Herefordshire Council

Agenda

Cabinet

Date:	**Thursday 28 February 2019**
Time:	**10.00 am**
Place:	**The 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: **Sarah Buffrey** Tel: (01432) 260176 Email: sarah.buffrey@herefordshire.gov.uk

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Agenda for the meeting of Cabinet

Membership

Chairperson	**Councillor JG Lester, Leader of the Council**
Vice-Chairperson	**Councillor NE Shaw, Deputy Leader of the Council**
	Councillor H Bramer
	Councillor BA Durkin
	Councillor DG Harlow
	Councillor PD Price
	Councillor P Rone
	Councillor EJ Swinglehurst

Agenda

		Pages
1.	**APOLOGIES FOR ABSENCE** To receive any apologies for absence.	
2.	**DECLARATIONS OF INTEREST** To receive declarations of interests in respect of Schedule 1, Schedule 2 or Other Interests from members of the committee in respect of items on the agenda.	
3.	**MINUTES** To approve and sign the minutes of the meeting held on 31 January 2019.	11 - 26
4.	**QUESTIONS FROM MEMBERS OF THE PUBLIC** To receive questions from members of the public. *Deadline for receipt of questions is 5:00pm on Friday 22 February 2019.* *Accepted questions will be published as a supplement prior to the meeting.* *Please see https://www.herefordshire.gov.uk/getinvolved for information on how to submit a question.*	
5.	**QUESTIONS FROM COUNCILLORS** To receive questions from councillors. *Deadline for receipt of questions is 5:00pm on Friday 22 February 2019.* *Accepted questions will be published as a supplement prior to the meeting.*	
6.	**AGREEMENT OF SECTION 75 (S75) BETWEEN THE COUNCIL AND HEREFORDSHIRE CLINICAL COMMISSIONING GROUP (CCG)** To approve the section 75 (s75) agreement between the council and Herefordshire Clinical Commissioning Group (CCG), effective from 1 April 2019 to 31 March 2020.	27 - 68
7.	**APPROVAL FOR HEREFORDSHIRE ADOPTION SERVICE TO JOIN ADOPTION CENTRAL ENGLAND (ACE) REGIONAL ADOPTION AGENCY** To approve a decision that Herefordshire join Adoption Central England (ACE) regional adoption agency (RAA) jointly with Warwickshire, Solihull, Coventry and Worcestershire local authorities in accordance with central government expectation that all local authorities are part of a RAA by 2020.	69 - 110
8.	**REVISED SPECIAL GUARDIANSHIP ORDER (SGO) FINANCIAL SUPPORT POLICY** To approve a change to the policy for Special Guardianship financial support so that foster carers who decide to apply for a Special Guardianship Order (SGO) for a looked after child continue to receive financial allowances at the rate equivalent to fostering allowances and fees for the duration of the SGO arrangement.	111 - 134
9.	**END OF DECEMBER CORPORATE BUDGET AND PERFORMANCE REPORT** To provide assurance that progress is being made towards achievement of the agreed revenue and service delivery targets, and that the reasons for	135 - 182

major variances or potential underperformance are understood and are being addressed to the cabinet's satisfaction. Cabinet is asked to review projected revenue and capital outturn for 2018/19 and consider performance for the first nine months of the year.

10. CORPORATE DELIVERY PLAN 2019/20 183 - 192

To agree the activities within the corporate delivery plan 2019/20.

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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 Chairperson or an attendee at the meeting must take the signing in sheet so it can be checked when everyone is at the assembly point.

Guide to Cabinet

The Executive or Cabinet of the Herefordshire Council consists of a Leader and Deputy Leader and six other Cabinet Members each with their own individual programme area responsibilities. The current Cabinet membership is:

Councillor JG Lester (Leader) (Conservative)	Corporate Strategy and Budget
Councillor NE Shaw (Deputy Leader) (Conservative)	Finance and Corporate Services
Councillor H Bramer (Conservative)	Contracts and Assets
Councillor BA Durkin (Conservative)	Transport and Regulatory Services
Councillor DG Harlow (Conservative)	Economy and Communications
Councillor PD Price (Conservative)	Infrastructure
Councillor P Rone (Conservative)	Health and Wellbeing
Councillor E Swinglehurst (Conservative)	Children and Families

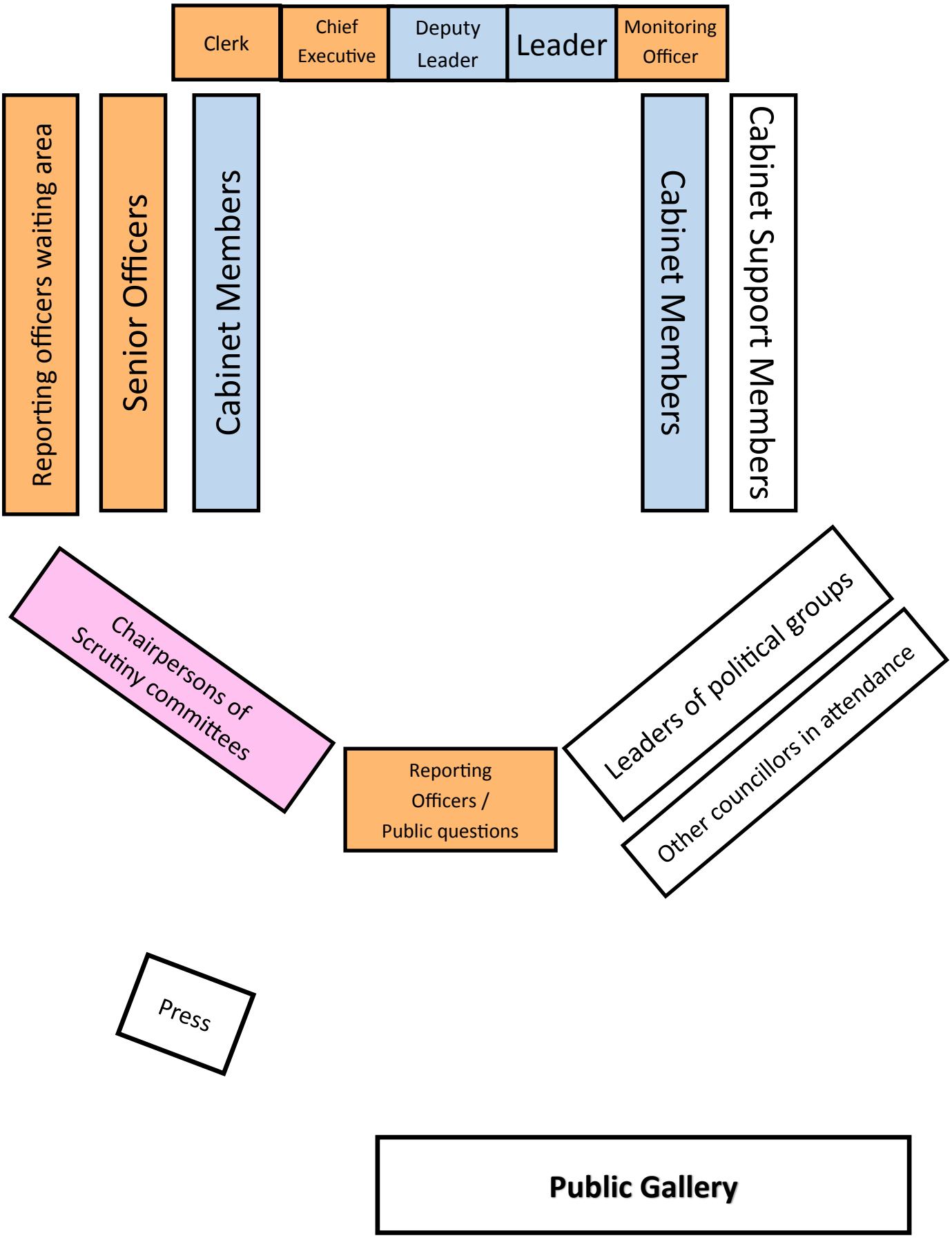
The Cabinet's roles are:

- To consider the overall management and direction of the Council. Directed by the Leader of the Council, it will work with senior managers to ensure the policies of Herefordshire are clear and carried through effectively;
- To propose to Council a strategic policy framework and individual strategic policies;
- To identify priorities and recommend them to Council;
- To propose to Council the Council's budget and levels of Council Tax;
- To give guidance in relation to: policy co-ordination; implementation of policy; management of the Council; senior employees in relation to day to day implementation issues;
- To receive reports from Cabinet Members on significant matters requiring consideration and proposals for new or amended policies and initiatives;
- To consider and determine policy issues within the policy framework covering more than one programme area and issues relating to the implementation of the outcomes of monitoring reviews.

Who attends cabinet meetings?

On the next page you will find a layout plan of the room showing who is sitting where. Coloured nameplates are used which correspond to the colours on the plan as follows:

Pale blue	Members of the cabinet, including the leader of the council and deputy leader – these are the decision makers, only members of the cabinet can vote on recommendations put to the meeting.
Orange	Officers of the council – attend to present reports and give technical advice to cabinet members
Pink	Chairpersons of scrutiny committees – attend to present the views of their committee if it has considered the item under discussion
White	Political group leaders – attend to present the views of their political group on the item under discussion
	Other councillors may also attend as observers but are not entitled to take part in the discussion.


Clerk
Chief Executive
Deputy Leader
Leader
Monitoring Officer
Reporting officers waiting area
Senior Officers
Cabinet Members
Cabinet Members
Cabinet Support Members
Chairpersons of Scrutiny committees
Reporting Officers / Public questions
Leaders of political groups
Other councillors in attendance
Press
Public Gallery

Herefordshire Council

Minutes of the meeting of Cabinet held at The Council Chamber - The Shire Hall, St. Peter's Square, Hereford, HR1 2HX on Thursday 31 January 2019 at 10.00 am

Present: **Councillor P Rone (in the chair)**

Councillors H Bramer, BA Durkin, DG Harlow, PD Price and EJ Swinglehurst

Cabinet support members in attendance	Councillors AW Johnson and RJ Phillips
Group leaders in attendance	Councillors PP Marsh, RI Matthews and EPJ Harvey
Scrutiny chairpersons in attendance	Councillors PA Andrews, WLS Bowen and CA Gandy
Other councillors in attendance:	Councillors J Hardwick, AJW Powers and D Summers
Officers in attendance:	Alistair Neill, Richard Ball, Chris Baird, Andrew Lovegrove and Annie Brookes

41. ELECTION OF CHAIR FOR THE MEETING

In the absence of the leader and deputy leader of the council, Councillor P Rone was elected to chair the meeting.

42. APOLOGIES FOR ABSENCE

Apologies were received from cabinet members JG Lester and NE Shaw.

43. DECLARATIONS OF INTEREST

None.

44. MINUTES

Resolved: **That the minutes of the meeting held on 17 January 2019 be approved as a correct record and signed by the chair of the meeting.**

45. QUESTIONS FROM MEMBERS OF THE PUBLIC (Pages 7 - 14)

Questions received and responses given are attached as appendix 1 to the minutes.

46. QUESTIONS FROM COUNCILLORS (Pages 15 - 16)

Questions received and responses given are attached as appendix 2 to the minutes.

47. 2019/20 COUNCIL TAX REDUCTION SCHEME

In discussion of the item cabinet members noted that:

- with regard to the council tax discount for care leavers aged 18-25, in most cases the discount would be 100% and only in very exceptional circumstances would a lower discount be applied;
- a range of options existed where council tax payers were experiencing hardship and there had been no major changes in take up rates;
- engagement with those struggling to pay their council tax sought to understand their individual circumstances and ability to pay, the council was also able to

make particular arrangements with those transitioning to and in receipt of universal credit;
- there was a local scheme for people of working age and a national scheme for pensions, there were different criteria for the two schemes;
- the council worked closely with partners such as charities and the Department for Work and Pensions (DWP) to signpost those experiencing difficulty to all the help available, councillors could also play a role by directing ward residents to the information available on the council website.

Group Leaders were invited to give the views of their group. Comments noted were:
- the council should take care that summoning those who were in arrears did not exacerbate problems within the household and check if those being pursued were known to the council in other capacities;
- it was important that those who needed support received it but also that those who could pay did so in order to be fair to all tax payers;
- there had been an increase in the number of people in arrears but no increase in the take up of the hardship scheme, it was important that the scheme was property advertised.

Resolved that:

(a) The council tax reduction scheme for 2019/20, attached at appendix 2, be approved.

48. CAPITAL PROGRAMME 2019/20 ONWARDS AND CAPITAL STRATEGY

In discussion of the item, cabinet members noted and welcomed planned capital investment in key areas such as:
- school maintenance;
- broadband infrastructure;
- software for school transport planning;
- solar photovoltaic installations and energy efficient lighting;
- delivery of ross enterprise park;
- CCTV in Hereford city centre and market towns, making people feel safe would encourage increased footfall;
- development of Waverley House and Hillside for adult care needs to look after vulnerable residents

Cabinet members also noted that:
- used council IT equipment was recycled in a number of ways, those items still functional were cascaded through the organisation and to schools, items that were beyond repair were used for spare parts and when no longer of any use items were securely disposed of;
- it was important that projects which were drawing on European funding be delivered on time as access to the same level of funding might not be available in the future;
- it was important to be clear on the reasons for investing in economic projects and show that not only would they produce a financial return, they would result in increased business rate income for the council, generate external investment and increase the number of skilled and well-paid jobs in the county;
- Hereford Enterprise Zone had been very successful and was expected to be built out in two to three years' time;

- It was clarified that the forecast spend on the Hereford City Centre Transport Package (HCCTP) was slightly under the budget allocated in the capital programme and that figures were shown rounded to the nearest thousand.

Each of the three scrutiny committees (general, adults and wellbeing, and children and families) had considered the report. The chair of each committee provided feedback of their discussion. Key points noted were:

- investment into the road network was welcomed and should result in lower ongoing maintenance costs;
- it was also important to invest in the smaller roads which were vital connections between villages;
- investment into gypsy and travellers pitches was welcomed, both to improve the condition of existing pitches and to create new pitches;
- investment in schools was welcomed;
- the planned investment in Waverley House and Hillside were welcomed and it was hoped that having in house options would save money on places in independent care homes while providing a good standard of care.

Group leaders were invited to present the views of their group. The following concerns were expressed:

- that the majority of companies that had moved into new or refurbished premises on the enterprise zone had already been based in Herefordshire, with only six moving in from outside the county, it was suggested that a wider spread of investment across the county market towns might allow businesses to grow in the locality they began in;
- as to whether the proposed property acquisition in college ward was included in the capital programme;
- that previous year's accounts had not yet been signed off and reassurance was sought that this was not related to the way in which the council managed its capital projects;
- that Leominster was also in need of investment, for example in road infrastructure on the industrial estate;
- about the low level of capital spend in the adults and communities directorate and it was suggested that investment in assistive technologies would be beneficial;
- about weaknesses in the management of capital projects.

In response to the concerns expressed cabinet members noted that the enterprise zone was attracting outside investment for example with the shell store project and cyber security centre. The defence and security focus of the zone drew on the expertise of former military personnel living in the county and supported business start-ups in this field. Where businesses grew and relocated, they vacated premises that could in turn be used by new businesses. It was noted that Herefordshire was in competition with other parts of the country to attract and retain businesses and that development opportunities in other parts of the county would be explored in future.

Resolved that the following be recommended to Council:

(a) the proposed capital programme from 2019/20 attached at appendix 3 be approved;
(b) cabinet be delegated authority to add the two deferred projects (Countywide Investment in B, C & U roads and Countywide Investment in Strategic Road Network) in appendix 1 as funding becomes available; and
(c) approve capital strategy document at appendix 4.

49. SETTING THE 2019/20 BUDGET AND UPDATING THE MEDIUM TERM FINANCIAL STRATEGY AND TREASURY MANAGEMENT STRATEGY

The chair of the meeting introduced the 2019/20 budget, medium term financial strategy and treasury management strategy. The council's gross annual revenue expenditure of around £340m was funded by a combination of council tax, business rates, specific grants and other sources. Approximately £80m was ring-fenced to schools. There had been a reduction in central government Revenue Support Grant of 99% since 2011. An increase in council tax was proposed of 2.9% plus a further 2% ring fenced social care precept. The council was felt to be in an improved financial position.

In discussion of the proposed budget cabinet members noted the following key points:

- the investment referenced in paragraph 17 of the report had since been returned to the council and was available to be reinvested;
- the S151 officer reported that the pension scheme was currently fully funded and had insurance measures in place against a short or medium term drop in investment returns, the council was expecting a modest improvement in its position at the next tri-annual valuation;
- the cost pressures arising from the restructure of Deprivation of Liberty Safeguards were complex and covered a number of threads, the funding would allow the council to change how it dealt with individuals in these circumstances;
- the significant reduction in the central grant had been met by savings, cuts in services and by generating more local income;
- the additional sparsity funding was welcomed and it was important to give a clear narrative regarding why that money was needed and what was done with it, for example highlighting the higher than average number of c and u classified roads and additional costs of providing services such as domiciliary care and refuse collections in sparsely populated areas;
- the council had seen an increase in demand for support for children with special educational needs but had a strong track record of working with schools through the schools forum to manage these pressures, the council was in a better position on this than many other councils;
- the confirmed settlement from government included an unexpected EU exit preparation grant of £105k for both 2018/19 and 2019/20;
- the council did provide some IT equipment for looked after children and care leavers, depending on what was most appropriate for their needs, and this could include consideration of reuse of council equipment when it was no longer needed.

Each of the three scrutiny committees had considered the draft budget. All of the recommendations made had been supported. The chairs of the committees highlighted the following points from their discussion:

- the additional funding planned for the children and families directorate was welcomed and responded to the feedback from the public consultation in which 78% agreed that employing more social workers and providing more support for children and families at an early stage was a priority;
- consideration should be given to putting a percentage of s106 funding towards providing housing for older people;
- the council should lobby government to ensure that funding settlements were fair on rural authorities.

Group leaders were invited to present the views of their groups. The key points noted were:

- the rural sparsity funding was welcomed and the plan for spending it should be clearly set out;
- there were concerns regarding the impact of proposed cuts in transport and community transport on rural communities;

- concerns were expressed regarding the pressures set out in the MTFS and whether the budget and savings targets for the children and families directorate were realistic, also that the ring fenced funding for adult social care from previous years would continue to go towards this function;
- it was requested that further information on cost pressures and the potential impact of savings proposals be provided in the papers for full council's consideration of the budget;
- concern was expressed regarding withdrawal of subsidies to parish councils for lengthsman and parish paths and the message that this gave to the parishes, the council should continue to meet its statutory responsibilities for footpaths.

Resolved that:

(a) the additional funding announced in the provisional settlement of £1.5m (£1.0m Rural Services Delivery Grant and £0.5m business rate levy account surplus) is added as a budget line for expenditure in 2019/20 as indicated in the table at paragraph 24, to support rural service delivery across the county;

(b) the following be recommended to Council;

a. the council tax base of 68,826.03 Band D equivalents

b. an increase in core council tax in 2019/20 of 2.9%

c. an additional precept in respect of adult social care costs of 2% applied to council tax in 2019/20 resulting in a total council tax increase of 4.9%;increasing the band D charge from £1,443.95 to £1,514.70 for Herefordshire Council in 2019/20;

d. the balanced 2019/20 revenue budget proposal totalling £151.0m, subject to any amendments approved at the meeting, specifically:

e. the net spending limits for each directorate as at appendix 3

f. delegates to the section 151 officer the power to make necessary changes to the budget arising from any variations in central government funding allocations via general reserves;

g. the medium term financial strategy (MTFS) 2019/2022 at appendix 1 be approved; and

h. the treasury management strategy at appendix 4 be approved, this includes ratifying including the top five UK building societies as approved investment counterparties.

(c) To establish a financial resilience reserve (as shown in paragraph 31), previously titled the minimum revenue provision reserve; and

(d) Approve responses to scrutiny committee's recommendations as provided in paragraph 63.

The meeting ended at 11.45 am **Chairman**

PUBLIC QUESTIONS TO CABINET – 31 January 2019

Question 1

Mrs Morawiecka, Breinton

To: cabinet member, infrastructure

The SWAP report on the Blueschool House fiasco made significant recommendations for capital projects to be adequately controlled and reported to councillors. The written answer to my supplementary question in Nov 2018 shows that the budget for the SWTP has not been updated in any detail these last 8 years. The executive is using a simple 2010 cost based budget with an "uplift" for inflation. There is no reporting of adverse expenditure to date versus budget. The decision report referred to in the answer relates only to the compulsory purchase of land.

Where is the decision report giving permission for the executive to spend in excess of £5million on professional fees vs a clear budgeted cost (uplifted) of £1million, for the SWTP project?

Response

There is an approved capital provision for the South Wye Transport Package (SWTP) of £35m as contained in both the medium term financial strategy and capital programme. The 2010 figure of £1m you refer to is not an approved budget. It forms part of a scheme cost breakdown within the Strategic Outline Business Case application for funding to the Marches Local Enterprise Partnership, which secured £27m funding for the project.

The decision to progress the scheme was taken by Cabinet on 13 November 2014. That decision authorised officers to prepare and submit a planning application for the SWTP and, subject to planning consent being obtained, to continue detailed design of the scheme and develop proposals for land acquisition. Further authority to spend, and information about how the scheme is being progressed, has been contained in decisions taken on:

26 August 2016
20 October 2016
16 November 2017
14 December 2017
28 February 2018
22 May 2018
9 October 2018
12 November 2018

All these decisions are published on the council's website and available to view at:
http://councillors.herefordshire.gov.uk/mgDelegatedDecisions.aspx?bcr=1

The SWTP budget, spend and forecast is updated regularly. Monitoring of the capital programme takes place that demonstrates spend to date and forecast spend the whole programme of capital projects.

The council has been implementing improvements to the clarity of financial information provided in reports informing decisions and in overall performance reporting. It is now the case that each project decision report summarises project budget, spend to date and forecast spend so that the financial implication of each project decision is clear and auditable. The report informing the most recent decision (12 November 2018) for the SWTP contained a summary of this information for the scheme and set out the forecast spend for 2018/2019 (£1.75m) and how this will be funded, as well as spend to the end of 2017/2018 (£4,977,931.67).

Supplementary Question

Thank you for the comprehensive written answer. The answer to my question as to where is the key decision for officers to spend over £5m of tax payers money on professional fees on the SWTP gives a list of decision dates, but on none of these dates is there a key decision approving a spend on professional fees totalling in excess of £5m. The council's answer that the 2010 figure of £1m is not an approved budget is a bit surprising, as this was the budget presented to the public inquiry in November 2018 as the only detailed budget currently available. When there is no approved detailed budget and no key decision for £5m of spend on professional fees, who has authorised all these payments in flagrant breach of the constitution and the recommendations of the council's own internal auditors including the SWAP recommendations on Blueschool House?

Response

A written response was provided as follows:

The decision to progress the South Wye Transport Package (Southern Link Road) scheme was taken by cabinet on the 13 November 2014.

This decision confirmed that:

- Route SC2 was selected as the preferred route for the Southern Link Road (SLR)
- Authority was delegated to then Assistant Director Place Based Commissioning to prepare and submit a planning application for a scheme along route SC2
- Subject to planning consent being obtained authority is delegated to the then Assistant Director Place Based Commissioning to continue detailed design of the scheme and develop proposals for land acquisition. A further report will be prepared for cabinet outlining land and property acquisition plans and draft orders in due course.

It was this decision which gave authority to prepare and submit a planning application and following consent to continue the detailed design of the scheme. Within the financial implications section of this report the provisional allocation of funding of £27m from the Marches LEP is confirmed and the estimated costs of the SLR is set out as £25m based on the level of design detail of the SC2 route at that time. The estimated cost of capital cost of progressing the scheme to planning in 2014/2015 and 2015/2016 is referred to within this report as £1.6m. This work comprised:

- Commencement of detailed design of earthworks, structures, pavements construction, footways, signals, street lighting and junctions along the SC2 route
- Ecological surveys to enable the impact of the scheme to be In determined and to inform mitigation measures design
- Topographical and ground investigations to progress the detailed design of the SC2 route.
- Preparation of detailed planning application with supporting documentation.
- Provide supplementary information to support planning determination

Following the receipt of planning consent for the SLR in August 2016 the Cabinet Member for Infrastructure gave approval to consult on the possible active travel measures which could form the SWTP. The report confirms that there was an approved budget for the scheme within the capital programme and that the financial implications of the preferred package of measures when selected would be the subject of a future report.

In November 2016 cabinet took a decision that:

- The director for economy, communities and corporate, be delegated authority to take all operational steps necessary to acquire all the necessary land interests required for the delivery of the southern link road through negotiation with possible affected landowners, and;

- In principle the council use statutory powers of compulsory acquisition in making a compulsory purchase order, and the council use statutory powers to make a side roads would be subject to a further decision to more specifically identify the land interests to be acquired and further explain the necessity for a CPO in a statement of reasons

This report also confirms that there was an approved budget for the scheme within the capital programme. It set out that the cost of land required for the scheme was estimated as £1m based on the level of detail known at that time regarding land value and compensation costs.

In the following year in November 2017 cabinet took a decision to authorise the

- Director for Economy, Communities and Corporate be authorised to arrange for the making of the County of Herefordshire District Council CPO and for compensation payments to be made in accordance with the relevant legislation;
- Director for Economy, Communities and Corporate be authorised to arrange for the making of the County of Herefordshire District Council (South Wye Transport Package – Southern Link Road) SRO
- Director for Economy, Communities and Corporate be authorised to arrange for the making of the Compulsory Purchase Order and the Side Road Order and to take all the necessary and ancillary steps, including the publication and service of all statutory notices and the presentation of the Councils case at any public inquiry, to secure the confirmation of the orders by the Secretary of State;
- Director for Economy, Communities and Corporate be authorised to implement the Orders, including the acquisition of all necessary land and interests and new rights, and to pay compensation including acquisitions agreed by negotiation and to carry out any other additional steps needed for the implementation of the Orders for the Southern Link Road;
- Director for Economy, Communities and Corporate be authorised to take all operational decisions necessary to establish and implement a procurement strategy to inform and enable a decision to award a contract to the best value tender for the construction of the SLR within a budget up to £150,000.

This report also confirms that there was an approved budget of £35m for the scheme within the capital programme with £27m funding secured. It set out an updated cost estimate of land and compensation costs of £1.8m with estimated costs of £500K for associated legal costs for the CPO / SRO process and an estimated budget of £150K for the procurement process to select a contract for the SLR.

In December 2017 cabinet took a decision (having regard to the public support for the SWTP active travel measures) that the

- Assistant director environment and place be authorised to take all operational decisions necessary to progress further analysis and detailed design, to a maximum value of £500,000, to confirm a preferred package of active travel measures to be delivered with the SLR for approval by the cabinet member for infrastructure;
- Programme for delivery of this preferred package of active travel measures and a procurement strategy for their delivery be developed for approval by the cabinet member for infrastructure

As with previous decision report this report also confirms that there was an approved budget of £35m for the scheme within the capital programme with £27m funding secured. It sets out an estimated cost for professional design fees to assess and undertake design of ATMs as £500K. It confirms that funding for the scheme was secured on the basis of the SOBC and sets out that all scheme costs would be updated in the full business case submitted to DfT.

On 12 November 2018 Cabinet Member Infrastructure took a decision that:

- The council use statutory powers to purchase by agreement property not included in the south wye transport package A4194 southern link road CPO if there is a justified business case for doing so
- The acting director for economy and place be delegated authority, following consultation with the chief finance officer, cabinet member contracts and assets and cabinet member infrastructure, to agree terms and complete the purchase of the property
- That the land acquisition budget of £1.8m approved by cabinet on 16 November 2017 be increased to £2m and contained within the overall capital budget for the SWTP of £35m.

As with previous decision reports this report confirmed the approved capital budget of £35m for the SWTP project. In response to recent guidance and recommendation to provide improved clarity of financial information provided in reports informing decisions and in overall performance reporting it is now envisaged that each project decision report summarises project budget, spend to date and forecast spend so that the financial implication of each project decision is clear and auditable. To that end the most recent SWTP report (12 November 2018) set out spend to date and funding of the work authorised by cabinet and cabinet member in reports listed above.
The implementation of the above decisions was taken in accordance the approved scheme of delegation.

The £1m figure referred to in this supplementary question forms part of cost build-up for the SC2 route for the bypass within the Strategic Outline Business Case for the scheme from 2014. It was an estimated value for preparation and supervision costs based on the Southern Link Road estimated cost at that time. At the recent SLR Public Inquiry these SOBC costs were presented and explained to the Inspector. This confirmed the overall approved budget of £35m for the SWTP but did not suggest that any of the individual elements within the SOBC build up were approved budgets. They are not set out as approved budgets for project activities within any decision reports subsequent to the SOBC listed above.

Question2

Mrs Wegg-Prosser, Breinton

To: cabinet member, infrastructure

Reference the Capital Programme 2019/20 and Capital Strategy (paragraph 27: 'Revised Forecast' tabulation) could the Cabinet member for Infrastructure please explain his justification for the budget for the Active Travel Measures for the SWTP being £5M, when the same Cabinet member replied to members of the public submitting questions to him in Cabinet on 14 December 2017 that the budget for these ATMs was £8M. He assured everyone this budget of £8M would not be spent elsewhere; it would be spent on "the purpose for which it was there for" (Answer to Public Question No. 10) and "will be used for that purpose" (Answer to Public Question No. 12).

Response

I believe the responses you refer to were given at a meeting on 16 November 2017. In them I gave an assurance that the South Wye Transport Package (SWTP) active travel measures would be funded, and funding for this package would not be spent elsewhere. The figure of £8m for active travel measures I referenced was based on my understanding at that time of the estimated active travel measure costs. The active travel measures costs are set out in the Strategic Outline Business Case (SOBC) and are based on the detail known at that time.

I would also draw attention to a response I gave to another public question at the same meeting in November 2017 about cost/budget estimates relating to complex transport package schemes. That response stated: "I fully expect the final actual figures to differ from these estimates – that is normal and to be expected on a project of this scale being developed over a period of time and in accordance with relevant guidance. Any changes will be authorised and reported as they arise."

It is the SOBC costs which are referred to in paragraph 27 of the Capital Programme 2019/2020 onwards and capital strategy document and the South Wye Transport Package - southern link road land acquisitions cabinet member report dated 12 November 2018.

The full final business case due to be submitted later this year to Department for Transport will provide an updated estimated of both the Southern Link Road and active travel measures and will be published on the council's website at that time. It is entirely appropriate in a significant scheme of this scale developed over a period of years for cost estimates to be revised. My commitment to funding the entire package remains.

Question 3

Ms D Toynbee,

To: cabinet member, infrastructure

Appendix 2 (Capital Programme position Dec 2018/19) shows a prior-year spend of £4978k for the South Wye Transport Package and a further forecast spend of £2508k in this financial year. This total of £7486k is approximately 20% of the total SWTP budget. Please could you explain what this expenditure has delivered?

Response
The spend in 2018/2019 will deliver:

- Completion of the detailed design of the Southern Link Road
- Discharge of the pre-commencement planning conditions associated with the Southern Link Road consent including ecological licences
- Archaeological site works
- Making of Compulsory and Side Road orders for the Southern Link Road.
- Land and compensation costs
- Public Inquiry costs
- Procurement of a contractor for the Southern Link Road construction and mobilisation
- Completion of the full business case for the South Wye Transport Package for submission and sign off to Department for Transport
- Development of a programme for delivery of the active travel measures

Question 4

Mr R Palgrave,

To: cabinet member, infrastructure

The total capital budget for Economy and Place in 2018-19 shown in Appendix 3 is £98.2m. Of this only approximately £2m is related directly or indirectly to tackling climate change - Solar panels, Energy Efficiency and Warm Homes Fund. Renewable energy and energy efficiency investments can provide a good return and will also support Corporate Plan Objectives A and D. There is no specific provision for the Hereford Heat Network identified in the Carbon Management Plan 2017-21. However, other planned capital investments such as roads will worsen climate change. Why is Council budgeting to invest so little to protect the climate and the future security of residents?

Response

I cannot agree with the questioner's view that we are investing little to protect the climate and future security of Herefordshire residents. The council is committed to tackling climate change and has a strong track record of investing in renewable energy and energy efficiency measures across its estate, and is on course to deliver its 40% CO2 reduction target by 2020/21.

Our proposed capital programme in 2019/20 includes over £3.2m investment in energy efficiency, invest to save and renewable energy projects. These will continue our investment in solar and photovoltaic energy, improvements to public buildings energy efficiency, warm home grants available to low income households looking to install central heating for the first time, further investment in LED lighting, and a more fuel efficient vehicle fleet.

In addition to our own capital investment:

- the council is able to use this resource to draw down significant external funding. This includes access to up to 50% capital grants for energy efficiency and renewable energy projects, energy efficiency grants for businesses, and significant funding from the Energy Company Obligation (ECO) to support residents with home energy projects. This will not only increase the total available funding for these projects, but will also offer the council better payback periods and improved value for money.
- Our proposed budget includes planned revenue expenditure of almost £1m for energy efficiency, active travel and affordable warmth activity. This revenue investment includes utilising £150k of grant funding from the Department of Business, Energy and Industrial Strategy to undertake a detailed project development study for the Hereford Heat Network.

The significant investment in a bypass for Hereford will address a range of other issues facing the county that include improving air condition in certain city hotspots, improving traffic flow in the city and enabling necessary housing growth. All the bypass phases of delivery are supported by packages of active travel measures that we are investing significant amounts of money in. Indeed, we are currently consulting on proposals to support increased walking, cycling, and bus use with associated public space improvements as part of the Hereford Transport Package. Details of this consultation can be found at: https://www.herefordshire.gov.uk/htp and I would encourage all residents to participate in the consultation.

Supplementary Question

Do you agree that the various consultants' reports and the Natural England report show that the building of the Hereford bypass and southern link road will increase greenhouse gas emissions and why is this an acceptable project to be going ahead with at the moment?

Response

I do not agree. I believe the Hereford bypass will reduce areas of emissions. I am sure that the transport of the future will change dramatically but we do need the infrastructure in place and the traffic that will be using it will be emitting fewer emissions.

Councillors' questions at Cabinet – 31 January 2019

Question 1

Councillor RI Matthews, Credenhill Ward

To: cabinet member, infrastructure

A few years ago, this council paid approximately £6,000,000 (six million pounds) for the Rockfield DIY premises. A narrow strip along the one side was utilised for highway improvements. The administration has recently announced that the site is to be disposed of for the sum of £500,000 to a private developer for the construction of student accommodation. I would like someone to inform us what financial benefits or other will be obtained for the TAXPAYER from this project.

Response

The acquisition of the Rockfield site (costing £5,638,494.30 inclusive of fees) enabled the construction of the City Link Road which in turn opened up areas of previously inaccessible land for regeneration. The detailed business case published on the council's website demonstrates both the transport and regeneration benefits the overall investment in the Hereford City Centre Transport Package including the City Link Road scheme will deliver, including a net regeneration benefit of £86.6m. That business case resulted in £16m growth funding being secured from the Marches Local Enterprise Partnership. The business case is available at:

https://www.herefordshire.gov.uk/downloads/download/1819/hereford_city_centre_transport_package_business_case.

Without that purchase the scheme would not have been capable of being delivered.

The costs of acquisition cannot be compared to any current site valuation as they include legal and professional fees associated with the sale and the costs of compensation arising from the loss of the business (calculated in accordance with statutory compensation practice) which could not be relocated in the remaining land available. Any land valuation now would also take into account the fact that only 70% of the original site remains following completion of the City Link Road.

Cllr Matthews appears to have misunderstood the information provided in the report to cabinet on 13 December. The Station Approach site is not being disposed of for £500k. That financial receipt relates to the issuing of a long-term financial lease of the site so that the council does not incur build costs. The council will remain the freeholder. If at any point in the future a decision to dispose of the freehold is to be considered, it will be informed by a valuation at that time, as is usual practice.

Along with the economic benefits arising from delivery of the road that I have already referenced, the Station Approach development will support Hereford College of Arts achieve its strategy for growth and support the early development of NMiTE. The success of these higher education institutions will contribute to the growth of Herefordshire's economy creating jobs and educational opportunities in the county, bringing new students into the county and providing educational opportunities for our own young people.

Supplementary Question

I understand that when we paid this eye-watering price for this site, no one at the time discovered that there was a very large sewer pipe crossing beneath the site. Can you tell us who carried out the survey work as part of the normal process, and why they did not discover the presence of the pipe because if they had done so it would have greatly reduced its value?

Response

The pipe was known about and was on the title deeds at the point of purchase. We also know of all other utility equipment and this was all considered in the design of the city link road.

