

# Agenda

## Cabinet

Date: **Thursday 28 September 2023**

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Time: **2.30 pm**

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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:

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If you would like help to understand this document, or would like it in another format, please call Samantha Walmsley, Democratic Services Officer on (01432) 260176 or e-mail [samantha.walmsley2@herefordshire.gov.uk](mailto:samantha.walmsley2@herefordshire.gov.uk) in advance of the meeting.

# **Agenda for the meeting of Cabinet**

## **Membership**

**Chairperson**            **Councillor Jonathan Lester, Leader of the Council**  
**Vice-Chairperson**    **Councillor Elissa Swinglehurst, Deputy Leader of the Council**

**Councillor Graham Biggs**  
**Councillor Harry Bramer**  
**Councillor Barry Durkin**  
**Councillor Carole Gandy**  
**Councillor Ivan Powell**  
**Councillor Philip Price**  
**Councillor Pete Stoddart**

## Agenda

	Pages
<p><b>1. APOLOGIES FOR ABSENCE</b></p> <p>To receive any apologies for absence.</p>	
<p><b>2. 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 committee in respect of items on the agenda.</p>	
<p><b>3. MINUTES</b></p> <p>To approve and sign the minutes of the meeting held on 20 July 2023.</p>	11 - 16
<p><b>HOW TO SUBMIT QUESTIONS</b></p> <p><i>The deadline for submission of questions for this meeting is:</i></p> <p><i>9:30am on Monday 25 September 2023.</i></p> <p><i>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.</i></p> <p><i>Accepted questions and the response to them will be published as a supplement to the agenda papers prior to the meeting. Further information and guidance is available at <a href="https://www.herefordshire.gov.uk/getinvolved">https://www.herefordshire.gov.uk/getinvolved</a></i></p>	
<p><b>4. QUESTIONS FROM MEMBERS OF THE PUBLIC</b></p> <p>To receive questions from members of the public.</p>	
<p><b>5. QUESTIONS FROM COUNCILLORS</b></p> <p>To receive questions from councillors.</p>	
<p><b>6. REPORTS FROM SCRUTINY COMMITTEES</b></p> <p>To receive reports from the Council's scrutiny committees on any recommendations to the Cabinet arising from recent scrutiny committee meetings.</p>	
<p><b>7. Q1 BUDGET AND PERFORMANCE REPORT</b></p> <p>To review performance for Quarter 1 2023/24 and to report the forecast position for 2023/24, including explanation and analysis of the drivers for the material budget variances, and outline current and planned recovery activity to reduce the forecast overspend.</p> <p>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.</p>	17 - 76
<p><b>8. HOUSING BENEFIT RISK BASED VERIFICATION POLICY</b></p>	77 - 90

To approve the adoption of the Risk Based Verification Policy in determining evidence requirements for the assessment of Housing Benefit and Council Tax Benefit claims.

**9. MARCHES FORWARD PARTNERSHIP MEMORANDUM OF UNDERSTANDING** 91 - 104

This report seeks approval for the council to sign a Memorandum of Understanding (MOU) between Herefordshire Council, Shropshire Council and Monmouthshire and Powys County Councils for collaboration as a Marches Forward Partnership.

**10. HIGH NEEDS CAPITAL GRANT: HAMPTON DENE PRIMARY SCHOOL, EXTENSION OF LEARNING COMMUNICATION CENTRE** 105 - 114

To approve spend from the High Needs Provision Capital Grant to extend Hampton Dene Primary School's Language and Communication Centre.

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- Inspect minutes of the Council and all committees and sub-committees and written statements of decisions taken by the Cabinet or individual Cabinet Members for up to six years following a meeting.
- Inspect background papers used in the preparation of public reports for a period of up to four years from the date of the meeting. (A list of the background papers to a report is given at the end of each report). A background paper is a document on which the officer has relied in writing the report and which otherwise is not available to the public.
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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. Information about councillors is available at [www.herefordshire.gov.uk/councillors](http://www.herefordshire.gov.uk/councillors)
- Copy any of the documents mentioned above to which you have a right of access, subject to a reasonable charge (20p per sheet subject to a maximum of £5.00 per agenda plus a nominal fee of £1.50 for postage).
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The location of the office and details of city bus services can be viewed at:

<http://www.herefordshire.gov.uk/downloads/file/1597/hereford-city-bus-map-local-services->

## Guide to Cabinet

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

Cllr Jonathan Lester (Leader)	Corporate Strategy and Budget
Cllr Elissa Swinglehurst (Deputy Leader)	Environment
Cllr Ivan Powell	Children and Young People
Cllr Harry Bramer	Community Services and Assets
Cllr Pete Stoddart	Finance and Corporate Services
Cllr Carole Gandy	Adults, Health and Wellbeing
Cllr Graham Biggs	Economy and Growth
Cllr Barry Durkin	Roads and Regulatory Services
Cllr Philip Price	Transport and Infrastructure

The Cabinet's roles are:

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

### Who attends cabinet meetings?

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





**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.



Herefordshire Council

**Minutes of the meeting of Cabinet held at Herefordshire Council Offices, Plough Lane, Hereford, HR4 0LE on Thursday 20 July 2023 at 10.00 am**

**Cabinet Members Physically Present and voting:**

**Councillor Jonathan Lester, Leader of the Council (Chairperson)  
Councillor Elissa Swinglehurst, Deputy Leader of the Council (Vice-Chairperson)**

**Councillors Graham Biggs, Harry Bramer, Barry Durkin, Philip Price and Pete Stoddart**

Cabinet support members in attendance

Councillors Dan Hurcomb and Nick Mason

Group leaders / representatives in attendance

Councillors Ellie Chowns, Liz Harvey, Terry James and Bob Matthews

Scrutiny chairpersons in attendance

Councillors Ellie Chowns, Pauline Crockett and Toni Fagan and Liz Harvey.

Officers in attendance:

Director of Resources and Assurance, Corporate Director - Economy and Environment, Corporate Director Community Wellbeing, Head of Legal Services and Deputy Monitoring Officer and Director of Strategy and Performance

**11. APOLOGIES FOR ABSENCE**

Apologies were received from Cllr Carole Gandy and Cllr Ivan Powell.

**12. DECLARATIONS OF INTEREST**

Councillor Nick Mason declared a disclosable pecuniary interest under agenda item 8, Strategic Investment Proposal in the Central Ward; a member of his immediate family would shortly be entering the employment with the Wye Valley Trust at Hereford Hospital.

**13. MINUTES**

**Resolved: That the minutes of the meeting held on 22 June 2023 be approved as a correct record and signed by the Chairperson.**

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

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

**15. QUESTIONS FROM COUNCILLORS**

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

**16. REPORTS FROM SCRUTINY COMMITTEES**

Feedback from the Connected Communities Scrutiny Committee (CCSC) on the Review of the New Hereford Library and Learning Centre Location was considered under agenda item 7.

The Leader of the Council thanked the CCSC for their work in forming the recommendations put forward to the Cabinet at their meeting held on 19 July 2023.

The principle points were presented by the chairperson of the CCSC:

- The committee recognised there were merits in the proposal to bring the Shirehall back in to public use as a library, however there were concerns raised over significant financial risks and many questions remained unanswered.
- The committee felt there were insufficient evidence on which to reach the decision to cancel the Maylord Orchards Project.
- Scrutiny needed to be assured that all relevant factors had been given due consideration in the decision-making process.
- The review had not fully responded to its own terms of reference in particular the financial assessment.
- Focus on financial viability and value for money.
- Concerns were explored regarding the quality and depth of consultation with key stakeholders and the potential implications of development at new facilities in the Shirehall on other operators already existing in Hereford.
- Lack of timely publication and partial provision of information were raised.

The Cabinet Member for Finance and Corporate Services gave a correction to the figures quoted by him at the CCSC meeting held on 19 July for the value of the Shirehall. It was confirmed the current value of the Shirehall is £519,900 with the Maylord Orchards valued at £7.5 million.

There were no other reports from scrutiny committees for consideration at this meeting.

## **17. REVIEW OF NEW HEREFORD LIBRARY AND LEARNING RESOURCE CENTRE LOCATION**

Cabinet Members considered a report setting out the outcome of the Review of Potential Locations for the Library and Learning Centre and to recommend a preferred option.

The Cabinet Member for Community Services and Assets introduced the report and highlighted a review had been undertaken of 12 possible sites which had been shortlisted to the Shirehall and Maylord Orchards for a more extensive review.

As part of the review a range of key stakeholders and partners including the Stronger Towns Board (STB), the Cultural Partnership and Joint Action for Herefordshire Libraries had been engaged.

It was noted that the STB had said that should Cabinet agree to take the Shirehall forward as the preferred location they would be willing to consider a revised full business case proposal. The Cabinet Member acknowledged that this was not made clearer in the responses given to public questions.

Whilst the report recognises that both locations had merit, the Shirehall offered a greater potential in creating the original vision of the project to establish a cultural hub. It would bring a prominent heritage asset back into use, it complements the world class museum due to be developed on the other side of the city and would deliver a much better overall outcome for supporting the regeneration of the city centre.

Having taken into consideration the views of the Political Group Consultation (PGC) and the recommendations from the CCSC, the Cabinet Member put forward an amendment to the recommendations set out in the original report.

**b) The decision to relocate the Library and Learning Centre to the Maylord Orchards site is paused during the development of a Full Business Case for the Shirehall proposal;**

Cabinet Members discussed the report and it was noted that:

- The scrutiny recommendation was partially accepted and the wording of the proposal to be put to the Cabinet amended to pause. However the Cabinet asserted that they wished to indicate their preferred location for the new library, acknowledging that this preference is subject to the outcome of the full business case for the Shirehall. Cabinet Members accepted all other recommendations made by CCSC.
- By 'pausing' rather than cancelling, the project would remain on the capital programme but no further work would be undertaken. Once the full business case for the Shirehall was completed. Cabinet could recommend the necessary change to the capital programme if they wished to proceed with the Shirehall option.

Group leaders gave the views of their groups. There was support for exploring the Shirehall as an alternative location for the library project but concerns were raised about the accessibility and acoustics of the building and whether it could be made welcoming and energy efficient. Concerns were raised about the impact of pausing the Maylord Orchards project at a late stage of development and whether the report presented to Cabinet contained the evidence base on which to make a decision to select the Shirehall as the preferred location.

In response to the points and queries raised Cabinet Members confirmed that a full business case would be prepared for the Shirehall and that this would be compared with the existing Maylord Orchards option. The Leader of the Council highlighted that the Shirehall is a listed building and confirmed that decarbonisation would be considered and opportunities to develop green space in the vicinity of the Shirehall would be investigated.

Concluding the discussion, the Leader of the Council noted the comments made, but restated the Cabinet's preference of the Shirehall as the preferred option subject to a full business case being undertaken which demonstrates that the funding is in place and that other areas of concern are addressed.

**It was unanimously resolved that:**

- a) Cabinet agree that following the strategic review conducted the preferred new location of the Library and Learning Centre is the Shirehall;**
- b) The decision to relocate the Library and Learning Centre to the Maylord Orchards site is paused during the development of a Full Business Case for the Shirehall proposal;**
- c) A full business case for the Shirehall development to be progressed (to include the library works and all enabling works) and reported back to Cabinet in October 2023 where these will be considered against existing plans for Maylord Orchards; and**
- d) Delegated authority is given to the Corporate Director for Community Wellbeing in consultation with the Cabinet Member for Community Services and Assets to take all operational decisions (within a to c above) and as is necessary to develop the Full Business Case, and to submit the Project Adjustment Request to the Hereford Towns Board and the Department for Levelling Up Housing and Communities (DLUHC), if required.**

**18. STRATEGIC INVESTMENT PROPOSAL IN THE CENTRAL WARD**

Cabinet members considered a report to agree the principle of Herefordshire Council investing in a project where the council is in partnership with Wye Valley Trust. The Leader welcomed the Associate Director of Education / OD and Workforce Transformation, Wye Valley Trust who was in attendance at the meeting.

The Cabinet Member Economy and Growth introduced the report, the principal points were raised.

- One of Herefordshire Council's priorities as set out in the County Plan 2020-2024 is to strengthen partnership working across Herefordshire and to become an enabler for economic growth by considering different ways of working with businesses/partners in Herefordshire. The proposed provision would provide an exemplar facility which would facilitate partnership working across patient and service user groups, charities, the voluntary sector, public service and the education sector. It would provide opportunities to partner with other organisations to create a vibrant learning space in Herefordshire.
- The cost of the overall project was in the region of £10.5m and there was a funding gap of approximately £6m. The Trust have approached the council to see if a strategic investment partnership could be looked at to enable the project to progress onto a capital build.
- The community would be able to use the centre with training and development on offer to Herefordshire residents, helping retain higher level skills within the County thus growing the economy.

Cabinet members discussed the report and it was noted that:

- The heads of terms would be agreed on the basis that there are no revenue budget pressures on the council and the investment model would be prepared as part of that business case.
- The arrangement would be revenue neutral and no risks had been identified at this early stage, as the proposal develops the risks would be assessed and addressed in the business case.

Group leaders generally welcomed the report, positivity was drawn to the reduction in patients needing to travel out of the County to specialist hospitals for treatment and skills development and investment in the Health Service.

In response to queries it was noted that;

- it was not known if any other hospitals in adjoining authorities had similar facilities but this would be researched.
- a full business case would be conducted which would set out options for funding the project and include environmental impact assessments.
- the cabinet were encouraged to take on board lessons learned from previous shared accommodation with health partners.

**It was unanimously resolved that;**

- a) authority is delegated to the Director of Resources and Assurance in consultation with the Portfolio Holder for Economy and Growth to sign Heads of Terms between Herefordshire Council and Wye Valley Trust for a partnership to enable development of an Education Centre at Hereford County Hospital;**
- b) Cabinet authorises the development of an options appraisal to inform a full business case of an investment model most appropriate to allow the project to**

**progress and bring that back to cabinet for further authorisation in autumn 2023; and**

- c) authority is delegated to the Director of Resources and Assurance in consultation with the Portfolio Holder for Economy and Growth to take all operational decisions relating to the above recommendations.**

**19. STRATEGIC INVESTMENT PROPOSAL ON A SPECIAL PURPOSE SITE IN THE DINEDOR HILL WARD**

Cabinet Members considered a report to agree the principle of Herefordshire Council investing in an initiative where the council is in partnership with Hereford and Worcester Group Training Association Ltd (HWGTA) to enable further development of vocational work based skills across the county.

The Leader welcomed the Chief Executive of HWGTA who was in attendance at the meeting.

The Cabinet Member Community Services and Assets introduced the report and highlighted:

- HWGTA had been training apprentices and delegates to develop skills, knowledge and behaviours for 56 years, making a significant contribution to the Herefordshire economy. The centre had been so successful that it had outgrown its current operating centre and there was a requirement for a new centre to enable growth.
- HWGTA approached the council to see if the council would like to explore an investment opportunity with the association based on some shared objectives around developing local people, increasing skills in the county and ultimately driving up productivity and economic growth.
- Herefordshire Council's County Plan had some clear objectives around skills development and work with organisations to be more creative in how the Council use and share its collective assets, increase local investment, encourage the development of new businesses and explore new methods of financial support.
- By enabling HWGTA to grow and develop through investment, jobs will be created and a more local skilled workforce will develop which in turn will attract business opportunities into Herefordshire.

Cabinet members discussed the report and it was noted that:

- The cabinet were supportive of the proposal and that it aligns with the county plan, addresses the skills shortage and it would bring better paid jobs to Herefordshire.
- It was suggested the recommendation be amended to explicit that a full business case would be produced and for it to include a full environmental impact assessment.
- It was highlighted that more communication was needed in advertising that apprenticeships are not just for the young but for all ages.
- The heads of terms would be agreed on the basis there are no revenue budget pressures on the council and that the investment model that would be prepared as part of the business case would also be on the basis there were no budget pressures. No risks had been identified as the proposal was at a very early stage.

Group leaders welcomed the report. In response to queries raised it was noted that;

- Dialogue between the council, HWGTA and Skylon Park had been ongoing since 2020 and the project was now at a point where it is able to progress;

- As part of the Big Economic Plan the council would engage with businesses to understand their challenges and how best the council can support them.
- The full business case would consider the equality dimensions in terms of the training opportunities that are provided but the detail would sit within the HWGTA business model.

**It was unanimously resolved that:**

- a) authority is delegated to the Director of Resources and Assurance in consultation with the Portfolio Holder for Community Services and Assets to sign Heads of Terms between Herefordshire Council and HWGTA for a partnership to enable further development of vocational work based skills across the county;**
- b) Cabinet authorises the development of an options appraisal to inform a full business case of an investment model most appropriate to allow the project to progress and bring that back to cabinet for further authorisation in autumn 2023; and**
- c) authority is delegated to the Director of Resources and Assurance in consultation with the Portfolio Holder for Community Services and Assets to take all operational decisions relating to the above recommendations.**

The meeting ended at 12:10.

