

# Agenda

## Scrutiny Management Board

Date: **Monday 9 January 2023**

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Time: **10.00 am**

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

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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](mailto:Michael.Carr@herefordshire.gov.uk)

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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](mailto: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
1.	<p><b>APOLOGIES FOR ABSENCE</b></p> <p>To receive apologies for absence.</p>	
2.	<p><b>NAMED SUBSTITUTES</b></p> <p>To receive details of members nominated to attend the meeting in place of a member of the board.</p>	
3.	<p><b>DECLARATIONS OF INTEREST</b></p> <p>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>	
4.	<p><b>MINUTES</b></p> <p>To receive the minutes of the meeting held on 28th November 2022.</p>	9 - 12
<p><b>HOW TO SUBMIT QUESTIONS</b></p> <p>The deadline for the submission of questions for this meeting is 9:30am on 4th January 2023.</p> <p>Questions must be submitted to <a href="mailto:councillorservices@herefordshire.gov.uk">councillorservices@herefordshire.gov.uk</a>. 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 <a href="http://www.herefordshire.gov.uk/getinvolved">www.herefordshire.gov.uk/getinvolved</a></p>		
5.	<p><b>QUESTIONS FROM MEMBERS OF THE PUBLIC</b></p> <p>To receive any written questions from members of the public.</p>	
6.	<p><b>QUESTIONS FROM MEMBERS OF THE COUNCIL</b></p> <p>To receive any written questions from members of the council.</p>	
7.	<p><b>BUDGET SCRUTINY</b></p> <p>This report sets out an approach, rationale, process and timetable for the scrutiny of the Council's budget proposals for 2023-2024.</p>	13 - 24
8.	<p><b>TREASURY MANAGEMENT STRATEGY 2023/24-2026/27 AND MINIMUM REVENUE PROVISION REVIEW</b></p> <p>To consider and note the Treasury Management Strategy for 2023/24 to 2026/27 and Minimum Revenue Provision (MRP) Policy Review.</p>	25 - 28
9.	<p><b>BUDGET AND PERFORMANCE REPORT QUARTER 2 2022-23</b></p> <p>To consider the Quarter 2 2022-23 Budget and Performance reports.</p>	29 - 42
10.	<p><b>SCRUTINY REPORT: REVIEW OF THE HUMAN RESOURCES AND WORKFORCE STRATEGY</b></p>	To Follow

	To agree a scrutiny report and recommendations on the committee's review of the Human Resources and Workforce Strategy. Report to follow.	
<b>11.</b>	<b>SCRUTINY DEVELOPMENT 2022-2023</b> To consider the development of the scrutiny function at Herefordshire Council.	To Follow
<b>12.</b>	<b>PROGRESS REPORT</b> This report provides a brief summary update on issues previously considered by the Scrutiny Management Board.	43 - 52
<b>13.</b>	<b>SMB WORK PLAN 2022-2023</b> To consider the work programme for the board.	53 - 62
<b>14.</b>	<b>DATE OF THE NEXT MEETING</b> To note the date of the next meeting on 17th January 2022.	

## The public's rights to information and attendance at meetings

In view of the continued prevalence of Covid, we have introduced changes to our usual procedures for accessing public meetings. These will help to keep our councillors, staff and members of the public safe.

Please take time to read the latest guidance on the council website by following the link at [www.herefordshire.gov.uk/meetings](http://www.herefordshire.gov.uk/meetings) and support us in promoting a safe environment for everyone. If you have any queries please contact the governance support team on 01432 261699 or at [governancesupportteam@herefordshire.gov.uk](mailto:governancesupportteam@herefordshire.gov.uk)

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

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### You have a right to:

- Attend all council, cabinet, committee and sub-committee meetings unless the business to be transacted would disclose 'confidential' or 'exempt' information.
- Inspect agenda and public reports at least five clear days before the date of the meeting. Agenda and reports (relating to items to be considered in public) are available at [www.herefordshire.gov.uk/meetings](http://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](http://www.herefordshire.gov.uk/constitution)
- Access to this summary of your rights as members of the public to attend meetings of the council, cabinet, committees and sub-committees and to inspect documents.

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## **Public transport links**

The Herefordshire Council office at Plough Lane is located off Whitecross Road in Hereford, approximately 1 kilometre from the City Bus Station.

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-](http://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 Monday 28 November 2022 at 2.00 pm**

**Present and voting:** Councillor Christy Bolderson (chairperson), Councillor Yolande Watson (vice-chairperson) and Councillors: Graham Andrews, Felicity Norman, Louis Stark, David Summers and Elissa Swinglehurst.

**Councillors attending remotely:** Councillors Jonathan Lester and William Wilding.

*Members attending the meeting remotely, e.g. through video conferencing facilities, may not vote on any decisions taken.*

**In attendance:** Councillor Liz Harvey - Cabinet Member - Finance, Corporate Services

**Officers:** Tracey Sampson - Director of HR and Organisational Development, John Coleman - Democratic Services Manager, Michael Carr - Interim Statutory Scrutiny Officer.

**30. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Toni Fagan, Councillor Phillip Howells and Councillor Yolande Watson.

**31. NAMED SUBSTITUTES**

There were no named substitutes.

**32. DECLARATIONS OF INTEREST**

No declarations of interest were received.

**33. MINUTES**

The committee considered the minutes of the meeting of the Scrutiny Management Board held on 7th October 2022.

The Chairperson invited any proposed corrections for accuracy to the minutes. There were none.

The minutes were agreed as a correct record.

**34. QUESTIONS FROM MEMBERS OF THE PUBLIC**

No questions from members of the public had been received.

**35. QUESTIONS FROM MEMBERS OF THE COUNCIL**

No questions from members of the Council had been received.

## 36. **HEREFORDSHIRE COUNCIL'S HUMAN RESOURCES AND WORKFORCE STRATEGY**

The committee considered Herefordshire Council's Human Resources and Workforce Strategy, with questions to Councillor Liz Harvey - Cabinet Member - Finance, Corporate Services and Planning and Tracey Sampson - Director of HR and Organisational Development and a report from the Director of HR and Organisational Development to provide a summary of progress against the strategic aims in the council's workforce strategy.

The Director of HR and Organisational Development was invited to present the report. She explained that this was the first time that the strategy had been brought before a scrutiny committee of the Council. Thereafter, the committee questioned Councillor Liz Harvey - Cabinet Member - Finance, Corporate Services and Planning and Tracey Sampson - Director of HR and Organisational Development on the development of the Human Resources and Workforce Strategy.

Questions included questions on organisational staffing structure, communicating Council priorities and values, the use of agency workers and cost implications, support employees, particularly female staff, with childcare responsibilities.

The Cabinet Member was asked about the Council's organisational staffing structure and the extent that it links clearly to delivery of Council priorities, key competences and service and organisational outcomes and asked the Cabinet Member whether she believed the organisational structure the Council had was the most optimum to deliver what she and on the Executive would like the Council to deliver and whether there was work being done on organisation structure.

The Cabinet Member commented that she felt that the structure fairly well aligned to the County Plan and the services the council is delivering. Staff can see how they work that they do aligns to the council plan and the deliverables in the Delivery Plan and the structure is quite well fitted to its purpose. Whether it is an optimum structure depends also on working within the organisation and a one council approach and cross cutting services. She welcomed, however, any suggestions from the committee on how this might improved.

It was also asked whether the Council's KPIs and staffing of the different departments reflected the priorities of the Council. It was asked to what extent that Herefordshire Council priorities and values are communicated to staff and the extent to which it was made clear how what they do makes a difference to delivery of the Council's priorities and services to local residents.

It was asked to what extent the Council brand is communicated to staff and for recruitment. It was asked to what extent the Council provided appropriate facilities to support employees, particularly female staff, but, it was emphasised, not only female staff, with childcare responsibilities.

There were questions on the overall level of agency spend for the Council as a whole had increased from £2.4 million to £10.9 million over the four years to 2021 to 2022 and that the main departmental pressure to this appeared from the children and young people's services department, but also that other Council departments with escalating agency staff costs.

At the end of the questions to the Cabinet Member and Director of HR and Organisational Development the committee considered and debated its key findings. It

was agreed that the key findings be agreed and drawn up for further consideration at the next meeting, which may form the basis of the report to Cabinet.

**RESOLVED:**

That the key findings of the committee are:

1. That further work be carried out to ensure that Herefordshire council priorities and values are communicated clearly to staff, including during staff induction and training, making it clear also how what they do makes a difference to delivery of the Council's priorities through services to local residents.
2. That the Council brand, not just the employer brand, be further enhanced and communicated to staff and for recruitment and that there be a campaign to promote Herefordshire Council as a great place to live and work.
3. That performance measures be reviewed to ensure that the Council has the most appropriate and effective key performance indicators (KPIs) through strategic oversight of HR and workforce developments.
4. That the Council provide appropriate facilities to support employees with childcare responsibilities.
5. That the Council's organisational staffing structure be reviewed to ensure that it links clearly to delivery of Council priorities, key competences and service and organisational outcomes.
6. Having noted that the overall level of agency spend for the Council as a whole has increased from £2.4 million to £10.9 million over the four years to 2021 to 2022 and that the main departmental pressure to this arises from the children and young people's services department, but also that other Council departments do also present with escalating agency staff costs,

that the cabinet take action to reduce the overall level of agency staff costs.

