

MINUTES of the meeting of Cabinet held at Council Chamber, The Shire Hall, St Peter's Square, Hereford, HR1 2HX on Thursday 3 November 2016 at 2.00 pm

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

Councillors H Bramer, DG Harlow and PD Price

Cabinet support members in attendance Councillors BA Durkin and NE Shaw
Group leaders in attendance Councillors JM Bartlett, TM James, RI Matthews and AJW Powers
Scrutiny chairmen in attendance Councillors PA Andrews and WLS Bowen
Other councillors in attendance: Councillors J Hardwick and EPJ Harvey

Officers in attendance: Geoff Hughes, Jo Davidson and Claire Ward

52. APOLOGIES FOR ABSENCE

Apologies were received from Councillors J Lester and P Rone.

53. DECLARATIONS OF INTEREST

None.

54. MINUTES

RESOLVED: That the Minutes of the meeting held on 20 October 2016 be approved as a correct record and signed by the Chairman.

55. REDESIGN AND COMMISSIONING OF HOME CARE AND REABLEMENT SERVICES

The cabinet member for health and wellbeing introduced the report. She highlighted that this was an area of significant expenditure for the council and that it was important to provide good services to allow residents to remain independent.

The joint commissioning better care fund manager gave a presentation to the meeting. Copies of the slides used were circulated as an appendix prior to the meeting.

In the discussion following the presentation the following points were made:

- that providers had indicated in their feedback to the consultation a need for between 700 and 2,000 hours of care per week to sustain a viable business, depending on the size and type of provider

- that the proposed hourly rate had been derived using a number of factors such as the national living wage, travel costs and reasonable on costs for providers; the proposed rate is consistent with those used by other authorities
- that providers had expressed a preference for a single hourly rate rather than separate urban and rural rates so long as each provider had a mix of urban and rural care packages to deliver
- that the proposed new framework would reduce the number of providers working with the council, this would give them greater certainty over the quantity of work available and allow the council to develop closer relationships with providers
- that there would be flexibility to adjust the zones in future, to take account of demographic changes for example

The cabinet member for contracts and assets argued that the council should not set an hourly rate but should allow the market to dictate the cost of the care packages. It was suggested that this approach could reduce the costs to the council.

In response it was noted that while some packages did achieve a lower hourly rate under the present system than that now proposed, other packages, particularly in more rural areas, had to be funded at a much higher rate and some were extremely difficult to allocate. Where providers did not pick up packages or withdrew from packages because they were felt to be unsustainable the council had to step in with expensive emergency measures. It was also noted that tendering individual packages required a significant amount of officer time.

In response to a question from a group leader the assistant director operations and support stated that the service redesign was part of a programme of work associated with the whole systems approach to transformation within adults and wellbeing and that it was focussed on achieving outcomes for individuals.

A group leader noted that 17% of respondents to the service user questionnaire issued as part of the consultation on the new model felt they were treated differently because of who they were. He queried whether this was a recent development or whether there had been a trend over time.

The commissioning officer adults and wellbeing responded that the figure was reflective of the cohort in general and that there had been no recent increase. He stated that this was an issue the council needed to be mindful of when introducing the new model but that there was no evidence of any serious issue that had required moving a care package to another provider.

A group leader noted that adult social care was an area under considerable strain and that increases in the hourly rate would put pressure on the budget but could make providers more viable.

In response to queries from a group leader it was stated that use of a zoned approach was not unusual for county councils and that in house provision was unlikely to deliver lower costs due to high council overheads and complex TUPE requirements.

A group leader noted that there was an assumption of community involvement, including parish councils, in supporting more vulnerable residents. He asked whether the risks associated with this had been considered and zones organised to allow parish councils to interact with a small group of providers. The assistant director operations and support explained that community involvement was not specifically linked to the proposed service model and that care and support elements were clearly defined.

In response to a question from a group leader the better care fund and integration manager explained that providers would have to pick up all packages in their zone and could not cherry pick the urban work at the expense of the rural packages.

A group leader queried if the 7.5 minutes time allowance between clients was sufficient to allow carers to deliver a good standard of care. In response it was stated that this was an average figure derived from analysis of current provision and that moving to zonal working should allow for shorter routes between visits.

The leader stated that all members of the council were conscious of the tight budget and that the council was spending tax payers' money. Best value had to take precedence but the council had to be mindful of its responsibilities to vulnerable residents.

The cabinet member for contracts and assets asked that the use of a set hourly rate be reviewed at the next opportunity with a view to reducing costs.

