’s deliberations and have been fully consulted upon this. The local member has been consulted and is supportive of the proposals in the report.

Appendices

Location plan

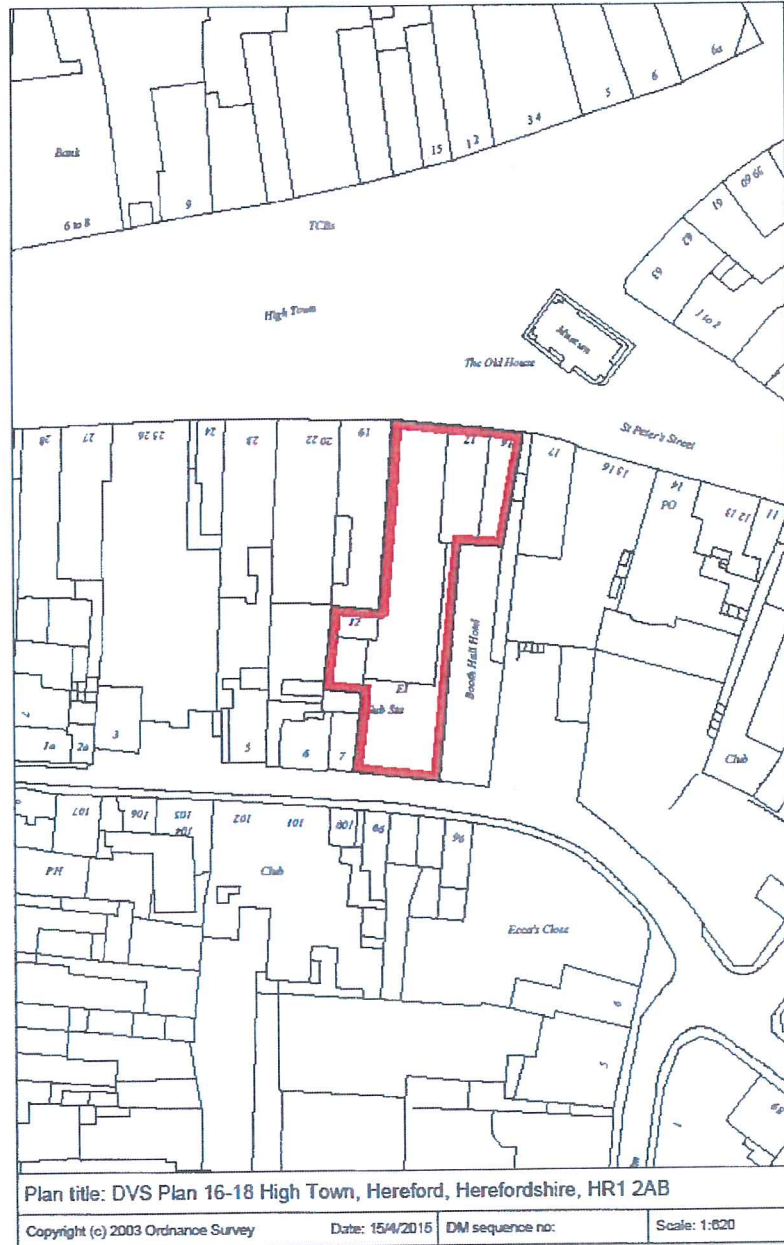
Background papers

DVS Valuation Report – April 2015.

Maintenance information from Deloitte.

The report and Maintenance information is exempt from publication as it contains Information relating to the financial or business affairs of any particular person (including the authority holding that information).

Appendix - Location Plan for 16-18 High Town





Meeting:	Cabinet
Meeting date:	11 February 2016
Title of report:	Corporate property strategy 2016 - 2020
Report by:	Programme director growth

Classification

Open

Key Decision

This is a key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function to which the decision relates.

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

Wards Affected

Countywide.

Purpose

To approve the corporate property strategy 2016-2020 and to approve a lease for Elgar House, Hereford.

Recommendation(s)

THAT:

- (a) the corporate property strategy 2016-2020 attached at appendix 1 be approved and used to guide the development and delivery of the property programme; and**

Further information on the subject of this report is available from
Richard Gabb, programme director growth on Tel (01432) 261902

(b) the acquisition of a 10 year lease of the property known as Elgar House, Holmer Road, Hereford, at an annual rent of £87k be approved.

Alternative options

- 1 Not to approve the corporate property strategy 2016-2020 – the corporate accommodation strategy 2013-2016 no longer reflects the current organisational needs of the council nor the changed partnership arrangements between the council and its partners. Failure to approve a new strategy would mean the council will spend higher amounts of its capital and revenue budgets to maintain unsuitable, non-compliant premises that negatively impact on efficiency and transformation targets.
- 2 Not to approve the proposal to enter into a lease on Elgar House – the council would be unable to address a forecast shortfall in capacity resulting from the need to withdraw from unsuitable premises and would not achieve the organisational and financial benefits outlined in the business case attached to this report.

Reasons for recommendations

- 3 The current corporate property strategy covers the period from 2013-2016 and there is, therefore, a need to put in place a strategy for the period 2016-2020. The new strategy reflects the current and planned needs of the organisation, taking into account the new corporate plan.
- 4 The opportunity to secure a lease on Elgar House will ensure there is suitable office accommodation for the council's planned establishment. Acquisition of this property will give the council enough capacity to allow it to dispose of unsuitable and non-compliant premises. This will provide a working environment that will support more modern and efficient ways of working while costing less than maintaining the current operational estate.

Key considerations

- 5 The progress and performance to date in delivering the key objectives of the existing corporate accommodation strategy 2013-2016 are summarised below:
 - ✓ Refurbishment of Plough Lane to provide an administrative centre;
 - ✓ Refurbishment of the Shire Hall complex (including 33-35 Union Street);
 - ✓ Rationalisation of locality accommodation to create staff multi-agency office hubs (MAO's)
 - ✓ Part implementation of better ways of working (BWOW) supporting staffing reductions and a reduction in operational accommodation;
 - ✓ Implementation of phase 1 of electronic document records management system (EDRMS);
 - ✓ Completion of Herefordshire Archive and Records Centre (HARC) project;
 - ✓ A programme of disposals and termination of leases, enabling a number of operational properties to be vacated with consequential savings of £0.9m pa and capital receipts of £4m;

Further information on the subject of this report is available from
Richard Gabb, programme director growth on Tel (01432) 261902

- ✓ IT infrastructure implemented to enable flexible working;

Some operational properties that have been vacated as part of the 2013-2016 corporate accommodation strategy programme are currently in the process of being disposed of (e.g. Brockington, Bath Street), therefore the full capital and revenue benefits have yet to be fully realised.

The corporate property strategy 2016 - 2020

- 6 The draft strategy is attached at appendix 1. This builds on the previous strategy which ran from 2013-2016 and which has defined the council's recent approach to asset management, however the new strategy is required as the previous strategy is coming to an end. A number of circumstances have changed since the previous strategy leading to a slight change in emphasis for the new strategy although the overall direction of the strategy remains the same.
- 7 Delivering the corporate objectives in the face of continuing funding reductions from central government requires the council to become more commercial in outlook by seeking to secure maximum value from property assets and creating operational efficiency by the best use of those assets.
- 8 The vision for the corporate property strategy has not changed significantly and is as follows:

'To support the efficient, integrated delivery of public services across the county by providing modern, fit for purpose buildings, shared by public agencies'
- 9 The key objectives of the strategy are:-
 - To improve and simplify access to public services, as appropriate;
 - To enable service integration and agile working with modern, fit for purpose workspaces supporting higher productivity;
 - To maximise the economic benefits of the councils property asset base;
 - To support economic development and housing growth;
 - To enhance the working environment for our employees and our partners' staff;
 - To provide a catalyst for physical and social regeneration;
 - To reduce running costs and release budget for reinvestment in frontline services;
 - To support our public sector equality duties;
- 10 The 2013-2016 strategy has led to a number of successes including: co-location of many of the public sector organisations operating in the county; an improved administrative headquarters for the council and multi-agency offices across the county.
- 11 However, the council's operational estate could be rationalised further to provide better support for service delivery and for staff to practice more modern and efficient

Further information on the subject of this report is available from
Richard Gabb, programme director growth on Tel (01432) 261902

ways of working. This type of improvement will be a principle of the new property strategy and key part of the corporate property programme for 2016-2020.

- 12 A recent review of existing corporate accommodation arrangements identified that three properties currently occupied by children's wellbeing services are no longer suitable for use as office accommodation. These properties are Bath Street (New Media Centre), nos 8 and 10 St. Owen's Street (the wings either side of the town hall) and Moor House.
- 13 In light of these findings a series of option appraisals were undertaken to consider the future needs of these services in the context of the objectives set out in the emerging property strategy. These identified the need to bring the services together in order to realise operational and financial benefits and overcome the projected shortfall in desk spaces resulting from the vacation of the unsuitable premises.
- 14 At this point, Elgar House, Holmer Road, Hereford became available for lease on the open market. Inspections of the property identified that it offered significant, good quality accommodation with parking, good public access and would also enable all the groups of staff currently occupying the unsuitable offices to be accommodated.
- 15 Given the forecast shortfall in capacity in the operational estate and following the principles of the revised property strategy for 2016-2020, it is recommended that the council complete the leasehold acquisition of this Elgar House to provide suitable, modern accommodation within the city of Hereford that will be used as a base for a number of its administrative teams. A summary of the business case for the acquisition of Elgar House is attached at appendix 2.
- 16 Cabinet is, therefore, recommended to approve the new property strategy and to approve the acquisition of Elgar House to consolidate a number of back-office functions.

Community impact

- 17 The council's strategic objectives defined in its draft corporate plan 2016 – 2020 are:
'Helping residents to live safe, healthy, independent lives; keep children and young people safe and give them a great start in life; support the growth of our economy and the number of people in work; and to secure better services, quality of life and value for money'.
- 18 The objectives set out in the corporate property strategy 2016-2020 seek to improve and simplify access to public services, improve productivity, maximise economic benefits and reduce running costs to enable budget to be released for investment in public services. The proposals are intended to re-focus spending upon council priority services and the improvement of service delivery accommodation for vulnerable and target groups.
- 19 The strategy also supports the key principles of the health and wellbeing strategy for Herefordshire specifically in relation to securing sustainable services, working together and improving access to information and support. The proposal to co-locate staff within children's wellbeing services should positively impact on the operational efficiency and cost effectiveness of services.

Further information on the subject of this report is available from
Richard Gabb, programme director growth on Tel (01432) 261902

Equality duty

- 20 The corporate property strategy objectives include supporting the council's public sector equality duty. Furthermore, amongst the list of achievements the strategy aims to secure the following is identified:-
- accessible buildings that promote equality of access for customers and staff
- 21 The public sector equality duty requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying "due regard" in our decision making in the design of policies and in the delivery of services. In delivering the forward work programme associated with the corporate property strategy individual equality impact assessments will need to be undertaken.

Financial implications

- 22 The business case attached as appendix 2 illustrates that inclusive of capital borrowing costs the indicative revenue benefit of the proposal is circa £1.1m, compared to continuing with the existing properties over a 10 year period. The annual rent identified is £87k per annum.
- 23 There will be a period of transition during 2016/17 during which the Council will still be liable for the existing properties as well as Elgar House, which will result in additional costs of £187k during 2016/17, to be borrowed from revenue reserves and repaid in subsequent years when the authority has been released from financial obligations at Bath Street and Moor House. The net saving over the period will contribute to the accommodation strategy savings target included within the Medium Term Financial Strategy.
- 24 The business case assumes Moor House is disposed of during 2016/17. There is a risk given its listed status and covenants that disposal may be delayed. This would result in a ongoing revenue cost of circa £50k per annum until it is disposed of. The business case for acquisition is still valid in these circumstances.
- 25 The capital costs of refurbishment and exiting surplus premises of £1.3m are included in the £1.7m capital expenditure for the corporate accommodation programme approved as part of the 2016/17 capital programme.