**37. WORK PROGRAMME**

The committee considered its work plan for the remainder of the 2022-2023 municipal year and noted the proposed amendments, including the cancellation of the meeting previously scheduled for 2nd December 2022 and deferral of the items for that meeting to the meeting on 9th January 2023 (Budget performance and Treasury Management items to be moved to 9th January 2023 meeting) and a new meeting date on 17th January 2023 to consider the Council's draft budget proposals.

**RESOLVED:**

**That the meeting of the Scrutiny Management Board previously scheduled for 2nd December 2022 be cancelled and items deferred to the meeting on 9th January 2023.**

**That a meeting of the Scrutiny Management Board be scheduled to take place on 17th January 2023 to consider the draft budget proposals for 2023-2024.**

**38. DATE OF THE NEXT MEETING**

The date of the next meeting of the Scrutiny Management Board was agreed to be held on 9th January 2023.

The meeting ended at 4.26 pm

**Chairperson**



## Budget Scrutiny

**Meeting:** Scrutiny Management Board

**Meeting date:** 9th January 2022

**Report by:** The Statutory Scrutiny Officer

### Classification

Open

### Decision type

This is not an executive decision

### Wards affected

(All Wards);

### Purpose:

This report sets out an approach, rationale, process and timetable for the scrutiny of the Council's budget proposals for 2023-2024, in accordance with the Council Constitution.

### Recommendation(s)

- 1) That the process for scrutiny of the Council's budget proposals for 2023-24 be agreed, as outlined in the report.**
- 2) That scrutiny management board agree the aims and objectives set out at para 4 in the report. aims and objectives for the budget scrutiny inquiry be:**

### Alternative options

The alternative is for the committee not to agree the objectives and process for budget scrutiny, which would provide less clarity and on the purpose, objectives and progress.

### Key considerations

- a) The Scrutiny Management Board has the remit under the Council Constitution to carry out scrutiny of the Council budget.
- b) The process for scrutiny of the Council budget proposals is set out at Part 4, Section 3 of the Herefordshire Council Constitution; - 4.3.3 Process for developing framework items.

c) This report proposes definitive Aim and Objectives for the Budget Scrutiny and clarifies key outputs to be achieved from the process.

d) This report provides the overall timelines and key meeting dates planned for the scrutiny of the budget proposals.

## **Introduction**

1. In May 2022 the Council allocated the responsibility for scrutiny of the Budget and Treasury Management to the remit of the Scrutiny Management Board<sup>1</sup>, which also includes generally undertaking scrutiny of areas which are cross cutting nature such as Finance (Budget)<sup>2</sup>.
2. The process for scrutiny of the Council budget proposals is set out at Part 4, Section 3 of the Herefordshire Council Constitution; - 4.3.3 Process for developing framework items.

### Aim and Objectives of the Budget Scrutiny

3. Budget scrutiny will aim to provide demonstrable constructive challenge to the budget proposals, identifying the main budget pressures and risks and ensure due diligence, particularly around sound financial management and budgetary controls. Scrutiny also has a role to play in testing assumptions, modelling and forecasting on which the Budget has been built; analyse the key risks and challenge how resources are prioritised. The role of scrutiny should be to review the strategic 'big picture' as well as the detail of a Budget and take an 'overview' across a council rather than just by department.
4. The aim and objectives for this budget scrutiny inquiry are:

#### *Aim:*

Budget scrutiny will aim to provide demonstrable constructive challenge to the draft budget proposals for 2023-2024, identifying the main budget pressures and risks.

#### *Objectives:*

- i). To consider the Cabinet's draft budget proposals for 2023-2024.
- ii). Receive evidence from Cabinet Members, senior departmental officers and any other relevant stakeholders.
- iii). To agree a summary scrutiny report of the process and key evidence considered and key findings and conclusions of the committee's budget scrutiny for submission to Cabinet for consideration and an Executive Response, as well as inclusion in the Council's budget papers.

### Possible Outcomes for the Inquiry

5. The Budget Scrutiny process will provide and demonstrable challenge and oversight by elected members of the draft budget proposals and mid-year budget performance through questions to Cabinet Members, senior departmental officers and any other relevant stakeholders.

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<sup>1</sup> 3.4.5, *Scrutiny committee remit*, Herefordshire Council Constitution 2022.

<sup>2</sup> 3.4.5b, *Scrutiny Management Board remit (table)*, Scrutiny committee remit, Herefordshire Council Constitution 2022.

6. At the end of the process the committee will agree a scrutiny report to outline the budget scrutiny process and the key conclusions on the budget proposals for submission to Cabinet.

### The Budget Scrutiny Process

7. The process for scrutiny of the Council's budget proposals is set out at Part 4, Section 3 of the Herefordshire Council Constitution, Section 3 - The budget and policy framework rules, developing framework items, Herefordshire Council Constitution 2022<sup>3</sup> (See section 4.3.3).
8. This requires the chairpersons of the Council's scrutiny committees to ensure that the scrutiny committee work programme includes consideration of the budget proposals<sup>4</sup>.
9. The scrutiny of the budget proposals should:
  - enable scrutiny members to inform the budget proposals to Council and
  - provide constructive challenge to the responsible cabinet member on the proposals<sup>5</sup>.
10. The Committee may receive evidence from Cabinet Members, Council officers and other witnesses.
11. The consultation period on the draft budget proposals should normally be not less than four weeks (unless the requirements of any statutory timetable or other council deadline make this impracticable)<sup>6</sup>.

### Scrutiny of the Budget Proposals

12. The scrutiny of the Cabinet's draft budget proposals will normally include consideration of the published proposals, including any draft proposals for stakeholder consultation and draft proposals ahead of consideration by Cabinet to agree its final proposals to Council.
13. In the course of scrutiny of the budget proposals, the scrutiny committee may invite witnesses, including Cabinet Members and chief officers, to attend to answer questions from the committee<sup>7</sup>.

### Report from the Scrutiny Committee<sup>8</sup>

14. Following the review of the draft budget proposals, the scrutiny committee may prepare a scrutiny report, setting out the budget scrutiny process, key witnesses, evidence considered and key conclusions<sup>9</sup>. (See 4.5.42, Herefordshire Council Constitution 2022)
15. The budget scrutiny report must be agreed by the Scrutiny Management Board<sup>10</sup> and may then be submitted to Cabinet for consideration and Executive Response.

### Executive Response

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<sup>3</sup> 4.3.3, *Process for developing framework items*, Herefordshire Council Constitution 2022.

<sup>4</sup> 4.3.5 Herefordshire Council Constitution 2022.

<sup>5</sup> 4.3.5 Herefordshire Council Constitution 2022.

<sup>6</sup> 4.3.7 Herefordshire Council Constitution 2022.

<sup>7</sup> 4.5.40 Herefordshire Council Constitution 2022.

<sup>8</sup> 4.5.41 *Reports from the scrutiny committees*, Herefordshire Council Constitution 2022.

<sup>9</sup> 4.5.42, Herefordshire Council Constitution 2022.

<sup>10</sup> Following any investigation or review, the committee... shall prepare a report. Any report ...will first be considered by the relevant scrutiny committee. 4.5.42

16. The Cabinet will be requested to provide an Executive Response to any scrutiny reports and recommendations agreed by the scrutiny committee, in advance of the consideration of the budget proposals by full Council when the cabinet agrees its budget proposals for 2023-2024.
17. The Cabinet should have regard to the scrutiny report and any key conclusions and recommendations made and provide an Executive Response, including a response to any recommendations within it, which should be taken into account in making the Cabinet's budget recommendations to Council<sup>11</sup>. (See (4.3.6 Section 3 - The budget and policy framework rules and 4.5.47, *Making sure that scrutiny reports are considered by the executive*, Herefordshire Council Constitution 2022)<sup>12</sup>.
18. The Cabinet's budget proposals to Council should then be presented for consideration by Council and should include a summary of the responses to consultation including scrutiny responses (eg a scrutiny report agreed by the scrutiny committee(s))<sup>13</sup>.

### Budget Scrutiny Meetings

19. At its meetings on 5<sup>th</sup> September 2022 and 7 October 2022 the committee received reports from the Director of Finance, which included the budget position, significant issues and pressures, including continued pressures from growth in demand and rising inflation on the Council's financial position and the need to identify options for additional income, savings and efficiencies to mitigate these pressures to achieve a balanced budget.
20. The committee considered:
  - Council priorities; how the objectives set of the County Plan was supported by the development of the 2023/24 budget and MTFs to align the council's financial resources.
  - Significant issues and pressures.
  - Pay inflation and incremental uplift.
  - Social Care inflation and rising demand.
  - General inflationary increases.
  - Key assumptions in pressures.
  - The Council's options to balance the budget.
21. The committee also considered next steps in drawing up budget proposals to mitigate the identified budget pressures to maintain the council's financial resilience, to ensure delivery of services within available resources and to minimise the impact on future financial sustainability and work to refine forecasts to inform the budget setting process for 2023/24 and the 2023/24 proposed budget setting timetable, including consultation arrangements.
22. The on 7<sup>th</sup> October 2022 the committee also considered Quarter 1 budget and performance report to seek assurance that progress had been made towards delivery of the agreed revenue budget and service delivery targets and that the reasons for major variances or potential under-performance were understood and were being addressed, as well as to provide an understanding of budget pressures that will inform the development of the 2023-

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<sup>11</sup> Recommendations from scrutiny committee in relation to a budget and policy framework item will be reported to the executive who will have regard to that report, and provide a response to any recommendations within it, in making their recommendation to Council. 4.5.51

<sup>12</sup> The Cabinet should have regard to any scrutiny report and recommendations and comments that are made to it on the draft budget proposals and its report to Council should reflect those recommendations and comments and the cabinet's response to them (4.3.6 Section 3 - The budget and policy framework rules, Herefordshire Council Constitution 2022).