Resolved that:

- a) a redesigned model of home care as set out within the Vision and Delivery Document in appendix one is adopted;**
- b) procurement of approved providers be undertaken with a recommended hourly rate as set out within the legal and financial implications sections;**
- c) approval of the detailed service specification for the redesigned service and the final decision to approve acceptance of providers meeting the qualification criteria onto the framework in each zone, be delegated to the director for adults and wellbeing for the total contract period of five years;**
- d) the director for adults and wellbeing be authorised to extend the existing contractual arrangements, if required and within existing budgetary provision for up to a 9 month period, until 31 March 2018.**

56. STATEMENT OF COMMUNITY INVOLVEMENT - ADOPTION

The cabinet member for infrastructure introduced the report. He noted that the adoption of a statement of community involvement was a statutory requirement.

The local and neighbourhood planning community engagement officer outlined the report and explained that there had been a focus on recognising the possibilities offered by new communication technologies while ensuring that all parts of the community are able to raise and respond to planning issues.

An additional recommendation in regard to this item was circulated at the meeting. This was to ensure consistency between the statement and the public engagement sections of the council's constitution.

A group leader suggested that listed examples of Development Plan Documents should be comprehensive and that the glossary should have separate entries for Neighbourhood Development Plans and Supplementary Planning Documents.

In response to a query it was clarified that the Annual Monitoring Report was now known as the Authority Monitoring Report.

In response to a query from a group leader it was stated that there would be an ongoing process of evaluation to ensure consultation was effective. There would need to be a judgement on a case by case basis on the quality of the response received.

The cabinet member for infrastructure stated that while it was frustrating to receive low response rates to consultations, the council had to acknowledge that residents could suffer from consultation fatigue.

Resolved that:

- a) **the revised Herefordshire Council statement of community involvement at appendix 1a & 1b, be recommended to Council for adoption; and**
- b) **it be recommended to Council that authority be delegated to the monitoring officer to make any consequential amendments to the statement necessary following future changes to the council's constitution relevant to public engagement to ensure consistency between the documents.**

57. VARIATION TO THE LARGE SCALE VOLUNTARY TRANSFER AGREEMENT (LSVT) WITH HEREFORDSHIRE HOUSING LTD

The cabinet member for health and wellbeing introduced the report. She highlighted the need to provide appropriate accommodation to allow individuals in need of support to live at home. The proposed variation of the Large Scale Voluntary Transfer Agreement (LSVT) would enable the delivery of around 35 additional homes for supported living.

The community capacity and wellbeing manager summarised the report. Close to 6,000 properties had been transferred from the council to an independent housing provider, Herefordshire Housing Limited (HHL), in 2002. It was sometimes necessary for properties to be disposed of that were uneconomical to maintain, unsuitable for their purpose or difficult to let. The terms of the LSVT required the council to approve any disposals and the associated disposal clawback agreement entitled it to 50% of net capital receipts. The LSVT would expire in 2020 and at that point the council would no longer have any entitlement to capital receipts arising from disposal of properties.

HHL had requested that the council agree to the disposal of up to 20 properties and to waive its clawback entitlement so that the full capital receipt could be reinvested in the development of around 35 housing units, focused on supported housing for vulnerable people. HHL had indicated clearly that if the council was not minded to waive its entitlement then the disposals would be postponed until the agreement had expired. This being the case the council would not realise any capital receipt regardless of the decision made.

A group leader asked whether the council would be likely to take a similar approach on clawback entitlements regarding properties taken on by parish councils. The cabinet member for health and wellbeing stated that the HHL situation was quite unique but any similar proposals would be considered where there was a sound business case.

Resolved that:

- a) **a variation of the LSVT with HHL be approved to waive the clawback of capital receipts by the council where up to 20 properties are sold, conditional upon those properties meeting specified criteria for disposal and all net receipts from sales being invested in new social and affordable housing in Herefordshire; and**
- b) **the director for adults and wellbeing be authorised to determine the criteria and conditions to which the waiver will be subject in allowing disposals.**

58. REVISED GOVERNANCE ARRANGEMENTS FOR WEST MERCIA ENERGY

The cabinet member for infrastructure introduced the report. He noted the efforts of council officers to review and improve the governance arrangements for the joint purchasing operation.

The head of environment and waste services summarised the report and highlighted the key governance changes. The changes proposed would bring the governance arrangements in line with the latest regulations and decisions would be subject to scrutiny by each of the member authorities.

In response to a question from a group leader the monitoring officer confirmed that the report had not been to the audit and governance committee as that committee's role was to seek assurance on the revised arrangements rather than to determine them.

A group leader requested that minutes of the joint committee be made available on the Herefordshire council website rather than just on the Shropshire Council website as the lead authority. The cabinet member for infrastructure confirmed this would be explored.