Herefordshire Council

Meeting:	Cabinet
Meeting date:	Thursday 28 February 2019
Title of report:	Agreement of section 75 (s75) between the council and Herefordshire clinical commissioning group (CCG)
Report by:	Cabinet member health and wellbeing

Classification

Open

Decision type

Key

This is a key decision because it is likely to be significant having regard to: the strategic nature of the decision; and / or whether the outcome will have an impact, for better or worse, on the amenity of the community or quality of service provided by the authority to a significant number of people living or working in the locality (two or more wards) affected.

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

(All Wards);

Purpose and summary

To approve the section 75 (s75) agreement between the council and Herefordshire Clinical Commissioning Group (CCG), effective from 1 April 2019 to 31 March 2020. In summary the report identifies the following points:

- the s75 agreement is a national requirement, set by NHS England under the NHS Act 2006, which enables partners to commission integrated health and social care services;
- the existing agreement is due to end on 31 March 2019;
- the new agreement covers a range of services and operational functions of both partners at a total value of £55.685m for 2019/20;

Further information on the subject of this report is available from
Emma Evans, Tel: 01432 260460, email: evevans@herefordshire.gov.uk

- scheme level detail of the agreement will be finalised following the publication of the national BCF policy framework and planning guidance; and
- a key change to existing schemes is the introduction of a discharge to assess pilot for 2019/20.

Recommendation(s)

That:

(a) The section 75 (s75) agreement for the period 1 April 2019 to 31 March 2020 at a total value of £55.685m between the council and Herefordshire Clinical Commissioning Group (CGG), as at appendix one, is approved; and

(b) the director for adults and communities be authorised to take all operational decisions necessary to complete the section 75 agreement.

Alternative options

1. It is a national requirement, set by NHS England, that the better care fund (BCF) is transferred into one or more pooled funds established under section 75 of the NHS Act 2006. The existing section 75 agreement between the council and Herefordshire clinical commissioning group (CCG) is due to end on 31 March 2019. There is no alternative as such an agreement must be in place.

Key considerations

2. A partnership arrangement under section 75 (s75) of the NHS Act 2006 enables partners to commission integrated health and social care services to better meet the needs of service users than if the partners were operating independently. Section 75 agreements provide a contractual framework for the use of pooled funds between the council and CCG, to enable services to be delivered and commissioned co-dependently.

3. The services included within the s75 agreement are set out in detail at appendix two. In summary, all of the schemes within the Integration and BCF plan will be included within the s75 agreement including better care fund spending on social care services (PASC), NHS Commissioned Out of Hospital Care and care home market management. All schemes funded through the improved better care fund are included, along with the integrated community equipment store.

4. In addition a number of other schemes are held within pool 4 which includes the children's commissioning unit, children's complex needs funding and children's and adults' safeguarding boards.

5. Scheme level information will be finalised once the national BCF policy framework and planning guidance is published, therefore authority is requested to take the operational decisions necessary to complete the s75 agreement, including legal review of the final document. The draft s75 agreement, as located at appendix 1, will be further reviewed and updated to reflect updates in data protection legislation prior to completion.

6. A key change to existing schemes is the introduction of a discharge to assess (D2A) pilot for 2019/20. Partners have been working together to develop the pilot service that will deliver short-term bed based care that supports a period of change and recovery whilst promoting the opportunity for assessment and planning to meet longer term care needs.

The s75 agreement will enable this pilot to operate through an existing Herefordshire CCG contract and will be funded via the BCF for 2019/20.

7. The budget and contributions for each of the pools described at appendix two are currently under review for 2019/20 and will be finalised as part of the budget setting process.

8. The s75 agreement is also subject to approval by the CCG governing body in March 2019.

9. The BCF schemes and services within the s75 agreement are monitored on a quarterly basis through the better care partnership group and highlight reported to the joint commissioning board, however many of these are operational functions that sit within business as usual for both partners. Quarterly national performance reports are submitted, following approval from the health and wellbeing board. Regarding performance of the existing agreement, the main area that has focus currently is the integrated community equipment store due to the forecasted overspend, which has regular reporting into the joint commissioning board and DLT.

Community impact

10. The Integration and BCF plan for Herefordshire, all schemes of which are subject to the s75 agreement, is set within the context of the national programme of transformation and integration of health and social care. The council and CCG continue to work together to deliver on the key priorities within the plan to improve the delivery of services in order to achieve the priorities of the health and wellbeing strategy in the most cost effective way.

11. The principles of the agreement ensure that individuals' outcomes are improved through supporting the sustainability of services and investing in initiatives that will enhance people's lives. This is fully aligned to the health and wellbeing strategy, which underlines how Herefordshire aims to be a vibrant county where good health and wellbeing is matched with a strong and growing economy and the vision set out in the adults wellbeing plan 2017-2020 - *'All adults in Herefordshire live healthy, happy and independent lives within their local communities, for as long as possible with support when they need it.'*

12. The s75 agreement also supports the principles outlined in the council's corporate plan and Herefordshire's Children and Young People's Plan, to *keep children and young people safe and give them a great start in life,* having a direct effect on the lives of looked after children and care leavers and will support the council in its role as corporate parent.

13. The integration and BCF plan fully support the council's corporate plan and assists the delivery of its priority to enable residents to live safe, healthy and independent lives. The plan also aligns to the health and wellbeing board priorities and the NHS forward plan.

14. Many of the schemes and services within the Integration and BCF plan are provisions that support the operational delivery of health and social care and a high proportion of these supports the statutory function for the council.

Equality duty

15. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

    A public authority must, in the exercise of its functions, have due regard to the need to -

(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;

(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

16. The council and CCG are committed to equality and diversity using the public sector equality duty (Equality Act 2010) to eliminate unlawful discrimination, advance equality of opportunity and foster good relations. All equality considerations are taken into account.

17. It is not envisaged that the recommendations in this report will negatively disadvantage the following nine groups with protected characteristics: age, disability, gender, reassignment, marriage and civil partnerships, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

18. The BCF programme aims to deliver better outcomes for individuals and supports the council in proactively delivering its equality duty under the act. This is through improving the health and wellbeing of people in Herefordshire buy enabling them to take greater control over their own health and the health of their families, and helping them to remain independent within their own homes and communities.

19. There are no negative impacts for looked after children or with response to the council's corporate parenting role.

Resource implications

20. The indicative budget for each of the pools described in the following table are currently under review for 2019/20 and will be finalised as part of the budget setting process and once the national BCF policy framework and planning guidance is published. Scheme level budget information is located at appendix two.

21. There is no impact on existing resources, including people, IT or property resources. There are no significant changes to existing arrangements and BCF and iBCF funding is confirmed for 2019/20, therefore posing no risks to jobs or services.

22. The BCF funding includes £5.339m for the protection of adult social care (PASC) and £7.079m for NHS commissioned out of hospital care services. The council is required to include the grant capital funding received for the Disabled Facilities Grant (DFG) within the minimum BCF. This is confirmed as £1.853m for 2019/20.

23. The PASC funding (£5.339m) and iBCF funding (£5.703m) are currently secured to March 2020. These funding streams are currently unconfirmed from April 2020 onwards.

24. It is proposed that the s75 agreement continues with the additional pools for the improved better care fund (£5.703m) and the integrated community equipment store (£1m).

25. The CCG will no longer be contributing to a pooled short breaks budget for disabled children from 1 April 2019. This is the result of a planned approach to reducing CCG contributions over several years in recognition that responsibility for arranging and enabling shortbreaks rests with the Council, as set by a report to Cabinet on 15 September 2016.

26. From 1 April 2019, the short breaks budget will be covered by the council's previous s75 contribution and remaining transitional funding approved by cabinet on 21 January 2016 to enable the transition to other service arrangements. Long-term re-basing of the short breaks budget will be informed by an updated needs analysis to ensure that the council continues to meet its statutory duties in relation to short breaks. Where appropriate, the CCG will provide sufficient funding on a case-by-case basis for those individual children that a determined to have continuing care health needs. In some cases, this may lead to joint commissioning of packages of care that may include short break provision.

Section 75 Agreement Finance Summary 2019/20 **Budget**	**Draft Budget Values**
	£'000
Spending on Social Care Services (PASC)	5,339
NHS Commissioned Out of Hospital Care	7,079
Disabled Facilities Grant (Capital)	1,853
Total Pool 1- Mandatory Better Care Fund Contributions	**14,272**
Herefordshire CCG Funded Packages	9,564
Herefordshire Council Funded Packages	21,359
Total Pool 2- Additional Better Care Fund Contributions	**30,923**
Improving Integrated Commissioning Capacity	238
Meeting Adult Social Care Needs	3,751
Reducing Pressures on the NHS including Supporting Hospital Discharge	1,212
Supporting Local Social Care Provider Market	501
Total Pool 3- Improved Better Care Fund (IBCF)	**5,703**
Childrens' Commissioning Unit	80
Childrens' Complex Needs Solutions	3,493
Childrens' contribution to Safeguarding	214
Total Pool 4- Childrens' Services	**3,787**

Integrated Community Equipment Store	1,000
Total Pool 5- Integrated Community Equipment Store	**1,000**
Total Section 75 Agreement	**55,685**

Legal implications

27. The Care Act 2014 amended the NHS Act 2006 to provide the legislative basis for the better care fund, which brings together health and social care funding.

28. Section 75 of the NHS Act 2006 contains the powers enabling NHS bodies (as defined in section 275 and 276 of the NHS Act 2006) to exercise certain local authority functions and for local authorities to exercise various NHS functions. The parties entered into a section 75 agreement in exercise of those powers under and pursuant of the NHS Regulations 2000.

Risk management

29. Risk will be managed and controlled through the governance structure of both organisations and also through the better care fund partnership group, the joint commissioning board and the health and wellbeing board.

30. A risk register, specific to the BCF schemes in the s75 agreement, has been developed and is monitored on a regular basis by the better care fund partnership group. Risks are also identified within the council's adults and communities directorate risk register and will be escalated as appropriate.

31. The PASC funding (£5.339m) and iBCF funding (£5.703m) are currently secured to March 2020. These funding streams are currently unconfirmed from April 2020 onwards. To manage this uncertainty officers continue to monitor the discussions in regard to national policy developments, identify risks through the appropriate risk registers and plan mitigating actions where possible.

32. A financial risk share arrangement will be in place as part of the s75 agreement. The risk share agreement is intended to support joint working on specified areas to improve care and reduce overall system costs. It will do this by sharing the impact (both positive and negative) of in-year changes in how care is provided and commissioned. It is not intended for the risk share arrangement to create a long-term subsidisation by either partner in statutory funding responsibilities.

33. Following confirmation of budget contributions for 2019/20 and receipt of BCF policy framework and guidance, legal teams from both organisations will review the agreement, along with all updated schedules, to ensure accuracy prior to final confirmation.

Consultees

34. The council has worked closely with colleagues from the CCG to draft the 2019/20 s75 pool contributions. The CCG governing body are due to receive formal papers in relation to the s75 agreement in March 2019.

35. Consultation with political groups has been completed. No comments or objections were received.

Appendices

Appendix 1 – draft section 75 agreement

Appendix 2 – 2019/20 section 75 agreement opening budget

Background papers

None.

Further information on the subject of this report is available from
Emma Evans, Tel: 01432 260460, email: evevans@herefordshire.gov.uk

Dated 2019

THE COUNTY OF HEREFORDSHIRE DISTRICT COUNCIL

and

NHS HEREFORDSHIRE CLINICAL COMMISSIONING GROUP

FRAMEWORK PARTNERSHIP AGREEMENT RELATING TO THE COMMISSIONING OF HEALTH AND SOCIAL CARE SERVICES IN CONNECTION WITH THE BETTER CARE FUND

DRAFT

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DRAFT

THIS AGREEMENT is made on **day of** **2019**

PARTIES

(1) **COUNTY OF HEREFORDSHIRE DISTRICT COUNCIL of Plough Lane, Hereford, HR4 0LE** (the **"Council"**)

(2) **NHS HEREFORDSHIRE CLINICAL COMMISSIONING GROUP of Plough Lane, Hereford, HR4 0LE** (the "**CCG"**)

BACKGROUND

(A) The Council has responsibility for commissioning and/or providing social care services on behalf of the population of the county of Herefordshire.

(B) The CCG has the responsibility for commissioning health services pursuant to the 2006 Act in the county of Herefordshire.

(C) The Better Care Fund has been established by the Government to provide funds to local areas to support the integration of health and social care and to seek to achieve the National Conditions and Local Objectives. It is a requirement of the Better Care Fund that the CCG and the Council establish a pooled fund for this purpose. The Partners have chosen to extend the use of pooled funds to include funding streams beyond the minimum fund required by the Better Care Fund

(D) Section 75 of the 2006 Act gives powers to local authorities and clinical commissioning groups to establish and maintain pooled funds out of which payment may be made towards expenditure incurred in the exercise of prescribed local authority functions and prescribed NHS functions.

(E) The purpose of this Agreement is to set out the terms on which the Partners have agreed to collaborate and to establish a framework through which the Partners can secure the future position of health and social care services through lead or joint commissioning arrangements. It is also the means through which the Partners will pool funds and align budgets as agreed between the Partners.

(F) The aims and benefits of the Partners in entering in to this Agreement are to:

a) improve the quality and efficiency of the Services;

b) meet the National Conditions and Local Objectives;

c) make more effective use of resources through the establishment and maintenance of a pooled fund for revenue expenditure on the Services.

(G) The Partners have jointly carried out consultations on the proposals for this Agreement with all those persons likely to be affected by the arrangements.

(H) The Partners are entering into this Agreement in exercise of the powers referred to in Section 75 of the 2006 Act and/or Section 13Z(2) and 14Z(3) of the 2006 Act as applicable, to the extent that exercise of these powers is required for this Agreement.

(I) Partners have agreed toenter into thisthe Agreement with effect from 1 April 2019 to 31 March 2020.The provisions of this Agreement shall replace and supersede the provisions of the previous section 75 arrangements entered into by the Council and the CCG, originally on 24 June 2013 and also on 1 April 2015 in relation to the Better Care Fund.

1 DEFINED TERMS AND INTERPRETATION

1.1 In this Agreement, save where the context requires otherwise, the following words, terms and expressions shall have the following meanings:

2018 Act means the Data Protection Act 2018

2000 Act means the Freedom of Information Act 2000.

2006 Act means the National Health Service Act 2006.

2014 Act means the Care Act 2014

Affected Partner means, in the context of Clause 26, the Partner whose obligations under the Agreement have been affected by the occurrence of a Force Majeure Event

Agreement means this agreement including its Schedules and Appendices.

Approved Expenditure means any expenditure approved by the Partners in writing or as set out in a Scheme Specification in relation to a Service above any Contract Price, Permitted Budget, Third Party Costs and Performance Payments.

Authorised Officers means an officer of each Partner appointed to be that Partner's representative for the purpose of this Agreement.

Better Care Fund (BCF) means the Better Care Fund as described in NHS England Publications Gateway Ref. No.00314 and NHS England Publications Gateway Ref. No.00535 as relevant to the Partners.

BCF Partnership Group: means the Steering Group for the operational delivery of the BCF Plan. Members of the group take responsibility for delivery of the Individual Schemes and Services in accordance with the governance arrangements set out in Schedule 6.

Better Care Fund (BCF) Plan means the plan attached at Schedule 7 setting out the Partner's plan for the use of the Better Care Fund.

Better Care Fund Requirements means any and all requirements on the CCG and Council in relation to the Better Care Fund set out in Law and guidance published by the Department of Health.

CCG Statutory Duties means the Duties of the CCG pursuant to Sections 14P to 14Z2 of the 2006 Act

Change in Law means the coming into effect or repeal (without re-enactment or consolidation) in England of any Law, or any amendment or variation to any Law, or any judgment of a relevant court of law which changes binding precedent in England after the Commencement Date.

Chief Financial Officer means the Chief Financial Officer of the CCG

Commencement Date means 00:01 hrs on 1 April 2019

Confidential Information means information, data and/or material of any nature which any Partner may receive or obtain in connection with the operation of this Agreement and the Services and:

(a) which comprises Personal Data or Sensitive Personal Data or which relates to any patient or his treatment or medical history;

(b) the release of which is likely to prejudice the commercial interests of a Partner or the interests of a Service User respectively; or

(c) which is a trade secret.

Contract Price means any sum payable under a Service Contract as consideration for the provision of goods, equipment or services required as part of the Services and which, for the avoidance of doubt, does not include any Default Liability or Performance Payment.

Default Liability means any sum which is agreed or determined by Law or in accordance with the terms of a Services Contract to be payable by any Partner(s) as a consequence of (i) breach by any or all of the Partners of an obligation(s) in whole or in part or (ii) any act or omission of a third party for which any or all of the Partners are liable, under the terms of the relevant Services Contract.

Financial Contributions means the financial contributions made by each Partner to a Pooled Fund or Non

Pooled/Aligned Fund in any Financial Year.

Financial Year means each financial year running from 1 April in any year to 31 March in the following calendar year.

Force Majeure Event means one or more of the following:

(a) war, civil war (whether declared or undeclared), riot or armed conflict;

(b) acts of terrorism;

(c) acts of God;

(d) fire or flood;

(e) industrial action;

(f) prevention from or hindrance in obtaining raw materials, energy or other supplies;

(g) any form of contamination or virus outbreak; and

(h) any other event, in each case where such event is beyond the reasonable control of the Partner claiming relief

Functions means the NHS Functions and the Health Related Functions

Health and Wellbeing Board means the Health and Wellbeing Board established by the Council pursuant to Section 194 of the Health and Social Care Act 2012.

Health Related Functions means those of the health related functions of the Council, specified in Regulation 6 of the Regulations as relevant to the commissioning of the Services and which may be further described in the relevant Scheme Specification.

Host Partner means for each Pooled Fund the Partner that will host the Pooled Fund and for each Non Pooled/Aligned Fund the Partner that will host the Non Pooled/Aligned Fund

Indirect Losses means loss of profits, loss of use, loss of production, increased operating costs, loss of business, loss of business opportunity, loss of reputation or goodwill or any other consequential or indirect loss of any nature, whether arising in tort or on any other basis.

Individual Scheme means one of the schemes which is agreed by the Partners to be included within this Agreement using the powers under Section 75 of the 2006 Act as documented in a Scheme Specification.

Integrated Commissioning means arrangements by which both Partners commission Services in relation to an individual Scheme on behalf of each other is exercise of both the NHS Functions and Health Related Functions through integrated structures.

Joint (Aligned) / Co-Commissioning means a mechanism by which the Partners jointly commission a Service. For the avoidance of doubt, a joint (aligned) / co-commissioning arrangement does not involve the delegation of any functions pursuant to Section 75 of the 2006 Act.

Joint Commissioning Board means the partnership board responsible for review of performance and oversight of this Agreement, the governance arrangements for which are as set out in Schedule 6.

Law means:

(a) any statute or proclamation or any delegated or subordinate legislation;

(b) any enforceable community right within the meaning of Section 2(1) European Communities Act 1972;

(c) any guidance, direction or determination with which the Partner(s) or relevant third party (as applicable) are bound to comply to the extent that the same are published and publicly available or the existence or contents of them have been notified to the Partner(s) or relevant third party (as applicable); and

(d) any judgment of a relevant court of law which is a binding precedent in England.

Lead Commissioning Arrangements means the arrangements by which one Partner commissions Services in relation to an Individual Scheme on behalf of the other Partner in exercise of both the NHS Functions and the Health Related Functions.

Lead Commissioner means the Partner responsible for commissioning a Service under a Scheme Specification.

Local Authority means The County of Herefordshire District Council also referred to as "the Council"

Local Objectives means the local objectives to be met in Herefordshire as are more particularly set out in the Better Care Fund Plan

Losses means all damage, loss, liabilities, claims, actions, costs, expenses (including the cost of legal and/or professional services), proceedings, demands and charges whether arising under statute, contract or at common law but excluding Indirect Losses and "Loss" shall be interpreted accordingly.

Month means a calendar month.

National Conditions mean the national conditions as set out in the National Guidance.

National Guidance means any and all guidance in relation to the Better Care Fund as issued from time to time by NHS England, the Department of Communities and Local Government, the Department of Health, the Local Government Association either collectively or separately.

NHS Functions means those of the NHS functions listed in Regulation 5 of the Regulations as are exercisable by the CCG as are relevant to the commissioning of the Services and which may be further described in each Scheme Specification

Non Pooled/Aligned Fund means the budget detailing the financial contributions of the Partners which are not included in a Pooled Fund in respect of a particular Service as set out in the relevant Scheme Specification

Non-Recurrent Payments means funding provided by a Partner to a Pooled Fund in addition to the Financial Contributions pursuant to arrangements agreed in accordance with Clause 10.7.

Overspend means any expenditure from a Pooled Fund or Non Pooled/Aligned Fund in a Financial Year which exceeds the Financial Contributions for that Financial Year.

Partner means each of the CCG and the Council, and references to "**Partners**" shall be construed accordingly.

Partnership Arrangements means the arrangements made between the Partners for the pooling of funds and commissioning of Services in accordance with the Regulations and as further set out in this Agreement.

Performance Payment Arrangement means any arrangement agreed with a Provider and one of more Partners in relation to the cost of providing Services on such terms as agreed in writing by all Partners.

Performance Payments means any sum over and above the relevant Contract Price which is payable to the Provider in accordance with a Performance Payment Arrangement.

Permitted Budget means in relation to a Service where the Council is the Provider, the budget that the Partners have set in relation to the particular Service.

Permitted Expenditure has the meaning given in Clause 7.2.

Personal Data means Personal Data as defined by the 1998 Act.

Pooled Fund means any pooled fund established and maintained by the Partners as a pooled fund in accordance with the Regulations.

Pooled Fund Manager means such officer of the Host Partner which includes a Section 113 Officer (Local Government Act 1972) for the relevant Pooled Fund established under an Individual Scheme as is nominated by the Host Partner from time to time to manage the Pooled Fund in accordance with Clause 8.

Provider means a provider of any Services commissioned under the arrangements set out in this Agreement (including where the Council is acting as in house Provider of the Services) .

Public Health England means the SOSH trading as Public Health England.

Quarter means each of the following periods in a Financial Year:

1 April to 30 June

1 July to 30 September

1 October to 31 December

1 January to 31 March

And "**Quarterly**" shall be interpreted accordingly.

Regulations means the NHS Bodies and Local Authorities Partnership Arrangements Regulations 2000 No 617 (as amended).

Scheme Specification means a specification setting out the arrangements for an Individual Scheme agreed by the Partners to be commissioned under this Agreement.

Section 151 Officer means the Chief Financial Officer of the Council

Sensitive Personal Data means Sensitive Personal Data as defined in the 2018 Act.

Commented [TC1]: This should be up-dated

Services means such health and social care services as agreed from time to time by the Partners as commissioned under the arrangements set out in this Agreement and more specifically defined in each Scheme Specification.

Services Contract means an agreement for the provision of Services entered into with a Provider by one or more of the Partners in accordance with the relevant Individual Scheme.

Service Users means those individuals for whom the Partners have a responsibility to commission the Services and/or who are eligible to receive the Services.

SOSH means the Secretary of State for Health.

Third Party Costs means all such third party costs (including legal and other professional fees) as agreed by the Joint Commissioning Board on an Individual Scheme basis.

Underspend means any expenditure from a Pooled Fund or Non Pooled/Aligned Fund in a Financial Year which is below the Financial Contributions for that Financial Year.

Working Day means 8.00am to 6.00pm on any day except Saturday, Sunday, Christmas Day, Good Friday or a day which is a bank holiday (in England) under the Banking & Financial Dealings Act 1971. For the avoidance of doubt additional non-working days for Council employees (contractual unpaid leave to which they are entitled) will be treated as bank holidays for the purposes of social care support and cover and as such, shall not constitute "Working Days".

1.2 In this Agreement, all references to any statute or statutory provision shall be deemed to include references to any statute or statutory provision which amends, extends, consolidates or replaces the same and shall include any orders, regulations, codes of practice, instruments or other subordinate legislation made thereunder and any conditions attaching thereto. Where relevant, references to English statutes and statutory provisions shall be construed as references also to equivalent statutes, statutory provisions and rules of law in other jurisdictions.

1.3 Any headings to Clauses, together with the front cover and the index are for convenience only and shall not affect the meaning of this Agreement. Unless the contrary is stated, references to Clauses and Schedules shall mean the clauses and schedules of this Agreement.

1.4 Any reference to the Partners shall include their respective statutory successors, employees and agents.

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1.5 In the event of a conflict, the conditions set out in the Clauses to this Agreement shall take priority over the Schedules.

1.6 Where a term of this Agreement provides for a list of items following the word "including" or "includes", then such list is not to be interpreted as being an exhaustive list.

1.7 In this Agreement, words importing any particular gender include all other genders, and the term "person" includes any individual, partnership, firm, trust, body corporate, government, governmental body, trust, agency, unincorporated body of persons or association and a reference to a person includes a reference to that person's successors and permitted assigns.

1.8 In this Agreement, words importing the singular only shall include the plural and vice versa.

1.9 In this Agreement, "staff" and "employees" shall have the same meaning and shall include reference to any full or part time employee or officer, director, manager and agent.

1.10 Subject to the contrary being stated expressly or implied from the context in these terms and conditions, all communication between the Partners shall be in writing.

1.11 Unless expressly stated otherwise, all monetary amounts are expressed in pounds sterling but in the event that pounds sterling is replaced as legal tender in the United Kingdom by a different currency then all monetary amounts shall be converted into such other currency at the rate prevailing on the date such other currency first became legal tender in the United Kingdom.

1.12 All references to the Agreement include (subject to all relevant approvals) a reference to the Agreement as amended, supplemented, substituted, novated or assigned from time to time.

2 TERM

2.1 This Agreement shall come into force on the Commencement Date.

2.2 This Agreement shall continue until 31st March 2020 unless terminated earlier in accordance with Clause 24.

2.3

2.4 The duration of the arrangements for each Individual Scheme shall be as set out in the relevant Scheme Specification.

3 GENERAL PRINCIPLES

3.1 Nothing in this Agreement shall affect:

3.1.1 the liabilities of the Partners to each other or to any third parties for the exercise of their respective functions and obligations (including the Functions); or

3.1.2 any power or duty to recover charges for the provision of any services (including the Services) in the exercise of any Council function.

3.2 The Partners agree to:

3.2.1 treat each other with respect and an equality of esteem;

3.2.2 be open with information about the performance and financial status of each; and

3.2.3 provide early information and notice about relevant problems.

3.3 For the avoidance of doubt, the aims and outcomes relating to an Individual Scheme may be set out in the relevant Scheme specification.

3.4 The purpose of this Agreement is to establish a framework through which the Partners can secure

the provision of health and social care services in accordance with the terms of this Agreement.

4 PARTNERSHIP FLEXIBILITIES

4.1 This Agreement sets out the mechanisms through which the Partners have agreed that they may commission the Services and implement the Better Care Fund Plan. These are:

4.1.1 The establishment of one or more Pooled Funds;

4.1.2 Lead Commissioning Arrangements;

4.1.3 Joint (Aligned) /Co-Commissioning; and

4.1.4 Integrated Commissioning.

As more particularly described in the Scheme Specifications and Schedule 1 (Financial Contributions and Financial Governance) in relation to Individual Schemes (the "Flexibilities")

4.2 At the Commencement Date, there are no Health Related Functions to be delegated by the Council for the CCG to exercise. In the event that, during the term of this Agreement, the Partners identify the need for the Council to delegate Health Related Functions to the CCG, and the CCG agrees to exercise those, to the extent necessary for the purpose of performing its obligations under this Agreement in conjunction with the NHS Functions, this delegation shall be preceded by:

- The identification of the Functions to be delegated;
- The undertaking of any necessary consultation;
- The seeking of legal advice;
- The Council constitution and schemes of delegation being updated to reflect the changes required; and
- A deed of variation being signed by the Partners to effect a variation of this Agreement.

4.3 The CCG delegates to the Council and the Council agrees to exercise on the CCG's behalf the NHS Functions to the extent necessary for the purpose of performing its obligations under this Agreement in conjunction with the Health Related Functions.

4.4 Where the powers of a Partner to delegate any of its statutory powers or functions are restricted, such limitations will automatically be deemed to apply to the relevant Scheme Specification. The Partners shall agree arrangements designed to achieve delegation to the other Partner necessary for the purposes of this Agreement which is consistent with the statutory constraints.

5 FUNCTIONS

5.1 This Agreement shall include such Health Related and/or NHS Functions as shall be agreed from time to time by the Partners, having followed the governance processes required by each of their constitutions and in response to any recommendations made by the Joint Commissioning Board.

5.2 Where the Partners add a new Individual Scheme to this Agreement, that shall be by way of a variation to this Agreement in accordance with Clause 32, and a Scheme Specification for each Individual Scheme shall be completed in the form set out in Schedule 3 and agreed between the Partners. The initial Scheme Specifications, as at the Commencement Date, are set out in Schedule 3.

5.3 The Partners shall not enter into a Scheme Specification in respect of an Individual Scheme unless they are satisfied that the Individual Scheme in question will improve health and well-being in accordance with this Agreement.

5.4 The introduction of any Individual Scheme will be subject to business case approval by the Partners, following the governance processes required by each Partner's Constitution, on the recommendation of the Joint Commissioning Board.

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6 COMMISSIONING ARRANGEMENTS

Integrated/Joint Aligned/Co- Commissioning

6.1 Where there are Integrated Commissioning arrangements in respect of an Individual Scheme, both Partners shall work in cooperation and shall endeavour to ensure that the NHS Functions and Health Related Functions are commissioned with all due skill, care and attention.

6.2 The Partner or Partners acting as commissioner(s) of the relevant Service shall be responsible for ensuring the making of payments to the Provider under the relevant Services Contract. Both Partners will work together to ensure that the commissioning Partner(s) is/are able to comply with the obligations held by them under Services Contracts with Providers. Where Integrated Commissioning Arrangements are put in place, the Partners will agree which Partner(s) shall make payments to the relevant Provider(s).

6.3 Both Partners shall work in cooperation and endeavour to ensure that the relevant Services as set out in each Scheme Specification are commissioned within each Partner's Financial Contribution in respect of that Individual Scheme in each Financial Year.

6.4 The Partners shall comply with the arrangements in respect of the Joint (Aligned) / Co-commissioning as set out in the relevant Scheme Specification.

6.5 Each Partner shall keep the other Partners and the Joint Commissioning Board regularly informed of the effectiveness of the arrangements including the Better Care Fund and any Overspend or Underspend in a Pooled Fund or Non Pooled/Aligned Fund.

6.6 The Joint Commissioning Board will report back to the Health and Wellbeing Board as required by its Terms of Reference.

Appointment of a Lead Commissioner

6.7 Where there are Lead Commissioning Arrangements in respect of an Individual Scheme the Lead Com nissioner shall:

6.7.1 exercise the NHS Functions in conjunction with the Health Related Functions as identified in the relevant Scheme Specification;

6.7.2 ensure that the NHS Functions and the Health Related Functions are funded within the parameters of the Financial Contributions of each Partner in relation to each particular Service in each Financial Year;

6.7.3 commission Services for individuals who meet the eligibility criteria set out in the relevant Scheme Specification;

6.7.4 contract with Provider(s) for the provision of the Services on terms agreed with the other Partners;

6.7.5 comply with all relevant legal duties and guidance of both Partners in relation to the Services being commissioned;

6.7.6 where Services are commissioned using the NHS Standard Form Contract, perform the obligations of the "Commissioner" and "Co-ordinating Commissioner" with all due skill, care and attention and where Services are commissioned using any other form of contract to perform its obligations with all due skill and attention;

6.7.7 undertake performance management and contract monitoring including any enforcement action required of all Service Contracts;

6.7.8 make payment of all sums due to a Provider pursuant to the terms of any Services Contract.

6.7.9 keep the other Partner and the Joint Commissioning Board regularly informed in writing of

the effectiveness of the arrangements including the Better Care Fund and as soon as practicable after becoming aware of any projected Overspend or Underspend in a Pooled Fund or Non Pooled/Aligned Fund.

6.8 Detailed commissioning obligations where Lead Commissioning Arrangements apply are set out in Schedule 5.

7 ESTABLISHMENT OF A POOLED FUND

7.1 At the Commencement Date and in exercise of their respective powers under Section 75 of the 2006 Act, the Partners have agreed to establish and maintain the Pooled Funds that are described in Part 1 of Schedule 1 and to utilise those Pooled Funds in connection with the Individual Schemes in the manner set out in Part 1 of Schedule 1 and in the Scheme Specifications. For the avoidance of doubt, the Partners may agree variations to the Pooled Funds and may add additional Pooled Funds during the term of this Agreement which will be recorded using the variation template (Schedule 9). Each Pooled Fund shall be managed and maintained in accordance with the terms of this Agreement and Regulation 7 of the Regulations.

7.2 It is agreed that the monies held in a Pooled Fund may only be expended on the following "Permitted Expenditure":

7.2.1 the Contract Price;

7.2.2 the Permitted Budget where the Council is to be the Provider;

7.2.3 Performance Payments;

7.2.4 Third Party Costs ; and

7.2.5 Approved Expenditure.

7.3 The Partners may only depart from the definition of Permitted Expenditure to include or exclude other revenue expenditure with the express written agreement of each Partner and for the avoidance of doubt there is no obligation on either Partner to agree to any such expenditure not constituting Permitted Expenditure. Management overheads, accommodation costs and other administrative support costs shall not constitute Approved Expenditure unless otherwise agreed by the Partners in writing.

7.4 Monies held in the Pooled Fund may not be expended on Default Liabilities unless this is agreed by all Partners.

7.5 At the Commencement Date, the Partners have agreed to appoint the Council as Host Partner for the Pooled Funds. The Host Partner shall be the Partner responsible for:

7.5.1 Reporting on / holding all monies contributed to the Pooled Fund on behalf of itself and the other Partners;

7.5.2 providing the overall financial analysis including supporting administrative systems for the Pooled Fund;

7.5.3 appointing the Pooled Fund Manager; and

7.5.4 ensuring that the Pooled Fund Manager complies with its obligations under this Agreement as detailed in Clause 8

7.6 The minimum fund capital expenditure for the BCF which is constituted by the Disabled Facilities Grant and Social Care Capital Grant will be included within the Scheme Specifications in so far as it is required to be allocated to a Pooled Fund, but will be devolved to the Council for administration. The Council will report to the Joint Commissioning Board, details of capital expenditure made from the Pooled Fund, including in respect of the Social Care Capital Grant and Disabled Facilities Grant.

8 POOLED FUND MANAGEMENT

8.1 When introducing a Pooled Fund in respect of an Individual Scheme, the Partners shall agree:

8.1.1 which of the Partners shall act as Host Partner for the purposes of Regulations 7(4) and 7(5) and shall provide the financial administrative systems for the Pooled Fund; and

8.1.2 which officer of the Host Partner shall act as the Pooled Fund Manager for the purposes of Regulation 7(4) of the Regulations.

8.2 The Pooled Fund Manager shall have the following duties and responsibilities:

8.2.1 To develop and implement an overarching Commissioning Project Plan for the BCF, to maximize Joint (Aligned)/Co commissioning and Integrated Commissioning opportunities allied to the Pooled Fund working in conjunction with the lead officers of each Partner organisation.

8.2.2 To lead on the delivery of the joint procurement and management of the Residential and Nursing Care Home Market to ensure effectiveness and efficiency of such procurements across health and social care.

8.2.3 To support the development of Joint (Aligned) Co-commissioning/Integrated Commissioning strategies for Learning Disability and Mental Health.

8.2.4 To embed the governance structure set out in Schedules 1,4 and 6 of this Agreement within both organisations and to develop and deliver a work plan for the BCF for 2019/20.

8.2.5 Oversee the performance management arrangements for the BCF.

8.2.6 To oversee the day to day operation and management of the Pooled Funds established pursuant to this Agreement, ensuring that all expenditure from the Pooled Fund is in accordance with the provisions of this Agreement and the relevant Scheme Specification.

8.2.7 Reporting and ensuring action is taken to manage any projected Underspends or Overspends in accordance with this Agreement.

8.2.8 Preparing and submitting to the Joint Commissioning Board monthly summary reports, full Quarterly reports and an annual return regarding the income and expenditure from the Pooled Funds in accordance with the Partners instructions and in the format set out in Schedule 6. Such reports to include any other information as may be required by the Partners and the Joint Commissioning Board to monitor the effectiveness of the delivery of the Services and the operation of the Pooled Funds and to enable the Partners to complete their own financial accounts and returns. For the avoidance of doubt, the Partners will supply all necessary information to the Pooled Fund Manager to enable the reports to be prepared.

8.2.9 To liaise with the Commissioning Lead for each Individual Scheme to ensure that Quarterly reports are submitted to the Health and Wellbeing Board.