<sup>13</sup> 4.3.10 Herefordshire Council Constitution 2022.



2024 budget proposals. The budget forecast for 2022/23 outturn indicated a net overspend of £9.4 million.

23. On 9th January 2023 the committee is expected to consider the Council's Treasury Management Strategy, as well as the Quarter 2 budget and performance report.
24. On 17<sup>th</sup> January 2023 the committee is expected to receive a report on the Cabinet's draft budget proposals for 2023-2024, and hold two consecutive sessions to question Cabinet Member portfolio holders and chief officers on from each of the Council's main service areas.
25. The committee is thereafter expected to agree its main conclusions and a scrutiny report, which may be submitted to Cabinet for consideration in line with the budget scrutiny process set out in the Constitution (as set out above).
26. The Cabinet is expected to agree its final budget proposals, along with an Executive Response to the scrutiny committee report and key conclusions and any recommendations on Thursday 26 January 2023.
27. The Council is expected to consider the Cabinet's budget proposals, along with any report from the scrutiny committee, on Friday 10th February 2022.
28. The schedule of evidence sessions for budget scrutiny is attached at Appendix 1.

### **Community Impact**

29. In accordance with the adopted 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. Topics selected for scrutiny should have regard to what matters to residents.

### **Environmental Impact**

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

### **Equality Duty**

31. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:
32. 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.
33. 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, further consideration of any equalities impacts will be made in the consideration of Executive decisions and the Executive Responses provided by the Cabinet.

### Resource Implications

- 34. The costs of the work of the committee will have to be met from existing resources. It should be noted the costs of running scrutiny can be subject to an assessment to support appropriate processes.
- 35. 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.

### Legal Implications

- 36. The council is required to deliver a scrutiny function. The development of a work programme which is focused and reflects those priorities facing Herefordshire will assist the committee and the council to deliver a scrutiny function.
- 37. 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 Cabinet and the establishment of task and finish groups within the committee’s agreed work programme.
- 38. There are no specific legal implications arising from this report which provides the process for undertaking scrutiny of the Council’s budget proposals in accordance with the statutory roles and powers of scrutiny committees and the process in the Council Constitution. Any legal implications arising from Cabinet Decisions will be detailed in the relevant Cabinet 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 - Budget Scrutiny:- Schedule of Evidence Sessions

### Background papers

None identified.

## Budget Scrutiny Schedule of Meetings

Date of Meeting	Purpose of Meeting	Documentary Evidence/reports	Witnesses/inc officers
<p><b>Monday</b> <b>5th September 2022</b> <b>2:00pm</b></p> <p>Plough Lane, Hereford</p>	<p><b>Evidence Session 1 –</b></p> <p>This meeting is to consider Herefordshire Council Budget Priorities and Position, including:</p> <ul style="list-style-type: none"> <li>i). The financial outturn for 2021-2022,</li> <li>ii). The budget priorities, positioning, assumptions and risks informing the development of the budget proposals for 2023-2024,</li> <li>iii). How the budget priorities and plans link to the Council priorities,</li> <li>iv). the arrangements and overall timetable for the scrutiny of the budget proposals for 2023-2024 for agreement in 2023,</li> <li>v). the plans for consultation on the budget proposals for 2023-2024.</li> </ul>		<p>Councillor David Hitchiner - Leader of the Council</p> <p>Andrew Lovegrove - Director of Resources and Assurance</p> <p>Rachael Hart - Head of Strategic Finance (deputy S151).</p>
<p><b>Monday</b> <b>7th October 2022</b> <b>2:00pm</b></p> <p>Plough Lane, Hereford</p> <p><b>Public Meeting</b></p> <p><i>(papers due: 31<sup>st</sup> September 2022)</i></p>	<p><b>Evidence Session 2 –</b></p> <p>This meeting is to consider Herefordshire Council Budget <b>Priorities and Position Budget Setting Progress Update.</b></p>		<p>Councillor Liz Harvey – Cabinet Member for Finance, Corporate Services and Planning and Deputy Leader of the Council</p> <p>Andrew Lovegrove - Director of Resources and Assurance</p> <p>Rachael Hart - Head of Strategic Finance (deputy S151).</p>
<p><b>Thursday 1<sup>st</sup></b> <b>December 2022</b> <b>10am</b></p>	<p><b>Training Session 3 –</b></p> <p>Treasury Management</p>		<p>Councillor Liz Harvey – Cabinet Member for Finance, Corporate</p>

<p>Plough Lane, Hereford</p> <p><b>Private Meeting</b></p> <p>(papers due 24<sup>th</sup> November 2022)</p>	<p>This meeting is to consider the Council's Treasury Management Strategy and MRP policy.</p>		<p>Services and Planning and Deputy Leader of the Council</p> <p>Andrew Lovegrove - Director of Resources and Assurance</p> <p>Rachael Hart - Head of Strategic Finance (deputy S151).</p> <p>Richard Bason - treasury management consultant</p>
<p><b>Monday 9 January 2023</b></p> <p>Plough Lane, Hereford</p> <p><b>Public Meeting</b></p> <p>(papers due: 28<sup>th</sup> December 2022)</p>	<p><b>Evidence Session 3 –</b> Treasury Management</p> <p>This meeting is to consider the Council's Treasury Management Strategy and MRP policy.</p>		<p>Councillor Liz Harvey – Cabinet Member for Finance, Corporate Services and Planning and Deputy Leader of the Council</p> <p>Andrew Lovegrove - Director of Resources and Assurance</p> <p>Rachael Hart - Head of Strategic Finance (deputy S151).</p>
<p><b>Tuesday 17 January 2023</b> 2pm</p> <p>Plough Lane, Hereford</p> <p><b>Public Meeting</b></p>	<p><b>Evidence Session 5 -</b></p> <p><i>This meeting is to consider the Budget Proposals for 2022-2023, with questions to relevant Cabinet members and strategic directors on the draft budget proposals.</i></p>	<p><b>The Cabinet's Draft Budget Proposals.</b></p>	

(papers due 9 <sup>th</sup> January 2023 (Agenda papers))			
Welcome and Introductions –	Welcome by the SMB Scrutiny Chair and Introductions		
Overall Approach to Budget Proposals for 2023-2024	Overall Approach to Budget Proposals for 2023-2024 – presentation to set out the overall strategic approach to budget proposals for 2023-2024 and budget proposals for corporate strategy and resources.  Briefing presentation and report provided by: Resources and Assurance Directorate.		
Budget governance and assurance	Audit and Standards;- including the Audit and Standard governance and assurance, spending controls, feasibility, sustainability, risks and balances.		Cllr Ange Tyler Cabinet Member for Housing, regulatory services, and community safety  Councillor Nigel Shaw – Chairperson of Audit and Governance Committee  Councillor Jenny Bartlett – Vice-Chairperson of Audit and Governance Committee
Corporate Strategy and Resources Budget Proposals	Scrutiny of Corporate Strategy and Resources budget proposals  Questions to and Briefing presentation by: Resources and Assurance Directorate.		Cllr David Hitchiner (Leader) Corporate Strategy and Budget  Councillor Liz Harvey – Cabinet Member for Finance, Corporate

	<p>(Budget governance and assurance) / (Audit and Standards)</p> <p>Councillor Nigel Shaw - Chairperson of Audit and Governance Committee. Councillor Jenny Bartlett - Vice-Chairperson of Audit and Governance Committee.</p>		<p>Services and Planning and Deputy Leader of the Council</p> <p>Andrew Lovegrove - Director of Resources and Assurance</p> <p>Rachael Hart - Head of Strategic Finance (deputy S151).</p>
<p>Economy and Environment Budget Proposals</p>	<p>Scrutiny of Economy and Environment budget proposals. (with members of the Environment and Sustainability Scrutiny Committee and Connected Communities Scrutiny Committee)</p> <p>Questions to and Briefing presentation and report provided by: Economy and Environment Directorate.</p>		<p>Cllr Ellie Chowns Cabinet Member for Environment and Economy</p> <p><i>Infrastructure and Transport portfolio:</i> Cllr John Harrington Cabinet Member for Infrastructure and Transport</p> <p><i>Community Safety Partnerships portfolio:</i> Cllr Ange Tyler Cabinet Member for Housing, regulatory services, and community safety</p>
<p>Community Wellbeing Budget Proposals</p>	<p>Scrutiny of Community Wellbeing budget proposals (with members of the Health, Care and Wellbeing Scrutiny Committee)</p> <p>Questions to and Briefing presentation and report provided by: Community Wellbeing Directorate.</p> <p>Committee adjourns - 5:30pm – 6:00pm – (30 mins)</p>		<p>Cllr Pauline Crockett Cabinet Member for Health and Adult Wellbeing</p> <p><i>Housing portfolio:</i> Cllr Ange Tyler Cabinet Member for Housing, regulatory services, and community safety</p>

Committee adjourns –			
Children and Young People Budget Proposals	<p>Scrutiny of Children and Young People budget proposals (with members of the Children and Young People Scrutiny Committee)</p> <p>Questions to and Briefing presentation and report provided by: Children and Young People Directorate.</p>		<p>Cllr Diana Toynbee Cabinet Member for Children and families</p>
Budget Scrutiny Key Conclusions	<p><u>Preliminary Conclusions</u></p> <p>– to consider and draw up the key conclusions from Budget Scrutiny.</p> <p>At the end of the evidence session the scrutiny committee should consider the preliminary conclusions and any preliminary scrutiny recommendations arising from the evidence received.</p>		







# Title of report: Treasury Management Strategy 2023/24-2026/27 and Minimum Revenue Provision Review

**Meeting: Scrutiny Management Board**

**Meeting date: Monday 9 January 2023**

**Report by: Head of Strategic Finance**

## **Classification**

Open

## **Decision type**

This is not an executive decision

## **Wards affected**

(All Wards);

## **Purpose**

To consider and note the Treasury Management Strategy for 2023/24 to 2026/27 and Minimum Revenue Provision (MRP) Policy Review prepared by the Council's external Treasury Management advisors: Link Group.