**Chairperson**





# Title of report: Q1 Budget and Performance Report

**Meeting: Cabinet**

**Meeting date: Thursday 28 September 2023**

**Cabinet member: Peter Stoddart, Finance and Corporate Services**

**Report by: Section 151 Officer**

**Report author: Rachael Hart, Head of Strategic Finance, deputy s.151**

## **Classification**

Open

## **Decision type**

Non-key

## **Wards affected**

(All Wards);

## **Purpose**

To review performance for Quarter 1 2023/24 and to report the forecast position for 2023/24, including explanation and analysis of the drivers for the material budget variances, and outline current and planned recovery activity to reduce the forecast overspend.

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 2023/24 outturn shows a net overspend of £13.5 million.

## **Recommendation(s)**

**That: Cabinet**

- a) **Review performance and financial forecast for year 2023/24, as set out in the appendices A-E, and identifies any additional actions to be considered to achieve future improvements;**

- b) Note the forecast revenue outturn position at Quarter 1 2023/24 of a £13.5 million overspend, before management action, and the potential impact of this overspend on the council's reserves;
- c) Note the management action already identified to reduce the forecast outturn position for 2023/24 to £9.5 million;
- d) Note the impact of the 2023/24 forecast outturn on the 2024/25 budget requirement and the future financial sustainability of the council;
- e) Agree to receive a monthly update to monitor the forecast revenue outturn position and actions being taken to address it;
- f) Request that Scrutiny Management Board reviews the budget monitoring position and that relevant Cabinet Members provide explanation for key variances and actions identified to address key pressures; and
- g) Agree the continuation and strengthening of management actions to reduce the forecast overspend as identified in this report.

### 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 Forecast Outturn

2. This report presents the first revenue forecast outturn position for 2023/24 and highlights the continuing impact of increasing demand for adult and children's social care and the challenging national and global economic environment.
3. Detailed explanations for variances from budget are set out in this report by Service area. These variances should be considered in the context of broader conditions which impact adversely on the council's outturn position for 2023/24 including:
  - Extraordinary inflation
  - Increasing complexity and cost of care
  - Impact of National Living Wages increases on labour market and recruitment and retention
  - Sufficiency of local residential placements
  - Unprecedented growth in social care demand
4. The council's approved net revenue budget for 2023/24 is £193.3 million which includes planned savings of £20.0 million comprising £14.1 million of Directorate savings and £5.9 million of Central budget savings.
5. **The first revenue outturn forecast for 2023/24 shows an overspend of £13.5 million** before management action, including £7.8m of savings assessed as at risk at Quarter 1. This represents a variance of 7.0% against budget with the most significant forecast overspend in Children & Young People (£10.6 million).
6. The Medium Term Financial Strategy (MTFS) approved by Council in February 2023 highlighted an estimated cumulative funding gap of £15.8 million over the three year period 2024/25 to

2026/27. This estimated funding gap, alongside the national and local factors resulting in financial pressures in 2023/24, presents a significant challenge in setting a balanced budget for 2024/25.

7. The council has maintained its General Fund Reserve balance at a prudent level of £9.6 million which represents 5% of the net budget requirement, in line with the council's agreed policy to maintain this strategic reserve at a level of 3-5% of net revenue budget. Specific Earmarked Reserves total £81.8 million at 1 April 2023 comprising: school balances, amounts set aside for risk, unspent grant monies committed for future expenditure and other smaller reserve balances as shown in Table 1 below.
8. Any overspend in 2023/24 must be funded using the council's available reserves; furthermore any overspend not managed in 2023/24 will be carried forward, creating additional pressure on the level of reserves and increasing the requirement to identify savings in 2024/25 and future years.
9. If no recovery action is taken in 2023/24, the overspend will require full utilisation of the Financial Risk Reserve and a review of 'Other Reserve' balances will be required to fund the additional balance. This will reduce the reserves available to manage risk in future years.

**Table 1: Reserve balances at 1 April 2023.**

	£m
<b>General Fund Balance</b>	<b>9.6</b>
<b>Earmarked Reserves:</b>	
Financial Resilience Reserve	1.2
Business Rates Reserve	13.1
Schools' Balances	9.3
Waste Reserve	9.4
Unused grants carried forward	17.6
Other Reserves	31.2
<b>Total Earmarked Reserves</b>	<b>81.8</b>
<b>Total Reserves</b>	<b>91.4</b>

10. The forecast revenue outturn position at Quarter 1 by Corporate Director portfolio is shown in Table 2 below.

**Table 2: Forecast revenue position 2023/24 before management recovery action**

<b>2023/24 Forecast Revenue Outturn at Quarter 1 (June 2023)</b>			
	<b>Revenue Budget £m</b>	<b>Forecast Outturn £m</b>	<b>Forecast Variance £m</b>
Community Wellbeing	68.4	71.7	3.3
Children & Young People	52.0	62.6	10.6
Economy & Environment	27.7	28.3	0.6
Corporate Services	25.9	28.3	2.4
All Ages Social Care	2.6	-	(2.6)
<b>Directorate Total</b>	<b>176.6</b>	<b>190.9</b>	<b>14.3</b>
Central	16.7	15.9	(0.8)
<b>Total</b>	<b>193.3</b>	<b>206.8</b>	<b>13.5</b>

## Management Activity and Further Recovery Actions

11. Initial management activity already underway is expected to reduce this forecast overspend to £9.5 million, as set out in Table 3 below, and detailed in the Directorate analysis below, however **further recovery action must now be identified** to respond to the significant financial challenges the council is facing and ensure recurrent spending is sustainable within the resources available.
12. Corporate Directors will continue to develop Directorate recovery plans to manage in year delivery of services within the approved budget.

**Table 3: Updated forecast revenue position 2023/24**

Updated 2023/24 Forecast Revenue Outturn at Quarter 1 (June 2023)					
	Revenue Budget £m	Forecast Outturn £m	Forecast Variance £m	Management Action £m	Revised Forecast £m
Community Wellbeing	68.4	71.7	3.3	(1.8)	1.5
Children & Young People	52.0	62.6	10.6	-	10.6
Economy & Environment	27.7	28.3	0.6	(0.6)	0.0
Corporate Services	25.9	28.3	2.4	(1.6)	0.8
All Ages Social Care	2.6	-	(2.6)	-	(2.6)
<b>Directorate Total</b>	<b>176.6</b>	<b>190.9</b>	<b>14.3</b>	<b>(4.0)</b>	<b>10.3</b>
Central	16.7	15.9	(0.8)	-	(0.8)
<b>Total</b>	<b>193.3</b>	<b>206.8</b>	<b>13.5</b>	<b>(4.0)</b>	<b>9.5</b>

13. The **timely delivery of further actions recommended in this report is critical** in order to achieve maximum impact on the outturn position for 2023/24, reduce the impact on reserve balances and minimise the risk to the council's financial resilience and sustainability.
14. **Recommended management actions** to contain income and expenditure within approved budgets for 2023/24 include, but are not limited to:
  - a) With immediate effect, **restrictions on procurement and purchase of non-essential items**. In this context, non-essential expenditure comprises all expenditure **with the exception of that which relates to:**
    - i. delivery of a statutory service;
    - ii. maintaining health and safety of staff, service users, residents, businesses and other stakeholders;
    - iii. fulfilling a contractual obligation already in existence (except where it is possible to renegotiate);
    - iv. prevention of further non-budgeted costs; and
    - v. generation of income (where income exceeds the costs to achieve it).
  - b) Continued review of essential expenditure to ensure all expenditure and future re-procurement of goods and services, is at best overall value to meet the service need.
  - c) Restrictions on permanent recruitment activity, a sustained reduction in the use of agency and high-cost interim staff and a review of the resources and skills required to deliver strategic priorities.

- d) Review of savings targets assessed as achievable or delivered in 2023/24 to identify opportunities to stretch further and maximise in year benefits.
  - e) Identification of alternative savings to mitigate the non-delivery of savings identified as at risk.
  - f) Continuing to explore opportunities to maximise income from discretionary fees and charges for services to third parties to ensure full cost recovery.
  - g) Reviewing local schemes of delegation to managers for spending decisions, e.g. for adult and children social care packages.
  - h) Setting target reductions for third party spend to ensure the council achieves maximum value for money.
  - i) Undertaking a review of the council's Capital Programme to consider deferral of capital schemes to reduce debt costs and minimise the impact on the revenue budget.
  - j) Budget housekeeping: to delete or reduce low value or low priority budgets.
  - k) Transfer of Directorate underspends in 2023/24 to the council's Financial Resilience Reserve.
  - l) Identifying potential reserve balances which could be transferred to increase the council's Financial Resilience Reserve to maintain financial sustainability.
  - m) All future use of the council's earmarked reserves will be subject to approval by the Section 151 Officer to safeguard the adequacy of reserves for future risks and uncertainties.
15. The financial impact of identified recovery actions will be monitored and formally reported to Cabinet in the next budget monitoring report. The impact of recurrent overspends in 2023/24 will need to be reflected in the 2024/25 budget and Medium Term Financial Strategy.

### **Directorate Key Variances and Management Recovery Actions**

#### **Community Wellbeing**

16. There is a forecast overspend of £3.3 million at June 2023 representing key pressures due to increased client need and growth in demand for services, savings plans at risk, staffing cost pressures and the impact of inflation on day care provision. The main reasons for the variances are detailed below:
- a) Learning Disabilities +£0.5 million overspend: arising due to changes in the needs of clients resulting in increased weekly provider costs. Residential and nursing placements continue to be a pressure for the service due the impact of inflation and costs of living increases on unit costs.
  - b) Care Operations +£0.7 million overspend: as a result of agency and interim staff cost pressures and savings assessed as to be at risk of delivery in 2023/24.
  - c) Directorate & Management +£2.3 million overspend: including savings targets to deliver process efficiencies and transformation of service delivery assessed to be at risk of delivery in 2023/24.
17. Costs incurred by the council in respect of Discharge to Assess packages of care are included in the forecast with allocations from agreed funding sources. Management continue to review expenditure incurred as part of the current hospital discharge process, working with partners as part of recovery action to ensure that costs are shared appropriately.
18. A detailed management action plan is underway to reduce the forecast overspend, maximise the delivery of the in-year savings plan and identify mitigations in the following areas:

- a) Review of recruitment and retention activity to ensure we maintain a highly skilled and effective workforce, and reduce reliance on agency/interim staff, with particular focus on roles in Commissioning, Adult Social Care Operations, Occupational Therapy and Housing.
  - b) Revised Occupational Therapy Delivery Model to be implemented from October 2023.
  - c) Transformation of current respite provision to redefine offer which is expected to deliver savings in 2024/25.
  - d) Review of income to ensure timely collection of all client contributions due to the council.
  - e) Implementation of a new framework to manage void properties to reduce repair and maintenance work required and associated costs incurred by the council.
  - f) Review of brokerage services to self-funding clients to deliver savings in 2024/25.
  - g) Maximised utilisation of commissioned services to deliver savings in 2024/25.
  - h) Increased focus on Client reviews to manage pressures in high cost care packages to meet Learning Disability needs.
  - i) Enhanced recruitment controls to include: Corporate Director approval for all agency and interim staffing requests and business case requirement for recruitment to permanent vacancies.
  - j) Exit plans to be determined for all current agency staff aligned to absence management of permanent staff.
  - k) Working collaboratively with NHS colleagues to ensure the most appropriate and cost-effective pathways are in place for those people being discharged from hospital settings and ensuring that the necessary joint funding arrangements are in place as necessary.
19. It is estimated that the actions outlined above will reduce the £3.3 million forecast overspend by £1.8 million. The operational and financial impact of the actions planned to reduce the overspend will continue to be monitored and reported in the next budget monitoring report to Cabinet with further actions to be identified.

### **Children & Young People**

20. Services for children and young people continue to face significant pressures with growing demand, greater complexity, national challenges in workforce recruitment and retention and increased financial constraints. An overspend of £9.6m was reported in 2022/23 with significant pressures in unit cost prices, inflation and rising demand for placements and transport services continuing into 2023/24.
21. Delivery of the Children's Services Improvement Plan is a key priority for the service and the use of agency and interim staff to provide additional capacity to support transformation represents a key pressure in 2023/24. Focused recruitment and retention activity to increase the number of permanent frontline social workers is expected to reduce the reliance on agency staff, over a three year period, to develop a stable and resilient workforce to make a positive and sustainable difference to the lives of children and families across the county.
22. A lack of sufficiency within suitable local children's social care placements is a key driver in the above- inflation increases in residential placement costs with many children placed out of county to ensure their needs are met. There are also continued challenges in the recruitment of in-house foster carer resulting in higher cost alternatives including independent fostering agencies, residential and unregistered placements.

23. The council continues to support Unaccompanied Asylum Seeking Children (UASC) as the number of children arriving in the UK in 2023/24 increases. This unbudgeted expenditure represents the council's responsibility to support and protect these vulnerable and young people.
24. The forecast overspend of £10.6 million at June 2023 includes key pressures due to reliance on agency and interim staff, savings plans at risk, one-off expenditure to support the Transformation Plan exit strategy, increased residential placement costs and the impact of additional demand for Special Educational Needs (SEN) transport. The main reasons for the variances are detailed below:
- a) SEN Transport +£1.1 million overspend as a result of an increase in the number of new SEN pupils added to the service alongside inflationary pressures and demand for transport services in and out of county in 2023/24.
  - b) Total Improvement (Quality Assurance Team) +£0.5 million overspend representing additional costs forecast to be incurred to the end of March 2024 for Listening to Families.
  - c) Additional Needs (Short Breaks and Respite) +£0.3 million overspend representing increased placement costs and underachievement of chargeable income in the Educational Psychology Service due to reduce staff capacity.
  - d) Agency Fostering +£0.5 million overspend as a result of growth in placements and increased package costs in addition to inflationary uplifts.
  - e) Looked After Children (UASC) +£0.3 million overspend arising due to increases in demand and placement costs whilst Home Office levels of funding remain unchanged.
  - f) Looked After Children (Complex Needs) +£0.3 million overspend as a result of increases in the number of children requiring complex support.
  - g) £3.1 million cost pressures across the Directorate as a result of agency and interim staff cost pressures and challenges of permanent recruitment in 2023/24.
  - h) At Q1, £4.5 million Directorate Savings targets are assessed to be at risk of delivery in 2023/24.
25. A detailed management action plan is underway to contain and reduce the forecast overspend in 2023/24 whilst maintaining the pace and quality of service improvements. Activity is planned in the following areas:
- a) Restrictions on the recruitment of agency staff and focus on recruitment of permanent staff to budgeted posts.
  - b) Launch and promotion of revised recruitment and retention offer to encourage and incentivise individuals to join the permanent workforce.
  - c) Increased controls/review of scheme of delegation in respect of expenditure for high cost placements.
  - d) A critical review of high cost placements to ensure suitability linked to a child's needs and value for money.
  - e) Continued focus on reunification to support the step down of care where it is considered safe and appropriate.
26. The operational and financial impact of these actions will continue to be monitored and reported in the next budget monitoring report to Cabinet.

## **Economy & Environment**

27. There is a forecast overspend of £0.6 million representing reductions in forecast income and savings plans at risk offset by underspends in energy costs and concessionary travel. The main reasons for the variances are detailed below:
- a) Economy & Growth +£1.2 million overspend representing reduced forecast Development Planning income of £0.8 million and an unmet savings target to deliver transformation of Planning & Regulatory Services of £0.4 million.
  - b) Management budget +£0.8 million overspend as a result of staffing cost pressures and Directorate Transformation savings targets assessed as at risk of delivery in 2023/24.
  - c) Energy -£0.5 million underspend as a result of increased gas costs of £0.3 million offset by reduced electricity costs of £0.8 million.
  - d) Concessionary Travel -£0.4 million underspend as a result of reduced service use in 2023/24. Source data which informs the forecast will continue to be monitored throughout the year to identify changes in activity.
  - e) Home to School Transport -£0.3 million underspend representing increased transport contract costs offset by additional income from vacant seats.
28. A detailed management action plan is being developed to reduce the forecast overspend, maximise the delivery of the in-year savings plan and identify mitigations in the following areas:
- a) Restrictions on recruitment activity to reduce pressures in 2023/24 and review of agency staffing arrangements and exit plans for interim filled posts.
  - b) Continue to maximise income and reduce expenditure across all traded services.
  - c) A focused review of Development Planning income and expenditure to inform proposals to ensure increased recovery of costs and maximisation of income for chargeable services in 2023/24.
  - d) The Planning Improvement Board will consider the charging process and fee structure for pre-application advice; it is expected that planned changes will be implemented from 1 October 2023 to improve the forecast income over the remainder of 2023/24.
29. It is estimated that the actions outlined above will reduce the £0.6 million forecast overspend by £0.6 million. The operational and financial impact of the actions planned to reduce the overspend will continue to be monitored and reported in the next budget monitoring report to Cabinet.

### **Corporate Services**

30. There is a forecast overspend of £2.4 million at June 2023 representing key pressures due to savings plans at risk, agency staff cost pressures and invest to save costs to support corporate transformation.
- a) Transformation and Performance +£1.1 million overspend in respect of costs associated with the council wide transformation programme. Financial benefits of £0.3 million during 2023/24 are expected to be delivered as a direct result of planned transformation with a further £1.0 million in 2024/25.
  - b) Programme Management Office net +£0.6 million overspend as a result of staffing cost pressures to deliver project support across all Directorates.
  - c) Chief Executive's Office +£0.3 million overspend arising due to staffing cost pressures.
  - d) Strategic Assets (Property Services) +£0.3 million overspend which represents savings targets from the exit of inefficient properties which are assessed to be at risk of delivery in 2023/24.