8.3 In carrying out their responsibilities as provided under Clause 8.2 the Pooled Fund Manager shall have regard to the recommendations of the Joint Commissioning Board and shall be accountable to the Partners.

8.4 The Pooled Fund(s) will be managed and operated in accordance with the Finance Protocol set out in Part 1 of Schedule 1 and in accordance with the Management Arrangements set out in Schedule 6.

8.5 The Joint Commissioning Board may agree to the viring of financial contributions between Pooled Funds and Individual Schemes (subject to presentation and approval of a business case by the Partners), in so far as it is permitted to do so and not restricted by any ring fencing or specific conditions which apply to Financial Contributions under consideration for virement. For the avoidance of doubt any proposed virements must be compliant with the virement rules of the Partner organisations.

9 NON POOLED/ALIGNED FUNDS

9.1 Any Financial Contributions agreed to be held within a Non Pooled/Aligned Fund will be notionally held in a fund established for the purpose of commissioning that Service as set out in the relevant

Scheme Specification. For the avoidance of doubt, a Non Pooled/Aligned Fund does not constitute a pooled fund for the purposes of Regulation 7 of the Partnership Regulations.

9.2 When introducing a Non Pooled/Aligned Fund in respect of an Individual Scheme, the Partners shall agree:

9.2.1 which Partner if any shall host the Non-Pooled Fund; and

9.2.2 how and when Financial Contributions shall be made to the Non-Pooled Fund.

9.3 The Host Partner will be responsible for establishing the financial and administrative support necessary to enable the effective and efficient management of the Non-Pooled Fund, meeting all required accounting and auditing obligations.

9.4 Both Partners shall ensure that in the event that any Services are commissioned using a Non Pooled /Aligned Fund these Non Pooled/Aligned Funds will be commissioned solely in accordance with the relevant Scheme Specification and following joint written agreement of both Partners and agreed through the Joint Commissioning Board.

9.5 Where there are Joint (Aligned) Co-Commissioning arrangements, both Partners shall work in cooperation and shall endeavour to ensure that:

9.5.1 the NHS Functions funded from a Non-Pooled Fund are carried out within the CCG Financial Contribution to the Non- Pooled Fund for the relevant Service in each Financial Year; and

9.5.2 the Health Related Functions funded from a Non-Pooled Fund are carried out within the Council's Financial Contribution to the Non-Pooled Fund for the relevant Service in each Financial Year.

10 FINANCIAL CONTRIBUTIONS

10.1 The Financial Contributions from the Partners required for each Individual Scheme in each Financial Year will be dependant upon the allocation of the Better Care Fund funding by NHS England and the agreement of partners on the values of any additional pool contributions, the centrally awarded disabled facilities grant, and the outcomes of budget setting by both partners for 2019/20..

10.2 In subsequent Financial Years, the BCF Partnership Group shall commence discussions in September of each Financial Year in order to make recommendations which will be presented to the Joint Commissioning Board to enable it to agree the Financial Contributions to be made by each Partner to Individual Schemes in the following Financial Year. The Partners shall endeavour to reach agreement on such Financial Contributions via the Joint Commissioning Board by no later than 31st December in the relevant Financial Year in order to enable the Partners to include and reflect their financial commitments, budget adjustments and delivery plans for the Better Care Fund in their annual budget setting process for the following Financial Year.

10.3 The Financial Contributions from the Partners required for each Individual Scheme in each Financial Year will be assumed to be based upon the expenditure incurred by them in relation to those Individual Schemes during the previous Financial Year.

10.4 In the event that the Joint Commissioning Board is unable to agree the contributions to the Individual Schemes and the Pooled Funds in any Financial Year, the matter will be escalated to the Authorised Officers for resolution as between the Partners. If the Partners are unable to agree the Financial Contributions, the dispute resolution procedures in Clause 25 shall be applied.

10.5 The creation of the Better Care Fund Pooled Fund does not remove the statutory duties of the Council's Section 151 Officer and the CCG's Chief Financial Officer to retain accountability and responsibility for their organisation's use of financial resources, including those Financial Contributions made to the Pooled Fund. Apart from Pooled Funds where agreed, health and social care funding will be held by the relevant Partner organisation and may be managed in an aligned way between the Partners in order to facilitate joint approaches by them.

10.6 Financial Contributions will be paid as set out in Schedule 1 and each Scheme Specification.

10.7 With the exception of Clause 13, no provision of this Agreement shall preclude the Partners from making additional contributions of Non-Recurrent Payments to the Pooled Fund from time to time by mutual agreement. Any such additional contributions of Non-Recurrent Payments shall be explicitly recorded in Joint Commissioning Board minutes and recorded in the budget statement as a separate item.

10.8 Each Partner shall bear its own costs of the establishment of the Partnership Arrangements under this Agreement.

11 NON FINANCIAL CONTRIBUTIONS

11.1 Unless otherwise detailed in a Scheme Specification non-financial contributions which include, but are not necessarily limited to, staff (including the Pooled Fund Manager), premises, IT support and other non-financial resources necessary to perform a Partner's obligations pursuant to this Agreement (including, but not limited to, the management of Service contracts and the hosting of a Pooled Fund) will be funded by and remain in the ownership of the contributing Partner. Non-Financial Contributions agreed at the Commencement Date are set out in Schedule 2.

12 RISK SHARE ARRANGEMENTS, OVERSPENDS AND UNDERSPENDS

Risk share arrangements

12.1 The Partners have agreed risk share arrangements as set out in Schedule 4 (Memorandum of Understanding Risk Share) which provides for financial, operational, reputational and quality risks arising in connection with the commissioning of Services from the Pooled Funds.

Overspends in Pooled Fund

12.2 Subject to Clause 12.4, the Host Partner for the relevant Pooled Fund shall manage expenditure from a Pooled Fund within the Financial Contributions and shall ensure that the expenditure is limited to Permitted Expenditure.

12.3 The Host Partner shall not be in breach of its obligations under this Agreement if an Overspend occurs PROVIDED THAT the only expenditure from a Pooled Fund has been in accordance with Permitted Expenditure and it has informed the Joint Commissioning Board in accordance with Clause 12.4.

12.4 In the event that the Pooled Fund Manager identifies an actual or projected Overspend the Pooled Fund Manager must ensure that the Joint Commissioning Board, the Section 151 Officer and Chief Financial Officer, are informed as soon as reasonably possible and the provisions of Part 1 of Schedule 1 "Financial Protocol" and Schedule 3 shall apply.

Overspends in Non Pooled/Aligned Funds

12.5 Where in Joint (aligned) / Co-commissioning Arrangements either Partner forecasts an Overspend in relation to a Partner's Financial Contribution to a Non-Pooled/Aligned Fund that Partner shall as soon as reasonably practicable inform the other Partner and the Joint Commissioning Board. The Lead Officers, listed in Schedule 2, shall also have responsibility for ensuring that any such predicted Overspends are notified to the Accountable Officer of the CCG and the Section 151 Officer for the Council as soon as they are identified in order that each Partner's governing bodies are informed of the position.

12.6 Where there is a Lead Commissioning Arrangement the Lead Commissioner is responsible for the management of the Non-Pooled / Aligned Fund. If the Lead Commissioner forecasts an Overspend in relation to a Non-Pooled / Aligned Fund, they shall as soon as reasonably practicable inform the other Partner and the Joint Commissioning Board.

Underspend

12.7 In the event that expenditure from any Pooled Fund or Non Pooled/Aligned Fund in any Financial Year is less than the aggregate value of the Financial Contributions made for that Financial Year the

Partners shall agree, by means of proposals approved by the Joint Commissioning Board, in accordance with the Financial Governance arrangements at Schedule 1 and the Risk Share arrangements set out in Schedule 4, how the surplus monies shall be spent, carried forward and/or returned to the Partners. Such arrangements shall be subject to the Law and the Standing Orders and Standing Financial Instructions (or equivalent) of the Partners and the terms of the Performance Payment Arrangement.

13 CAPITAL EXPENDITURE

13.1 Neither Pooled Funds nor Non Pooled/Aligned Funds shall normally be applied towards any one-off expenditure on goods and/or services, which will provide continuing benefit to a Partner and which would historically have been funded from the capital budgets of one of the Partners. If a need for additional capital expenditure is identified this must be agreed by the Partners as being a capital cost in accordance with the generally accepted accounting principles of the Partners, and be subject to the same business case justification as for revenue proposals in accordance with the governance procedures set out in this Agreement.

14 VAT

14.1 The Partners shall agree the treatment of the Pooled Fund for VAT purposes and the Host Partner shall ensure the treatment is in accordance with any relevant guidance from HM Customs and Excise.

14.2 The Partners shall agree that subject to clause 14.1 and where appropriate:

i) In considering the VAT regime to be applied to the Pooled Fund they will seek to maximise the recovery of tax incurred; and

ii) They will jointly endeavour to minimise the complexity of VAT and other taxation that applies to the Services or management of Financial Contributions under this Agreement.

15 AUDIT AND RIGHT OF ACCESS

15.1 All Partners shall promote a culture of probity and sound financial discipline and control. The Host Partner(s) shall arrange for the audit of the accounts of the relevant Pooled Fund(s) and make arrangements to certify an annual return of those accounts The Accounts and Audit Regulations 2014.

15.2 All internal and external auditors and all other persons authorised by the Partners will be given the right of access by them to any document, information or explanation they require from any employee, member of the Partner in order to carry out their duties. This right is not limited to financial information or accounting records and applies equally to premises or equipment used in connection with this Agreement. Access may be at any time without notice, provided there is good cause for access without notice.

16 LIABILITIES AND INSURANCE AND INDEMNITY

16.1 Subject to Clause 16.2, and 16.3, if a Partner ("First Partner") incurs a Loss arising out of or in connection with this Agreement or the Services Contract as a consequence of any act or omission of another Partner ("Other Partner") which constitutes negligence, fraud or a breach of contract in relation to this Agreement or a Services Contract then the Other Partner shall be liable to the First Partner for that Loss and shall indemnify the First Partner accordingly.

16.2 Clause 16.1 shall only apply to the extent that the acts or omissions of the Other Partner or anyone acting within its control or on its behalf contributed to the relevant Loss. Furthermore, it shall not apply if such act or omission occurred as a consequence of the Other Partner acting in accordance with the instructions or requests of the First Partner or the Joint Commissioning Board.

16.3 If any third party makes a claim or intimates an intention to make a claim against either Partner, which may reasonably be considered as likely to give rise to liability under this Clause 16. The 16.3.1 as soon as reasonably practicable give written notice of that matter to the Other Partner specifying in reasonable detail the nature of the relevant claim;

16.3.2 not make any admission of liability, agreement or compromise in relation to the relevant claim without the prior written consent of the Other Partner (such consent not to be

unreasonably conditioned, withheld or delayed);

16.3.3 give the Other Partner and its professional advisers reasonable access to its premises and personnel and to any relevant assets, accounts, documents and records within its power or control so as to enable the Indemnifying Partner and its professional advisers to examine such premises, assets, accounts, documents and records and to take copies at their own expense for the purpose of assessing the merits of, and if necessary defending, the relevant claim.

16.4 Each Partner shall:

16.4.1 ensure that they maintain policies of insurance (or equivalent arrangements through schemes operated by the National Health Service Litigation Authority) in respect of all potential liabilities arising from this Agreement; and

16.4.2 where it is the commissioner of Services, use its reasonable endeavours to ensure that Service Contracts contain:

(a) appropriate insurance obligations which as a minimum require the relevant Service provider to obtain and maintain in force, for an appropriate period, policies of insurance which reflect the Service provider's risks under the Services Contract; and

(b) indemnities from the Service provider which provide appropriate protection for both the Partner commissioning the Services Contract, and the other Partner and also for Service Users.

16.5 Each Partner shall at all times take all reasonable steps to minimise and mitigate any loss for which one party is entitled to bring a claim against the other pursuant to this Agreement and in the event of Losses arising, shall seek to recover such Loss through the relevant policy of insurance or equivalent arrangement.

Conduct of Claims

16.6 In respect of the indemnities given in this Clause 16:

16.6.1 the indemnified Partner shall give written notice to the indemnifying Partner as soon as is practicable of the details of any claim or proceedings brought or threatened against it in respect of which a claim will or may be made under the relevant indemnity;

16.6.2 the indemnifying Partner shall at its own expense have the exclusive right to defend conduct and/or settle all claims and proceedings to the extent that such claims or proceedings may be covered by the relevant indemnity provided that where there is an impact upon the indemnified Partner, the indemnifying Partner shall consult with the indemnified Partner about the conduct and/or settlement of such claims and proceedings and shall at all times keep the indemnified Partner informed of all material matters;

16.6.3 the indemnifying and indemnified Partners shall each give to the other all such cooperation as may reasonably be required in connection with any threatened or actual claim or proceedings which are or may be covered by the relevant indemnity.

17 STANDARDS OF CONDUCT AND SERVICE

17.1 The Partners will at all times comply with Law and ensure good corporate governance in respect of each Partner (including the Partners respective Standing Orders and Standing Financial Instructions).

17.2 The Council is subject to the duty of Best Value under the Local Government Act 1999. This Agreement and the operation of the Pooled Fund is therefore subject to the Council's obligations for Best Value and the other Partners will co-operate with all reasonable requests from the Council which the Council considers necessary in order to fulfil its Best Value obligations.

17.3 The CCG is subject to the CCG Statutory Duties and these incorporate a duty of clinical governance,

which is a framework through which they are accountable for continuously improving the quality of its services and safeguarding high standards of care by creating an environment in which excellence in clinical care will flourish. This Agreement and the operation of the Pooled Funds are therefore subject to ensuring compliance with the CCG Statutory Duties and clinical governance obligations.

17.4 The Partners are committed to an approach to equality and equal opportunities as represented in their respective policies. The Partners will maintain and develop these policies as applied to service provision, with the aim of developing a joint strategy for all elements of the service.

17.5 The Partners will make arrangements via the Joint Commissioning Board to ensure that all Service Users are safeguarded and their welfare is promoted in accordance with the respective Partners' legal obligations. The Partners will lead and support the organisation and development of the Herefordshire Safeguarding Children Board and the Herefordshire Safeguarding Adults Board. They will ensure services commissioned have clear safeguarding policies with policies/procedures agreed by the Herefordshire Safeguarding Children Board and the Herefordshire Safeguarding Adults Board.

17.6 Partners will ensure services commissioned adhere to safeguarding policies, and procedures which will be made clear in all Services Contracts. These will be monitored by the Joint Commissioning Board and action will be taken where breaches occur.

17.7 The Partners will also be able to demonstrate in commissioning and/or providing the Services and where required by Law, that they have:

17.7.1 Clear priorities for early intervention, safeguarding and promoting the welfare of children, young people and vulnerable adults in their strategic plans.

17.7.2 A clear commitment by senior managers to the importance of early intervention, safeguarding and promoting children, young peoples and vulnerable adult's welfare and the need to work across organisations to be effective in safeguarding the public.

17.7.3 responsibilities to safeguarding and promoting the welfare of children, young people and adults are integral to each member of staff's work and are integrated into corporate plans.

17.7.4 A culture of listening to and engaging dialogue with children, young peoples and vulnerable adults seeking their views in ways appropriate to their age and competency and taking account of these in individual decisions and the establishment or development and improvement of services

17.7.5 Clear plans (whether corporate or for individual Service Users) which demonstrate that personalised care is central to all clinical or social interventions

17.7.6 Clear lines of accountability and governance across the organisation for the provision of services which take account of early intervention, safeguarding and promoting children, young peoples and vulnerable adult's welfare

17.7.7 Arrangements to work effectively across organisations including clear policies and protocols regarding sharing information to enable staff to safeguarding and promoting the welfare of children, young people and vulnerable adults

17.7.8 Clear policies to safeguard and promote the welfare of children, young people and vulnerable adults including effective complaints policies, whistle blowing policies and procedures for dealing with allegations against a member of staff or volunteers which members of staff/volunteers are made aware of.

17.7.9 clear care pathways and care plans for times of transitions for children/young people and adults who receive treatment both within and outside Herefordshire.

17.7.10 Arrangements to ensure all staff receive the appropriate training (and refresher training) to equip them to carry out their responsibilities with regard to safeguarding effectively.

17.7.11 an effective complaints process in place and available to all staff and Service Users.

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17.7.12 a process for recording incidents, concerns and referrals in relation to children, young people and vulnerable adults and the actions that result from these

18 CONFLICTS OF INTEREST

18.1 The Partners shall comply with the agreed policies for their respective organisations for identifying and managing conflicts of interest as set out in Schedule 8 through the Joint Commissioning Board. Any such conflicts of interest identified will be recorded and referenced in any decision report, and registered within the Partner organisations in accordance with each Partner's governance regulations.

19 GOVERNANCE

19.1 Overall strategic oversight of partnership working between the Partners is vested in the Health and Wellbeing Board, which for these purposes shall make recommendations to the Partners as to any action it considers necessary.

19.2 Governance and oversight in relation to the subject matter of this Agreement will be undertaken by the Joint Commissioning Board which is based on a joint working group structure. Each member of the Joint Commissioning Board shall be an officer of one of the Partners and will have individual delegated responsibility from the Partner employing them to make decisions which enable the Joint Commissioning Board to carry out its objects, roles, duties and functions as set out in this Clause 19 and Schedule 6.

19.3 This Agreement requires Partners to comply with best practice principles in relation to, including but not limited to, decision making, information access, data protection, accountability, transparency and openness.

19.4 The terms of reference of the Joint Commissioning Board shall be as set out in Schedule 6.

19.5 Each Partner has secured internal reporting arrangements to ensure the standards of accountability and probity required by each Partner's own statutory duties and organisation are complied with.

19.6 The Joint Commissioning Board following consultation with the Health and Wellbeing Board (where required) shall be responsible for the overall approval of the Individual Schemes, ensuring compliance with the Better Care Fund Plan and the strategic direction of the Better Care Fund and approval of new Individual Schemes.

19.7 Each Scheme Specification shall confirm the governance arrangements in respect of the Individual Scheme and how that Individual Scheme is reported to the Joint Commissioning Board and Health and Wellbeing Board.

20 REVIEW

20.1 The Partners shall produce a BCF Quarterly Report which shall be provided to the Health and Wellbeing Board in such form and setting out such information as required by National Guidance.

20.2 Save where ,the Health and Wellbeing Board agree alternative arrangements (including alternative frequencies) the Partners shall undertake an annual review ("**Annual Review**") of the operation of this Agreement, any Pooled Fund and Non Pooled/Aligned Fund and the provision of the Services within three (3) Months of the end of each Financial Year. Subject to any variations to this process required by the Joint Commissioning Board, Annual Reviews shall be conducted in good faith and, where applicable, in accordance with the governance arrangements set out in Schedule 6.

20.3 The Partners shall within 20 Working Days of the Annual Review prepare a joint annual report documenting the matters referred to in Clause 20.2. A copy of this report shall be provided to the Joint Commissioning Board.

20.4 In the event that the Partners fail to meet the requirements of the Better Care Fund Plan and NHS England the Partners shall provide full co-operation with NHS England to agree a recovery plan.

21 COMPLAINTS

21.1 Partners agree that they shall apply their own complaints procedures to complaints which they receive in respect of matters which are the subject of this Agreement, however they agree that they shall consult with and assist one another where required in the management of such complaints including those arising from the provision of the Services or the commissioning thereof.

21.2 Complaints will be handled as follows:

21.2.1 where a complaint wholly relates to one or more of the Council's Health Related Functions it shall be dealt with in accordance with the statutory complaints procedure of the Council;

21.2.2 where a complaint wholly relates to one or more of the CCG's NHS Functions, it shall be dealt with in accordance with the statutory complaints procedure of the CCG;

21.2.3 in the event that one Partner receives a complaint about a Service provided by the other Partner through an Individual Scheme included within this Agreement it will raise this with the other Partner for resolution through the other Partner's complaints procedure until such time as a joint complaints system has been put in place;

21.2.4 where a complaint relates partly to one or more of the Council's Health Related Functions and partly to one or more of the CCG's NHS Functions then a joint response will be made to the complaint by the Council and the CCG, in line with local joint protocol which shall be jointly developed by the Partners by 31 March 2019; and

21.2.5 where a complaint cannot be handled in any way described above or relates to the operation of the arrangements made pursuant to this Agreement or the content of this Agreement, and then the Joint Commissioning Board will set up a complaints subgroup to examine the complaint and recommend remedies to the Partners.

21.2.6 complaints received by the Partners in connection with this Agreement and the Services shall be reported to the Joint Commissioning Board.

21.3 The Partners shall each, and shall use their reasonable endeavours to ensure any Provider shall, fully comply with any investigation undertaken by any properly appointed Ombudsman ("the Ombudsman"), including providing access to Information and making staff available for interview.

22 HEALTHWATCH

22.1 The Partners shall co-operate with each other to enable each Partner to comply with its duties under Part 14 of the Local Government and Public Involvement in Health Act 2007 as amended ("2007 Act"). Such co-operation shall include, but shall not be limited to the following:

i. allowing Healthwatch organisations to view and observe the carrying-on of activities on premises within the relevant Partners' control from which the Services are provided;

ii. assisting one another with responding to requests for information made by Healthwatch organisations and making requested information available;

iii. promoting and facilitating the involvement of Service Users, carers and members of the public in decision-making concerning the Partnership Arrangements as may be required by Healthwatch organisations; and .

iv. ensuring that contracts for Services require the relevant Service Provider to co-operate with Health Watch organisations as required.

23 SCRUTINY

23.1 The Partners shall co-operate fully with the Health and Social Care Overview and Scrutiny Committee and shall comply with any reasonable requests for information and reports which are requested by the Committee in fulfilment of their role.

23.2 The Partners acknowledge that the Partnership Arrangements and Services shall be monitored and reviewed by the Health and Wellbeing Board, as well as any properly authorised regulator.

23.3 The Partners will make senior officers available, where reasonably required and subject to reasonable notice having been received, to attend each other's committees and boards with responsibility for the development of policy and the scrutiny of commissioning decisions taken in relation to the Services.

23.4 The Partners will also supply monitoring information for consideration by such committees and boards, and will also comply with any other reasonable request for information from those committees and boards.

23.5 The Partners shall maintain and comply with their own separate whistleblowing policies in regard to this Agreement.

24 TERMINATION & DEFAULT

24.1 This Agreement may be terminated by any Partner giving not less than six 6 Months' notice in writing to terminate this Agreement provided that such termination shall not take effect prior to the termination or expiry of all Individual Schemes

24.2 Each Individual Scheme may be terminated in accordance with the terms set out in the relevant scheme specification provided that the Partners ensure that the Better Care Fund Requirements continue to be met.

24.3 If any Partner ("Relevant Partner") fails to meet any of its obligations under this Agreement, the other Partner may by notice require the Relevant Partner to take such reasonable action within a reasonable timescale as the other Partner may specify to rectify such failure. Should the Relevant Partner fail to rectify such failure within such reasonable timescale, the matter shall be dealt with in accordance with Clause 25.

24.4 Termination of this Agreement (whether by effluxion of time or otherwise) shall be without prejudice to the Partners' rights in respect of any antecedent breach and the provisions of Clauses 16.1.

24.5 In the event of termination of this Agreement, the Partners agree to cooperate to ensure an orderly wind down of their joint activities and to use their reasonable endeavors to minimise disruption to the health and social care which is provided to the Service Users.

24.6 Upon termination of this Agreement for any reason whatsoever the following shall apply:

24.6.1 the Partners agree that they will work together and co-operate to ensure that the winding down and disaggregation of the integrated and joint activities to the separate responsibilities of the Partners is carried out smoothly and with as little disruption as possible to service users, employees, the Partners and third parties, so as to minimise costs and liabilities of each Partner in doing so;

24.6.2 where either Partner has entered into a Service Contract which continues after the termination of this Agreement, both Partners shall continue to contribute to the Contract Price in accordance with the agreed contribution for that Service prior to termination and will enter into all appropriate legal documentation required in respect of this;

24.6.3 the Lead Commissioner shall make reasonable endeavours to amend or terminate a Service Contract (which shall for the avoidance of doubt not include any act or omission that would place the Lead Commissioner in breach of the Service Contract) where the other Partner requests the same in writing Provided that the Lead Commissioner shall not be required to make any payments to the Provider for such amendment or termination unless the Partners shall have agreed in advance who shall be responsible for any such payment;

24.6.4 where a Service Contract held by a Lead Commissioner relates all or partially to services which relate to the other Partner's Functions then provided that the Service Contract allows

the other Partner may request that the Lead Commissioner assigns the Service Contract in whole or part upon the same terms mutatis mutandis as the original contract.

24.6.5 the Joint Commissioning Board shall continue to operate for the purposes of functions associated with this Agreement for the remainder of any contracts and commitments relating to this Agreement; and

24.6.6 Termination of this Agreement shall have no effect on the liability of any rights or remedies of either Partner already accrued, prior to the date upon which such termination takes effect.

24.7 In the event of termination in relation to an Individual Scheme the provisions of Clause 24.6 shall apply mutatis mutandis in relation to the Individual Scheme (as though references as to this Agreement were to that Individual Scheme).

24.8 The duration and exit strategy in relation to any Individual Scheme will be noted within the Scheme Specification

25 DISPUTE RESOLUTION

25.1 In the event of a dispute between the Partners arising out of this Agreement, either Partner may serve written notice of the dispute on the other Partner, setting out full details of the dispute.

25.2 The Authorised Officers of both Partners shall meet in good faith as soon as possible and in any event within seven (7) days of notice of the dispute being served pursuant to Clause 25.1, at a meeting convened for the purpose of resolving the dispute.

25.3 If the dispute remains after the meeting detailed in Clause 25.2 has taken place, the Partners' respective Chief Executives /Chief Accountable Officers or their nominees shall meet in good faith as soon as possible after the relevant meeting and in any event with fourteen (14) days of the date of the meeting, for the purpose of resolving the dispute.

25.4 If the dispute remains after the meeting detailed in Clause 25.3 has taken place, then the Partners will attempt to settle such dispute by mediation in accordance with the CEDR Model Mediation Procedure or any other model mediation procedure as agreed by the Partners. To initiate a mediation, either Partner may give notice in writing (a **"Mediation Notice"**) to the other requesting mediation of the dispute and shall send a copy thereof to CEDR or an equivalent mediation organisation as agreed by the Partners asking them to nominate a mediator. The mediation shall commence within twenty (20) Working Days of the Mediation Notice being served. Neither Partner will terminate such mediation until each of them has made its opening presentation and the mediator has met each of them separately for at least one (1) hour. Thereafter, paragraph 14 of the Model Mediation Procedure will apply (or the equivalent paragraph of any other model mediation procedure agreed by the Partners). The Partners will co-operate with any person appointed as mediator, providing him with such information and other assistance as he shall require and will pay his costs as he shall determine or in the absence of such determination such costs will be shared equally.

25.5 Nothing in the procedure set out in this Clause 25 shall in any way affect either Partner's right to terminate this Agreement in accordance with any of its terms or take immediate legal action.

26 FORCE MAJEURE

26.1 Neither Partner shall be entitled to bring a claim for a breach of obligations under this Agreement by the other Partner or incur any liability to the other Partner for any losses or damages incurred by that Partner to the extent that a Force Majeure Event occurs and it is prevented from carrying out its obligations by that Force Majeure Event.

26.2 On the occurrence of a Force Majeure Event, the Affected Partner shall notify the other Partner as soon as practicable. Such notification shall include details of the Force Majeure Event, including evidence of its effect on the obligations of the Affected Partner and any action proposed to mitigate its effect.

26.3 As soon as practicable, following notification as detailed in Clause 26.2, the Partners shall consult with each other in good faith and use all best endeavours to agree appropriate terms to mitigate the effects of the Force Majeure Event and, subject to Clause 26.4, facilitate the continued performance of the Agreement.

26.4 If the Force Majeure Event continues for a period of more than sixty (60) days, either Partner shall have the right to terminate the Agreement by giving fourteen (14) days written notice of termination to the other Partner. For the avoidance of doubt, no compensation shall be payable by either Partner as a direct consequence of this Agreement being terminated in accordance with this Clause.

27 CONFIDENTIALITY

27.1 In respect of any Confidential Information a Partner receives from another Partner (the "**Discloser**") and subject always to the remainder of this Clause 27, each Partner (the "**Recipient**") undertakes to keep secret and strictly confidential and shall not disclose any such Confidential Information to any third party, without the Discloser's prior written consent provided that:

27.1.1 the Recipient shall not be prevented from using any general knowledge, experience or skills which were in its possession prior to the Commencement Date; and

27.1.2 the provisions of this Clause 27 shall not apply to any Confidential Information which:

(a) is in or enters the public domain other than by breach of the Agreement or other act or omission of the Recipient; or

(b) is obtained by a third party who is lawfully authorised to disclose such information.

27.2 Nothing in this Clause 27 shall prevent the Recipient from disclosing Confidential Information where it is required to do so in fulfilment of statutory obligations or by judicial, administrative, governmental or regulatory process in connection with any action, suit, proceedings or claim or otherwise by applicable Law.

27.3 Each Partner:

27.3.1 may only disclose Confidential Information to its employees and professional advisors to the extent strictly necessary for such employees to carry out their duties under the Agreement; and

27.3.2 will ensure that, where Confidential Information is disclosed in accordance with Clause 27.3.1, the recipient(s) of that information is made subject to a duty of confidentiality equivalent to that contained in this Clause 27;

27.3.3 shall not use Confidential Information other than strictly for the performance of its obligations under this Agreement.

28 FREEDOM OF INFORMATION AND ENVIRONMENTAL INFORMATION REGULATIONS

28.1 The Partners agree that they will each cooperate with each other to enable any Partner receiving a request for information under the 2000 Act or the 2004 Regulations to respond to a request promptly and within the statutory timescales. This cooperation shall include but not be limited to finding, retrieving and supplying information held, directing requests to other Partners as appropriate and responding to any requests by the Partner receiving a request for comments or other assistance.

28.2 Any and all agreements between the Partners as to confidentiality shall be subject to their duties under the 2000 Act and 2004 Regulations. No Partner shall be in breach of Clause 27 if it makes disclosures of information in accordance with the 2000 Act and/or 2004 Regulations.

29 OMBUDSMEN

29.1 The Partners will co-operate with any investigation undertaken by the Health Service Commissioner for England or the Local Government Commissioner for England (or both of them) in connection with this Agreement.

30 INFORMATION SHARING (DATA PROTECTION ACT)

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30.1 The Partners will follow the Information Governance Protocol set out in schedule 9, and in so doing will ensure that the operation of this Agreement complies with Law, in particular the 2018 Act.

Commented [TC2]: Should be up-dated

31 NOTICES

31.1 Any notice to be given under this Agreement shall either be delivered personally or sent by facsimile or sent by first class post or electronic mail. The address for service of each Partner shall be as set out in Clause 31.3 or such other address as each Partner may previously have notified to the other Partner in writing. A notice shall be deemed to have been served if:

31.1.1 personally delivered, at the time of delivery;

31.1.2 sent by facsimile, at the time of transmission;

31.1.3 posted, at the expiration of forty eight (48) hours after the envelope containing the same was delivered into the custody of the postal authorities; and

31.1.4 sent by electronic mail, at the time of transmission and a telephone call must be made to the recipient warning the recipient that an electronic mail message has been sent to him (as evidenced by a contemporaneous note of the Partner sending the notice) and a hard copy of such notice is also sent by first class recorded delivery post (airmail if overseas) on the same day as that on which the electronic mail is sent.

31.2 In proving such service, it shall be sufficient to prove that personal delivery was made, or that the envelope containing such notice was properly addressed and delivered into the custody of the postal authority as prepaid first class or airmail letter (as appropriate), or that the facsimile was transmitted on a tested line or that the correct transmission report was received from the facsimile machine sending the notice, or that the electronic mail was properly addressed and no message was received informing the sender that it had not been received by the recipient (as the case may be).

31.3 The address for service of notices as referred to in Clause 31.1 shall be as follows unless otherwise notified to the other Partner in writing:

31.3.1 if to the Council, addressed to the Director for Adults and Wellbeing

Tel: 01432 260339

Email: awbcommissioning@herefordshire.gov.uk

and

31.3.2 if to the CCG, addressed to The Accountable Officer; Tel:

01432 383308

Email: enquiries@herefordshireccg.nhs.uk

32 VARIATION

32.1 No variations to this Agreement will be valid unless they have been agreed in accordance with the governance process of each Partners' constitution and are then recorded in writing and signed for and on behalf of each of the Partners. A variation template is set out in Schedule 10, and having followed any required governance process of each Partner's Constitution.

33 CHANGE IN LAW

33.1 The Partners shall ascertain, observe, perform and comply with all relevant Laws, and shall do and execute or cause to be done and executed all acts required to be done under or by virtue of any Laws.

33.2 On the occurrence of any Change in Law, the Partners shall agree in good faith any amendment required to this Agreement as a result of the Change in Law subject to the Partners using all reasonable endeavours to mitigate the adverse effects of such Change in Law and taking all reasonable steps to minimise any increase in costs arising from such Change in Law.

33.3 In the event of failure by the Partners to agree the relevant amendments to the Agreement (as appropriate), the Clause 25 (Dispute Resolution) shall apply.

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34 WAIVER

34.1 No failure or delay by any Partner to exercise any right, power or remedy will operate as a waiver of it nor will any partial exercise preclude any further exercise of the same or of some other right to remedy.

35 SEVERANCE

35.1 If any provision of this Agreement, not being of a fundamental nature, shall be held to be illegal or unenforceable, the enforceability of the remainder of this Agreement shall not thereby be affected.

36 ASSIGNMENT AND SUB CONTRACTING

36.1 The Partners shall not sub contract, assign or transfer the whole or any part of this Agreement, without the prior written consent of the other Partners, which shall not be unreasonably withheld or delayed. This shall not apply to any assignment to a statutory successor of all or part of a Partner's statutory functions.

37 EXCLUSION OF PARTNERSHIP AND AGENCY

37.1 Nothing in this Agreement shall create or be deemed to create a partnership under the Partnership Act 1890 or the Limited Partnership Act 1907, a joint venture or the relationship of employer and employee between the Partners or render either Partner directly liable to any third party for the debts, liabilities or obligations of the other.

37.2 Except as expressly provided otherwise in this Agreement or where the context or any statutory provision otherwise necessarily requires, neither Partner will have authority to, or hold itself out as having authority to:

37.2.1 act as an agent of the other;

37.2.2 make any representations or give any warranties to third parties on behalf of or in respect of the other; or

37.2.3 bind the other in any way.

38 THIRD PARTY RIGHTS

38.1 Unless the right of enforcement is expressly provided, no third party shall have the right to pursue any right under this Contract pursuant to the Contracts (Rights of Third Parties) Act 1999 or otherwise.

39 ENTIRE AGREEMENT

39.1 The terms herein contained together with the contents of the Schedules constitute the complete agreement between the Partners with respect to the subject matter hereof and supersede all previous communications representations understandings and agreement and any representation promise or condition not incorporated herein shall not be binding on any Partner.

39.2 No agreement or understanding varying or extending or pursuant to any of the terms or provisions hereof shall be binding upon any Partner unless in writing and signed by a duly authorised officer or representative of the parties.

40 COUNTERPARTS

40.1 This Agreement may be executed in one or more counterparts. Any single counterpart or a set of counterparts executed, in either case, by all Partners shall constitute a full original of this Agreement for all purposes.

41 GOVERNING LAW AND JURISDICTION

41.1 This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in

accordance with the laws of England and Wales.

41.2 Subject to Clause 25 (Dispute Resolution), the Partners irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to hear and settle any action, suit, proceedings, dispute or claim, which may arises out of, or in connection with, this Agreement, its subject matter or formation (including non-contractual disputes or claims).

42 PUBLICITY

42.1 The Partners shall consult one another before making any press announcements concerning the Services or the discharge of either Partner's functions under this Agreement.

43 FAIR DEALINGS

43.1 The Partners recognise that it is impracticable to make provision for every contingency which may arise during the life of this Agreement and they declare it to be their intention to carry out their obligations pursuant to this Agreement in good faith and where possible, without detriment to the interests of either of them. If in the course of the performance of this Agreement, unfairness to either Partner does or may arise then the other Partner shall use its reasonable endeavours, where practicable, to agree upon such action as may be necessary to remove or reduce the cause or causes of such unfairness.

44 INTERNAL APPROVALS

44.1 This Agreement will be ratified on behalf of the CCG by the CCG's Governing Body and on behalf of the Council by Cabinet in accordance with the constitution, standing orders and schemes of delegation in the Partner organisations.

45 RISK AND BENEFIT SHARE ARRANGEMENTS

45.1 The risk share arrangements which apply to the Financial Contributions are detailed in the memorandum of understanding / risk share agreement set out in Schedule 4.