Legal implications

- 26 Elgar House is to be the subject of a lease for a term of 10 years at a rent which is subject to review at the fifth year of the term. This lease is to be granted on a full repairing liability basis. To secure the site, an agreement for lease has been put in place with the landlord.
- 27 The council has a general power of acquisition enabling freehold purchase or lease pursuant to s120 Local Government Act 1972 (LGA). Under s120 LGA, a "principal council" (a non-metropolitan county, London borough or district council) may acquire by agreement any land inside or outside its area for the purposes of (a) any of its statutory functions or (b) the benefit, improvement or development of its area.

Further information on the subject of this report is available from
Richard Gabb, programme director growth on Tel (01432) 261902

- 28 The corporate strategy will enable a number of further property transactions. These will be the subject of further reports which will require particularised legal comment pertinent to each transaction.

Risk management

- 29 The four year strategy and component elements maybe subject to potential changes in national policy and funding arrangements. The strategy and appendices will need to be kept under review in order to respond to events that may constitute a risk to the delivery of the strategy or risks emanating from the implementation of its component parts.
- 30 It is proposed that a strategic risk register be created and individual risk registers for each element. Reporting of risk will be monitored and reporting through the council's normal governance arrangements.
- 31 With specific reference to the proposal to acquire Elgar House a detailed business case is attached at appendix 2. The broad case for the acquisition of Elgar House sets out concerns regarding the suitability of the current accommodation arrangements and the associated health and safety concerns would represent an ongoing risk in the event the business case was not supported.

Consultees

- 32 The corporate property strategy 2016 – 2020 will inform ongoing discussions with our statutory and non-statutory partners having regard to their respective property strategies. The council has already participated in Herefordshire Clinical Commissioning Group (CCG) estates planning discussions that will continue to explore opportunities for common approaches to property.

Appendices

- | | |
|------------|---|
| Appendix 1 | Corporate property strategy 2016 – 2020 |
| Appendix 2 | Corporate property strategy – Business case for the acquisition of Elgar House. |

Background papers

- None identified.

Herefordshire Council Corporate Property Strategy 2016-2020



VISION

"To support the efficient, integrated delivery of public services across the county by providing modern, fit for purpose buildings, shared by Public Agencies"

Contents

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Appendices

1a	Corporate Property Programme
1b	Acquisition and Disposal Policy
1c	Tenanted non-residential property policy
1d	Community Asset Transfer Policy
1e	Corporate Building Maintenance Strategy
1f	Revised Smallholdings Policy 2015

Section 1 - Foreword

The period since the publication of the last corporate property strategy has been one of significant change and challenge for the council, both in terms of the scale of reductions in local authority funding but also in terms of the impacts the reductions have had on the shape and operational approach of the organisation.

Like many local authorities, Herefordshire Council has had to review the scope and scale of services it is able to offer and seek new ways of working in partnership which protect the services we provide to our most vulnerable residents whilst reducing our costs.

The council is currently revising its corporate plan which will set the direction for the council and county in the coming years. The property strategy is a key aspect of this future approach and needs to be seen alongside this plan:

- The medium term financial strategy – which sees the revenue support grant reducing from the current level of 18% of the council's net budget requirement annually until 2019/20 when the council will be almost entirely funded locally through the council tax and business rates.
- One Herefordshire taking responsibility: the case for devolution – which sets out Herefordshire's approach to the government's challenge that power should be decentralised to the lowest appropriate level down to councils, neighbourhoods and individuals making services responsive to the people they serve which proposes, amongst other things, the creation of a new engineering university for the UK to be based in Hereford.
- Herefordshire's proposed development partnership – which will support the regeneration of Herefordshire through a partnership between the council and a commercial property development company.
- One public estate – which brings public sector bodies in a locality to work together to develop a joined up approach to managing their land and property.

The property strategy will support the council achieve its aims:

- The economic aims of the council by maximising the economic value of the estate and promoting modern, more efficient ways of working.
- The service performance objectives by providing accommodation to support the needs of services and their service users.
- The devolution approach by, for example, supporting the university to fulfil its accommodation needs.
- The one public estate agenda by providing shared accommodation where there are demonstrable benefits to the council, its partners, and service users.

Section 2 – Executive summary

- 2.1 The corporate property strategy aims to support and help deliver integrated public services across the county. Significant progress has been made to date and co-location of services and the sharing of accommodation for staff with partner organisations such as the clinical commissioning group (CCG), DWP, the Environment Agency and DVLA are already in place. However, there is much more that can be done and this strategy sets the framework within which these decisions can be made, taking into account the current and planned needs of the council and its partners.
- 2.2 The strategy is designed as a framework of strategies and policies which are flexible and robust enough to respond to changes in service delivery identified by this review and to meet future changes to models of service delivery.
- 2.3 The strategy also responds to the introduction or extension of mobile service delivery and flexibility of working practices.
- 2.4 The high level aims of the strategy are to: -
- Contribute to the corporate plan and other corporate strategies
 - Provide a framework, which defines the role of property in support of service delivery
 - Provide a rationale for the ownership, occupation and management of council property assets, including its use, acquisition and disposal
 - Optimise the property portfolio in terms of its efficiency, effectiveness and sustainability
 - Respond to the expectations and aspirations of the government's one public estate (OPE) agenda
- 2.5 Within those high level aims there are a number of core building blocks to the strategy particularly related to rationalisation of office accommodation:
- A hub and spoke model of office provision, with the capacity and flexibility to accommodate our partnership arrangements with other public and third sector organisations.
 - The hub will provide a single, strong, shared administrative centre based around the current Plough Lane office and other associated administrative buildings in Hereford.
 - A network of accessible locality offices based in the five market towns provide the spokes of the model.
 - The capacity and flexibility to provide integrated delivery of public sector services at a local level.
 - The retention of the Shire Hall and Town Hall in Hereford for public sector occupation and use.
- 2.6 The strategy will:
- challenge whether we hold assets to ensure we achieve value for money. This is relevant given the indications about the future direction of national policy requirements for the public sector's considerable property estate.
 - Inform our future use of all land and property assets owned or occupied by the council.

- cover all operational and non-operational land and property, whether owned or leased and which support either direct or indirect services to the public.
 - provides the vision for our property and a series of discrete but linked policies and strategies which support its delivery. It includes a corporate programme (appendix 1a) covering how we will provide back office provision as well as integrated local facilities.
- 2.7 Included in the strategy is our approach to community asset transfers which recognises that asset transfers play a role in sustaining service delivery and that it is not always appropriate for the council to keep and maintain all existing assets.
- 2.8 Asset transfers also have a role within the localism agenda, as a way of supporting sustainable communities and enabling the continuation of services of value to the locality.
- 2.9 Property is a valuable corporate asset. If managed well, it can enhance and improve service delivery by supporting efficient and effective operational delivery but also provide economic benefits and support the delivery of wider corporate priorities.
- 2.10 The council owns two main categories of property: operational and non-operational properties.
- 2.11 Operational property either provides:
- Frontline services direct to the public, e.g., schools, libraries, community hospitals, health clinics; or
 - Support services, e.g., administrative offices, vehicle depots
- 2.12 Non-operational property provides:
- Rental income which supports the council's revenue budgets, which helps to keep council tax levels down
 - Capital receipts through disposal of surplus properties, which support the capital programme to build, e.g. new schools or extensions to existing properties
 - Opportunities to support regeneration initiatives
- 2.13 This strategy highlights the corporate drivers to retain property assets so that we can provide more effective and efficient services to the public. The strategy also identifies a suite of underlying policy and strategy documents, which support and inform the decision making process.
- 2.14 The council will keep the underlying policy and strategy documents under review and can add to the suite of policies in response to changing circumstances or to provide clarity on issues which require a policy decision. The recently revised policy for the County Farms is attached at appendix 1f but future policy development will include a reference to the management of common land.

Section 3 – Property Strategy Vision

3.1 The council’s strategic objectives defined in its corporate plan 2016-2020 are: helping residents to live safe, healthy, independent lives; keep children and young people safe and give them a great start in life; support the growth of our economy and the number of people in work; and to secure better services, quality of life and value for money.

3.2 These priorities set the scene for the property strategy 2016-2020. The corporate objectives and a climate of continued funding reductions from central government means that the council must continue its journey towards being more commercial in outlook, seeking to obtain maximum value from its assets and looking for innovative approaches to securing financial security into the future.

3.3 Our vision for our corporate property is as follows:

“To support the efficient integrated delivery of public services across the county by providing modern, fit for purpose buildings, shared by public agencies”

3.4 We believe that a number of key objectives support this vision. These objectives are central to any decision making around our properties and are as follows:

- To improve and simplify access to public services;
- To enable service integration and agile working with modern, fit for purpose workspaces supporting higher productivity;
- To maximise the economic benefits of the councils property asset base;
- To support economic development and housing growth;
- To enhance the working environment for our employees and our partners’ staff;
- To provide a catalyst for physical and social regeneration;
- To reduce running costs and release budget for reinvestment in frontline services;
- To support our public sector equality duties.

3.5 The key objectives in this corporate property strategy reflect the priorities set out in the government’s ‘One Public Estate’ (OPE) programme.

3.6 Within the accommodation strategy in section 4 and in appendix 1, a number of strategic projects are identified, which will support the achievement of the objectives noted in 3.1 above. In particular, the continued rationalisation of office accommodation in Hereford will be a key part of the integration of public sector service delivery across Herefordshire.

3.7 We aim to achieve:

- A set of modern, fit for purpose workspaces for our staff, supporting higher productivity through better ways of working;
- Teams located in buildings designed to support the level of access required by service users, located as conveniently as possible for those service users, and co-located with partner organisations where this is beneficial;

- The network of accessible multi-agency offices (MAOs) will continue to offer convenient locations for council, other public sector, and third sector organisations to work together;
- These MAOs will provide the capacity and flexibility for integrated delivery of public sector services at a local level and flexible working facilities;
- The Shire Hall and Town Hall in Hereford will continue in beneficial public sector occupation and use;
- Developing joint public sector property portfolios in Herefordshire to provide efficient office accommodation suitable for customer needs where necessary;
- The development of higher education opportunities in Herefordshire, including the proposed new university in the city of Hereford;
- Disposal of properties no longer suitable for service delivery and therefore surplus to operational requirements;
- Accessible buildings that promote equality of access for customers and staff.

Section 4 – Accommodation strategy for the administrative estate

4.1 Detail on the planned programme for the administrative estate is contained in appendix 1a.

4.2 The following principles underpin the management of the administrative estate:-

- A hub and spoke model for the countywide provision of services;
- A strong central administrative hub, based around the existing Plough Lane office site, supplemented by other city centre facilities;
- The spokes of the model will be multi-agency offices centred around localities;
- Where appropriate, the co-location of compatible public sector partner activities in pursuance of the operational efficiency programme and the one public estate agenda;
- Co-location of relevant council services, where appropriate, in support of improving or securing operational efficiency and improved service outcomes, particularly for vulnerable people;
- Efficiency and delivering value for money;
- The use of asset transfers to Parish/Town Councils and Third Sector organisations, where appropriate, to support the sustainability of local services and reduce revenue costs to the council;
- Improved outcomes for local people and businesses;
- Care closer to the service user;
- Excellence in service delivery;
- A focus on customers'/users' experience;
- Improving energy efficiency and reducing our carbon footprint;
- Better ways of working for staff;
- Equality of access to buildings for customers and staff.

4.3 In addition:

- a. Any accommodation strategy must support and take into account other relevant strategies and plans.
- b. Opportunities to exploit information technology (IT) will be considered when planning new office layouts. Modern office and flexible working practices benefit from the introduction of IT solutions. The introduction of wi-fi technology into office space wherever possible, with the in-built flexibility that this provides, should be considered.
- c. Future flexibility needs to be built into any works undertaken in conjunction with office moves to facilitate and reduce future costs.
- d. Continued implementation of an electronic document and records management system (EDRMS) and a policy on document retention is a necessity to reduce space requirements.
- e. Regular engagement should take place with public sector partners (e.g. CCG, 2gether, WVT) on respective accommodation strategies to ensure that best use is made of the overall 'public' estate.