A group leader asked what opportunities the revised arrangements could open up for WME and its owners. The cabinet member for infrastructure stated that the council would receive a proportion of any surplus arising from transactions with the member authorities and an equal share of any accumulated surplus generated by transactions with non-member authority customers.

In response to a query from a group leader the cabinet member for infrastructure reported that all four member authorities were very engaged with the joint purchasing operation but that Herefordshire council had particularly pushed for the proposed governance changes.

The leader thanked officers for the time invested in producing the revised joint agreement.

Resolved that:

- a) the revised joint agreement at appendix 1 setting out the role, functions and terms of reference for the joint executive committee overseeing the strategy and direction of West Mercia Energy (WME) joint purchasing operation be approved; and**
- b) the assistant director communities be authorised to agree with the other constituent authorities any further amendments to the Joint Agreement required, following consultation with the cabinet member, prior to completion and to complete the necessary deeds of variation on behalf of the council.**

59. END OF SEPTEMBER CORPORATE BUDGET AND PERFORMANCE REPORT

The cabinet member for economy and corporate services introduced the report.

The cabinet member for health and wellbeing noted a much improved position for adult social care, although challenges remained. There was a projected overspend for 2016/17. There had been an increase in the number of reviews completed, ensuring that the right care was being provided for the right people.

The director for children's wellbeing reported that the projected overspend in children's wellbeing was stable and there was confidence that savings would be delivered in

2017/18. The inspection by OfSTED and the Care Quality Commission of services for children with special educational needs and disabilities had recognised a number of strengths and this would be reported fully on receipt of the final inspection letter.

The director highlighted that education performance was improving in every key stage, with a 3 year trend of improvement. The performance of the early years foundation stage had shown particular improvement and Herefordshire was now in the top quartile nationally.

The cabinet member for economy and corporate services highlighted the projected underspend for the ECC directorate but warned that poor weather over the coming winter months could impact on this with additional gritting costs for example. He noted that the reduction in both the headcount and the level of absence had contributed to savings. The city centre link road was reported to be progressing and the energy from waste plant was ahead of schedule.

The director of resources reported that at the end of September 2016 the council was projecting a small overspend and that work was ongoing on the savings plan. He stated that he believed the council would achieve a balanced budget by the end of the financial year. The director noted slippage on capital spend and highlighted the potential impact of winter weather on projects. He also noted some small savings on borrowing costs due to low interest rates.

In response to a query from a group leader the director for economy communities and corporate stated that the overall income from car parking had increased but by less than had been forecast and the options to address this were being explored.

A scrutiny chair noted that the council had received a £2m grant for rural improvements and asked if some of this funding could be used for rural road repairs. The leader responded that a statement on the use of the grant would be made shortly.

A group leader noted that the adults and wellbeing budget had increased but the projected overspend had reduced by a lesser amount. The head of corporate finance highlighted that information had been combined in the dashboard but listed separately in the budget information.

It was noted that the children's dashboard did not have coloured RAG ratings on projects. This was inadvertent and the information could be recirculated if required. The director for children's wellbeing reported that by and large the projects listed were proceeding in accordance with the plans.

A group leader asked if some of the increase in costs in children's services could be due to actions the council had taken. The head of corporate finance responded that some of the planned savings would take time to implement. The director for children's wellbeing commented that the budget would be volatile depending on the number of children and level of need but that the number of children in care was reducing slowly. The summer period was a pressure point for the children's care budget as children were not in school and placements could come under pressure, leading to breakdowns and emergency action by the council. The council had a responsibility to step in if families could not provide appropriate care for children but renewed clarity over the thresholds for levels of intervention was delivering cost reductions.

In response to a query from a group leader the director for economy communities and corporate stated that the minerals and waste plan should be adopted in approximately 18 months time.

A group leader asked if worn white lines could be a contributing factor to the increase in the number of people killed or seriously injured on Herefordshire roads. The director for economy communities and corporate responded that this had not been flagged as a significant factor in accident investigation reports.

A group leader noted that the proportion of debt written off was small compared to other authorities. He asked for greater detail on the age of the debts and number and value of smaller write offs that were business rates as this could have an impact on the council in the future when business rates were retained.

The cabinet member for contracts and assets congratulated the collection team for the low levels of debt write offs.

A group leader queried if the WISH portal was now performing as expected and whether any feedback had been received showing how many people had contacted WISH directly rather than being referred through the council. The cabinet member for health and wellbeing responded that a review of the WISH service was being undertaken and that a report was expected shortly.

Resolved that:

- a) Cabinet notes the council is projected to spend within budget in 2016/17;
and**
- b) Performance for the first six months of 2016/17 is considered.**

The meeting ended at 4.00 pm

CHAIRMAN