46 REGULATORY REQUIREMENTS

46.1 In the event that there are any specific regulatory requirements in relation to any Individual Scheme these will be noted within the Scheme Specification.

IN WITNESS WHEREOF this Agreement has been executed by the Partners on the date of this Agreement

Signed for on behalf of **THE COUNTY OF HEREFORSDHIRE DISTRICT COUNCIL**

PRINT NAME:…….

JOB TITLE:……..

DATE:……..

Signed for on behalf of **HEREFORDSHIRE CLINICAL COMMISSIONING GROUP**

PRINT NAME:…….

JOB TITLE:……..

DATE:……..

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SCHEDULES

SCHEDULE 1 FINANCIAL CONTRIBUTIONS AND FINANCIAL GOVERNANCE
SCHEDULE 2 NON FINANCIAL RESOURCES
SCHEDULE 3 SCHEME TEMPLATE AND SCHEDULES
SCHEDULE 4 RISK SHARE
SCHEDULE 5 JOINT WORKING OBLIGATIONS
SCHEDULE 6 PERFORMANCE ARRANGEMENTS
SCHEDULE 7 BETTER CARE FUND PLAN 2019/20
SCHEDULE 8 POLICY FOR THE MANAGEMENT OF CONFLICTS OF INTEREST
SCHEDULE 9 INFORMATION GOVERNANCE PROTOCOL
SCHEDULE 10 VARIATION TEMPLATE

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Section 75 Agreement Finance Summary 2019/20 Budget	Draft Budget Values £'000
Spending on Social Care Services (PASC)	5,339
NHS Commissioned Out of Hospital Care	7,079
Disabled Facilities Grant (Capital)	1,853
Total Pool 1- Mandatory Better Care Fund Contributions	**14,272**
Herefordshire CCG Funded Packages	9,564
Herefordshire Council Funded Packages	21,359
Total Pool 2- Additional Better Care Fund Contributions	**30,923**
Improving Integrated Commissioning Capacity	238
Meeting Adult Social Care Needs	3,751
Reducing Pressures on the NHS including Supporting Hospital Discharge	1,212
Supporting Local Social Care Provider Market	501
Total Pool 3- Improved Better Care Fund (IBCF)	**5,703**
Childrens' Commissioning Unit	80
Childrens' Complex Needs Solutions	3,493
Childrens' Safeguarding Board	214
Total Pool 4- Childrens' Services	**3,787**
Integrated Community Equipment Store	1,000
Total Pool 5- Integrated Community Equipment Store	**1,000**
Total Section 75 Agreement	**55,685**

2019/20 s75 Agreement Opening Budget		
Scheme ID	**Pool 1- BCF Minimum Mandatory Funding** **Spending on Social Care Services (PASC)**	**Draft Budget Value** £,000
1	Community Equipment and Adaptations	200
10	Occupational Therapy	137
11	Emergency Respite	131
12	AWB Brokerage Function	193
13	Carers Support Services	200
14	Deprivation of Liberty Safeguarding (DoLS) Assessments	505
16	Care Home Placements	939
17	Integrated Commissioning Posts	104
22	Advocacy	150
24	Adults Safeguarding	103
25	Homelessness Discharge & Prevention	88
29	Falls First Response Service	41
31	Carers Support	50
38	Home First Service	1,152
39	ART Duty & Hospital Liaison Team	308
40	Discharge to Assess Beds	983
43	Integrated Discharge Lead	27
44	Integrated Quality Analyst	29
	Sub Total- Spending on Social Care Services (PASC)	**5,339**

Scheme ID	Pool 1- BCF Minimum Mandatory FundingNHS Commissioned Out of Hospital Care	Draft Budget Value £,000
27	Integrated Community Care (Community Health Services)	5,115
29	Falls First Response service	123
36	Acorns Childrens Hospice	30
37	St Michael's Hospice Carer's Support	247
41	Virtual Ward / Hospital at Home	1,564
	Sub Total- NHS Commissioned Out of Hospital Spend	**7,079**

Scheme ID	Pool 1- BCF Minimum Mandatory Funding Disabled Facilities Grant (Capital Funding)	Draft Budget Value £,000
33	Disabled Facilities Grant	1,853
	Total BCF Capital	**1,853**

	Total Pool One- Mandated Revenue & Capital Allocations	**14,272**

Scheme ID	Pool Two- Additional Contribution to BCF Care Home Market Management	Draft Budget Value £,000
34	Care Home Market Management CCG contribution	9,564
34	Care Home Market Management LA contribution	21,359
	Total Pool Two- Care Home Market Management	**30,923**

Scheme ID	Pool Three- Improved Better Care Fund (IBCF)	Draft Budget Value £,000
101	BCF Performance / Contract Management	30

102	Digital Delivery Programme Manager	59
103	BCF Project Management Support	41
104	BCF Joint Strategic Finance Lead	93
105	BCPG Minor Investments	15
106	Interim Strategic System Evaluation	0
201	Meeting ASC Needs- Care Packages	819
202	Meeting ASC Needs- LD Placements	350
203	Meeting ASC Needs- Operational Staffing	1,000
204	Stabilising the Provider Market- Nursing Home Placements	624
205	Stabilising the Provider Market- Packages for Vulnerable Groups	480
206	AWB Professional Standards Leads	93
207	Housing Support Role	47
208	Night Care Team	0
209	Community Catalyst	13
212	Special Assessments Team	232
213	Additional WISH Posts	70
214	ART Customer Services Officer	24
301	Community Based Anticipatory Care Planning	48
302	Expansion of Rapid Response Service	292
303	Enhancing Adults Wellbeing Pathway Roles	155
304	Admiral Dementia Nurses	135
307	Hospital Discharge Facilitation	96
309	Additional Community Brokers	70
311	Increase Home Care Capacity	100

312	Additional Staff for Shaw D2A Beds	100
313	Trusted Assessors	118
314	Social Care Urgent Care Staff	98
401	Clinical Professional Standards Lead	42
403	Care Workforce Development Programme	32
404	Improving Quality of Care in Care Homes	377
	Balance of Unallocated Funding	50
	Total Pool Three- IBCF	**5,703**

Scheme ID	Pool 4- Childrens Services	Draft Budget Value £,000
4a	Children's Commissioning Unit- CCG Contribution	40
4a	Children's Commissioning Unit- Council Contribution	40
4c	Children's Complex Needs Solutions- CCG Contribution	499
4c	Children's Complex Needs Solutions- Council Contribution	2,994
4d	Children's Safeguarding Board- CCG Contribution	80
4d	Children's Safeguarding Board- Council Contribution	134
	Total Pool 4- Children's Services	**3,787**

Scheme ID	Pool 5- Integrated Community Equipment Store (ICES)	Draft Budget Value £,000
5a	ICES- CCG Contribution	650
5b	ICES- Council Contribution	350
	Total Pool 5- ICES	**1,000**

	Section 75 Agreement- Summary of Pool Balances	Draft Budget Value
		£,000
	Total Pool One- BCF Minimum Mandatory Funding	14,272
	Total Pool Two- BCF Additional Contribution	30,923
	Total Pool Three- Improved Better Care Fund	5,703
	Total Pool 4- Children's Services	3,787
	Total Pool 5- Integrated Community Equipment Store	1,000
	Total Section 75 Agreement Funding	55,685

Herefordshire Council

Meeting:	**Cabinet**
Meeting date:	**Thursday 28 February 2019**
Title of report:	**Approval for Herefordshire Adoption Service to join Adoption Central England (ACE) regional adoption agency**
Report by:	**Cabinet member children and families**

Classification

Open

Decision type

Key

This is a key decision because it is likely to be significant having regard to: the strategic nature of the decision; and / or whether the outcome will have an impact, for better or worse, on the amenity of the community or quality of service provided by the authority to a significant number of people living or working in the locality (two or more wards) affected.

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

(All Wards);

Purpose and summary

To approve a decision that Herefordshire join Adoption Central England (ACE) regional adoption agency (RAA) jointly with Warwickshire, Solihull, Coventry and Worcestershire local authorities in accordance with central government expectation that all local authorities are part of a RAA by 2020.

Further information on the subject of this report is available from
Gill Cox, Tel: 01432 383738, email: Gill.Cox@herefordshire.gov.uk

Recommendation(s)

That:

(a) Herefordshire adoption service joins Adoption Central England (ACE) regional adoption agency with effect from 1 July 2019; and

(b) the Director of Children and Families be authorised to take all operational decisions necessary to complete the partnership and hosting legal agreements with ACE.

Alternative options

1. Do nothing. The Department for Education published 'Regionalising adoption' in June 2015 and 'Adoption: A vision for change' in March 2016, outlining plans to radically redesign the whole adoption system - the structures, systems and workforce. In order to deliver their vision new service models were proposed, delivered through Regional Adoption Agencies (RAAs) and voluntary adoption agencies (VAAs) working together to deliver adoption services. All councils are required to be part of a RAA, or to have delegated their adoption functions to a RAA by 2020. If we do not join an RAA the available pool of adopters available to match children from Herefordshire with is likely to reduce resulting in potential delay for children and financial and reputational risk for the council.

2. Join a different RAA. Gloucestershire and South Gloucestershire are both part of Adoption West RAA. It is not proposed that we join this RAA as these counties are not part of the West Midlands region and increasingly children's social care are working collaboratively with other authorities in the region on a range of issues. Powys and Monmouthshire are both in Wales which operates a different legal framework to England. Shropshire are part of a joint service with Telford and Wrekin, Stoke and Staffordshire councils. It could be an option to apply to join this RAA however Herefordshire has worked closely with Worcestershire for many years and demographics are more similar to the ACE councils.

Key considerations

3. In "Adoption: A vision for change" the government established its vision for adoption services which included:

    a. Decisions about placements are always made in children's best interests
    b. Service delivery has at its heart innovation and practice excellence
    c. Social workers are highly skilled professionals who make high quality, evidence based decisions and do not tolerate damaging delay for children in their care.
    d. Matches are made without unnecessary delay.
    e. Every adoptive family has access to an ongoing package of appropriate support with a right to a high quality, specialist assessment of need.
    f. The voice of adopters and their children is at the heart of national and local policy decision making and delivery of services.

4. The government's view is that to achieve this vision adoption services need to operate on a sufficient scale. Most local authorities have quite small adoption teams and so the requirement is to form or join a regional adoption agency.

5. Herefordshire has a long established relationship with Worcestershire adoption service and our local authorities have worked jointly to deliver training for adopters and exchanged adoption placements for many years to mutual benefit.

6. ACE is a collaboration of Warwickshire, Coventry, Solihull and Worcestershire local authorities and is hosted by Warwickshire. These local authorities are largely similar in demographics to Herefordshire and enable the existing positive relationship with Worcestershire to be further developed. Performance data on ACE has not yet been published but Warwickshire have been assessed by OFSTED as having a "good" adoption service in July 2017.

7. ACE went "live" as a service in February 2018. They operate a "hub and spoke" model of service where recruitment and assessment work is held in the hub in Warwick and each local authority has its own "spoke" based in the locality which is responsible for family finding and post-adoption support services. It is expected that Herefordshire would join this model of service delivery although it is acknowledged that due to the large geographical area it will be necessary to have a "sub-hub" in Worcester. This will be further explored during implementation planning.

8. Preliminary meetings have been held with ACE to understand their service model and whether it would be in the best interests of Herefordshire's children to be part of ACE. We have completed an initial application which was considered by ACE Board on 23rd October 2018. The board agreed that Herefordshire could join the service subject to approval by their respective authorities.

9. ACE has an aim to deliver excellence in practice through innovation and stakeholder engagement to become an adoption service that is "Better than the Best". The primary function for ACE will be to achieve permanence for children with a particular focus on enabling a wider range of children to access adoption and it will support local authorities in their permanence decision making and practice in accordance with an agreed service specification.

10. The Hub and Spoke design reflects the two aspects of adoption practice primarily the recruitment of adoptive families, through a central Hub and secondly, the delivery of services to children with an adoption plan and adoptive families, through Spokes that are located in each of the local authorities. The adoption social workers within the Spoke will work closely with the social workers within the local authorities to ensure the timely and smooth transition of children to adoption.

11. Staff will be supported to work flexibly. Each will have a designated base but will be able to access any of the Spokes, the Hub or work flexibly from other bases dependent on their work at any given time.

12. ACE is governed by an Executive Board made up of senior representatives from each of the council's who have equal voting rights. The Executive Board is the key decision making body of ACE and has strategic oversight of the operation of ACE, including reviewing and endorsing the budget. Members of the Board make decisions on behalf of their respective council's and report back to their own organisation through their respective governance arrangements. Under the National Minimum Standards for Adoption there is a requirement for the council's Executive to receive an annual report regarding the management, outcomes and financial state of the Adoption Service and this will continue if we join ACE.

13. The Executive Board is supplemented by a Practice and Stakeholder Panel whose primary function is to develop good practice and joint working between the local

authorities and stakeholders, as well as making recommendations in relation to the performance of ACE and reviewing and endorsing proposals produced by the ACE Lead Manager. The Panel includes senior officers from each of the authorities along with key stakeholders. Herefordshire would have representatives on both the Executive Board and Practice and Stakeholder Panel.

14. The OFSTED inspection in June 2018 identified several areas of good practice in Herefordshire's adoption service including timeliness of adoption decisions, matching decisions and post adoption support. The service benefits from an experienced staff group who initially would be seconded to ACE. ACE currently operates by partner local authorities seconding staff however the ACE board is considering whether staff should be employed via Warwickshire through TUPE arrangements in the future. Herefordshire's Human Resources team will work closely with Warwickshire to support staff to understand the implications for them and to transition to new working arrangements.

15. Children with a plan of adoption often need to be placed out of area to ensure that they are safeguarded from their birth family. In Herefordshire this poses a particular challenge with the main city being the focal point for the County. Therefore it had become common practice for us to exchange adopters with Worcestershire and other neighbouring authorities. As all of our neighbouring authorities are now part of a RAA they are now exchanging adopters within their own RAA leaving Herefordshire with no option but to purchase adoptive placement through a Voluntary Adoption Agency when a suitable match is not available with Herefordshire adopters. This is now reducing the choice of adopters available for Herefordshire children and adding an additional financial burden to the service. Joining ACE would resolve this issue increasing the range of adopters available and enable better matching for children.

16. Herefordshire will no longer require its own Adoption panel if we join ACE. Instead these functions will be managed by ACE adoption panels. Existing Herefordshire panel members will be given the opportunity to join the central panel list for ACE and suitable representation on the panel from Herefordshire residents and professionals will continue.

17. An implementation plan has been prepared setting out a timeline for the tasks relating to governance, legal, ICT, human resources, practice, premises, infrastructure, commissioning, workforce development, performance and communications and this work will be overseen by the project group consisting of relevant personnel from Herefordshire council and ACE.

Community impact

18. It is a council priority to "keep children and young people safe and give them a great start in life". Enabling children who cannot be safely cared for by their family to benefit from early permanency via adoption is part of achieving this.

19. Any arrangements will comply with the code of corporate governance and the partnership arrangements will comply with the principle of transparency and accountability.

20. The Corporate Parenting strategy includes objectives of ensuring that children achieve permanency as soon as they can and this can only be achieved with an effective adoption service working jointly with our children's social workers to assess and find forever families for children. The annual report on the adoption service will continue to be presented to Cabinet and the Corporate Parenting panel on an annual basis to ensure that the service delivers outcomes for children.

Equality duty

21. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

    A public authority must, in the exercise of its functions, have due regard to the need to -

    eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;

    advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

    foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

22. The public sector equality duty (specific 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. Our providers will be made aware of their contractual requirements in regards to equality legislation and the existing partnership and hosting agreement for ACE already incorporates commitments to equality and diversity that meet the equality duty. This agreement will be revised and updated if Herefordshire council joins ACE

Resource implications

23. ACE local authorities agreed to a transitional funding agreement of contributing existing in scope costs to the service from 1st February 2018 to 31st March 2019. These are set out in the table below. The ACE board meeting on the 31st January 2019 will agree funding contributions for 2019/20 but aim to move towards an agreed funding formula.

Parties	Per Annum Funding Contribution (£)
Coventry City Council	923,500
Solihull MBC	£445,000
Warwickshire County Council	943,000
Worcestershire County Council	£1,065,500
Total	£3,377,000

24. Current budgeted spend for adoption services during 2019/20 is £653,867 and there is no proposal that this changes if Herefordshire joins ACE. It is proposed that Herefordshire contribute funding of £494,747 for 2019/20 to ACE. Our adoption service currently provides functions that are not included within the ACE specification and therefore resource of £159,120 will be retained by the local authority to ensure these functions continue.

25. The gap between current adoption service resource and funding to ACE would be used to carry out functions currently completed by our adoption service that would not be

covered by ACE e.g. Child and Adolescent therapist preparing children for adoption, quality assurance of adoption reports, tracking of children with a plan for adoption, matching of children who are not "hard to place" and support and quality assurance of adoption support plans.

26. It is therefore proposed that three posts from our existing adoption team are not seconded to ACE but are moved to work within our Child Protection and Court teams with specific functions to support the work related to children with a plan for adoption. The posts retained would be one social worker, one family support worker and one child and adolescent therapist.

27. ACE have a funding formula within their existing Partnership and Hosting Agreement which has been shared with us but not yet applied to the service. Having applied this formula to our circumstances we would expect our contribution to be circa £400,000 per annum. It is anticipated that this funding formula will be reviewed and refined at the next Board meeting on 31st January 2019.

28. In the last three years we have been net purchasers of inter-agency placements as set out in the table below. We currently have a budget of £135,000 allocated for inter-agency placements within our adoption service. This budget is increasingly under pressure as we have to purchase inter-agency placements from Voluntary Adoption Agencies if there is no suitable match with a Herefordshire adopter. If we join ACE it is anticipated that this cost pressure will end as we will have access to a choice of adopters across the ACE region and so should only have to seek placements outside of ACE on a very exceptional basis for children with very specific needs.

Financial Year	Spend	Income placements	Expenditure placements
14/15	-47,826.00	6	4
15/16	150,875.67	0	7
16/17	124,029.00	5	10
17/18	147,552.00	4	10

29. If ACE is successful in delivering an effective "Better than the Best" service then it will produce savings in the longer term, through a combination of a) reducing the unit cost per adoption, b) increasing the number of adoptions per year, and c) increasing the speed of adoption. The latter two would result in savings in the local authority's fostering placement budget.

30. The Department for Education will award an implementation grant of £60k upon receipt of an appropriate application. ACE Executive Board have been clear that they would not be willing to meet any direct costs arising from Herefordshire joining ACE. The main costs are likely to arise in relation to ICT hardware and installation costs and legal cost which the implementation grant should be sufficient to cover. The time and resource of relevant personnel in achieving successful implementation will be available from ACE and Herefordshire.

Legal implications

31. The Adoption and Children Act 2002 provides the duty on councils to maintain an adoption service in their area.

32. The Children and Families Act 2014 allows for the Secretary of State by order to require all councils in England to make arrangement for some specified functions to be carried out on their behalf by one or more other adoption agency.

33. Further the Education and Adoption Act 2016 enables the Secretary of State to require councils to make arrangements for their adoption functions to be carried out by a Regional Adoption Agency.

34. The proposal enables the council to retain its adoption functions whilst having the advantages that a regionalised approach to adoption work provides.

35. Legal services will provide ongoing advice in respect of any TUPE implications of the recommendations.

Risk management

36. There is a risk that ACE does not perform to expectations. This risk will be mitigated by robust business and performance management through the governance structure as detailed in paragraphs 12 and 13 above.

37. There is a risk that ACE and children's social care do not work effectively together resulting in drift and delay for children. The staff working in the spoke will continue to be co-located with children's social care ensuring daily communication and joint working between the services continues. Clear procedures for tracking children and communication between services will be established. Clear procedures and protocols have already been established in ACE and Herefordshire can benefit from this work having already been undertaken and will work during the implementation phase to align our existing working practices to minimise any disruption to service delivery.

38. Our existing experienced staff group may not wish to be seconded to ACE and may obtain alternative employment. We will work with colleagues in Human Resources in Herefordshire and Warwickshire to ensure the staff group are kept fully informed and are involved during the implementation phase so that they can be offered as much reassurance as possible about their terms of employment and expectations to minimise the risk of staff leaving. If staff vacancies do arise then Warwickshire will recruit on their terms and conditions and Herefordshire would promote opportunities locally.

39. There is a risk that the costs of being part of ACE would escalate. Each Local Authority who is part of ACE have already made commitments that service costs will be maintained at existing levels and any cost pressures will be managed within the service. This will not change if Herefordshire joins but any risk will be mitigated by a robust financial agreement that includes long term funding arrangements as stipulated in a Partnership and Hosting agreement. There could be some initial set up cost pressures if the implementation grant is insufficient to cover the costs for Herefordshire and ACE.

40. There is a risk that ACE does not recruit and assess sufficient adopters to meet the needs of children placing a budget pressure on the inter-agency budget of the service.

This will be mitigated by an active focus on recruitment and assessment, forward planning and robust oversight by the Executive board and Practice and Stakeholder panel.

Consultees

41. ACE management board considered and agreed a proposal that Herefordshire join the service on 23rd October 2018. This recommendation is now being taken through appropriate decision making processes in each of the local authorities that are part of ACE.

42. The proposals have been circulated to political group leaders. A response was received from group leader for the Green Party who indicated the group's support for the proposal and that the uncertainty regarding arrangements for joining a regional adoption agency has now been resolved.

Appendices

Appendix 1 – ACE service specification

Background papers

None identified

Service Specification

CONTENTS

1. Introduction

1.2- 1.3 Statutory Requirements and Service Provision

1.4 Service Collaboration and Rationale

1.5-1.6 ACE Service Principles, Vision and Values

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1.8 ACE Service Delivery

1.9 – 1.10 Contract Monitoring & Ofsted inspections

Part 2. The Adopter

Part 3. Adoption Support Services

Part 4. Special Guardianship Arrangements

Part 5. Access to files and records

Part 6. Independent adoption support service for Birth Parents

Part 7 Intermediary Services

Part 8. Non-agency (step- parent) adoptions

Part 9. Inter country adoptions

1. Introduction

The provision of adoption services is the function of a complex system involving a number of agencies. Each part of the system has to play its role and to work collaboratively with the others in order to deliver positive outcomes for children. This document sets out the respective responsibilities of each agency through agreement by all partners involved in the creation and delivery of Adoption Central England (ACE).

1.2 Statutory Requirements and Service Provision

The Adoption and Children Act (2002) places a statutory requirement for all partners in ACE (Adoption Central England) to:

(i) Recruit, assess and support prospective adopters. Undertake annual reviews as required

(ii) Work in partnership with the child's social worker to seek a permanent placement for the child through adoption

(iii) Work in partnership with the child's social worker to support and plan for children who have a twin track plan of adoption

(iv) Assess and support parents/partners and family relatives who wish to adopt a child on a non-agency basis and foster carers who are seeking to adopt the child in their care

(v) Assess and support those adults who are seeking to adopt from another country (inter-country adoption) and provide the ongoing support and reports as required

(vi) Provide advice, counselling and information to adopted adults post 18 years

(vii) Provide independent support to birth parents involved in proceedings and beyond

(viii) Administer and support Adoption Panels to recommend the approval of prospective adopters.

(ix) Provide professional advice on best practice and regulations to agency decision maker

(x) Deliver training to all stakeholders involved in adoption including social workers, adoption panel members, adoptive parents and special guardianship order holders

(xi) Ensure a quality assurance role across all services/teams involved in adoption within the region.

1.3 In addition, ACE partners agree to provide the following:

(i) Complete assessments for adoption support services

(ii) Commissioning of /or supporting adoptive parents and children to access specialist support as determined by an assessment of need

(iii) Signpost and support adopters to access Early Help, Children in Need, Children and Families (including Safeguarding) Services as appropriate

(iv) Develop, manage and provide a range of adoption support services including therapeutic interventions

(v) Provide advice on therapeutic approaches on local authority assessments of families where there are children subject to Special Guardianship Orders. This is done by delivering or commissioning therapeutic interventions

(vi) Provide support services for special guardians excluding supervised direct contact and assessment of need for SGO support

(vii) Operate an adoption duty service during office hours across the region, provide advice and consultation on the full range of adoption related matters

(viii) Provide specific services to adopted children to meet identified assessed needs

(ix) Promote the delivery of early permanence placements

(x) Deliver a Letterbox Exchange Service/Keeping in Touch Service

(xi) Provide an adoptive family finding service

(xii) Increase the opportunities for children to be adopted who are sibling groups, older children and children with additional needs and a plan of adoption to be placed with an adoptive family

(xiii) Track children with a potential or actual adoption plan and reports on adoption and timelines of adoption services against national and local indicators

1.4 Service Collaboration and Rationale

Warwickshire County Council acts as the host authority for the Regional Adoption Agency and brings together the Local Authority adoption services and Voluntary Adoption Agency partners under a Partnership and Hosting agreement of the following authorities:

Coventry City Council

Solihull Metropolitan Borough Council

Warwickshire County Council

worcestershire county council

1.5 ACE Service Principles, Vision and Values

ACE is committed to upholding the principles and values agreed by the ACE Board which ensures an innovative adoption service that is 'better than the best'

ACE principles and how we put into practice:

(1) Achieve permanence for children is the primary function of ACE.

We help achieve permanence for children by:

- tracking children from point of concern to permanence as stipulated in the pathways document
- recruiting adopters who can meet the needs of the children with adoption plans (specifically older children, sibling groups and children with additional challenges)
- offering high quality support to adopters and carers and all parties involved with the child.

(2) Children's needs always come first.

Systems and practice always have children's interests and needs as the first priority.

(3) Provides the highest quality adoption service, which draws on best practice from each component partner, making the ACE service one that is 'Better than the Best'.

We ensure a culture of continuous challenge, innovation and improvement. We use research, academic input and stakeholder views and experiences, combined with rigorous performance and quality assurance systems. This includes a comprehensive approach to therapeutic parenting.

(4) Is led by its stakeholders.

Key stakeholders (local authorities, VAAs, staff, adopters, and adoptees) all have a strong voice and role in developing the organisation. There is input from birth parents and relevant professionals. We work collaboratively with adopters where possible and extend volunteering and employment opportunities for adopters.

(5) Covers parties affected by adoption and special guardianship, and is accessible to all parties (adopters, adoptees, birth families, SGO carers and children in their care) throughout childhood and beyond if needed.

The agency provides a comprehensive range of services in relation to adoption and permanence for children, throughout their childhood and beyond if needed.

(6) Achieves value for money. This includes making use of modern technology to be effective and efficient.

We design and continually improve services to make sure ACE provides value for money. We use modern technology to support communication with stakeholders, and to enable efficient processes and practice in the agency.

(7) Works jointly with other organisations and Regional Adoption Agencies where this improves services.

This may include commissioning or delivering training across the whole of the West Midlands, and includes linking closely with the National and Local Adoption Leadership Boards.

(8) **Communicates in plain English.**

We take care in all of our communications to avoid jargon, ensure accessibility and use plain English.

1.6 ACE Vision

ACE provides an innovative service to children, adoptive families and others affected by adoption. This is by offering lifelong support based on up-to-date evidence based practices and interventions and supported by modern technology.

To be better than the best and deliver better outcomes for:

CHILDREN

- Have a strong sense of their identity and improved wellbeing
- Decisions are made in their interest as early as possible
- Experience secure family lives and a sense of wellbeing

ADOPTERS

- Are prepared to meet the needs of children in the long term
- Are resilient and able to support their adopted children
- Are able to seek help and are supported in the right way at the right time

BIRTH PARENTS

- Are able to support their child's identity development
- Are less likely to have children taken from their care in future
- Experience improved health and wellbeing through participating in the adoption process

ORGANISATION

- ACE is a well respected brand and a centre of excellence
- ACE involves and thinks ahead to meet the needs of all service users
- Delivers efficient, value for money services
- ACE has a united approach, that recognises local and regional needs and integrates with case holding local authorities

1.7 Eligibility Criteria

ACE is responsible for providing or commissioning services to:

- Children who require adoption
- Adults who wish to adopt
- Adoptive families approved by the service
- Adoptive families living in the region eligible for adoption support services
- Adopted adults
- Birth family members and others who require the Letterbox Exchange Service/Keeping in Touch Service
- Birth parents and former guardians eligible for independent adoption support services
- Intermediary services where adopted adults wish to have direct contact with their birth family and a tracing service
- Overseas adoption
- Non-Agency (step parent) adoptions
- Foster carers who are seeking to adopt the child in their care
- Eligible adoptive families living in the region, currently 3 years after adoption order is made
- Eligible special guardianship order holders and children requiring a therapeutic intervention or other specialist service based upon assessment of need completed by the local authority.

1.8 ACE Service Delivery

(1) ACE at all times places the needs of children, young people, prospective and approved adopters at the heart of service delivery

(2) ACE maintains a system that ensures involvement in service design and delivery, as well as in decision making.

(3) ACE operates on a full time basis providing core services flexibly, as required according to the needs of all users.

(4) ACE at all times is sufficiently resourced to fulfil its statutory duties as an adoption agency, as well as any specific requirements, targets and outcomes of this specification

(5) ACE maintains an appropriately qualified and skilled workforce that is sufficient to fulfil all of its statutory duties as an adoption agency, as well as any specific requirements, targets and outcomes of this specification

(6) ACE has in place a detailed contingency plan to deal with workforce absence caused by planned leave, sickness and vacancies that is cost effective and causes minimum disruption to service delivery

(7) ACE complies with safe employment practices

(8) ACE maintains a system for the management of complaints and representations that complies with statutory standards for timeliness, transparency and information sharing

(9) ACE maintains a system for data protection and handling that complies with the Data Protection legislation.

1.9 Contract Monitoring

ACE provides quarterly data submissions and associated reports to the Board as agreed in the governance structure. Additionally, in accordance with the terms of reference of the Board, ACE is responsible for conducting an annual review of the quality of the service it provides and also produces a bi-annual report for the local authorities in line with regulatory requirement.

Mechanisms to monitor the quality and outcomes of the service include:

- Effective line management, supervision, support and training of staff employed by the service
- A set of regional policies, procedures and practice standards
- A range of methods to obtain feedback on the functioning of the regional service from service users, local authorities and other stakeholders
- Systems to audit the performance of the service against performance indicators and compliance with legislation and standards
- system to monitor and manage complaints against the service

1.10 Ofsted Inspections

ACE complies with the inspection regime in place.

2. Service area responsibilities

Part 1. The Child

Service Area	Responsibility of (Child's) Local Authority	Responsibility of ACE	Notes/Areas to develop
1.1 Case management responsibility	The local authority (LA) retains case management responsibility for the child until the making of the Adoption Order. The local authority is responsible for all statutory functions including, but not limited to: ● Statutory visits to the child. ● Management and supervision of contact between child and family members. ● Supervision, administration and finance of foster placements and communication with foster carers (including Fostering for Adoption placements).	ACE provides specialist advice and support to assist LA staff to fully understand the adoption process, influencing and promoting best practice.	The statutory visits and other work **may** be undertaken by ACE on the LA's behalf. Where such agreements are made, this should be put in writing or included in plans shared by all parties and authorised by the line manager in ACE.
1.2 Early identification of children requiring adoption	The LA is responsible for identifying, at the earliest possible stage, children who may require adoption; making them and their needs known to ACE; providing relevant and timely information in the agreed format.	ACE tracks all children identified as possibly requiring adoption. Children with more complexities are allocated an individual worker. ACE develops working practices with each LA to ensure close involvement in care planning in order to assist with the earliest identification and to provide	ACE and the LAs will jointly agree how ACE will connect with the LAs' care planning processes.

		external challenge. Staff from ACE are involved in identifying children and promoting early permanence. Representatives of ACE attend meetings in each local authority (such as legal gateway meetings, looked after review meetings, care decision meetings etc.) to better understand the needs of the children who may require adoption and, where appropriate, to begin to identify suitable adopters at an early stage.	
1.3 Tracking of children requiring adoption.	The LA retains a responsibility for tracking the progress of children in care proceedings or looked after under section 20 Children Act 1989. By this, up-to-date knowledge of their potential need for an adoption placement is maintained. The LA utilises the ACE tracking system for this purpose and must support ACE's ability to effectively track by providing and maintaining accurate and timely data.	ACE promotes early permanency practice. ACE actively tracks all children who require a plan for adoption, a contingency plan or for whom initial information indicates that adoption may be required, using the tracking data base or the host's case recording system. ACE enables a designated person in each LA to have direct access to their child data and the anonymised full data set. ACE ensures that children with potential, or actual adoption plans, are logged onto the tracking system.	ACE will agree with each LA a process to regularly obtain the information.
1.4 Range of decision	**Should be placed for adoption decision** The Agency Decision Maker (ADM) in each	ACE supports the 'should be placed for adoption' decision making process as	As required ACE can give advice where the

making for permanence	LA is responsible for the 'should be placed for adoption' decision. The LA undertakes a regular review of this decision and associated plans and keeps the family finder in ACE informed of changes in the required format for the tracker. The LA is responsible for quality assuring the paperwork required by the ADM.	requested, particularly in the provision of information relating to the availability of adopters. The aim is to provisionally match the child with a potential adopter prior to the 'should be placed for adoption' decision and, where this is not possible, advise the Agency Decision Maker as to whether to commence an individual recruitment campaign in addition to national searches.	ADM is considering the 'should be placed for adoption' decision.
	The matching decision The LA Agency Decision Maker, having considered the papers and the ACE panel recommendations, makes the matching decision. The LA Agency Decision Maker plans dates for decision making meetings in advance. The LA is responsible for quality assuring the paperwork required by the ADM.	ACE provides the LA Agency Decision Maker with the matching panel paperwork and recommendations.	Panel and ADM meetings and processes need to be closely co-ordinated to meet timescales and ensure all relevant information is available. As required ACE can give advice where the ADM is considering matching decision.
1.5 Family Finding Process	The LA seeks court permission from the outset to allow ACE to share the child's information for the purposes of securing potential adopters in the event that the child is not able to return to their family. The LA should visit the (2) potential sets of	ACE leads the tracking/family finding process in consultation with the local authority. ACE endeavours to identify 2 potential matches for each child as a minimum.	

	adopters within 7 working days of being provided with their profiles.		
1.6 Communi-cation during the family finding process	It is the responsibility of the LA to keep the Child Permanence Report (CPR) updated and to inform the ACE family finder of any changes in the child's development or circumstances (e.g. change of placement) in the appropriate format.	ACE tracks the child from the point of being identified as a child who may require adoption and seek potential adopters. ACE builds on the work of the LA and keeps the LA regularly updated about progress on family finding.	
1.7 Hard to place children	The LA is responsible for identifying potential complexities as part of the child's assessment. The LA and ACE collaborate as to whether further specialist assessments are required to enable high quality matching and the right adoption support. This should happen at the identification stage and the LA is responsible for commissioning specialist assessments e.g. genetic testing in a timely manner to inform the permanence process. The LA is responsible for submitting a request to the court requesting permission to seek potential adopters for the child prior to the making of the placement order. The LA gathers the relevant information and assessments and forwards these to	Where ACE is unable to identify a suitable match prior to the 'should be placed for adoption' decision they provide a service for more complex children which may involve some of or all of the following: ● Increased publicity – DVD, photos etc. ● Press and digital media advertising ● Profile the child at specific events ● Attempt to recruit carers specifically for the child ● Provide additional training and preparation for potential carers ● Advise on or assist with additional preparation work with the child.	Some of these issues need addressing with each LA on a case by case basis and prior to obtaining a placement order may need court permission. In response to placement needs ACE will coordinate specific recruitment activity/ campaigns where it is identified that suitable adopters are not readily available.

	ACE at the earliest opportunity.		
1.8 Early permanence arrangements	The child's LA decision maker (a) determines whether the early permanence (fostering to adopt) placement is the appropriate plan for the child and (b) agrees the proposed placement of the child on a fostering to adopt basis under reg. 22c Adoption Agencies and Independent Review of Determinations (Amendment) Regulations 2011 to the Adoption and Children Act 2002 and grants temporary approval as foster carers as approved prospective adopters under Regulation 25A of the Care Planning, Placement and Case Review (England) Regulations 2010 The child's local authority is responsible for paying the fostering allowances and setting up costs etc. where prospective adopters are fostering a child via early permanence arrangements. The child's LA Fostering Service should provide the ACE social worker with advice about fostering requirements as needed.	ACE Panel for adopter approval also considers the suitability of the prospective adopters for early permanence/fostering to adopt. ACE recruits early permanence carers for children.	A standardised policy and approach will be developed across ACE.

