

Agenda

Scrutiny Management Board

Date: **Monday 5 September 2022**

Time: **2.00 pm**

Place: **Herefordshire Council Offices, Plough Lane, Hereford,
HR4 0LE**

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

For any further information please contact:

Michael Carr, Statutory Scrutiny Officer

Tel: 01432 260659

Email: Michael.Carr@herefordshire.gov.uk

If you would like help to understand this document, or would like it in another format, please call Michael Carr, Statutory Scrutiny Officer on 01432 260659 or e-mail Michael.Carr@herefordshire.gov.uk in advance of the meeting.

Agenda for the meeting of the Scrutiny Management Board

Membership

Chairperson	Councillor Christy Bolderson
Vice-chairperson	Councillor Yolande Watson
	Councillor Graham Andrews
	Councillor Toni Fagan
	Councillor Phillip Howells
	Councillor Graham Jones
	Councillor Jonathan Lester
	Councillor Felicity Norman
	Councillor Louis Stark
	Councillor David Summers
	Councillor Elissa Swinglehurst
	Councillor William Wilding

Agenda

	Pages
<p>1. APOLOGIES FOR ABSENCE To receive apologies for absence.</p>	
<p>2. NAMED SUBSTITUTES To receive details of members nominated to attend the meeting in place of a member of the board.</p>	
<p>3. DECLARATIONS OF INTEREST To receive declarations of interests in respect of Schedule 1, Schedule 2 or Other Interests from members of the board in respect of items on the agenda.</p>	
<p>4. MINUTES To receive the minutes of the meeting held on 16th June 2022.</p>	9 - 12
<p style="text-align: center;">HOW TO SUBMIT QUESTIONS</p> <p>The deadline for the submission of questions for this meeting is 9:30am on 31st August 2022.</p> <p>Questions must be submitted to councillorservices@herefordshire.gov.uk. Questions sent to any other address may not be accepted.</p> <p>Accepted questions and the responses will be published as a supplement to the agenda papers prior to the meeting. Further information and guidance is available at www.herefordshire.gov.uk/getinvolved</p>	
<p>5. QUESTIONS FROM MEMBERS OF THE PUBLIC To receive any written questions from members of the public.</p>	
<p>6. QUESTIONS FROM MEMBERS OF THE COUNCIL To receive any written questions from members of the council.</p>	
<p>7. ROLE AND DEVELOPMENT OF THE SCRUTINY FUNCTION</p>	13 - 34
<p>8. ANNUAL SCRUTINY WORK PROGRAMME 2022-2023</p>	35 - 70
<p>9. BUDGET SCRUTINY</p>	71 - 80
<p>10. DATE OF THE NEXT MEETING</p>	

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We will review and update this guidance in line with Government advice and restrictions.

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- Inspect agenda and public reports at least five clear days before the date of the meeting. Agenda and reports (relating to items to be considered in public) are available at www.herefordshire.gov.uk/meetings
- 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.
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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. The council's constitution is available at www.herefordshire.gov.uk/constitution
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The location of the office and details of city bus services can be viewed at:
www.herefordshire.gov.uk/downloads/file/1597/hereford-city-bus-map-local-services-

The seven principles of public life

(Nolan Principles)

1. Selflessness

Holders of public office should act solely in terms of the public interest.

2. Integrity

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

3. Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

4. Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

5. Openness

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

6. Honesty

Holders of public office should be truthful.

7. Leadership

Holders of public office should exhibit these principles in their own behaviour and treat others with respect. They should actively promote and robustly support the principles and challenge poor behaviour wherever it occurs.

Minutes of the meeting of Scrutiny Management Board held at Herefordshire Council Offices, Plough Lane, Hereford, HR4 0LE on Thursday 16 June 2022 at 2.00 pm

Present: Councillor Christy Bolderson (chairperson)
Councillor Yolande Watson (vice-chairperson)

Councillors: Toni Fagan, Phillip Howells, Graham Jones,
Councillor Felicity Norman, Louis Stark and David Summers

In attendance: Councillors B Baugh (Secretary), J Coleman (Secretary), Jonathan Lester, Elissa Swinglehurst and William Wilding

Officers: John Coleman – Democratic Services Manager, Ben Baugh – Democratic Services Officer, Michael Carr – Interim Statutory Scrutiny Officer, Alice McAlpine – Senior Solicitor

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Graham Andrews, with apologies also from Councillors Lester, Swinglehurst and Wilding who were in attendance virtually online.

2. NAMED SUBSTITUTES

None.

3. DECLARATIONS OF INTEREST

None received.

4. QUESTIONS FROM MEMBERS OF THE PUBLIC

None received.

5. QUESTIONS FROM MEMBERS OF THE COUNCIL

None received.

6. ROLE OF THE SCRUTINY MANAGEMENT BOARD

The Chairperson explained that the purpose of this item was to consider the draft Statement of Intent of the Scrutiny Management Board, at Appendix A to the officer report circulated. Intention of the document was to set out the overall objectives for what the Scrutiny Management Board wished to achieve. It was anticipated that the other scrutiny committees would also set out their own strategic objectives in conjunction with this. This would help to provide some overall criteria to assess the performance of the scrutiny committees at the end of the year as part of an annual effectiveness review of the scrutiny function.

The Chairperson then invited the Interim Statutory Scrutiny Officer to present the report. He explained that the report set out the role and approach of the Scrutiny Management Board for the year ahead, how the committee's intended to operate and coordinate the scrutiny

activities of the Council through the Board, including the Annual Scrutiny Work Programme 2022-2023, dealing with any cross cutting issues, coordinating the scrutiny process and relationships with the Executive and other key stakeholders, the further development and improvement of the Scrutiny function and scrutiny of corporate cross cutting issues, such as the Council Budget, corporate performance, strategic management and partnerships.

Members of the Board were invited to discuss and to comment on the draft Statement of Intent and to offer their considerations, amendments or additional actions for the interim Statutory Scrutiny Officer to update the statement.

It was proposed that Key Role 1, Objective c; “to consider scrutiny member training and development requirement” should be amended to replace the word “consider” with “oversee” so that it is more definitive.

The extent to which the Scrutiny Management Board would direct the work programme of the other scrutiny committees was raised and Key Role 2, Objective b) “where a matter falls within the remit of one or more committees, decide which committee will consider it...”. The Chairperson said that it was her expectation that each scrutiny committee would develop its own work plan and that these would then be brought together into a combined Work Programme, as set out at Role 2 Objective a) “agree the Annual Scrutiny Work Programme, that being the combined work programmes of the scrutiny committees”. It was commented that this role was to provide effective oversight of the scrutiny committee’s work.

It was proposed that the title of the Statement of Intent should be changed to “Memorandum of Understanding”. The Senior Solicitor advised that the terminology “Memorandum of Understanding” may carry some unintended legal connotations, which may imply an arrangement with third party organisations, which was not the case here. It was proposed that the title be changed to “Committee Objectives”.

It was queried if there may be some way of normalising virtual attendance at scrutiny committees to recognise attendance and voting of members attending virtually. The Senior Solicitor advised that the legislation did not allow for members to attend meetings and vote and that there was therefore no scope for local arrangements to allow for this.

The Statutory Scrutiny Officer commented that the Annual Scrutiny Work Programme was intended to foster a more collaborative and consistent approach, provide greater transparency and to assist in foreword planning items for the scrutiny committees. He suggested that there was a distinction between the “Scrutiny Work Plans” that were agreed by the scrutiny committees and the Annual Scrutiny Work Programme”, which was agreed by the Scrutiny Management Board, made up of the agreed Work Plans of the scrutiny committees. He suggested that the terminology at Key Role 2 a) be amended to reflect this by changing the word “programmes” to “Work Plans”.

The question of resources to support scrutiny was raised, in particular the officer resources to support the scrutiny committees. It was suggested that the scrutiny function needed its own dedicated scrutiny officers and to consider the resources required to deliver the scrutiny work effectively. It was proposed that Key Role 1 a) be amended to include reference to resources after “timing”.

It was asked how Call In of Executive Decisions and other requests for consideration of issues by scrutiny committee would fit within the arrangements for work planning. The Statutory Scrutiny Officer clarified that the provision for Call In would still require the matter to be referred to the appropriate scrutiny committee, so long as the grounds were valid as set out in the Council Constitution, so the proposed scrutiny work planning arrangements would not affect this.

It was suggested that officer knowledge and skills was also important to effective support to scrutiny committees.

The Democratic Services Manager commented that there was a commitment to provide sufficient resources to support the scrutiny function and that in addition to the appointment of an Interim Statutory Scrutiny Officer there was to be dedicated Democratic Scrutiny Officer support staff for scrutiny committees.

Councillor Summers expressed the view that there should be something in the committee's objectives to say that officers need to be working with the Statutory Scrutiny Officer. The Senior Solicitor advised, however that this may be inappropriate for inclusion within the committee's objectives.

At the conclusion of the debate it was thereafter moved and

RESOLVED:

That the Statement of Intent of the Scrutiny Management Board at Appendix A to the report be agreed subject to the following amendments:

- i). The amendment of Key Role 1 a) to include the word "resources" after "timing",**
- ii). The amendment of Key Role 1 c) to replace the word "consider" with "oversee",**
- iii). The amendment of Key Role 2 a) to replace the words "work programmes" with "Work Plans".**

The Chairperson then concluded the meeting and thanked all contributors for their participation.

The meeting ended at 2.51 pm

Chairperson

Title of report: Role and Development of the Scrutiny Function

Meeting: Scrutiny Management Board

Meeting date: 5 September 2022

Report by: The Statutory Scrutiny Officer

Classification

Open

Decision type

This is not an executive decision

Wards affected

(All Wards);

Purpose:

This report provides an update to the Scrutiny Management Board on the ongoing development of the scrutiny function at the council.

Recommendation(s)

That the general role and remit of the scrutiny committees and progress in the development of the scrutiny function be noted, and the Key Objectives for 2022-2023 for the council's Scrutiny Committees (set out at Appendix 2 of the report) and the council's Scrutiny Committees Key Objectives 2022-2023 with identified outputs and activities (set out at Appendix 3 of the report) be agreed.

Alternative options

1. There are no alternatives to the recommendations; the Scrutiny Management Board is to provide strategic management, direction and coordination of the council's five scrutiny committees. In developing this remit, it will require scrutiny committees to help implement its priorities and work programming activities.

Key considerations

2. On 11 October 2019, full Council resolved to review its governance arrangements to investigate and explore options for the future. The underpinning principles were set by Council:
 - a. To maximise member engagement and participation in decision-making.
 - b. To ensure decision-making is informed, transparent and efficient.
 - c. To welcome public engagement.
 - d. To enable members and officers to perform effectively in clearly defined functions and roles.

3. The review was undertaken by the member led 'Re-thinking Governance' working group and a number of changes to the operation of the scrutiny function were proposed and agreed by full Council in March 2022. Those changes came into force on 20 May 2022.
4. Scrutiny is a statutory role fulfilled by councillors who are not members of the Cabinet. The role of the scrutiny committees is to help develop policy, to carry out reviews of council and other local services, and to hold decision makers to account for their actions and decisions.
5. The new scrutiny structure has been designed to drive improvements in the process of scrutiny at the council. One of the principal changes introduced was a restructure of the council's scrutiny committees, moving from three scrutiny committees to five. Further developments include, development of more evidence led work programmes, strengthened mechanisms for Cabinet to provide an Executive Response to scrutiny recommendations and to create a more robust system for being able to track and monitor the recommendations of scrutiny.

The Role of Scrutiny Management Board

6. As part of the new scrutiny committee arrangements, the Scrutiny Management Board was created. The remit of the Board is:
 - a. Undertaking scrutiny in relation to areas which are cross cutting nature e.g. corporate strategy and finance (budget), people and performance and corporate support.
 - b. Matters falling within the remit of one or more scrutiny committees,
 - c. Deciding which of the other scrutiny committees will consider whether a spotlight, task and finish or standing panel review is appropriate
 - d. The Budget and Treasury management
 - e. Approving an annual work programme for itself and the other scrutiny committees
 - f. Oversee communications to members and public in relation to scrutiny matters
 - g. The co-ordination of an annual effectiveness review and oversight of performance of council's companies, e.g. Hoople
7. To assist the development of the role of the Scrutiny Management Board, Scrutiny Management Board Objectives 2022-2023 were agreed by the Scrutiny Management Board on 16 June 2022. These are set out at Appendix 1 to this report for information.

The General Role of Scrutiny Committees

8. The general statutory role of local authority scrutiny committees is provided for by the Local Government Act 2000¹ and set out in the council's Constitution (Herefordshire Council Constitution, Part 2, Article 6²). In summary the general role of scrutiny committees in at the council may be described as to:
 - a. drive improvement in public services,
 - b. provide constructive "critical friend" challenge;- hold the Executive to account,
 - c. be an effective vehicle for non-executive members to contribute to policy development.

¹ The Local Government Act 2000 F19f, Overview and scrutiny committees: functions.

www.legislation.gov.uk/ukpga/2000/22/section/9F

² Part 2, Article 6, Herefordshire Council Constitution, July 2022.

<https://councillors.herefordshire.gov.uk/documents/s50101327/Part%202%20Article%206%20Scrutiny.pdf>

The *Scrutiny Objectives*, is a working document, and as such, may be subject to change as the scrutiny committees develop their working practices. Each of the council's scrutiny committees have also adopted overall strategic role and objectives which should inform and guide how they operate and what they aim to achieve³.