Section 5 – Approach to the management of operational property

Operational property

- 5.1 The council (and its partners) hold operational properties for the purpose of service delivery. The council holds tenanted non-residential property (TNRP) for both investment and socio-economic purposes.
- 5.2 The approach for operational property is to identify those properties which are key to the delivery of core services to the public and are, (or subject to a business case can be), suitable for operational occupation.
- 5.3 Once identified, future investment of both capital and revenue expenditure will concentrate on those core properties.
- 5.4 The retained portfolio of operational properties will be maintained and improved to attain a level of physical condition which is at least satisfactory and is compliant with relevant statutory standards, e.g. DDA compliant.
- 5.5 The retained portfolio will be suitable for service delivery in terms of both condition and sufficiency.
- 5.6 The framework for the management of operational and non-operational property consists of five elements:-
 - Strategic objectives
 - Principles of property holding
 - Responsibilities of owners
 - Property review and option appraisal
 - Capital investment prioritisation
- 5.7 The strategic objectives for our corporate property are:
 - Optimise the contribution property makes to the council's strategic and service objectives
 - Prioritise investment in our operational assets to meet service delivery needs
 - With our one public estate partners, seek innovative value for money solutions to our staff accommodation needs.
 - Ensuring best value return from our investment property and land holdings
 - Reduce the environmental impact of our operational property assets
 - Use our assets to pump prime new development, regeneration and growth.
- 5.8 The principles behind holding property for service delivery are:
 - All property is a shared corporate asset, owned by the council not the occupying service/s.
 - A cross service and cross partnership approach to agreeing property priorities and asset utilisation is adopted.
 - Property should only be held that meets the objectives of the corporate plan.

- We will understand the condition of our properties and ensure they are effectively managed.
- Over time, all council premises are suitable and sufficient for their purpose, in a satisfactory condition, accessible to all and able to meet statutory requirements.
- Existing and new property assets are managed in an efficient, sustainable and cost effective way in terms of their use of energy and other resources, their property management and other running costs.
- The return from non-operational land or property is optimised, including unoccupied or tenanted land or property.

5.9 To ensure that the above objectives are met, a systematic and cyclic programme of property reviews and options appraisals are undertaken.

5.10 Three types of review are generally undertaken:

- **Single service review** - this will be an examination of some or all property holdings for an individual service.
- **Single property review** - an investigation into alternative uses of an individual building site no longer required for its original purpose.
- **Comprehensive area review** - a review of all property owned by the authority in a defined theme or area which may include other structuring bodies.

5.11 Each of these reviews involves an assessment of “fitness for purpose” and incorporates the following:

- **Suitability:** How well the premises meet the need of the service, i.e. the customers and staff. The suitability survey looks at characteristics of each type of internal space and external area, plus some health and safety aspects.
- **Sufficiency:** Focuses on total areas in relation to known service requirements
- **Condition:** Concentrates on the physical state of the building elements and provides a basis for developing planned maintenance programmes (including health and safety considerations)
- **Opportunity Cost:** Considers the financial and other benefits which could be lost as a result of not considering an alternative course of action for the land or building whilst continuing to meet the needs of the service and its customers.

5.12 This process involves the engagement of service users and stakeholders and is undertaken in accordance with the governance arrangements set out in the constitution.

5.13 The council is committed to enabling equality of access to its buildings and when implementing the forward work programme individual equality impact assessments will be undertaken.

5.14 Identified priorities from the review process are considered for capital investment through their prioritisation and option appraisal of capital projects scheme.

- a) Prioritisation and option appraisal for capital projects (scheme selection and prioritisation) The prioritisation and option appraisal for capital projects within the council is captured within the annual service planning cycle and referred to as “scheme selection and prioritisation” (SSP). Members prioritise and approve corporate accommodation investment

The council follow the guidelines and principles contained in the CIPFA local government directors of finance publication “Capital Planning and Option Appraisal – a Best Practice Guide for Councils” 2006.

- b) Prioritisation and option appraisal for capital projects are two distinct but interlinked processes. All bids for allocation of corporate capital funds require bids pro-forma to be completed before the schemes are assessed for prioritisation for financing within the council's capital programme. Once funding has been allocated, further option appraisal is then undertaken to decide the most effective means for delivering a project.

5.15 The process of capital scheme prioritisation is led by cabinet who make recommendations to Council. Further detailed option appraisal is then undertaken on the method of service delivery by the individual project management teams and boards.

Non-operational property or tenanted non-residential property (TNRP)

5.16 The term TNRP refers to local authority assets which are let to third parties e.g. retail, industrial or agricultural properties. Such assets may be held for investment or socioeconomic purposes.

5.17 Much of the portfolio plays a vital role in providing much needed rental income. The revenue received is used to offset the costs of providing direct and indirect services to the public. This in turn reduces the impact on council tax.

5.18 The general investment portfolio seeks to fulfil a wider economic well-being role by providing premises to promote business start-up and growth and by bringing prosperity to the county.

5.19 The council's non-operational investment portfolio will be kept under regular review to ensure it can respond flexibly to market opportunities and challenges. The following principles will guide the review processes:

- **The council should only continue to hold tenanted non-residential property if at least one of the following criteria applies:**
 - i) The investment return from the premises meets or exceeds a target previously set under the MTFs process taking into account maintenance and other liabilities
 - ii) There are other significant social, economic, community or strategic advantages to retaining the premises.

- iii) The legal tenure of the premises and/or any statutory constraints preclude disposal.
- **On properties that are retained within the portfolio of tenanted non-residential properties the management principles adopted should be:**
 - i) To maximise occupancy levels.
 - ii) To maximise rental levels consistent with a balanced tenant mix and prevailing market values.
 - iii) To continuously review the contribution that the premises make to social, community or strategic objectives and set tenant management policies (other than rent) to maximise these.

Smallholdings policy and management strategy

- 5.20 The smallholdings estate comprises approximately 4,800 acres (1,942 hectares) dispersed throughout the county and comprising 45 holdings.
- 5.21 Cabinet have resolved to undertake a structured sale of the entire smallholding estate taking into account expert legal advice as to achieving best value for the council and excluding land and/or buildings which are identified as having potential development value which should be retained for separate promotion and sale/development to maximise commercial/development value.
- 5.22 A revised smallholdings policy which sets out the strategy to implementing the policy was agreed and is attached at appendix 1f.

Section 6 –One public estate and community buildings strategy

“One Public Estate” and emerging devolution proposals

- 6.1 The principle of co-operation between public bodies around planning for their future accommodation needs, predates any work surrounding the council's 2016 -- 2020 accommodation strategy. Those principles remain relevant to the new corporate property strategy.
- 6.2 In 2013, the government launched the One Public Estate (OPE) programme which seeks to promote and guide asset management and estate rationalisation across the whole public sector and the objectives in this corporate property strategy comply with the 4 priorities set out in the Government's 'OPE programme:
- Create economic growth – enabling released land and property to be used to stimulate economic growth, regeneration, new housing and jobs.
 - Deliver more integrated and customer-focused services – encouraging publicly funded services to co-locate, to demonstrate service efficiencies and to work towards a more customer-focused service delivery
 - Generate capital receipts – through the release of land and property
 - Reduce running costs – of central and local government assets.
- 6.3 During Herefordshire's partnership arrangements with the NHS from 2007-2012, the council's engagement with its public sector partners increasingly explored opportunities to secure operational efficiencies through joint approaches to meeting accommodation needs. Over this period, co-location opportunities were realised with:
- Her Majesty's Revenues and Customs
 - Department of Work and Pensions
 - Ministry of Justice (Her Majesty's Courts service)
 - West Mercia Constabulary (MASH)
 - West Mercia Youth Offending service
- 6.4 These arrangements were further progressed over the subsequent period alongside the delivery phase of the council's accommodation plans. Further co-location arrangements have involved:
- The Environment Agency
 - The Driver Vehicle Standards Agency
 - Job Centre Plus
 - Herefordshire Clinical Commissioning Group
 - Wye Valley NHS Acute Trust
 - 2Gether NHS Mental Health Trust
- 6.5 Herefordshire Council also exploits opportunities to co-locate with its private sector providers and shares accommodation with providers including Balfour Beatty Living Places: Interserve and Integral.
- 6.6 As the next phase of the accommodation strategy commences, the council is at the heart of initiatives to drive economic growth within the area, and to reform public services so that they achieve better value for money and are

designed around the needs of residents rather than the organisations that provide them.

- 6.7 The government is setting clear expectations for the integration of health and care services at a local level, and the council is working with local health bodies on a joint transformation programme which will have significant implications for the accommodation strategies of the partner organisations. These include the development of health and wellbeing centres with a strong focus on drawing on the assets of local communities and the co-location of health and care professionals, perhaps on a “hub and spoke” or cluster model around primary care facilities. There are also plans for greater collaboration with “blue light” services and, subject to satisfactory negotiations, a joint police and fire facility is planned for Hereford city with the council potentially providing land to facilitate the development.
- 6.8 Overarching this, Herefordshire Council is developing a case for devolution, to demonstrate how the council and its partners wish to step up and take responsibility for ensuring the long-term economic sustainability of the area. The proposals will seek to accelerate the pace of transformation, creating jobs, reducing dependency and redesigning the way our public services support the local economy and communities.
- 6.9 The approaches set out in the property strategy 2016 – 2020 will support the council in delivering the objectives set out under the devolution proposals.

Section 7 - Disposal of property assets

- 7.1 The council holds land and buildings solely for, or in support of, the efficient and effective delivery of services to the local community. The strategy will identify, over time, properties that no longer serve a need for operational service delivery. When a property is no longer required for this purpose the financial procedure rules and procedures in the disposal policy will apply. (see appendix 1b).
- 7.2 The council also owns dispersed land and buildings which may provide an opportunity for housing or commercial development and/or regeneration through a formal partnership vehicle which could enhance the financial return to the council and make a contribution towards strategic growth and economic development. Such parcels of land include elements of the county farms estate which cabinet resolved to dispose of through a structured sale.
- 7.3 The council has determined to consult with potential development and regeneration partners with a view to understanding the potential benefits to the council in the establishment of a programme to jointly develop land and buildings as opposed to disposal on the open market. The consultation will also consider the potential delivery models for a development partnership which might provide an increased financial return to the council
- 7.4 For further details on the asset disposal process please refer to appendix 1b.

Section 8 – Community ‘right to bid’ and community asset transfer

Community right to bid (assets of community value)

- 8.1 The Localism Act 2011 passed significant new rights direct to communities and individuals, making it easier for them to get things done and achieve their ambitions for the place where they live.
- 8.2 Every town, village or neighbourhood is home to buildings or amenities that play a vital role in local life. They might include community centres, libraries, swimming pools, village shops, markets or pubs. Local life would not be the same without them, and if they are closed or sold into private use, it can be a real loss to the community.
- 8.3 The Localism Act requires councils to maintain a list of assets of community value which have been nominated by the local community. When listed assets come up for sale or change of ownership, the Act then gives community groups the time to develop a bid and raise the money to bid to buy the asset when it comes on the open market. This will help local communities keep much-loved sites in public use and part of local life
- 8.4 The council maintains a '[List of Assets of Community Value](#)', which are nominated successfully by local community groups. If any of the listed assets are put up for sale, the council will inform the community and give them time to consider bidding to take over the asset themselves as a community enterprise.
- 8.5 The legislation does not guarantee that the community will be able to buy the asset, it just allows them time to prepare a bid for it on the open market
- 8.6 Facilities up for nomination must be of community value: the building furthers the social wellbeing or social interests of the local community (or has done in the recent past). Social interest uses can include cultural, recreational and sporting interests. Examples include village pubs, shops, schools, community centres, library buildings.
- 8.7 Assets of community value cannot be:
 - Residential properties and associated land
 - Land licensed for use as a caravan site
 - Operational land used for transport, and other infrastructures
- 8.8 The Assets of Community Value Regulations 2012 provide more detail on assets that will be exempt from listing and who has the power to make this exemption. The Government has also produced a non-statutory advice note which provides additional guidance to councils about this process.