1.9 Pre-placement reports	The LA is responsible for the completion, commissioning and cost of all reports prior to an adoption placement being made including: ● Child permanence reports ● Sibling assessments (expected for all children with siblings even where the siblings' care plan is not adoption and where siblings are separated should include recommendations about post adoption contact) ● Health reports ● Other specialist assessments.	ACE advises on and supports the completion of the Child Permanence Report and early profile of the child. ACE provides support and challenge to help ensure that CPRs are of a consistent high quality across partnership LAs. ACE also provides advice regarding more specialist assessments that might be appropriate.	The statement of delegation at the point of placement is drawn up by the child's LA.
1.10 Post adoption support plan	The LA is responsible for decision making, paying and reviewing adoption allowances. The LA assesses the child's needs in respect of a future placement and ensures that any required financial support for a future adoptive placement is available. This is based on information and advice from ACE on the potential needs of the child/ren once placed and sources of future support. Consideration should also be given to whether there is need for short term settling in allowances and costs to be met by the LA.	ACE provides additional information and advice on the potential placement needs of the child and the adoption support plan. It is necessary for ACE and the LA to work closely and collaboratively to ensure that the needs of the child can be met and that planned support is sustainable.	

1.11 Legal fees and advice	These are the responsibility of the LA until the Adoption Order is made. In exceptional circumstances the L Ay may be asked to pay for legal advice for the adopters for the adoption application.		
1.12 Contact	The LA is responsible for arranging and providing supervised contact for children pre and post adoption.	ACE provides advice to the review of any direct contact arrangements and assists in resolving any issue around contact. ACE provides the Letterbox Exchange Service	
1.13 Health Assessment	The L A is responsible for obtaining and recording all required health information in respect of children who are being considered for adoption and that of their birth parents in accordance with the regulations. Where it is identified that complex assessments such as genetic testing may be required, these should be undertaken promptly to avoid potential delay for the child.	ACE is responsible for obtaining the medical report in respect of adults being assessed as adopters. ACE needs to give specific consideration to medical information in the identification of a possible match. ACE ensures that adopters' medical information is kept up-to-date.	
1.14 Preparation of the Child	The LA is responsible for preparing the child for an adoptive placement.	ACE advises the LA on the preparation of the child, in particular in respect of the future placement. ACE may develop or commission specific expertise in the preparation of children who are hard to place and who are being	

		prepared using a more bespoke family finding model.	
1.15 Child's Profile	The initial child's profile is drawn up by the LA. It is recommended that where the child is fostered that the carer helps to produce this.	ACE offers training, support and advice on compiling child profiles to the LA social workers and foster carers. ACE is responsible for subsequent profiles of the children and in identifying early matching considerations. This includes taking into account information and advice from adoption support services on the potential needs of the child/ren once placed, and potential sources of future support.	
1.16 Life story books	The LA is responsible for the preparation of the child's life story book.	ACE offers training and advice to the LA on life story work. ACE may undertake post adoption therapeutic life story work .This is separate to, but may build upon the life story book prepared by the child's social worker.	
1.17 Later in life letters	The LA is responsible for producing the later in life letter. This must be handed to	ACE offers training and advice to the LA on the formatting and production of later	

	the adopters no later than 10 days after the making of the Adoption Order.	in life letters.	
1.18 Matching, Introductory costs and arrangements	The LA meets the costs of introductions between children and potential adopters.		

Part 2. The Adopters

Service Area	Responsibilities of Local Authority	Responsibility of ACE	Notes/Areas to develop
2.1 Recruitment of Adopters	The LA signposts any enquiries from potential adopters to ACE and not to any other adoption agency. The LA ensures that information relevant to potential adopters is included in its own marketing materials and website, clearly signposting potential adopters to the ACE website and not to any other adoption agency.	ACE is responsible for recruiting adopters appropriate to the needs of children waiting in each LA. Marketing information reflects that ACE is delivering the service on behalf of partnering LAs.	
2.2 Enquiries		ACE provides a centralised enquiry process for the region to meet all statutory requirements.	

		ACE provides written information to potential adopters and holds a programme of information events.	
2.3 Stage 1	The LAs provide all information required for statutory checks of potential adopters resident in the LA.	ACE undertakes all stage one functions.	
2.4 Stage 2		ACE undertakes all stage two functions.	
2.5 Legal and medical advice in respect of adopters assessment and approvals		ACE is responsible for obtaining legal and medical advice for adopters.	
2.6 Approval		The ACE Agency Decision Maker approves ACE adopters.	
2.7 Registration of adopters		The ACE Agency Decision Maker approves the registration and deregistration of adopters.	
2.8 Adopters approved as temporary foster carer Ref above 1.8	The LA is responsible for payment of fostering allowances in line with the child's local authority fostering allowance scheme.	The ACE panel is responsible for recommending to the ACE Agency Decision Maker whether adopters are suitable to be considered as temporary foster carers..	The ACE ADM approves their status, but it is the LA ADM who approves the early permanency/fostering to adopt arrangement.

2.9 Pre and Post approval training and support		ACE is responsible for the provision of pre and post approval support and training to adopters. Partner agencies are encouraged to share suitable training with adopters.	
2.10 Adoption allowances	Adoption allowances are paid for by each LA after undertaking the appropriate assessment. The child's LA retains responsibility for reviewing, assessing and paying the financial element of the adoption allowances.		LAs to agree to consider potential to harmonise adoption allowances as far as possible.
2.11 Payment of inter-agency adoption fees		ACE is responsible for the payment of inter-agency fees. ACE is responsible for the management of inter-agency income.	Where there is potential for the inter-agency fees to exceed the available budget this will be referred to the ACE Executive Board.

Part 3. Adoption Support Services

Service Area	Responsibilities of Local Authority	Responsibility of ACE	Notes/Areas to develop
3.1 Initial adoption support plan	The LA takes responsibility for the initial plan in collaboration with ACE. A LA manager agrees and signs off the plan.	ACE supports and advises the LA. An ACE manager agrees and signs off the plan.	The plan needs to be presented as an integrated plan reflecting all parties and services. It is signed off by both managers
3.2 Payment and review of adoption allowance.	Before the point of placement the adoption allowance assessment is undertaken by the LA. Adoption allowances are paid and reviewed annually by the child's LA.	Post adoption, ACE is responsible for the review (other than finance) and revision of the adoption support plan.	Some adopted children may also be eligible for an assessment and access to services for additional support, Early Help, or require a Child in Need plan under Children Act 1989 Sect 17. This will be facilitated by both services working closely together.
3.3. Review of adoption support plans		ACE is responsible for assessing needs /changing needs for adoption support. Any recommendation about financial support/changes to adoption allowances is made to the LA	

3.4 Application to the Adoption Support Fund (ASF)	The LA supports ACE to make timely applications.	ACE is responsible for completing the assessment and making applications to the Adoption Support Fund where appropriate.	
3.5 Funding of therapeutic or other post-adoption service not included in the core ACE offer or eligible for any support grant	If identified that specialist therapeutic intervention or additional support is required prior to the making of the adoption order in order for the placement to be successful, the LA has responsibility to fund. In exceptional circumstances, post the adoption order, the LA may agree to fund the service to support the placement. Where a therapeutic need is identified the relevant LA should support ACE and the adopter using its influence to access the relevant services from partners such as education and health.	ACE is responsible for providing or commissioning therapeutic services using the agreed framework. If an application to ASF is required prior to an adoption order being granted this application and assessment is undertaken by ACE in consultation with the LA Social Worker.	ACE considers themes arising from needs assessments and post adoption support plans in order that exceptions occurring post order are kept to a minimum. When it does happen this should be noted within the ACE Agency Report together with reasons and outcomes to facilitate improved planning for future years.
3.6 Adopted children who may require Early help or Child in Need services (including Safeguarding)	The assessment, plan and responsible worker are the responsibility of the child's LA.	ACE is responsible for liaising and sharing information with the LA to make relevant referrals for Early Help or Child in Need. The adoption support plan and work should be revised to complement any arising plans. Where there is an allocated ACE adoption worker, they are assigned, but not the allocated worker.	Adopted children may access other services either by signposting from or via the post adoption portal or may access children's services direct.

3.7 Post adoption financial payments	The child's LA provides all direct financial payments as agreed in the adoption support plan and scheme of delegations. Exceptional allowances are agreed by the LA e.g. vehicles and home extensions for larger sibling groups.		LAs to agree to consider potential to harmonise adoption allowances as far as possible and to standardise procedures around this. LAs consider drawing up a statement of delegation whereby ACE administers standard expenditure on behalf of the LAs.
3.8 Post adoption support (Universal)		ACE provides a specified range of adoption support services for adopters.	
3.9 Post adoption support (Specialised)		ACE assesses families who require more than the universal adoption support services for the therapeutic fund and post adoption specialised services.	
3.10 Out of Hours Services	Adoptive families are able to access out of hours services in their local authority areas.	ACE has a duty system only during office hours.	
3.11 Letterbox /Keeping in Touch service	Ensuring the Letterbox agreements are signed and recorded on child's adoption record before being transferred to ACE. It is the	ACE has a system to oversee Letterbox contact between adopted children and their birth families. Retaining Letterbox correspondence in	Ensure standardised process and language is used.

	responsibility of the LA social worker to explain the Letterbox exchange system to birth family members.	child's records.	
3.12 Supervised and direct contact arrangements for siblings and birth relatives	Direct supervised contact arrangements rest with the LA.	ACE supports contact arrangements	Family Group Conferencing approaches are developed where direct contact needs to be re-negotiated.

Part 4. Special Guardianship Arrangements

Service Area	Responsibilities of Local Authority	Responsibility of ACE	Notes/Areas to develop
4.1 The assessment of suitability to become a Special Guardian	The child's LA assesses whether adults are suitable to become holders of Special Guardianship Orders. The child's local authority is responsible for paying the allowances and setting up costs etc.		
4.2 Special guardianship support plan	LA takes responsibility for the support plan	ACE advises the LA of available support services to SGO carers	The plan needs to specify and review processes; if section 17 applies the LA SW is the lead SW or if Early Help then this is the relevant lead key worker. ACE

			may provide advice.
4.3 Request for assessment of need for Special Guardianship (SG) support services	LAs respond to requests for assessments through their existing arrangements.	ACE advises the LA of available support services to SGO carers and provide the support services as per the ACE arrangements .	
4.4 SGO financial payments	The child's local authority is responsible for paying and reviewing any allowances agreed as part of the SGO support plan.		
4.5 Post SG support (Universal)		ACE provides a specified range of post adoption services open to special guardians.	
4.6 Post SG Support (Specialist)	The child's LA undertakes any necessary assessment of need for SG support. This may include assessment of eligibility for therapies in the scope of the Adoption Support Fund.	Where a child needs an early help, CIN or CP assessment ACE can support/advise the LA in their assessment and what support might be appropriate and available.	ACE is available for consultation with the LAs regarding specialist therapeutic interventions
4.7 Supervised and direct contact arrangements for SG children and families	Direct supervised contact is arranged and supported as needed by the LA.		

Part 5. Access to files and records

Service Area	Responsibilities of Local Authority	Responsibility of ACE	Notes/Areas to develop
5.1 Child's adoption case record	The LA has responsibility for setting up the adoption case record from the point that the plan for adoption has been agreed by the ADM. The LA updates the child's record.	MOSIAC work flow starts at point of ADM. ACE records the work they complete on the child.	Arrangements for passing information onto the child's adoption case records e.g. Letterbox documentation to be agreed.
5.2 Birth records counselling	The LA is responsible for enabling ACE access to adoption case records	ACE to provide advice and counselling to adopted adults.	
5.3 Access to adopters records/files	The LA is responsible for all historical/closed adopter case records up until 1.2.2018.	ACE is responsible for the preparation and provision of relevant files of adopters approved by the agency. Where adopters are transferred into the agency ACE is responsible from the point of transfer.	

Part 6. Independent adoption support service for Birth Parents

Service Area	Responsibilities of Local Authority	Responsibility of ACE	Notes/Areas to develop
6.1 Support services to birth parents	The LA has effective processes to make birth family members aware and encourages access to these services.	ACE provides or commissions this service if within the agreed process. ACE provides suitable publicity materials in accordance with each existing LA process.	Provision in each local authority will be as provided/commissioned from 1.2.2018 pending review and the agreement for future service arrangements.
6.2 Support to birth parents contact	The LA may provide support and supervision.	ACE provides advice and guidance to the LA.	

Part 7. Intermediary Services

Service Area	Responsibilities of Local Authority	Responsibility of ACE	Notes/Areas to develop
7.1 Intermediary services to the relatives of adopted person seeking information and contact with the adopted person	The LA provides information and refers to appropriate services as required.	ACE provides or commissions a service.	Provision in each local authority will be as provided/commissioned from 1.2.2018 pending review and the agreement for future service arrangements.

Part 8. Non-agency (step- parent) adoptions

Service Area	Responsibilities of Local Authority	Responsibility of ACE	Notes/Areas to develop
8.1 Non-agency adoptions	The LA provide checks as requested by ACE. The Las are responsible for non agency adoption work that exceeds the agreed number	ACE provides families with advice as to the different options for stepchildren. ACE provides a maximum of 10 each per authority non-agency adoption assessments for Coventry, Worcestershire and Warwickshire in any 1 year, and 3 for Solihull. If one authority does not require their full quota and another LA requires more in that year ACE provides up to a total of 33 assessments in a year.	ACE will not take historic waiting lists i.e. applications made 30 or more days prior to 1.2.2018

Part 9. Intercountry Adoptions

Service Area	Responsibilities of Local Authority	Responsibility of ACE	Notes
9.1 Intercountry Adoptions	The LA provides checks as requested by ACE.	ACE provides or commissions.	By March 2018 ACE will harmonise the fees and arrangements for the provision or commissioning this work.

Herefordshire Council

Meeting:	**Cabinet**
Meeting date:	**Thursday 28 February 2019**
Title of report:	**Revised Special Guardianship Order (SGO) financial support policy**
Report by:	**Cabinet member children and families**

Classification

Open

Decision type

Key

This is a key decision because it is likely to be significant having regard to: the strategic nature of the decision; and / or whether the outcome will have an impact, for better or worse, on the amenity of the community or quality of service provided by the authority to a significant number of people living or working in the locality (two or more wards) affected.

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

(All Wards);

Purpose and summary

To approve a change to the policy for Special Guardianship financial support so that foster carers who decide to apply for a Special Guardianship Order (SGO) for a looked after child continue to receive financial allowances at the rate equivalent to fostering allowances and fees for the duration of the SGO arrangement.

Under the current policy carers are required to complete a means test two years after the SGO is made and their allowances are adjusted based on this. Consequently many foster carers are reluctant to apply for an SGO where this has been assessed to be in the child's best interests as they are concerned about the financial impact of this decision.

Further information on the subject of this report is available from
Gill Cox, Tel: 01432 383738, email: Gill.Cox@herefordshire.gov.uk

Recommendation(s)

That:

(a) The revised financial policy for special guardianship orders at appendix 1 is approved; and

(b) the policy is implemented from 1st April 2019.

Alternative options

1. Do nothing. Looked after children who could be cared for outside of the looked after system without the intrusion of state intervention continue to be looked after because their foster carers are concerned about levels of financial support. Herefordshire will continue to have higher numbers of looked after children than statistical neighbours and caseloads will be higher for social workers than is necessary.

2. Implement revised policy for SGOs made following implementation of the new policy only. This could be seen as unfair and result in complaints and legal challenge from existing SGO carers.

3. Apply the new policy to all new and existing SGOs from 1 April 2019. This is the proposed option as it will maintain a fair and transparent approach to financial support whilst also promoting the opportunity for children to be cared for outside of the looked after system where this is assessed to be in their best interests.

Key considerations

4. A Special Guardianship Order (SGO) is an order of the court under the Children Act 1989 which grants the holder(s) parental responsibility over a child until they reach the age of 18. This enables the special guardian(s) to make day-to-day decisions on behalf of the child but does not end the legal relationship between a child and their parents as an adoption order does.

5. Looked after children who live with extended family members or with foster carers who are committed to caring for them long-term would usually benefit from being cared for under an SGO. A looked after child is required to have regular visits from a Social Worker, looked after children review meetings, personal educational plan meetings and health assessments. These mechanisms are in place to ensure a child's needs are understood and met but are intrusive and are unnecessary where someone with parental responsibility is able to advocate and support a child – as parents do in most families.

6. It is detrimental to the welfare of children to remain looked after when there is a viable alternative. Many looked after children report that they dislike the difference that being a looked after child brings for them and the intrusion into their lives.

7. The resource required for each looked after child from professionals is high – an allocated social worker, virtual school officer, LAC health nurse, independent reviewing officer and a supervising social worker for their foster carer. A reduction in Herefordshire's numbers of looked after children will make it easier for those children who do need to be looked after to have the focussed support from these professionals that they require

8. The number of looked after children in Herefordshire is very high in comparison with statistical neighbours. One of the reasons for the high numbers is because Herefordshire has not been successful at enabling children to leave the looked after system when this could be achieved. In autumn 2017 approximately 60 looked after children were identified that may have been able to be cared for under an SGO. Assessments to decide this are being completed and so far 39 out of 47 have concluded that these children's needs would be best met if their foster carer had an SGO. However as at 31 December 2018 only 7 of these children have had SGO's granted. Foster carers have told us that the main reason they are reluctant to apply for an SGO is concern that the financial support that they receive will be significantly lower than what they receive as foster carers.

9. The SGO financial support policy was agreed in 2016 and implemented from 1 October 2016. At this time the main driver was to introduce a fair and transparent approach to assessing and paying SGO allowances and to achieve financial savings. The policy commits to maintaining foster carers allowances at the same level that they receive as foster carers for a period of two years after which time the allowance is means tested. For many foster carers this results in a significant reduction in the allowance that they receive and therefore they are not prepared to apply for an SGO. This has been the case for at least 32 children assessed to date.

10. If the new policy is agreed then it will be actively promoted by social workers during their assessments and Independent Reviewing officers at LAC reviews to ensure carers understand that finances no longer need to be a barrier to applying for an SGO. The effectiveness of the policy will be monitored through the ongoing work to reduce the LAC population which is reported quarterly through the Children's Services performance scorecard.

Community impact

11. It is a council priority to "keep children and young people safe and give them a great start in life". Enabling looked after children to be cared for safely outside of the looked after system and to benefit from family life without the need for intervention for children's social care is part of giving them a great start in life.

12. A key priority within the corporate parenting strategy is to reduce the numbers of looked after children so that children are supported to live in permanent arrangements outside of the looked after system where this is in their best interests.

Equality duty

13. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

    A public authority must, in the exercise of its functions, have due regard to the need to -

    (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;

    (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

    (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

14. The public sector equality duty (specific 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. We do not believe that it will have an impact on our equality duty because it will not impact on equality issues for the child.

Resource implications

15. **Option 1 – use revised policy for new SGOs made following implementation of the new policy only**

No change in cost for existing SGOs. There is the potential for a reduction in costs of £2,600 per annum per child due to the deduction of child tax credits and child benefit payments from their allowances. This does not affect the overall level of financial support received by the carer.

16. **Option 2 – apply the new policy to all new and existing SGOs from 1st April 2019 This includes refreshing the weekly allowance value to reflect the current age of the child (no retrospective payments to be made, uplift will be from when the policy is implemented), removing means tested deductions and applying annual inflation and age related uplifts**

Additional cost in 2019/20 - £164k (inflation in future years will add about £2k each year).

17. Option 2 is the preferred option. The additional cost can be met from a reduction in expected spend on our current residential placements in 2019/20 and will be built into the budget for 2020-21 forward.

18. It is anticipated that implementing the new policy would encourage existing carers to apply for SGO's. There would be some savings compared to foster/kinship allowances due to the deduction of child benefit and child tax/universal credit as well as a saving for the cost of clothing, holiday, Christmas and birthday allowances. This equates to about £1k per year per child. In addition savings in staff time would be approximately £5k per annum per child. There are up to 32 children who are currently looked after where an SGO has been assessed to be in their best interests where financial support has been a significant factor in the SGO application not progressing. If carers progressed to SGO for all of these children then this would result in a potential saving of £32,000 immediately from reductions in allowances with the potential for staff savings as pressures on caseloads reduce.

Legal implications

19. Section 22(3) Children Act 1989 provides the general duty of the council in relation to children looked after by them including the following:-

    a) To safeguard and promote his welfare and

    b) To make such use of services available for children cared for by their own parents as appears to the authority reasonable in his case

20. This duty underpins all activity by the council in relation to looked after children. This duty has become known as 'corporate parenting', which means the collective responsibility of

the council, elected members, employees, and partner agencies, for providing the best possible care and safeguarding for the children who are looked after by the council.

21. The statutory responsibilities are set out in the Children Act 1989,including through amendments made by the Children (Leaving Care) Act 2000, the Children and Families Act 2014 and the Children and Social Work Act 2017.

22. The Children and Social Work Act 2017 made additional provisions for care leavers, extending support until the age of 25 and further clarified the role of corporate parents, including seven corporate parenting principles that councils must have regard to when looking after children in care as follows:-

    - To act in the best interests, and promote the physical and mental health and wellbeing of those children and young people
    - To encourage those children and young people to express their views, wishes and feelings
    - Take into account the views, wishes and feelings of those children and young people
    - To help those young children and young people gain access to, and make the best use of, services provided by the council and its relevant partners
    - To promote high aspirations, and seek to secure the best outcomes, for those children and young people
    - For those children and young people to be safe, and for stability in their home lives, relationships and education or work; and
    - To prepare those children and young people for adulthood and independent living

Article 8 of the Human Rights Act 1998 provides

Right to respect for private and family life

- Everyone has the right to respect for his private and family life, his home and his correspondence.
- There shall be no interference by a public authority with the exercise of this right except such as is in accordance with the law and is necessary in a democratic society in the interests of national security, public safety or the economic well-being of the country, for the prevention of disorder or crime, for the protection of health or morals, or for the protection of the rights and freedoms of others.

23. The proposal would improve the council's performance of its corporate parenting by enabling children to achieve permanency with reduced interference with their right to family life.

Risk management

24. If the proposed financial policy is not approved then the risk is that children who would benefit from being cared for under a SGO outside of the looked after system will not have this opportunity. They will continue to have a level of intervention in their family life which can be stigmatising and is unnecessary.

25. The numbers of looked after children in Herefordshire will be more difficult to reduce and will continue to place stress on the capacity of social workers, independent reviewing officers, the virtual school and LAC health team.

26. If the new policy is only applied to carers applying for an SGO after 1 April 2019 then there is risk of complaints and legal challenge from existing SGO carers that could impact upon the council's reputation. The solution to mitigating this risk is to apply the new policy to all SGO carers. The additional financial cost has been calculated and the resources identified to meet this cost from within existing budgets.

Consultees

27. The proposals have been circulated to political group leaders. No responses were received.

28. No formal consultation on this policy has been completed with foster carers or SGO carers however the proposed policy change is in response to feedback from foster carers over the last year regarding their reluctance to apply for an SGO.

Appendices

Appendix 1 – Revised Special Guardianship Order allowance policy

Appendix 2 – Special Guardianship Order allowance policy with tracked changes

Background papers

None

Further information on the subject of this report is available from
Gill Cox, Tel: 01432 383738, email: Gill.Cox@herefordshire.gov.uk

Policy for Special Guardianship Financial Support

Introduction

The purpose of this policy is to set out Herefordshire Council's ("the local authority") approach to Special Guardianship Order Allowances. The scheme of the policy is as follows:

- Legislative background
- Principles
- Conditions of support and cessation of support
- Requests for assistance and assessment
- Non-periodic financial support
- Periodic support
- Appeals

It is intended that this policy will be reviewed 6 months after it comes into effect and thereafter annually. Comments or feedback on the initial operation of the policy are welcomed.

1. The Special Guardianship Regulations 2005 and the DfES guidance to the Regulations

1.1. The Regulations, supported by the guidance, govern the processes by which local authorities exercise their discretion in determining requests for special guardianship support services, including financial support. This policy relates to **financial support only**.

1.2. Carers who are proposing to care for a child under a Special Guardianship Order or who are caring for a child under a Special Guardianship order can request an assessment for support, including financial support, under the Special Guardianship Regulations 2005.

1.3. According to Regulation 6 of the 2005 Regulations, financial support may be paid to a special guardian or prospective special guardian –

- **a.** To facilitate arrangements for a person to become the special guardian of a child where the local authority consider such arrangements to be beneficial to the child's welfare; or
- **b.** To support the continuation of such arrangements after a special guardianship order is made

1.4. Such support is payable only in the following circumstances-

- **a.** Where the Local Authority consider that it is necessary to ensure that the special guardian or prospective special guardian can look after the child;

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b. Where the Local Authority consider that the child needs special care which requires a greater expenditure of resources than would otherwise be the case because of his illness, disability, emotional or behavioural difficulties or the consequences of his past abuse or neglect;

c. where the Local Authority consider that it is appropriate to contribute to any legal costs, including court fees, of a special guardian or prospective special guardian, as the case may be, associated with-

i. the making of a special guardianship order or any application to vary or discharge such an order;

ii. an application for an order under section 8 of the Act;

iii. an order for financial provision to be made to or for the benefit of the child

2. The principles underpinning the payment of Special Guardianship allowances and financial support:

2.1. No child should be unfairly disadvantaged.

2.2. People should be treated equally and fairly.

2.3. Allowances and grants are paid for the child. Any extra payments are to cover the specific needs of the child e.g. for protection, safety. Support services should not be seen in isolation from mainstream services and it is important to ensure that families are assisted in accessing mainstream services. Special Guardians should be helped to access their entitlements to tax credits and social security benefits. Efforts will be made by the Local Authority to obtain financial support from the child's parents where appropriate.

2.4. It is recognised that a foster carer might be able to provide permanency which is in a foster child's best interests, but be deterred from applying for Special Guardianship because of the loss of the fostering allowance and any reward (fee) being paid in respect of the child. This policy seeks to address that concern by ensuring, consistently with paragraph 43 of the Guidance, that a former foster carer has financial stability upon becoming Special Guardian to a former foster child.

3. Conditions of support and cessation of support

3.1. The special guardian must agree to the conditions listed in Regulation 10(1) of the 2005 Regulations and must comply with them. S/he must notify the Local Authority of any change of circumstances and must complete and return the annual statement. Failure to do so may result in payment being suspended or terminated

and recovery of any payments made. Additional conditions on the provision of support may be imposed by the Local Authority as considered appropriate in the circumstances.

3.2. The Local Authority will review the payment of financial support on receipt of the annual statement each year and, if it proposes to reduce, terminate the support or revise the plan, it will notify the special guardian of the decision and will allow a period of 28 days in which the special guardian may make representations, which will then be considered by the Local Authority and a final decision made.

3.3. The payment will cease when any of the events listed in Regulation 9 occur, that is, if the child ceases to live with the Special Guardian; ceases full time education or training and commences employment; qualifies for universal credit, income support, jobseekers allowance or employment support allowance in his own right; or becomes 18 (unless he is in full time education or training, in which case the allowance may continue until the end of the course or training he is undertaking when he becomes 18).

4. Requests for financial assistance and assessments

4.1. If a request for financial assistance is made by a prospective special guardian of a child who is looked after by the Local Authority or a special Guardian of a child who was looked after immediately before the making of the special guardianship order, (or such child or the child's parents) then an assessment will be carried out (this is required by Regulation 11(1) of the 2005 Regulations).

4.2. Requests for financial support from other persons (not falling within 4.1 above) will be considered, but unless the Local Authority is satisfied that there are exceptional circumstances, a financial assessment, including a means test, will not be conducted. It is not possible to specify the sort of circumstances which might be regarded as exceptional because case by case consideration is required. However, by way of example, if the Local Authority is satisfied, having regard to its history of involvement with the child, that the child would (on the balance of probabilities) have become looked after had the special guardian not stepped in to care for them, the Local Authority might consider that to amount to an exceptional circumstance warranting a financial assessment for support. In those circumstances consideration of financial support will be on the assessed needs of the child under regulation 12 and the local authority considering that the award is necessary to ensure that the special guardian can look after the child.

4.3. In the event that the Local Authority decides not to conduct a financial assessment, it will notify the applicant of the reasons for the decision and allow him/ her a reasonable period within which to make representations, which will then be considered by the Local Authority. The final decision will be made, and the person requesting assessment notified of it, within a reasonable period of receipt of their representations (Regulation 11(2) and 11(3)). The Local Authority will ordinarily consider 28 days to be a reasonable period both for the making of representations and notification of the Authority's decision, however, this period may be extended in the exercise of the Authority's discretion.

5. Non-periodic financial support

5.1. Contribution to settling in grant – This may be awarded where the Local Authority considers it appropriate further to an assessment of the needs of the child joining a new family under a special guardianship order. Reference will be made to a list of basic requirements for children of different ages held by the Local Authority. The price of items needed will be based on the price of equivalent items from Argos or Amazon. The grant is not paid if the child was in foster care and the foster carers have applied to be that child's special guardians, unless there are exceptional circumstances which would justify such a grant being made. Where awarded the grant is paid up to an agreed maximum per child. This may be exceeded in exceptional cases with the approval of the Head of Service.

5.2. Legal Advice – Financial support may be available for this, unless the prospective Special Guardian has access to free legal representation, and if so, is paid at the "legal help" rates. It is only paid for children known to the Local Authority prior to the application being made (i.e. Children Looked After, or designated Children in Need subject to child protection plans), where the Local Authority supports the making of the SGO, unless there are exceptional circumstances and where

- **I.** The Local Authority considers that the carer or prospective special guardian requires legal advice about the different care arrangements that could be made for the subject child and supports the child being placed or remaining in his/her care; and
- **II.** Where he/she is not eligible for legal help or any other financial assistance for example under an insurance policy; and
- **III.** The Local Authority considers that his/her financial circumstances are such that it would not be reasonable to expect him/ her to pay his/ her own fees.

This is payable up to the Local Authority's agreed limit for the initial consultation. The solicitor instructed should be a member of the Law

Society's Children Panel, unless otherwise agreed by the Local Authority in advance. Itemised bills will be required.

5.3. Legal fees for representation in court –

a) To make an application for a special Guardianship order. These are only paid where:

- **I.** The application relates to a child who is Looked After or who was looked after prior to being cared for by the prospective special guardian, or would have been had the special guardian not stepped in; and
- **II.** The Local Authority supports the application; and
- **III.** The Local Authority considers that the prospective special guardian requires separate representation; and
- **IV.** Where he/she is not eligible for public funding or any other financial assistance for example under an insurance policy; and
- **V.** The Local Authority considers that his/ her financial circumstances are such that it would not be reasonable to expect him/ her to pay his/her own fees.

Legal fees are paid at the CLS Public funding rate save for exceptional circumstances. The solicitor instructed should be a member of the Law Society's Children Panel, unless otherwise agreed by the Local Authority in advance. Itemised bills will be required.

b) Applications for payment of legal fees to defend contact and other applications or to make applications for orders (e.g. non-molestation orders and prohibited steps orders during the currency of a special guardianship order)

Advice and representation in respect of any proposed applications will be subject to the criteria listed above and the Local Authority's assessment of the merits of the case.

Non-periodic financial support may, where it is considered appropriate by the Local Authority, be paid without an assessment of the means of the Special Guardian (and/ or child).

6. Periodic monthly allowances

6.1. These allowances are linked to the Local Authority's fostering allowances and are based on the needs of the child. They are not generally paid, unless the child is (or was immediately before the Special Guardianship order was made) a looked after child. However, in exceptional circumstances where the child is not and was not looked after, the allowance may be payable.

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6.2. The allowance is paid to foster carers (including friends and family carers) following the making of a special guardianship order in respect of a previously fostered child. Where foster carers are already receiving a fostering allowance for a child for whom they have applied to be special guardians, the Local Authority will continue to pay allowances equivalent to the Local Authority's fostering allowances after the order is made but subject to deduction of benefits which the former foster carer can, as a Special Guardian, claim in respect of the child such as child benefit, tax credits etc. Any allowance must be subject an annual review by the Local Authority.

6.3. Payment in respect of a child's special needs will generally be subject to a full assessment of that child's needs and the special guardian's financial circumstances. Payments will only be made for the child after all other alternatives in terms of benefits, grants and services have been explored, and the level of the child's needs will be reviewed annually.

6.4. Special Guardianship financial support is payable to the special guardian to care for the child and meet his/her assessed needs, irrespective of where the special guardian is living, including abroad. However, if the special guardian moves abroad from the UK, or is already living abroad when the child moves to their care, the level of allowance may be altered to take into account of comparative costs of living in the country of residence. This will be assessed by reference to a comparison between the cost of a "basket" of everyday items such as groceries and clothing, housing costs and utility costs in the UK and the cost of the same or comparable items in the country of residence of the child.

6.5. Where a foster carer was in receipt of a fostering fee, and becomes a Special Guardian to the previously fostered child, they will generally continue to receive the fee (remuneration) element as part of the Special Guardianship Allowance, less Child Benefit and Child Tax Credits, in order to maintain their level of income. Where the foster carer was approved by an Independent Fostering Provider, the allowance and fee payment may be negotiated individually as there may be significant disparity between the allowance and fee paid to a Local Authority foster carer and that which has been received from an Independent Fostering Provider.

6.6. The allowance includes payment for birthdays, festivals, holidays and school uniform and separate additional payments in respect of these items will not be made.

6.7. Contact expenses: It is recognised that there may be a need for contact to be maintained between the child and his/her birth family or other persons after the special guardianship order is made. The principle employed by the Local Authority is that the special guardian is expected to be able to manage contact themselves or is working towards taking responsibility for this within a reasonable timeframe. However it is recognised that this will not always be achievable and in these

circumstances the Local Authority will continue to provide funding for supervised contact or provide this service directly. The payment of expenses in respect of contact will be based on an assessment of the child's needs, the circumstances of the individuals involved and the nature of the contact arrangements. Such support, when agreed, must be recorded in the Special Guardianship support plan and is subject to annual review. If contact supervision is needed, this should be based on a risk assessment by the Local Authority.

6.8. For special guardians caring for a child who was not looked after immediately prior to the order the Local Authority will use the Government's Model Means Test to assess eligibility in respect of Special Guardianship financial support applications, and to calculate the proportion of the full allowance payable (on a sliding scale according to the special guardian's means).

6.9. Eligibility for the allowance, and the proportion payable to a particular special guardian, are subject to review every year to take account of both the changing needs and circumstances of the child and special guardian. The Model Means test will be applied annually or on receipt of notification of a change in circumstances prior to the annual review. Special guardians caring for a child who was looked after immediately before the order was made will be required to complete an annual review to confirm whether or not a significant change in circumstances has occurred but will not be subject to a means test.

6.10. The level of the full Special Guardianship allowance will be reviewed annually by the Local Authority.

7. Appeals

1. If dissatisfied with a decision as to payment or amount of allowance, the holder of the SGO may appeal against any decision relating to the provision of an SGO Allowance.

   If you want to appeal against the decision you have to explain in your appeal either:

a) *Why you think our decision is wrong (for example we did not take into account, relevant information, or we made factual errors in making our decision, or new evidence has come to light) ; or*

b) *Why you think our decision was wrongly made (for example we didn't follow due process or, we didn't follow our own procedures or the decision was made by someone without authority to make it)*.

You must give reasons why you think our decision is wrong or wrongly made under a) or b) above and must provide information to support your appeal.

You should write to us with your reasons and email or send your letter to :

Assistant Director Children's Safeguarding & Family Support

Herefordshire Council
County Offices
Plough Lane
Hereford
HR4 0LE

Your appeal must reach us within 10 working days of you receiving notification of the decision you wish to appeal against.

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Policy for Special Guardianship Financial Support

Introduction

The purpose of this policy is to set out Herefordshire Council's ("the local authority") approach to Special Guardianship Order Allowances. The scheme of the policy is as follows:

- Legislative background
- Principles
- Conditions of support and cessation of support
- Requests for assistance and assessment
- Non-periodic financial support
- Periodic support
- Appeals

It is intended that this policy will be reviewed 6 months after it comes into effect and thereafter annually. Comments or feedback on the initial operation of the policy are welcomed.

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1. The Special Guardianship Regulations 2005 and the DfES guidance to the Regulations

1.1. The Regulations, supported by the guidance, govern the processes by which local authorities exercise their discretion in determining requests for special guardianship support services, including financial support. This policy relates to **financial support only**.

1.2. Carers who are proposing to care for a child under a Special Guardianship Order or who are caring for a child under a Special Guardianship order can request an assessment for support, including financial support, under the Special Guardianship Regulations 2005.