31. A detailed management action plan is in place to reduce the forecast overspend, maximise the delivery of the in-year savings plan and identify mitigations in the following areas:
- Review of capitalisation of eligible expenditure to support transformation and increase in year benefit realisation.
  - Continue to review council properties to identify opportunities to exit/stop use or generate additional third party rental income.
  - Stretch of savings expected to be delivered in year and identification of mitigating savings.
  - Transformation of supplier payment programme to achieve process efficiencies, support commercial negotiations and deliver savings on third party spend.
32. It is estimated that the actions outlined above will reduce the £2.4 million forecast overspend by £1.6 million. The operational and financial impact of the actions planned to reduce the overspend will continue to be monitored and reported in the next budget monitoring report to Cabinet with further actions to be identified.

## Savings

33. Council approved a total of £14.1 million Directorate Savings for 2023/24. A review of the delivery and status of the 2023/24 approved savings has been undertaken informed by planned and actual activity in the year to date to determine savings targets at risk of in-year delivery. This initial review **identifies £7.8 million of this target at risk of delivery** at Quarter 1.
34. The **delivery of savings in full and on time is critical** to ensure the 2023/24 revenue outturn position is balanced and to prevent further pressure on future years' budgets. Progress on delivery of savings and mitigations will continue to be monitored and reported in the next budget monitoring report to Cabinet.
35. A breakdown, by Directorate, of the savings at risk of delivery in 2023/24 is shown in Table 4 below.

**Table 4: Assessment of Delivery of Savings at Quarter 1**

	Target £m	At Risk £m	In Progress £m	On Target £m	Delivered £m
Community & Wellbeing	6.1	2.0	3.0	0.8	0.3
Children & Young People	4.5	4.5	-	-	-
Economy & Environment	2.2	1.0	0.8	0.2	0.2
Corporate Services	1.3	0.3	0.7	0.1	0.2
<b>Total</b>	<b>14.1</b>	<b>7.8</b>	<b>4.5</b>	<b>1.1</b>	<b>0.7</b>

36. Explanations for under/non-delivery and planned mitigations, identified as part of Directorate recovery plans, are set out below:

Savings Target	Approved Savings £'000	Forecast At Risk £'000	Reason for under/non-delivery and planned mitigations
<b>Community Wellbeing</b>			
S1: Stable Engaged Workforce	710	500	A focused review of recruitment and retention activity is underway with particular focus on vacant posts to deliver required savings in 2023/24.
S4: Occupational Therapy Delivery Model	100	100	A review of the current Occupational Therapy delivery model is planned to be

			reported in September with implementation of the revised model from October 2023 to deliver required savings in 2023/24.
S6: Respite Provision	300	300	A review of the current respite provision is underway. Work will be completed over the remainder of 2023/24 with savings expected to be delivered from 1 April 2024.
S10: Process Efficiency - Income Collection & Debt Management	600	600	A review of the timing of income collection is underway to deliver the required savings in 2023/24.
S11: Process Efficiency - Repairs and Maintenance	100	100	A revised framework for repair and maintenance will be in operation from Q2 to minimise remedial work and associated expenditure and deliver the required savings in 2023/24.
S12: Process Efficiency - Brokerage	100	100	Process efficiencies are currently under review. Work will be completed over the remainder of 2023/24 with savings expected to be delivered from 1 April 2024.
S13: All Age Commissioning	300	300	A review to maximise utilisation of existing commissioned services is underway. Work will be completed over the remainder of 2023/24 with savings expected to be delivered from 1 April 2024.
	<b>2,210</b>	<b>2,000</b>	
<b>Children &amp; Young People</b>			
S18: Placement Management	2,500	2,500	A focused review of needs and placement costs is underway as part of practice improvements and service transformation.
S19: Recruitment and Retention	2,000	2,000	A revised recruitment and retention offer will be launched in September 2023 to increase the pace of permanent recruitment and reduce reliance on agency staff, aligned to planned practice improvements and service transformation.
	<b>4,500</b>	<b>4,500</b>	
<b>Economy &amp; Environment</b>			
S21: Waste Collections	80	80	The original change in policy has not been delivered in 2023/24, however an increase in trade related activity will mitigate this target.
S23: Fees & Charges	300	85	Planned fee uplifts have been applied across fees & charges in this service area. Achievement of savings assessed as at risk will be monitored over the remainder of 2023/24 and mitigations identified if the forecast savings cannot be delivered in full.
S24: Fixed Penalty Notices	50	50	Introduction of trial enforcement for littering offences - Cabinet Member does not wish to pursue this activity in 2023/24. It is expected that in year vacant posts in the service will deliver the required savings in 2023/24.
S25: Transformation Planning & Regulatory Services	350	350	This target was based on assumptions re planned national increases to planning charges. These increases will now not be implemented until April 2024. This target remains at risk as fees in the Service are restricted to the government approved

			charging rates. Further opportunities will be investigated by the Planning Improvement Board to identify mitigations in 2023/24.
S28: Directorate Transformation	600	600	A Directorate Transformation Board is in place to review and prioritise transformation proposals which have been identified across the Directorate. A detailed business case for each proposal will be developed with a focus on maximising income generation and savings in 2023/24. Delivery against each specific target will be monitored and risk of delivery reported.
S29: Public Realm Future Operating Model costs	(180)	(180)	Ongoing development of future operating model prior to final recommendation on proposed changes to how the services are delivered. This represents an additional cost expected to be incurred in 23/24.
	<b>1,200</b>	<b>985</b>	
<b>Corporate Services</b>			
S29: Exit from inefficient properties	300	300	The Service will continue to review the use of council assets to determine exit plans or opportunities for additional rental income generation to deliver required savings in 2023/24.
	<b>300</b>	<b>300</b>	
<b>TOTAL</b>	<b>8,210</b>	<b>7,785</b>	

## Capital Budget

37. The 2023/24 approved capital budget of £140.3 million has been revised to £168.1 million. The revised capital budget includes £18.8m of unspent project budgets brought forward from 2022/23, approved movements of (£0.6m) and £9.6m of additional grants. A summary breakdown is shown in the Table below.

	<b>2023/24 Budget £'000</b>	<b>2024/25 Budget £'000</b>	<b>2025/26 Budget £'000</b>	<b>2026/27 Budget £'000</b>	<b>Total</b>
February 2023 Council Approved Budget	140,283	103,771	52,177	6,270	302,501
Other approved movements	(573)	(3,000)	(9,000)	(1,400)	(13,973)
22/23 Carry Forwards	18,790	-	-	-	18,790
Additional Grants	9,565	8,385	-	-	17,950
<b>Revised Capital Budget</b>	<b>168,065</b>	<b>109,156</b>	<b>43,177</b>	<b>4,870</b>	<b>325,268</b>

38. The forecast spend position is £85.6 million which represents an under spend of £82.4 million against a budget of £168.1 million. Full details for each project are in Appendix b, Table a. This underspend consists of £2.7 million projects that have delivered below the project budget and a further £79.7 million of budgets to be carried forward to 2024/25. 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. This forecast under spend position will reduce in Q2 when the budgets are reprofiled to match expected delivery, as per the guidance from external audit to have an updated budget position half way through the year, rather than continuing to report under spends. The full capital programme analysed by project for current and future years can be seen in detail by appendix B.

## **Performance: Economy**

39. All the projects are now being captured in detail on delivery dashboard and progress monitored. Of the 22 activities of the delivery plan, 4 are complete (blue), 11 are on track (green), 5 are at risk (amber) and 2 are paused (violet).
40. Where targets have been set, 79 percent 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.
41. Following the elections in May, there has been a particular focus on a number of new Council priorities, and teams have been supporting sub-groups, that have both been informing Cabinet on the current position, in terms of policy, funding, and decisions, and then aligning these to the new priorities for the administration. These, in the first instance, have focused on – (1) delivering the new waste strategy and appointment of a new service provider, (2) investment in our road network by firstly delivering a package of measures funded from the Government's Pothole funding, as preliminary works as part of a wider capital investment programme, (3) delivering the Southern Link Road and Western Crossing, along with a review of the Eastern Crossing project; and (4) Model Farm Enterprise Park, and the agreement on how best to commence delivery of this key employment land site.
42. Many of these will have either a direct or indirect impact on a number of key policies, such as the evolving Local Plan, Local Transport Plan, City Masterplan and Economic Strategy, and so along with the work of the sub-groups, we have been considering how these changes can be reflected on each of the above, either during their formulation, or any need for redrafting.
43. Another key piece of work carried out during this period, has been the review of the Library project which culminated in a decision being taken by Cabinet on 20 July to complete a full business case that will assess the benefits and viability of re-locating the library to the Shirehall, which has been identified as their preferred location. A final decision will be made by Cabinet in October. It was considered the Shirehall could deliver greater benefit to the city and county whilst breathing new life into and bringing an outstanding heritage asset back into use as a civic building and creating a showpiece library and learning centre within it.
44. Land sales at the Hereford Enterprise Zone remain on track, although private sector businesses reporting significant increases in construction cost inflation since initial interest.
45. Range of UK Shared Prosperity Fund grants being launched. The Festival and Event Grant Fund was the first to launch in June, received a high level of applications and all funds committed in the first round. Cultural grant schemes launched in July.

## **Performance: Environment**

46. Of the 26 activities (Projects) of the delivery plan, 1 is complete (blue), 22 are on track (green), 2 are at risk (amber), and 1 is compromised (red).
47. Where targets have been set, 80 percent 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.
48. Work continues on the Public Realm Future Operating Model programme, and we are actively engaged in discussions with BBLP, to agree the services that would be transferred back to the Council. A final report is due to be presented to Cabinet in November. At the same time, we have commenced a detailed discussion with BBLP with regards to the need to replace all existing Plant and Fleet. This will require a fundamental review of existing fleet, what needs replacing

and when, the options to reshape services as a result, and then the funding arrangements to deliver this.

49. Keep Herefordshire Warm advice service is delivering as expected for this time of year and we have had a successful transition to a new provider YES after an open procurement exercise. The KPI is red because we have doubled our target compared to last year (2,000 instead of 1,000 enquiries) and the Spring tends to see lower levels of enquiries compared to Autumn/Winter.
50. Carbon County Reduction - Marches Energy Grant to commence August.
51. Home Upgrade Grant (HUG) 2 to commence September.

### **Performance: Community**

52. Of the 48 activities of the delivery plan, 14 have been completed (blue), 23 are on track (green), and 7 are at risk (amber), 1 is compromised (red) and 3 are paused (violet).
53. 92 percent of reported performance measures within the theme have met, or exceeded targets – there remains some work to ensure all measures have targets established. 70 percent of measures have shown an improvement on the same point last year where comparison can be made.
54. All performance measures in Community Wellbeing are currently broadly on track this year; however, admissions to residential and nursing care are starting to increase, as was the case in 2022-2023, linked to higher acuity of need. Recruitment across the care sector remains a major challenge and this is particularly evident in the domiciliary care market where challenge continues both for people waiting for new/additional hours in the community, as well as those seeking to move on from the HomeFirst (reablement) service.
55. The work on Hillside to make the dementia friendly adaptations has now been completed, subject to final snagging works and external landscaping. Work is now commencing on the demonstration and assessment unit which is a key strand of the approach to technology enabled living and this is due to open by the end of the calendar year.
56. Work to prepare for the new inspection/assurance framework for local authority adult social care services continues. The Care Quality Commission is undertaking three pilot inspections across the country prior to the first inspections under the framework starting in the autumn. Locally, a self-assessment has been completed which has informed a specific improvement plan as part of the directorate's overall transformation strategy. A readiness review undertaken by West Midlands Association of Directors of Social Services (ADASS) took place in July 2023 and the feedback from this is now being taken forward.
57. Work is underway to review and retender the NHS health checks contract, which is due for renewal in March 2024. Soft market testing is underway and ends on 18 July 2023. Stakeholder engagement, informed by evidence to support the service specification, begins from the end of July.
58. Recurrent funding was secured from the Integrated Care Board for a Suicide Prevention Co-ordinator that will sit within public health and recruitment is now underway.
59. Public Health won the Public Health West Midlands regional award for the best Local Authority project for their work on food sustainability and working with partners. Herefordshire Council's team beat competition from Birmingham, Dudley, Shropshire and Worcestershire to claim first prize. The judges could see that the award-winners took a three-pronged approach to their

sustainable food project. The Herefordshire team's strategy was to bring together partners in related industries to make food systems more accessible. They also part-funded a coordinator's role to manage their new approach. Those strands were brought together to support local activities to help promote a sustainable food system.

60. Finally, our Trading Standards team have been successful with their Maxii illegal tobacco conspiracy investigation, which resulted in 4 guilty pleas - the value of goods seized was circa £150k, 1 of the defendants appears to have been detained by the National Crime Agency (NCA) at Manchester Airport as part of a large scale people smuggling operation originating from France. The other has continued to offend nationally whilst on bail across the UK. This highlights the level of criminality of those we in Trading Standards investigate and prosecute. This is the first successful conspiracy investigation taken by Herefordshire Council.

### **Performance: Corporate**

61. A set of measures of corporate performance, 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 2022/23, 62 per cent are showing an improvement. 61 per cent of measures which have targets set are meeting or exceeding target.
62. The proportion of invoices paid on time improved following a dip in May and is above target for the year to date. The number of invoices received in June was 11,044 compared to 7,044 in April and 9,980 in May.
63. Council tax collection rates remain on a par with last year; business rate collection rates are currently lower than last year, which included the Covid-19 Additional Relief Fund (CARF) making comparisons difficult until later in the year. The gap in performance between years is reducing, however, following the posting of journal payments in June.
64. Processing of housing benefit new claims and change of circumstance are starting to improve following implementation of council tax relief scheme which had caused a backlog.
65. Responding to FOIs and EIRs remains better than target. 253 of the 260 requests received during the first three months have been responded to within timescale.
66. Despite being behind target there has been significant improvement in the response times to complaints across directorates.
67. Continued shift in proportion of parking transactions being made by card or phone. 279,895 / 466,426 transactions have been made by card or phone in the first three months.
68. Improvement in recovery rate of penalty charge notices (PCN) during June, meaning the average amount collected per PCN is only marginally below target.

### **Community impact**

69. 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.

70. 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**

71. 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**

72. 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.
73. 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.
74. 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**

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

### **Risk management**

76. 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**

77. 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

78. 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:

Governance	John Coleman	Date 13/09/2022
Finance	Karen Morris	Date 18/09/2022
Legal	Sean O'Connor	Date 18/09/2023
Communications	Luenne Featherstone	Date 13/09/2023
Equality Duty	Harriet Yellin	Date 18/09/2023
Procurement	Lee Robertson	Date 18/09/2023
Risk	Kevin Lloyd	Date 18/09/2023
Approved by	Rachael Hart	Date 18/09/2023



## Appendix A: 2023/24 Revenue Outturn Quarter 1 (June 2023)

2023/24 Forecast Revenue Outturn at Quarter 1 (June 2023)			
	2023/24 Revenue Budget £m	Q1 Forecast Outturn £m	Q1 Forecast Variance £m
Community Wellbeing	68.4	71.7	3.3
Children & Young People	52	62.6	10.6
Economy & Environment	27.7	28.3	0.6
Corporate Services	25.9	28.3	2.4
All Ages Social Care	2.6	-	(2.6)
<b>Directorate Total</b>	<b>176.6</b>	<b>190.9</b>	<b>14.3</b>
Central	16.7	15.9	(0.8)
<b>Total</b>	<b>193.3</b>	<b>206.8</b>	<b>13.5</b>

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Community Wellbeing	2023/24 Approved Revenue Budget £'000	Q1 Forecast Outturn £'000	Q1 Forecast Variance £'000
Learning Disabilities	24,779	25,267	488
Memory & Cognition	2,402	2,485	83
Mental Health	3,918	3,792	(126)
Physical Support	34,009	33,019	(990)
Sensory Support	410	362	(48)
<b>Client sub-total</b>	<b>65,518</b>	<b>64,925</b>	<b>(593)</b>
All Ages Commissioning	2,713	2,888	175
Care Operations	6,815	7,471	656
Commissioned Services	5,527	6,402	875
Transformation and Improvement	1,083	980	(103)
Housing	1,136	1,236	100
Prevention and Support	1,775	1,703	(72)
Talk Community Programme	1,775	1,773	(2)

Director and Management	(20,599)	(18,328)	2,271
Public Health	100	130	30
<b>Non-client sub-total</b>	<b>325</b>	<b>4,255</b>	<b>3,930</b>
<b>Adults, Health and Wellbeing Portfolio</b>	<b>65,844</b>	<b>69,180</b>	<b>3,336</b>
Cultural Services	2,145	2,153	8
<b>Community Services and Assets Portfolio</b>	<b>2,145</b>	<b>2,153</b>	<b>8</b>
Strategic Housing	359	371	12
<b>Economy and Growth Portfolio</b>	<b>359</b>	<b>371</b>	<b>12</b>
<b>Directorate Total</b>	<b>68,348</b>	<b>71,704</b>	<b>3,356</b>