## **Recommendation(s)**

**That:**

- a) **The board is asked to note the report and supporting appendices.**

## **Alternative options**

1. The Board could choose not to review the Treasury Management Strategy and MRP Policy but this is not recommended as the Board has a role to undertake in scrutiny in relation to Treasury Management activity and the budget planning process.

## **Key considerations**

2. The Treasury Management Strategy for 2023/24 to 2026/27, attached at appendix A, includes the proposed borrowing and investment strategy, the council's expected minimum revenue

provision and the associated prudential indicators which demonstrate that the council's proposed capital investment budget is affordable, prudent and sustainable.

3. Minimum Revenue Provision (MRP) is the minimum amount which a Council must charge to its revenue budget each year, to set aside a provision for repaying external borrowing (loans). This is an annual revenue expense in a Council's budget and is a statutory requirement.
4. The council is required to determine a prudent level of MRP, having regard to the MRP Guidance issued by the Ministry of Housing, Communities and Local Government (MHCLG); since renamed the Department for Levelling Up, Housing and Communities (DLUHC).
5. Whilst the Guidance suggests methods for the calculation of MRP that DLUHC consider to be prudent, it is for the council to determine a prudent repayment based on its own individual circumstances, considering the medium and long-term financial plans, current budgetary pressures, future capital expenditure plans and funding needs.
6. The MRP Policy Review, attached at appendix B, presents a review of the capital financing requirement calculation, MRP Policy provision, and capital expenditure and financing, prepared by the council's external Treasury Management advisors: Link Group as at January 2022.
7. It considers the council's current method for calculating MRP and assesses the impact of the alternative options which may be used to calculate a prudent MRP charge. It is estimated that savings of up to £6 million could be delivered through the implementation of alternative options in the method that the council uses to calculate the annual amount of MRP. The impact of the alternative approaches is noted in detail in sections 4 and 5 at Appendix B.

## **Community impact**

8. In accordance with the adopted 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. Topics selected for scrutiny should have regard to what matters to residents.

## **Environmental Impact**

9. 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.
10. Whilst this 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.

## **Equality duty**

11. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:  
A public authority must, in the exercise of its functions, have due regard to the need to –

- a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
  - b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
10. The 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 is a decision on back office functions, we do not believe that it will have an impact on our equality duty.

### **Resource implications**

11. Contained in the report and appendices.

### **Legal implications**

12. 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.
13. 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.
14. 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.
15. 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**

16. The council continually assesses the various investment and treasury management risks as part of routine monitoring activity and with the support of its treasury advisors: Link Group.

### **Consultees**

17. 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.

18. The Treasury Management Strategy informs the budget setting process and medium term financial strategy. Local budget consultation events were held in December 2032 with an online public consultation from Thursday 15 December 2022 until Tuesday 3 January 2023.

### **Appendices**

- Appendix A Treasury Management Strategy 2023/24 to 2026/27 – to follow
- Appendix B Minimum Revenue Provision Review (Link Group) – to follow (Exempt)

### **Background papers**

None identified.

# Title of report: 2022-23 Quarter 2 Budget and Performance Report

**Meeting: Scrutiny Management Board**

**Meeting date: Monday 9 January 2023**

**Report by: Head of Strategic Finance**

## **Classification**

Open

## **Decision type**

This is not an executive decision

## **Wards affected**

(All Wards);

## **Purpose**

To consider and note the Quarter 2 Budget and Performance Report.

## **Recommendation(s)**

**That:**

- a) **The board is asked to note the report and supporting appendix.**

## **Alternative options**

1. The Board could choose not to review the monitoring report but this is not recommended as the Board has a role to undertake scrutiny in relation to the budget planning and monitoring of in year performance against agreed service delivery targets.

## **Key considerations**

2. The latest outturn forecast for 2022/23 at the end of September 2022 is a potential cost pressure of £8.7 million after the use of reserves and recovery plan (£9.4 million at Quarter 1).
3. Additional analysis of the performance at Quarter 2 and financial forecast for 2022/23 is included at Appendix A.

## **Community impact**

9. In accordance with the accepted code of corporate governance, the council must ensure that it has an effective performance management system that facilitates effective and efficient delivery of planned services. To support effective accountability the council is committed to reporting on actions completed and outcomes achieved, and ensuring stakeholders are able to understand and respond as the council plans and carries out its activities in a transparent manner.
10. Regularly reviewing performance with a view to identifying actions which will further drive improvement in outcomes or efficiencies helps ensure the council achieves its County Plan priorities.

## **Environmental Impact**

11. The report, included at Appendix A, details how progress is being made in achieving the Delivery Plan which notes how the council is working to deliver the environmental ambitions set out in the County Plan. Individual projects and deliverables included within the Delivery Plan will all be subject to their own governance arrangements and assessment of environment and ecological impact.

## **Equality duty**

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

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

- a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
  - b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
16. The 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 paper is not seeking any project specific decisions,

## **Resource implications**

17. These recommendations have no direct financial implications, however the Board may wish to consider how money is utilised in order to meet the council's objectives.

## **Legal implications**

18. There are no direct legal implications arising from this report.

## **Risk management**

19. The risks associated with the council's business are recorded on the relevant service risk register and escalated in accordance with the council's Performance Management Framework and Risk Management Plan. The highest risks, i.e. those scoring greater than 16 after controls, are escalated to the council's Corporate Risk.

## **Consultees**

20. None in relation to this report.

## **Appendices**

Appendix A 2022-23 Quarter 2 Budget and Performance Report (Cabinet 24 November 2022)

## **Background papers**

None identified.





# Title of report: Quarter 2 Budget and Performance

**Meeting: Cabinet**

**Meeting date: Thursday 24 November 2022**

**Report by: Cabinet member finance, corporate services and planning**

## **Classification**

Open

## **Decision type**

Non-key

## **Wards affected**

(All Wards);

## **Purpose**

To review performance for Quarter 2 2022/23 and the forecast budget outturn for the year.

To provide assurance that progress has been made towards delivery of the agreed revenue budget and service delivery targets, and that the reasons for major variances or potential under-performance are understood and are being addressed to the cabinet's satisfaction.

The forecast 2022/23 outturn shows a net overspend of £8.7 million after the use of reserves and recovery plan.

The proportion of performance measures showing an improvement, or remaining the same compared to the same period last year is 64%. At the end of the quarter, 82% of actions from the delivery plan are identified as complete or are progressing within planned timescales.

## **Recommendation(s)**

**That:**

- a) Cabinet review performance and financial forecast for year 2022/23, as set out in the appendices A-E, and identifies any additional actions to be considered to achieve future improvements.**

## Alternative options

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

## Key considerations

### Revenue Budget

2. The latest outturn forecast for 2022/23 at the end of September 2022 is a potential cost pressure of £8.7 million after the use of reserves and recovery plan (£9.4 million at Quarter 1).
3. The table below sets out the cabinet portfolio position at the end of September 2022. Further service detail is available in appendix A.

#### Revenue Summary

		Gross Budget	Working Budget	Outturn	Variance	Planned Use of Reserves	Recovery Plan	Revised Variance	Q1 Outturn
		£000	£000	£000	£000	£000	£000	£000	£000
<b>Portfolio</b>	<b>Councillor</b>								
Health & Adult Wellbeing	Cllr Crockett	106,690	63,069	64,247	1,178		(713)	465	64,662
Children's and Family Services, and Young People's Attainment	Cllr Toynbee	54,859	48,016	55,178	7,161			7,161	54,673
Commissioning, Procurement and assets	Cllr Davies	24,600	17,706	18,615	909	(302)	(486)	121	17,818
Environment and Economy	Cllr Chowns	3,740	2,646	2,994	348	(298)	(50)	0	3,007
Housing, Regulatory Services and Community Safety	Cllr Tyler	4,818	1,469	1,702	233		(50)	183	1,652
Infrastructure and Transport	Cllr Harrington	20,142	9,444	9,199	(245)			(245)	9,349
Finance, Corporate Services and Planning	Cllr Harvey	22,879	13,344	15,366	2,022		(600)	1,422	14,244
Corporate strategy and budget	Cllr Hitchiner	1,586	791	644	(147)			(147)	752
<b>Portfolios</b>		<b>239,314</b>	<b>156,485</b>	<b>167,945</b>	<b>11,459</b>	<b>(600)</b>	<b>(1,899)</b>	<b>8,960</b>	<b>166,157</b>
Central, treasury management, capital financing & reserves		20,946	19,422	19,155	(267)			(267)	19,155
<b>Total Revenue</b>		<b>260,260</b>	<b>175,907</b>	<b>187,100</b>	<b>11,192</b>	<b>(600)</b>	<b>(1,899)</b>	<b>8,693</b>	<b>185,312</b>

4. The overall forecast indicates a potential cost pressure of £11.2 million (6.4% of budget). At this stage in the year, emerging costs pressures are still being validated however the underlying costs and demographic pressures will need to be managed and mitigating actions put in place to achieve a balance budget at the end of the financial year.
5. The table above indicates where there are in year plans to recover the forecast overspend and which will be funded from earmarked reserves. Whilst the impact of these one-off actions will reduce the outturn forecast for 2022/23 by £2.5 million to £8.7 million, it will be necessary to identify recurrent savings to address these cost pressures in future years.
6. The forecast overspend of £1.2 million in the Health and Adult Wellbeing Portfolio comprises net pressures within care provision budgets of £0.7 million and includes the impact of the 2022/23 pay award which has resulted in an additional pressure of £0.5m.
7. Children's and Family Services and Young People's Attainment is forecasting an overspend of £7.2 million at 30 September 2022. This overspend is largely explained by variances in Looked After Children of £5.2 million and Additional Needs of £1.1 million.
8. The forecast overspend in 2022/23 for Children's Placements is £4.3 million. The provision of children's social care continue to face increased demand and unit cost pressures and the level of overspend in the financial years from 2017/18 to 2022/23 is noted in the table below.