1.3. According to Regulation 6 of the 2005 Regulations, financial support may be paid to a special guardian or prospective special guardian –

a. To facilitate arrangements for a person to become the special guardian of a child where the local authority consider such arrangements to be beneficial to the child's welfare; or

b. To support the continuation of such arrangements after a special guardianship order is made

1.4. Such support is payable only in the following circumstances-

a. Where the Local Authority consider that it is necessary to ensure that the special guardian or prospective special guardian can look after the child;
b. Where the Local Authority consider that the child needs special care which requires a greater expenditure of resources than would otherwise be the case because of his illness, disability, emotional or behavioural difficulties or the consequences of his past abuse or neglect;
c. where the Local Authority consider that it is appropriate to contribute to any legal costs, including court fees, of a special guardian or prospective special guardian, as the case may be, associated with-
    i. the making of a special guardianship order or any application to vary or discharge such an order;
    ii. an application for an order under section 8 of the Act;
    iii. an order for financial provision to be made to or for the benefit of the child

2. The principles underpinning the payment of Special Guardianship allowances and financial support:

2.1. No child should be unfairly disadvantaged.

2.2. People should be treated equally and fairly.

2.3. Allowances and grants are paid for the child. Any extra payments are to cover the specific needs of the child e.g. for protection, safety etc. Support services should not be seen in isolation from mainstream services and it is important to ensure that families are assisted in accessing mainstream services. Special Guardians should be helped to access their entitlements to tax credits and social security benefits. Efforts will be made by the Local Authority to obtain financial support from the child's parents where appropriate.

2.4. It is recognised that a foster carer might be able to provide permanency which is in a foster child's best interests, but be deterred from applying for Special Guardianship because of the loss of the fostering allowance and any reward (fee) being paid in respect of the child. This policy seeks to address that concern by ensuring, consistently with paragraph 43 of the Guidance, that a former foster carer has ~~a period of~~ financial stability upon becoming Special Guardian to a former foster child.

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3. Conditions of support and cessation of support

3.1. The special guardian must agree to the conditions listed in reg.10(1)of the 2005 Regulations and must comply with them. S/he must notify the Local Authority of any change of circumstances and must complete and return the annual statement. Failure to do so may result in payment being suspended or terminated and recovery of any payments made. Additional conditions on the provision of support may be imposed by the Local Authority as considered appropriate in the circumstances.

3.2. The Local Authority will review the payment of financial support on receipt of the annual statement each year and, if it proposes to reduce or terminate the support or revise the plan, it will notify the special guardian of the decision and will allow a period of 28 days in which the special guardian may make representations, which will then be considered by the Local Authority and a final decision made.

3.3. The payment will cease when any of the events listed in Reg.9 occur, that is, if the child ceases to live with the Special Guardian, ceases full time education or training and commences employment, qualifies for universal credit, income support, jobseekers allowance or employment support allowance in his own right or becomes 18 (unless he is in full time education or training, in which case the allowance may continue until the end of the course or training he is undertaking when he becomes 18).

4. Requests for financial assistance and assessments

4.1. If a request for financial assistance is made by a prospective special guardian of a child who is looked after by the Local Authority or a special Guardian of a child who was looked after immediately before the making of the special guardianship order, (or such child or the child's parents) then an assessment will be carried out (This is required by Regulation 11(1) of the 2005 Regulations).

4.2. Requests for financial support from other persons (not falling within 4.1 above) will be considered, but unless the Local Authority is satisfied that there are exceptional circumstances, a financial assessment, including a means test, will not be conducted. It is not possible to specify the sort of circumstances which might be regarded as exceptional because case by case consideration is required. However, by way of example, if the Local Authority is satisfied, having regard to its history of involvement with the child, that the child would (on the balance of probabilities) have become looked after had the Special Guardian not stepped in to care for them, the Local Authority might consider that to amount to an exceptional circumstance

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warranting a financial assessment for support. In those circumstances consideration of financial support will be on the assessed needs of the child under regulation 12 and the local authority considering that the award is necessary to ensure that the special guardian can look after the child.

4.3. In the event that the Local Authority decides not to conduct a financial assessment, it will notify the applicant of the reasons for the decision and allow him/ her a reasonable period within which to make representations, which will then be considered by the Local Authority. The final decision will be made, and the person requesting assessment notified of it, within a reasonable period of receipt of their representations (Reg.11(2) and 11(3)). The Local Authority will ordinarily consider 28 days to be a reasonable period both for the making of representations and notification of the Authority's decision, however, this period may be extended in the exercise of the Authority's discretion.

5. Non-periodic financial support

5.1. Contribution to settling in grant – This may be awarded where the Local Authority considers it appropriate further to an assessment of the needs of the child joining a new family under a special guardianship order. Reference will be made to a list of Basic Requirements for children of different ages held by the Local Authority. The price of items needed will be based on the price of equivalent items from Argos or Mothercare. The grant is not paid if the child was in foster care and the foster carers have applied to be that child's special guardians, unless there are exceptional circumstances which would justify such a grant being made. Where awarded the grant is paid up to an agreed maximum per child. This may be exceeded in exceptional cases with the approval of the Head of Service.

5.2. Legal Advice – Financial support may be available for this, unless the prospective Special Guardian has access to free legal representation, and if so, is paid at the "legal help" rates. It is only paid for children known to the Local Authority prior to the application being made (i.e. Children Looked After, or designated Children in Need subject to child protection plans), where the Local Authority supports the making of the SGO, unless there are exceptional circumstances and where

- **I.** The Local Authority considers that the carer or prospective special guardian requires legal advice about the different care arrangements that could be made for the subject child and supports the child being placed or remaining in his/her care; and
- **II.** Where he/she is not eligible for legal help or any other financial assistance for example under an insurance policy; and

III. The Local Authority considers that his/her financial circumstances are such that it would not be reasonable to expect him/ her to pay his/ her own fees.

This is payable up to the Local Authority's agreed limit for the initial consultation. The solicitor instructed should be a member of the Law Society's Children Panel, unless otherwise agreed by the Local Authority in advance. Itemised bills will be required.

5.3. Legal fees for representation in court –

a) To make an application for a special Guardianship order. These are only paid where:

I. The application relates to a child who is Looked After or who was looked after prior to being cared for by the prospective special guardian, or would have been had the special guardian not stepped in; and

II. The Local Authority supports the application; and

III. The Local Authority considers that the prospective special guardian requires separate representation; and

IV. Where he/she is not eligible for public funding or any other financial assistance for example under an insurance policy; and

V. The Local Authority considers that his/ her financial circumstances are such that it would not be reasonable to expect him/ her to pay his/her own fees.

Legal fees are paid at the CLS Public funding rate save for exceptional circumstances. The solicitor instructed should be a member of the Law Society's Children Panel, unless otherwise agreed by the Local Authority in advance. Itemised bills will be required.

b) Applications for payment of legal fees to defend contact and other applications or to make applications for orders (e.g. non-molestation orders and prohibited steps orders during the currency of a special guardianship order)

Advice and representation in respect of any proposed applications will be subject to the criteria listed above and the Local Authority's assessment of the merits of the case.

Non-periodic financial support may, where it is considered appropriate by the Local Authority, be paid without an assessment of the means of the Special Guardian (and/ or child).

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6. Periodic monthly allowances

6.1. These allowances are linked to the Local Authority's fostering allowances and are based on the needs of the child. They are not generally paid, unless the child is (or was immediately before the Special Guardianship order was made) a looked after child. However, in exceptional circumstances where the child is not and was not looked after, the allowance may be payable.

6.2. The allowance is paid to foster carers (including friends and family carers) following the making of a special Guardianship order in respect of a previously fostered child. Where foster carers are already receiving a fostering allowance for a child for whom they have applied to be special guardians, the Local Authority will continue to pay allowances equivalent to the Local Authority's fostering allowances ~~maintain their level of allowance~~ after the order is made but subject to deduction of benefits which the former foster carer can, as a Special Guardian, claim in respect of the child such as child benefit, tax credits etc. Any allowance must be subject ~~to means testing and~~ an annual review ~~assessment~~ by the Local Authority. (~~save as specified below in paragraph 6.3).~~

~~**6.3.** The Local Authority has a discretion not to means test in relation to a former looked after child who needs special care which requires a greater expenditure of resources than would otherwise be the case because of his illness, disability, emotional or behavioural difficulties or the consequences of past abuse or neglect (see Reg.6(2)(b) read together with Reg.13(5)(a)(iii)). The Local Authority also has a discretion to disregard means (ie it would not means test) where it is considering payment to a former foster carer (who received a fee when fostering) of an element of special guardianship allowance to reflect lost remuneration. This discretion will only apply where the foster carer received a fee or reward element (in addition to the basic fostering allowance). See also 6.6 below in relation to this. The fee or reward element is not applicable where the special guardian was not a former fully approved foster carer under Section 27 of the Fostering Services (England) Regulations 2011.~~

~~**6.4.**~~**6.3.** Payment in respect of a child's special needs will generally be subject to a full assessment of that child's needs and the special guardian's financial circumstances. Payments will only be made for the child after all other alternatives in terms of benefits, grants and services have been explored, and the level of the child's needs will be reviewed annually.

~~**6.5.**~~**6.4.** Special Guardianship financial support is payable to the special guardian to care for the child and meet his/her assessed needs, irrespective of where the special guardian is living i.e. including abroad. However, if the special guardian moves abroad from the UK, or is already living abroad when the child moves to their care, the level of allowance may be altered to take into account comparative costs of

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living in the country of residence. This will be assessed by reference to a comparison between the cost of a "basket" of everyday items such as groceries and clothing, housing costs and utility costs in the UK and the cost of the same or comparable items in the country of residence of the child.

~~6.6.~~6.5. Where a foster carer was in receipt of a fostering fee, and becomes Special Guardian to the previously fostered child, they will generally continue to receive the fee (remuneration) element as part of the Special Guardianship Allowance, less Child Benefit and Child Tax Credits, in order to maintain their level of income. ~~The Local Authority may where it considers appropriate approve the payment of the fee element without means testing. The fee element ceases to be payable after the expiry of two years from the making or the special guardianship order, unless the Local Authority considers its continuation to be necessary, having regard to the exceptional needs of the child or any other exceptional circumstances.~~ Where the foster carer was approved by an Independent Fostering Provider, the allowance and fee payment may be negotiated individually as there may be significant disparity between the allowance and fee paid to a Local Authority foster carer and that which has been received from an Independent Fostering Provider.

~~6.7.~~6.6. The allowance includes payment for birthdays, festivals, holidays and school uniform and separate additional payments in respect of these items will not be made.

~~6.8.~~6.7. Contact expenses: It is recognised that there may be a need for contact to be maintained between the child and his/her birth family or other persons after the special guardianship order is made. The principle employed by the Local Authority is that the special guardian is expected to be able to manage contact themselves or is working towards taking responsibility for this within a reasonable timeframe. However it is recognised that this will not always be achievable and in these circumstances the Local Authority will continue to provide funding for supervised contact or provide this service directly. ~~The Local Authority may, however, where it considers appropriate, make payment of contact expenses without assessment of the means of the special guardian.~~ The payment of expenses in respect of contact will be based on an assessment of the child's needs, the circumstances of the individuals involved and the nature of the contact arrangements. Such support, when agreed, must be recorded in the Special Guardianship support plan and is subject to annual review. If contact supervision is needed, this should be based on a risk assessment by the Local Authority.

~~6.9.~~6.8. For special guardians caring for a child who was not looked after immediately prior to the order t~~T~~he Local Authority will use the Government's Model Means Test to assess eligibility ~~for allowances in all circumstances in which it is required, or~~

~~decides, to means test~~ in respect of Special Guardianship financial support applications, and to calculate the proportion of the full allowance payable (on a sliding scale according to the special guardian's means).

6.10 Eligibility for the allowance, and the proportion payable to a particular special guardian, are subject to review every year to take account of both the changing needs and circumstances of the child and special guardian. The Model Means test will be applied annually or on receipt of notification of a change in circumstances prior to the annual review~~.~~ Special guardians caring for a child who was looked after immediately before the order was made will be required to complete an annual review to confirm whether or not a significant change in circumstances has occurred but will not be subject to a means test.

6.11 The level of the full Special Guardianship allowance will be reviewed annually by the Local Authority.

7. Appeals

1. If dissatisfied with a decision as to payment or amount of allowance, the holder of the SGO may appeal against any decision relating to the provision of an SGO Allowance. *If you want to appeal against the decision you have to explain in your appeal either:*

a) *Why you think our decision is wrong (for example we did not take into account, relevant information, or we made factual errors in making our decision, or new evidence has come to light) ; or*

b) *Why you think our decision was wrongly made (for example we didn't follow due process or, we didn't follow our own procedures or the decision was made by someone without authority to make it)*.

You must give reasons why you think our decision is wrong or wrongly made under a) or b) above and must provide information to support your appeal.

You should write to us with your reasons and email or send your letter to :

Assistant Director Children's Safeguarding & Family Support

Herefordshire Council

County Offices

Plough Lane

Hereford

HR4 0LE

Your appeal must reach us within 10 working days of you receiving notification of the decision you wish to appeal against.

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Herefordshire Council

Meeting:	**Cabinet**
Meeting date:	**Thursday 28 February 2019**
Title of report:	**End of December 2018 corporate budget and performance report**
Report by:	**Cabinet member finance and corporate services**

Classification

Open

Decision type

Non-key

Wards affected

All wards

Purpose and summary

To provide assurance that progress is being made towards achievement of the agreed revenue and service delivery targets, and that the reasons for major variances or potential under-performance are understood and are being addressed to the cabinet's satisfaction. Cabinet is asked to review projected revenue and capital outturn for 2018/19 and consider performance for the first nine months of the year.

At the end of the first nine months of the year there is a forecast revenue overspend of £289k, whilst the majority of projects are being delivered to schedule and 52% of performance measures are showing improved or stable performance. Action plans are being developed in relevant directorates to address the in-year pressures.

Recommendation(s)

That:

a) the projected financial outturn and performance for the first nine months of 2018/19 are reviewed and cabinet determines any additional actions required to achieve improvement.

Further information on the subject of this report is available from
Paul Harris Tel: 01432 261923 email: sthodges@herefordshire.gov.uk

Alternative options

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

Key considerations

Revenue outturn

2. The 2018/19 projected outturn is a £289k overspend as at the end of December 2018. The 2017/18 forecast outturn at December 2017 was a £2,001k overspend.

3. The table below sets out the projected directorate position as at the end of December. Further service detail is available in Appendix A, including an explanation of changes in the net budget.

Projected revenue outturn 2018/19 (as at the end of December)

Directorate net budget	Net budget	Projected full year outturn	Projected full year variance over / (under)spend
	£000	**£000**	**£000**
Adults and communities	52,016	52,016	0
Children and families	25,499	27,522	2,023
Economy and place	33,601	33,791	190
Corporate	14,923	14,962	39
Directorate total	**126,039**	**128,291**	**2,252**
Central, treasury management, capital financing and reserves	18,085	16,122	(1,963)
TOTAL	**144,124**	**144,413**	**289**

4. The council has delivered a balanced outturn in previous financial years by delivering savings as central government funding has been reduced. The council continues to direct its resources to deliver the key services required by residents while reducing overall costs to demonstrate efficiency and ensure good use of scarce resources.

5. The Adults and communities directorate has a balanced budget due to further reducing the number and the cost of placements. The Children and families directorate overspend has remained reasonably static since September. Central, treasury management, capital financing and reserves shows an underspend due to savings on interest costs.

6. The revenue budget reported in the table above is as per the revised directorate structure. The movement in the budgets to the new structure is detailed in appendix A.

7. Monitoring of the achievement of savings continues on a monthly basis with the directorates. Analysis of the savings achieved in 2018/19 is included in Appendix D.

Capital outturn

8. The capital programme budget has increased since the July Council meeting from £297.25m to £325.630m due to an overall increase of £28.38m of grants, detailed in Appendix B, table b. The only other change is the reprofile to reflect the anticipated spend on projects during the current financial year as requested at July Council. The current year forecast spend is £47.8m against an adjusted budget of £68.6m (originally approved at £145.3m). This reflects revised profiles of spend on major projects. These variances are detailed in Appendix B, table a.

9. Appendix B provides the 2018/19 capital budget forecast by project in table a and the updated overall capital programme to reflect all the changes to date in table b. The table below shows how the reprofile is reflected in each financial year and the addition of £28.38m grants.

	Prior Year Spend	**2018/19 Budget**	**2019/20 Budget**	**2020/21 Budget**	**2021/22 Budget**	**Total**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
July Approved Budget	95,374	145,315	48,077	8,484	-	297,250
Reprofile	(4,883)	(74,247)	65,664	13,269	197	-
Additional Grants	-	(2,445)	4,687	22,920	3,218	28,380
Revised Capital Budget	**90,491**	**68,623**	**118,428**	**44,673**	**3,415**	**325,630**

Other budgets and reserves

10. The net treasury forecast outturn is expected to be a surplus (underspend) of £1.8m, this is detailed in Appendix C. The main reason being the delayed need to borrow due to capital receipt cash funds which has reduced the forecast annual interest cost payable. At the same time, the forecast interest earned is higher reflecting bank base rate increases (currently 0.75%) in the period. The total forecast outturn includes an £0.2m underspend on the £0.7m contingency budget.

Corporate performance

11. Council approved the corporate plan 2016/17-2019/20 in February 2016, framed around the key priorities to:

    - enable residents to live safe, healthy and independent lives;
    - keep children and young people safe and give them a great start in life;
    - support the growth of our economy; and
    - secure better services, quality of life and value for money.

12. In January 2018 Council approved the 2018/19 budget and the supporting delivery plan was agreed by cabinet in April 2018.

13. Progress towards implementing the delivery plan is measured through a number of agreed 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.

14. Appendix E provides an overview of performance during the first nine months of 2018/19. The proportion of performance measures showing improved performance or remaining the same compared to the same period last year is 52% (52% at end of September); there are 48% of performance measures that are currently performing worse than the same period last year (48% at end of September).

15. A summary of performance and the challenges faced in achievement of each of the council's corporate plan priorities is included in paragraphs 16-54.

Enable residents to live safe, healthy and independent lives

Staying well at home

16. Uptake of NHS Health Checks has improved in Q3 but overall remains below target. Whilst work is underway with the provider with the aim of implementing an action plan to increase uptake before the end of the financial year, the target of 20% of eligible population being invited of which 55% have an NHS Health Check is unlikely to be reached. A further review of health checks is to be completed before the end of the financial year and changes implemented for the next financial year to get the greatest gain from this service.

17. There has been a steady increase in the numbers of people accessing information and advice using the WISH online service. October and November reported the highest in month figures since the service was established with average of around 2,400 hits per month.

Targeted support

18. There has been steady progress on recruitment of hard to fill frontline reablement workers within the HomeFirst service. Current projections suggest that a full complement of staff should be in place by the end of quarter 4. Workforce development within HomeFirst will be a priority, with training in medication management, manual handling and safeguarding being the initial focus. Planned completion of this training is the end of quarter 4.

19. Following the introduction of the Homelessness Reduction Act in April 2018, there has been a 59% increase in footfall and an unprecedented demand upon need for Temporary accommodation for which the council has a statutory duty. This is impacting upon spend levels within the overall Housing Services budget and within the Temporary Accommodation budget in particular and continues to be managed by the Housing Solutions Team.

Care provision

20. To support the management of hospital pressures, Winter Pressures money has been invested in the care market for community discharges, increase of the capacity of the HomeFirst service and purchasing of a small number of block domiciliary care hours. To manage ongoing pressures within the local care market, a consultation is underway regarding proposals to increase the hourly rate for domiciliary care providers by 7.18% for urban providers and 20% for rural providers.

21. To enable improvement in the discharge from hospital, a dedicated integrated health and social care discharge lead has been appointed. This role will align hospital and social care resources to ensure the discharge processes are managed effectively.

22. To manage the increased demand for nursing provision, the number of block beds available to the council has been increased and additional plans are under development to further increase this capacity at Waverley House and Hillside. This will potentially increase capacity by 11 beds and 25 beds respectively.

Keep children and young people safe and give them a great start in life

Helping all children and young people succeed

23. A significant improvement in educational outcomes has taken place in Herefordshire over the past 5 years. Data on 2018 published results for primary and secondary schools in Herefordshire validated in the autumn term indicate that the county is performing in either the top or second quartile of all local authorities in the vast majority of performance indicators. Areas that are now being targeted by local authority officers are improving outcomes in the Attainment 8 measure at the end of Year 11; ensuring more primary pupils achieve the higher standard (greater depth) in Key Stages 1 and 2; securing higher attainment for disadvantaged groups, particularly pupils eligible for free school meals.

24. Overall, school budgets remain tight as improvements in revenue have not kept pace with rising costs. The schools forum recently approved the schools budget (£100.2m in total). The county benefitted from an additional £200k funding made available from the national growth fund and this will be split equally between schools and the high needs block. Consequently, all Herefordshire primary and secondary schools will receive their full funding according to the national funding formula, plus an extra £15 per pupil.

25. Nationally, there has been much publicity around pressures in the high needs block as a number of local authorities are currently in deficit and have been required to top-slice funding from the schools block. This is not the case in Herefordshire as in the autumn term, the Secretary of State, confirmed extra high needs funding for Herefordshire of £375k for both this and next financial year. Although as a consequence, pressures have been alleviated in the short term and the high needs block in Herefordshire is currently not in deficit, the schools forum has elected to keep this position under review on an annual basis.

26. A review of special educational needs provision across the county is a key priority in Herefordshire's strategy for Education, Development and Skills. The council is committed to supporting schools to develop inclusive practice that will enable more pupils to remain in mainstream schooling. National trends and developments have seen the numbers of children who are temporarily excluded from school rise with more children entering home education. This is also reflected in Herefordshire (although the county still ranks below the national average in these measures). In the autumn term, the council commenced, in collaboration with schools, a review of the county's pupil referral unit and how it operates. This development complements current capital projects with schools and academies that aim to improve provision for pupils with special educational needs; these include the 16-19 free school build at Barrs Court Special School and increasing provision at The Brookfield School for students with social, emotional and mental health needs.

27. In the autumn term, a number of inspections by Ofsted took place in schools affiliated to the Bishop Anthony Education Trust in Herefordshire and Shropshire. Academy schools are directly responsible to the Regional Schools Commissioner's office, based within the Department for Education (DfE). This office has no powers of intervention unless an academy has been judged to be inadequate. Notably, within Herefordshire, The Hereford Academy was judged to be inadequate. Local authority officers are now in discussion with representatives from the DfE over the academy's future; this may include changes to the academy's leadership and/or trust arrangements.

Keeping children and young people safe, in supportive family environments

28. The introduction of the new local Early Help Assessment (EHA) has replaced the Common Assessment Framework (CAF), resulting in increased assessments from 500 in January 2018 to 945 at the end of December 2018. This means that more families are being supported earlier before they reach the need to require an intervention from the statutory services.

29. The number of families who have achieved sustainable changes under the national Troubled Families programme, Payment By Result (PBR) by the end of December 2018 was 366. This has brought a further £53.6k into the council equating to a total of £292.8k at the end of the last quarter.

30. The number of children subject to child protection plans has remained at 124 in Q3, compared to the latter part of 2017/18, which ended at 201. This has been achieved through providing additional capacity to review current cases. The council's number is now below the statistical neighbours' average based on most recent data. More specifically the national children in need (CIN) census data at the end of December 2018 shows that the rate per 10,000 children was 34, the national average 45 and the West Midlands average 50.

31. The service has reviewed the application of thresholds and service support to ensure that children and young people are being effectively supported at the right level of need. A number of cases that have stepped down from child protection (CP) plans have been audited and the findings have been taken to the Safeguarding and Family Support management meeting to ensure that there is oversight of this practice within this area.

32. The council established a specific work programme to address weaknesses regarding approach to CIN. A dedicated senior manager led the work for a three-month period and has produced a clear CIN policy and procedure, which has recently been implemented. During this process and the establishment of CIN panels, 181 CIN cases were reviewed. CIN visits are being monitored as part of a weekly performance management approach, which has shown some improvement but still needs to get much better. Strategy meeting guidance has also been reviewed and implemented. S47 guidance is in the process of being produced to improve the practice in this area.

33. The looked after children (LAC) numbers have increased overall during this financial year from 314 to 332 as at the end of December 2018; despite the overall number remaining the same as the previous quarter there were 5 children who ceased to be looked after in December 2018. The increase has been due to the impact of long-term neglect and some large sibling groups being taken into care over recent months. Ofsted identified that there had been some delay in progressing neglect cases.

34. As a result of an improved approach to performance, children are receiving more timely visits. CP visits are at 85% in time in December 2018 compared to 69% in September, LAC visits are 74% compared to 65% and CIN visits are recorded as 63% compared to 44%. However, the accuracy of the reports need to improve particularly for LAC and CIN, as they do not take into account different timescales for visiting a child/young person. Whilst timeliness of visits is still not as good as it should be, it is showing an improvement.

35. The recording continues to improve for both cases and social worker supervision; in September 43% of case supervisions were being completed, this has risen to 61% as at the end of December 2018. There has also been an increase in the percentage of social worker supervision that are being completed, which was 75% as at the end of December

compared to 73% in August; the percentage of social worker supervision being completed was not calculated prior to August 2018.

36. In the year to date 59% of assessments have been completed within timescale and although the year to date percentage increased slightly from 56% last quarter, this remains is a significant area of concern and work is underway to ensure that the number of cases that require assessment are undertaken in a robust and efficient manner. Note that the target that has been set is for 80% of assessments to be completed within the 45-day timescale and in December 2018, 94% were completed within the timescale, a significant improvement. Of the assessments completed in December, 89% of cases are reported as seeing the child within 10 days. To continue this improvement changes are being made within the Mosaic system to set a 3-day limit.

37. It had been identified that some cases were in the wrong teams and as a consequence the council's transfer process has been updated and a review process and reporting implemented. Management capacity in the CP/Court services has been increased, as well as social workers recruited to fill vacant posts.

Support the growth of our economy

Improve the infrastructure

38. The development of the preferred package and business case for the South Wye Transport Package is progressing to programme. Heads of terms have been agreed with all landowners and legal agreements are being drafted to exchange.

39. The Chancellor of the Exchequer announced in the Budget 2018, that the Government is allocating £420m in 2018/19 for local highways maintenance – £5.108m of which has been allocated to Herefordshire. This new capital funding represents a significant extra investment in road maintenance and is on top of the funding DfT have allocated for local highways maintenance purposes. The £5.108m has been added to the Highways Asset Management line in the council's capital programme, allowing the council to increase that programme of work. To allow effective use of the grant allocation £2.608m will be utilised to support work already programmed in 2018/19. The remaining £2.5m will be utilised to deliver additional in-year resurfacing work. As a consequence of this the £2.608m that would have been invested by the council, as an addition to the funds received through the Local Transport Plan (LTP) maintenance grant allocations and pothole fund, can be utilised in 2019/20. Through adopting this approach the council will meet Government's spend criteria and enable the funds available through the council's capital programme to be invested in accord with its Asset Management Strategy and in a way that achieves better value for money.

40. Masterplanning work has commenced on options for the Country Bus Station including potential for a new multi-storey car park. Initial design feasibility works commissioned at stage 1 in respect of stand redevelopment at Hereford Football Club. Successful delivery of this scheme would make an important contribution to the significant development and improvement currently underway on Blackfriars street, contributing to the regeneration of the Urban Village area, enabled by the new link road.

41. Ledbury has become the first market town to reach referendum stage, with the Leominster referendum scheduled for 28 February. To date, four market town Neighbourhood Development Plans (NDPs) have reached the formal regulatory stages (Reg14 to referendum). 14 NDP's have become part of the statutory development plan in 2018 (46 in total since 2012). Several Neighbourhood Planning Referendums have taken place during February 2019, with further referendums taking place later in the year.

42. The Hereford Area Plan site options consultation is now completed and a draft design guide is subject to consultation.

43. Updated proposals for pitch provision within the Travellers Sites DPD have been submitted to the examiner and the Inspector's modifications are expected in the Spring. Recommendations will determine the subsequent timetable for adoption.

44. Ross Enterprise Park business case has been completed and applications have been submitted to discharge planning conditions and finalised designs prepared. An enabling package of works is being prepared with a view to starting on site in March 2019.

45. As part of the new phase of broadband deployment in Herefordshire, additional premises in Hereford are in plan to receive superfast broadband. Though Fastershire is primarily a programme to deploy fibre broadband in rural parts of the county, there are some premises in the city with very low speeds that commercial providers would not reach without public funding. A contract is therefore in place with BT to connect an additional 2,200 premises in the city. The Fastershire website includes details of premises in Hereford in plan and those that can already order a superfast broadband service.

    Spend on Fastershire is behind profile due to payment being held back until work is completed by the supplier for the broadband fibre rollout. The supplier has been asked to provide evidence of deliverables and outcomes with due diligence before payment is made.

    Develop the economy

46. Significant progress is being made on the Hereford Enterprise Zone. On 13 December 2018, Cabinet approved the creation of a Joint Venture company between the council and the University of Wolverhampton to deliver and operate the Centre for Cyber Security at the Enterprise Zone. In addition, a contractor has been appointed to carry out the redevelopment of the Shell Store which will provide business units in this historic location.

47. The Station Approach project was approved at Cabinet on 13 December 2018. The scheme will support short-term student accommodation needs for NMiTE and longer term needs for Herefordshire College of Arts (HCA), subject to final agreements. This is the first significant project to be delivered through the Development and Regeneration Partnership (DRP) on the new link road.

    Ensure access to housing

48. Planning permission for 45 homes on the site at Bromyard former depot has been secured including the provision of affordable housing. Subject to securing access to site work will commence in the new financial year.

49. Initial investigations are underway in respect of the former Holme Lacy school site, with potential for delivery of new homes to high standards of sustainability.

50. To date there have been 112 affordable dwellings delivered against a target of 200 for the year.

    Secure better services, quality of life and value for money

    Efficient use of resources

51. To ensure the council's corporate compliance with data protection legislation and compliance with the national data security and data protection toolkit, all staff are required to complete their mandatory information governance and security training that currently stands at 99.7%.

    Despite the increased numbers of Freedom of information requests the council are achieving the target of 95% response rate within timescales.

52. The elections team finalised the canvass during December and have increased the electorate register figure by 1% (1,300).

    Planning is underway for the local government elections on 2 May, including updated website with links and nomination packs and arranging briefing sessions with parish clerks, prospective candidates and agents.

    Improved customer service

53. The second issue of Herefordshire Now was published the first week of December. In the first four weeks 805 people had read the publication online (an increase from 671 in the first four weeks of issue 1), and many more may have read the paper version. Social media items from the publication reached 14,500 people.

54. The Blue Badge service is changing as a result of the Department for Transport no longer supporting the ICT system for badge applications, and therefore the customer services team have tendered for a local system which is currently being implemented. A recent audit found that the systems and processes in place adequately support the current numbers of Blue Badge applications across Herefordshire

Community impact

55. In accordance with the adopted code of corporate governance, Herefordshire Council must ensure that it has an effective performance management system that facilitates effective and efficient delivery of planned services. To support effective accountability the council is committed to reporting on actions completed and outcomes achieved, and ensuring stakeholders are able to understand and respond as the council plans and carries out its activities in a transparent manner.

56. Regularly reviewing performance with a view to identifying actions which will deliver further improvement in outcomes or efficiencies helps ensure the council achieves its corporate plan priorities.

Equality duty

57. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

    A public authority must, in the exercise of its functions, have due regard to the need to -

    (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;

    (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

58. The public sector equality duty (specific 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 decision making, in the design of policies and in the delivery of services. As part of the decision making processes, individual directorates and service areas assess the potential impact of any proposed project, leading to fairer, transparent and informed decisions being made.

Resource implications

59. The overall trend in workforce costs continues upwards which is a consequence of the additional £1.5m investment in children's workforce. The data shows a reduction in the use of agency staff in all other areas of the council.

Legal implications

60. None.

Risk management

61. 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 are included within appendix E.

62. The Welfare Reform risk has been removed as a corporate risk. Universal Credit has started to be rolled out, and whilst there is still some uncertainty as to the full implementation process nationally, the framework is now in place. This risk has now been superseded by the new risk regarding the uncertainty of long-term social care funding, which is currently being considered under the social care green paper.

Consultees

63. 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	Savings performance reports	
Appendix E	Scorecards	Adults and communities
		Children and families

Further information on the subject of this report is available from
Paul Harris Tel: 01432 261923 email: sthodges@herefordshire.gov.uk

Economy and place

Organisation wide

Background papers

Databooks (*link*)

Corporate risk register *(link)*

Revenue Budget Position 2018/19 as at December 2018

Directorate Net Budget	Gross Budget	Income	Net Budget	Movement	Working Budget	Outturn	Variance	Movement since September
	£000	£000	£000	£000	£000	£000	£000	£000
	Over / (Under)spend							
Adults and Communities	87,266	35,337	51,929	87	52,016	52,016	0	(405)
Children and Families	168,778	145,375	23,402	2,097	25,499	27,522	2,023	212
Economy and Place	48,415	19,260	29,155	4,446	33,601	33,791	190	28
Corporate	15,413	1,274	14,139	784	14,923	14,962	39	(150)
Directorate total	**319,872**	**201,246**	**118,625**	**7,414**	**126,039**	**128,291**	**2,252**	**(315)**
Central, treasury management, capital financing and reserves	63,786	38,288	25,499	(7,414)	18,085	16,122	(1,963)	(580)
TOTAL	**383,658**	**239,534**	**144,124**	**0**	**144,124**	**144,413**	**289**	**(895)**

Movements in Net Budget

Restructure: 8 months in the old structure and 4 months new structure, details of the structure changes are detailed below.

Adults and Communities - funding for pay award £158k, transfer of post from CWB £24k, reserves drawdown Public Health £30k, reserves drawdown for Hillside project £25k, transfer of budgets to/from Corporate and Economy & Place (£150k).

Children & Families - funding for pay award £156k, drawdowns from reserves £1,720k, funding for interim posts £245k, transfer of post to Adults and Wellbeing (£24k)

Economy & Place – Hereford bypass budget of £882k, funding for pay award £123k, movements to Adults and Communities (£148), capital receipts of £48k and drawdowns from reserves of £3,541k, £2,800k of which is for remedial road works.

Corporate – Funding for pay award £53k, movements from Adults and Communities £298k and drawdowns from reserves of £433k.

Mapping of September outturn Budget to the New Structure

Appendix A reflects the new structure; the budget has been split between Economy and Place and Corporate, with some specific movements to Adults and Communities. The table below highlights these movements; in addition there have been reserve movments since September as noted above.

	Working Budget	Customer Services	Project Team	Performance Team	Sustainable Communities Team	Housing Team	Economy and Place	Corporate	Reserve Movements since September	Revised Working Budget
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Adults and Communities	52,141	154	(133)	(165)	80	(86)	0	0	25	52,016
Chidlren and Families	25,053	0	0	0	0	0	0	0	446	25,499
ECC	45,139	(154)	133	165	(80)	86	(30,492)	(14,797)	0	0
Economy and Place	0	0	0	0	0	0	30,492	0	3,109	33,601
Corporate	0	0	0	0	0	0	0	14,797	126	14,923
Directorate Budgets	**122,333**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**3,706**	**126,039**
Central	21,791	0	0	0	0	0	0	0	(3,706)	18,085
Total	**144,124**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**144,124**

Adults and Communities: Revenue Budget Position 2018/19 as at December 2018

	Gross Budget	Net Budget	Full Year Outturn	Full Year Variance	Movement since September
	£000	£000	£000	£000	£000
Learning Disabilities	22,074	18,792	19,196	404	(423)
Memory & Cognition	2,516	1,908	2,216	308	(41)
Mental Health	4,757	4,065	3,446	(619)	(195)
Physical Disabilities	30,965	22,534	22,546	12	(159)
Sensory Support	506	401	401	0	3
Client Subtotal	**60,818**	**47,700**	**47,805**	**105**	**(815)**
Care Operations and Commissioning	7,679	7,604	7,253	(351)	(79)
Commissioned Services	4,388	3,016	3,175	159	195
Transformation and Improvement	1,391	1,391	1,335	(56)	39
Prevention and Wellbeing	3,425	2,440	2,530	90	(55)
Director and Management	90	(10,165)	(10,112)	53	310
Public Health	9,341	30	30	0	0
Non Client Subtotal	**26,314**	**4,316**	**4,211**	**(105)**	**410**
Adults and Communities	**87,132**	**52,016**	**52,016**	**0**	**(405)**

The key explanations as to the movement since September are:

Learning Disabilities – Reduction in residential care due to clients becoming health funded. A reduction in both the cost and the number of domiciliary and direct payment packages.

Mental Health – a reduction in Nursing, direct payments and domiciliary care packages.

Physical Support – A net reduction in the number and cost of domiciliary care packages, partly offset by an increase in the number of residential packages.

Commissioned Services – An increase in the forecast for the Integrated Community Equipment Store (ICES) due to the current overspend position.

Director and Management – As a result of direct payment surplus recovery exceeding expectations, the directorate has been able to offset unmet savings held within this area of the budget.