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<b>Children &amp; Young People</b>	<b>2023/24 Approved Revenue Budget £'000</b>	<b>Q1 Forecast Outturn £'000</b>	<b>Q1 Forecast Variance £'000</b>
Children's Commissioning	461	467	5
Director's Office	620	1,054	434
Total Improvement	5,882	3,225	(2,657)
Total Youth Offending	197	197	-
<b>Total Children's Directorate Costs</b>	<b>7,161</b>	<b>4,943</b>	<b>(2,218)</b>
Additional Needs	6,049	7,516	1,467
Commissioning Management	873	855	(18)
Development and Sufficiency	516	454	(62)
Early Years	90	175	85
Education Improvement	470	606	136
<b>Total Education and Commissioning</b>	<b>7,999</b>	<b>9,607</b>	<b>1,608</b>
Total Children in Need	5,072	7,290	2,218
Total Early Help	2,022	2,373	350
Total Looked After Children	26,617	34,390	7,772
Total Safeguarding and Early Help	1,313	1,919	606
Total Safeguarding and Review	1,167	1,446	279
Total Safeguarding and Development	618	671	53
<b>Total Safeguarding and Family Support</b>	<b>36,810</b>	<b>48,089</b>	<b>11,279</b>
<b>Directorate Total</b>	<b>51,970</b>	<b>62,639</b>	<b>10,669</b>

<b>Economy &amp; Environment</b>	<b>2023/24 Approved Revenue Budget £'000</b>	<b>Q1 Forecast Outturn £'000</b>	<b>Q1 Forecast Variance £'000</b>
Management	(218)	627	845
Economy and Growth	1,347	2,527	1,180
Environment, Highways and Waste	26,606	25,134	(1,472)
<b>Directorate Total</b>	<b>27,735</b>	<b>28,288</b>	<b>553</b>

<b>Corporate Services</b>	<b>2023/24 Approved Revenue Budget £'000</b>	<b>Q1 Forecast Outturn £'000</b>	<b>Q1 Forecast Variance £'000</b>
Chief Executive's Office	1,069	1,420	351
Corporate Support Services	4,157	4,202	45
Governance and Legal Services	5,823	5,758	(65)
HR and Organisational Development	1,779	1,896	117
Strategic Assets	2,747	3,052	305
Strategic Finance	7,227	7,219	(8)
Transformation, PMO and Performance	3,142	4,796	1,654
<b>Directorate Total</b>	<b>25,944</b>	<b>28,343</b>	<b>2,399</b>

<b>Central</b>	<b>2023/24 Approved Revenue Budget £'000</b>	<b>Q1 Forecast Outturn £'000</b>	<b>Q1 Forecast Variance £'000</b>
<b>Total</b>	<b>16,694</b>	<b>15,877</b>	<b>- 817</b>



**Table A - 2023/24 Capital Programme Forecast  
Position June 2023**

				2023/24			
*Adjustments include 22/23 carry forwards and additional grants allocations	2023/24 Original Budgets £000s	Adjustments in Year* £000s		Current Capital Budget £000s	Q1 Forecast £000s	Forecast Variance to Current Budget £000s	Reason for Forecast Variance to Current Capital Budget
		2022/23 C/Fwd	Grant & Other changes Table B				
Disabled facilities grant	2,540	1,223	269	4,031	4,031	0	
Super Hubs	2,000	0	0	2,000	500	-1,500	The scheme has just been announced and due to timing and the length of time it takes to deliver capital works, we're not sure all grants would be released on defrayal of spend within the financial year. It also depends on sufficient applications.
<b>Total Community Wellbeing Delivery Board</b>	<b>4,540</b>	<b>1,223</b>	<b>269</b>	<b>6,031</b>	<b>4,531</b>	<b>-1,500</b>	
Hillside	0	121	0	121	121	0	
Empty Property Investment & Development	900	19	0	919	919	0	
Gypsy & Traveller Pitch development	1,092	4	0	1,096	1,096	0	
Strategic Housing Development	6,200	1,180	0	7,380	1,000	-6,380	Acquisitions did not go ahead as anticipated and therefore no building works have commenced.
Private sector housing improvements	0	111	0	111	111	0	
<b>Total Housing &amp; Accommodation Delivery Board</b>	<b>8,192</b>	<b>1,435</b>	<b>0</b>	<b>9,626</b>	<b>3,247</b>	<b>-6,380</b>	

Electronic Document Management Storage	0	12	0	12	0	-12	Project has completed under budget
Capital Development Fund	500	500	0	1,000	0	-1,000	No projects have been approved to use this funding.
Key Network Infrastructure (Core Data Centre Switches & Corporate Wi-Fi)	0	412	0	412	412	0	
HARC SAN Lifecycle Replacement	372	0	0	372	372	0	
Data Centre Equipment Lifecycle Replacement	329	0	0	329	329	0	
Windows Server Upgrades	330	0	0	330	330	0	
Backup Storage	82	0	0	82	82	0	
Device and Ancillary kit replacement programme	365	0	0	365	365	0	
M365 E5 Implementation	300	0	0	300	300	0	
Primary Data Storage Area Network (Plough Lane)	0	63	0	63	63	0	
<b>Total IT Services Partnership Board</b>	<b>2,278</b>	<b>987</b>	<b>0</b>	<b>3,265</b>	<b>2,253</b>	<b>-1,012</b>	
Flexible Futures	0	582	0	582	582	0	
My Account	130	302	0	432	7	-425	Project is part of the transformation work and will be about 6 months before a decision is made on what further work will be done.
<b>Total Corporate Transformation Delivery Board</b>	<b>130</b>	<b>883</b>	<b>0</b>	<b>1,013</b>	<b>589</b>	<b>-425</b>	
Schools Capital Maintenance Grant	3,908	1,751	33	5,693	2,000	-3,693	Phasing delays to some major projects as well as issues around ecology. Ring-fenced grant so has to be carried forward.

Peterchurch Area School Investment	7,350	96	0	7,446	350	-7,096	Procurement taking place later than anticipated, due to timeframe will slip into 24/25.
Brookfield School Improvements	3,654	177	0	3,830	3,096	-734	Delays due to agreement on the finance arrangements and transfer of the trust.
High Needs Grant	1,077	223	0	1,300	300	-1,000	Awaiting decision on which projects to progress.
Basic Needs Funding	7,496	178	0	7,674	500	-7,174	Kingstone expansion has not progressed, therefore delayed while the decision to expand Aylestone was taken. Ring-fenced grant so has to be carried forward.
Preliminary works to inform key investment need throughout the county	0	303	0	303	303	0	
School Accessibility Works	1,000	3	0	1,003	1,003	0	
Estates Capital Programme 2019/22	1,810	511	0	2,322	1,322	-1,000	The under spend is mainly due to the Shirehall budget that has been held until a decision on the future use of the site is taken.
Residual property works identified in the 2019 condition reports	193	1,159	0	1,351	1,351	0	
Estates Building Improvement Programme 22-25	1,414	1,155	0	2,569	2,569	0	
Estates Building Improvement Programme 2023-25	2,460	0	0	2,460	1,230	-1,230	Due to some none tender returns and delays to procurement, these works are expected to deliver later than originally planned.
Fly-Tipping Intervention Scheme	0	0	30	30	30	0	
Upgrade of Hereford CCTV Cameras	0	4	0	4	4	0	
Changing Places	0	0	287	287	287	0	

Hereford Library	200	0		200	0	-200	Project on hold until the works begin on the Broad St building.
<b>Total Asset Management Delivery Board</b>	<b>30,562</b>	<b>5,560</b>	<b>350</b>	<b>36,472</b>	<b>14,345</b>	<b>-22,126</b>	
E & E's S106	3,703	855	0	4,558	2,776	-1,782	Delay to the appointment of professional services.
C & F's S106	1,017	359	0	1,376	2,680	1,304	Some school led projects are expected to deliver earlier than originally anticipated
<b>Total Planning Delivery Board</b>	<b>4,720</b>	<b>1,213</b>	<b>0</b>	<b>5,933</b>	<b>5,456</b>	<b>-477</b>	
Local Transport Plan (LTP)	15,466	0	0	15,466	15,466	0	
Priority Flood Repair Works	0	1,159	0	1,159	340	-818	Works will complete under budget and not use the contingency.
Extra Ordinary Highways Maintenance & Biodiversity Net Gain	392	16	0	408	408	0	
Public Realm Maintenance - Mitigating Risk on the Network	2,475	1,374	0	3,849	3,409	-440	Not expected to need the full budget to deliver all the works but this is behind expected delivery.
Highways Maintenance and pot hole repairing 2023/24	0	0	2,558	2,558	2,558	0	
Winter Resilience	145	532	0	677	227	-450	Lead time for purchase of equipment is 26 weeks, therefore slipping to 24/25.
Highways Equipment	0	507	0	507	507	0	
Natural Flood Management	234	255	0	489	216	-273	Budget required in future years as delays in NFM projects. Specific grant so needs to be carried forward.
Highways Infrastructure Investment	4,085	0	0	4,085	4,085	0	
Public Realm Improvements for Ash Die Back	315	0	0	315	315	0	
Moving Traffic Enforcement Phase 2	144	0	0	144	144	0	



Masters House	762	0	0	762	0	-762	No grant funding to do these works has been awarded.
<b>Total Highways Maintenance Delivery Board</b>	<b>24,018</b>	<b>3,843</b>	<b>2,558</b>	<b>30,419</b>	<b>27,676</b>	<b>-2,743</b>	
Integrated Wetlands	0	-152	900	748	748	0	
Solar Photovoltaic Panels	1,175	97	0	1,272	345	-927	Delays to planned works due to ecology issues and lack of suitable sites.
Wye Valley AONB	80	42	34	155	155	0	
SEPUBU Grant	290	54	0	344	17	-327	Not enough schemes have come forward to utilise the grant.
Waste	18,090	0	0	18,090	750	-17,340	Due to the delivery timescale, any new purchases of vehicles and equipment would arrive next financial year.
E-Cargo Bike Share	73	0	12	85	85	0	
Herefordshire Retrofit Hub	2,042	0	0	2,042	0	-2,042	No grant funding to do these works has been awarded.
Green Homes Grant - Local Authority Delivery	0	293	0	293	198	-95	Not enough schemes have come forward to utilise all the grant.
Home Upgrade Grant	3,098	1,203	0	4,301	3,801	-500	Not enough schemes have come forward to utilise all the grant.
<b>Total Environment &amp; Sustainability Delivery Board</b>	<b>24,848</b>	<b>1,537</b>	<b>946</b>	<b>27,331</b>	<b>6,100</b>	<b>-21,231</b>	
Hereford Enterprise Zone	200	221	0	421	421	0	
Marches Business Investment Programme	205	340	0	544	486	-58	Not enough schemes have come forward to utilise all the grant.
Employment Land & Incubation Space in Market Towns	3,000	500	0	3,500	0	-3,500	No decisions have yet been taken on how to utilise this budget
Leominster Heritage Action Zone	1,833	176	0	2,009	2,009	0	
Safer Streets / CCTV	0	43	0	43	0	-43	Work complete under budget.
Fastershire Broadband	2,767	-1,551	0	1,216	4,603	3,386	Contractors are meeting their Milestones ahead of what was anticipated, therefore

							will spend some of the budget that had been reprofiled to 24/25.
Development Partnership activities	1,975	25	0	2,000	50	-1,950	Awaiting the outcome of a SWOT analysis and stakeholder agreement to commence works.
<b>Total Economic Development Delivery Board</b>	<b>9,980</b>	<b>-247</b>	<b>0</b>	<b>9,734</b>	<b>7,569</b>	<b>-2,165</b>	
Stronger Towns Fund - Hereford Museum & Art Gallery Redevelopment	10,800	-135	0	10,665	2,000	-8,665	Commencement of construction is going to be later than planned.
Stronger Towns Fund - Greening the City	332	-3	0	329	329	0	
UK Shared Prosperity Fund	210	81	0	290	290	0	
Rural Prosperity Fund	850		0	850	850	0	
Stronger Towns Fund - Maylord Orchard Redevelopment and Learning Resource Centre	2,732	334	0	3,066	3,066	0	This is based on the current project continuing and pre the cabinet review in July.
<b>Total Major External Funded Delivery Board</b>	<b>14,924</b>	<b>276</b>	<b>0</b>	<b>15,200</b>	<b>6,535</b>	<b>-8,665</b>	
Hereford City Centre Transport Package	4,899	1,356	0	6,255	1,500	-4,755	CPO came in less than forecasted, with professional fees still to be agreed and delay on transport hub expenditure
Hereford City Centre Improvements (HCCI)	1,892	608	0	2,500	2,050	-450	Business grants due next year now, agreed budget change discussions with LEP.
Hereford ATMs and Super Cycle Highway	1,000	0	0	1,000	500	-500	Match for LUF projects will be spent over the duration of all works.
Emergency Active travel Fund	0	119	0	119	119	0	
Active Travel Fund 4	0	0	306	306	156	-150	
LUF - Active Travel Measures (north of river)	0	-1	1,026	1,025	500	-525	Procurement is starting later than planned.

LUF - Active Travel Measures (south of river)	0	-2	4,038	4,036	2,500	-1,536	Procurement is starting later than planned.
Passenger Transport Fleet (Electric)	7,800	0	0	7,800	0	-7,800	No grant funding to do these works has been awarded.
<b>Total Sustainable Transport &amp; Place Making Delivery Board</b>	<b>15,592</b>	<b>2,080</b>	<b>5,370</b>	<b>23,041</b>	<b>7,325</b>	<b>-15,716</b>	
<b>Total</b>	<b>139,783</b>	<b>18,790</b>	<b>9,492</b>	<b>168,065</b>	<b>85,626</b>	<b>-82,439</b>	

Projects likely to be delayed into 23/24, some with no decisions yet made on spend, others with delays in delivery.	-79,722
Project to deliver under budget or not spend full grant allocation	-2,718
	-82,439

Table B – Overall Capital Programme position 2023/24

Scheme Name	Prior Years £000s	2023/24 budget £000s	2024/25 budget £000s	2025/26 budget £000s	2026/27 budget £000s	Total scheme budget £000s
Disabled facilities grant	0	4,031	2,000	0	0	6,031
Super Hubs	0	2,000	0	0	0	2,000
<b>Total Community Wellbeing Delivery Board</b>	<b>0</b>	<b>6,031</b>	<b>2,000</b>	<b>0</b>	<b>0</b>	<b>8,031</b>
Hillside	879	121	0	0	0	1,000
Empty Property Investment & Development	0	919	0	0	0	919
Gypsy & Traveller Pitch development	781	1,096	0	0	0	1,877
Strategic Housing Development	212	7,380	6,504	5,904	0	20,000
Private sector housing improvements	88	111	0	0	0	199
<b>Total Housing &amp; Accommodation Delivery Board</b>	<b>1,959</b>	<b>9,626</b>	<b>6,504</b>	<b>5,904</b>	<b>0</b>	<b>23,994</b>
Electronic Document Management Storage	303	12	0	0	0	315
Capital Development Fund	0	1,000	0	0	0	1,000
Key Network Infrastructure (Core Data Centre Switches & Corporate Wi-Fi)	143	412	0	0	0	555
HARC SAN Lifecycle Replacement	0	372	0	0	0	372
Data Centre Equipment Lifecycle Replacement	0	329	0	0	0	329
Windows Server Upgrades	0	330	0	0	0	330
Backup Storage	0	82	0	0	0	82
Device and Ancillary kit replacement programme	0	365	365	415	448	1,593
M365 E5 Implementation	0	300	150	0	0	450
Primary Data Storage Area Network (Plough Lane)	272	63	0	0	0	335
<b>Total IT Services Partnership Board</b>	<b>718</b>	<b>3,265</b>	<b>515</b>	<b>415</b>	<b>448</b>	<b>5,361</b>

Flexible Futures	268	582	0	0	0	850
My Account	11	432	0	0	0	443
<b>Total Corporate Transformation Delivery Board</b>	<b>280</b>	<b>1,013</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,293</b>
Schools Capital Maintenance Grant	0	5,693	1,195	0	0	6,888
Peterchurch Area School Investment	232	7,446	3,175	0	0	10,853
Brookfield School Improvements	375	3,830	795	0	0	5,000
High Needs Grant	77	1,300	2,678	0	0	4,055
Basic Needs Funding	0	7,674	8,610	0	0	16,284
Preliminary works to inform key investment need throughout the county	213	303	0	0	0	516
School Accessibility Works	0	1,003	0	0	0	1,003
Estates Capital Programme 2019/22	3,760	2,322	0	0	0	6,082
Residual property works identified in the 2019 condition reports	40	1,351	0	0	0	1,392
Estates Building Improvement Programme 22-25	174	2,569	264	0	0	3,007
Estates Building Improvement Programme 2023-25	0	2,460	1,247	0	0	3,707
Fly-Tipping Intervention Scheme	0	30	0	0	0	30
Upgrade of Hereford CCTV Cameras	38	4	0	0	0	42
Changing Places	0	287	0	0	0	287
Hereford Library	145	200	0	0	0	345
<b>Total Asset Management Delivery Board</b>	<b>5,055</b>	<b>36,472</b>	<b>17,963</b>	<b>0</b>	<b>0</b>	<b>59,490</b>
E & E's S106	0	4,558	1,092	1,922	0	7,572
C & F's S106	0	1,376	351	2,265	0	3,992
<b>Total Planning Delivery Board</b>	<b>0</b>	<b>5,933</b>	<b>1,443</b>	<b>4,187</b>	<b>0</b>	<b>11,563</b>
Local Transport Plan (LTP)	0	15,466	15,466	0	0	30,932
Priority Flood Repair Works	2,868	1,159	0	0	0	4,027
Extra Ordinary Highways Maintenance & Biodiversity Net Gain	1,891	408	0	0	0	2,299
Public Realm Maintenance - Mitigating Risk on the Network	1,101	3,849	0	0	0	4,950