Focused activity in 2022/23 is underway to reduce the number of high cost placements and implement tighter controls to influence reductions in average placement cost.

						Forecast
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m	£m	£m
Total Overspend in Year	2.4	2.1	1.4	5.1	3.5	4.3

9. The net £0.9 million overspend in Commissioning, Procurement and Assets comprises higher than anticipated waste collection costs of £0.3 million linked to contract inflation, revisions to the forecast rental income based on current activity levels and the impact of the 2022/23 pay award.
10. The forecast overspend of £0.3 million in Environment and Economy is explained by £0.2 million pressures arising from energy costs alongside costs associated with a £0.1 million Beryl bikes subsidy due to the cessation of grant funding.
11. The forecast £0.2 million overspend in Housing, Regulatory Services and Community Safety comprises cost pressures of £0.1 million in the Communications and Web presence budget and £0.1 million represented by reductions in income from Markets and Fairs and Gypsy and Traveller sites.
12. Infrastructure and Transport is forecasting an underspend of £0.2 million. This underspend comprises £0.1 million as a result of fixed costs for street lighting and grant reimbursement of £0.2 million offset by £0.1 million reduced car parking income.
13. Finance, Corporate Services and Planning is forecasting an overspend of £2.0 million at 30 September 2022. The most significant variances from budget are as a result of reduced planning applications of £0.5 million and staffing cost pressures across the portfolio. The impact of the 2022/23 pay award is an additional pressure of £0.2m.
14. The central, treasury management, capital financing and reserves £0.3 million underspend is detailed in appendix C and represents increased interest earnings on short term investments.

### Children's Improvement Plan Funding

15. At 30 September 2022, £3.5m of the £5.0m first tranche of the Children's Improvement plan funding, as approved by Cabinet in October 2021, has been spent. It is forecast that the first tranche will be fully spent by 31 October 2022 with a full year forecast of £11.4m against the total £11.5m budget.
16. An analysis of the expenditure to date is noted in the table below:

Revenue Item	Expenditure at 30 September 2022 £'000
CP Court Team	293
Assessment Team	371
Corporate Parenting Team	136
Fostering Team	198
Early Help Advanced Practitioners	1
Improvements Leads	50

IRO/CP Chairs	144
Signs of Safety	122
Auditors	487
Social Worker Academy	67
Service Managers	349
CiN Teams	642
Newly Qualified Social Workers	2
Managing Practitioners	153
2 Additional Project Teams Equinox	377
Social Worker (SEND)	7
Data & Systems Analyst	66
Commissioning Lead	31
Ofsted Investment	5
<b>Total Expenditure</b>	<b>3,501</b>

### Capital Budget

17. The original £99.1 million capital budget for 2022/23 has been revised to £65.4 million. This consists of £26.7 million 2021/22 carry forwards of unspent budget, other approved movements of £1.6 million and additional grants of £31.9 million. A summary breakdown is shown in the Table below.
18. An analysis of the reprofiling of project budgets in line with anticipated delivery is shown in Appendix B, Table C and this presents a reduction of £64.3 million.

	2022/23 Budget £'000	2023/24 Budget £'000	2024/25 Budget £'000	2025/26 Budget £'000	2026/27 Budget £'000	Total
February 2022 Council Approved Budget	99,094	90,546	44,901	-	-	234,541
Re-profile	(64,299)	(17,225)	37,139	42,984	1,400	0
Other approved movements	(5,951)	5,023	(705)	-	-	(1,633)
21/22 Carry Forwards	26,697	-	-	-	-	26,697
Additional Grants	9,902	16,691	4,852	239	170	31,854
<b>Revised Capital Budget</b>	<b>65,443</b>	<b>95,035</b>	<b>86,187</b>	<b>43,223</b>	<b>1,570</b>	<b>291,458</b>

19. The forecast spend position is £61.0 million which represents an underspend of £4.4 million against a budget of £65.4 million. Full details for each project are in Appendix B, Table A. This underspend consists of £3.3 million projects that are likely to deliver below the project budget and a further £1.1 million of budgets to be carried forward to 2023/24. These amounts represent budgets that may not be committed in this financial year for projects which are funded by grants or dependent upon the acquisition of land for housing and therefore budget is retained for delivery in future periods. The full capital programme analysed by project for current and future years can be seen in detail by Appendix B.

## Savings

20. The graph below shows the confidence in the delivery of savings planned for 2022/23. As can be seen below, at the end of September 2022, 92% of the savings agreed at Council in February 2022 are forecast to be achieved. This is based on £1.1m (69%) of the £1.6m savings for the year having already been achieved by the end of September 2022, and a further £0.4m on target to be achieved by the end of the year, leaving a total of £0.1m forecast as unlikely to be achieved.

Value of Savings £'000	Savings confidence
1,193	<b>Blue</b> Full savings have already been achieved (complete)
296	<b>Green</b> Forecast variance for the year is zero (or negative) but not yet fully achieved
134	<b>Red</b> Forecast is more than 10% away from target for the year
<b>1,623</b>	<b>Total Savings 2022/23</b>

21. The status of individual savings plans can be found in Appendix D, a summary of savings plan status per directorate can be found below:
- Community Wellbeing are set to deliver 100% of their £0.7m savings
  - Economy and Environment are due to deliver 68% of their £0.4m savings
  - Corporate have delivered 100% of their £0.5m savings
22. Where it has been identified there are risks to the delivery of savings alternative proposals are being developed in consultation with the Cabinet portfolio holders in preparation for the Quarter 3 Budget and Performance Report.

## Hoople Ltd Position and Performance at 30 September 2022

23. The financial position and performance of Hoople Ltd is reported at the company's quarterly Board Meeting. Membership on the company's Board by the council's s151 Officer and Leader ensures that management receive regular reports of the company's trading performance against budget, its financial position and key risks. The audited financial statements for the year ended 31 March 2022 were formally approved at the Hoople Ltd board meeting held on 13 October 2022.
24. The company's position at 30 September 2022 (Q2 of 2022/23) is a forecast loss of £31k, outstanding debtor balances of £252k (of which £221k is represented by debtor accounts raised within 30 days) and cash balances of £3.6 million. It is anticipated that savings will be identified to bring the outturn position back to the budgeted forecast of £75k profit for the 2022/23 financial year.

## Performance: Economy

25. All projects are now being captured in detail on delivery dashboard and progress monitored. Of the 23 activities of the delivery plan, 18 are on track (green), 2 are at risk (amber) and 3 are compromised (red).

26. 43% of measures have shown an improvement on the same point last year where comparison can be made. Where targets have been set, performance measures within the theme have met, or exceeded targets – there remains some work within the directorates to ensure all measures have targets established.
27. Cabinet approved the Herefordshire UK Shared Prosperity Plan Investment Plan at the end of July 2022 and submitted to government in early August 2022 seeking £6.6m of funds to support business, community and skills projects. We are awaiting the outcome of the submission.
28. The council submitted £43million of Levelling Up Fund bids to government at the start of August 2022 for a range of activity (following Cabinet approval in June 2022), including the development of Ross Enterprise Park, public realm enhancements in Ledbury and Leominster, a new transport hub and Active Travel Measures in Hereford.
29. Government approved the final stage Stronger Towns business case submissions for the Maylord Orchard Library and Leaning Resource Centre (£3m of £3.5m project grant), and Hereford and Art Gallery (£5m grant towards an £18m project).
30. The council have also committed significant funds to both of these projects which will play a key role in regenerating and re-shaping the city, including £0.5m to the Maylord Orchard Library and Learning Resource Centre and £8m to the Museum and Art Gallery project.