Community asset transfer

- 8.9 Community asset transfers assist the council in supporting local communities, through third sector organisations and parish councils, to sustain and increase control over local services and assets of value to the community. Furthermore, the council recognises that the way in which assets are managed can have a long-term positive impact on the strength of e.g. third sector organisations and local communities more generally.
- 8.10 Community asset transfers can have the effect, therefore, of enabling the council to rationalise its property estate and reducing associated capital and revenue costs/liabilities whilst enabling the continuation of services which might otherwise be lost to the local community.
- 8.11 The transfer of council-owned assets is covered by the Community Asset Transfer Policy attached at appendix 1d.

Herefordshire Council

Corporate Property Strategy 2016 2020

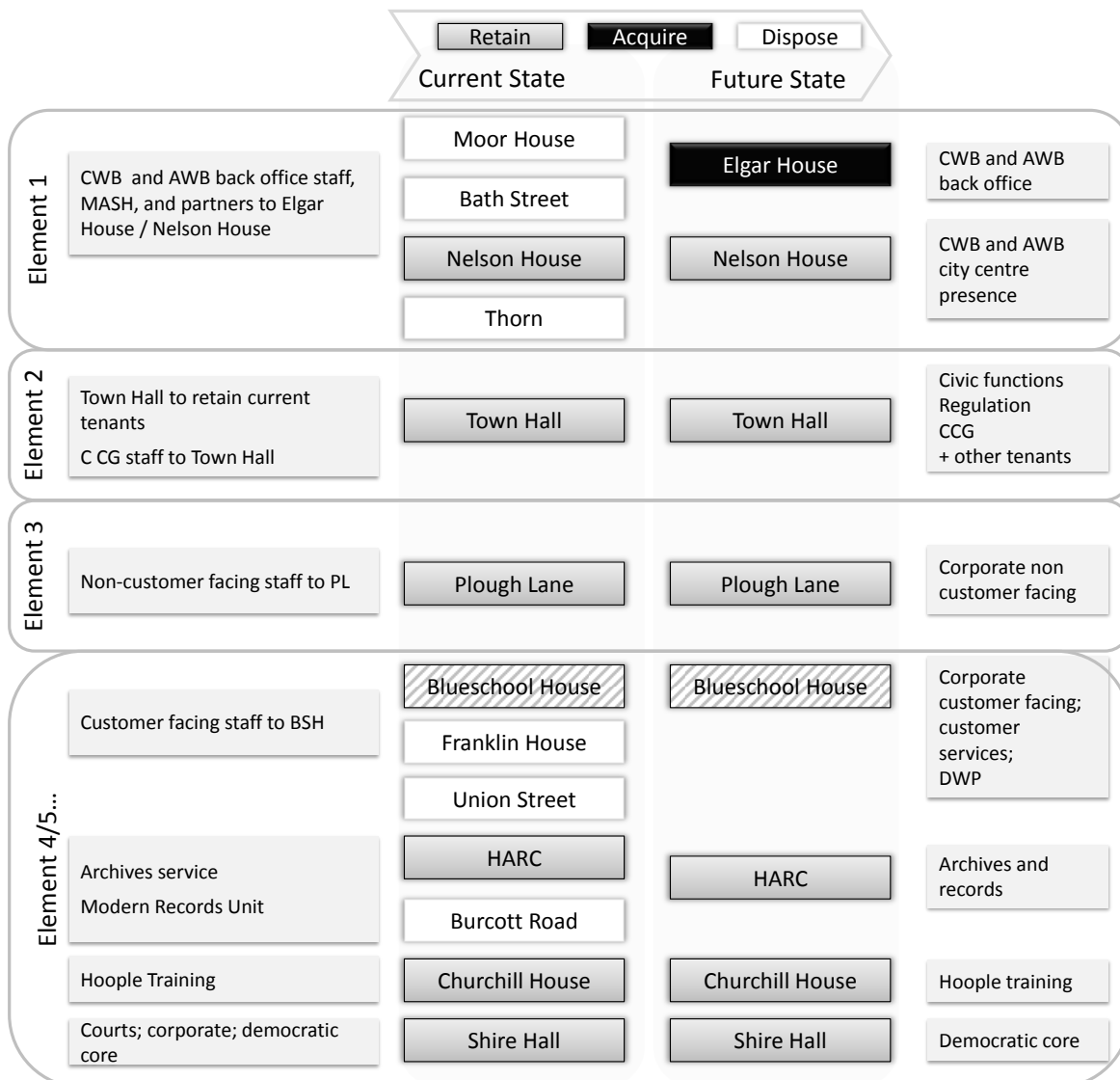
APPENDIX 1A CORPORATE PROPERTY PROGRAMME 2016 2020

PROPERTY STRATEGY 2016-2020

1. The new property strategy will build on the success of the 2013-2016 strategy. The previous accommodation strategy aimed to re-shape the operational estate to take account of future service demand pressures and the need to reduce the cost of the back office function.
2. The revised property strategy for the period 2016 to 2020 includes the following objectives:
 - a. To improve and simplify access to public services
 - b. To enable service integration and agile working with modern, fit for purpose workspaces supporting higher productivity
 - c. To maximise the economic benefits of the councils property asset base
 - d. To support economic development and housing growth
 - e. To enhance the working environment for our employees and our partners' staff.
 - f. To provide a catalyst for physical and social regeneration.
 - g. To reduce running costs and release budget for reinvestment in frontline services.
3. These objectives have been used to guide the development of a proposed programme of rationalisation of the operational estate. This will provide modern, fit for purpose workspaces supporting higher productivity and reducing running costs. This programme will address specific issues and opportunities including:
 - a. While significant improvements have been made to the council's operational estate in the last three years, significant challenges still remain. In particular the accommodation provided for children's wellbeing – Moor House and Bath Street – is no longer considered to be suitable, with an urgent need to replace the properties occupied by CWB operational services.
 - b. The new Hereford University have identified Franklin House as their preferred site for the initial development of a city centre campus offer. If the council can agree terms with the University, this site could realise the University's ambition for an anchor city centre presence before the end of the decade.

- c. There is an opportunity to co-locate DWP staff with the council's staff who have the most contact with service users, potentially in Blueschool House. Any such project will be supported by a financial business case that will demonstrate the benefits to the council of Blueschool House or another site.
 - d. Given the additional capacity provided by Elgar House, the council will be able to withdraw from Union Street. Staff will be moved to the corporate administrative centre or co-located with their client teams as appropriate.
 - e. Relocation of the MRU to the HARC to take advantage and improve utilisation of the newly provided facility.
4. This proposed programme of rationalisation would result in a reduction in the operational estate. The diagram below shows the current and proposed future state.

IMPLEMENTATION PROGRAMME



5. The implementation programme will be delivered in phases. This phasing is required to allow facilities to be vacated and prepared for the incoming teams. It also allows the services to manage the service delivery risks that arise from moving staff. The programme phases are:
- a. Element 1 – Elgar House acquisition – to provide additional capacity for CWB and AWB back office staff across Elgar House and Nelson House; a new location for the multi-agency safeguarding hub (MASH) which is currently located in Bath Street, and enable element 2:
 - b. Element 2 – Town Hall (No. 8 St Owens Street) – the Herefordshire Clinical Commissioning Group (CCG) will move from Plough Lane to occupy the whole of No. 8 St Owens Street premises, which will enable element 3:
 - c. Element 3 – Plough Lane Review – a number of the council’s corporate staff will be moved to Plough Lane. This facility allows limited access for service users by appointment and is the home of the executive. The space made available in Plough Lane will be allocated to the most appropriate teams.
 - d. Element 4 – Blueschool House – the space vacated in Plough Lane as a result of the CCG move will allow the majority of the non-front facing services at Blueschool House to be relocated to Plough Lane. An option, at this point, will be to develop Blueschool House as a joint facility with DWP focused on customer facing services, but the option to dispose of Blueschool House also remains.
 - e. Element 5 – Franklin House – the new Hereford University have identified this as their preferred site for the initial development of a city centre campus offer. Consequent upon the other elements being delivered and the council agreeing terms with the University, this site could realise the University’s ambition for an anchor city centre presence before the end of the decade.
6. The programme will be phased. The timetable will be driven by a number of factors including: the dependencies between elements, the organisation’s capacity to deliver, and the financial case for each element. An indicative timetable for the first two years of the programme is included below.

ID	Task Name	Finish	2016				2017			
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1	Element 1 – Elgar House	17/11/2016	[Blue bar spanning Q1-Q4 2016]							
2	Element 2 – Town Hall	17/02/2017					[Blue bar spanning Q1-Q2 2017]			
3	Element 3 – Plough Lane	18/08/2017					[Blue bar spanning Q2-Q4 2017]			
4	Element 4 – Blueschool House	18/08/2017					[Blue bar spanning Q2-Q4 2017]			
5	Element 5 – Franklin House	18/01/2018					[Blue bar spanning Q1-Q4 2018]			

7. Each project within the programme will be subject to the development of a business case, including a financial case, demonstrating the benefits to the council and its service users.

Proposed moves will be subject to discussion and consultation with directorates and the affected staff.

8. The capacity provided by the rationalised operational estate assumes improved utilisation and desk to staff ratios as compared with the current situation. The current inefficiencies are driven partly by a number of properties that do not support modern, efficient ways of working; partly by the slow take up of better ways of working; and also by the lack of appropriate technology (such as electronic records management). There is, however, evidence of cultural change, in particular at Plough Lane, but this is still not fully reflected in desk utilisation.
9. In order to drive the improved efficiency that is assumed in the property strategy, the relocation of staff and refurbishment of accommodation must be accompanied by new support for changed working practices, as was done through BWOW, and a commitment by service management to support staff through the change.

Herefordshire Council

Asset Disposal Policy (Updated January 2016)



VISION

"To support the efficient, integrated delivery of public services across the county by providing modern, fit for purpose buildings, shared by Public Agencies"



ASSET DISPOSAL STRATEGY

1.0 INTRODUCTION

Herefordshire council holds land and buildings (property assets) for service delivery purposes and they are owned corporately.

Where property assets are not contributing to Council's objectives then a process of rationalisation and disposal should be adopted for surplus/under-performing assets in accordance with Locality (formerly the Department for Communities and Local Government) Guidance on Asset Management.

Property disposals will reflect the requirements of the current organisation and must secure the optimum benefit for Herefordshire.

For further details visit the Locality (former DCLG) publication "Building on Strong Foundations – A Framework for Local Authority Asset Management".

<http://communities.gov.uk/documents/localgovernment/pdf/20.pdf>

2.0 OBJECTIVES

The objectives of the strategy are to –

- 1) Only hold assets that meet the authority's operational property, socio-economic and investment objectives
- 2) Release actual and latent capital from surplus assets
- 3) Reduce or remove liabilities;
- 4) Unlock the benefits of regeneration;
- 5) Enable Local Development Framework policies to be realised and:
- 6) Optimise the proceeds or land use benefits of particular disposals for the benefit of the authority and its communities

3.0 DEFINITION OF A DISPOSAL

"The transfer of the freehold, or a leasehold interest for a period greater than seven years, to a third party or a Private Finance Initiative (PFI) scheme".

4.0 STATUTORY POWERS

In most cases the authority's power of disposal is a general power contained in Section 123 of the Local Government Act 1972. This provides that the Council obtains the best consideration that can reasonably be obtained (except with the consent of the Secretary of State).

For regeneration schemes appropriation for planning purposes may be considered.

For housing accommodation the Local Government Act 1988 Section 25 and its general consent regime apply (HCA General Consent 2015). Under these powers, disposals of land for the development of housing accommodation to registered social landlords may take place at less than the best price, provided this is a Freehold transfer or a leasehold interest with 99 years or more remaining. The accommodation to be developed must be

provided for the elderly or vulnerable and the authority must not enter into any service level agreement or management arrangement for the accommodation.

The recent “Power of General Competence (Localism Act 2011)” supports the use of disposals at an undervalue in order to further sustainable development principles. These are subject to the General Disposal Consent (Circular 06/03) which permits Councils to sell property at less than best consideration without the need to seek Secretary of State consent, subject to the undervalue being no more than £2,000,000 and the disposal helping secure the improvement of the economic, social or environmental well-being of its area.