Highways Maintenance and pot hole repairing 2023/24	0	2,558	0	0	0	2,558
Winter Resilience	0	677	290	435	0	1,402
Highways Equipment	41	507	0	0	0	548
Natural Flood Management	97	489	279	239	170	1,274
Highways Infrastructure Investment	0	4,085	4,085	3,985	3,885	16,040
Public Realm Improvements for Ash Die Back	0	315	367	367	367	1,416
Moving Traffic Enforcement Phase 2	0	144	0	0	0	144
Masters House	0	762	0	0	0	762
<b>Total Highways Maintenance Delivery Board</b>	<b>5,998</b>	<b>30,419</b>	<b>20,487</b>	<b>5,026</b>	<b>4,422</b>	<b>66,352</b>
Integrated Wetlands	2,252	748	0	0	0	3,000
Solar Photovoltaic Panels	862	1,272	0	0	0	2,134
Wye Valley AONB	55	155	116	0	0	326
SEPUBU Grant	88	344	0	0	0	432
Waste	0	18,090	0	0	0	18,090
E-Cargo Bike Share	0	85	0	0	0	85
Herefordshire Retrofit Hub	0	2,042	0	0	0	2,042
Green Homes Grant - Local Authority Delivery	526	293	0	0	0	819
Home Upgrade Grant	522	4,301	4,646	0	0	9,469
<b>Total Environment &amp; Sustainability Delivery Board</b>	<b>4,304</b>	<b>27,331</b>	<b>4,763</b>	<b>0</b>	<b>0</b>	<b>36,397</b>
Hereford Enterprise Zone	14,526	421	0	0	0	14,947
Marches Business Investment Programme	2,884	544	0	0	0	3,428
Employment Land & Incubation Space in Market Towns	341	3,500	10,000	6,860	0	20,701
Leominster Heritage Action Zone	1,095	2,009	0	0	0	3,104
Safer Streets / CCTV	340	43	0	0	0	383
Fastershire Broadband	26,990	1,216	7,532	0	0	35,738
Development Partnership activities	10,415	2,000	3,000	5,185	0	20,600

<b>Total Economic Development Delivery Board</b>	<b>56,591</b>	<b>9,734</b>	<b>20,532</b>	<b>12,045</b>	<b>0</b>	<b>98,901</b>
Stronger Towns Fund - Hereford Museum & Art Gallery Redevelopment	1,535	10,665	5,800	0	0	18,000
Stronger Towns Fund - Greening the City	81	329	0	0	0	410
UK Shared Prosperity Fund	0	290	845	0	0	1,135
Rural Prosperity Fund	0	850	856	0	0	1,706
Stronger Towns Fund - Maylord Orchard Redevelopment and Learning Resource Centre	434	3,066	0	0	0	3,500
<b>Total Major External Funded Delivery Board</b>	<b>2,050</b>	<b>15,200</b>	<b>7,500</b>	<b>0</b>	<b>0</b>	<b>24,751</b>
Hereford City Centre Transport Package	37,224	6,255	3,500	0	0	46,979
Hereford City Centre Improvements (HCCI)	3500	2,500	0	0	0	6,000
Hereford ATMs and Super Cycle Highway	0	1,000	0	0	0	1,000
Emergency Active travel Fund	0	119	0	0	0	119
Active Travel Fund 4	0	306	0	0	0	306
LUF - Active Travel Measures (north of river)	251	1,025	3,190	0	0	4,466
LUF - Active Travel Measures (south of river)	2	4,036	5,159	0	0	9,197
Passenger Transport Fleet (Electric)	0	7,800	15,600	15,600	0	39,000
<b>Total Sustainable Transport &amp; Place Making Delivery Board</b>	<b>40,976</b>	<b>23,041</b>	<b>27,449</b>	<b>15,600</b>	<b>0</b>	<b>107,066</b>

<b>Total</b>	<b>117,931</b>	<b>168,065</b>	<b>109,156</b>	<b>43,177</b>	<b>4,870</b>	<b>443,199</b>
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	<b>2023/24 Budget £000s</b>	<b>2024/25 Budget £000s</b>	<b>2025/26 Budget £000s</b>	<b>2026/27 Budget £000s</b>	<b>Total</b>
February 2023 Council Approved Budget	140,283	103,771	52,177	6,270	302,501
Other approved Movements	-573	-3,000	-9,000	-1,400	-13,973
22/23 Carry Forwards	18,790	-	-	-	18,790
Additional Grants	9,565	8,385	-	-	17,950
<b>Revised Capital Budget</b>	<b>168,065</b>	<b>109,156</b>	<b>43,177</b>	<b>4,870</b>	<b>325,268</b>

**Grant Additions since February Council**

	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>£000s</b>
Levelling up fund for North and South ATMs	5,064	8,349			13,412
Integrated Wetlands - NHB	900				900
Changing Places	287				287
Highways Maintenance and pot hole repairing 2023/24	2,558				2,558
Active Travel Fund 4	306				306
DfE increase to schools maintenance grant 23/24	33				33
Fly-Tipping Intervention Grant	30				30
23/24 DFG additional grant	269				269
Wye Valley AONB additional grant	34	36			70
eCargo Bike Grant	85				85
	<b>9,565</b>	<b>8,385</b>	<b>0</b>	<b>0</b>	<b>17,950</b>

**Other Movements**

	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>£000s</b>
Remove Care Home project	(500)	(3,000)	(9,000)	-1400	(13,900)
Remove eCargo Bike borrowing requirement	(73)				(73)
	<b>(573)</b>	<b>(3,000)</b>	<b>(9,000)</b>	<b>(1,400)</b>	<b>(13,973)</b>

**Total Grants and other movements**

	<b>8,992</b>	<b>5,385</b>	<b>-9,000</b>	<b>-1,400</b>	<b>3,977</b>
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## Appendix C Treasury Management Interim Quarter 1 Update Report (30 June 2023)

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

### 1. The UK Economy

- The Bank of England's Monetary Policy Committee (MPC) has continued to increase the Bank Rate. At its meeting of 22 June 2023, and for a thirteenth consecutive meeting, it invoked an increase of 0.50%, taking the base rate to 5.00%. This is the highest the base rate has been in 15 years. It was voted for by 7-2 of the MPC members, with two voting for no change. A significant contributory factor was that the May inflation rate was unchanged from the 8.7% rate in April. It was stated that whilst the MPC had seen significant upside news in recent data, further tightening may be required if there are signs of more persistent inflation, and they will do what is needed to return the inflation rate to the 2% target.
- The MPC is expecting inflation to fall significantly during the course of the year, in the main reflecting developments in energy prices. Inflation in terms of services is projected to remain broadly unchanged in the near term however core goods inflation is expected to decline later this year. Food price inflation is projected to fall in the coming months.

### 2. The Council's Investments

2.1 At 30 June 2023 the council held the following investments:

Investment	Term	Maturity Date	Interest Rate	Amount invested £m
<u>Instant access bank accounts:</u>				
NatWest	N/A	N/A	1.15%	0.20
<u>Instant Access Money Market Funds:</u>				
Federated	N/A	N/A	4.73%	10.00
Aberdeen Standard	N/A	N/A	4.83%	9.77
Insight	N/A	N/A	4.73%	5.08
Morgan Stanley	N/A	N/A	4.76%	10.00
CCLA	N/A	N/A	4.78%	6.79
<u>95 Day Notice Bank Accounts:</u>				
Santander	N/A	N/A	3.58%	5.00
Barclays*	N/A	N/A	5.05%	5.00

<b>Fixed Term Deposits:</b>				
DMADF	29 days	25/07/23	4.88%	5.00
Lloyds	181 days	10/08/23	4.31%	5.00
Standard Chartered	183 days	04/10/23	4.65%	5.00
Suffolk County Council	102 days	06/10/23	5.15%	5.00
Goldman Sachs	184 days	10/11/23	4.89%	5.00
<b>Total</b>			<b>4.70%</b>	<b>76.84</b>
<b>* ESG 'green' deposits</b>				

2.2 The council continues to select counterparties suitable for investment based on the credit worthiness service provided by their treasury advisors, Link Asset Services. The service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies. The modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system to which Capita Asset Services allocate a series of colour coded bands with suggested maximum durations for investments. These limits are detailed in the Treasury Management Strategy for 2023/24 that was approved at budget setting by Council in February 2023. All treasury management transactions for the quarter to 30<sup>th</sup> June 2023 have complied with the limits and Prudential and Treasury Indicators as set out in the Treasury Management Strategy.

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

<b>Month</b>	<b>Average amount invested £m</b>	<b>Average rate of interest earned %</b>	<b>Amount of interest earned £m</b>
Apr-23	71.8	4.15	0.245
May-23	78.6	4.34	0.290
Jun-23	76.2	4.51	0.282
Jul-23	-	-	-
Aug-23	-	-	-
Sep-23	-	-	-
Oct-23	-	-	-
Nov-23	-	-	-
Dec-23	-	-	-
Jan-24	-	-	-
Feb-24	-	-	-
Mar-24	-	-	-
<b>Total</b>			<b>0.817</b>

2.4 In addition to investment income the council earns interest on the provision of loan finance to the waste disposal PFI provider, this is expected to generate loan interest payable to us of £1.9m in 2023/24 and will be credited to the Waste Reserve.

### **3. The Council's Borrowing**

#### **Short-term borrowing**

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

3.2 The council can only borrow up to its Authorised Borrowing Limit which represents the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum amount of debt that the Authority can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements. The Authorised Borrowing Limit for borrowing for 2023/24 is £350m which was approved in the Treasury Management Strategy.

3.3 At the end of June 2023 there were no short-term loans outstanding.

#### **Long-term borrowing**

3.4 At 30 June 2023 the council held long-term borrowing of £122.2m, no new long-term borrowing has been secured. Rates are monitored and discussed with our treasury advisors to determine the optimum timing of securing any new long-term borrowing. The Council's Capital Financing Requirement at 1<sup>st</sup> April 2023 is £304.4m, which demonstrates that the Council has significant internal borrowing when compared to the actual long-term borrowing of £122.2m.

3.5 The Chief Finance Officer in conjunction with our treasury advisors is currently reviewing our cash flow forecast, use of reserves and internal borrowing capacity. Following this review there may be a recommendation to undertaken new long-term borrowing. Given that the forecast is for interest rates to increase further this may allow the Council to lock into lower interest rates before any further increases.

3.6 The current capital financing budget position is summarised below:

<b>Summary of Borrowing Budget</b>	<b>Budget</b>	<b>Forecast</b>	<b>(Surplus) /Deficit</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Minimum revenue provision	9.9	9.9	-
Interest payable on all loans	5.6	4.8	(0.8)
<b>Total</b>	<b>15.5</b>	<b>14.7</b>	<b>(0.8)</b>

#### **4. Summary of forecast outturn**

4.1 The current net treasury forecast outturn is expected to be a surplus (underspend). This is due to the interest earnings on short-term investments.



### Appendix D: Progress against 2023/24 approved Savings as at 30 June 2023 (Quarter 1)

Directorate Savings of £14.1m for 2023/24 were approved by Council on 10 February 2023.

The status of the delivery of approved savings at 30 June 2023 (Quarter 1) is noted below:

Directorate	Approved Savings	Delivered	Forecast	At Risk
	£'000	£'000	£'000	£'000
Community Wellbeing (S1 to S17)	6,105	260	3,845	2,000
Children & Young People (S18 to S19)	4,500	0	0	4,500
Economy & Environment (S20 to S28)	2,200	246	1,049	985
Corporate Services (S29 to S36)	1,330	300	730	300
<b>Total Savings</b>	<b>14,135</b>	<b>806</b>	<b>5,625</b>	<b>7,785</b>
		<b>6%</b>	<b>40%</b>	<b>55%</b>

At 30 June 2023 (Quarter 1), £0.8 million (6%) of the £14.1 million savings for 2023/24 have been delivered with a further £5.6 million forecast to be delivered in year.

Explanations and mitigations for savings at risk are included in the Quarter 1 Budget and Performance Report 2023/24. The status of individual Directorate savings as per Appendix B of the Council Report approved on 10 February 2023, are shown in Annex 1 below.

## Annex 1: Status of delivery of approved savings at 30 June 2023 (Quarter 1)

Directorate	Target £'000	At Risk £'000	In Progress £'000	On Target £'000	Delivered £'000
<b>Community &amp; Wellbeing</b>					
S1 Stable Engaged Workforce	710	500			210
S2 Edge of Care and Prevention	300		300		
S3 New Integrated Models of Care	550		550		
S4 Occupational Therapy Delivery Model	100	100			
S5 Digital and Technology	500		500		
S6 Respite Provision	300	300			
S7 Process Efficiency - Block Bed Contracts	300		300		
S8 Telecare Charges	150			150	
S9 Process Efficiency - Business Support	100		50		50
S10 Process Efficiency - Income Collection & Debt Management	600	600			
S11 Process Efficiency - Repairs and Maintenance	100	100			
S12 Process Efficiency - Brokerage	100	100			
S13 All Age Commissioning	600	300	300		
S14 Social Care Delivery	750		600	150	
S15 Public Health	326			326	
S16 Supported Living	369		369		
S17 Care and Funding Pathway	250			250	
<b>Total Community &amp; Wellbeing</b>	<b>6,105</b>	<b>2,000</b>	<b>2,969</b>	<b>876</b>	<b>260</b>
<b>Children &amp; Young People</b>					
S18 Place Management balance	466	466			
S18 (i) UASC Expenditure Offset by Increased Claims	108	108			
S18 (ii) Reduction In Proportion Of Residential Placements	624	624			
S18 (iii) Discharge of Placement with Parents Orders	50	50			
S18 (iv) Review of Staying-Put Payments and Allowances	TBC	TBC			
S18 (v) Edge of Care Re-unification	234	234			
S18 (vi) Targeted Cohort Step Downs Q1	768	768			
S18 (vii) Increased Contributions for Complex Needs	100	100			
S18 (viii) Reduced Costs of Parent & Baby Placements	150	150			
S18 (ix) School Transport Savings	0	0			
S19 Recruitment and Retention	2,000	2,000			
<b>Total Children &amp; Young People</b>	<b>4,500</b>	<b>4,500</b>	<b>-</b>	<b>-</b>	<b>-</b>

Directorate	Target £'000	At Risk £'000	In Progress £'000	On Target £'000	Delivered £'000
<b>Economy &amp; Environment</b>					
S20 BBLP Annual Plan Revision	350		350		
S21 Waste Collections	80	80			
S22 Parking Income	450		450		
S23 Fees & Charges	300	85		169	46
S24 Fixed Penalty Notice Pilot	50	50			
S25 Transformation Planning & Regulatory Services	350	350			
S26 Economic Development: Vacancy Management	50				50
S27 Enterprise Zone Running Costs	150				150
<b>S28 Directorate Transformation Programme:</b>					
S28 (i) Demand Management	150	150			
S28 (ii) Partnership Opportunities	225	225			
S28 (iii) Commercial Opportunities	225	225			
Public Realm FOM Project costs	(180)	(180)			
<b>Total Economy &amp; Environment</b>	<b>2,200</b>	<b>985</b>	<b>800</b>	<b>169</b>	<b>246</b>
<b>Corporate Services</b>					
S29 Exit From Inefficient Properties	300	300			
S30 Increase in Rental Income	170		170		
S31 Financial Payment Process Efficiencies	100		100		
S32 Mobile Phones	20			20	
S33 Herefordshire Now	100				100
S34 Children's Services Legal Support	200				200
S35 Transformation of Legal Support	140		140		
S36 Transformation of Programme Management (PMO)	300		300		
<b>Total Corporate Services</b>	<b>1,330</b>	<b>300</b>	<b>710</b>	<b>20</b>	<b>300</b>
<b>TOTAL DIRECTORATE SAVINGS</b>	<b>14,135</b>	<b>7,785</b>	<b>4,479</b>	<b>1,065</b>	<b>806</b>

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### RAG Rating – to show confidence in delivery of savings

<b>Red</b>	Delivery in 2023/24 at risk. Recovery action to identify mitigations required.
<b>Amber</b>	Activity to deliver savings in 2023/24 is in progress.
<b>Green</b>	Activity to deliver savings expected to be delivered in 2023/24 is on target.
<b>Blue</b>	Savings achieved in 2023/24.