### **Performance: Environment**

31. Of the 26 activities (Projects) of the delivery plan, 21 are on track (green), 3 are at risk (amber), and 2 are compromised (red).
32. Over 80% of measures have shown an improvement on the same point last year where comparison can be made. Where targets have been set, 80% of performance measures within the theme have met, or exceeded targets – there remains some work within the directorates to ensure all measures have targets established.
33. Following development of the Citizens Climate Assembly Action Plan and subsequent approval and prioritisation of projects by Cabinet on 28 April 2022, the first 13 business cases have been approved and procurement for these projects is commencing; delivery to commence in the next few weeks with the majority starting in the new year and being delivered over the coming three years. 6 business case lights are still in development to be bought forward for approval.
34. The business case for a new retrofit programme to support 150 homes was approved as part of the Citizens Climate Assembly Action Plan; delivery of the pilot element will commence in Q3 – Q4 with the main programme to roll out during 2023.
35. Construction of the first wetland scheme in Luston is well advanced, with the bulk excavation and profiling work complete and the clay lining 90% complete. The remaining works will continue as weather allows. Planting of the required mix of phosphate-reducing plant species is ongoing, with two out of the three wetland cells now planted and growing; the final drainage installations are in progress, and the wetland is expected to start taking effluent from the waste-water treatment works during the latter half of November 2022; agreements with the Environment Agency and Dwr Cymru Welsh Water are largely complete and being finalised. The process of trading phosphate off-setting credits from this first wetland has begun, with assessment of offsetting need ongoing in connection with the first phase of eligible planning applications. Two further sites are at design stage, with one of these currently going through the planning process. Acquisition of the one site is complete, and is imminent for the next.

36. All four buildings that were earmarked for funding as part of the Sustainable Energy in Public Building projects have been cancelled due to numerous challenges – timescales, resident bats and lack of match funding. However, there is a further potential building in the pipeline (Ryefields) which is likely to progress; this is awaiting outcome of an asset review. Discussions with Halo have reopened, with a meeting planned for 7 November 2022.
37. Preparation, including communications, for replacement of the existing electric vehicle charge point network by new concessionaire Wenea was carried out in Q2; replacement commenced and due for completion in Q3. Plans for expansion of charge point network with Wenea ongoing during Q2. Additional funding for on street charge points secured through a consortium bid with Midlands Connect to the Government's 'Local Electric Vehicle Infrastructure scheme' with delivery to commence in 2023.

### **Performance: Community**

38. Of the 48 activities of the delivery plan, 3 has been completed (blue), 37 are on track (green), and 5 are at risk (amber), 3 are compromised (red).
39. 74% of measures have shown an improvement on the same point last year where comparison can be made (68% at Q1). 94% percent of reported performance measures within the theme have met, or exceeded targets, which represents an improvement on the previous quarter end position – there remains some work to ensure all measures have targets established.
40. All performance measures in Community Wellbeing are on track this year with the exception of admissions to care homes. Admissions have increased as a result of workforce challenges in the homecare market leading to more short term stays in residential homes. Recruitment across the care sector remains a major challenge. The Herefordshire Cares website is being proactively developed to showcase the range of job opportunities within the sector.
41. In the light of the pressures in the homecare market, the process to secure providers for a secondary framework was launched. The plan is for the framework to be operative before the end of November 2022 and is designed to bring additional capacity to meet the needs of vulnerable people for support at home. The framework will be part of a suite of approaches focussed on strengthening care supply and capacity.
42. Work on Hillside to make the dementia friendly adaptations is now fully underway and scheduled for completion by the end of February 2023. Bed closures are being managed through zones in order to minimise the impact on patient flow.
43. A new inspection framework for local authority adult social care services is due to launch in April 2023. The service is putting together a self-assessment as part of preparing for inspection which will enable strengths and areas for improvement to be readily identified.
44. The commissioning of additional domestic abuse services with annual funding from Department of Levelling Up, Housing and Communities (DLUHC) has progressed including joint commissioning of co-ordination of lived experience representation, with Worcestershire. Work with children's services has redesigned the way specialist domestic abuse advice is integrated in early help and MASH, responding in part to challenges identified by Ofsted.
45. Through the Household Support Fund 2, free school meals were provided to over 4,600 children during the summer, 3,200 people were supported through third party organisations and 3,200 pensioners through Post Office vouchers. The Household Support Fund 3 totalling £1.3 million for the final two quarters of the financial year has been launched.

46. Talk Community ran another very successful Holiday Activity Fund programme during the summer with more children attending than in 2021, together with eight community engagement events held. 68 Talk Community hubs are now live across the county. The county also welcomed the Queens Baton relay as part of the Commonwealth Games programme on 5 July 2022.
47. The Food Charter has been developed by our local Food Alliance as a step to Herefordshire becoming a Sustainable Food Place. The charter aims to get individuals and businesses to commit to support the local vision of 'A thriving and sustainable local food economy which contributes to a healthy lifestyle, healthy communities and a healthy environment.'
48. Work has started on the refresh of the Health and Wellbeing Strategy with public consultation on the proposed themes and priority areas commencing in November 2022.
49. Within the Children and Young People Directorate, the inspection of services during the summer and the subsequent Ofsted inspection report have required a review of service priorities in order that the pace of overall improvement is increased and capacity directed to where it is most needed. The likely impact of this in Q3 and Q4 on some Delivery Plan activity is currently being evaluated. Retention and recruitment, of social workers and of foster carers remains a significant challenge.

### **Performance: Corporate**

50. A set of corporate performance measures, which have been selected as an indication of the overall health of the organisation, are included in Appendix E. For measures which have baselines in 2021/22, 50% are showing an improvement (46% at Q1). 47% of measures which have targets set are meeting or exceeding target (38% at Q1).

### **Community impact**

51. In accordance with the accepted code of corporate governance, the council must ensure that it has an effective performance management system that facilitates effective and efficient delivery of planned services. To support effective accountability the council is committed to reporting on actions completed and outcomes achieved, and ensuring stakeholders are able to understand and respond as the council plans and carries out its activities in a transparent manner.
52. Regularly reviewing performance with a view to identifying actions which will further drive improvement in outcomes or efficiencies helps ensure the council achieves its County Plan priorities.

### **Environmental Impact**

53. This report details how progress is being made in achieving the Delivery Plan which details how the council is working to deliver the environmental ambitions set out in the County Plan. Individual projects and deliverables included within the Delivery Plan will all be subject to their own governance arrangements and assessment of environmental and ecological impact.

### **Equality duty**

54. 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.

55. 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 paper is not seeking any project specific decisions, in determining the council's budget allocation, the council is working towards its equality objectives (found here). In addition, projects identified within the delivery plan, where relevant, will be subject to an Equality Impact Assessment to ensure appropriate attention is given to our Equality Duty.

56. These recommendations have no direct financial implications, however cabinet may wish to consider how money is utilised in order to meet the council's objectives.

### **Legal implications**

57. There are no direct legal implications arising from this report.

### **Risk management**

58. The risks associated with the council's business are recorded on the relevant service risk register and escalated in accordance with the council's Performance Management Framework and Risk Management Plan. The highest risks, i.e. those scoring greater than 16 after controls, are escalated to the council's Corporate Risk Register.

### **Resource Implications**

59. These recommendations have no direct financial implications, however cabinet may wish to consider how money is utilised in order to meet the council's objectives.

### **Consultees**

60. None in relation to this report.

### **Appendices**

Appendix A - Revenue forecast

Appendix B – Capital forecast

Appendix C - Treasury Management forecast

Appendix D - Savings delivery

Appendix E - Delivery Plan dashboards

### **Background papers**

None Identified

## Report Reviewers Used for appraising this report:

Please note this section must be completed before the report can be published		
Governance	Sarah Buffrey, Democratic Services Officer	Date 10/11/2022
Finance	Louise Devlin	Date 07/11/2022
Legal	Alice McAlpine	Date 07/11/2022
Communications	Luenne Featherstone	Date 07/11/2022
Equality Duty	Harriet Yellin	Date 08/11/2022
Procurement	Lee Robertson	Date 07/11/2022
Risk	Kevin Lloyd	Date 16/11/2022
Approved by	Andrew Lovegrove	Date 16/11/2022



## Title of report: Progress Report

**Meeting:** Scrutiny Management Board

**Meeting date:** 9th January 2023

**Report by:** The Statutory Scrutiny Officer

### Classification

Open

### Decision type

This is not an executive decision

### Wards affected

(All Wards);

### Purpose:

This report provides a brief summary update on issues previously considered by the Scrutiny Management Board, including responses to information requests made by the committee, updates on resolutions made by the committee, including reports and recommendations to the executive and the Executive Response and executive decision made in respect of scrutiny reports and recommendations.

### Recommendation(s)

That the progress report on scrutiny information requests, scrutiny reports and recommendations and other matters raised by the committee be noted.

### Alternative options

1. The alternative is for the committee not to receive a Progress Report to update on matters since the last meeting, which would provide less clarity and transparency on the progress of issues since the last meeting.

### Key considerations

2. Scrutiny committees have statutory powers to make recommendations to the Executive, as appropriate, and the Cabinet has a statutory duty to respond to scrutiny recommendations. They may also make reports and recommendations to external decision making bodies.
3. 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 Cabinet and thereafter the implementation status of the Executive Response and Cabinet decisions.

4. Scrutiny committees also have the power to request information from council departments and certain other external organisations, from who they should expect a response. Scrutiny committees should be clear why they are requesting information and when they need the response by. Scrutiny committees may therefore wish to keep track of information requested at the previous meeting and for this to be received at the next ordinary meeting of the committee.

### **Scrutiny Committees at Herefordshire**

5. 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.
6. 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 a strategic management and coordination functions for 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.
7. Although scrutiny committees do not have any executive decision making powers, they do have statutory powers to make recommendations to Cabinet, as appropriate, and Cabinet has a statutory duty to respond to scrutiny recommendations. The scrutiny committees may also make reports and recommendations to external decision making bodies.