General Powers of Scrutiny Committees

9. Scrutiny committees have the power to request information from council departments and certain other external organisations, from which they should expect a response. Scrutiny committees should be clear why they are requesting information and when they need the response by.
10. Scrutiny committees have statutory powers to make recommendations to the Executive, as appropriate, and the Executive has a statutory duty to respond to scrutiny recommendations. They may also make reports and recommendations to external decision making bodies.
11. In tracking scrutiny recommendations, it is important that it is clear that the recommendations are addressed to the Cabinet, as the Executive decision making body of the council (or, where appropriate, external agency), and to track the decision of the Executive and thereafter the implementation status of the Executive Response and Executive decisions.

Scrutiny at the council

12. The council has five scrutiny committees, established by full Council on 20 May 2022;
 - i). Scrutiny Management Board
 - ii). Environment & Sustainability Scrutiny Committee
 - iii). Connected Communities Scrutiny Committee
 - iv). Children & Young People Scrutiny Committee
 - v). Health, Care & Wellbeing Scrutiny Committee.
13. The general role of the scrutiny committees is set out in Article 6 – Scrutiny of the Herefordshire Council Constitution, in accordance with the Local Government Act 2000. Part 3, Section 4 of the Constitution sets out the specific remits for each of the scrutiny committees. This includes the strategic management and coordination functions of the Scrutiny Management Board, as well as the thematic remits of the four other scrutiny committees. The Scrutiny Management Board is also responsible for the scrutiny of corporate cross cutting functions of the council.
14. Although scrutiny committees do not have any executive decision making powers, they do have statutory powers to make recommendations to the Executive, as appropriate, and the Executive has a statutory duty to respond to scrutiny recommendations. They may also make reports and recommendations to external decision making bodies.

The Scrutiny Management Board Scrutiny Committee

15. The remit of the Scrutiny Management Board is set out in the Council Constitution Part 3, Section 4, (Scrutiny Functions), as outlined above in paragraph 6 of this report).
16. The draft key objectives for 2022-2023 for the scrutiny committees are set out at Appendix 2 of this report.

³ The Connected Communities Scrutiny Committee is to consider agreeing its Role and Objectives at its meeting on 9th September 2022.

17. This document sets out the agreed role and approach of the scrutiny committees, in accordance with the terms of reference for the Scrutiny Committees set out at Part 3, Section 4 of the constitution. This is a working document and may require changes throughout the year.
18. The overall stated aim of the Scrutiny Management Board is to provide effective constructive critical friend challenge to drive improvement in public services and be an effective vehicle for non-executive members to contribute to policy development.
19. The draft key objectives for 2022-2023 set out at Appendix 2 provides some specific objectives and measures for the Board and scrutiny committees to consider.

Community Impact

20. The council is committed to delivering continued improvement, positive change and outcomes in delivering key priorities.
21. In accordance with the principles of the code of corporate governance, the council is committed to promoting a positive working culture that accepts, and encourages constructive challenge, and recognises that a culture and structure for scrutiny are key elements for accountable decision making, policy development, and review.

Environmental Impact

22. The council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.
23. Whilst the scrutiny committees will not deal with specific environmental impacts, consideration should always be given to minimising waste and resource use in line with the council's Environmental Policy. Service areas within the council, where required to do so will be required to undertake specific environmental impact assessment for the service specific proposals being considered. The scrutiny committees, where they deem appropriate to do so, will be able to scrutinise those proposals to ensure that they minimise any adverse environmental impact and actively seek opportunities to improve and enhance environmental performance.

Equality Duty

24. 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.

25. 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. Whilst this is an update on the work of the scrutiny committees and will in itself have minimal equalities impacts, consideration has been made in the consideration of Executive decisions and the Executive Responses provided by the Cabinet.

Resource Implications

26. There are none.

Legal Implications

27. Sections 9F – 9FI of the Local Government Act 2000 requires councils that have Executive arrangements (Cabinet and Leader) to have in place a committee that provides an overview and scrutiny function for the council.
28. The Local Government Act 2000 also sets out the powers that scrutiny committees have in undertaking their function.
29. There are no specific legal implications arising from this report.

Risk management

Risk / opportunity	Mitigation
There is a reputational risk to the council if the scrutiny function does not operate effectively.	The arrangements for the development of the work programme should help mitigate this risk.

Consultees

The Chair of the Scrutiny Management Board.

Appendices

Appendix 1: Scrutiny Management Board Objectives 2022-2023.

Appendix 2: Key objectives for 2022-2023 for the council’s Scrutiny Committees..

Appendix 3: The council’s Scrutiny Committees Key Objectives 2022-2023 with identified outputs and activities.

Background Papers

None identified.

Scrutiny Management Board Objectives 2022-2023
Agreed by the Scrutiny Management Board on 16th June 2022

This is a document to set out the role and approach of the Scrutiny Management Board (SMB). The terms of reference for the SMB are contained within Part 3, Section 4 of the [constitution](#). This is a working document and may require changes throughout the year.

The purpose of the SMB is to provide strategic management, direction and coordination of Herefordshire Council's scrutiny committees. This will enable all scrutiny committees to provide effective constructive critical friend challenge to drive improvement in public services and to be an effective vehicle for non-executive members to contribute to policy development.

Key Role	22/23 OBJECTIVES
1. Work closely with the statutory scrutiny officer to maintain an effective scrutiny process and to drive continuous improvement	a) Oversee and drive improvements the process of scrutiny at Herefordshire Council including, communication, workloads and timing, resources, development of work programmes, effectiveness of meetings, mechanisms for Cabinet to provide an Executive Response to scrutiny recommendations and in the monitoring of their implementation b) Tracking of the implementation and effectiveness of the Rethinking Governance Working Group recommendations in relation to scrutiny c) To consider scrutiny member training and development requirements
2. Oversee and coordinate the work of all scrutiny committees	a) Agree the Annual Scrutiny Work Programme, that being the combined Work Plans of the scrutiny committees b) Where a matter falls within the remit of one or more scrutiny committees, decide which committee will consider it and whether a working group such as a spotlight, task and finish or standing panel review is appropriate c) To ensure that there is an efficient use of committees' time and the potential that duplication of effort is minimised
3. Overseeing communications to members and public in relation to scrutiny matters	a) manage relationships between scrutiny committees, the Executive, working groups and the general public b) oversee process of communication with significant partners, expert witnesses and other members of the public

Key Role	22/23 OBJECTIVES
4. To undertake the scrutiny role in relation to areas with a strategic and cross cutting nature	a) To undertake cross cutting scrutiny in relation to matters such as finance and treasury, people and performance, Corporate Support including legal and information technology, and communications b) To agree recommendations to the Executive and to monitor progress c) To scrutinise strategic partners where appropriate such as Hoople Limited d) To undertake statutory legislative duties relevant to the area of scrutiny
5. To co-ordinate an annual review of the effectiveness of the scrutiny function	a) Receiving reporting and monitoring from the Statutory Scrutiny Officer on effectiveness of all 5 scrutiny committees b) Oversee the process of reporting recommendations and tracking the executive response and impact of associated actions

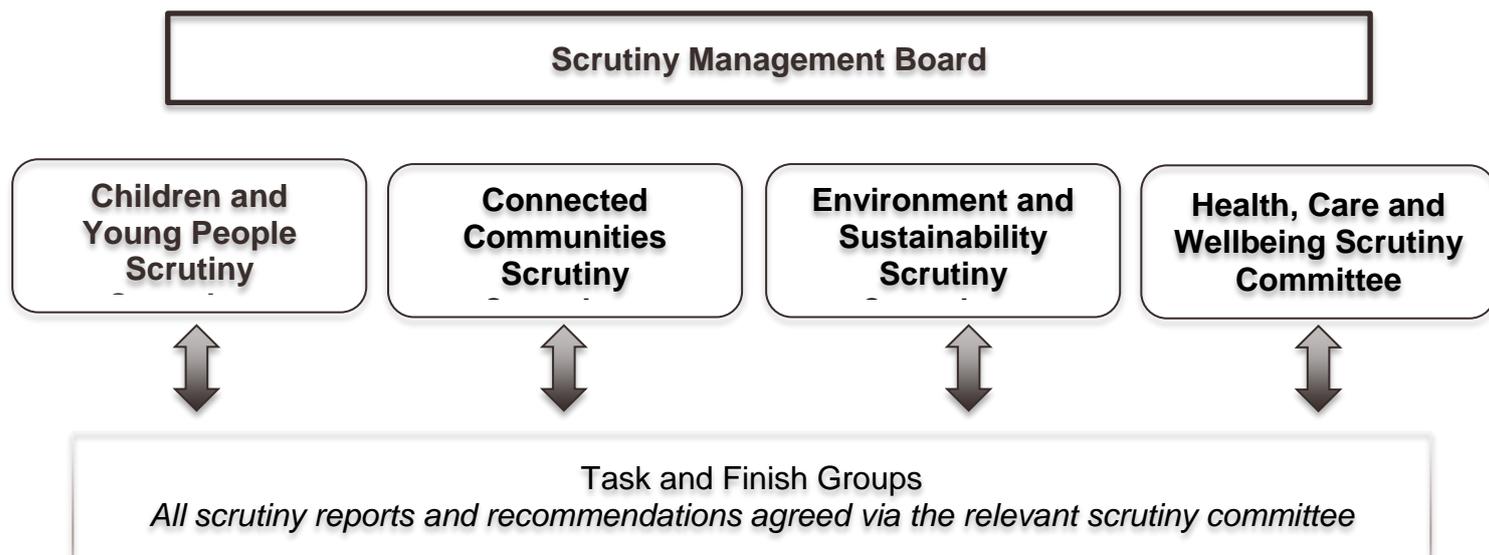
MEMBERS OF THE SCRUTINY MANAGEMENT BOARD

- i. The Chairperson of the SMB – [Cllr Christy Bolderson](#)
- ii. The Vice-Chairperson of the SMB – [Cllr Yolande Watson](#)
- iii. [Cllr Louise Stark](#), the Chairperson of the Environment & Sustainability Scrutiny Committee;
- iv. [Cllr Jonathan Lester](#), the Chairperson of the Connected Communities Scrutiny Committee;
- v. [Cllr Phillip Howells](#) the Chairperson of the Children & Young People Scrutiny Committee;
- vi. [Cllr Elissa Swinglehurst](#), the Chairperson of the Health, Care & Wellbeing Scrutiny Committee
- vii. [Cllr Graham Andrews](#) (Independents for Herefordshire)
- viii. [Cllr Toni Fagan](#) (Green Party)
- ix. [Cllr Graham Jones](#) (True Independents)
- x. [Cllr Felicity Norman](#) (Green Party)
- xi. [Cllr David Summers](#) (Independents for Herefordshire)
- xii. [Cllr William Wilding](#) (Independents for Herefordshire)

MEETINGS OF THE SCRUTINY MANAGEMENT BOARD

The Scrutiny Management Board shall meet on a quarterly basis. It shall be open to the public. Members of the Executive, directors and officers will attend the Scrutiny Management Board when requested.

SCRUTINY STRUCTURE



Development and Training

Every Member of the Scrutiny Management Board may be provided, where appropriate, with development and training in the areas that include but are not limited to:

- Overview and Scrutiny
- Role of chair/vice chair
- Performance Management
- Partnership working
- Budget and finance
- The Corporate Plan.

Key objectives for 2022-2023 for the council's Scrutiny Committees.

Introduction

Scrutiny is a statutory role fulfilled by councillors who are not members of the Cabinet. The role of the scrutiny committees is to help develop policy, to carry out reviews of council services and other local services, and to hold decision makers to account for their actions and decisions¹.

It was agreed at the Scrutiny Management Board on 16 June 2022 that each of the scrutiny committees would set out their key objectives for the municipal year and that this would assist in the evaluation of the scrutiny function near the end of the municipal year. The following key areas of scrutiny have been identified with key objectives for the committee.

The Role of Scrutiny

According to the [Statutory Scrutiny Guidance 2019](#), local councils should take steps to ensure scrutiny has a clear role and focus within the organisation, i.e. a niche within which it can clearly demonstrate it adds value². According to the Guidance, effective scrutiny should:

- Provide constructive 'critical friend' challenge;
- Drive improvement in public services³.

The overall stated aim of the council's Scrutiny Committee structure is:

to provide effective constructive critical friend challenge to drive improvement in public services and be an effective vehicle for non-executive members to contribute to policy development.

In addition, twelve key objectives for 2022-2023 set out below provide some more specific objectives, consistent with the committee's remit and the overall constitutional and statutory role for scrutiny committees.

Objective 1: Being clear about the scrutiny committee's role and objectives within the organisation and wider governance structures.

Policy Development

One of the main roles of the council's scrutiny committees is to influence the council's policies, through policy review or helping to shape policies in development⁴.

Objective 2: Make a demonstrable impact and add value to Council policy, strategies and Cabinet decisions.

¹ Herefordshire Council Constitution Article 6.

² Statutory Scrutiny Guidance 11b (2 Culture).

³ Statutory Scrutiny Guidance paragraph 2.

⁴ Herefordshire Council Constitution 2.6.6a, July 2022.

Scrutiny Reports and Recommendations

Scrutiny committees may make scrutiny reports and recommendations to the Cabinet⁵, which should be submitted for consideration by the Cabinet (and/or other body as appropriate) or Cabinet Member⁶.

Reports of Scrutiny Committees

Scrutiny committees may make reports and recommendations to the Cabinet. Scrutiny reports should be of a high quality, technically valid and credibly describe the evidence, yet be accessible to a wide variety of different audiences.

Objective 3: Scrutiny reports that effectively communicate the work of the committee inquiries to key audiences (eg the Cabinet, council officers, external stakeholders and the public), clearly evidencing scrutiny recommendations.