## Delivery

Ambition	Action	Lead Officer	Progress	RAG	
				2022/23	Q1
EC1 - Develop environmentally sound infrastructure that attracts investment	Work with stakeholders to consult, draft and publish a new economic strategy and UK Shared Prosperity Investment Plan to support the continued recovery of the county, leading to longer term accelerated growth and higher value jobs for local people	Service Director, Economy and Growth	E1 energy audits - £19.5k claimed with 7 wk extension requested to spend remainder. Rural fund is now live to spend £500k this year - to close 01.09.23. E6 Events/festivals funds have closed and are fully subscribed. E4 cultural grants launched 07/06. Business start up RoOD is circulating for sign off. Recruitment for necessary posts have been successful.	GREEN	GREEN
	Deliver the detailed business case for Greening the City	Service Director, Economy and Growth	Slight delay to project due to coordinating with LUF. Design guide required to ensure that all ATM's are consistent throughout Hereford city.	AMBER	AMBER
EC2 - Use council land to create economic opportunities and bring higher paid jobs to the county	Work with partners to implement the £22.4m Town Investment funded through the Stronger Towns Fund	Head of Chief Executive's Office	HC providing PM support for Wyeside and South Wye projects to assist the groups running them.	AMBER	AMBER
	Produce and submit detailed proposals for investment in the Hereford Museum and Art Gallery, Maylord Orchard Library and the Learning Resource Centre	Service Director, Economy and Growth	HMAG progressing - Briefing paper to be supplied to CLT 05.09.23. Library FBC for Shirehall being developed to be presented to Cabinet October 2023. Contracts in place for FF&E design, commercial case, architects, structural engineers and M&E.. Conservation are involved in all discussions and contact has been made with English Heritage for their input. FBC to be completed by 14.09.23. Once agreed by Cabinet, case will be presented to STB at beginning of November.	AMBER	AMBER
	Commence implementation of the Market Town Investment Plans, allocating the £20.6m investment to bring forward employment Land and to create incubation space for	Service Director, Economy and Growth	With the Market Towns Investment Plans element complete, this project has been placed on hold pending the development of a wider co-ordinated investment strategy into which this can be incorporated.	RED	VIOLET
	Pursue potential sites for new commercial employment land uses in market towns.	Service Director, Economy and Growth	With the Market Towns Investment Plans element complete, this project has been placed on hold pending the development of a wider co-ordinated investment strategy	RED	VIOLET
	Increase engagement with the private sector through a Talk Business programme of communications, networking and events including quarterly business briefings and six monthly	Service Director, Economy and Growth		GREEN	GREEN
	Increase the level of engagement and quality of support provided through the Marches Growth Hub, with a specific focus on supporting businesses to respond to climate change	Head of Environment, Climate Emergency and Waste Services		GREEN	GREEN
	Continue sales of council owned land resulting in business growth, private sector investment and creating more and better paid jobs	Service Director, Economy and Growth	1 plot sale has already been completed with a further 5 currently going through the legal and other council processes.	GREEN	GREEN
	Complete North Magazine Civil Works with first plots sold for development	Service Director, Economy and Growth	Project board recently made decision to spend final phase 5 funds on additional plot improvement works which will further increase capital receipts, increase saleability	GREEN	GREEN
	Complete NMITE's Skylon Park campus including the Centre for Advanced Timber Technology and Centre for Automated Manufacturing	Service Director, Economy and Growth	Complete	BLUE	BLUE
EC3 - Invest in education and the skills	Review the skills and supply chain required to meet the needs of the county, aligned to the Economic Big Plan	Service Director, Economy and Growth	Additional courses for those unable to access training through the adult education budget will be procured later this financial year.	GREEN	GREEN

needed by employers	Implement a new recruitment platform for council employees, to attract skilled workers to the county	Director of HR and OD	This is now a BAU process and is now closed.	GREEN	BLUE
	Run a joint marketing campaign with Higher Education providers to attract students to study in the county, including those from the local population	Service Director, Education, Skills and Learning		GREEN	GREEN
	Provide more apprenticeship, supported internship and work experience opportunities, including through the council's direct contracts	Director of HR and OD	This is now a BAU process and is now closed.	GREEN	BLUE
	Engage with 300 young people via Youth Employment Hub to support 16 to 24 year olds into education, employment and/or training	Service Director, Improvement	The SAV unit has been installed at the hub and a handover of the building is due in the coming weeks. Engagement activities with young people are being organised to support development of the Youth Employment Hub's branding which will be used on the physical hub, website and any other promotional materials. The DWP (Department for Work & Pensions) application has been submitted and currently waiting for approval to secure funding to recruit a Coordinator for the hub and service.	AMBER	AMBER
	Agree a new strategic plan and future delivery model for the council's adult and community learning education service	Service Director, Education, Skills and Learning		GREEN	GREEN
EC4 - Enhance digital connectivity for communities and business	Secure at least 15 businesses taking up the new business grant, provide new household grants to eligible residents, and at least 100 residents improving their digital skills	Head of Operations (Broadband)	No further applications have been received for this grant and we are in the process of closing this down.	GREEN	GREEN
	Commission Age Concern to deliver support older people to improve their digital skills. Including 288 places for 6 week computer café course, 60 attending 1-2-1 course and 50 tablet loans	Head of Operations (Broadband)	Project complete.	BLUE	BLUE
	Increase superfast and full fibre broadband coverage in the county, and move to new stage of gigabit capable speeds.	Head of Operations (Broadband)	Superfast will have achieved 94.5% by the end of Q2 having grown by 0.4% since end of Q1. This is as expected as the majority of connections will now be full fibre. Growth in Full fibre is from 74.9% at the end of Q2 from 72.1% at the end of Q1. A growth of 2.1% making Herefordshire one of the best connected Rural 50 counties in England and Wales. Forecasts project that by end of Q3 we will be between 76-77% coverage. There are two areas within Gigaclear we have to close out which is Lot 4 North Herefordshire and Lot 2-3c Herefordshire element which is around Ledbury area. Current progress has been that Lot 4 has reached 87% complete with 484 to deliver. There may be some challenges due to reliance on BT replacement of defective poles which has been identified to affect a small area in Richards Castle. In Lot 2-3c has reached 57% with 583 to complete. There are some challenges in the build rates but this appears to be mainly in Gloucestershire areas.	GREEN	GREEN
EC5 - Protect and promote our heritage, culture and natural	Progress the Leominster Heritage Action Zone Project; including completion of public realm improvements	Head of Environment, Climate Emergency and Waste Services	The final phase of the work to 4 buildings treated under the historic buildings grant during 22/23 has progressed during Q1, with all now either complete or nearing completion.	AMBER	AMBER

beauty to enhance quality of life and support tourism	Support the growth of the tourism industry across Herefordshire, working closely with private sector partners and building on strengths and new opportunities in areas such as accessible and green tourism, creative industries, promotion of the cultural sector, and improving our Public Rights of Way	Service Director, Economy and Growth		GREEN	GREEN
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■ complete  
 ■ on target  
 ■ at risk  
 ■ compromised  
 ■ Paused

### Performance Measures

Measure	Lead Officer	Q1	Improvement?	Target Met?
Number of businesses locating to the Enterprise Zone (cumulative)	Service Director, Economy and Growth	9	n/a	
Area of land sold (acres) Enterprise Zone (cumulative)	Service Director, Economy and Growth	1.14	n/a	
Area of workspace developed / committed to construction (sqm) Enterprise Zone (cumulative)	Service Director, Economy and Growth	8,870	n/a	
Job opportunities identified in investment commitments made on site (cumulative) (Enterprise Zone)	Service Director, Economy and Growth	0	n/a	
Herefordshire Growth Hub: No of Business events	Service Director, Economy and Growth	1	n/a	
Herefordshire Growth Hub: Undertake business diagnostics	Service Director, Economy and Growth	24	n/a	
The number of business engaged and supported	Service Director, Economy and Growth	140	n/a	
The value of grants paid to businesses to support viability, or enable growth	Service Director, Economy and Growth	£67,596	n/a	
The value of grants paid to businesses to support viability, or enable growth - Shared and Rural Prosperity Fund: Issue £1.25m grants	Service Director, Economy and Growth	0	n/a	
The value of grants paid to businesses to support viability, or enable growth - Shared and Rural Prosperity Fund: Attract a minimum of £1.25m private sector investment	Service Director, Economy and Growth	0	n/a	
Number of businesses supported to start up	Service Director, Economy and Growth	0	n/a	
Shared Prosperity Fund: No of jobs created	Service Director, Economy and Growth	0	n/a	
Shared Prosperity Fund: No of Jobs safeguarded	Service Director, Economy and Growth	0	n/a	
Shared Prosperity Fund and Rural Prosperity Fund: Attract businesses receiving grants	Service Director, Economy and Growth	0	n/a	

■ on target/improvement  
 ■ within 10% of target/small decline  
 ■ missed target by more than 10% /significant decline  
 ■ Not Available

Corporate Risks							
Risk							
		Impact					
		1 Insignificant	2 Minor	3 Moderate	4 Major	5 Significant	
CRR.63 Hereford City Centre Transport Package	Likelihood						
CRR.69 Hereford City Centre Improvement Programme		5 Certain				CRR.83	
CRR.70 HCCI - delivery within LEP timescale		4 Likely				CRR.63; CRR.69; CRR.70; CRR.71; CRR.80;	CRR.82
CRR.71 HCCI - decision making and VfM		3 Possible					
CRR.80 Supply chain capacity		2 Unlikely					
CRR.82 Contractual payments		1 Rare					
CRR.83 Contract fleet lease expiry							

## Delivery

Ambition	Action	Lead Officer	Progress	RAG	
				2022/23	Q1
EN0 - Protect and enhance our environment and keep Herefordshire a great place to live	Complete 3 key consultations to progress production of the updated Core Strategy	Corporate Director, Economy and Environment		GREEN	GREEN
	Deliver full draft of the Core Strategy Update ready for pre-examination public consultation (Regulation 19)	Corporate Director, Economy and Environment		GREEN	GREEN
	Implement the new Supplementary Planning Documents for Agriculture and Planning and Environmental Building Standards	Corporate Director, Economy and Environment		GREEN	GREEN
	Progress the Minerals and Waste policy through to examination and adoption.	Corporate Director, Economy and Environment		GREEN	GREEN
EN1 - Minimise waste and increase reuse, repair and recycling	Implement a new waste strategy in preparation for collection changes in 2024.	Head of Environment, Climate Emergency and Waste Services	Procurement for the new waste collection service is currently at competitive dialogue stage 3. The ISDS (detailed solutions were received as previous reported in March 2023. The new administration has set up a Waste Strategy Review working group which is reviewing strategy. Extension approach for the current contract from November 2023 to June 2024 ( + 3 months ) is with the incumbents board and should be ratified 6th July - then the next steps can be considered.	GREEN	GREEN
	Promote changes to the new collection system for refuse and recycling throughout the year	Head of Environment, Climate Emergency and Waste Services	There is a review of the comms & engagement strategy. Resource has been added to support to this work. Targeted work for the new collection service as well as ongoing BAU support for the service and day to day education re circular economy is ongoing. Presentation to the Waste Programme Strategy Board 29th June 2023 re work to date.	GREEN	GREEN
	Run pilot schemes for reusable nappies with 75 families and trial for recycling storage options with people living in flats	Head of Environment, Climate Emergency and Waste Services	New portfolio holder from May 2023; Cllr Swinglehurst will review business case for Nappies phase 2 along with phase 1b of the flats initiative. Another repair café in Leominster is pending approval - require additional information but approved in principal. Aim is still to have 5 in operation by the end of quarter 4. Reuse programme has been fully initiated with a full time resource plus other support allocated. Looking at review of HRC process to improve recycling and reuse and reuse shop model as used in Neighbouring authorities.	GREEN	GREEN
EN2 - Improve and extend active travel options throughout the county	Produce the Hereford City Masterplan to support long term planning for transport	Service Director, Environment and Highways	Masterplan activities are currently on hold whilst under consideration by the new administration. It has become clear that some key elements will need to be considered further before activities can continue to progress. A series of updates are being planned to ensure cabinet members are able to provide the required direction.	GREEN	GREEN

	Deliver active travel programmes to encourage more walking and cycling along with measures to improve air quality and travel plans with businesses	Service Director, Environment and Highways	The HEZ Quiet Routes are currently going through a value engineering exercise prior to the detailed designs being finalised. The construction phase is on track to commence late summer 2023.	GREEN	GREEN
	Install new cycle routes for St Owen's Street and on Aylestone Hill in Hereford	Service Director, Environment and Highways	St Owen's Street is open for use with some snagging issues still ongoing. AECOM are currently being commissioned to undertake the detailed designs for Aylestone Hill where traffic modelling and data collection work is currently underway. The construction phase remain on track to deliver in 24/25.	GREEN	GREEN
	Complete feasibility study of route options for Eastern river crossing.	Service Director, Environment and Highways	The SOC (Strategic Outline Case) is nearing completion. Works will however be paused following its completion whilst priorities are reviewed along with the possibility of refocusing efforts towards the Western Bypass. Hereford City Transport Modelling work remains ongoing which will be required regardless.	GREEN	GREEN
	Introduce an additional 70 eBikes as part of the Beryl Bike scheme	Head of Environment, Climate Emergency and Waste Services	All of the e-bikes forming this target have now been delivered and mobilised, completing this delivery plan objective. Joint six month trial with Beryl to make bikes available to support travel to and from the camp and the village. To date 112 journeys to/ from the camp, 369km of riding and 69 different users have started journeys at the new bay. Average journey to and from the bay - 6.29 km.	AMBER	BLUE
	Consult on design options for the city Transport Hub	Service Director, Environment and Highways	The tender for the construction phase has closed. 5 tenders have been received which are currently under evaluation, ahead of contract award. Works remain scheduled to commence Autumn 2023.	GREEN	GREEN
	Complete design for Holme Lacy Road improvements	Service Director, Environment and Highways	Detailed designs are due to complete summer 2023 which will promptly be followed by an open tender for the construction procurement.	GREEN	GREEN
	Commence construction of Hereford Enterprise Zone Quiet Route	Service Director, Environment and Highways	The project has suffered some minor delays, although is scheduled to commence construction around September 2023. Works will be commissioned via the minor works framework which is currently under development which will ensure best value is achieved whilst also saving lengthy procurement processes.	GREEN	GREEN
	Expand the county's electric vehicle charging point network (100 new points planned by 2025).	Head of Environment, Climate Emergency and Waste Services	The concession scheme project, having delivered replacements to the targeted existing charger points, continues through planning and equipment procurement for the identified sites at Broad Street Leominster, St Katherine's Ledbury, Mill St Kington, Plough Lane and Venn's car parks. The St Katherine's install requires planning consent with an application currently in for decision. Further phases making use of the Local Electrical Vehicle Infrastructure funding stream are in planning, but heavily dependent on the electricity network provider providing the necessary capacity. Engagement is ongoing on this.	GREEN	GREEN
EN3 - Build understanding and support for sustainable living	Run a Greener Footprints campaign to raise awareness of the actions households can take to address climate change	Head of Environment, Climate Emergency and Waste Services	Successful Greener Footprints Week 11- 18th June including business breakfast for 30 for 2030 businesses and GF Business Network, film screening pledge competition, high town stall, webinar on carbon literacy for businesses and other events. Farm carbon audits - stakeholder meeting on Wednesday 5th July and contract meeting. Energy audits - still promoting via sign up to the GF Business Network. C 20 audits still to fill.	GREEN	GREEN

	Provide free and impartial home energy advice to 1,000 residents through the Keep Herefordshire Warm service.	Head of Environment, Climate Emergency and Waste Services	A new supplier for the Keep Herefordshire Warm service was procured and the contract commenced in June 2023. Data was shared from the old supplier to new supplier and a comms plan has been developed. Keep Herefordshire Warm continue to engage with third partner organisations. As of the last quarterly return at the end of April 2,182 households had been supported through Keep Herefordshire Warm against the delivery plan target of 1000.	GREEN	GREEN
EN4 - Invest in low carbon projects	Seek resources for a countywide domestic energy retrofit programme, and deliver a domestic energy efficiency and renewable heating retrofit programme to support 150 homes	Head of Environment, Climate Emergency and Waste Services	Sustainable Warmth incorporating Local Authority Delivery 3 (LAD3) and Home Upgrade Grant 1 (HUG1) has drawn to a close during Q1, with just paperwork for the later installations and a project close-down audit to complete. The scheme delivered 213 retrofit installations across 135 homes, which in the context of the wider national challenges in rolling out these schemes has been a success. The maximum number possible under the scheme was 150 homes, which actually would have been achieved had a small number of householders not withdrawn their applications late in the day after the deadline for new applications which could have replaced them had passed. However those that we would have put forward as replacements are being brought into the next phase. Communications and case studies will be promoted to highlight the success of this scheme, and help promote interest and consumer confidence in the next phase. The funding for a new phase HUG2 (up to £7.7m) was confirmed at the end of Q4 and so Q1 has been spent preparing and mobilising for this next 2 year programme. Project delivery plans and quality/readiness audits have been carried out and the procurement process has been completed, with 2 contractors now appointed for delivery and Severn Wye in place as our delivery partner.	AMBER	GREEN
EN5 - Identify climate change action in all aspects of council operation	Install new energy efficiency measures at 4 council buildings supported by the Sustainable Energy in Public Building projects.	Head of Environment, Climate Emergency and Waste Services	The upgrade to LED lighting at the Ryefield Centre has been completed on target within the grant timeframe during Q1, and so will go forward as part of the final claim. The SEPUBU grant scheme draws to a close at the end of June and so now enters the close-down period. Lessons learned and scheme audits are in progress. As per previous updates, delivery of the Herefordshire element of the SEPUBU grant has been challenging, in part due to some fluidity in the council's property investment strategy, in part due to many buildings not being suitable for works which would be eligible under the grant, but mainly due to the need to contribute match funding from other council capital budgets. To take forward under the SEPUBU grant a building must be suitable, but also have capital funding available for 50% of the works proposed. In general the council's own priorities for the capital funding available for property maintenance have not been compatible with works that would be eligible under SEPUBU.	RED	RED
	Develop a new 3 year schools decarbonisation programme, including delivery of energy audits at 20 schools and installation of solar PV systems at 2 schools.	Head of Environment, Climate Emergency and Waste Services	The time-bound bat surveys for the three schools forming phase 2 have now been completed and all is on track for the targeted delivery of these installations during the summer holidays.	AMBER	GREEN
	Improve the environmental and energy efficiency standards of council buildings through the introduction of new minimum standards for energy efficiency, a plan for investing	Delivery Director, Strategic Assets		GREEN	GREEN