### ***Progress from the Previous Meeting***

#### **Budget Scrutiny - 2023/24 Budget Setting Progress**

8. At the meeting on 7<sup>th</sup> October 2022 the committee considered budget scrutiny - 2023/24 budget setting progress, with an update report from the Head of Strategic Finance (deputy S151) Officer.
9. The committee also suggested that that the Executive take further action to ensure that the saving proposals are robust and deliverable. This suggestion was noted by the committee for further consideration a part of the committee's scrutiny of the Council's budget proposals.
10. At the end of the consideration of that item the committee made the following information requests:
  - i). A summary briefing note on the overall estimated impact expected on the Economy and Environment budget.
  - ii). A summary briefing note on the measures being taken to mitigate budget pressures to lobby for additional Government funding for Herefordshire.
  - iii). A summary briefing note to provide a longitudinal view of the capital budget projects performance, including capital budget underspends.

- iv). The breakdown of delayed capital projects to show how much of those is to do with delayed projects and how much to do with the projects costing less than anticipated.
  - v). A summary briefing note on the rising number of unpaid carers in Herefordshire, including up to date data on the number of unpaid carers.
  - vi). A request to the department for Work and Pensions (DWP) for the number of people in receipt of the carer's allowance.
  - vii). The definition of domiciliary care at Herefordshire Council and the Council's brokerage team and what agencies were involved in determining these definitions.
  - viii). A briefing note on the increase on placement requests, from where these are tending to be from and the reasons for the increase.
  - ix). A briefing note on the extent to which Talk Community Hubs are involved in delivering domiciliary care services and in front line service delivery in adult social care, and whether this was included in the Council budget.
  - x). A briefing note on the opportunity costs not included in the Council budget, delivered by Talk Community Hubs neighbourhood schemes.
  - xi). A briefing note with up to date data on risk register C05 digital transformation: the use of technology to support home care and extend independent living.
  - xii). A summary of the measures taken by the Executive to ensure that the saving proposals are robust and deliverable to be provided to the committee.
11. An information request was also made for an update on operational improvements and progress arising from the implementation of the Rethinking Governance Working Group recommendations, including those relating to the Council website.
12. These information requests have been added to an information requests tracking table at Appendix 1.

#### Scrutiny Management Board Annual Work Plan 2022-2023

13. The committee agreed its work plan for the year on 5th September 2022, along with the entire Annual Scrutiny Work Programme 2022-2023, comprised of all of the scrutiny committee Work Plans.
14. There have been some adjustments to the planned dates of the scrutiny committees, partly to accommodate attendance by key participants, partly due to reports schedules and partly because of the period of mourning subsequent to the death of HM the Queen, when committee meetings had to be postponed. The Children and Young People's Work Plan meeting dates and topics is being reviewed in the light of the Ofsted Inspection of Children's Services.
15. The Scrutiny Management Board Work Plan is proposed to be amended to reposition the budget scrutiny sessions to consider the draft budget proposals from 2<sup>nd</sup> December 2022 to 17<sup>th</sup> January 2023, to reflect the re-scheduled budget development timetable. This is an extended meeting to include questions to cabinet members and chief officers for each council department.
16. It was proposed to use the 2<sup>nd</sup> December 2022 date to consider the Treasury Management Strategy, along with the budget performance report. It is proposed to move the listed consideration of the budget scrutiny report from the scrutiny committee from 9<sup>th</sup> January 2023 to the new meeting date on 17<sup>th</sup> January 2023, with an update on the budget instead received instead on 9<sup>th</sup> January.

17. The Connected Communities Scrutiny Committee Work Plan was amended to reflect the deferment of the meeting on 9<sup>th</sup> September 2022, which was deferred due to the death of HM the Queen, to 18<sup>th</sup> November 2022.
18. The Environment and Sustainability Scrutiny Committee repositioned the meetings on 18<sup>th</sup> November 2022 and on 10<sup>th</sup> March 2023, which were Wednesday dates, to Friday dates, 20<sup>th</sup> November 2022 and 10<sup>th</sup> March 2023 respectively, to accommodate the Cabinet Member for Environment and Economy.
19. The committee has resolved to include consideration of an update on the Phosphates Commission – Restoration of the River Wye on 10<sup>th</sup> March 2023.

### ***Scrutiny Recommendations and Executive Response***

20. In accordance with Part 4 Section 5 of the Herefordshire Council Constitution, the council's scrutiny committees may make recommendations to the full Council or the Cabinet with respect to any functions which are the responsibility of the executive or of any functions which are not the responsibility of the executive, or on matters which affect the borough or its inhabitants. The Health, Care and Wellbeing Scrutiny Committee may also make recommendations to the relevant NHS bodies or relevant health service providers or full Council.
21. Scrutiny committees may not make executive decisions and scrutiny recommendations therefore require consideration and decision by the appropriate decision maker; usually the Cabinet, but also full Council for policy and budgetary decisions and the NHS where it is the decision maker.
22. The Scrutiny Recommendation Tracker table will provide a summary of scrutiny recommendations made during the municipal year, so that the scrutiny committee can track the progress of the recommendations made.
23. The Scrutiny Recommendation Tracker table includes each scrutiny recommendation made and the date it was made, (which will be as is recorded in the committee minutes), identification of the decision maker (e.g. Cabinet), the Executive Response (the actual Cabinet decision), which may be different from the scrutiny recommendation and which will be minuted in the Cabinet minutes, the date the Executive Response/decision was made and an implementation review date.
24. The Scrutiny Recommendation Tracker enables the scrutiny committee to track whether their recommendations have been agreed, what actually was agreed (if different) and ask about any outcomes arising from the scrutiny recommendations, for example, service improvements, value for money savings and outcomes for residents.
25. If the relevant respective executive decisions and actions have been implemented, they will not be referred over to the scrutiny recommendation tracker report for the next municipal year, but that any that have not been implemented may be referred to the scrutiny recommendation tracker for the next committee cycle.

### **Procedure for Recommendations from Scrutiny Committees**

26. Where scrutiny committees make reports or recommendations to the Cabinet, as soon as this has been confirmed, these will be referred to the Cabinet requesting an Executive Response and the issue will be published on the council's Forward Plan. This will instigate the

preparation of a report to Cabinet and the necessary consideration of the response, the technical feasibility, financial implications, legal implications and equalities implications etc.

27. Where scrutiny committees make reports or recommendations to full Council (e.g. in the case of policy and budgetary decisions), the same process will be followed, with a report to Cabinet to agree its Executive Response, and thereafter, a report will be prepared for Council for consideration of the scrutiny report and recommendations along with the Cabinet's Response.
28. Where scrutiny committees have powers under their terms of reference to make reports or recommendations external decision makers (e.g. NHS bodies), where they do this, the relevant external decision maker shall be notified in writing, providing them with a copy of the committee's report and recommendations, and requesting a response.
29. Once the Executive Response has been agreed, the scrutiny committee shall receive a report to receive the response and the committee may review implementation of the executive's decisions after such a period as these may reasonably be implemented (review date).

### **Community Impact**

30. In accordance with the adopted 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. Topics selected for scrutiny should have regard to what matters to residents.

### **Environmental Impact**

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

### **Equality Duty**

32. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:
33. 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.
34. 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**

35. The costs of the work of the committee will have to be met from existing resources. It should be noted the costs of running scrutiny can be subject to an assessment to support appropriate processes.
36. 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.

### **Legal Implications**

37. The council is required to deliver a scrutiny function. The development of a work programme which is focused and reflects those priorities facing Herefordshire will assist the committee and the council to deliver a scrutiny function.
38. 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 Cabinet and the establishment of task and finish groups within the committee's agreed work programme.
39. There are no specific legal implications arising from this report which provides a progress update on recommendations made to Cabinet and subsequent Cabinet decision. Any legal implications arising from Cabinet Decisions will be detailed in the relevant Cabinet 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 Information Tracking Report 2022-23.

### **Background papers**

None identified.



## Scrutiny Management Board Information Tracking Report 2022-23

Scrutiny Management Board 5th September 2022

Subject & Date	Information Request	Department Responsible	Response	status	Date updated
Role and Development of the Scrutiny Function  SMB 5th September 2022	An update on operational improvements and progress arising from the implementation of the Rethinking Governance Working Group recommendations, including those relating to the Council website.	Governance and Law, Corporate Services	<i>Response pending.</i>		22/11/22
Annual Scrutiny Work Programme 2022-2023  SMB 5th September 2022	An update on how historic Task and Finish Group material and reports might be made more accessible.	Governance and Law, Corporate Services	<i>Response pending.</i>		22/11/22

Scrutiny Management Board 7th October 2022

Subject & Date	Information Request	Department Responsible	Response	status	Date updated
Budget Scrutiny - 2023/24 Budget Setting Progress  SMB 7 <sup>th</sup> October 2022	i). A summary briefing note on the overall estimated impact expected on the Economy and Environment budget.	Resources and Assurance, Corporate Services	<i>Response pending.</i>		22/11/22
	ii). A summary briefing note on the measures being taken to mitigate budget pressures to lobby for additional Government funding for Herefordshire.		<i>Response pending.</i>		22/11/22
	iii). A summary briefing note to provide a longitudinal view of the capital budget projects performance, including capital budget underspends.		<i>Response pending.</i>		22/11/22

	iv). The breakdown of delayed capital projects to show how much of those is to do with delayed projects and how much to do with the projects costing less than anticipated.		<i>Response pending.</i>		22/11/22
	v). A summary briefing note on the rising number of unpaid carers in Herefordshire, including up to date data on the number of unpaid carers.		<i>Response pending.</i>		22/11/22
	vi). A request to the department for Work and Pensions (DWP) for the number of people in receipt of the carer's allowance.		<i>Response pending.</i>		22/11/22
	vii). The definition of domiciliary care at Herefordshire Council and the Council's brokerage team and what agencies were involved in determining these definitions.		<i>Response pending.</i>		22/11/22
	viii). A briefing note on the increase on placement requests, from where these are tending to be from and the reasons for the increase.		<i>Response pending.</i>		22/11/22
	ix). A briefing note on the extent to which Talk Community Hubs are involved in delivering domiciliary care services and in front line service delivery in adult social care, and whether this was included in the Council budget.		<i>Response pending.</i>		22/11/22
	x). A briefing note on the opportunity costs not included in the Council budget, delivered by Talk Community Hubs neighbourhood schemes.		<i>Response pending.</i>		22/11/22
	xi). A briefing note with up to date data on risk register C05 digital transformation: the use of technology to support home care and extend independent living.		<i>Response pending.</i>		22/11/22