Recommendations in Committee

In practice, scrutiny committees often make recommendations in committee, without an accompanying scrutiny report from the committee.

Objective 4: Ensure that any scrutiny recommendations made in committee are clearly addressed to the Cabinet (or other appropriate decision maker) strategic and SMART.

An Evidence Based Approach

Objective 5: Ensure that scrutiny reports and recommendations made in committee are clearly based and referenced to the evidence received either in officer reports to the committee or provided in committee.

Executive Response

The scrutiny committees can make reports and recommendations to the Cabinet, Council and some partner organisations. The decision takers are not required to implement the recommendations but do have to consider any recommendations made⁷.

Objective 6: Request the Cabinet agree a definitive, clear Executive Response to all scrutiny reports and recommendations.

Holding the Executive to Account

Scrutiny committee inquiries fulfil different roles; i.e. policy development or holding decision makers to account⁸. According to the Statutory Scrutiny Guidance 2019, effective overview and scrutiny should provide constructive 'critical friend' challenge⁹.

Objective 7: Provide demonstrable accountability of the Cabinet and Cabinet Members. (How does it do this most effectively / least effectively?)

⁵ Herefordshire Council Constitution 4.5.41, July 2022.

⁶ Herefordshire Council Constitution 4.5.44, July 2022.

⁷ Herefordshire Council Constitution 2.6.8, July 2022.

⁸ Herefordshire Council Constitution Article 6, July 2022.

⁹ Statutory Scrutiny Guidance paragraph 2, Introduction and Context.

Scrutiny of Partnerships

The scrutiny committees also have the power to scrutinise the services provided by organisations outside the council e.g. NHS services and the work of the community safety partnership¹⁰.

Objective 8: Effective scrutiny and involvement of external organisations and partnerships in the scrutiny process.

Crime and Disorder Scrutiny (CCSC only)

Objective 8a: Effective overview and scrutiny of local crime and disorder partnerships (Community Safety Partnerships CSPs)¹¹. (CCSC only)

Health Scrutiny (H,C&WSC only)

Objective 8b: Demonstrate effective scrutiny of health partnerships, (eg between the Council and the NHS). (H,C&WSC only)

Questioning in Committee

Effective questioning in committee is key to both holding the executive to account and in finding evidence to support scrutiny conclusions and recommendations. The approach to questioning can be different depending on the purpose of a scrutiny inquiry, what the committee is trying to find out and who it is questioning.

If the purpose of an agenda item is to demonstrate accountability, or “critical friend challenge”, then the questions may be directed to a Cabinet Member on things like delivery of the council’s priorities or on council performance within their portfolio.

If the purpose is evidence gathering, then the approach may be more analytical and investigatory, and offer more scope for insightful contributions, in trying to find out evidence. The questions may be based around hypotheses of possible scrutiny recommendations, to find out if these may be supported by evidence or not.

Objective 9: Effective questioning in committee in holding decision makers to account for things they are promised to deliver (eg referencing council priorities or performance).

Scrutiny Work Planning

Effectively prioritising and planning the work of scrutiny committees can be an essential feature to successful scrutiny. According to the Statutory Scrutiny Guidance 2019, prioritisation is necessary, which means that there might be things that, despite being important, scrutiny will not be able to look at¹².

¹⁰ Herefordshire Council Constitution 2.6.7, July 2022.

¹¹ A Crime and Disorder Reduction Partnership (CDRP) is one of a number of statutory local partnerships in England and Wales, and was established by the Crime and Disorder Act 1998 to co-ordinate action on crime and disorder.

¹² Statutory Scrutiny Guidance paragraph 49.

Objective 10: Be effective in identifying the topics where the committee can add most value to the organisation. (e.g. where they can play a role in policy development not being carried out elsewhere and where they may realistically be able to propose changes or development to make an impact on service improvement, rather than areas where it is unlikely to add much value).

Scrutiny Task and Finish Groups

Scrutiny “task and finish” approaches are where scrutiny committees set up informal working parties to carry out work on a particular topic outside of the main committee and report back.

Objective 11: Ensure that in-depth scrutiny activities carried out through task and finish groups are effective.

Scrutiny and the Public

According to the Statutory Scrutiny Guidance 2019, local councils should ensure scrutiny has a profile in the wider community. (Statutory Scrutiny Guidance 11i I, Communicating scrutiny’s role to the public – authorities (2 Culture)) and should amplify the voices and concerns of the public (Statutory Scrutiny Guidance paragraph 2).

According to the council’s Constitution, the public can be involved in the scrutiny process and help shape and inform decision making and policy by submitting evidence for consideration by a scrutiny committee or one of its task and finish groups¹³.

Objective 12: Engaging the public and external VCOs (Voluntary and Community Organisations) in the work of the committees, in particular in inviting and receiving written and oral submissions in and outside of the committee to inform their work.

¹³ Herefordshire Council Constitution Article 6, 2.6.11 b

The council’s Scrutiny Committees Key Objectives 2022-2023 with identified outputs and activities.

The Role of Scrutiny		
Objectives	Outputs and activities	Lead responsibility
Objective 1		
Being clear about the scrutiny committee’s role and objectives within the organisation and wider governance structures.		
	i). Agreement of committee’s role and objectives.	The relevant scrutiny committee
	ii). Chair (or other delegated members of the committee) attending Cabinet and being clear on the role of scrutiny.	Chair of the scrutiny committee
	iii). Chair (or other delegated members of the committee) attending external organisations and being clear on the role of scrutiny.	Chair of the scrutiny committee
	iv). Chair (or other delegated members of the committee) holding pre-committee briefing meetings with the relevant departments six weeks ahead of each committee meeting, to clarify report requests, purpose of scrutiny activities, possible outcomes and participants, including any external participants such as partner organisations and expert witnesses, clarifying the role of the committee generally and in each case.	Chair of the scrutiny committee
	v). Officer and member reports to Cabinet, CLT and external organisations, being clear on the role of scrutiny.	Statutory Scrutiny Officer
	vi). Council web pages being clear on the role of scrutiny and presenting its work to the public in an effective way.	Council Communications Team and Statutory Scrutiny Officer
Policy Development		
Objective 2		
Make a demonstrable impact and add value to Council policy, strategies and Cabinet decisions.		
	i). Recommendations to the Cabinet (or full Council if appropriate) on specific council policies at the right time and right way to allow effective changes to those policies (eg before decisions are made).	The relevant scrutiny committee
	ii). Obtaining a clear and definitive Executive Response to scrutiny recommendations to the Cabinet which clearly details the specific changes to council policy and when they will be implemented.	The Cabinet and Monitoring Officer
	iii). Evaluate the tangible impact of the committee’s work on policy and services, eg through scrutiny review of scrutiny recommendations agreed by the Cabinet.	The relevant scrutiny committee

Scrutiny Reports and Recommendations		
Objective 3		
Scrutiny reports that effectively communicate the work of the committee inquiries to key audiences (eg the Cabinet, Council officers, external stakeholders and the public), clearly evidencing scrutiny recommendations.		
	i). Chair (or other delegated members of the committee) attending Cabinet to present scrutiny work and findings and any reports and recommendations, and where recommendations are made, requesting a clear Executive Responses to those recommendations.	Chair of the scrutiny committee
	ii). Chair (or other delegated members of the committee) attending external organisations (including NHS and other key partners) to present scrutiny work and findings and any reports and recommendations, and where recommendations are made, requesting a clear Executive Responses to those recommendations.	Chair of the scrutiny committee
	iii). An Annual Scrutiny Report to set out the work of all of the scrutiny committees for the year, including any policy recommendations and the Executive Responses and any evidenced impact.	Chair of the scrutiny committee, Statutory Scrutiny Officer and designated committee support officers.
	iv). Ensure quality reports and scrutiny recommendations made in scrutiny reports that are strategic and SMART. (Specific, Measurable, Achievable, Realistic and Time-based).	The relevant scrutiny committee
Recommendations in Committee		
Objective 4		
Ensure that any scrutiny recommendations made in committee are clearly addressed to the Cabinet) (or other appropriate decision maker) strategic and SMART.		
	i). Quality recommendations in committee - The proportion of scrutiny recommendations made that are: <ol style="list-style-type: none"> a) clearly addressed to the Cabinet (or other executive decision maker where appropriate), b) that are specific and identify clearly what actions are requested and by whom, c) that are measurable, d) that are feasible, e) that identify the time period and/or deadline for implementation, f) that are clearly backed by evidence, including evidence for all of the above, which included questions to Cabinet Members and departmental officers to test them out. 	The relevant scrutiny committee

An Evidence Based Approach		
Objective 5		
Ensure that scrutiny reports and recommendations made in committee are clearly based and referenced to the evidence received either in officer reports to the committee or provided in committee.		
	i). Clear linkages and references to substantial and credible evidence received either in officer reports to the committee or provided orally in committee, including from external witnesses, clearly noted in the minutes of proceedings or scrutiny reports of the committee.	The relevant scrutiny committee
	ii). Make use of evidence provided by external expert witnesses and partner organisations. Clear linkages and references to substantial and credible evidence received from external witnesses either in written submissions or presentations, or provided orally in committee, clearly noted in the minutes of proceedings or scrutiny reports of the committee.	The relevant scrutiny committee
Executive Response		
Objective 6		
Request the Cabinet agree a definitive, clear Executive Response to all scrutiny reports and recommendations.		
	i). A clear, documented Executive Response to each and all scrutiny reports and recommendations.	Monitoring Officer and Statutory Scrutiny Officer.
	i). Executive Responses that provide clear decisions in respect of each and every scrutiny recommendation, to agree, reject or amend each recommendation.	Monitoring Officer and Statutory Scrutiny Officer.
	ii). Clear requests by the Chair of the committee, the Statutory Scrutiny Officer and committee for a definitive, documented Executive Response to each and all scrutiny reports and recommendations. This should happen generally but specifically directly following each scrutiny committee where scrutiny reports and recommendations are made.	Chair of the scrutiny committee, Statutory Scrutiny Officer
	iii). Chair (or other delegated members of the committee) attending Cabinet to present scrutiny work and findings and any recommendations, and where recommendations are made, requesting a clear Executive Responses to those recommendations.	Chair of the scrutiny committee
	iv). Chair (or other delegated members of the committee) attending external organisations (including NHS and other key partners) to present scrutiny work and findings and any recommendations, and where recommendations are made, requesting a clear Executive Responses to those recommendations.	Chair of the scrutiny committee
	v). Chair (or other delegated members of the committee) holding periodic informal meetings with the relevant Cabinet Members and senior officers to discuss scrutiny	Chair of the scrutiny committee

	work and findings and any recommendations, and where recommendations are made, requesting a clear Executive Responses to those recommendations.	
	vi). Chair (or other delegated members of the committee) holding periodic informal meetings with the relevant external organisations to discuss scrutiny work and findings and any recommendations, and where recommendations are made, requesting a clear Executive Responses to those recommendations.	Chair of the scrutiny committee
Holding the Executive to Account		
Objective 7		
Provide demonstrable accountability of the Cabinet and Cabinet Members.		
	i). Visibly and pointedly directing key questions in committee to the Cabinet Member, and ensuring opening questions and key strategic accountability questions are directed at the Cabinet Member.	The relevant scrutiny committee
	ii). Ensuring that there are questions in committee that ask the Cabinet Member on delivery of what they said they would do (agreed council objectives for their portfolio).	The relevant scrutiny committee
	iii). Ensuring the Cabinet Member is visibly “fronting up” presenting the portfolio policy and services in committee, ideally attending in person and clearly identified in the proceedings.	Chair of the scrutiny committee and Cabinet Members.
Scrutiny of Partnerships		
Objective 8		
Effective scrutiny and involvement of external organisations and partnerships in the scrutiny process.		
	i). Clear identification of relevant external witnesses, particularly from key partner organisations and expert witnesses, for each substantive issue under consideration by the committee.	The relevant scrutiny committee
	ii). Clear time and space in proceedings for consideration of written and oral evidence from relevant external witnesses, particularly from key partner organisations and expert witnesses, for each substantive issue under consideration by the committee.	Chair of the scrutiny committee
	iii). Effective demonstrable accountability of external organisations and individuals including key statutory partners in providing evidence based recommendations for policy development.	The relevant scrutiny committee

Crime and Disorder Scrutiny (CCSC only)		
Objective 8a (CCSC only)		
Effective overview and scrutiny of local crime and disorder partnerships (Community Safety Partnerships CSPs)¹.		
	i). Attendance and evidence from the Chair of the CSP in committee.	
	ii). Consideration of reports of the CSP, including: a) the CSP Partnership Plan and objectives for the next year (whist still being developed) and b) consideration of the CSP delivery plans.	The relevant scrutiny committee
	iii). Scrutiny of the working of the <u>whole</u> of the local Community Safety Partnership (CSP) rather than any particular member (eg on the police).	The relevant scrutiny committee
	iv). Consideration of evidence of impact of CSPs and CSP plans on crime and disorder (eg crime and ASB data reports, feedback from neighbours and residents etc).	The relevant scrutiny committee
Health Scrutiny (H,C&WSC only)		
Objective 8b (H,C&WSC only)		
Demonstrate effective scrutiny of health partnerships, (eg between the Council and the NHS).		
	i). Attendance and evidence from NHS executive officers and Board representatives in committee.	
	ii). Consideration of reports from NHS CCGs and Trusts, including: a) strategic plan and objectives for the next year and b) consideration of NHS delivery plans against objectives.	The relevant scrutiny committee
	iii). Engagement with relevant partner agencies by the Chair or other delegated members of the committee, including CCG, NHS Trusts and Healthwatch, as well as other local authority scrutiny committees in the region.	The Chair of the scrutiny committee
	i). Inclusion of health partnerships on the relevant scrutiny committee scrutiny work plans, linked to relevant items for consideration.	The relevant scrutiny committee
	ii). Identification of relevant health partner organisations for each relevant substantive issue considered in the committee work plan and ahead of scrutiny committee	The relevant scrutiny committee