<https://www.gov.uk/government/publications/disposal-of-land-for-less-than-the-best-consideration-that-can-reasonably-be-obtained-circular-06-2003>

Some property disposals are compulsory transfers driven by statute rather than through the identification of surplus assets. Examples are the creation of Academies (Statutory Duty Academies Act 2010); Foundation and Voluntary Aided Schools (Schools, Standards and Frameworks Act 1998); Right-to-Buy (Housing Act 1985). Whereas the housing provisions are no longer relevant to this authority, it is recommended that specific policies are created to cover other forms of statutory transfer.

5.0 DEFINITION OF SURPLUS/UNDER-PERFORMING ASSETS

Property should be declared surplus if –

- 1) It makes a poor or zero contribution to the delivery of the authority’s services, either directly or indirectly, or generates insufficient income and has little or no potential for future service delivery or community regeneration purposes;
- 2) An alternative site has been identified which would achieve a lower cost and/or more cost effective service delivery (i.e. has lower opportunity cost);
- 3) Following vacation there is no potential for future alternative service delivery or regeneration;
- 4) It suffers unsatisfactory condition, suitability, sufficiency, or environmental standards for service delivery, or has adverse running costs and the problems cannot be rectified by economic capital investment, so a replacement is required;
- 5) A change in service delivery methods results in the property no longer being required.

Property should be deemed to be under-performing if –

- 1) Part of it is vacant and likely to remain vacant for some time;
- 2) The alternative use value is higher and the service can be relocated elsewhere and still leave a net capital receipt;
- 3) The beneficial use or financial return (both revenue and capital growth) generated from it is below that which could be achieved from an alternative use, or a disposal and alternative investment opportunity;
- 4) It repeatedly scores poorly in property performance assessments, owing to unsatisfactory condition, suitability, sufficiency, or environmental standards for service delivery or has adverse running costs.

6.0 IDENTIFICATION OF ASSETS FOR DISPOSAL

6.1 The identification of a property asset for potential disposal will arise in a number of ways as follows –

- The Local Development Framework
- Asset Management reviews
- Value for Money reviews;
- Service reviews declaring property no longer meeting operational needs;
- It has potential for development or redevelopment and service can be relocated;
- The five yearly asset valuation process identifies development/alternative use;
- Approaches from outside parties (e.g. developers, adjoining owners);
- Entering into development partnerships such as Local Asset Backed Vehicles (LABVs) or Local Housing Companies (LHCs);
- Request from a community group or public body to the transfer of an asset;
- Statutory duty to transfer arises;
- Land registry Searches;
- Monitoring planning applications;
- Request for variation of covenants

6.2 Property Performance Reports

The assessment of property performance differs according to the property type concerned. The nature of the assessment is explained below –

Operational Property – assessed against criteria for condition, suitability, sufficiency, or environmental standards for service delivery and appropriate benchmarks.

Socio-economic Property – assessed against criteria for corporate goals and objectives for fostering sustainable communities, economic development and regeneration;

Investment Property – assessed against criteria for income and capital growth yield, rent arrears, property voids and appropriate benchmarks

6.3 Incentives to identify surplus assets

Property should be held centrally and managed as a corporate resource. Proceeds from disposals should go to the centre but services could be given incentives to identify and release assets, for example, by being able to retain a portion of the running costs if paid for by the service area. This portion should, however, reduce over a period of years.

The Council's Corporate Asset Management team will work directly with Service Commissioners in identifying surplus property assets.

6.4 External consents and formal notification of a disposal

External consents are required to effect the sale of certain types of surplus properties (e.g. Department of Education consent for the disposal of school playing fields and potential Academy land and public open space that has to be

advertised). These consents should be identified and the process commenced at the earliest opportunity, as it can take some considerable time to obtain these consents.

Ownership in a trustee capacity needs to be carefully considered as it may need the consent of the Charity Commission.

6.5 Decision-making process

The Council's Constitution clearly explains its governance arrangements, in particular the property decision-making process, both to declare property surplus and to deal with commercial procedure.

Details of the Disposal procedure can be found under Herefordshire Constitution Part 4 Procedure Rules; Section 7 – Financial Procedure Rules; 4.7.8 Asset Management; 4.7.8. 17-19 Disposals.

7.0 MANAGEMENT OF SURPLUS ASSETS

7.1 Data collection

A corporate schedule of the use and allocation of all property is maintained in accordance with CIPFA (Chartered Institute of Public Finance and Accountancy) guidance on local authority asset registers and as contained in the Statement of Recommended Practice. It is held by the Corporate Asset Management's Land and Property Information Service.

All surplus and potentially surplus property is identified within the Asset Register (and held by the Property Information Team). The schedule is updated on a continuous basis to reflect any developments.

7.2 Property holding costs

The costs of holding the property between declaration as surplus and disposal are met by the Service Directorate. Where an alternative use is identified from a third party, the property may be transferred to the Director of Finance and appropriated for use as an investment asset as opposed to an operational property.

7.3 Suitability for other council uses

Before land and buildings are formally declared surplus, opportunities for alternative use for other authority purposes should be considered. Where this is the case the Director of Resources needs to be satisfied that the Service Department has the necessary financial resources in place to cover its operational running costs.

7.4 Site investigation and Town Planning

Once a property has been identified as potentially surplus, the Director of Resources should establish whether there are any constraints on the site (e.g. Title, legal, planning, statutory authorities, etc).

8.0 DISPOSAL POLICY

8.1 Property disposals

All disposals should be arranged and managed by the Director of Resources. The authority should obtain the best consideration by the most appropriate method of disposal but consideration does not necessarily need to be financial.

There should be regular liaison with all stakeholders between a property being declared surplus and the completion of a disposal. In particular, the party responsible for the day-to-day management of the property should be kept regularly informed of developments to an agreed timetable.

Consideration should be given at all times to the confidentiality of a disposal, particularly until a property is formally declared surplus and until exchange of contracts.

8.2 Disposal at less than best consideration

The General Disposal Consent makes provision for an authority to dispose of land at less than full market value, where it considers that the purpose for which the land is to be disposed of, is likely to contribute to the promotion or improvement of the economic, social or environmental wellbeing of the whole, or part, of its community (or any person resident or present in its community); and the difference between the unrestricted or market value of the land to be disposed of and the disposal consideration or 'undervalue' (sale price plus monetary value of voluntary conditions imposed) does not exceed £2 million.

A valuation should be undertaken to identify the 'undervalue' and best effort should be made to financially value the economic, social or environmental benefits to the authority and community, which justify a disposal at less than best price. (The supporting evidence for such justification should come from a "sponsoring service").

In cases where the 'undervalue' exceeds £2 million then the consent of the Secretary of State will need to be obtained.

If the disposal is to be at less than best price then this shall be considered within the context of the authority's Capital Programme as the opportunity cost of a foregone open market disposal.

Where a disposal is undertaken at less than best price, then to protect the authority's interest in the event of subsequent disposals, there should be included where appropriate, an asset lock, claw-back or uplift clause, restrictive covenants, ransom strip retention, user rights, or right of pre-emption.

The overriding factor to be considered for disposals at below best price is whether it is within the authority's powers to do so and the reasons should be well documented and transparent. To avoid the possibility of a challenge to a decision to sell at less than best price (for example by a Council tax payer or other interested party), it is important that there is evidence of a clear link to the furtherance of Corporate objectives.

8.3 Method of disposal

For the majority of cases, the most appropriate method of disposal should be adopted from the following and dependent upon a formal options appraisal.

OPEN MARKET

Method	When to use -
Private Treaty	Limited interest and a narrow valuation band. A disposal can have a closing date and be by way of sealed bids in cases where considerable interest is shown after marketing;
Auction	Wide interest, no obvious purchaser and easy to allocate a reserve. Speed and best price can also be demonstrated;
Tender – Formal	Wide interest, land ownership not complex, no uncertainties regarding the granting of planning consent with obligations to be placed on a purchaser that are clear and capable of specification in advance. Also, appropriate where there is a wide valuation band;
Tender – Informal	To identify a preferred bidder and enable further detailed terms or proposals for development to be negotiated. Appropriate for sales where there are uncertainties, particularly planning and for large or complex development or regeneration sites and where the proposal may need to be developed in co-operation with the authority to meet corporate objectives and to achieve best consideration. Allows for the use of conditional contracts, including clauses which provide for further sums to become payable (claw-back) upon the granting of planning in the future, or improvement in market conditions (overage). Legal advice should be sought at the outset in respect of major disposals to ensure that they meet the authority's internal and external procurement rules and regulations.

SPECIAL PURCHASER

Sale to adjoining owners or lessees where special circumstances appertain. Typical examples are a conditional disposal where the authority is selling for a particular purpose (e.g. to a developer for regeneration, to a nominated housing association for social housing development) or where it is of limited size and value and the adjoining or local landowner is the only potential or likely purchaser (e.g. garden extensions). Such sales will only be considered where there is a clear benefit to Herefordshire Council in terms of disposal value and/or removal of maintenance liability.

Exchange of land may be appropriate where it will achieve the best consideration for an authority and is advantageous to both parties.

The Crichel Down Rules may require public bodies to offer land acquired by, or

under threat of, compulsion back to former owners, their successors or to sitting tenants.

<https://www.gov.uk/government/publications/compulsory-purchase-process-and-the-crichel-down-rules-guidance-down-rules-circular-06-2004>

Circular 06/04 Compulsory Purchase and The Crichel Down Rules (DCLG).

The sale of property to 'Sitting Tenants' can be determined by legislation giving certain tenants' rights to purchase at a discounted value.

8.4 Disposal of non-surplus or under-performing assets for Community Regeneration

The authority may also dispose of property that is not formally classified as surplus or considered to be under-performing: to developers for community regeneration schemes by way of Local Asset Backed Vehicles (LABVs), or to Local Community Housing Companies (LHCs) or nominated registered housing associations for the development of affordable housing and extra care schemes.

In these cases it is recommended that appropriate policies be developed, in particular to determine whether disposals will take place at the best price that can be reasonably obtained, or whether prices are to be discounted to achieve the targeted outcomes of the proposed schemes. For example, the authority may choose to sell land to housing associations for a nominal sum to maximise the use of the housing corporation grant monies in exchange for nomination rights. Or it may choose to sell to a Registered Social Landlord at market value but provide a grant by way of subsidy so that the level of grant is transparent.

It is also beneficial in some circumstances to transfer land for a development by way of a building licence agreement transferring the legal interest in the land and taking the capital receipt upon completion of the development; or alternatively transferring the legal interest at the outset but reserving a right of pre-emption at historic cost should the development not proceed by a certain date.

One of the benefits of such disposals is that through appropriately worded conditions or covenants greater control can be exercised through the land transaction than through the authority's planning controls.

8.5 Private Finance Initiatives (PFI)

PFI is another form of disposal in which the control of the land and building asset, together with risks relating to availability and maintenance etc., are transferred to the contractor for the length of the contract. The local authority has service use of the asset and a reversionary property interest. Disposals of property under major PFI or other similar public sector works contracts will be subject to European Procurement rules.

8.6 Transfer to the community

Herefordshire Council has developed a separate strategy for the transfer of assets to the community, a charity or another public body. Such a transfer will only take place if it is supported by a robust business case, the transferee has sound long-term management and governance arrangements, the proposed use for the property meets the authority's objectives and community strategy and there is an agreed time-scale within which a disposal is expected to be completed and certainty of funding.

8.7 Tenure

In cases where the Council does not wish to exercise any control over the future use of the property (other than through the planning process) then the disposal of the freehold should generate the highest consideration. However, in many instances the Council will want to exercise some control of the future use of the land and in such cases a leasehold disposal is recommended for a term necessary to ensure the satisfactory completion of the scheme; (e.g. a leasehold transfer to the community may need to be for at least 25 years to obtain the necessary grant funding).

It is now becoming standard practice for major regeneration disposals to be negotiated by dedicated teams of valuation, finance and legal professionals representing the authority, the developer and funding bodies. Unless the Council has the necessary skills in-house it is recommended that it considers the use of appropriate private sector specialists for these types of disposals.