EN6 - Seek strong stewardship of the county's natural resources	Respond to the citizens' climate assembly recommendations and agree a funded programme working with partner organisations	Head of Environment, Climate Emergency and Waste Services	21 sub-projects have been actively progressing during Q1: 1 - Active Travel - Walking: contracts placed for the Get Walking and Walk to School contracts and moving into delivery. Led Walks contract to be placed in April/May 23; 2 - Home Energy Efficiency Audits: SPF bid successful and procurement planned for June 23 for the next phase; 3 - Decarbonisation plan for corporate buildings - delivery underway; 4 - Feasibility decarbonising the school transport fleet: in-house research and feasibility work in progress with a view to developing a meaningful tender specification for procurement in April 23; 5 - On-street EV charging: this workstream has paused as will now be linked up with the separate Local Electrical Vehicle Infrastructure work; 6 - Business Energy/Climate Conference 2023 - event was held 18 Jan 2023 and was successful with good attendance. Work underway towards a similar event later in 2023 aimed at farming businesses; 7 - Climate website: governance stage completed and delivery commencing; 8 - PAS 2035 retrofit training support: Discussions with other regional authorities to develop a joint scheme large enough to be viable; 9 - School Travel Plan support: Fixed term recruitment process in progress with a view to appointing May/June; 10 - Taxi/Private Hire decarbonisation support: Stakeholder engagement planned during Q4/Q1 to explore the issues and barriers which need to be addressed; 11 - Farm Carbon Audits: Delivery commenced in February and business engagement has started; 12 - Renewable Energy survey - second round of procurement in progress, following unsuccessful first round; 13 - Business Energy Audits: delivery underway via the 30 for 2030 initiative; 14 - Update to Local Climate Impacts Profile: procurement commenced and closing at end of Q4; 15 - Greener Footprints/Climate & Nature comms support: Consultant appointed and in delivery; 16 - Nature Recovery Strategy: Business case produced and in approval; 17 - NRN Mapping: Business case produced and in approval; 18&19 - Tree Establishment Scheme? County Tree Strategy: Business cases produced and in approval; 20 - Tree management Plan: Business case approved and procurement in planning stage; 21 - Cycling Activities: Business case produced and in approval.	GREEN	GREEN
EN7 - Protect and enhance the county's biodiversity, value nature and uphold environmental standards	Construct our first integrated wetland to reduce levels of phosphate pollution entering the Special Area of Conservation.	Head of Environment, Climate Emergency and Waste Services	The first wetland site in Luston has been completed during Q1, with the final section of planting (delayed by wet winter weather and a waterlogged site). Only the defects period and contractor final account still to tie up. Significantly the flow of effluent from the Welsh Water treatment works was switched on during June, and the wetland is now taking phosphate-rich effluent for treatment as intended. The sale of phosphate offsetting credits for this site continues as part of the planning process, with the first houses released already through the planning system. This completes the delivery plan objective.  Priority site 2 at Tarrington is currently going through the planning system, while a smaller reserve site at Titley already has planning consent. A fourth site at Dilwyn has now reached agreement in principle for acquisition, but further progress is dependent on Welsh Water making the formal commitment we need to proceed.	AMBER	AMBER
	Adopt a new nature strategy for the county	Head of Environment, Climate Emergency and Waste Services	A review of comments and feedback from consultation is ongoing so that recommendations can be considered and incorporated in a revised draft.	GREEN	GREEN



Deliver the highway biodiversity net gain project	Service Director, Environment and Highways	Biodiversity – only remaining element in this scheme is the Luston wetland wild flower replanting programme. Designs are complete and orders will be placed for shrubs and trees within the next week. Quotation is being sought by BBLP for cost of planting. Winter Fleet – all legal and commercial elements now complete and PO will be raised for new gritter by 7th July. All other elements completed.	AMBER	AMBER
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■ complete  
 ■ on target  
 ■ at risk  
 ■ compromised  
 ■ paused

### Performance Measures

Measure	Lead Officer	Q1	Improve-ment?	Target Met?
No more than 1% of municipal waste to be sent to landfill from 2025 (12m rolling average) AKA - (Reduce) the percentage of waste sent to landfill (12m rolling average)	Service Director, Highways and Environment	0% (as at April)		
% waste sent for recycling	Service Director, Highways and Environment	42.02% (as at May)		
Reduce residual household waste arisings to less than 330kg /hhld/year by 2035 (Integrated Waste Management Strategy)	Service Director, Highways and Environment	116.68 kg		
Active Travel - Hereford City Bike Share (km travelled) - CUMULATIVE	Service Director, Highways and Environment	27,801 km	n/a	n/a
LAD 3 - Sustainable Warmth: Completed household installs within the quarter- as reported to funder	Service Director, Highways and Environment	137		
Keep Herefordshire Warm - No. of households calling KHW advice line	Service Director, Highways and Environment	228		
Carbon County Reduction - Marches Energy Grant - kWp install	Service Director, Highways and Environment		Not yet available	
Carbon County Reduction - Marches Energy Grant - No of measures installed	Service Director, Highways and Environment		Not yet available	
Home Upgrade Grant (HUG) 2 - No of measures installed	Service Director, Highways and Environment		Not yet available	
Home Upgrade Grant (HUG) 2 - Grant Defrayed	Service Director, Highways and Environment		Not yet available	
Reducing HC carbon emissions	Service Director, Highways and Environment		Reported annually	
Reducing countywide CO2 emissions	Service Director, Highways and Environment		Reported annually	
(Increase) the £ and percentage of investment that contributes significantly to climate and nature goals	Service Director, Highways and Environment		Reported annually	
Phosphate reduction as a result of the introduction of new wetlands	Service Director, Highways and Environment		Reported annually	
Tree canopy coverage	Service Director, Highways and Environment		Reported annually	

Delivery of EV infrastructure - No. of charge point sockets	Service Director, Highways and Environment	Reported annually
(Increase the) percentage of road verges managed for wildlife	Service Director, Highways and Environment	Reported annually
(Increase) the total kilometres of cycle route within the county	Service Director, Highways and Environment	Reported annually
Kilometres of new quiet route cycle route within the county (Annual)	Service Director, Highways and Environment	Reported annually
Kilometres of new segregated cycle route within the county (Annual)	Service Director, Highways and Environment	Reported annually

■ on target/improvement 
 ■ within 10% of target/small decline 
 ■ missed target by more than 10%/significant decline 
 ■ Not Available

Corporate Risks						
Risk		Impact				
		1 Insignificant	2 Minor	3 Moderate	4 Major	5 Significant
CRR.67 Ash Dieback (Chalara) CRR.68 Waste Collection Vehicles - lead time for supply of new vehicles	5 Certain					CRR.67
	4 Likely					CRR.68
	3 Possible					
	2 Unlikely					
	1 Rare					
	Likelihood					

## Delivery

Ambition	Action	Lead Officer	Progress	RAG	
				2022/23	Q1
CO0 - Strengthen communities to ensure everyone lives well and safely together	Publish and implement plan to improve the Public Rights of Way Service by working in partnership with volunteers, communities and parishes.	Service Director, Environment and Highways	Commissioning of bespoke services on track to take place during 2023/24 and put in place for improved efficiency and service provision.	GREEN	GREEN
	Develop 20mph speed limit policies and programme for the county to cover significant villages and market towns.	Service Director, Environment and Highways	The Countywide 20mph strategy has been placed on hold whilst we undertake additional consultation with the new administration regarding priorities.	AMBER	AMBER
	Install 20mph limits in Presteigne and Cusop, as part of the 1st year of 5 year 20mph speed limit programme.	Service Director, Environment and Highways	As above - all 20mph work has been paused and currently under review.	GREEN	GREEN
	Enhance the Cathedral and River Wye quarters of the city	Service Director, Environment and Highways	The draft outline designs are nearing completion and are about to go to the cabinet member for formal approval. The detailed designs will immediately follow and currently scheduled for completion this financial year.	GREEN	GREEN
	Make Improvements to the city street scene in Widemarsh Street and High Town in Hereford	Service Director, Environment and Highways	The works to Widemarsh street are currently underway and due for completion this summer.	GREEN	GREEN
	Roll out and embed hybrid operational working model for employees, creating effective flexible working arrangements.	PMO Delivery Director	Construction of the dedicated children's space is complete. Final delivery is scheduled for end of August. Soft launch of the room has happened and is already being used for meetings and conferences. Formal handover to BAU will be completed mid-September.	GREEN	GREEN
	Develop and implement updated Digital Strategy for improved customer experience, communication and connectivity.	Head of Chief Executive's Office	From the initial work 2 x automated processes are being rolled out. Blue Badge automation of back office process is due to go live mid-September. The benefit to customers is a reduction in processing of application. Benefit to staff is a reduction in manual processing: Celebrant booking (weddings, register a birth & register a death) automation development is underway with rollout set for the next few months. The benefit to customers will be automated book, pay and contact for each of those services.	GREEN	GREEN
	Establish a "spirit of Herefordshire" approach to attracting and retaining workforce through celebrating the positives of the county	Director of HR & OD		GREEN	BLUE
	Produce asset management plans for each council owned property based on up to date knowledge of conditions	Strategic Assets Delivery Director	Project complete and compliance checks in place as Business as Usual.	GREEN	GREEN
	Plan capital works for the Shirehall to bring back into council and community use	Strategic Assets Delivery Director	Remedial works to Court Rooms due for completion in July 2023. Work to review the work required to bring the Shirehall back into use has recommended with initial costings provided.	VIOLET	VIOLET
CO1 - Ensure all children are healthy,	Use the Improvement Plan to work more closely with partners, and agree a common understanding of a Child	Service Director, Improvement	CYPP action plan is in development. A one year business plan for 2023/24 for HSCP has been agreed and is being implemented.	GREEN	GREEN

safe and inspired to achieve	Strengthen the role of children's centres and early years in prevention, with more families are aware of the services and benefits they are entitled to and be connected to their opportunities within their community	Service Director, Improvement	The Children's Help & Advice telephone line (CHAT) is operational; Children Centre services continue to work with HVOSS to increase the number of volunteers running prevention groups, and they are also working with Talk Community to increase opportunities for families.	GREEN	GREEN
	Training programmes for 200 staff on oral health.	Senior Commissioning Officer	Complete.	BLUE	BLUE
	Deliver a training programme of road safety including pedestrian training for school pupils	Service Director, Education, Skills and Learning	Ongoing programme being offered to schools on road safety education.	GREEN	BLUE
	Tender construction of new school building at Peterchurch Primary School	Service Director, Education, Skills and Learning	Procurement for professional services ongoing. Further consultations of the schools increased PAN underway.	GREEN	GREEN
	Tender refurbishment and expansion of The Brookfield School	Service Director, Education, Skills and Learning	Tenders for construction works received and are in review period. Agreement reached with DFE that school transfer in the Mercian Education Trust will be the 1 September 2023. Conversations are ongoing with DFE regarding the final DFE contribution towards the project.	AMBER	AMBER
	Plan and agree first phase of school expansions to deliver additional school places across the county	Service Director, Education, Skills and Learning	Project Completed in 2022/23.	BLUE	BLUE
	Seek approval for the rebuild of Westfield School and move to design stage	Service Director, Education, Skills and Learning	No further information received from the DFE as to when the project will be included in the DFE Schools Rebuilding Programme.	BLUE	BLUE
	Conduct feasibility work to inform increase capacity across Hereford Pupil Referral Service and Blackmarston School	Service Director, Education, Skills and Learning	A decision has been made for works to be carried out at Hampton Dene Primary School from the High Needs Capital Grant to address the immediate service need.	AMBER	GREEN
	Ensure all schools have better informed pupil's mental health and wellbeing support via a training and development package	Service Director, Education, Skills and Learning		BLUE	BLUE
	Develop a range of traded services to support increase in number of schools who operate as a academies	Service Director, Education, Skills and Learning	Project remains on hold pending further Government guidance following the pausing of the White Paper.	VIOLET	VIOLET
	Improve the educational outcomes for those pupils with Education and Health Care plans	Service Director, Improvement	Educational attainment is reported annually.	GREEN	GREEN
	Put in place effective 'Voice of the Child' engagement so children are involved in designing services in a meaningful way	Service Director, Improvement	Participation worker being recruited to. The review with regard to the participation manager is continuing. A range of summer activities have been organised.	GREEN	GREEN
Integrate a "Right Help – Right time" approach within the Talk Community programme, so families are supported within communities	Service Director, Improvement	The Early Help and Delivery Board met for the first time in April and there are now bi-monthly meetings in place to support the delivery of the implementation plan.	GREEN	GREEN	

	Provide more support for the Children's Rights and Advocacy Service	Service Director, Improvement	The service has doubled its capacity with 4 newly recruited officers who started in post in March. All staff have started their Level 3 Advocating on Behalf of Children & Young People course. Also, three out of four of the staff are case sharing meaning all young people are being supported with a qualified advocate. The additional staff also means support will be expanded to support children who are classified as homeless under the Section 20 Act, care leavers who become parents, and longer term will be looking at none instructed advocacy. Once the new staff are trained the service will be increasing it's engagement and raising awareness by going into schools and GP practices for example, to ensure young people are aware of the service. The team are also supporting unaccompanied asylum seekers.	BLUE	BLUE
	Increase the number of social workers with new retention and recruitment approach	Service Director, Improvement	There continues to be a focus on recruiting social workers which includes encouraging agency social workers to convert to permanent contracts, looking at the retention and welcome payments. A data cleansing exercise has been completed. A staff survey was undertaken and a report produced which is being discussed with the children's management team.	AMBER	AMBER
CO2 - Ensure that children in care, and moving on from care, are well supported and make good life choices	Increase the number of foster carers by 25	Service Director, Improvement	A revised Fostering Fees Cost of Living paper has been developed and is due to be considered at DLT.	RED	RED
	Improve the range of level of support for care leavers.	Service Director, Improvement	The Corporate Parenting strategy and care leaver offer has been approved by the Corporate Parenting Board and by Children's DLT and is now with finance to confirm the costings. A young person friendly version will be produced and the strategy will be formally launched in the summer following local elections and approval by Cabinet.	GREEN	GREEN
	Progress plans to build a children's residential home.	Corporate Director, Children and Young People	Options appraisal is complete with the report on the recommended options being prepared for September 2023 Cabinet.	GREEN	GREEN
CO3 - Build publicly owned sustainable and affordable houses and bring empty properties back in to use	Progress the delivery of new affordable, net zero housing on council owned land	Strategic Housing Manager	Outline planning for Holme Lacy to be submitted in Autumn 23. Discussions ongoing with developers with a view to progressing sites where our own development potential is limited.	AMBER	AMBER
	Submit planning applications for 2 housing sites on council land	Housing Delivery Manager	Two design consultants re-appointed with one more appointment planned to be commissioned in August 23.	AMBER	AMBER
	Support at least 230 additional affordable properties in the county		Approach to short and long term strategic housing developments to be reviewed with Cabinet members in July 2023.	AMBER	AMBER
CO4 - Protect and improve the lives of vulnerable people	Progress the building of the council's own care home with site identified, design outlined and planning application developed	Corporate Director, Community Wellbeing	The project remains on hold pending further instruction from Cabinet in December 2023.	VIOLET	VIOLET
	Develop and agree a Food Charter for the county.	Health Improvement Practitioner	Complete.	BLUE	BLUE
	Submit application for the Sustainable Food Place Bronze award	Health Improvement Practitioner	An Expression of Interest as been submitted and we are currently working through the full application and evidence gathering, updated timeline as below: <ul style="list-style-type: none"> <li>• May 11th: Application opens.</li> <li>• May to September: Guidance sessions for awards applicants.</li> <li>• September 21st: Final submission.</li> <li>• November 16th: Panel and final decisions.</li> </ul>	GREEN	GREEN