¹ A Crime and Disorder Reduction Partnership (CDRP) is one of a number of statutory local partnerships in England and Wales, and was established by the Crime and Disorder Act 1998 to co-ordinate action on crime and disorder.

	meeting in planning scrutiny inquiries in reports requests and pre-committee briefing sessions.	
	iii). Evidence of consideration of health partnerships in committee proceedings, minutes, scrutiny reports.	The relevant scrutiny committee
	iv). Requesting the assistance of the relevant council departments to engage with NHS partners in the scrutiny process.	The Chair of the scrutiny committee and the Corporate Director for Corporate Director Community Wellbeing
	v). Include consideration of local health priorities and plans and outcomes against these. (eg JSNA, NHS Trust plans and joint commissioning plans etc).	The relevant scrutiny committee
	vi). Include consideration of health outcomes for residents and service users.	The relevant scrutiny committee
Questioning in Committee		
Objective 9		
Effective questioning in committee in holding decision makers to account for things they are promised to deliver (eg referencing Council priorities or performance).		
	i). consistent effective questioning in committee in holding decision makers to account for things they are promised to deliver (eg referencing Council priorities or performance).	The relevant scrutiny committee
	ii). Focus questioning in committee in gaining evidence in support of possible scrutiny recommendations for policy development and review.	The relevant scrutiny committee
	iii). Routine pre-meeting briefing sessions a few days ahead of each formal meeting, planning questions together in advance, working out, as a group, the approach to questioning different witnesses.	The relevant scrutiny committee
Scrutiny Work Planning		
Objective 10		
Be effective in identifying the topics where the committee can add most value to the organisation		
	i). Requesting and obtaining reports from council departments ahead of work planning each year on the key issues where scrutiny can add value through opportunities for policy development, pre-decision review ("pre-decision scrutiny"), service review, or oversight of council performance and accountability for delivery of council objectives.	The scrutiny committee and Statutory Scrutiny Officer
	ii). Inviting suggestions from and engaging with local partner, voluntary and community organisations pre-work planning and in work planning sessions, on evidence on	The scrutiny committee and Statutory Scrutiny

	identifying the topics where they can add most value to the organisation and / or local residents.	Officer and other committee support officers
	iii). Holding annual work planning sessions focused on identifying the topics where they can add most value to the organisation and / or local residents (EG where they can play a role in policy development not being carried out elsewhere and where they may realistically be able to propose changes or development to make an impact on service improvement, rather than areas where it is unlikely to add much value).	The scrutiny committee and Statutory Scrutiny Officer and other committee support officers
	iv). Chair (or other delegated members of the committee) holding pre-committee briefing meetings with the relevant departments six weeks ahead of each committee meeting, to clarify report requests, purpose of scrutiny activities, possible outcomes and participants, including any external participants such as partner organisations and expert witnesses, clarifying the role of the committee generally and in each case.	The Chair of the scrutiny committee and committee support officers
	v). Ensure that topic selection is evidence based. Clear linkages to scrutiny topics and evidence that it is an area they can add most value to the organisation and / or local residents, eg indented opportunities for timetabled policy review or development, areas of poor performance, areas of high public interest or concern etc.	The relevant scrutiny committee
	vi). Ensure that the views of external stakeholders and the public taken into account.	The relevant scrutiny committee
Scrutiny Task and Finish Groups		
Objective 11		
Ensure that in-depth scrutiny activities carried out through task and finish groups are effective.		
	i). Scrutiny task and finish groups are clear in their purpose and terms of reference and membership, set by the scrutiny committee.	The relevant scrutiny committee
	ii). Scrutiny task and finish groups are clear on when they need to report to the main committee and the expected outputs (eg scrutiny report, or report and recommendations etc, detailed on the committee work plan, and scrutiny project plan and delivered on time with expected outputs.	The relevant scrutiny committee
	iii). Clear, succinct, interesting, scrutiny reports that clearly present the purpose of the inquiry, the membership and terms of reference, the key conclusions and any recommendations of the inquiry and evidence to support conclusions and recommendations.	The scrutiny committee, appointed Task Group members and committee support officers
	iv). Clear definitive SMART scrutiny recommendations (where appropriate and evidenced) clearly directed to the relevant executive decision maker (eg Cabinet).	The scrutiny committee, appointed Task Group members

		and committee support officers
	v). Ensure that Scrutiny Task and Finish Groups are well directed and planned (eg through a project plan or timetabled schedule of work).	Appointed Task Group members and committee support officers
Scrutiny and the Public		
<u>Objective 12</u>		
Engaging the public and external VCOs (Voluntary and Community Organisations) in the work of the committees, in particular in inviting and receiving written and oral submissions in and outside of the committee to inform their work.		
	Invite and draw upon the testimony of expert witnesses to inform their work in committee.	The relevant scrutiny committee



Title of report: The Annual Scrutiny Work Programme 2022-2023

Meeting: Scrutiny Management Board

Meeting date: 5th September 2022

Report by: Michael Carr - Interim Statutory Scrutiny Officer

Classification

Open

Decision type

This is not an executive decision

Wards affected

(All Wards);

Purpose:

1. This report presents the Annual Scrutiny Work Programme 2022-2023, made up of the Scrutiny Work Plans of the council's five scrutiny committees.

Recommendation(s)

That the Annual Scrutiny Programme 2022-2023 be agreed.

Alternative options

2. The alternative is to not agree the Annual Scrutiny Work Programme 2022-2023, which would provide less clarity and ability to plan ahead for reports to be provided for issues under consideration by the scrutiny committees.

Introduction

3. Effectively prioritising and planning the work of scrutiny committees can be an essential feature of successful scrutiny. According to the Statutory Scrutiny Guidance 2019, prioritisation is essential, which means that there might be things that, despite being important, scrutiny will not be able to look at.
4. According to the Statutory Scrutiny Guidance, authorities should take steps to ensure scrutiny has a clear role and focus within the organisation, within which it can clearly demonstrate it adds value. Work planning prioritisation is, therefore, necessary to ensure the scrutiny function concentrates on delivering work that is of genuine value and

Further information on the subject of this report is available from
Michael Carr, Tel: 01432260659, email: michael.carr@herefordshire.gov.uk

relevance to the work of the wider authority. This is one of the most challenging parts of scrutiny, and a critical element to get right if it is to be recognised as an effective strategic function of the authority.

5. In 2021 the Rethinking Governance Working Group (RTGWG) produced a report and recommendations as part of the Rethinking Governance programme and review. Recommendation 6 of the RTGWG report is to “Improve scrutiny work programme development process” and proposes that forms of expanded evidence be considered when developing the scrutiny work programme, eg. The corporate risk register, complaints summary, feedback from forums such as the parish council summit and citizens panel. When developing scrutiny work programmes, it is also recommended that mapping of county plan and delivery plan, and strategic partners be made to the relevant scrutiny committee.
6. Recommendation 8 of the RTGWG report proposed greater alignment of scrutiny committees to corporate objectives. Recommendation 3 of the report recommends consideration be given as to whether performance, management and risk information relevant to each committee could be communicated more efficiently and effectively.

The Development of the Scrutiny Work Programme

7. It is proposed that, each year the scrutiny committees consider and agree an annual programme of work for the municipal year ahead, after considering the key issues facing the council and local community where consideration by a scrutiny committee might add value. Usually, the work programme would be for the municipal year period following the Council AGM, June to May the following year.
8. The work plan for each committee may then be agreed by the respective committees, in accordance with the council’s Constitution.
9. Work planning seeks to identify:
 - i. the main topics for consideration throughout the year,
 - ii. the purpose and scope of each topic
 - iii. when each topic should be considered, and
 - iv. which departments, external agencies and expert witnesses should be called as witnesses to provide evidence.
10. This year, the identified topics have then been developed into a joint work programme for the scrutiny committees, ratified by the Scrutiny Management Board, which can thereafter be published, reported to stakeholders for information and used to plan the meetings of the committees throughout the year ahead.

Scrutiny Work Planning for 2022-2023

11. Scrutiny briefing sessions have been held for each scrutiny committee, which included briefings from the respective departments for each scrutiny committee on the overall

scene-setting and key issues for their departmental and portfolio service areas, to help to inform the scrutiny committee work plans.

12. The Centre for Governance and Scrutiny (CFGS) work planning training was also provided on 21 and 27 June 2022, which also assisted members in the challenging task of topic selection and prioritisation.
13. An informal meeting of the SMB then agreed its own Work Plan and brought together the entire work plans into one reference document:– The Annual Scrutiny Work Programme 2022-2023, which is to now being used to plan for the entire year’s reports to and from scrutiny committees. The Work Programme should enable better planning ahead by the committees in receiving requested reports, arranging attendance and inviting any external witnesses identified, including any in-depth scrutiny inquiries (or scrutiny task groups). The Work Programme should thereafter direct the work of the committees.
14. The council has five scrutiny committees:
 - i. Scrutiny Management Board
 - ii. Environment & Sustainability Scrutiny Committee
 - iii. Connected Communities Scrutiny Committee
 - iv. Children & Young People Scrutiny Committee
 - v. Health, Care & Wellbeing Scrutiny Committee.
15. The remit of the scrutiny committees are set out in the council’s Constitution under Part 3, Section 4 - Scrutiny Functions.

The Role of Scrutiny Committees

16. The role of scrutiny committees is set out in the Local Government Act 2000, but broadly speaking, topics for scrutiny should either be to:
 - Hold the Executive (Cabinet) to account
 - Contribute to the strategic policy development and review.
17. Generally speaking, topics where a scrutiny committee is making recommendations for policy development may lend themselves to questions to seek evidence, which usually require more complex consideration and development of the proposals before they are agreed by the committee.
18. Topics identified for policy development should be timed to be considered *before* the matter needs to be agreed by the Cabinet or full Council (or external decision maker). These topics may also be programmed across more than one meeting, to allow time for key findings and scrutiny recommendations to be drawn up in a considered way and for proper consideration of legal, equalities and financial implications, before being agreed by the committee, or may be considered by a Scrutiny Task Group, which reports back to the main committee with a report and recommendations to the decision making body (Executive).
19. In addition, regard may also be given to other ways in which consideration by the committee may add value through the scrutiny process, such as stakeholder engagement

and consultation, pre-decision consultation with councillors, performance review and improvement, efficiency and best value review.

The Powers of Scrutiny Committees

20. Scrutiny committees may call Cabinet Members and senior officers to answer questions in committee and may request reports to committee on the issues under review. They may also invite external witnesses, for example from partner organisations, community stakeholders or expert witnesses.
21. Scrutiny committees may make requests for information from council departments, and from external organisations, with specific statutory powers to request information from certain partner organisations, eg NHS bodies and the Community Safety Partnership.
22. Scrutiny committees may make recommendations to Cabinet or external organisation's decision makers on matters they consider in committee. The Cabinet has a duty to respond to scrutiny recommendations, setting out what, if any, actions it will take in response.

Outcomes from Scrutiny Work

23. At the end of the municipal year, the scrutiny committees should aim to demonstrate that they have added value to the decision making process for the organisation and community, in terms of their statutory functions and wider implicit opportunities, such as to improve transparency, partnership working and more inclusive decision making.
24. Specifically, the scrutiny committees should help the council and Executive to demonstrate accountability through the scrutiny process, as well as to provide opportunities for non-executive members to participate in policy development, including through their power to make reports and recommendations to the Executive, external agencies (and full Council where appropriate).

Equality Duty

25. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:
26. A public authority must, in the exercise of its functions, have due regard to the need to –
 - i). eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - ii). advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - iii). foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
27. 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. As this report concerns the administrative function of the children and

young people scrutiny committee, it is unlikely that it will have an impact on our equality duty.

Resource Implications

28. The costs of the work of the committees will have to be met within existing resources. It should be noted the costs of running scrutiny can be subject to an assessment to support appropriate processes.
29. The councillors' allowance scheme contains provision for co-opted and other non-elected members to claim travel, subsistence and dependant carer's allowances on the same basis as members of the council. If the committee agrees that co-optees should be included in an inquiry they will be entitled to claim allowances.
30. It is suggested that a scrutiny committee should only have one in-depth scrutiny task group inquiry running at a time.

Legal Implications

31. The council is required to deliver a scrutiny function in accordance with the Local Government Act 2000 s9F – 9FI. The development of a work programme will assist the committees and the council to deliver a scrutiny function.
32. The Scrutiny Rules in Part 4 Section 5 of the council's constitution provide for the setting of a work programme, the reporting of recommendations to the executive and the establishment of task and finish groups within the committees' agreed work programme.

Risk management

Risk / opportunity	Mitigation
There is a reputational risk to the council if the scrutiny function does not operate effectively.	The arrangements for the development of the work programme should help mitigate this risk.

Appendices

Appendix 1 - The Annual Scrutiny Work Programme 2022-2023.

Background papers

None identified

Annual Scrutiny Work Programme

2022 – 2023

The planned programme of work for the Herefordshire Overview and Scrutiny Committees for the 2022-2023 municipal year.

Updated: 26th July 2022

Programmed scrutiny committee agenda items may be subject to change throughout the year.