8.8 Late bids

Guidance from the Local Authority Ombudsman recognises the problems caused by late bids. The Guidance states that difficulties are less likely if exchange of contracts takes place as quickly as possible after a disposal decision is made. Until a legally binding contract has been entered into, the authority has a duty to consider a late bid. This should be explained to any purchaser when disposing of land by private sale or negotiated/informal tender.

In considering late bids the authority should assess the likelihood of the late bid proceeding to completion in a timely manner and consider the possibility of it being used as a spoiling or delaying tactic. It may in some cases be appropriate to ask the later bidder and other interested parties to submit their best and final bids in a sealed envelope by a set time.

A late bid may be rejected for sound commercial reasons; (e.g. if there is no real certainty of it leading speedily to a conclusion, or a contractor is suspected of using it as a spoiling tactic).

9.0 DISPOSAL PROCESS

9.1 Timing

This needs to be considered against the background of the council's budget and capital programme requirements, the prevailing state of the market, local and regional planning frameworks and the potential of property values increasing in the future. Consideration should also be given to the prospect of obtaining planning consent, particularly where there is potential for redevelopment, or investment in the property prior to disposal, to enhance its value and make it more attractive to the market.

In times when market conditions are not appropriate for a disposal, a temporary or meanwhile use should be found for a property as the authority will otherwise have to pay void rates and occupation will help with security. In cases where there is an external letting then this should be by way of a contracted-out lease under the Landlord and Tenant Act 1954, so that vacant possession can be easily obtained.

9.2 Marketing strategy

An appropriate marketing strategy will need to be developed for use by either the in-house or external consultants undertaking a disposal, with all costs (legal, consultants, marketing and agency) being charged to the appropriate property cost centre. Costs should also be recovered from the purchaser whenever possible.

9.3 Valuations

A valuation of the property for disposal should be undertaken at the earliest opportunity in the process and continually reviewed throughout the disposal process. Where it is decided to negotiate in-house a disposal to a single party, rather than offer the property on the open market, it may be appropriate to obtain a valuation from a professionally qualified third party (e.g. The District Valuer).

9.4 Negotiations

All negotiations for disposal should be conducted by a suitably qualified property professional, preferably a member of The Royal Institution of Chartered Surveyors.

Ombudsman guidance recommends that all negotiations should be conducted at the offices of the authority and with two people negotiating. Clearly both conditions may be unrealistic for every case but often there will be circumstances when one or both are appropriate to ensure and demonstrate that the authority's disposal policy is being adhered to.

10. PERFORMANCE MANAGEMENT

A disposal strategy should set milestones, manage risks and regularly report progress and each individual disposal should form part of a wider programme of disposals aimed at achieving Corporate Plan objectives.

11. EQUAL OPPORTUNITIES

The Council must ensure that any disposal complies with their equal opportunities policy.

Herefordshire Council Tenanted Non-residential Property Policy Review (Updated January 2016)



VISION

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1.0 Introduction

- 1.1 'Tenanted Non-Residential Property' (TNRP) describes local authority assets which are let to third parties (other than housing stock) such as retail spaces, offices, industrial, warehousing and farms. CIPFA (Chartered Institute of Public Finance and Accountancy) define such assets as 'operational' or 'non-operational'; and all are also known as 'commercial' or 'investment' property.
- 1.2 This report should be considered alongside the Council's Asset Disposal Policy (2016). THIS CURRENT DOCUMENT IS NOT A COMPLETE REVIEW OF THE POLICY DOCUMENT, SO EXACT FIGURES CONTAINED HEREIN MAY NOT BE RELIED UPON
- 1.3

There should be a general presumption against the retention of such assets unless there are substantial reasons why this might not be achievable or desirable.

2.0 Why a strategy was needed

- 2.1 'Herefordshire Council's TNRP portfolio was valued in 2015 at approximately £32m. At that time it produced a rental income in excess of £3.3m net per annum. In the previous 5 years its contribution to corporate capital receipts had been minimal, although in 2013 a start was made to realise some of the capital tied up in the portfolio.
- 2.2 There currently exists no corporately agreed rationale for the retention of this portfolio. The need for this was identified in the Joint Corporate Strategy 2009-12 which sets out an approach to TNRP both operational and non-operational. The strategy identified the need for a continuous review of the Council's non-operational investment portfolio and this was first undertaken in 2013. It identified that the Council should only continue to hold tenanted non-residential property 'if there are substantial over-riding reasons to do so':
- i) The investment return from the premises meets or exceeds a target previously set under the MTFs process;
 - ii) There are other significant social, community or strategic advantages to retaining the premises (i.e. those that are strongly aligned to the Council's core priorities);
 - iii) The legal tenure of the premises and/or any statutory constraints preclude disposal.

All of these points are taken into account in the ongoing non-operational TNRP policy review.

Due to the resourcing demands of other aspects of the Council's Corporate Property Strategy a complete TNRP Policy Review was delayed.

2.3 In the past the following arrangements were used to justify the retention of this portfolio –

- a) To provide an increasing source of revenue
- b) To generate capital receipts
- c) To assist regeneration through gap funding
- d) To control and influence development
- e) To protect employment use
- f) To fulfil economic wellbeing role by providing premises for business giving support small to medium employers (SMEs) and small businesses
- g) To reduce management costs.

It can be argued that, during certain periods and in various locations, all of the above may have valid justifications, but to date no systematic measurement of the impact (other than financial) has taken place and policy endorsement is often tangential and weak.

3.0 The risks of not having a strategy

3.1 The lack of a clear corporate strategy is the biggest risk which could lead to poor investment decisions and the failure to demonstrate value for money. Investment in producing that strategy needs to be afforded the highest priority.

3.2 Without performance indicators and financial targets for the portfolio, it is not possible to demonstrate value for money or justify investment to secure improvement in rates of return. With capital increasingly scarce and problematic to generate, it is crucial that business decisions would stand the test of rigorous scrutiny.

4.0 The Framework for Review

4.1 The first task was to sort the portfolio into specific categories in order that they may be managed appropriately. These categories are -

- Surplus/disposal
- Revenue generation (investment)
- Regeneration linked to clear strategic aims/policy
- Latent potential which cannot be realised within set timescales in foreseeable future
- Other valued outputs (e.g. employment sustaining) SROI (Social Return on Investment)
- Properties where statutory restrictions make disposal unviable

4.2 The second task is the development of a decision-making process with built-in safeguards. It has to be simple, easily understood and adaptable. With a framework in place decisions cease to be merely reactive to targets and become a pro-active method of setting an agenda.

The framework –

- Identifies what should be sold

- Identifies valued measureable outputs
- Clarifies and reflects Member requirements and the policy environment
- Identifies potential receipts, rent and other outputs

4.3 The third task is to seek Member involvement in the process and embed the framework into the Council's constitution.

4.4 The details of the framework were contained in Appendix 1 of the 2013 documents

5.0 Key Actions

5.1 The key actions are as follows –

- The need to adopt the method proposed
- The need to secure full Member support on an ongoing basis
- The need to invest in information technology to support the methodology
- The need to ensure that sufficient resource is afforded to evaluate the data, financial, legal and asset management.

6.0 An active management strategy for the TNRP

6.1 The outcome of adopting an active management strategy for the Council's TNRP would be to ensure that –

- Better assets are retained as investments
- Other outcomes are fully considered; especially where there is no formal policy background
- Assets are identified by specific purpose
- Clarity about future potential and management allows you to develop a strategy relevant to each of these categories
- There is the ability to make informed predictions about future outputs and hence to maximise our returns and outcomes
- There is a greater degree of consistency in approach from the Council in its decision-making in relation to the TNRP portfolio.

1.0 THE FRAMEWORK IN DETAIL – HOW THE PROCESS WORKS AND NEXT STEPS

The first stage is to identify the four major components because everything that is not any of those four is to be disposed of. There are four tests: a financial test, a latent potential test, and geographical and other outcomes.

The first test is a financial test looking at initial yield. Anything producing less than 6% would be recommended for disposal. Anything above this figure would be subject to a further review around optimal timing for disposal to ensure maximum rate of return for the Council.

The next stage, latent potential, is practically another financial test. For example, is it a ransom strip? Is it a key strategic site with latent, i.e. future, potential? Is it an industrial unit where greater income could be realised through management strategies? Is it in one of the county's regeneration areas or potentially a key regeneration property?

The last test is to identify any other valued output here. Is it, for example, one of the county's main industrial estates with residential developers anxious to change its use? If it does not satisfy that, the only real alternative left is disposal because if the property is not producing a good rate of return, then the management investment could be directed to better effect elsewhere.

Financial tests

There are two tests:

- Assets delivering an initial yield below 6% would be the first selections for disposal, subject to the findings of the other tests. Consideration should also be given to disposal of assets delivering above this threshold, but these should only be disposed of in optimal packages so as to maximise the return to the taxpayer.
- Assets will be retained if they have significant latent potential

The rate of 6% is a figure that is derived from the Prudential Code. It is recommended that this figure is reviewed annually. In the event of volatile economic market conditions this should be more regularly reviewed on the advice of the Council's Director of Resources (DoR).

Geographical test

If the asset does not meet the financial test and is within a regeneration area it should be considered whether it could be made available to support regeneration. The options are:

- Held to control development
- Sold to facilitate development

- Sold at less than best value to gap fund development (where capital is limited).

This test does not presuppose what you do with the asset; it simply identifies an under-performing asset and the possibility of its use for regeneration. The options generated should consider how the asset could be used in the regeneration process for example to control and influence development, manage the developer and the delivery process or sell off or, as a worst case scenario, transfer at reduced consideration subject to the General Disposal Consent 2003 rules subject to the cap of £2m.

Other valued outputs

Other valued outputs are the remaining options for holding the asset and it became apparent that the portfolio may not be accurately described currently as an investment portfolio. The options are:

- Additional land use control
- Strategic land asset
- Required for future service delivery
- Long-term potential
- Protection of existing employment uses from residential encroachment

These options must relate in some way to the Council's core corporate objectives.

2.0 STEPS IN UNDERTAKING THE REVIEW

Set out below are four practical steps that need to be taken in implementing any programme of work to review TNRP:

Step 1: Continue the TNRP strategic review

A simple overview is all that is necessary, for example:

- A simple list of TNRP assets and their type (e.g. retail or offices);
- Asset values and income;
- A basic analysis in terms of why they are held (e.g. investment, socio-economic purpose or unidentified); and
- An assessment of their suitability, condition and running costs.

Step 2: Identify key issues

Identify the key issues and decide on a focus

Step 3: Planning

Develop phased TNRP implementation plans and work programmes.

Step 4: Identify and evaluate the costs and benefits of all options.

It needs to be noted here that TNRP ascribed socio-economic purposes could be held, owned or otherwise managed by parties other than the authority itself.

Step 5: Implementation

Implement the option that offers the best value for money, monitoring improved performance against targets set within the selected option.

The Initial Review was completed in the 2013/14 financial year with subsequent reviews having been undertaken annually.

Herefordshire Council Community Asset Transfer Policy (Updated January 2016)



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COMMUNITY ASSET TRANSFER POLICY

1.0 Purpose of the Policy

- 1.1 The purpose of the Policy is to set a transparent, positive and proactive framework to enable asset transfer from the Council to the third sector to happen and be successful in the long-term.
- 1.2 The term 'asset transfer' here relates primarily to leasehold or freehold arrangements at less than best consideration, or in giving Third Sector Organisations (TSOs) 'first-refusal' on a commercially-based disposal.

2.0 Policy statement on community asset transfer and third sector organisations (TSOs)

- 2.1 The Council supports strong and sustainable TSOs as key partners in the delivery of services and in providing a link with local communities. Working in partnership with thriving TSOs can greatly help the Council in achieving the outcomes as enshrined in its Corporate Plan that will be of benefit to local communities.
- 2.2 The Council recognises that the way its physical assets are managed can have a positive impact on the long-term strength of the third sector and local communities more generally. Through asset ownership, TSOs can grow and become more secure, gaining access to sources of additional investment that the Council itself may not be able to access. The Council's aim is to ensure that the way assets are managed strongly underpins the wider corporate aims and where appropriate, will use asset transfer as a means of enabling TSOs to become sustainable on a long-term basis. To be successful, asset transfer requires a long-term partnership approach on the part of the Council and the receiving TSO.