Subject & Date	Information Request	Department Responsible	Response	<i>status</i>	<i>Date updated</i>
Title Date	An update on xxxxxxxxxxxxxxx	Governance and Law, Corporate Services	<i>Response pending.</i>		22/11/22
Title Date	An update on how historic Task and Finish Group material and reports might be made more accessible.	Governance and Law, Corporate Services	<i>Response pending.</i>		22/11/22

## Key

Items marked with a tick ✓ are marked “completed”. Once items have been agreed as completed by the committee they may be removed from future updated versions of the tracker table.

## Scrutiny Management Board Work Plan 2022-2023

Agreed by the Scrutiny Management Board on 5<sup>th</sup> September 2022, *revised and agreed as updated on 28<sup>th</sup> November 2022.*

Monday 5<sup>th</sup> September 2022

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p><b>Budget Scrutiny – Priorities and Position</b>                      To consider:</p> <ul style="list-style-type: none"> <li>i. The financial outturn for 2021-2022,</li> <li>ii. The budget priorities, positioning, assumptions and risks informing the development of the budget proposals for 2023-2024,</li> <li>iii. How the budget priorities and plans link to the Council priorities,</li> <li>iv. the arrangements and overall timetable for the scrutiny of the budget proposals for 2023-2024 for agreement in 2023,</li> <li>v. the plans for consultation on the budget proposals for 2023-2024.</li> </ul> <p style="text-align: right;"><i>Reports deadline: 26<sup>th</sup> 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><b>The Annual Scrutiny Work Programme 2022-2023</b>                      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: 26<sup>th</sup> August 2022</i></p>	<p>Councillor Christy Bolderson – Chairperson of the Scrutiny Management Board</p>	<p>Michael Carr – Interim Statutory Scrutiny Officer</p>	

<p><b>Scrutiny Development 2022-2023</b>          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: 26<sup>th</sup> 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 28<sup>th</sup> November 2022**

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p><b>Herefordshire Council Human Resources and Workforce Strategy</b>            To consider Herefordshire Council Human Resources and Workforce Strategy, the key medium and short term objectives, the corporate organisation and staffing for human resources itself, key issues for Herefordshire Council human resources, including staff planning, capacity issues, skills mapping and gap analysis, training and development strategies, staff recruitment and retention and the use of interim and agency staff.</p> <p style="text-align: right;"><i>Reports deadline: 17<sup>th</sup> 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>	

**Friday 2<sup>nd</sup> December 2022 - cancelled.**

Monday 9<sup>th</sup> January 2023

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p><b>Budget Scrutiny – Treasury Management</b></p> <p><i>Reports deadline: 17<sup>th</sup> 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><b>Corporate Performance Quarter 2 2022-2023</b> 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><i>Reports deadline: 17<sup>th</sup> November 2022</i></p> <p><i>(Moved from 28<sup>th</sup> 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><b>Budget Performance Quarter 2 2022-2023</b> 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><i>Reports deadline: 17<sup>th</sup> November 2022</i></p> <p><i>(Moved from 28<sup>th</sup> 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><b>Scrutiny Development 2022-2023</b> 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: 23<sup>rd</sup> 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>	
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**Tuesday 17<sup>th</sup> January 2023 – Budget Meeting (New meeting)**

Agenda item	Cabinet Member/s	Officers	External Witnesses
<p><b>Budget Scrutiny</b> To consider the draft budget proposals for 2023-2024.</p> <p style="text-align: right;"><i>Reports deadline: 22<sup>nd</sup> November 2022</i></p> <p style="text-align: right;"><i>(Moved from 2<sup>nd</sup> December 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>	
<p>Children and Young People Budget Scrutiny Session</p> <p><i>with members of the Children and Young People Scrutiny Committee</i></p>	<p>Councillor Diana Toyne, Children and families</p>	<p>Darryl Freeman - Corporate Director for Children and Young People</p>	
<p>Community Wellbeing Budget Scrutiny Session</p> <p><i>with members of the Health, Care and Wellbeing Scrutiny Committee</i></p>	<p>Councillor Pauline Crockett, Health and Adult Wellbeing</p>	<p>Hilary Hall - Corporate Director for Community Wellbeing</p>	
<p><b>Budget Scrutiny</b></p> <p>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.</p> <p><i>Reports deadline: 23<sup>rd</sup> December 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>	

		Rachael Hart - Head of Strategic Finance	
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**Tuesday 14<sup>th</sup> March 2023**

<b>Agenda item</b>	<b>Cabinet Member/s</b>	<b>Officers</b>	<b>External Witnesses</b>
<p><b>Hoople Ltd.</b> 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.</p> <p><i>Reports deadline: 23<sup>rd</sup> December 2022</i></p>	Councillor Liz Harvey Cabinet Member for Finance, Corporate Services and Planning	Andrew Lovegrove - Director of Resources and Assurance	Audrey Clements Chief Operating Officer – Hople Ltd
<p><b>Corporate Performance Quarter 3 2022-2023</b> 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><i>Reports deadline: 3<sup>rd</sup> March 2023</i></p>	Councillor Liz Harvey Cabinet Member for Finance, Corporate Services and Planning	Andrew Lovegrove - Director of Resources and Assurance	
<p><b>Budget Performance Quarter 3 2022-2023</b> 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><i>Reports deadline: 3<sup>rd</sup> March 2023</i></p>	Councillor Liz Harvey Cabinet Member for Finance, Corporate Services and Planning	Andrew Lovegrove - Director of Resources and Assurance	

		Rachael Hart - Head of Strategic Finance	
<p><b>The Annual Scrutiny Report 2022-2023</b> To agree the Annual Scrutiny Report 2022-2023.</p> <p style="text-align: right;"><i>Reports deadline: 3<sup>rd</sup> March 2023</i></p>	<p>Councillor Christy Bolderson – Chairperson of the Scrutiny Management Board</p>	<p>Michael Carr – Interim Statutory Scrutiny Officer</p>	
<p><b>The Effectiveness of Scrutiny at Herefordshire</b> 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: 3<sup>rd</sup> 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><b>Scrutiny Development 2022-2023</b> 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: 3<sup>rd</sup> 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>	

		Michael Carr – Interim Statutory Scrutiny Officer	
<b>Budget Scrutiny 2023-2024</b> 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.			

### **Reserve Items**

**Corporate Performance 2022-2023** (for 2023-2024 SMB Work Plan). To review performance the annual performance for 2022-2023 and consider:

- i. the extent to which the corporate KPIS have been delivered.
- ii. the extent to which the reasons for major variances are being addressed and identify any known performance risks for 2023-2024, and
- iii. To review corporate performance for each quarter of 2023-2024 and consider the progress towards delivery of KPIs, including to what extent the reasons for any potential under-performance are understood and are being addressed.
- iv. To identify any known performance risks.

**Herefordshire Corporate Strategy** - To consider the Herefordshire Council overall strategy and key objectives for 2020-2024, including the key objectives for 2022-2023, the progress in delivery of strategic objectives and the development of the delivery plan and objectives for 2023-2024 and the Corporate Strategy and Delivery Plan interlinks with departmental strategy and service delivery on the ground.

**Herefordshire Council Modernisation Programme** - To consider Herefordshire Council Modernisation Programme, including the transformation programme, the alignment resources and budgets, the Digital Strategy, communications and connectivity, customer interface, flexible working, working with partnerships, the role of Hoople, and the creation of a programme management office to support delivery of projects and schemes.

**Herefordshire Council Asset Management Strategy** - To consider Herefordshire Council asset management strategy, policy and approach to the strategic management of its assets, including the development of asset management plans for Council properties, digital works for Shire Hall, the Council's asset strategy response to changing ways of working, customer interface and staff working and the response to the COVID19 pandemic and post pandemic realignment.

**Herefordshire Council Strategic Partnerships** - To consider Herefordshire Council Strategic partnerships working arrangements, strategy and protocols and the role of strategic partnerships in the delivery of the Council's Delivery Plan and strategic objectives. Strategic partners to be invited as witnesses.

[www.herefordshire.gov.uk/directory/39/herefordshire\\_councils\\_strategic\\_partnerships](http://www.herefordshire.gov.uk/directory/39/herefordshire_councils_strategic_partnerships)

**Herefordshire Council Communications Strategy** - To consider Herefordshire Council Communications Strategy 2022-2025, the key medium and short term objectives, the corporate organisation and staffing for Communications, key issues for communications, including the development and implementation of strategies to deal with enhanced media attention and reputational profile of the Council.