Scrutiny Management Board Work Plan 2022-2023

Agreed by the Scrutiny Management Board on 5th September 2022

Monday 5th September 2022

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p>Budget Scrutiny – Priorities and Position To consider:</p> <ul style="list-style-type: none"> i. The financial outturn for 2021-2022, ii. The budget priorities, positioning, assumptions and risks informing the development of the budget proposals for 2023-2024, iii. How the budget priorities and plans link to the Council priorities, iv. the arrangements and overall timetable for the scrutiny of the budget proposals for 2023-2024 for agreement in 2023, v. the plans for consultation on the budget proposals for 2023-2024. <p style="text-align: right;"><i>Reports deadline: 26th August 2022</i></p>	<p>Councillor Liz Harvey Cabinet Member for Finance, Corporate Services and Planning</p> <p>Councillor Nigel Shaw – Chairperson of the Audit and Governance Committee</p>	<p>Andrew Lovegrove - Director of Resources and Assurance</p> <p>Rachael Hart - Head of Strategic Finance</p>	
<p>The Annual Scrutiny Work Programme 2022-2023 To agree the Annual Scrutiny Work Programme 2022-2023, made up of the Scrutiny Work Plans of all of the Council’s scrutiny committees.</p> <p style="text-align: right;"><i>Reports deadline: 26th August 2022</i></p>	<p>Councillor Christy Bolderson – Chairperson of the Scrutiny Management Board</p>	<p>Michael Carr – Interim Statutory Scrutiny Officer</p>	

<p>Scrutiny Development 2022-2023 To consider the development of the scrutiny function at Herefordshire Council, following on from the implementation and review of the agreed recommendations of the Rethinking Governance report, as well as further observations from practice and peer review.</p> <p style="text-align: right;"><i>Reports deadline: 26th August 2022</i></p>	<p>Councillor Christy Bolderson – Chairperson of the Scrutiny Management Board</p> <p>Councillor Liz Harvey Cabinet Member for Finance, Corporate Services and Planning</p>	<p>Michael Carr – Interim Statutory Scrutiny Officer</p>	
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Monday 28th November 2022

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p>Herefordshire Council Human Resources and Workforce Strategy To consider Herefordshire Council Human Resources and Workforce Strategy.</p> <p style="text-align: right;"><i>Reports deadline: 17th November 2022</i></p>	<p>Councillor Liz Harvey Cabinet Member for Finance, Corporate Services and Planning</p>	<p>Tracey Sampson - Director of Human Resources and Organisational Development.</p>	
<p>Corporate Performance Quarter 2 2022-2023 To review corporate performance for quarter 2 of 2022-2023 and consider the progress towards delivery of the agreed service delivery targets, and consider to what extent the reasons for any potential under-performance are understood and are being addressed.</p> <p style="text-align: right;"><i>Reports deadline: 17th November 2022</i></p>	<p>Councillor Liz Harvey Cabinet Member for Finance, Corporate Services and Planning</p>		

<p>Budget Performance Quarter 2 2022-2023 To review budget performance for quarter 2 of 2022-2023 and consider the progress towards delivery of the agreed service delivery targets, and consider to what extent the reasons for any potential under-performance are understood and are being addressed.</p> <p style="text-align: right;"><i>Reports deadline: 17th November 2022</i></p>	<p>Councillor Liz Harvey Cabinet Member for Finance, Corporate Services and Planning</p>	<p>Andrew Lovegrove - Director of Resources and Assurance</p> <p>Rachael Hart - Head of Strategic Finance</p>	
<p>Scrutiny Development 2022-2023 To consider the development of the scrutiny function at Herefordshire Council, following on from the implementation and review of the agreed recommendations of the Rethinking Governance report, as well as further observations from practice and peer review.</p> <p style="text-align: right;"><i>Reports deadline: 17th November 2022</i></p>	<p>Councillor Christy Bolderson – Chairperson of the Scrutiny Management Board</p> <p>Councillor Liz Harvey Cabinet Member for Finance, Corporate Services and Planning</p>	<p>Michael Carr – Interim Statutory Scrutiny Officer</p>	

Friday 2nd December 2022

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p>Budget Scrutiny – Budget Scrutiny Summit To consider the draft budget proposals for 2023-2024.</p> <p style="text-align: right;"><i>Reports deadline: 22nd November 2022</i></p>	<p>Councillor David Hitchiner (Leader), Corporate Strategy and Budget</p> <p>Councillor Liz Harvey (Deputy Leader), Finance, Corporate Services and Planning</p> <p>Councillor Gemma Davies, Commissioning, Procurement and Assets</p> <p>Councillor Nigel Shaw – Chairperson of the Audit and Governance Committee</p>	<p>Andrew Lovegrove - Director of Resources and Assurance</p> <p>Rachael Hart - Head of Strategic Finance</p>	
<p>Economy and Environment Budget Scrutiny Session</p> <p><i>with members of the Environment and Sustainability Scrutiny Committee and Connected Communities Scrutiny Committee</i></p>	<p>Councillor Ellie Chowns, Environment and Economy</p> <p>Councillor John Harrington, Infrastructure and Transport</p> <p>Councillor Ange Tyler, Housing, regulatory services, and community safety.</p>	<p>Ross Cook - Corporate Director for Economy and Environment</p>	

Children and Young People Budget Scrutiny Session <i>with members of the Children and Young People Scrutiny Committee</i>	Councillor Diana Toynbee, Children and families	Darryl Freeman - Corporate Director for Children and Young People	
Community Wellbeing Budget Scrutiny Session <i>with members of the Health, Care and Wellbeing Scrutiny Committee</i>	Councillor Pauline Crockett, Health and Adult Wellbeing	Hilary Hall - Corporate Director for Community Wellbeing	

Monday 9th January 2023

Agenda item	Cabinet Member/s	Officers	External Witnesses
Budget Scrutiny To agree a Budget Scrutiny report to present the findings of the Board on the budget proposals for 2023-2024 and to inform the Cabinets budget proposals to Council for agreement in 2023. <i>Reports deadline: 23rd December 2022</i>	Councillor Liz Harvey Cabinet Member for Finance, Corporate Services and Planning	Andrew Lovegrove - Director of Resources and Assurance Rachael Hart - Head of Strategic Finance	
Hoople Ltd. To consider an overview of Hoople Ltd, its role, organisation, governance arrangements, interrelationship with Herefordshire Council, overall performance and budget and its provision of the wide range of services to Herefordshire Council and other key community partners.	Councillor Liz Harvey Cabinet Member for Finance, Corporate Services and Planning	Andrew Lovegrove - Director of	Audrey Clements Chief Operating Officer – Hopple Ltd

		Resources and Assurance	
<i>Reports deadline: 23rd December 2022</i>			
<p>Scrutiny Development 2022-2023 To consider the development of the scrutiny function at Herefordshire Council, following on from the implementation and review of the agreed recommendations of the Rethinking Governance report, as well as further observations from practice and peer review.</p> <p style="text-align: right;"><i>Reports deadline: 23rd December 2022</i></p>	<p>Councillor Christy Bolderson – Chairperson of the Scrutiny Management Board</p> <p>Councillor Liz Harvey Cabinet Member for Finance, Corporate Services and Planning</p>	<p>Michael Carr – Interim Statutory Scrutiny Officer</p>	

Tuesday 14th March 2023

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p>Corporate Performance Quarter 3 2022-2023 To review corporate performance for quarter 2 of 2022-2023 and consider the progress towards delivery of the agreed service delivery targets, and consider to what extent the reasons for any potential under-performance are understood and are being addressed.</p> <p style="text-align: right;"><i>Reports deadline: 3rd March 2023</i></p>	<p>Councillor Liz Harvey Cabinet Member for Finance, Corporate Services and Planning</p>	<p>Andrew Lovegrove - Director of Resources and Assurance</p>	
<p>Budget Performance Quarter 3 2022-2023 To review budget performance for quarter 2 of 2022-2023 and consider the progress towards delivery of the agreed service delivery targets, and consider to what extent the reasons for any potential under-performance are understood and are being addressed.</p> <p style="text-align: right;"><i>Reports deadline: 3rd March 2023</i></p>	<p>Councillor Liz Harvey Cabinet Member for Finance, Corporate Services and Planning</p>	<p>Andrew Lovegrove - Director of Resources and Assurance</p>	

		Rachael Hart - Head of Strategic Finance	
<p>The Annual Scrutiny Report 2022-2023 To agree the Annual Scrutiny Report 2022-2023.</p> <p style="text-align: right;"><i>Reports deadline: 3rd March 2023</i></p>	<p>Councillor Christy Bolderson – Chairperson of the Scrutiny Management Board</p>	<p>Michael Carr – Interim Statutory Scrutiny Officer</p>	
<p>The Effectiveness of Scrutiny at Herefordshire To coordinate and consider co-ordination of a review of the effectiveness of scrutiny at Herefordshire, throughout the year and through an overall assessment by the end of the 2022-2023 municipal year.</p> <p style="text-align: right;"><i>Reports deadline: 3rd March 2023</i></p>	<p>Councillor Christy Bolderson – Chairperson of the Scrutiny Management Board</p> <p>Councillor Liz Harvey Cabinet Member for Finance, Corporate Services and Planning</p>	<p>Michael Carr – Interim Statutory Scrutiny Officer</p>	
<p>Scrutiny Development 2022-2023 To consider the development of the scrutiny function at Herefordshire Council, following on from the implementation and review of the agreed recommendations of the Rethinking Governance report, as well as further observations from practice and peer review.</p> <p><i>Including:</i> Scrutiny Communications. To review the arrangements for communications to members and public in relation to scrutiny matters.</p> <p>See Herefordshire Communications Strategy 2022-2025</p> <p style="text-align: right;"><i>Reports deadline: 3rd March 2023</i></p>	<p>Councillor Christy Bolderson – Chairperson of the Scrutiny Management Board</p> <p>Councillor Liz Harvey Cabinet Member for Finance, Corporate Services and Planning</p>	<p>Andrew Lovegrove - Director of Resources and Assurance</p> <p>Joni Hughes – Head of Chief Executives Office</p> <p>Alexandra Floyd – Head of Communications</p> <p>Michael Carr – Interim Statutory Scrutiny Officer</p>	

Budget Scrutiny 2023-2024 To consider the arrangements for Budget Scrutiny for the 2023-2024 municipal year, including arrangements for review of the budget outturn performance for 2022-2023, review of budget in year performance for 2023-2024, and budget proposals for 2024-2025.			
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Connected Communities Scrutiny Committee Work Plan 2022-2023

Agreed by the Connected Communities Scrutiny Committee on Monday 1 August 2022.

Friday 9 September 2022

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p>Planning Services Improvement Plan</p> <p>To consider the progress of the Planning Services Improvement Plan, including matters relating to: service performance, resources and capacity; quality assurance; the approach to Section 106 Agreements and other planning obligations; the development of the Enforcement Action Plan, the development of the Communications Protocol; the effectiveness of the pre-application advice service; improving understanding of Permitted Development Rights, planning regulations and the planning process; enabling the Council to respond to County Plan priorities and the climate and ecological emergency; and the role of the Planning Inspectorate.</p> <p style="text-align: right;"><i>Deadline for reports: 31st August 2022</i></p>	<p>Councillor Liz Harvey - Cabinet Member - Finance, Corporate Services and Planning</p>	<p>Ross Cook - Corporate Director, Economy and Environment</p> <p>Florence Churchill – Interim Service Director Economy and Regulatory Services</p>	<p>Planning Inspectorate</p>

Friday 14 October 2022

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p>The Public Realm Future Operating Model</p> <p>To consider service performance and potential options for the future of the Council's highways contract.</p> <p style="text-align: right;"><i>Deadline for draft reports: 30th October 2022</i> <i>Agenda publication deadline: 6th October 2022</i></p>	<p>Councillor John Harrington - Cabinet Member - Infrastructure and Transport</p>	<p>Ross Cook - Corporate Director, Economy and Environment</p> <p>Mark Averill – Interim Service Director Environment, Highways and Waste</p>	

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Monday 12 December 2022

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p>The Management of Capital Projects</p> <p>To consider the arrangements for the development and delivery of capital projects; including the success criteria for the projects the Council bids for or receives grant funding for.</p> <p style="text-align: right;"><i>Deadline for draft reports: 25th November 2022</i> <i>Agenda publication deadline: 2nd December 2022</i></p>	<p>Councillor Liz Harvey - Cabinet Member - Finance, Corporate Services and Planning</p>	<p>Andrew Lovegrove – Director of Resources and Assurance</p> <p>Lisa Evans – PMO Delivery Director</p>	

<p>Levelling Up Fund Projects</p> <p>To consider the further development and readiness for the delivery of any successful bids to the Government Levelling Up Fund. Specifically, the proposed submission includes:</p> <ul style="list-style-type: none"> i. A package of public realm improvements in Leominster and Ledbury town centres and enhancements to the Leominster Old Priory building; ii. Development of the site infrastructure and development plots for the Ross Enterprise Park; and iii. A package of transport and active travel measures in and around Hereford city; <p style="text-align: right;"><i>Deadline for draft reports: 25th November 2022</i> <i>Agenda publication deadline: 2nd December 2022</i></p>	<p>Councillor Ellie Chowns- Cabinet Member - Environment and Economy</p>	<p>Ross Cook - Corporate Director, Economy and Environment</p> <p>Roger Allonby – Director of Economy</p>	
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Monday 13 February 2023