3.0 What is Asset Transfer?

- 3.1 For the purpose of asset transfer, an asset is defined as land or buildings in the freehold ownership of the Council. The asset will need to be identified within the Council's Asset Register, assigned a valuation from a professionally accredited source and be identified for potential transfer under an Executive Decision by the Director of Resources.
- 3.2 Asset transfer covers both transfer of management as well as transfer of ownership. The level of asset transfer may vary from –
 - Community management
 - Short/medium term lease
 - Long leasehold
 - Freehold
- 3.3 'Transfer' is generally considered to relate primarily to leasehold or freehold arrangements at less than best consideration, or in giving community-led organisations 'first refusal' on a commercially-based disposal.

- 3.4 It can cover both transfer at market price (in the case of first refusal) or transfer at some concession. There are also several possible categories of asset transfer –

	Surplus property	Non-surplus property
Nil consideration/ with endowment	Transfer for social value and/or better management	Generally as part of a partnering or procurement arrangement
Less than market value	Social value creates a discount in sale or lease cost	Generally as part of a partnering or procurement arrangement
Off market sale	A community purchaser may provide opportunities for gaining greater social value	Service agreement to deliver Council services or within a partnership (e.g. co-location)
Open market sale	N/A	N/A

- 3.5 There will be conditions under which the asset must revert to the Council under the terms of a leasehold arrangement, for example –

- In the case of bankruptcy
- In the case of corruption
- If the anticipated benefits of transfer are not realised

- 3.6 Each disposal will include an asset lock (where this does not prevent the third party body from leveraging in additional funding). This prevents the asset being sold on for pure financial gain – unless this was the intention of both parties and disposal will assist with the delivery of intended benefits.

- 3.7 There may be other constraints on the rights or responsibilities which are transferred along with the asset. These will be assessed on a case by case basis.

4.0 Aims of Community Asset Transfer

- 4.1 The Council’s physical assets include land, buildings and other structures used for a variety of different social, community and public purposes. For some of these assets community management and ownership could deliver.

- Benefits to the local community can arise from - building confidence and capacity; attracting new investment and reinvigorating the local economy; and securing stronger, more cohesive and sustainable communities
- Benefits to public sector providers can arise from - the creation of a new partner able to tap into additional resources; the ability to engage with a more cohesive local community; new service provision complementing and augmenting statutory services
- Benefits to the organisation include - financial security; increased recognition; power; management capacity and organisational development; and through having a secure base, opportunities to expand and diversify

- 4.2 Public assets are rarely used by everyone, their ‘value’ being locked-in to a particular use or a particular group of people. Changing ownership or management offers opportunities to extend the use of a building or piece of land, increasing its value in relation to the numbers of people that benefit and the range of opportunities it offers. Community-led ownership offers additional opportunities to secure resources within a local area and to empower local

citizens and communities.

- 4.3 Assets will be transferred to community groups by the Council in order to promote the widest public value that can be achieved in relation to, for example
- Community empowerment
 - Area-wide benefits
 - Building the capacity of the third sector and encouraging a sustainable third-sector
 - Economic development and social enterprise
 - Improvements to local services
 - Value for money

5.0 National Policy Context

- 5.1 The concept of the disposal of assets at less than market value is not new and has been practiced on an ad hoc basis by local authorities for generations. Even though the Local Government Act of 1972 (Section 123) established that generally disposals should not be at less than could be reasonably obtained without Secretary of State approval, this legislation did not preclude such disposals from occurring. The General Disposal Consent (Circular 06/03) opened up the opportunity for widespread under-value disposal as it removed Secretary of State approval below a £2 million threshold. The Local Government Act of 2000 again accelerated unvalued disposals as it introduced wellbeing powers to promote 'economic, social or environmental wellbeing'. But, whereas this piece of enabling legislation might have led to an off-loading of assets, its impact was still deemed to be less than prolific in practice. As the 2000s progressed, momentum to change the use and ownership of public assets increased.
- 5.2 The 2006 *Local Government White Paper* confirmed the Government's intention to increase opportunities for community asset ownership and management and promoted asset transfer as part of a local authority's 'place-shaping' role. The Secretary of State for Communities commissioned Barry Quirk, Chief Executive of LB Lewisham, to carry out a review into the barriers preventing community asset transfer. It also indicated that a fund would be established to help with this, later announced as the £30 million Community Assets Fund managed by the Big Lottery Fund.
- 5.3 The 'Quirk Review's' findings *Making Assets Work* were published in May 2007. All the Review's recommendations were accepted by the Government and published a week later as an implementation plan in *Opening the transfer windows: the government's response to the Quirk Review*. The Government's plan for taking the review forward included a demonstration programme with local authorities and their partners, a guide to managing risks in asset transfer and a series of regional awareness-raising workshops.
- 5.4 The Quirk Review found that a careful increase in the community's stake in an asset can bring a wide range of additional benefits for the community, the organisation receiving the asset and the local authority facilitating the transfer. The benefits of community ownership and management can outweigh risks and opportunity costs.

- 5.5 The Government's Empowerment Action Plan, published in 2007, includes actions relating to the transfer of assets and to a programme of support for community anchors, including the availability of further funding to support the development of anchors.
- 5.6 In July 2008 CLG White Paper "Communities in Control : real people real power" confirmed on-going support for the Quirk review, announced the establishment of a national Asset Transfer Unit, extended the Advancing Assets programme by a further year and announced a £70 million community builders fund. The origins of this agenda go back to the ODPMs 2003 *Communities Plan (sustainable Communities : Building for the Future)*. This acknowledged that sustainability is only possible where local communities play a leading role in determining their own future development.
- 5.7 The 2011 Localism Act represented a major step forward in the government's desire to see the transfer of public assets for community benefit. A series of Community Rights were introduced in order to facilitate the transfer of both assets and services to community ownership. In addition, the well-being powers which were introduced in 2000 and extended in 2008 to local councils, were replaced by a 'General Power of Competence' (February 2012).
- 5.8 In 2008, Herefordshire became part of a national pilot project to develop Community Asset Transfer policies. It published its Policy in 2009 and has since delivered over a dozen successful transfers. In 2012 it was recognised for its efforts to secure a multi-asset transfer in Ledbury and is recognised as a Best Practice Authority by 'Locality' and Department of Communities and Local Government.

6.0 Principles underpinning the Council's Asset Transfer Policy

- 6.1 The Council's policy on community asset transfer is underpinned by the following principles which are divided into three sections –
- a) Principles for a proactive strategy
 - b) Principles of responding strategically to a disposal opportunity
 - c) Principles of good practice
- a) A proactive strategy –
- The Council will seek to implement the policy *proactively* (through awareness raising, outreach and support, etc.) to encourage appropriate groups to take on an asset, linked to its on-going programmes of support to the third sector;
 - Any proposed asset transfer must support the aims and priorities of the Council as set out in adopted policy;
 - The Council views its policy on community asset disposal positively as part of a long-term programme of support to, and partnership with, the third sector.
- b) Responding strategically to asset transfer –
- The Council will take a strategic approach to asset transfer through regular reviews of the asset transfer potential of its assets and the establishment of priorities, linked for example, to priority

neighbourhoods, the exit-strategies from regeneration programmes, or the potential of particular high profile cases

- Once the policy framework has been established within the Council, opportunities to extend the approach to other public bodies through Locality Partnerships, will be sought.

c) Establishing a good process –

- The Council will have a transparent corporate process for asset transfer which includes a clear point of first contact and clear stages and timescales for each party;
- The Council will adopt an agreed method of assessing the benefits of the transfer (linked to corporate priorities) which allows a comparison with market disposal;
- Any disposal at less than best consideration will be supported by an evidence based Business Plan identifying the benefits and how these will be monitored and measured, together with the remedies available to both parties if the outcomes are not met. This Business Plan will be assessed by the appropriate professional officers of the Council and/or its agents, as deemed necessary by the Director of Resources.

7.0 Assessing Asset Transfers

7.1 The asset transfer decision is essentially a choice between –

- Maintaining existing position (i.e. retention of the asset);
- Expenditure on other services or priorities made possible as a result of a 'commercial' disposal;
- The benefits generated by the transfer of the asset to a TSO and local communities more widely;

7.2 In assessing proposals for asset transfer, the Council will attempt to measure the relative benefits and risks of these three options in order to justify its decision and the level of discount proposed; as well as benefits to Council priorities such as objectives from the Corporate Plan.

7.3 Critical to the success of any transfer is having a clear rationale backed by a robust business-case demonstrating the ability of the recipient to manage the asset effectively, including an assessment of the financial and organisational capacity of the organisation. A social benefit assessment framework may need to be applied by the Council. Further details of this framework are available from the Council's Sustainable Community Team or Corporate Asset Management Team.

7.4 The organisation wishing to take on an asset would also need to provide a 'business case' for transfer at the outset and would be advised to contact the Council before preparing its business case.

7.5 Details of the mandatory elements of the business case can be obtained from the council's Asset Management and Property Service or Community Development Service.

8.0 Managing the Risks of Community Asset Transfer

8.1 The assessment framework and risk matrix, identifies the potential risks of transfer and the forms of mitigation that may be taken to reduce these. In summary these are –

- Lack of capacity within the third sector organisation;
- The community empowerment objectives proposed by the asset may be weak or under-developed;
- Lack of knowledge of the asset (especially where a Listed building is concerned);
- Asset may not be used in the public interest, or access may be limited;
- Lack of clarity between respective roles of the Council and TSO.

10.0 The Asset Transfer Process – expression of interest

10.1 All expressions of interest should be directed in the first instance to either –

- The Council's Head of Corporate Asset Management (01432 383368), or
- Estates Management Officer Community Assets (01432 261711)

Herefordshire Council Corporate Buildings Maintenance Strategy (Updated January 2016)



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"To support the efficient, integrated delivery of public services across the county by providing modern, fit for purpose buildings, shared by Public Agencies"



Corporate Buildings Maintenance Strategy

1.0 Introduction

- 1.1 The purpose of the buildings maintenance strategy is to set out a strategic framework within which to identify, prioritise, plan, manage and monitor the maintenance of the Council's operational property portfolio. It will identify how we can move from the current position in terms of identified maintenance backlog to an agreed standard of repair for the property portfolios in the future. This recognises that not all buildings can or necessarily should be maintained at the highest standard of repair, in terms of their importance to service delivery, or if it has been agreed they have a limited life span.
- 1.2 It will attempt to balance the customers' aspirations for the suitability of premises to which they have access and the ability of the Council to resource that need.
- 1.3 This strategy is reliant on the information that the Operational Property (OP) Asset Register provides. The OP Asset Register identifies the core properties for service delivery and identifies their suitability in terms of condition and sufficiency.
- 1.4 The strategy relates to maintenance of the retained operational portfolio. There must be a clear division between maintenance and capital works. The Review process will identify maintenance and capital items.
- 1.5 Maintenance should ensure –
 - meeting department service delivery needs which reflect the standards to which assets are maintained;
 - priorities based on the impact of condition on service delivery and risk;
 - minimising the whole-of-life costs of assets;
 - the most effective use of maintenance resources to meet the Audit Commission's benchmark of 70% planned, 30% reactive spend;
 - appropriate information exists for service users

2.0 Key Aspects

- 2.1 The building maintenance strategy will inform the decision-making process with respect to required expenditure –
 - To maintain retained properties to an agreed standard
 - To reduce backlog maintenance
 - To ensure statutory compliance
- 2.2 Statutory compliance has a major influence on how the Council utilises its properties. The Council has a legal duty to protect its employees and customers. Amongst other statutory regulations the Control of Asbestos Regulations, the Control of Legionella Bacteria Regulations and the Regulatory Reform (Fire Safety) Order, place the onus on the employer and building managers to ensure compliance.