Children and Families: Revenue Budget Position 2018/19 as at December 2018

	Gross Budget	Net Budget	Full Year Outturn	Full Year Variance	Movement since September
	£000	£000	£000	£000	£000
Directorate	(426)	(426)	(231)	195	37
Directorate	**(426)**	**(426)**	**(231)**	**195**	**37**
Additional Needs	2,542	2,202	2,208	6	131
Children's Commissioning	785	548	540	(8)	14
Commissioning Management	3,157	456	384	(72)	0
Development and Sufficiency	1,632	846	872	26	66
Early Years	1,328	681	668	(13)	14
Education Improvement	219	77	71	(6)	0
DSG	121,829	0	0	0	0
Education and Commissioning	**131,492**	**4,810**	**4,743**	**(67)**	**225**
Safeguarding and Review	951	696	716	20	(17)
Children in Need	2,986	2,886	2,886	0	(3)
Looked After Children	17,254	15,033	16,945	1,912	(7)
Safeguarding Development	302	272	250	(22)	(20)
Safeguarding and Early Help Management	2,228	2,228	2,213	(15)	(3)
Safeguarding and Family Support	**23,721**	**21,115**	**23,010**	**1,895**	**(50)**
Children and Families	**154,787**	**25,499**	**27,522**	**2,023**	**212**

The key variances are:

Directorate – update of achievement of savings

Additional Needs – £51k due to changes in the forecasts relating to the use of the SEN Reform Grant - £39k previously recorded as an underspend will be returned to reserves as not being used this year and remainder is an increase in expected spend against allocated grant. £33k increased pressure relating to occupational therapy adaptations and equipment due to increased volume of assessments. Educational Psychology income forecast has been reduced by £27k

Development and Sufficiency - £45k correction to Bromyard children's centre forecast.

Economy and Place: Revenue Budget Position 2018/19 as at December 2018

	Gross Budget	Net Budget	Full Year Outturn	Full Year Variance	Movement since September
	£000	£000	£000	£000	£000
Management	173	170	155	(15)	(15)
Regulatory Environment & Waste	22,146	15,349	15,344	(5)	69
Highways & Transport	21,748	18,829	18,889	60	(21)
Technical Services	8,149	(4,170)	(4,020)	150	3
Growth, Culture, Museums, Libraries, Archives	3,782	2,603	2,603	0	(8)
Economic Growth	1,267	820	820	0	0
Total Economy and Place	**57,265**	**33,601**	**33,791**	**190**	**28**

The key variances are:

There is a forecasted pressure of £557k on planning control, where there haven't been as many applications in compared to this time last year and the average value of applications hasn't matched the 20% fee increase.There is a forecasted £324k overspend on transport, this is due to increased demand and an increase in locations. These overspends are partly mitigated by £361k savings in energy and £273k of savings on waste collection and disposal. To address the pressure transport managers have started a cross directorate working group to look at improving the policies and allocation of monies. More analysis of the planning income is also being carried out.

Corporate : Revenue Budget Position 2018/19 as at December 2018

	Gross Budget	Net Budget	Full Year Outturn	Full Year Variance	Movement since September
	£000	£000	£000	£000	£000
Corporate Support Services	9,379	5,953	5,941	(12)	108
Finance, Legal & Governance	7,952	7,658	7,745	87	(241)
People & Performance	1,343	1,312	1,276	(36)	(17)
Total: Corporate	**18,674**	**14,923**	**14,962**	**39**	**(150)**

The key variances are:

The £12k underspend on Corporate Support Services is due to a senior member of staff being on secondment to the Wye Valley Trust and only partly backfilling the post.

The £87k overspend on Finance, Legal & Governance is due to a £155k overspend on Legal Services. This overspend has been partly mitigated by a £50k saving on Insurance. Legal Services are recruiting to vacant posts to reduce the need for external legal consultants.

Table A – 2018/19 Capital Budget Forecast					
*Adjustments include reprofiling to future years and additional grants allocations	**2018/19 Budgets**	**Adjustments in Year***	**Budget**	**Forecast**	**Variance**
	£000	**£000**	**£000**	**£000**	**£000**
Adults and Communities					
Disabled facilities grant	1,853	219	2,072	2,072	-
Hillside	1,500	(1,250)	250	250	-
Single Capital Pot	596	(73)	523	161	(362)
Private sector housing improvements	242	-	242	91	(151)
Total Adults & Communities	**4,191**	**(1,104)**	**3,087**	**2,574**	**(513)**
Children and Families					
Colwall Primary School	320	-	320	293	(27)
Schools Capital Maintenance Grant	1,717	(500)	1,217	1,140	(77)
Peterchurch Primary School	5,493	(5,493)	-	-	-
Expansion for Marlbrook school	4,988	(4,538)	450	450	-
SEN & DDA school improvements	710	(710)	-	-	-
Brookfield School Improvements	1,298	(1,298)	-	-	-
CYPD's S106	996	(604)	392	392	-
Special Provision Capital Fund	167	(167)	-	-	-
Healthy Pupils	99	(99)	-	-	-
Individual Pupil Needs	271	(120)	151	150	(1)
Short Breaks Capital	118	(118)	-	-	-
Blackmarston SEN	55	-	55	23	(32)
Replacement Leominster Primary	39	-	39	30	(9)
Basic Needs Funding	310	(310)	-	-	-
2 Year Old Capital Funding	101	-	101	75	(26)
Preliminary works to inform key investment (County)	2,015	(1,815)	200	200	-
Temporary school accommodation replacement	450	-	450	450	-
Total Children & Families	**19,147**	**(15,772)**	**3,375**	**3,203**	**(172)**
Corporate					
Fastershire Broadband	12,957	(7,957)	5,000	800	(4,200)
IT Network Upgrade	291	-	291	-	(291)
PC Replacement	290	-	290	290	-
Data Centre Consolidation	106	-	106	5	(101)
Children centre changes	370	-	370	160	(210)
Total Corporate	**14,014**	**(7,957)**	**6,057**	**1,255**	**(4,802)**
Economy and Place					
Hereford City Centre Transport Package	7,060	(5,718)	1,342	1,119	(223)
Local Transport Plan (LTP)	13,539	-	13,539	13,539	-
Hereford Enterprise Zone	7,682	(2,924)	4,758	2,638	(2,120)
Leisure Centres	413	-	413	45	(368)
Solar Photovoltaic Panels	1,631	(1,511)	120	89	(31)
Corporate Accommodation	509	-	509	189	(320)
ECC's S106	756	-	756	756	-
South Wye Transport Package	15,505	(10,997)	4,508	1,996	(2,513)

Marches business improvement grants	1,667	(370)	1,297	520	(777)
SEPUBU Grant	-	381	381	381	-
Property Estate Enhancement Works	1,414	-	1,414	597	(816)
LED street lighting	177	-	177	90	(87)
Herefordshire Enterprise Zone Shell Store	6,816	(5,316)	1,500	250	(1,250)
Cyber Security Centre Project	3,500	-	3,500	3,500	-
Development Partnership activties	20,300	(15,000)	5,300	250	(5,050)
Highway asset management	12,835	(3,045)	9,790	9,790	-
Hereford Transport Package	2,960	-	2,960	2,541	(419)
Ross Enterprise Park (Model Farm)	6,770	(5,970)	800	250	(550)
Three Elms Trading Estate	483	(358)	125	99	(26)
Stretton Sugwas Closed Landfill	2	-	2	0	(2)
Customer Services and Library	123	-	123	123	-
Energy Efficiency	100	(65)	35	0	(35)
Strangford closed landfill site	11	-	11	0	(11)
Gypsy & Traveller Pitch development	331	-	331	0	(331)
Leominster cemetery extension	172	-	172	172	-
Tarsmill Court, Rotherwas	400	-	400	400	-
Car Parking Strategy	188	-	188	149	(39)
Car Park Re-Surfacing	116	-	116	115	(1)
Office and Car Park Lighting Replacement	300	(165)	135	80	(55)
Affordable Housing Grant	1,600	(800)	800	800	-
Community Housing Fund	150	-	150	30	(120)
Revolving Loans	101	-	101	101	-
Hereford Library	351	-	351	136	(215)
Total Economy & Place	**107,962**	**(51,858)**	**56,104**	**40,745**	**(15,359)**

Total	**145,314**	**(76,691)**	**68,623**	**47,777**	**(20,846)**

Table B – Capital Programme position December 2018/19						
Scheme Name	**Prior Years**	**2018/19 Budget**	**2019/20 Budget**	**2020/21 Budget**	**2021/22 Budget**	**Total Scheme Budget**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
Economy and Place						
Hereford City Centre Transport Package	32,321	1,342	1,550	5,438		40,651
Local Transport Plan (LTP)		13,539	12,272	12,272		38,083
Hereford Enterprise Zone	8,318	4,758	2,924			16,000
Leisure Centres	9,639	413				10,052
Solar Photovoltaic Panels	503	120	1,511			2,134
Corporate Accommodation	2,362	509				2,871
E & P's S106		756				756
South Wye Transport Package	4,978	4,508	17,067	8,250	197	35,000
Marches business improvement grants	415	1,297	788			2,500
SEPUBU Grant		381	354			734
Property Estate Enhancement Works	826	1,414	500			2,740
LED street lighting	5,478	177				5,655
Herefordshire Enterprise Zone Shell Store		1,500	5,816			7,316
Cyber Security Centre Project		3,500				3,500
Development Partnership activities	300	5,300	35,000			40,600
Highway asset management		9,790	3,108			12,898
Hereford Transport Package		2,960				2,960
Ross Enterprise Park (Model Farm)		800	6,270			7,070
Three Elms Trading Estate	(8)	125	358			475
Stretton Sugwas Closed Landfill	93	2				95
Customer Services and Library	10	123				133
Energy Efficiency		35	65			100
Warm Homes Fund			397	397	165	960
Strangford closed landfill site	20	11				31
Gypsy & Traveller Pitch development	29	331				360
Leominster cemetery extension	21	172				193
Tarsmill Court, Rotherwas		400				400
Car Parking Strategy	58	188				246
Car Park Re-Surfacing		116				116
Office and Car Park Lighting Replacement		135	165			300
Affordable Housing Grant		800	800	800		2,400
Community Housing Fund		150				150
Revolving Loans	99	101				200
Hereford Library	(6)	351				345
Total Economy and Place Capital Projects	**65,456**	**56,104**	**88,945**	**27,157**	**362**	**238,025**
Children and Families						
Colwall Primary School	6,430	320				6,750
Schools Capital Maintenance Grant	797	1,217	1,700	1,200	1,200	6,114
Peterchurch Primary School	7	0	493	5,000		5,500
Expansion for Marlbrook school	153	450	5,538			6,141
SEN & DDA school improvements		0	710			710
Brookfield School Improvements	6	0	1,298			1,304
C & F's S106	314	392	604			1,310
Special Provision Capital Fund		0	333	167		500
Healthy Pupils		0	99			99
Individual Pupil Needs		151	120			271
Short Breaks Capital		0	118			118

Blackmarston SEN	30	55				84
Replacement Leominster Primary	3	39				42
Basic Needs Funding		0	2,058	6,833		8,891
2 Year Old Capital Funding	5	101				106
Preliminary works to inform key investment need throughout the county		200	1,815			2,015
Temporary school accommodation replacement		450				450
Total Children and Families Capital Projects	**7,743**	**3,375**	**14,887**	**13,200**	**1,200**	**40,405**

Corporate

Fastershire Broadband	16,855	5,000	11,420	2,463		35,738
IT Network Upgrade	209	291				500
PC Replacement	70	290				360
Children centre changes		370				370
Data Centre Consolidation	124	106				230
Total Corporate Capital Projects	**17,528**	**6,057**	**11,420**	**2,463**	**0**	**37,198**

Adults and Communities

Disabled facilities grant		2,072	1,853	1,853	1,853	7,631
Hillside		250	1,250			1,500
Single Capital Pot	19	523	73			615
Private sector housing improvements	14	242				256
Total Adults and Communities Capital Projects	**33**	**3,087**	**3,176**	**1,853**	**1,853**	**10,002**

Total	**90,491**	**68,623**	**118,428**	**44,673**	**3,415**	**325,630**
Total Approved Capital Programme July Council	95,374	145,315	48,078	8,484	-	297,250
Change in Capital Programme	(4,833)	(76,692)	70,350	36,190	3,415	28,380
Overall Change Financed By						
Grant and funding contributions	-	(2,445)	4,687	22,920	3,218	28,380
		(2,445)	4,687	22,920	3,218	28,380
						Note 1

Note 1

Additions since July Council

Sustainable Energy in Public Buildings (SEPuBu) Grant	734
Schools Maintenance Grant	3,600
Challenge Fund estimation removed	(12,045)
Basic Needs Funding Grant allocation	8,581
Disabled Facilities Grant Future Grant allocation	5,559
Disabled Facilities Grant Additional 18/19 Grant allocation	219
Roads Funding Announcement	5,108
European Agricultural Fund for Rural Development funding increase Fastershire	1,461
Warm Homes Funds	960
Local Transport Plan Future Grant allocation	14,203
	28,380

Treasury Management Interim Report (31 December 2018)

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. The slow progress made with the Brexit negotiations continue to have an impact on UK markets:

- The economy has not performed as well as expected so far in this quarter. Economic growth, which was robust in July, has backtracked as concerns around the possibility of a 'no deal' Brexit grow.
- On 02/08/18 the Bank of England raised the base rate from 0.50% to 0.75%.
- Consumer price inflation (CPI) was 2.3% in November 2018, down from 2.4% in August 2018 and the lowest inflation rate since March 2017.

2. The Council's Investments

2.1 At 31 December 2018 the council held the following investments:

Investment	Term	Maturity Date	Interest Rate	Amount £m
Instant Access Money Market Funds:				
Federated	N/A	N/A	0.75%	5.00
Aberdeen Standard	N/A	N/A	0.75%	5.00
Insight	N/A	N/A	0.67%	2.45
Morgan Stanley	N/A	N/A	0.69%	4.45
Invesco	N/A	N/A	0.72%	5.00
95 Day Notice Bank Accounts:				
Santander	N/A	N/A	1.50%	5.00
Fixed Term Deposits:				
Eastleigh Borough Council	182 days	29/03/19	0.80%	5.00
Market Harborough Building Society	100 days	25/01/19	0.90%	5.00
Lancashire County Council	273 days	29/07/19	1.05%	5.00
London Borough of Harrow	112 days	25/03/19	0.80%	5.00
Total			**0.69%**	**46.90**

2.2 The higher level of investment balances shown above are due to the capital receipts received from the sale of the smallholding estate.

2.3 The council continues to select counterparties suitable for investment based on the credit worthiness service provided by their treasury advisors, Link Asset Services. The service 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

2.4 An investment was made on 17th October 2018 to a building society that is not on the Council's approved Counter Party List. The investment was for £5m to the Market Harborough Building Society for 100 days earning an interest rate of 0.90%. The investment is considered not a risk to the Council. An internal audit has been completed to review the controls in place at the time and how these did not prevent this investment from being actioned. The review has ascertained where controls need to be enhanced to prevent a repeat of this type of investment from being actioned in future. All internal audit recommendations have been adopted. The 2019/20 budget setting report includes reccommending to council for approval a revised treasury management strategy which will include the top five UK Building Society's as approved counterparties.

2.5 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**	**(Surplus) /Deficit £'000**
	Actual / *Forecast* £m	**Budget £m**	**Actual / *Forecast* %**	**Budget %**			
Apr-18	26.7	30	0.51	0.5	11	12	1
May-18	35.9	30	0.56	0.5	17	12	(5)
Jun-18	33.9	30	0.60	0.5	18	12	(6)
Jul-18	40.1	25	0.59	0.5	21	10	(11)
Aug-18	42.0	25	0.65	0.5	24	10	(14)
Sep-18	40.6	20	0.67	0.5	23	8	(15)
Oct-18	42.5	20	0.71	0.5	27	8	(19)
Nov-18	46.8	15	0.72	0.5	33	6	(27)
Dec-18	46.8	15	0.69	0.5	27	6	(21)
Jan-19	*40.0*	15	*0.60*	0.5	*20*	6	*(14)*
Feb-19	*40.0*	10	*0.60*	0.5	*20*	4	*(16)*
Mar-19	*40.0*	10	*0.60*	0.5	*20*	4	*(16)*
Total					***261***	**98**	***(163)***

2.6 Interest income earned has been higher than expected as the interest rate earned on investments has been slightly higher than budgeted, due to interest rate incresaes and the average amount available for investment has been higher than anticipated, reflecting low actual capital spend to date and higher capital receipt balances held.

2.7 In addition to investment income the council earns interest on the provision of loan finance to the waste disposal PFI provider, this is expected to generate loan interest payable to us of £2.6m in 2018/19, this will be recharged through the waste disposal PFI arrangement.

3. The Council's Borrowing

Short-term borrowing

3.1 The council is continuing its policy of using short-term borrowing (if required) 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 2018 there were no short-term loans outstanding.

Long-term borrowing

3.4 At 31 December 2018 the council held long term borrowing of £139.5m, no new long term borrowing has been secured. Rates are monitored and discussed with our treasury advisors to determine the timing of securing any new long term borrowing.

3.5 The current capital financing budget position is summarised below:

Summary of Borrowing Budget	Budget	Forecast	(Surplus) /Deficit
	£m	£m	£m
Minimum revenue provision	7.8	6.7	(1.1)
Interest payable on all loans	6.1	5.6	(0.5)
Total	**13.9**	**12.3**	**(1.6)**

4. Summary of forecast outturn

4.1 The current net treasury forecast outturn is expected to be a surplus (underspend) of £1.8m, the main reason being the delayed need to borrow, following higher cash balances being held, reduced the annual interest cost payable.

2018/19 Savings

December 2018

Savings position

- This report is to review the performance against the current year savings plans, the tables include future years as we are mindful of these future proposals.

Savings Proposal	2018/19			2019/20			Total
	£000			£000			£000
Adults and Communities	4,308	250	837	600	100	800	**6,895**
Children and Families	2,053	0	179	200	0	850	**3,282**
Economy and Place	2,995	0	0	673	1,063	182	**4,913**
Corporate	867	0	0	99	0	0	**966**
Central	1,460	0	0	200	0	0	**1,660**
Total	**11,683**	**250**	**1,016**	**1,772**	**1,163**	**1,832**	**17,716**

Adults and Communities MTFS Savings

Savings Proposal	2018/19 £000			2019/20 £000			Total Savings £000			Total £000
Decommissioning of Block Contacts and Redesign	400						400	-	-	**400**
Price banding	200						200	-	-	**200**
iBCF: Workforce Savings	200			600			800	-	-	**800**
Implementation of the ASC Pathway (inc spot purchase of day opps & transport)	1,223	-	299			800	1,223	-	1,099	**2,322**
Review of day opps block purchase (Elizabeth Fitzroy)	140						140	-	-	**140**
Options apprasial for DoLS	-		150				-	-	150	**150**
CHC Review		250					-	250	-	**250**
Saving from holding of block payment beds to average of 13	150	-					150	-	-	**150**
Redesign of Shaw contract (Waverly House)		-	20				-	-	20	**20**
PH: Sexual Health Contract	120		-				120	-	-	**120**
PH: Substance Misuse	250	-					250	-	-	**250**
PH: Public Health nursing	180						180	-	-	**180**

Adults and Communities MTFS Savings cont...

Savings Proposal	2018/19 £000			2019/20 £000			Total Savings £000			Total £000
Staff savings: Public Health	128						128	-	-	**128**
Staff savings: Housing Solutions	38						38	-	-	**38**
Staff savings: Transformation and Commissioning	111						111	-	-	**111**
Staff savings: Capitalisation of staff costs	122	-					122	-	-	**122**
Staff savings: OT	42						42	-	-	**42**
Change in policy on disregards (AA/ DLA)	132		368		100		132	100	368	**600**
iBCF: Use of unallocated funding	250	-					250	-	-	**250**
BCF: Reduction in spend on step down	200	-					200	-	-	**200**
PH: Reduce budget to match uptake of NHS health checks	46	-					46	-	-	**46**
PH: Reduce budget to match uptake of smoking cessation	46	-					46	-	-	**46**
Further staff savings identified as a result of the restructure - deletion of vacant posts	330						330	-	-	**330**
	4,308	**250**	**837**	**600**	**100**	**800**	**4,908**	**350**	**1,637**	**6,895**

Adults and Communities savings narrative

- Adults and Communities continue to focus on the highest risk areas:-
  - Pathway savings
  - CHC Review cases

- Monthly board meetings take place with Finance, Operations and Performance present in order to monitor the client areas identified and track savings achieved. These meetings report up into monthly DLT meetings and support the finance forecasting data being taken to that meeting

Children and Families MTFS Savings

Savings Proposal	2018/19			2019/20		
	£000			£000		
Inflation	400			200		
Reduction in LAC costs	500					650
Short Breaks	100					
Contracts - NYAS and HIPSS	137		53			
Capitalisation of staff costs	80					
Children's Centres contracts	70					
Training spend	50					
Vacancy factor	300					
Early Help and Early Years	82					
Adult learning	46					
Commissioning Team & Management	97					
Education & Asset Management Structures	90					
Business support	40					
Improvement plan	40					
Youth Offending Service contract	10					
Children in Need Structure			51			
Safeguarding and Training staff	11		75			
Structure for safeguarding						200
Total	**2,053**	**0**	**179**	**200**	**0**	**850**

Children and Families savings narrative

- Work on the LAC reduction project is ongoing and savings of £365k have been achieved to date. Progress has been slower than planned but we have been able to make the remaining savings from in house fostering and 16+. Savings have been achieved through:

  - Improved support for foster carers to understand and apply the foster carer mileage policy and support in planning journeys

  - Implementation of 16+ finance policy has improved consistency in decision making and ensured that alternative sources of funding are fully utilised

Economy and Place MTFS Savings

Savings Proposal	2018/19 £000		2019/20 £000			Total Savings £000			Total £000
Libraries / Customer Service Centres	380					380			**380**
Museums and Heritage Services	150			68	182	150	68	182	**400**
Off-Street Car Parking	235					235			**235**
Public and Community Transport	240		90	135		330	135		**465**
Public Realm / Annual Plan	215		125			515			**515**
Accommodation Strategy	567			360		567	360		**927**
Efficiency Savings	380		107			487			**487**
Review of Current Staffing Budgets	119					219			**219**
Remove Bypass Base Budget	170					170			**170**
Organisational Redesign Savings	539		71			610			**610**
Procurement Savings				500			500		**500**
Back Office Services and Corporate Accommodation efficiencies			250			250			**250**
Waste & Sustainability - Increased Income			30			30			**30**
Total	**2,995**	**-**	**673**	**1,063**	**182**	**4,223**	**1,063**	**182**	**5,468**

Economy and Place savings narrative

- All of the savings for 2018/19 are rated green.
- Directorate Management Team reviews progress with saving plans on a monthly basis and has undertaken a detailed review of the risk rating associated with all of the 2019/20 saving plans.
- The majority of savings for 2019/20 are rated as green or amber, and further work is under way to take forward the only red rated saving, including contingency planning.

Corporate MTFS Savings

Savings Proposal	2018/19 £000		2019/20 £000		Total Savings £000		Total £000
Efficiency Savings	0	0	73	0	73	0	**73**
Review of Current Staffing Budgets	81	0		0	81	0	**81**
Organisational Redesign Savings	186	0	26	0	212	0	**212**
Hoople Savings	600	0		0	600	0	**600**
Total	**867**	**0**	**99**	**0**	**966**	**0**	**966**

Central MTFS savings

Savings Proposal	2018/19 £000	2019/20 £000	Total Savings £000
Asset Review	1,400		1,400
Organisation Redesign Savings	60	200	260
Corporate Total	**1,460**	**200**	**1,660**

Staffing

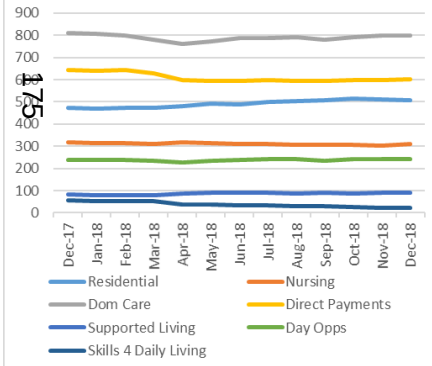
	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
FTE	283	286	287	287	292	293	294	293	300	299	299	289
Headcount	312	316	316	317	323	326	325	324	331	329	328	320
Permanent Costs (£k)	651	824	706	847	898	874	883	897	886	885	885	846
Agency	18.3	19.8	14.6	13.7	15.8	15.0	16.9	13.8	13.0	14.2	13.6	15.1
Agency Cost (£k)	75	98	48	47	64	106	97	55	99	79	89	90
Sickness (% in month)	5.4%	5.0%	4.9%	4.7%	4.8%	4.7%	5.2%	6.1%	4.6%	5.3%	4.7%	3.3%
Sickness (days/year/fte)	12.7	12.4	12.5	12.3	12.5	12.2	12.0	12.1	12.6	12.6	13.1	13.0
Turnover (annualised)	10.2%	9.8%	9.9%	10.8%	10.9%	10.6%	11.0%	12.7%	11.5%	12.5%	14.0%	12.2%

Performance Management update

During the last quarter there have been improvements in the following metrics; delayed transfers of care, safeguarding outcomes met, reablement clients at home after 91 days, affordable house builds and temporary accommodation useage.

Measures shown in table to the right in italics, are cumulative measures.

Service User Numbers



Savings

* Measures identified in italics in the indicator section are cumulative measures

Indicators

Measure	Target	Latest	Period	Trend
Permanent admissions - U65	15	11.9	Dec	
Permanent admissions - 65+	550	471.6	Dec	
Social Care Delayed Transfer Days	124	282	Nov	
Reablement - 91 days after discharge	80%	71%	Dec	
Safeguarding - outcomes met	80%	74%	Dec	
Direct Payment recipients	40%	37%	Dec	
Reviews undertaken	80%	47%	Dec	
Affordable housing units delivered	200	112	Dec	
Households in temporary accommodation	45	38	Dec	
NHS Health checks	60%	37%	Dec	

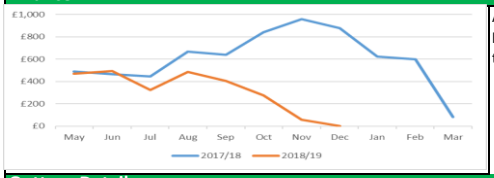
Risk Management

Risk	Original L	Original I	Original Risk	Mitigation	Residual L	Residual I	Residual Risk
Demographic Pressures, resulting in increased costs to the council, and will impact timely access to services	4	4	16	MTFS in place, proposing balanced budget until March 2020, with planned savings due to mitigate known increases.	4	3	12
Market Workforce Economy - current limited capacity within the social care workforce placing further pressure on capacity	5	5	25	Market workforce project, working with providers to support their business development	4	4	16
DOLS Capacity - national and local capcity issues increase the risk of the council's ability to meet statutory timescales	4	5	20	Adherence with ADASS guidance. Staff Training, additional legal support, constant re-evaluation of prioritisation. BIA training programme	3	4	12
Future of ASC Funding - uncertainty and current unsustainability regarding the future of ASC funding	3	5	15	Short term mitigations in place via MTFS, however longer term risk remains. Monitoring national consultation and engaging where possible	3	4	12
A limited shared vision on the operation implications for One Herefordshire; results in challenges in areas such as the BCF and "cost-shunting"	5	5	25	Approved BCF between CCG and the local authority. Ongoing negotiations and monitoring through the BCF partnership board and Joint Commissioning Board.	3	3	9
Market Capacity, due to numerous pressures, social care provision within Herefordshire becomes limited. This wil result in delayed provision and increasing costs. This is particularly true of Nursing Care	5	5	25	Redesign of block contract beds to increase nursing capacity. Further strategic analysis work underway to review feasibility of council controlled care capacity complex/dementia care. Waverley and Hillside developments	4	4	16
DTOC numbers will continue to increase, and bring about national scrutiny, if we are unable to improve our urgent care response including; improving the HomeFirst capacity and the responsiveness of our market	5	5	25	Significant focus on this area. A range of pilots in the market, as well as working with providers re: annual fee uplift. Daily scrutiny of clients pending discharge. Dedicated local practitioners in place. Reinvigorated escalation process with WVT senior manager and AWB HoS.	5	5	25

Programme

Project or Programme Name	Gateway	RAG Status
Discharge to Assess (D2A) - Pathway 3	Planning and Design	None
Integrated Community Capacity Function	Planning and Design	None
Adult Social Care recovery of debts: Process Development	Planning and Design	On Target
Trusted Assessor	Planning and Design	On Target
Redesign of Waverley House	Planning and Design	On Target
Hillside Development	Planning and Design	On Target
Development of a joint Quality Assurance Framework (Herefordshire CCG and Council)	Delivery	On Target
Care Workforce Development	Delivery	On Target
Healthy Living Network Herefordshire	Delivery	On Target
Development of Direct Payment policies and processes.	Delivery	None

Finance



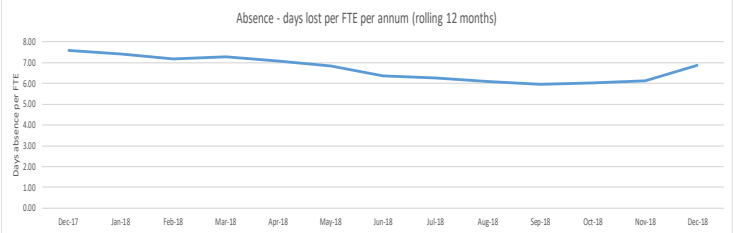
At the end of quarter 3, the projected A&C year end outturn is to be on budget. This is a significantly improved position compared to the end of the last quarter, previously a projected £405k overspend.

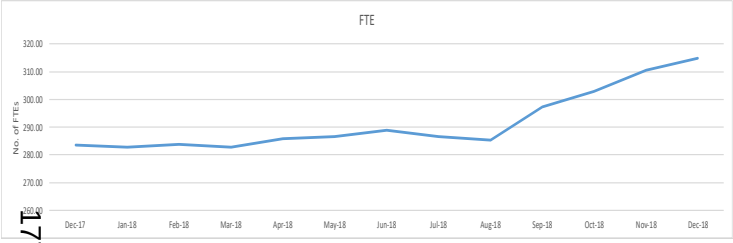
Outturn Detail

	Gross Budget	Net Budget	Full Year Outturn	Full Year Variance	Movement since September
	£0	£0	£0	£0	£0
Learning Disabilities	22,074	18,792	19,196	404	-423
Memory & Cognition	2,516	1,908	2,216	308	-41
Mental Health	4,757	4,065	3,446	-619	-195
Physical Disabilities	30,965	22,534	22,546	12	-159
Sensory Support	506	401	401	0	3
Client Subtotal	**60,818**	**47,700**	**47,805**	**105**	**-815**
Care Operations and Commissioning	7,679	7,604	7,253	-351	-79
Commissioned Services	4,388	3,016	3,175	159	195
Transformation and Improvement	1,391	1,391	1,335	-56	39
Prevention and Wellbeing	3,425	2,440	2,530	90	-55
Director and Management	90	-10,165	-10,112	53	310
Public Health	9,341	30	30	0	0
Non Client Subtotal	**26,314**	**4,316**	**4,211**	**-105**	**410**
Adults and Wellbeing	**87,132**	**52,016**	**52,016**	**0**	**-405**

Staffing

	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
FTE	283.56	282.75	283.77	282.88	285.79	286.64	288.87	286.63	285.22	297.33	302.94	310.42	314.84
Headcount	320	319	324	320	323	326	328	326	322	334	342	350	356
Permanent Workforce Costs (£k)	913	907	947	893	908	949	936	948	966	990	1,022	1,061	1,045
Agency FTE	12.38	11.03	12.44	12.00	12.65	13.33	14.88	15.70	16.84	20.27	22.03	24.24	24.41
Agency Costs (£k)	47	55	133	100	32	111	120	121	129	128	151	198	185
Absence - days lost per FTE per annum (rolling 12 months)	7.59	7.43	7.18	7.27	7.07	6.84	6.36	6.27	6.10	5.95	6.04	6.11	6.86
Monthly turnover (annualised based on FTE)	16.89%	17.57%	18.57%	17.65%	17.54%	17.50%	16.88%	16.03%	17.37%	14.70%	15.06%	14.67%	14.59%



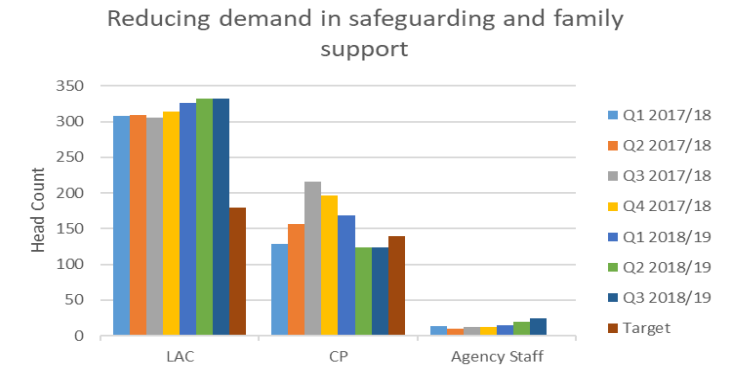


Indicators

Performance Measure	Target 2018/19	Outturn 2017/18	Outturn 2018/19 End of June	Outturn 2018/19 End of September	Outturn 2018/19 End of December	Frequency	Polarity	Direction of Travel
Reduce the attainment gap at age 16 between free school meal pupils and their peers	Local <15.0 National GAP	Local GAP 15.0 National GAP 16.5	*Not due*	*Not due*	*Not due*	Annual	Smaller is better	
Increase the proportion of pupils attending a school and or setting that is good or outstanding	Primary >93.2%	93.20%	93.2%	93.5%	93.5%	Monthly	Bigger is better	▲
	Secondary >76.1%	76.10%	76.1%	77.6%	77.6%	Monthly	Bigger is better	▲
Herefordshire young people meeting or exceed - the national average indicator for attainment (attainment 8) - the national progress measure (progress 8)	Attainment 8 > England Progress 8 >England	Attainment 8 Herefordshire 45.7 England 44.6 Progress 8 Herefordshire -0.01 England (state-funded sector) -0.03	*Not due*	Attainment 8 Herefordshire 45.7 England (all schools) 44.3 Progress 8 Herefordshire -0.04 England (state-funded sector) -0.03	Attainment 8 Herefordshire 45.7 England (all schools) 44.3 Progress 8 Herefordshire -0.04 England (state-funded sector) -0.02	Annual	Bigger is better	
Improve education outcomes at age 5 (Ensuring they reach a good level of development)	>70%	75.0%	74.1% (provisional)	74.1%	74.1%	Annual	Bigger is better	▼
Improve health outcomes for: 0-5 year olds (Percentage of 2 to 2.5 year olds completing a developmental health review)	80%	79.65%	*Not due*	*Not Due*	*Not due*	Annual	Bigger is better	
Improve health outcomes for: 5-19 year olds (Percentage of Year 6 children who are overweight or obese)	34.20%	34.50%	*Not due*	*Not Due*	*Not due*	Annual	Smaller is better	
Reduce the proportion of early years children with dental diseases	23.30%	30.50%	*Not due*	*Not Due*	*Not due*	Annual	Smaller is better	
Reduce the number of children being referred to children's social care for a service[1]	<4,441	4,441	1,309	2,498	1,550 contacts 306 referrals	Quarterly	Smaller is better	n/a
Reduce the number of children looked after by the local authority	<180. This figure was set some time ago and a revised figure will be considered in light of current performance and a national picture of increasing numbers of Looked After Children	314	326	332	332	Monthly	Smaller is better	▼
Increase the number of 17 and 18 year olds sustaining a place in education, training or employment including apprenticeships	>89.4%	89.40%	88.1%	88.1%	90.7% (November)	Monthly	Bigger is better	▼
Reduce the number of children subject to child protection plans	140	197	169	124	124	Monthly	Plan is best	▲

[1] In October, a new contact and referral process was implemented; this asked partners to send us information and we made the judgement as to whether it met the threshold for referral. As such the numbers for contacts and referrals are now incomparable to previous periods. Both the number of contacts and referrals have been given for the last quarter.

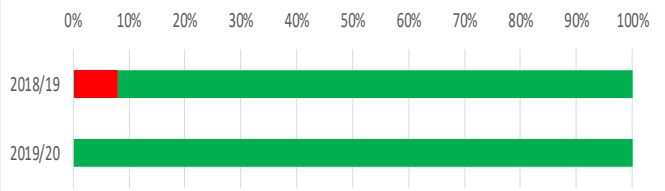
Numbers of children and Agency Staff



Risk Management

There are no significant corporate risks still rated Red after controls.