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p>Community Safety Partnership</p> <p>To consider the effectiveness of the Community Safety Partnership (CSP) in improving community safety in Herefordshire, including matters relating to: the latest statistics and trends in local crime; how each of the responsible authorities engages with and contributes resources to the work of the CSP; the effectiveness of leadership and partnership arrangements; how the responsible authorities produce and share key data; how the local community is involved in the work of the CSP; and how the CSP compares to other CSPs in region and similar areas.</p> <p style="text-align: right;"><i>Deadline for draft reports: 27th January 2022</i> <i>Agenda publication deadline: 3rd February 2022</i></p>	<p>Councillor Ange Tyler - Cabinet Member - Housing, Regulatory Services and Community</p>	<p>Hilary Hall - Corporate Director Community Wellbeing</p> <p>Adrian Turton – Partnership Officer</p>	<ul style="list-style-type: none"> • Councillor Ange Tyler - Chair of the CSP, Herefordshire Council • Superintendent Edd Williams - West Mercia Police • Jon Barnes -Chief Transformation Officer, One Herefordshire Partnership/ Integrated Care Board • Anna Davidson – Assistant Director: Prevention, Hereford & Worcester Fire and Rescue Service • George Branch – Head of Probation, Hereford, Shropshire and Telford PDU, HM Prison & Probation Service • Jonathon Pryce, Chief Fire Officer - Herefordshire and Worcester Fire and Rescue Authority

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Environment and Sustainability Scrutiny Committee Work Plan 2022-2023

Agreed by the Environment and Sustainability Scrutiny Committee on 26th July 2022

Tuesday 26th July 2022

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p>Environment and Sustainability Scrutiny Committee Work Plan 2022-2023 To agree the Environment and Sustainability Scrutiny Committee Work Plan 2022-2023.</p>	<p>Councillor Ellie Chowns Cabinet Member for Environment and Economy</p>	<p>Ross Cook - Corporate Director, Economy and Environment</p>	
<p>Restoration of the River Wye – Options for Public Inquiry and Policy Review To consider the options being considered for Public Inquiry and Policy Review on the Restoration of the River Wye.</p> <p style="text-align: right;"><i>Deadline for draft reports: 13th July 2022</i> <i>Report deadline: 18th July 2022</i></p>	<p>Councillor Ellie Chowns Cabinet Member for Environment and Economy</p>	<p>Ross Cook - Corporate Director, Economy and Environment</p> <p>Mark Averill, - Interim Service Director Environment, Highways and Waste</p> <p>Rachael Joy - Interim Delivery Director Waste Transformation & Wetland Project</p>	

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Wednesday 21st September 2022

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p>The Herefordshire Local Plan To consider the analysis of the public consultation on the Local Plan and the mechanism by which the consultation was undertaken.</p> <p>www.herefordshire.gov.uk/local-plan-1</p> <p><i>Deadline for draft reports: 7th September 2022</i> <i>Report deadline: 9th September 2022</i></p>	<p>Councillor Liz Harvey Finance - Corporate Services and Planning</p> <p>Councillor Ellie Chowns - Cabinet Member for Environment and Economy</p> <p>Councillor John Harrington - Infrastructure and Transport</p>	<p>Ross Cook - Corporate Director, Economy and Environment</p> <p>Tracey Coleman – Service Director, Planning and Regulatory</p>	
<p>Restoration of the River Wye – Options for Public Inquiry and Policy Review To consider the options being considered for Public Inquiry and Policy Review on the Restoration of the River Wye.</p> <p><i>Deadline for draft reports: 7th September 2022</i> <i>Report deadline: 9th September 2022</i></p>	<p>Councillor Ellie Chowns Cabinet Member for Environment and Economy</p>	<p>Ross Cook - Corporate Director, Economy and Environment</p> <p>Mark Averill, - Interim Service Director Environment, Highways and Waste</p> <p>Rachael Joy - Interim Delivery Director Waste</p>	

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		Transformation & Wetland Project	
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Wednesday 16th November 2022

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p>The Herefordshire Local Flood Risk Management Strategy To consider the Herefordshire Local Flood Risk Management Strategy, flood planning and resilience. Specifically:</p> <ul style="list-style-type: none"> • What the Council and its statutory partners are doing to manage flood risk in the county. • Is there a resilience plan in place covering HCC assets and infrastructure and enabling residents and businesses to adapt to future extreme weather events? • Consideration of the wider emergency planning for drought and fire, in conjunction to flooding. <p><i>Note:</i> Herefordshire Council is a Lead Local Flood Authority (LLFA) and it has the lead role in managing flood risk from surface water, groundwater and ordinary watercourses across the county. As part of this role it must develop, maintain, apply and monitor a local flood risk management strategy. This is an important document for the on-going management of flood risk throughout the county. The strategy sets out the framework for how the council will work with other local flood risk management authorities and the general public to better understand and manage existing and future flood risks from all potential sources of flooding.</p> <p style="text-align: right;"><i>Deadline for draft reports: 2nd November 2022</i> <i>Report deadline: 4th November 2022</i></p>	<p>Councillor John Harrington - Infrastructure and Transport</p> <p>Councillor Ellie Chowns Cabinet Member for Environment and Economy</p>	<p>Ross Cook - Corporate Director, Economy and Environment</p> <p>Mark Averill, - Interim Service Director Environment, Highways and Waste</p> <p>Rachael Joy - Interim Delivery Director Waste Transformation & Wetland Project</p>	<p>Welsh Water</p> <p>Severn Trent Water</p> <p>The Environment Agency</p> <p>Internal Drainage Boards: The River Lugg IDB The Lower Severn IDB</p> <p>Joel Hockenhull - Senior Drainage Engineer, Balfour Beatty Living Places</p> <p>Chief Fire Officer Jonathon Pryce - Herefordshire and Worcester Fire and Rescue Authority</p> <p>Parish Councils</p>

Thursday 19th January 2023

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p>Waste and Recycling To consider waste disposal, (waste and recycling), including the new waste collection contract and procurement. Specifically:</p> <ul style="list-style-type: none"> • Is there sufficient resource being deployed to encourage residents and businesses to reduce waste (particularly food) through education and engagement with manufacturers, retailers and public institutions, such as schools? • Is our waste disposal strategy and new contract going to ensure we meet our targets to reduce waste to landfill to 1% and to ensure that recycled material is recycled? <p style="text-align: right;"><i>Deadline for draft reports: 4th January 2023</i> <i>Report deadline: 6th January 2023</i></p>	<p>Councillor Ellie Chowns Cabinet Member for Environment and Economy</p> <p>Councillor Gemma Davies - Commissioning, Procurement and Assets</p>	<p>Ross Cook - Corporate Director, Economy and Environment</p> <p>Mark Averill, - Interim Service Director Environment, Highways and Waste</p> <p>Rachael Joy - Interim Delivery Director Waste Transformation & Wetland Project</p> <p>Ben Boswell - Head of Environment Climate Emergency and Waste Services</p>	

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<p>Review of the Climate and Ecological Emergency Review Scrutiny Report and Recommendations</p> <p>To review the implementation of the Executive Response to the Climate and Ecological Emergency Review Scrutiny Report and Recommendations carried out in 2021.</p> <p style="text-align: right;"><i>Deadline for draft reports: 4th January 2023</i> <i>Report deadline: 6th January 2023</i></p>	<p>Councillor Ellie Chowns Cabinet Member for Environment and Economy</p>	<p>Ross Cook - Corporate Director, Economy and Environment</p> <p>Mark Averill, - Interim Service Director Environment, Highways and Waste</p>	
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Wednesday 8th March 2023

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p>Herefordshire Farming</p> <p>To consider the farming industry in Herefordshire. Specifically:</p> <ul style="list-style-type: none"> • What plans are in place to promote improved agricultural practices and the planting of buffer vegetation, including trees and hedgerows to reduce the risk of flooding and meet our biodiversity gain requirements? • What plans are in place to promote better land use, including increasing local food production and sufficiency? <p style="text-align: right;"><i>Deadline for draft reports: 22nd February 2023</i> <i>Report deadline: 24th February 2023</i></p>	<p>Councillor Ellie Chowns Cabinet Member for Environment and Economy</p> <p>Councillor Liz Harvey Finance - Corporate Services and Planning</p> <p>Councillor John Harrington - Infrastructure and Transport</p>	<p>Ross Cook - Corporate Director, Economy and Environment</p>	<p>Farm Herefordshire - Farm Farm Herefordshire The Wye and Usk Foundation (wyeuskfoundation.org)</p>

Children and Young People Scrutiny Committee Work Plan 2022-2023

Agreed by the Children and Young People Scrutiny Committee on 26th July 2022.

Tuesday 26th July 2022

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p>Special Educational Needs and Disabilities - Autism provision and nurture hubs To consider the provision offered for children with autism, within the context of the wider services for SEND in Herefordshire, service developments and any new Government directives, any new Government Guidance, key challenges facing SEND services more broadly and the preparedness of this service for a potential external inspection or review.</p> <p style="text-align: right;"><i>Reports deadline: 18th July 2022</i></p>	<p>Councillor Diana Toynbee – Cabinet Member for Children and Families</p>	<p>Freeman, Darryl - Corporate Director, Children and Young People</p>	
<p>Social Care Recruitment and Retention To consider Social Care Recruitment and Retention.</p> <p style="text-align: right;"><i>Reports deadline: 18th July 2022</i></p>	<p>Diana Toynbee – Cabinet Member for Children and Families</p>	<p>Freeman, Darryl - Corporate Director, Children and Young People</p>	

Children's Social Care Improvement Plan 2022-2024 - Key measures	Diana Toynbee – Cabinet Member for Children and Families	Freeman, Darryl - Corporate Director, Children and Young People	
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Tuesday 6th September 2022

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p>Corporate Parenting To consider the Council's Corporate Parenting Strategy, the plans for the review of the Strategy in 2023 and opportunities for policy review and development of the strategy with any recommendations to the Cabinet.</p> <p>www.herefordshire.gov.uk/downloads/file/21412/achieving-the-best-for-our-children-herefordshire-s-corporate-parenting-strategy-2020-23</p> <p><i>Reports deadline: 26th August 2022</i></p>	Diana Toynbee – Cabinet Member for Children and Families	Freeman, Darryl - Corporate Director, Children and Young People	Liz Murphy - Independent Chair of Herefordshire Safeguarding Partnership

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<p>Children’s Improvement Plan Transformation Funding To consider Children’s Improvement Plan Transformation Funding.</p> <p style="text-align: right;"><i>Reports deadline: 18th July 2022</i></p>	<p>Diana Toynbee – Cabinet Member for Children and Families</p>	<p>Freeman, Darryl - Corporate Director, Children and Young People</p>	
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Tuesday 22nd November 2022

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p>Herefordshire Safeguarding Children’s Partnership To consider the Annual Report of the Herefordshire Safeguarding Children’s Partnership (MASA).</p> <p style="text-align: right;"><i>Reports deadline: 11th November 2022</i></p>	<p>Diana Toynbee – Cabinet Member for Children and Families</p>	<p>Freeman, Darryl - Corporate Director, Children and Young People</p> <p>Head of Service Safeguarding and Review, Children and Young People</p>	<p>Liz Murphy - Independent Chair of Herefordshire Safeguarding Partnership</p>
<p>Herefordshire Council - Children’s Wellbeing Independent Reviewing Officers (IRO) Annual Report 2021/2022 To consider the Herefordshire Council - Children’s Wellbeing Independent Reviewing Officers (IRO) Annual Report 2021/2022.</p> <p style="text-align: right;"><i>Reports deadline: 11th November 2022</i></p>	<p>Diana Toynbee – Cabinet Member for Children and Families</p>	<p>Freeman, Darryl - Corporate Director, Children and Young People</p> <p>Head of Service Safeguarding and</p>	<p>Liz Murphy - Independent Chair of Herefordshire Safeguarding Partnership</p>

		Review, Children and Young People	
<p>Proposed Education Legislation (the Education White Paper) To consider the planned legislative proposals for Education and its impact on local authorities roles in supporting education, multi-academy trusts, school placements planning and schools improvement.</p> <p><i>Reports deadline: 11th November 2022</i></p>	Diana Toynbee – Cabinet Member for Children and Families	Freeman, Darryl - Corporate Director, Children and Young People	
<p>Children’s Social Care Improvement Plan 2022-2024 - Key measures</p> <p><i>Reports deadline: 11th November 2022</i></p>	Diana Toynbee – Cabinet Member for Children and Families	Freeman, Darryl - Corporate Director, Children and Young People	

Tuesday 10th January 2023

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p>Electively Home Educated Children/Children Missing Education</p> <p>To consider electively home educated children and children missing education in Herefordshire.</p> <p><i>Reports deadline: 28th December 2022</i></p>	Diana Toynbee – Cabinet Member for Children and Families	Freeman, Darryl - Corporate Director, Children and Young People	

<p>SEND – Results of LGA Peer Review & preparedness for a SEND inspection</p> <p><i>Reports deadline: 28th December 2022</i></p>	<p>Diana Toynbee – Cabinet Member for Children and Families</p>	<p>Freeman, Darryl - Corporate Director, Children and Young People</p>	
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Tuesday 21st March 2023.