3.0 Specific Compliance

3.1 Asbestos Register

3.1.1 The Council will maintain an Asbestos Register. The Register details the location and type of asbestos present in premises, including an assessment of the risk, according to the location and type of asbestos identified. It requires –

- To provide an assessment of the risk of the likelihood of anyone being exposed to fibres from these and preparation of a plan setting out how the risks from the materials are to be managed.
- To take the necessary steps to put the plan into action
- To review and monitor the plan periodically
- To provide information on the location and condition of the materials to anyone likely to be working on or disturbing them

3.1.2 With respect to the Council's non-operational (investment) portfolio, the responsibility for compliance lies with the tenant. The tenants are advised of their responsibilities under the Regulations.

3.2 Legionella

3.2.1 The regulations require a Risk Assessment to be carried out on all buildings managed by an employer to identify areas of high risk. The regulations also require a re-assessment of all properties every 2 years.

3.2.2 A comprehensive survey of Council properties has been undertaken. Identified works are included in the annual expenditure programme.

3.2.3 As with the Asbestos Regulations, the responsibility for compliance with the Legionella Regulations lies with the tenants for the Council's non-operational portfolio.

3.3 Fire Safety

3.3.1 The Regulatory Reform (Fire Safety Order) 2005 places responsibility for fire safety on the employer or appointed person for each building.

3.3.2 The Order places the responsibility for fire safety firmly on the employer or "responsible person" for that building. There is a requirement for the "responsible person" to assess the risks of fire and take steps to reduce or remove them. The Order makes employers responsible for everyone inside and outside their premises, not just employees.

3.3.3 As with the Asbestos Regulations, the responsibility for compliance with the FSO lies with the tenants for the Council's non-operational portfolio.

3.4 While the above regulations have been highlighted due to their high profile public impact, all statutory regulations are equally important and the Council has obligations to ensure compliance.

- 3.5 The Council will ensure that processes and procedures are in place to comply with statutory legislation and will respond to the introduction of future legislation as required.

4.0 Targets

- 4.1 In conjunction with the OP Asset Review –

- All Council owned and managed operational properties will be surveyed as part of an on-going 5-year rolling programme.
- All operational properties will be allocated a Condition Rating based on the survey reports –
 - A – Good
 - B – Satisfactory
 - C – Fair
 - D - Poor
- All planned maintenance to operational buildings will be prioritised using the matrices in the OP Asset Review.
- 80% of all operational properties rated as “essential to service delivery” are to have an overall property rating of A or B by 2020. The Accommodation Board will monitor and review these targets annually and update as required.

- 4.2 By continuing to survey each of our assets on a rolling 5-year programme we aim to develop 5-year programmes of preventative works which have been prioritised on a consistent basis. This will allow us to more accurately predict future funding requirements and ensure that available funds are targeted to the right buildings allowing us to control further increases in our reported required maintenance.

- 4.3 Maintenance standards will provide for like replacement or will update materials, fixtures and fittings to comply with statutory standards.

5.0 The EU Energy Performance of Buildings Directive 2002

- 5.1 The Energy Performance of Buildings Directive 2002/91/EC which came into force in January 2006, placed a responsibility upon public bodies to comply with Articles 7, 8 and 9 within 3 years of the inception date. These involved the issue of Display Energy Certificates (DECs), Energy Performance Certificates (EPCs), the inspection of boilers and the inspection of air conditioning systems.

- 5.2 DECs show the actual energy usage of a building, the operational rating and help the public to see the energy efficiency of the building. This is based on the energy consumption of the building as recorded by gas, electricity and other meters. The DEC must be clearly displayed at all times and clearly visible to the public. A DEC is always accompanied by an Advisory Report that lists cost effective measures to improve the energy rating of the building. DECs are only required for buildings with a total useful floor area over 1,000m² that are occupied by a public authority and institution providing a public service to a large number of persons and, therefore, visited by those persons. They are valid for one year. The accompanying Advisory Report is valid for 7 years.

- 5.3 EPCs were introduced as part of Home Information Packs which first came into effect in August 2007 in England and Wales for domestic properties with 4 or more bedrooms. Rental properties which have a certificate valid of 10 years, required an EPC on any new tenancy commencing on or after 1st October 2008. There is also a requirement for EPCs on the sale, rent or construction of buildings other than dwellings with a floor area greater than 500m² from April 2008.
- 5.4 Inspections – from January 2009 the inspection of boilers and air conditioning systems was introduced in accordance with Articles 8 and 9 of the Directive.``

6.0 Compliance

- 6.1 The Council, through its commissioned agents, will ensure statutory compliance.

Herefordshire Council Revised Smallholdings Policy 2015 (Updated January 2016)



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Revised Smallholdings Policy 2015

- 1 The council is clear that its policy is to conduct a structured disposal of its entire smallholdings estate, having established that the retention of a rural estate is no longer a corporate priority.
- 2 The disposal of the estate will involve, on a case by case basis, the consideration of all options and the commissioning of expert independent professional advice to ensure that best value is obtained for the tax payer.
- 3 Any disposal will be conducted in line with the requirements of the constitution and with full openness and transparency with a view to open market value being realised in all cases.
- 4 Land and/or buildings which are identified as having development potential should be identified as separate from protected agricultural use and promoted for sale to maximise commercial/development value.
- 5 Tenants with life or retirement tenancies will be offered a 'without prejudice' and without obligation opportunity to discuss at a time convenient to them options for early termination of their tenancy where this would assist the delivery of their development of the estate. The council will consider each on a case by case basis.
- 6 In disposing of any element of the smallholding estate the council will have regard to the welfare and needs of current tenants who are affected by the sale, ensuring that their respective rights are protected to the end of their contractual term.
- 7 As part of the disposal process, the council will consider potential redevelopment of surplus farm houses and farm buildings, such as barns. This may involve the seeking of planning consents where it is felt that this will enhance the value of surplus property to be sold. Where appropriate any disposal of surplus buildings could include a small amount of land if this could generate an enhanced capital receipt.
- 8 Any disposal of areas of land identified as containing mineral deposits of commercial value should be subject to the council retaining mineral rights.
- 9 Any maintenance undertaken prior to disposal shall reflect unavoidable compliance obligations. This expenditure should be based on an assessment of any risk involved and the potential to contribute to an enhanced capital receipt at disposal.
- 10 Any capital investment undertaken prior to the disposal should be evaluated on its ability to protect and enhance the capital value of the asset and be subject to the approval of an appropriate business case.
- 11 A master disposal plan will be developed which will be subject to executive approval. It will be updated on a regular basis and be monitored as part of the council's performance management framework.

Appendix 2 – Corporate Property Strategy – business case for the acquisition of Elgar House

Executive Summary

This paper examines the future accommodation needs of the council and recommends a preferred approach to meeting those needs that is in line with the corporate property strategy.

A set of planning assumptions has been agreed with representatives from each directorate. The planning assumptions cover the period of the revised property strategy. These planning assumptions have been used to create a high level picture of the council's future accommodation needs.

Consultation has been started, at a level appropriate to the time available, to ensure that the accommodation programme fully meets the needs of the directorates and delivers the efficiencies required by the organisation as a whole. This consultation will be continued and extended in developing the change programme required to implement the new property strategy.

In line with the corporate property strategy, the recommended approach will see the continued rationalisation of the operational property estate, with fewer properties focused on particular service user or staff needs. The council will withdraw from a number of properties that are either unsuitable for its future needs or will require significant investment to make them suitable. There is a need to replace some of this capacity in order to meet the accommodation requirements anticipated by the council's directorates, which take into account planned reductions in staff numbers and more efficient working practices. Analysis has indicated that vacating the unsuitable properties will cause a predicted shortfall in capacity of 180 workstations. The council's strategic asset management team has identified the opportunity to acquire Elgar House on the outskirts of the city of Hereford. The property provides good quality office accommodation over three floors sufficient to meet the shortfall with parking and good public access.

A business case has been undertaken which compared three options:

- Do nothing – continue with the current accommodation, upgrading as necessary
- Do minimum – find a replacement for the Bath Street (new media centre) only
- Elgar House- five year and ten year solutions analysed – assumes that the capacity will replace Bath Street (new media centre), number 8 and 10 St Owen Street (the wings at either side of the town hall) and Moor House. These properties are currently occupied by children's wellbeing staff, however, the accommodation programme that will be

developed to implement the property strategy will identify the most appropriate location for each team.

Given the forecast shortfall in capacity in the operational estate, the findings of the financial case, and following the principles of the revised property strategy for 2016 to 2019, it is recommended that the council complete the acquisition of Elgar House to provide suitable, modern accommodation within the city of Hereford that will be used as a base for a number of council staff.

Business Options

The proposed lease for Elgar House is initially intended to be a 10 year commitment. The following business options were considered using the 'do the minimum' option as a baseline:

Option	Analysis
Do nothing	Continue with Bath Street, 8 / 10 St Owen Street and Moor House. <i>Not deliverable – Bath Street lease expires September 2018 and an extension is unlikely to be accepted by the lessor.</i>
Do the minimum	Seek replacement property for New Media Centre (Bath Street). 'Existing Model'.
5 year solution	Create new solution for operational Children's and Adult Services, to be replaced after 5 years.
10 year solution	Create new solution for operational Children's and Adult Services, to be replaced after 10 years.

Preferred Option

Elgar House is on the outskirts of Hereford city (it is 15 minutes' walk from the city centre) and has more limited public transport connections as a result. However, the capacity that it offers is more modern and flexible than the accommodation that it would replace and it offers the opportunity to move from dispersed locations across the city to an integrated facility with appropriately sized workstation areas planned within corporate targets for desk to staff ratios. The rationalised operational estate that this creates will support improved working practices between teams and with other agencies.

Also, both the five year and ten year solutions offer financial benefits when compared to the 'do the minimum' option.

The following table illustrates in detail the cost profile comparison of the existing premises costs against the premises costs of a 10 year occupancy of Elgar House.

		Yr 0	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10	10 Yr
		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	Total
		£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Existing Model (without Elgar House)	'Do minimum' capital Spend (1)		650	300	750								1700
	Revenue budget (4)	277	281	286	303	322	327	333	339	348	356	364	3,536
	Capital repayments			218	218	218	218	218	218	218	218	218	1,962
	10 year equivalent	277	281	504	521	540	545	551	557	566	574	582	5,498
Elgar House included in operational estate	Capital spend on operational estate (3)	269	855	133									1,257
	Revenue budget (2) (4)	333	468	219	222	228	230	234	237	240	244	249	2,904
	Capital repayments		148	148	148	148	148	148	148	148	148	148	1,480
	10 year Solution	333	616	367	370	376	378	382	385	388	392	397	4,384
Comparison 'Elgar' vs Existing Model		56	335	(137)	(151)	(164)	(167)	(169)	(172)	(178)	(182)	(185)	(1,114)

Notes: Greyed areas illustrate the breakdown and timing of spend

- 1 Capital spend on current set of properties (do minimum) could be delayed until 2016/17 onwards
- 2 Cost includes maintaining current properties alongside Elgar until disposal (assumed by end of 2016/17)
- 3 Capital spend on vacated properties (make good Bath Street and Moor House) and operational estate together with Elgar House refit and changes required to existing estate
- 4 Overall revenue budget includes: rent; maintenance; cleaning; utilities; rates

Both a 10 year lease or remaining in the existing properties would require capital investment, the financing costs for which are illustrated in the above table. The capital investment for Elgar House would begin during 2015/16, whereas for existing premises the investment could be held until 2016/17. It would also be necessary to incur running costs for Elgar House alongside the existing properties in the project scenario. Those two factors result in an adverse revenue position for 2015/16 and 2016/17 – relative savings would be achieved from 2017/18 and would be ongoing.

Therefore, given the forecast shortfall in capacity in the operational estate and following the principles of the revised property strategy for 2016 to 2019, It is recommended that the council complete the acquisition of this Elgar House to provide suitable, modern accommodation within the city of Hereford that will be used as a base for a number of its administrative teams. The preferred solution is therefore the acquisition of a 10 year lease of the property known as Elgar House, Holmer Road, Hereford, at an annual rent of £87k.

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