Savings

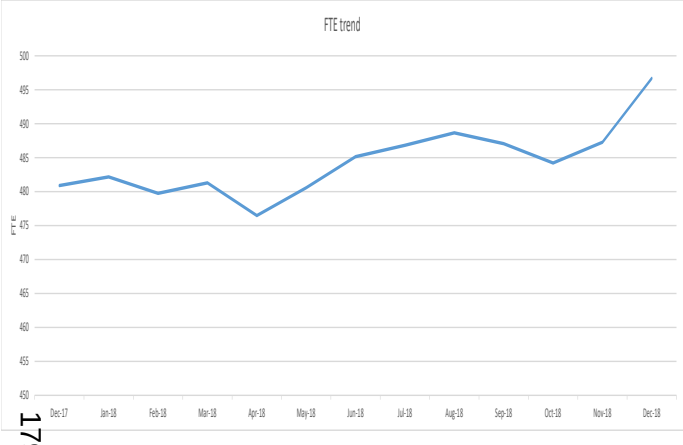


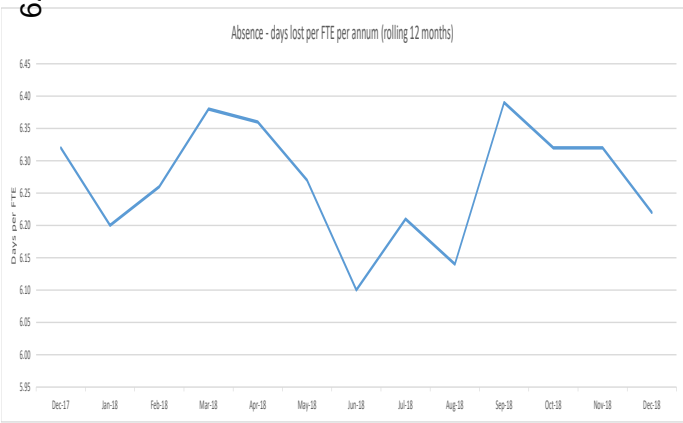
Outturn Detail

	Gross Budget	Net Budget	Full Year Outturn	Full Year Variance	Movement since September
	£000	£000	£000	£000	£000
Directorate	(426)	(426)	(231)	195	37
Directorate	**(426)**	**(426)**	**(231)**	**195**	**37**
Additional Needs	2,542	2,202	2,208	6	131
Children's Commissioning	785	548	540	(8)	14
Commissioning Management	3,157	456	384	(72)	0
Development and Sufficiency	1,632	846	872	26	66
Early Years	1,328	681	668	(13)	14
Education Improvement	219	77	71	(6)	0
DSG	121,829	0	0	0	0
Education and Commissioning	**131,492**	**4,810**	**4,743**	**(67)**	**225**
Safeguarding and Review	951	696	716	20	(17)
Children in Need	2,986	2,886	2,886	0	(3)
Looked After Children	17,254	15,033	16,945	1,912	(7)
Safeguarding Development	302	272	250	(22)	(20)
Safeguarding and Early Help Management	2,228	2,228	2,213	(15)	(3)
Safeguarding and Family Support	**23,721**	**21,115**	**23,010**	**1,895**	**(50)**
Children and Families	**154,787**	**25,499**	**27,522**	**2,023**	**212**

Staffing

	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
FTE	480.89	482.18	479.74	481.29	476.47	480.58	485.16	486.81	488.67	487.05	484.22	487.28	496.70
Headcount	571	574	579	572	563	578	574	578	579	578	574	578	584
Permanent Workforce Costs (£k)	1,456	1,438	1,504	1,428	1,442	1,514	1,510	1,494	1,506	1,513	1,500	1,528	1,558
Agency FTE	7.87	7.88	9.34	9.02	11.12	11.16	11.45	16.09	5.95	9.57	9.66	6.44	6.74
Agency Costs (£k)	53	79	48	51	16	43	90	26	97	22	69	20	16
Absence - days lost per FTE per annum (rolling 12 months)	6.32	6.20	6.26	6.38	6.36	6.27	6.10	6.21	6.14	6.39	6.32	6.32	6.22
Monthly turnover (annualised based on FTE)	9.8%	9.4%	9.5%	9.4%	9.6%	9.0%	8.9%	9.10%	9.68%	9.97%	9.25%	9.06%	9.39%





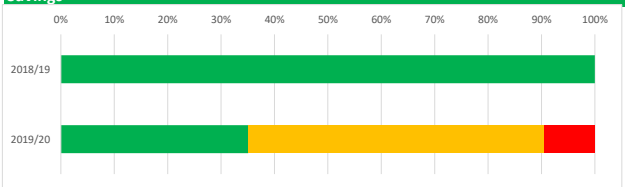
Indicators

Performance Measure		Target 2018/19	Outturn 2017/18	Outturn 2018/19 End of May	Outturn 2018/19 Q1	Outturn 2018/19 Q2	Outturn 2018/19 Q3	Frequency	Polarity	Direction of Travel
Reduce the amount of household waste per person (kg) per year		<412.5kg	-	71.98kg	109.61kg	211.18kg	306.51kg	Monthly	Smaller is better	New
Minimise the number of people killed or seriously injured in road traffic collisions in Herefordshire (3 year rolling average)		<96	96	91 (26 recorded incidents in the first 5 months)	92 (37 recorded in the first 6 months of 2018)	93 (59 recorded Jan-Sep 2018)	92 to Nov 18 (79 recorded Jan-Nov 18)	Monthly (based on calendar year)	Smaller is better	▲
Percentage of Category 1 defects (immediate or imminent hazard) and 2a defects made safe/dealt with within target times	Cat 1	100%	100%	100%	100%	100%	99.95%	Monthly	Bigger is better	▼
	Cat 2a	80%	82.82%	84.75%	86.10%	87.85%	88.92%	Monthly	Bigger is better	▼
Improve average journey time in Hereford in morning week-day period		19 mins (subject to review)	19.31 mins					Annual	Smaller is better	
Proportion of premises with super-fast broadband		86%	85.40%		85.50%	86% (to August)	86.10%	Quarterly	Bigger is better	▲
Percentage of Major planning applications dealt with within 13 weeks (24 month rolling)		60%	86.30%	88.20%	87.03%	88.80%	88.20%	Monthly	Bigger is better	▲
Percentage of Non-major planning applications (minors/others) dealt with within 8 weeks (24 month rolling)		70%	77.80%	78.10%	78.10%	78.30%	77.50%	Monthly	Bigger is better	▲
Percentage of working age population in employment		81.50%	79.60%		79%	79% (June 18)	79% (June 18)	Quarterly (in arrears)	Bigger is better	▲

Risk Management

There are no significant risks still rated Red after controls

Savings



Programme

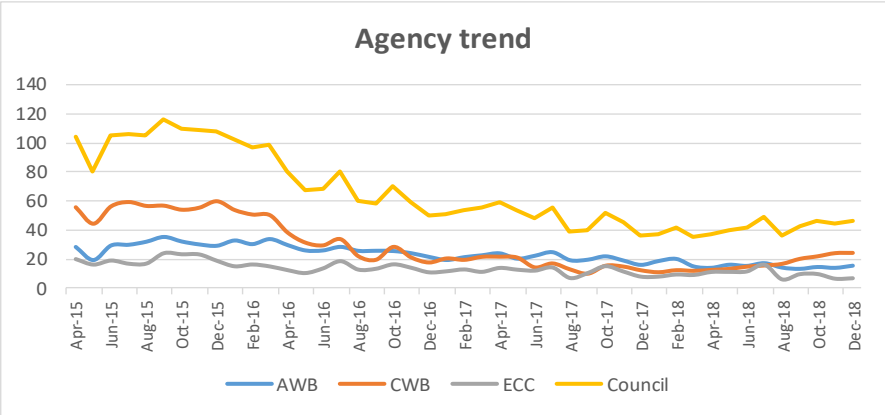
Economy & Place Major projects

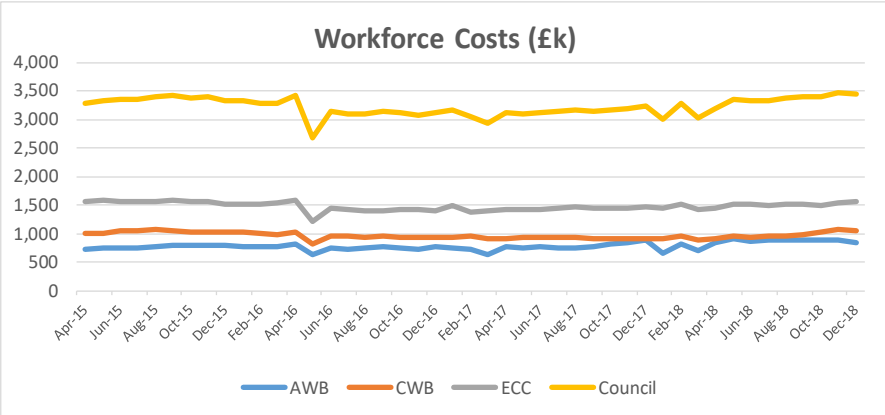
Hereford City Centre Transport Package		Bus services future services report completed. Report recommendations will inform design and development of the transport hub and public realm measures for consultation. There has been a delay in agreeing the fee proposal for this work and BBLP have put this work out to tender through their framework contract. A proposal has now been agreed and has been comissioned - a revised programme is being developed.
City Centre Improvements		Commercial Street repaving works commenced and are scheduled to be complete Spring 2019. Residents Parking scheme implementation began in November and is now complete. Implementation of on street parking changes completed in September. St Owen Street cycle contraflow - Independant review of scheme has been comissioned and feedback recieved to incorporate into final design of the scheme. Cabinet member briefed and it has been agreed that a final session with key stakeholders will follow prior to TRO consultation and is now scheduled for 7 February 2019.
Enterprise Zone Development (including: Shell Store; Cyber Centre; and South Magazine (office))		On 13 December Cabinet approved the creation of a Joint Venture company between the council and the University of Wolverhampton to deliver and operate the Centre for Cyber Security at the EZ. Shell Store contractor bids are being evaluated with a view to appointing a contractor in January. Submissions have been received for the sale and redevelopment of the north west corner of Chapel Road. These are to be reviewed and a recommendation made to the Council.
South Wye Transport Package, including Southern Link Road		The development of the preferred package and business case for the South Wye Transport Package is progressing to programme. Heads of terms have been agreed with all landowners and legal agreements are being drafted to exchange. A preferred contractor will be advised early in 2019.
Hereford Transport Package, including Hereford Bypass		Detailed design of bypass route and active travel measures progressing with ATM consultation scheduled to take place 28 January - 12 March 2019. Consultation materials being drafted and have been circulated to cabinet members. Business Case devlopment progressing. Bid made to Highways England RIS2 programme. Discussions continuing with Homes England reagrding HIF bid with WSP commissioned to draft bud for submission 1 March 2019.
Maintain the highway asset		The Chancellor of the Exchequer announced in the Budget 2018, that the Government is allocating £420 million in the 2018/19 financial year for local highways maintenance - £5.108 million has been allocated to Herefordshire. This new capital funding represents a significant extra investment in road maintenance and is on top of the funding DfT have allocated for local highways maintenance purposes. The £5.108m has been added to the Highways Asset Management line in the council's capital programme, allowing the council to increase that programme of work. To allow effective use of the grant allocation £2.608m will be utilised to support work already programmed in 2018/19. The remaining £2.5 million will be utilised to deliver additional in-year resurfacing work. As a consequence of this the £2.608 million that would have been invested by the council, as an addition to the funds received through the Local Transport Plan (LTP) maintenance grant allocations and pothole fund, can be utilised in 2019/20. Through adopting this approach we will meet Government's spend criteria and enable the funds available through our capital programme to be invested in accord with our Asset Management Strategy and in a way that achieves better value for money.
Development and Regeneration Partnership / Programme (including: Station Approach Accommodation; Urban Village; Edgar Street Stadium Development; Country Bus Station; Housing pipeline; Bromyard Depot; and Holme Lacy School)		The Station Approach project was approved at Cabinet on 13th December and is due to go to Planning Committee in February; there remain objections to the design. The scheme will support short-term student accommodation needs for NMiTE and longer term needs for Herefordshire College of Arts (HCA), subject to final agreements. This is the first significant project to be delivered through the DRP on the line of the new station approach link road. Masterplanning work has commenced on options for the Country Bus Station including potential for a new multi-storey car park. Initial design feasibility works commissioned at stage 1 in respect of stand redevelopment at Hereford Football Club. Successful delivery of this scheme would make an important contribution to the significant development and improvement currently underway on Blackfriars street, contributing to the regeneration of the Urban Village area, enabled by the new link road. Planning permission for 45 homes on the site at Bromyard former depot has been secured including provision of affordable housing. The targeted date for work to commence on site is the end of March, subject to securing access to site. Initial investigations are underway in respect of the former Holme Lacy school site, with potential for delivery of new homes to high standards of sustainability.
Ross Enterprise Park		Ross Enterprise Park business case has been drafted and a decision will be taken by the Cabinet Member in February. Applications have been submitted to discharge planning conditions and finalised designs are in preparation. An enabling package of works is being prepared with a view to starting on site in March.
Asset disposals plan		In regards to the smallholdings sale, the sale of the last remaining property has fallen through, this will shortly be remarketed. The media centre disposal should be achieved by the end of January.
Corporate Property Strategy		Accommodation budget approved to enable the relocation of staff from Bath Street in January 2019, and to invest in Multi Agency Offices (MAOs) to increase the capacity by 100% by 2020. Presentation to Management Board and Corporate Property Board due in January 2019; fundemental requirement is to be provided with/understand Directorate business plans (and ICT) in order to develop Estate Asset Strategy 2020-2024.
University, including accommodation		Station Approach project approved at Cabinet 13th December. JUDB held 10th December. Terms of reference reviewed. Agreement with HCA on approach to nominations still required; must be in place by end of Feb
Economic Vision		Work is underway to commission and formulate a defined communications strategy for the Economic Vision and other economic development projects. A report was prepared for the infrastructure communications group in September. The first draft of the Economic Vision delivery plan is being prepared for the Herefordshire Investment Partnership for comment and approval.

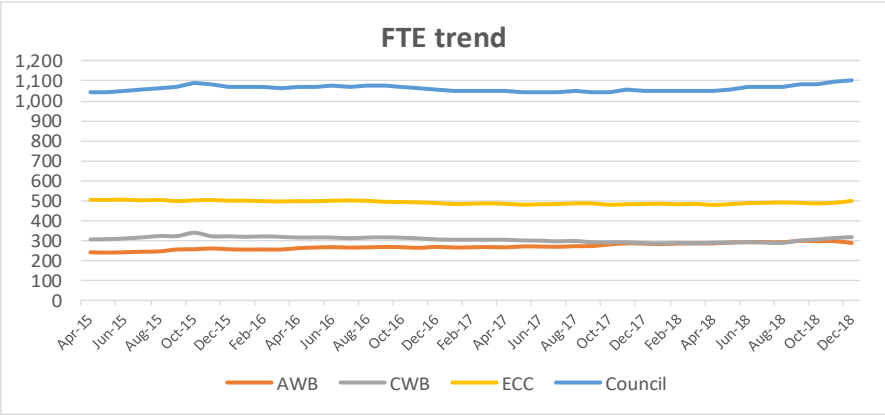
Budget outurn

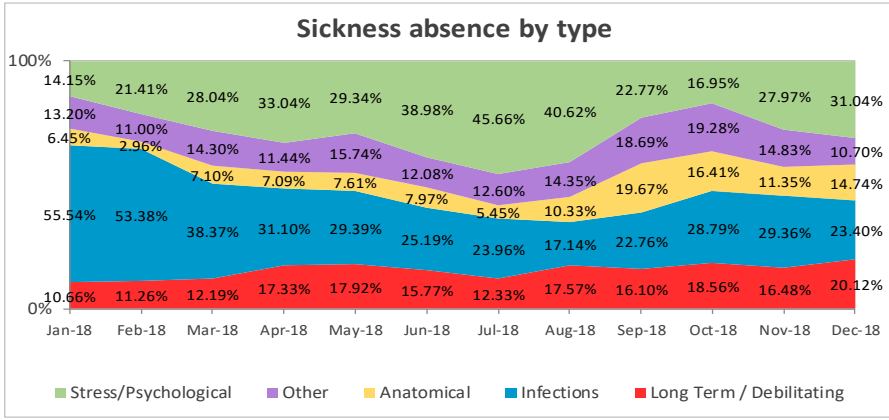
	Gross Budget	Net Budget	Full Year Outturn	Full Year Variance	Movement since September
	£000	£000	£000	£000	£000
Management	173	170	155	(15)	(15)
Regulatory Environment & Waste	22,146	15,349	15,344	(5)	69
Highways & Transport	21,748	18,829	18,889	60	(21)
Technical Services	8,149	(4,170)	(4,020)	150	3
Growth, Culture, Museums, Libraries, Archives	3,782	2,603	2,603	0	(8)
Economic Growth	1,267	820	820	0	0
Total Economy and Place	**57,265**	**33,601**	**33,791**	**190**	**28**

	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
FTE	1,049.76	1,047.97	1,049.47	1,050.94	1,049.25	1,059.31	1,066.94	1,066.98	1,067.00	1,084.84	1,085.71	1,096.72	1,100.46
Headcount	1,205	1,205	1,219	1,208	1,203	1,223	1,232	1,229	1,225	1,243	1,245	1,256	1,260
Permanent Workforce Costs (£k)	3255	2,996	3,275	3,027	3,197	3,361	3,320	3,325	3,369	3,389	3,407	3,474	3,450
Agency FTE	35.96	37.22	41.58	35.59	37.47	40.27	41.31	48.64	36.60	42.80	45.93	44.32	46.28
Agency Costs (£k)	164	209	279	199	95	218	316	244	281	249	299	307	249
Absence - days lost per FTE per annum (rolling 12 months)	8.39	8.24	8.11	8.25	8.15	8.07	7.80	7.78	7.76	7.96	7.95	8.12	8.26
Monthly turnover (annualised based on FTE)	12.1%	11.8%	12.0%	11.8%	12.1%	11.8%	11.5%	11.5%	12.6%	11.7%	11.8%	12.0%	11.6%









Herefordshire Council

Meeting:	**Cabinet**
Meeting date:	**Thursday 28 February 2019**
Title of report:	**Corporate delivery plan 2019/20**
Report by:	**Cabinet member finance and corporate services**

Classification

Open

Decision type

Non-key

Wards affected

All wards

Purpose and summary

To agree the activities within the corporate delivery plan 2019/20.

The delivery plan has been reviewed and updated to include new initiatives and projects for 2019/20 which will support achievement of the council's corporate plan priorities.

Recommendation(s)

That:

a) **the draft corporate delivery plan 2019/20 at Appendix 1 be approved.**

Alternative options

1. Cabinet may: amend or revise the proposals, but in doing so regard must be made to ensuring any changes continue to demonstrate how the corporate plan 2016-2020 is to be implemented and that the proposals can be delivered within the agreed budget.

Further information on the subject of this report is available from
Paul Harris, Tel: 01432 383675, email: Paul.Harris1@herefordshire.gov.uk

Key considerations

2. The council's corporate delivery plan is designed to demonstrate how the priorities for the council will be delivered during the coming year, by articulating the key activities to be completed during the coming 12 months (along with the measures that will be used to record progress/achievement towards meeting those priorities).

3. The corporate delivery plan 2019/20 is attached at appendix 1. It is aligned to the four corporate priorities agreed in the corporate plan 2016-2020 and direct and underpins the work that the council undertakes:

   - enable residents to live safe, healthy and independent lives;
   - keep children and young people safe and give them a great start in life;
   - support the growth of our economy; and
   - secure better services, quality of life and value for money.

4. The corporate delivery plan 2019/20 is a key document to ensure that the council has a co-ordinated approach across all directorates to delivering these four key priorities. The delivery plan will remain a live document and will continue to evolve throughout the year, enabling cabinet to assure itself that resources are being appropriately applied to meet these priorities

5. This corporate delivery plan has been redeveloped following a review of progress against last year's delivery. This is a reflection of the plan, do, review, revise processes set out in the council's Performance Risk and Opportunity Management Framework. The delivery plan has been reviewed and updated to include new initiatives and projects for 2019/20. Key additions to the plan are:

   - Further emphasis on prevention activity to keep people well with a focus on technology, community and early diagnosis of health conditions through NHS healthchecks
   - Expansion of nursing care capacity within the county with a particular focus on the needs of people with dementia
   - Improvements to the urgent care system to support hospital discharge
   - Development of services and support to children and families at high risk of moving into the Looked after Care system (edge of care services)
   - Development of speech and language services for under 5s to support school readiness
   - Further development of the economic strategy for the county to attract external investment
   - Commence construction of student accommodation to support higher education provision in the county
   - Development of Ross Enterprise Park
   - Commence construction of the southern link road and continue development of proposals for walking, cycling and public space improvements in the South Wye area as part of the South Wye Transport Package
   - Develop proposals for a transport hub at the train station and improvements on Commercial Road, Blueschool and Newmarket Street as part of the Hereford City Centre Transport Package
   - Progress developments within Hereford City, including improvements to the Edgar Street ground, bring forward sites for development and progress a city centre multi-storey car park
   - Redesign of space at central and satellite offices to enable the council to reduce cost and maximise use of facilities and resources

6. Progress in achieving the activities identified as part of the 2018/19 corporate delivery has been monitored on an ongoing basis and progress to date appears elsewhere on the cabinet agenda. The final outturn will be reported to cabinet in June as part of the end of year budget and performance report. Any activities that will not have been completed are incorporated into the 2019/20 corporate delivery plan.

7. Progress in achieving the priorities will be monitored on a regular basis and will be reported to cabinet as part of the quarterly budget and performance report.

Community impact

8. In accordance with the adopted code of corporate governance, Herefordshire Council achieves its intended outcomes by providing a mixture of legal, regulatory and practical interventions. Determining the right mix of these is an important strategic choice to make to ensure intended outcomes are achieved. The council needs robust decision-making mechanisms to ensure our outcomes can be achieved in a way that provides the best use of resources while still enable efficient and effective operations. The corporate delivery plan 2019/20 demonstrates how the council intends to achieve its vision for the people of Herefordshire, and continues to draw from the evidence base available through Understanding Herefordshire.

Equality duty

9. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

   A public authority must, in the exercise of its functions, have due regard to the need to -

   (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;

   (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

   (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

10. The Equality Act 2010 established a positive obligation on local authorities to promote equality and to reduce discrimination in relation to any of the nine 'protected characteristics' (age; disability; gender reassignment; pregnancy and maternity; marriage and civil partnership; race; religion or belief; sex; and sexual orientation). In particular, the council must have 'due regard' to the public sector equality duty when taking any decisions on service changes.

11. Improving equality of opportunity and access, and reducing inequalities, underpin the corporate plan, and consequently the corporate delivery plan. Individual elements of activity within the corporate delivery plan will undergo equality impact assessments as an integral part of their planning and implementation.

Resource implications

12. There are no direct implications arising from this report. The resource implications of any decisions necessary to implement activities within the corporate delivery plan will be set out within the relevant decision report. Proposals within the corporate delivery plan 2019/20 will be delivered within the budget agreed by Council on 15 February 2019, and include activities to deliver the savings required for a balanced budget.

Further information on the subject of this report is available from
Paul Harris, Tel: 01432 383675, email: Paul.Harris1@herefordshire.gov.uk

Legal implications

13. There are no legal implications arising directly from the recommendations of this report. The legal implications of any decisions to be taken by the executive in implementing the corporate delivery plan will be set out within the relevant decision report; while the plan itself sets the direction of travel, specific activities identified within the plan will require specific decisions of the executive as and when they are brought forward for detailed consideration.

Risk management

14. The corporate plan and associate delivery plan are integral elements of the council's performance, risk and opportunity management framework (PROM). Risks associated with each objective and project are entered onto the relevant service or directorate risk register and escalated as appropriate. The corporate risk register is a living document and reviewed regularly by management board, cabinet and audit and governance committee.

15. The financial challenge and capacity to deliver the corporate priorities, whilst delivering the necessary savings, remains a significant risk; this will be mitigated by applying our Performance, Risk and Opportunity Management Framework ensuring that there is regular monitoring.

Consultees

16. None.

Appendices

Appendix 1 corporate delivery plan 2019/20

Background papers

None.

Further information on the subject of this report is available from
Paul Harris, Tel: 01432 383675, email: Paul.Harris1@herefordshire.gov.uk

Corporate Delivery Plan 2019/20

Enable residents to live safe, healthy and independent lives

Our objectives:

1. Improve the provision of good information and signposting to enable people to support themselves and each other, getting the right help at the right time as needs change
2. Build supportive relationships and resilient communities, acting as a catalyst for communities to become stronger
3. Build services that help people get back on track after setback or illness and support disabled people to be independent, including through ensuring the provision of good quality housing
4. Ensure that care and support is personalised, of good quality, that it addresses mental, physical, and other forms of wellbeing and is better joined-up around individual needs and those of their carers
5. Work with the community to devolve services and assets, where quality can be improved through local delivery
6. Combine the use of facilities to create a network of Health and Wellbeing hubs, shaped by and serving local communities
7. Ensure safe and secure neighbourhood environments, with attractive, safe surroundings, and good quality local amenities which enable people to enjoy life where they live
8. Help create a strong sense of community where people feel they belong and have the confidence to get involved

For 2019/20 we will:

- Develop and increase the uptake of a range of activities aimed at identifying early risk factors and improve the overall health and wellbeing of Herefordshire residents such as NHS Health checks
- Develop and embed effective community hubs across the county (referred to as the Talk Community programme) which can demonstrate impact on health, wellbeing and independence of local residents
- Implement a new housing allocation policy and system through which residents in housing need are nominated for affordable housing in Herefordshire
- Maximise the use of the disabled facilities grant to support people to remain in their own home with appropriate advice, equipment, adaptations, technology and essential repairs
- Increase the functionality of the council website and WISH (wellbeing information and signposting) portal to aid people's easy access to information and advice, along with conducting services online
- Increase the quality of information that is published, and provide more information in accessible formats for openness and transparency
- Increase the coverage of superfast broadband across the county through the Fastershire programme
- Support people to access technology and increase their ability to use technology to enhance daily living and overall wellbeing
- Continue the support and delivery of the armed forces covenant in Herefordshire to help the armed forces community (including family and carers), shaping and supporting access to advice and services
- Explore new models of delivery for high demand services such as nursing provision for people with dementia
- Increase the effectiveness and efficiency of the urgent care system to avoid admission or

enable people to leave hospital earlier • Redesign social care resources to align better within the locality based community health services • Enable accessibility between communities and services through transport networks
How will we measure progress?
Reduce the rate of younger adults needing permanent placements in residential and nursing care homes (aged 18-64)
Reduce the rate of older people needing permanent placements in residential and nursing care homes (aged 65+)
Reduce the rate of delayed transfers of care from hospital which are attributable to adult social care
Increase the proportion of older people who are still at home 91 days after discharge from hospital into reablement/rehabilitation services
Increase the number of affordable housing units delivered
Reduce the number of households in temporary accommodation
Improve the overall satisfaction of people who use services with their care and support
Increase the number of community hubs throughout the county
Increase in superfast broadband coverage
Increase the uptake of NHS Health Checks from the most “at risk” population groups

Keep children and young people safe and give them a great start in life
Our objectives: 1. Provide early help to 600 families to help them to improve education, health and employment outcomes 2. Reconfigure £3.5 million to deliver early years services including children centre services, health visiting and school nursing to improve the health, wellbeing, developmental and educational outcomes of children aged 0-5 years 3. Make improvements so that the estimated 8,620 children and young people that require support with their mental health or emotional resilience are identified and supported to access help in a timely manner 4. Continue to develop a range of provision that can effectively identify and respond to safeguarding risks and needs; from the initial signs of the call for early help to a range of evidence-based interventions for a variety of complex situations 5. Develop better evidence based approaches to support young people in adolescence to ensure a more successful transition to adulthood 6. Promote and enable access to universal opportunities and services for children with disabilities and their families and ensure a range of provision to meet identified need 7. Champion the attainment of all children and diminish the difference for vulnerable groups, particularly for children and young people who are eligible for free school meals
For 2019/20 we will: • Develop and implement a care leavers covenant that sets out the council’s commitment to care leavers as part of our corporate parenting role • Increase early help resources through effective targeting of commissioned services and increase in direct family support workers • Implement new model for social care to ensure consistency and quality of practice so that

children and families are supported effectively within the right part of the system

- Develop and implement an enhanced support offer to those families who are at risk of escalation to higher levels of intervention from social care
- Deliver Herefordshire's school capital investment strategy to ensure that demand for school placements can be met and that agreed refurbishment work on schools is completed
- Undertake a mental health needs analysis for young people
- Support and challenge early years settings, schools and colleges to continue to improve the outcomes for children and young people to achieve our aim of having education outcomes in the top 25%
- Develop and implement a strategy to tackle the growing issue of childhood obesity and dental health in Herefordshire
- Develop new models of housing and accommodation to support vulnerable young people
- Enhance information and support to parents
- Develop speech and language skills of under 5's through education and training in early years settings

How will we measure progress?
Reduce the attainment gap at age 16 between vulnerable groups and their peers
Increase the proportion of pupils attending a school and or setting that is good or outstanding: primary / secondary
Herefordshire Children are at or above the national comparative indicator of attainment and progress at 16
Improve education outcomes at age 5
Improve health outcomes for 0-5 year olds and 5-19 year olds
Reduce the percentage of referrals received that do not require children's social care
Reduce the number of children looked after by the local authority
Reduce the use of emergency bed and breakfast accommodation for young people at risk of homelessness
Increase the number of 16 and 17 year olds sustaining a place in education, training or employment including apprenticeships
Reduce the number of children subject to child protection plans

Support the growth of our economy

Our objectives:

1. Develop and start implementation of a countywide Economic Masterplan
2. Support economic growth and connectivity (including broadband, local infrastructure, transport and economic development)
3. Finalise and implement plans that strengthen and diversify the economy of Herefordshire
4. Make the best use of existing land and identify new opportunities to enable existing businesses to stay and expand, and for new businesses to locate to the area
5. Make Herefordshire more attractive to younger age groups for a more balanced age profile, improving local access to skills training so that everyone can benefit from economic prosperity
6. Continue to work with further and higher education and we will support the development of a new university for Hereford, identifying buildings for teaching and student accommodation
7. Have good quality housing to meet everyone's needs

8. Support the improvement in quality of our natural and built environment, bringing about quality development to enable sustainable growth, addressing the need for better business space, affordable homes and student accommodation across the county
9. Improve the county's energy efficiency and reduce the carbon footprint
10. Ensure that the infrastructure is in place to prevent and improve community resilience to flooding
11. Continue to work with the Local Enterprise Partnership (LEP) and government with a focus on: employment creation and business support; skills; health transformation; transport; broadband; property and finance; and governance
12. Have vibrant town centres with shops, restaurants and leisure facilities that keep people spending locally

For 2019/20 we will:

- Commence construction of the southern link road and continue development of proposals for walking, cycling and public space improvements in the South Wye area as part of the South Wye Transport Package
- Develop the Hereford Transport Package including proposals for walking, cycling, buses and public realm and undertaking detailed design of the preferred route for the Hereford bypass to inform the submission of a planning application
- Develop proposals for a transport hub at the train station and improvements on Commercial Road, Blueschool and Newmarket Street as part of the Hereford City Centre Transport Package
- Progress developments within Hereford City, including improvements to the Edgar Street ground, bring forward sites for development within the urban village area and progress a city centre multi-storey car park
- Undertake major investment in maintaining the county highway assets to fix roads and bridges, particularly those that are strategically important for trade and the resilience of the county's economy
- Deliver the Hereford Enterprise Zone delivery plan, including the Shell Store incubation centre and the cyber security centre
- Support Higher Education provision in Herefordshire through enabling development of student accommodation.
- Commence development of student accommodation for those in higher education in the city with a first scheme at Station Approach to commence construction during 2019/20
- Use the Development and Regeneration Partnership to identify and develop proposals for the regeneration of sites in council ownership that can support economic growth, including key worker housing
- Continue to develop the detailed planning policies to support housing and economic growth; including progressing the development of the Hereford Area Plan and the Minerals and Waste Local Plan for submission to the Secretary of State, the adoption of the Travellers sites Development Plan Document and increasing the number of adopted Neighbourhood Development Plan Documents to 60
- Commence first phase of development of the Ross Enterprise Park
- Develop the countywide economic master plan to deliver our Invest Herefordshire vision to ensure a vibrant and successful local economy
- Seek to acquire new sites to encourage new housing development within the county and commence development of the former depot site at Bromyard to deliver 45 new homes
- Continue significant development of affordable and social housing through planning gain and the Development and Regeneration Partnership, also contributing to accommodation for

vulnerable people and analysis of projection of population and demographic changes • Run a series of training, seminars and one to one advice sessions for businesses to increase the adoption and exploitation of superfast broadband • Operate the Marches & Gloucestershire Business Broadband Grant to provide bespoke connectivity to small and medium-sized enterprises (SMEs) not covered by the main Fastershire programme • Support the delivery and administration of grants and programmes that provide improvements in the built environment, housing, energy efficiency and all aspects of the regeneration and growth of the county
How will we measure progress?
Reduce the amount of household waste per person (kg) per year
Minimise the number of people killed or seriously injured in road traffic collisions in Herefordshire
Percentage of highway defects made safe/dealt with within target times
Improvement in the overall condition of roads and bridges
Improve the proportion of strategically important routes that are in good condition and the proportion that are in need of maintenance
Improve average journey time in Hereford in morning week-day peak period
Increase the percentage of Major planning applications dealt with within 13 weeks (24 month rolling average)
Increase the percentage of Non-major planning applications (minors/others) dealt with within 8 weeks (24 month rolling average)
Number of businesses and premises supported by Fastershire
% of county premises with access to Next Generation Access (NGA) broadband
Supply of ready to develop housing sites
% reduction in Herefordshire Annual Domestic Energy Consumption (reduce fuel poverty)

Secure better services, quality of life and value for money
Our objectives: 1. Secure the highest possible levels of efficiency savings and value for money to maximise investment in front-line services and minimise council tax increases 2. Ensure our essential assets, including schools, other buildings, roads and ICT, are in the right condition for the long- term, cost-effective delivery of services 3. Review management of our assets in order to generate on-going revenue savings, focusing on reducing the cost of ownership of the operational property estate by rationalising the estate and by improving the quality of the buildings that are retained 4. Apply appropriate regulatory controls 5. Design services and policies that support positive engagement and interaction with residents, including the use of information technology, to improve customer experience and ability to access a range of services on-line 6. Further improve commissioning and procurement to deliver greater revenue efficiencies and savings 7. Recruit, retain and motivate high quality staff, ensuring that they are trained and developed so as to maximise their ability and performance 8. Be open, transparent and accountable about our performance 9. Work in partnership to make better use of resources, including sharing premise costs through

co- location of services and local solutions for community used facilities such as libraries
For 2019/20 we will: • Make better use of children centre facilities through sharing space, community involvement and income generation • Reconfigure space at central and satellite offices so that employees can work flexibly and the council can maximise its facilities and resources • Improve the council's engagement with residents, its standards and communication approach with employee wide training on good customer services • Prepare for a second round of community governance reviews consulting with parish councils and their communities to develop outline terms of reference on possible governance alterations • Optimise the use of the property assets held by the authority, ensuring assets are in the right location and fit for purpose, considering shared and dual use as well as maximising income • Effectively deliver the Medium Term Financial Strategy (MTFS), and implement change to the Capital Budget process to improve transparency and accountability • Further improve commissioning and procurement to deliver greater revenue efficiencies and savings • Implement a workforce strategy that ensures there is an appropriately skilled workforce to meet the changing needs and demands of the council • Contribute to the wider workforce challenges in the care sector through a targeted local campaign and resources to support the recruitment and retention of key workers across the sector • Ensure compliance with statutory responsibilities in relation to data protection, elections and cyber security • Support evidence based decision making through a refreshed Understanding Herefordshire Joint Strategic Needs Assessment website, and make it easier to find key information about a topic or local area • Further develop the council website including WISH to communicate with residents and increase the ability to access services on-line, with streamlined services making the most of technology to create an improve customer experience.
How will we measure progress?
Increase in number of people interacting with council services on-line
Increase in the satisfaction rates in monthly website survey
Reduced sickness absence (12 month rolling)
Rateable value of new Business Rates registrations
Spend to the Council's Revenue budget (forecast and variance)
Spend to the Council's Capital budget (forecast and variance)
Progress against delivery of savings targets
Increase completion rates of mandatory training
Increase flu vaccination uptake for Herefordshire Council Staff and other defined staff groups