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p>Child Exploitation To consider Herefordshire Child Exploitation and prevention strategies.</p> <p><i>Reports deadline: 28th December 2022</i></p>	<p>Diana Toynbee – Cabinet Member for Children and Families</p>	<p>Freeman, Darryl - Corporate Director, Children and Young People</p>	<p>Liz Murphy - Independent Chair of Herefordshire Safeguarding Partnership</p>
<p>Children’s Services Improvement Plan – Implementation Review Update (Key Measures)</p> <p><i>Reports deadline: 10th March 2023</i></p>	<p>Diana Toynbee – Cabinet Member for Children and Families</p>	<p>Freeman, Darryl - Corporate Director, Children and Young People</p>	
<p>Social Care Recruitment and Retention Task and Finish Group Report</p> <p>To receive and agree the report of the Social Care Recruitment and Retention Task and Finish Group.</p> <p><i>Reports deadline: 10th March 2023</i></p>	<p>Diana Toynbee – Cabinet Member for Children and Families</p>	<p>Freeman, Darryl - Corporate Director, Children and Young People</p>	

Health Care and Wellbeing Scrutiny Committee Work Plan 2022-2023

Friday 22nd July 2022

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p>The Impact of Intensive Poultry on Health and Wellbeing Scrutiny Report. To agree the Impact of Intensive Poultry Units on Health and Wellbeing Scrutiny Report on potential public health impacts of the intensive poultry industry.</p> <p style="text-align: right;"><i>Reports deadline: Thursday, 14th July 2022.</i></p>	Councillor Pauline Crockett- Cabinet Member for Health and Adult Wellbeing	Hilary Hall - Corporate Director of Community Wellbeing Matt Pearce – Director of Public Health	

Friday 23rd September 2022

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p>Obesity and Nutrition To consider the ways in which the council can tackle obesity in the local population, through public education, fitness and nutrition. Specifically:</p> <ul style="list-style-type: none"> • What programmes exist for ensuring fitness post-16 education • Physical Activity Strategy • Use of excess foods in supermarkets – Spare food that can be utilised to educate • Council's role within this issue – Food and Fitness in schools, Food and Fitness post education • Relevance of planning applications in the vicinity of homes and schools 	Councillor Pauline Crockett- Cabinet Member for Health and Adult Wellbeing	Hilary Hall - Corporate Director of Community Wellbeing Matt Pearce – Director of Public Health	Christine Price - Chief Officer Healthwatch Herefordshire

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p>With the cost of living crisis rising, the number of people resorting to less nutritious foods and levels of obesity in children and adults is on the rise.</p> <p style="text-align: right;"><i>Reports deadline: 13th September 2022</i></p>			

Friday 25th November 2022

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p>Herefordshire Health and Wellbeing Strategy To review the new draft Herefordshire Health and Wellbeing Strategy and make any recommendations on the strategy to the Cabinet and wider participating strategic partnership.</p> <p>The draft strategy should set out the strategic direction for the council and partners to improve the health and wellbeing of the population over the next five years, identify shared priorities, outcomes and commitment for improving health and wellbeing and reducing health inequalities and provide an overarching framework for commissioning and service planning across local health, social care organisations and voluntary bodies in Herefordshire.</p> <p style="text-align: right;"><i>Reports deadline: 15th November 2022</i></p>	Councillor Pauline Crockett- Cabinet Member for Health and Adult Wellbeing	Hilary Hall - Corporate Director of Community Wellbeing	Christine Price - Chief Officer Healthwatch Herefordshire
<p>Health Care Services Update Q&A To consider:</p> <ul style="list-style-type: none"> • Services that could be cut from Herefordshire and migrated out, and is there a need for them to remain • Pressure points in the migration of services. 	Councillor Pauline Crockett- Cabinet Member for Health and Adult Wellbeing	Hilary Hall – Corporate Director of Community Wellbeing	ICS reps

Agenda item	Cabinet Member/s	Officers	External Witnesses
Recent success of the retention of the haematology services in Hereford has highlighted the need to be more sighted on what services are on the edges of being transferred out to Worcester, Birmingham or other areas of the country. What can be done to save the units left in Herefordshire and is there any way to prevent further migration of services.		Matt Pearce – Director of Public Health	

Monday 23rd January 2023

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p>Access to Council Wellbeing Services - Signposting To undertake a review of the signposting to the variety of wellbeing services that are available through the council to improve accessibility. Specifically to consider:</p> <ul style="list-style-type: none"> • How to target services to people that need them and not just those in the system • How to improve access to services • Review of community transport • Access to health and care for Herefordshire residents living on the border with Wales <p>Currently the cost of running community transport could lead to more pressure on access to services and how rural communities are able to access some key services.</p> <p style="text-align: right;"><i>Reports deadline: 11th January 2022</i></p>	Councillor Ange Tyler- Cabinet Member for Housing, regulatory services, and community safety	<p>Hilary Hall - Corporate Director of Community Wellbeing</p> <p>Mandy Appleby – Service Director, Social Care Delivery</p> <p>Amy Pitt – Service Director, Communities</p>	<p>VCSE organisations</p> <p>E&E rep for community transport</p> <p>Sarah Parry - Corporate Head of Integrated Community Services</p> <p>Christine Price - Chief Officer Healthwatch Herefordshire</p>

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p>The use of Talk Community Hubs and Social Prescribing</p> <p>To consider:</p> <ul style="list-style-type: none"> • Why and how to reach as many people in the community to show them the resources of talk community hubs and ensure their usefulness • Is social prescribing something that can be used in these hubs to help with the community's cohesion and mental health of children, young people and adults? Explore the realities of social prescribing • How to unite Talk Community, Social Prescribing and Recovery Colleges. • How the services can be developed and what is needed to do this? <p>The use of talk community and their hubs to bring communities together for mental health and cohesion. Using social prescribing and other services to link people and communities together. The talk community hubs are used for those in rural areas who lack access to Wi-Fi and many other services but these are not always known by the community.</p> <p>NHS England » Social prescribing</p> <p><i>NB: Talk Community Directory contract ends May 2023 – so need to feed into work for recommissioning this (Contact Amy Pitt – Service Director, Communities).</i></p> <p><i>Matt Pearce has done a piece of work on Social Prescribing at Gloucestershire. https://uwe-repository.worktribe.com/output/905835/gloucestershire-clinical-commissioning-groups-social-prescribing-service-evaluation-report</i></p> <p><i>Reports deadline: 11th January 2022</i></p>	<p>Councillor Ange Tyler- Cabinet Member for Housing, regulatory services, and community safety</p>	<p>Hilary Hall - Corporate Director of Community Wellbeing</p> <p>Amy Pitt – Service Director, Communities</p> <p>Matt Pearce - Director of Public Health</p>	<p>Emily Lowe – Talk Community Development Lead</p> <p>Philippa Ellis - Talk Community Health and Wellbeing Manager Community Wellbeing</p> <p>Taurus rep</p> <p>Recovery college rep</p> <p>Christine Price - Chief Officer Healthwatch Herefordshire</p>

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p>Project Brave – Homelessness To consider Strategies to Combat homelessness in Herefordshire in the light of the rising cost of living, including an update on the development of Project Brave.</p>	<p>Councillor Ange Tyler- Cabinet Member for Housing, regulatory services, and community safety</p>	<p>Hilary Hall - Corporate Director of Community Wellbeing</p> <p>Ewen Archibald – Service Director, All Age Commissioning</p> <p>Lee Davis – Head of Prevention and Support Services</p>	<p>Housing/homeless ness providers</p>

Monday 6th March 2023

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p>Domiciliary and Residential Care in Herefordshire To consider the capacity and provision of domiciliary and residential care in Herefordshire.</p> <p style="text-align: right;"><i>Reports deadline: 21st February 2022</i></p>	<p>Councillor Ange Tyler- Cabinet Member for Housing, regulatory services, and community safety</p> <p>Councillor Pauline Crockett- Cabinet Member for Health and Adult Wellbeing</p>	<p>Hilary Hall - Corporate Director of Community Wellbeing</p> <p>Ewen Archibald – Service Director, All Age Commissioning</p>	

Agenda item	Cabinet Member/s	Officers	External Witnesses
		Mandy Appleby – Service Director, Social Care Delivery	
<p>Perinatal Care To review the effectiveness of the service and where the pressure points of the service are following the ongoing recovery from Covid.</p> <p style="text-align: right;"><i>Reports deadline: 21st February 2022</i></p>	Councillor Pauline Crockett- Cabinet Member for Health and Adult Wellbeing	<p>Hilary Hall - Corporate Director of Community Wellbeing</p> <p>Ewen Archibald – Service Director, All Age Commissioning</p>	<p>Jenny Dalloway – Lead for Mental Health, Learning Disabilities and Children</p> <p>Sally Simmonds – Perinatal Service Manager Lead</p> <p>Christine Price Chief Officer Healthwatch Herefordshire</p>



Title of report: 2023/24 Budget Setting Progress Update

Committee: Scrutiny Management Board

Meeting Date: 5th September 2022

Report by: Head of Strategic Finance (deputy S151) Officer

Classification

Open

Decision type

This is not an executive decision

Wards affected

(All Wards);

Purpose

To seek the views on the developing 2023/24 budget and 4 year Medium Term Financial Strategy (MTFS) to 2026/27 and to make any recommendations to the Cabinet details the impact of continued pressures from growth in demand and rising inflation on the Council's financial position. It highlights the need to identify options for additional income, savings and efficiencies to mitigate these pressures to achieve a balanced budget.

The committee is invited to make recommendations to inform, constructively challenge and support the process for making Cabinet proposals to Council regarding the adoption of the budget.

Recommendation(s)

That:

- a) The board is asked to note the report**
- b) The board considers how it can support the budget setting process and the areas inviting comment which are identified in this report**

Alternative options

1. The Board could choose not to review the options to mitigate financial pressures but this is not recommended as the Board has a role to undertake scrutiny in relation to the budget planning process.

Key considerations

Background and Context

2. The Council, alongside all local authorities, faces significant financial challenges in the continued delivery of services and improvements whilst maintaining a financially sustainable and resilient position. Continued uncertainty over Central Government funding and national changes in policy, particularly adult social care reforms, alongside emerging cost and demand pressures, will have a significant impact on the Council's net revenue and capital budgets over the medium term.
3. The draft MTFS presents a challenging position; with early forecasts identifying a gap between resources and pressures of **£21.6m in 2023/24**, rising in subsequent years to around **£57m by 2026/27** if no mitigating actions are implemented. This draft position is based on a number of variables and assumptions which are subject to change and these are detailed later in this report.
4. The Council maintains a prudent level of reserves to manage future financial risks. At 31 March 2022, the Council has useable reserves of £106.1m, comprising Earmarked Reserves of £96.5m and a General Fund balance of £9.6m. These reserves were deemed to be adequate to support the 2022/23 budget.
5. Government has yet to confirm the limits the maximum increase in core council tax for 2023/24 before triggering the need for a referendum, officers have modelled the budget on an increase of 1.99%. In addition, an assumption has been made that the council will charge a 1% Adult Social Care precept, this is subject to Government confirming the arrangements for Adult Social Care precepts for 2023/24.

Significant issues and pressures

6. The significant issues which contribute to the Council's challenging positions and a summary of their impact in 2023/24 are noted below.
7. The net pressure for 2023/24 is currently forecast at £21.6m and is summarised in Table 1 below with analysis per Directorate at Table 2.
8. The cost of living crisis is placing Herefordshire residents under significant pressure; work is ongoing to develop strategies to help address the cost of living crisis.

Table 1: Estimated Pressures 2023/24

Assumed Pressure 2023/24	Latest Estimate £m	Key Assumptions/Notes
Pay inflation	3.0	Pay inflation assumed at £1,925 per FTE; noting pay award offer has been made but not agreed.
Pay increment	1.4	Annual incremental pay increases for relevant staff, based on current establishment.

Assumed Pressure 2023/24	Latest Estimate £m	Assumed Pressure 2023/24
Demand pressures: Social Care	12.0	Demand pressures in Adult Social Care are modelled on client data at Q1 of 2022/23. No general growth is assumed in this estimate. Demand pressures in Children's Social care are modelled on current client data at Q1 of 2022/23. Demand pressures include additional staff costs as identified to deliver transformation across Children's services.
Demand: Other budget pressures	2.6	Pressures in Corporate Services comprising staffing costs for previously funded posts and increased demand in concessionary travel.
Contract inflation	2.2	Inflation is assumed at 8% based on initial indications of National Living Wages and CPI.
Non-contractual inflation	8.2	Work is underway to separate out from £10.4m above and identify non-contractual element.
Energy inflation	1.0	Inflationary increases are based on estimates provided by West Mercia Energy.
Capital Financing costs	1.8	Costs based on the planned capital programme. Further due diligence to be completed on the profile of capital expenditure.
Interest costs	1.0	Interest rates are informed by estimates from the Council's Treasury Management Advisors.
Savings identified	(0.9)	Savings identified through transformation and remodelling of Adults services. Further work to be completed to prepare detailed savings plans.
Other variances and mitigations	(0.5)	This represents the removal of one-off funding.
Net budget requirement	31.8	
Estimated funding increases 23/24	(10.2)	Funding increases are informed by Pixel modelling. Further due diligence to be completed to confirm the increase in resources for the Council.
Net pressure	21.6	

Table 2: 2023/24 Pressures by Directorate

	Community & Wellbeing	Children & Young People	Economy & Environment	Corporate	Central	Total
	£m	£m	£m	£m	£m	£m
Pay inflation	0.7	1.0	0.6	0.7	-	3.0
Pay increment	0.2	0.5		0.7	-	1.4
Demand pressures	1.1	10.9	0.3	2.3	-	14.6
Contract inflation	0.4	-	1.8	-	-	2.2

Non-contractual inflation	5.3	1.3	0.6	1.0	-	8.2
Energy inflation			1.0			1.0
Capital Financing costs	-	-	-	-	1.8	1.8
Interest costs	-	-	-	-	1.0	1.0
Savings	(0.9)	-	-	-	-	(0.9)
Other	(0.5)	-	-	-	-	(0.5)
Total pressure	6.3	13.7	4.3	4.7	2.9	31.8

Pay inflation and incremental uplift

9. The Council budgeted for a 2% pay award when setting the 2022/23 MTFS; each additional 1% increase in the national pay award adds a further £0.6m to the forecast.
10. Following recent communications, it is now expected that pay costs will be higher than anticipated in future years in order to address the cost of living increases and national living wage rise. The current offer of an increase of £1,925 on basic salary per FTE will result in an additional pressure of £3.0m in 2023/24, with incremental pay increases estimated at a further £1.4m. This pressure is in addition to the recruitment challenges facing the local government sector.

Social Care inflation and rising demand

11. Significant inflationary pressures are being faced in all areas of social care and other demand led services. Rising costs in Adult Social Care are being experienced across residential and domiciliary care as providers address workforce pay issues and the wider implications of general inflation. Estimates, based on current levels and forecast changes in demand, suggest demand pressures of £1.1m and inflationary increases of £5.7m in 2023/24.
12. Whilst it is not possible to predict the recurring budget pressures arising as a result of future social care reforms, it is anticipated that changes in the funding regime may require a 25% increase in relevant staffing levels representing an additional cost burden of £1m to support the new regime. At this stage, the impact of Fair Cost of Care on residential and nursing placements has not been included in the draft MTFS with further work required to quantify the potential increase in costs. This too will result in significant additional pressures for the Council.
13. In Children's Social Care, the cost of placements continues to rise to reflect inflationary pressures and demand for placements in the sector. Current estimates identify inflation pressures of £1.3m and demand pressures of £4.8m with additional staffing costs of £4.5m required to deliver transformation across the Children & Young People Directorate.

General inflationary increases

14. The Council continues to experience financial pressures from the impacts of high inflation across all contracts that are linked to RPI and CPI as well as non-contractual goods and services. Potential pressures on income from fees and charges for discretionary services and commercial activities, already noted through in-year budget monitoring in 2022/23, are a further impact of rising inflation as residents and businesses across the County manage cost of living rises. The draft MTFS assumes an 8% inflationary uplift in 2023/24 with a total impact of £10.4m. A 1% variation in this assumed uplift will result in additional £1.3m pressure for the Council, a 5% increase in the assumed rate of inflation will result in pressures of £6.5m.
15. Inflation pressures arising from energy costs are estimated at £1.0m for 2023/24 however it should be noted that there is risk within this estimate as a result of the unstable global position.

16. The impact on inflation has an impact on the councils Minimum Revenue Provision (MRP) assumptions and the board may wish to consider reviewing the councils MRP arrangements as part of its work program.

Key assumptions in pressures

17. The key assumptions for expenditure, income and treasury rates which inform the 2023/24 budget and MTFS are included below at Table 3.

Table 3: Key Assumptions 2023/24 to 2026/27

Expenditure	23/24	24/25	25/26	26/27
Pay award	£1,925 per FTE	£1,925 per FTE	4.00%	4.00%
Employers National Insurance	15.05%	15.05%	15.05%	15.05%
Employers Pension Contributions (payroll rate)	17.60%	17.60%	17.60%	17.60%
Contract Indexation - Community Wellbeing	8.00%	5.00%	5.00%	5.00%
Contract Indexation - E&E	8.00%	8.00%	8.00%	8.00%
Contract Indexation - Childrens Placements	6.00%	6.00%	6.00%	6.00%
Contract Indexation - IT	12.00%	12.00%	12.00%	12.00%
Contract Indexation - BCIS	8.00%	8.00%	8.00%	8.00%
Income	23/24	24/25	25/26	26/27
Council Tax				
Council taxbase (after council tax reduction scheme)	70,448.3	70,644.7	70,841.6	71,039.4
Increase in CT Base	1.0%	1.0%	1.0%	1.0%
Band D (standard) (%)	1.99%	1.99%	1.99%	1.99%
Band D (adult social care precept)%	1.00%	1.00%	1.00%	1.00%
Treasury Rates	23/24	24/25	25/26	25/27
PWLB Borrowing Rates (10-year)	3.5%	3.1%	3.1%	3.1%

Political priorities

18. The Council remains committed to the delivery of key activity to meet the ambitions set out in the County Plan to deliver long-term benefits in supporting the local economy, communities and the environment. This delivery will be supported by the development of the 2023/24 budget and MTFS to align the Council's financial resources with its political priorities.

Changes in funding 2023/24

19. Whilst early modelling suggests that Herefordshire will be in a stronger position following the implementation of the Government's Fair Funding Review, any potential increases following the review have not been assumed in the draft MTFS at this time as Central Government have yet to confirm a timeline for their implementation. The assumptions on which funding for 2023/24 has been estimated will require further work to understand the potential risks in the data which informs the calculations.

Results of early work

20. A high level exercise to identify options to reduce the budget gap and refine income and expenditure forecasts is currently underway to include a detailed review of each service area to consider options for savings and efficiencies and to understand the severity and impact of proposed changes upon residents and businesses. Where opportunities to mitigate pressures are

identified, it will be important to assess whether options are realistic and achievable to deliver sustained savings over the medium term. This work will be driven by Directorates, supported by Finance and other support services as appropriate.

21. This exercise requires additional work and the output of the detailed review will be provided as part of budget preparation work over forthcoming months. This early preparatory work to understand future pressures will allow time within the budget setting timetable to refine plans and options.
22. Following initial discussions between Directors and Finance staff, work is underway to quantify potential corporate savings. It is unclear, at this stage, whether the actions identified will be sufficient to close the £21.6m budget gap.
23. If options identified do not fully mitigate budget pressures, the Council's options to balance the budget include:
 - a) Use of reserves
 - b) Increasing Council Tax, noting the requirement for a referendum to increase above the Government referendum limit
 - c) Continue to lobby for additional Government funding
 - d) Increasing fees and charges and optimising income
 - e) Influencing demand for services by working with partners and identifying efficiencies in working practices
 - f) Identifying further savings

Questions for the Scrutiny Management Board to consider

24. The role of the Scrutiny Management Board is to support the budget setting process through effective challenge and scrutiny of the assessment of pressures and options identified to mitigate and achieve a robust and balanced budget and MTFS.
25. The Council faces significant challenges in setting the 2023/24 budget. In the context of this, it is suggested that the Scrutiny Management Board include the following areas of focus in their work programme.
26. **The power to raise income through local taxation:** Council tax is the main mechanism provided by government by which councils are able to raise income locally to fund service provision. It is charged per household on a sliding scale linked to an historical property valuation which results in households occupying higher value properties paying more and households occupying lower value properties paying less. Any reduction in council tax charges disproportionately benefits occupiers of higher value properties.
 - Q1: Does scrutiny support the premise that maximising the raising of income through council tax is broadly fair and appropriate?
27. **Targeting financial support to those most in need:** For a number of years now, the Council has chosen to target financial support to individuals and households most in need, both through the Council Tax Reduction Scheme offering 100% discount on council tax for more than 6,000 qualifying households and more recently by providing additional funding to a discretionary fund to address hardship cases for residents whose circumstances fall outside of existing grant and support criteria.
 - Q2: Does scrutiny support the premise that the council should continue to target additional financial support and council tax discounts to those most in need?
28. **Using the council's borrowing power to better effect:** The Council is advised by its Treasury Management experts that it is underusing its capability to borrow prudentially.

- Q3: Does scrutiny support the premise that the council should consider making wider use of its borrowing powers to support and to accelerate the achievement of transformational change and investment projects?
29. **Creating new income streams:** After many years of service cuts, restructuring and reorganisation in response to reducing funding for local government, the options available to reduce operating costs still further in a time of double digit inflation are extremely limited and all come at serious consequence to the kinds of non-statutory services which, unlike the council's statutory social care services, are visible to and appreciated by the majority of residents and households. Alongside managing its costs, the council is interested to create and/or extend its ability to generate income from existing traded services and to explore the options to create new income streams appropriate to the role of a local authority.
- Q4: Does scrutiny support the Council exploring its ability to increase income from traded and new services and from reviewing further its charging structures?
30. **Accounting for future debt and repayments:** A few years ago the Council took advantage of changes in local government accounting rules which enabled a re-profiling of the council's future debt repayments to reduce the size of payments in the early years. The changes in the economy and in interest rates and inflation mean that the Council has an option to repeat this process, thereby reducing the revenue cost of debt repayments now and releasing some revenue budget to address other immediate cost pressures.
- Q5: Does scrutiny support the Council revisiting the profiling of its interest and capital sum repayments?
31. **Is a Lottery right for Herefordshire?:** In the last two rounds of public consultation on council budgets there has been sustained and broad support for the Council considering the introduction of a local lottery, with funding raised ring-fenced to support specified projects and services.
- Q6: Does scrutiny support the suggestion that the council should explore introducing a lottery to raise ring-fenced funds for specific projects?
32. **Budgetary uncertainty and the cost of a plan-B:** This report highlights the deep financial difficulties that inflation, fuel costs, continued social care pressures, ongoing covid effects and a small, slow, rural economy present to the council in-year and across the 4 years of the next MTFS. The national political picture makes it very unlikely that clarity will be obtained on grants and funding until very late in the budgeting process. Already signs from ministries are not encouraging and concerns remain that a settlement will not come close to meeting the £21.6m shortfall next year and worse in years to come. If we proceed to assume that compensating assistance will not be provided by central government, it will take a significant amount of officer time and effort to build credible plans which might deliver the level of savings needed to balance the budget for next year. An alternative is that we plan to make some cuts and savings where we can for next year, but prepare to use some of our reserves to bridge any remaining gap, if funds are not eventually forthcoming from central government.
- Q7: Does scrutiny support the suggestion that the council should plan to partially bridge the funding gap and manage the uncertainty of government funding settlements in the short term by using some reserves to address a portion of the funding shortfall for next year?
33. **Themes for Budget 2023:** The Council is proposing to use: Fairness, Prudence, Sustainability and Resilience as the principles underpinning the 2023/24 Budget and informing the MTFS and Treasury Management Strategy. Service delivery, transformation projects, and investments will be judged according to their strengths in satisfying these principles.
- Q8: Does scrutiny support these principles?

34. **Scrutiny suggestions:** The Council is pleased for the opportunity to receive comment from scrutiny on areas of interest or concern at the commencement of detailed budget preparation.
- Q9: Does scrutiny have priorities, concerns or comment it wishes to make as input to the detailed budgeting process?

Next steps

35. The pressures identified above must be mitigated in order to maintain the Council's financial resilience, to ensure delivery of services within available resources and to minimise the impact on future financial sustainability.
36. Directors and Officers will continue to work to refine forecasts to inform the budget setting process for 2023/24 as per the proposed timetable as set out in Table 4 below.

Table 4: 2023/24 Proposed Budget Setting Timetable

Action	Timeline
Local consultation (3 weeks)	1-21 September 2022
Focus groups and independent group consultation	1-21 September 2022
Online survey (5 weeks)	1 September to 5 October 2022
Social media consultation (5 weeks)	1 September to 5 October 2022
Scrutiny Management Board Meeting	5 September 2022
Government spending review announcement (estimated)	November 2022
Cabinet - consultation outcomes and draft budget proposals	24 November 2022
Scrutiny Management Board (scrutiny of Cabinet report proposals)	28 November 2022
Scrutiny Management Board Budget Scrutiny Summit (TBC)	2 December 2022 (TBC)
Scrutiny Management Board Meeting (report to Cabinet)	9 January 2023
Cabinet – final proposed budget	26 January 2023
Full Council – final budget for approval	10 February 2023
Council tax setting	3 March 2023

Environmental Impact

37. The Council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.
38. Whilst this budget process document will not detail specific environmental impacts, consideration is always made to minimising waste and resource use in line with the council's Environmental Policy. A specific environmental impact assessment for service specific budget proposals will be considered as appropriate to seek to minimise any adverse environmental impact and actively seek opportunities to improve and enhance environmental performance.

Equality duty

39. 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.
30. 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. As this report is a factual summary, we do not believe that it will have an impact on our equality duty.

Resource implications

31. Contained in the report.

Legal implications

32. The Local Government Finance Act 1992 requires a council to set a balanced budget. To do this the council must prepare a budget that covers not only the expenditure but also the funding to meet the proposed budget. The budget has to be fully funded and the income from all sources must meet the expenditure.
33. Best estimates have to be employed so that all anticipated expenditure and resources are identified. If the budget includes unallocated savings or unidentified income then these have to be carefully handled to demonstrate that these do not create a deficit budget. An intention to set a deficit budget is not permitted under local government legislation.
34. Local government legislation requires the council's S151 officer to make a report to the full Council meeting when it is considering its budget and council tax. The report must deal with the robustness of the estimates and the adequacy of the reserves allowed for in the budget proposals. This is done so that members will have authoritative advice available to them when they make their decisions.
35. The council's budget and policy framework rules require that the chairpersons of a scrutiny committee shall take steps to ensure that the relevant committee work programmes include any budget and policy framework plan or strategy, to enable scrutiny members to inform and support the process for making Cabinet proposals to Council.

Risk management

36. Risks and reasonable mitigations will be identified as part of the budget setting process.

Consultees

37. The council's constitution states that budget consultees should include parish councils, health partners, the schools forum, business ratepayers, council taxpayers, the trade unions, political groups on the council, the scrutiny committees and such other organisations and persons as the leader shall determine,
38. Consultation on the 2023/24 budget will take place as per the Proposed Budget Setting Timetable in Table 4 above.

Appendices

None.

Background papers

None.

Approved by

John Coleman, Democratic Services Manager

Date 25/08/2022