	Produce a Physical Activity Strategy that outlines plans and programmes to aid health through fitness	Health Improvement Practitioner	Complete.	BLUE	BLUE
	Offer maximum council tax reduction scheme for eligible pensioners and people of working age	Service Director, Economy and Growth	Complete.	BLUE	BLUE
	Work with partner organisations to produce a plan to tackle health inequalities and lead health equity audit process for		Complete.	BLUE	BLUE
	Work with NHS and Public Health partners to implement the Integrated Care system approach agreed for Herefordshire & Worcestershire		Complete.	BLUE	BLUE
	Establish Hoople Care to delivery care services for the council	Service Director, All Age Commissioning	Complete.	BLUE	BLUE
CO5 - Use technology to support home care and extend independent living	Complete site works complete on the Hillside Independent living and demonstration centre.	Service Director, Social Care Delivery	The Phase 2 Demo Centre works have been agreed and an order placed. Works are due to be complete by December 2023.	GREEN	GREEN
	Create 50 bespoke wellness packages using a technology enabled 'proactive and preventative' care model	Service Director, All Age Commissioning	The procurement process for the Alarm receiving centre has now been completed and the contract is currently in the mobilisation phase. Work is continuing to identify volunteers to take part in the test and learn pilots.	GREEN	GREEN
	Move the existing Telecare Service to a digital delivery model	Service Director, All Age Commissioning	Phase 2 of the switchover is well under way and currently on target to be completed in the estimated 12 months.	GREEN	GREEN
	Create a digital tool and website that shows how technology can support people's independence and aid assessments	Service Director, All Age Commissioning	The Talk Community website re-procurement is in progress. The tender closed on the 14.07.23. The self assessment portal proposal is scheduled to be completed in Q2 as resources have been focussed on the 50 bespoke wellness packages within the predict and prevent project.	GREEN	GREEN
	Develop and deliver a training programme to support at least 50 staff on the use of technology to support residents.	Service Director, All Age Commissioning	Development of the first e-learning module is almost complete and scheduled to be added to the e-learning platform in August in preparation for staff testing prior to wider roll out. A proposal outlining further modules has been agreed and the development of these modules is currently being time lined.	GREEN	GREEN
CO6 - Support communities to help each other through a network of community hubs	Increase the number of Talk Community hubs to 75	Service Director, Communities	Complete.	BLUE	BLUE
	Deliver 2 integrated service hubs using existing community facilities that includes working with the whole family	Service Director, Communities	Invitation to submit an expression of interest was launched on 23.05.23 and closes on 31.07.2023. Engagement with community groups and key partners has continued. A networking event was held on 11.07.2023 to bring groups and services together to discuss how they can work collaboratively in the future. The full application documents have now been drafted and are currently being circulated for comment prior to approval at the end of August.	GREEN	GREEN
	Make investment and improvements to libraries and museums	Service Director, Economy and Growth	HMAG progressing - Briefing paper to be supplied to CLT 05.09.23. Library FBC for Shirehall being developed to be presented to Cabinet October 2023. Contractors in place for FF&E design, commercial case, architects, structural engineers and M&E.. Conservation are involved in all discussions and contact has been made with English Heritage for their input. FBC to be completed by 14.09.23.	AMBER	AMBER

■ complete
 ■ on target
 ■ at risk
 ■ compromised
 ■ paused

<b>Performance Measures</b>
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Measure	Lead Officer	Q1	Improve-ment?	Target Met?
Category 1 defects (O1) completed within timescale	Service Director, Environment and Highways	100%		
Category 2a defects completed within timescale	Service Director, Environment and Highways	91.52%		
Minimise the number of people killed or seriously injured in road traffic collisions in Herefordshire	Service Director, Environment and Highways	39		
Road Condition Indicator for Principal Roads: Roads in need of maintenance / Roads in good condition (Annual)	Service Director, Environment and Highways	Reported annually		
(Increase) the percentage of overall condition of footways rated as good	Service Director, Environment and Highways	Reported annually		
NHT results: Overall satisfaction with transport and highways services	Service Director, Environment and Highways	Reported annually		
Improve average journey time for multiple routes across the urban area in the morning weekday peak period	Service Director, Environment and Highways	Reported annually		
Increased levels of cycling (Hereford only)	Service Director, Environment and Highways	Reported annually		
Local congestion - Bus punctuality	Service Director, Environment and Highways	Reported annually		
Reduction in traffic flows in Hereford	Service Director, Environment and Highways	Reported annually		
Reduction in traffic flows countywide (exc Hereford)	Service Director, Environment and Highways	Reported annually		
The number of affordable houses delivered	Strategic Housing Manger	51		
The number of empty properties brought back in to use	Strategic Housing Manger	0		
(Increase the) number of people engaging with the Healthy Lifestyle Trainer Service	Corporate Director, Community Wellbeing	279		
(Increase the) number of new tenancies developed for independent living	Corporate Director, Community Wellbeing	12		
(Reduce the) rate of admissions to care homes for clients aged under 65	Corporate Director, Community Wellbeing	4.8		
(Reduce the) rate of admissions to care homes for clients aged 65+	Corporate Director, Community Wellbeing	137.1		
(Increase) the volunteer capacity in Herefordshire	Corporate Director, Community Wellbeing	23%		
(Increase) the number of Talk Community hubs	Corporate Director, Community Wellbeing	75		
(Increase) the number of hits on the Talk Community Directory	Corporate Director, Community Wellbeing	15,813		
Number and % of care experienced young people aged 19-21 in education, employment and training	Corporate Director, Children and Young People	16/90 18%		

Number and % of Early Help assessments completed by services other than the Herefordshire Council Early Help Team	Corporate Director, Children and Young People	62/89 70%		
% of the established workforce that is permanent	Corporate Director, Children and Young People	39%		
Average social worker allocation (excluding Newly Qualified Social Workers)	Corporate Director, Children and Young People	16.80		
Number of social workers with more than 24 children allocated	Corporate Director, Children and Young People	14		
Number of in-house foster care households	Corporate Director, Children and Young People			
Number of in-house foster care placements offered	Corporate Director, Children and Young People	186 (as at May)		
% of available in-house fostering capacity utilised	Corporate Director, Children and Young People	99% (as at May)		
Number and % of child and family assessments completed within timescales	Corporate Director, Children and Young People	143/201 71%		
Number and % of strategy meetings created and completed in timescale	Corporate Director, Children and Young People	157/177 89%		
Number and % of Initial Child Protection Conferences convened within 15 days (of the strategy discussion at which the need for child protection enquiries was agreed)	Corporate Director, Children and Young People	31/36 86%		
Number and % of return interviews which took place within 72 hours of the missing episode ending (excluding declined)	Corporate Director, Children and Young People	9/12 75%		
Number of Audits completed	Corporate Director, Children and Young People	20		
Number and % of audit grades at inadequate (post moderation)	Corporate Director, Children and Young People	6 30%		
Number and % of audit grades at requires improvement (post moderation)	Corporate Director, Children and Young People	4 20%		
Number and % of audit grades at good (post moderation)	Corporate Director, Children and Young People	9 45%		
Number and % of audit grades at outstanding (post moderation)	Corporate Director, Children and Young People	1 5%		
Number of Family Group Conferences (FGC) (when established)	Corporate Director, Children and Young People	4		
Number and % of children for whom PLO pre-proceedings were completed within 16 weeks (Rolling Year)	Corporate Director, Children and Young People	2 50%		
Number of children in unregistered provision (with Corporate Director's oversight and decision is recorded on the child's record)	Corporate Director, Children and Young People	1		
Number of children subject to Deprivation of Liberty (DoL), including the % of these children where DoL has been in place for 6 months or more	Corporate Director, Children and Young People	3 33%		
Number of children in care with an up-to-date initial health assessment	Corporate Director, Children and Young People	11/36 31%		
Number and % of children in care with an up-to-date dental check	Corporate Director, Children and Young People	267/380 70%		



Number and % of children in care for 6 months or longer who have a life-story book	Corporate Director, Children and Young People	120/348 34% (as at April)		
Number and % of care leavers aged 19-21 who live in suitable accommodation	Corporate Director, Children and Young People	84/95 88%		
Number and % of allocated children who have an up-to-date (within the past month) supervision completed on their record	Corporate Director, Children and Young People	572/903 63%		
Number and % of concerns raised and were resolved at stage one of the Dispute Resolution Protocol	Corporate Director, Children and Young People	0/0 0%		
Number of unallocated cases in the service without SW allocation	Corporate Director, Children and Young People	23		
Number and % of children's file audits completed by Managers, Child Protection Conference Chairs and Independent Reviewing Officers	Corporate Director, Children and Young People	13/20 65%		
Number and % of completed children's file audits moderated by senior leaders (DLT members)	Corporate Director, Children and Young People	7 35%		
Number of outstanding priority actions on the audit tracker following an inadequate audit outcome where concerns were escalated about the likelihood of significant harm	Corporate Director, Children and Young People	0		
% of EHC Plans issued within the period that were deemed to meet the required standards following audit	Corporate Director, Children and Young People	48% (as at April)		
% of Final EHCPs issued by the LA within 20 weeks as a proportion of all EHCPs issued in the year	Corporate Director, Children and Young People	92%		
% of Draft EHCPs issued by the LA within 16 weeks as a proportion of all EHCPs issued in the year	Corporate Director, Children and Young People	91%		
% of children with an EHCP in Yr6 who had their annual review completed and EHCP issued in time for primary Admission round allocations	Corporate Director, Children and Young People			
% of children with an EHCP in Yr11 who had their annual review completed and EHCP issued within timescale for secondary	Corporate Director, Children and Young People			
% of newly issued EHC Plans where Health Care advice was received within deadline	Corporate Director, Children and Young People	88%		
% of newly issued EHC Plans where Social Care advice was received within deadline	Corporate Director, Children and Young People	88%		

■ on target/improvement  
■ within 10% of target/small decline  
■ missed target by more than 10%/significant decline  
■ Not Available

Corporate Risks							
Risk			Impact				
			1 Insignificant	2 Minor	3 Moderate	4 Major	5 Significant
CRR.60 Development of Sufficiency Strategy to support best value model	<b>Likelihood</b>	5 <b>Certain</b>				CRR.74	
CRR.61 Market workforce economy		4 <b>Likely</b>				CRR.61; CRR.72; CRR.75; CRR.77; CRR.80; CRR.81	CRR.60; CRR.64
CRR.64 Inability to recruit and retain social care staff and other key roles within the service		3 <b>Possible</b>					
CRR.72 Adult Social Care Reform		2 <b>Unlikely</b>					
CRR.74 School Assets		1 <b>Rare</b>					
CRR.75 SEND inspection - risk of adverse inspection							
CRR.77 Increase in out of county educational placements							
CRR.80 Supply chain capacity							
CRR.81 Reviews - capacity, timeliness and statutory duty of care							

**Performance Measures**

Measure	Lead Officer	Q1	Improve-ment?	Target Met?
Percentage of invoices paid on time	Director of Resources and Assurance	90.98%		
Percentage of Council Tax rates collected	Director of Resources and Assurance	31.79%		
Percentage of Business rates collected	Director of Resources and Assurance	32.56%		
Time taken to deal with housing benefit change of circumstances (No. of days)	Director of Resources and Assurance	14.09		
Time taken to deal with housing benefit new claims (No of days)	Director of Resources and Assurance	20.22		
The social value attributable to council procurement	Director of Resources and Assurance	£91,948	n/a	n/a
The percentage of the council procurement budget spent locally	Director of Resources and Assurance	34.00%		
Percentage of FOIs & EIRs responded to within timescales	Director of Governance and Law	97.31%		
Compliance with service standard deadline for answering formal complaints	Director of Governance and Law	80.53%		
Compliance with service standard deadline for answering formal complaints within the children's representations and complaints procedures	Director of Governance and Law	25.00%	n/a	
The number of apprentices within Herefordshire Council	Director of HR and OD		Not yet available	
Average days sickness per FTE (12 month rolling average)	Director of HR and OD	8.98		
Percentage of workforce completing mandatory training within timescale:	Information Governance	Director of HR and OD	97.00%	
	Information Security	Director of HR and OD	97.00%	
	Code of Conduct	Director of HR and OD	95.53%	
Number of RIDDOR reportable incidents	Director of HR and OD	0		
Proportion of workforce that are agency staff (FTE)	Director of HR and OD	Measure being developed		
Monthly turnover (annualised based on headcount)	Director of HR and OD	15.43% (as at May)	n/a	n/a
Employee engagement index	Director of HR and OD	Reported annually		
Gender pay gap	Director of HR and OD	Reported annually		
Percentage of major planning applications dealt with within 13 weeks/16 weeks or with an extension of time	Head of Planning and Building Control	80.00%	n/a	

Percentage of non-major (minor and other) applications dealt with within 8 weeks or with an extension of time	Head of Planning and Building Control	72.34%	n/a	
The value of investment delivered by the council to mitigate the impact of development sites	Head of Planning and Building Control			Reported annually
The proportion of major planning applications overturned at appeal after determination (24 month average)	Head of Planning and Building Control			Government statistic produced from the council PS1 and PS2 returns and the Planning Inspectorate decisions - will be updated once the next quarterly update table is produced by Government
The proportion of non-major planning applications overturned at appeal after determination (24 month average)	Head of Planning and Building Control			
Increase volume of parking transactions made by card or phone compared to coin	Service Director, Highways and Environment	60.30%	n/a	
Improve compliance of parking restrictions – average amount of income recovered per PCN	Service Director, Highways and Environment	£29.12	n/a	

■ on target/improvement 
 ■ within 10% of target/small decline 
 ■ missed target by more than 10%/significant decline 
 ■ Not Available

Corporate Risks							
Risk		Impact					
		1 Insignificant	2 Minor	3 Moderate	4 Major	5 Significant	
	Likelihood	5 Certain					
		4 Likely					
		3 Possible					
		2 Unlikely					
		1 Rare					



# Title of report: Housing Benefit Risk Based Verification Policy

**Meeting: Cabinet**

**Meeting date: Thursday 28 September 2023**

**Cabinet member: Peter Stoddart, Finance and Corporate Services**

**Report by: Director of Resources and Assurance**

**Report Author: Rachael Hart, Head of Strategic Finance and deputy s.151**

## **Classification**

This report is open but Appendix 2 is exempt under paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information) and paragraph 7 (Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime) of Schedule 12A to the Local Government Act 1972 and in both instances the public interest in maintaining the exemption outweighs that in disclosing the information.

## **Decision type**

Non-key

## **Wards affected**

(All Wards);

## **Purpose**

To approve the adoption of the Risk Based Verification Policy in determining evidence requirements for the assessment of Housing Benefit and Council Tax Benefit claims.

## **Recommendation(s)**

**That:**

- a) **Cabinet approve the Housing Benefit Risk Based Verification Policy for 2024/25 and notes that the Policy has been effective for the period since initial implementation, as recommended by the Section 151 Officer.**

## **Alternative options**

1. There are no alternatives to the recommendation; the annual approval of the RBV policy by the council's Section 151 Officer and Members is required as part of the annual subsidy and audit requirement for Housing Benefit Claims.

## **Key considerations**

2. Risk Based Verification (RBV) is used when processing all claims to Housing Benefit and Council Tax Support. RBV allows the council to focus resources on the claims where there is a higher likelihood of fraud and error and to pay low risk claims more efficiently.
3. The council has used this method of verification since 2012/13 as permitted by the Department for Work and Pensions (DWP) and the external audit testing for the Housing Benefit Assurance Process has been undertaken on an RBV basis to comply with the required testing procedures. RBV is a software application designed to profile benefit claim data to produce a risk score. The risk score is derived from a mathematical assessment based on historical intelligence and statistical information about which claim types represent particular risks. For the purpose of applying verification on a risk basis, each claim is ranked into one of three categories; Low, Medium and High Risk with verification and documentary evidence requirements aligned to each risk profile.

## **Community impact**

4. The council provides discounts to eligible residents including the Council Tax Reduction scheme and other discounts listed on the council's website. Verifying the eligibility of claims minimises the risk of incorrect claims and the risk of fraud and error to the council.

## **Environmental Impact**

5. Whilst this decision will have minimal environmental impact, consideration has been made to minimise waste and resource use in line with the council's environmental policy.

## **Equality duty**

6. 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.
  - d) 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.
7. The Risk Based Verification approach applies equally to all claimants; therefore, no equality issues arise.

## **Resource implications**

8. The resources required for verification purposes are contained within existing budgets. Adoption of the policy enables process efficiencies and supports the prevention and detection of fraud and error.

## **Legal implications**

9. HB/CTB Circular S11/2011 sets out the legal implications and best practice recommendations should an authority choose to implement a Risk Based Verification approach.
10. Housing Regulation 86 and Council Tax Benefit Regulation 72 of the Social Security Act 1992 sets out the minimum level of evidence required and HB/CTB Circular S11/2011 provides further guidance by advising:
  - a. All Local Authorities opting to apply RBV will be required to have in place an RBV Policy detailing the risk profiles, verification standards which will apply and the minimum number of claims to be checked.
  - b. The Policy must be submitted for Members' approval and sign-off along with a covering report confirming the Section 151 Officer's agreement. The information held in the Policy, which would include the risk categories, should not be made public due to the sensitivity of its contents.
  - c. The Policy must allow Members, officers and external auditors to be clear about the levels of verification necessary. It must be reviewed annually but not changed in-year as this would complicate the audit process. It is also considered good practice for the Policy to be examined by the authority's Audit and Governance Committee. The Policy must be submitted for Members' approval and sign-off along with approval from the Section 151 Officer.

## **Risk management**

11. The RBV method aligns verification and evidence requirements to assessed levels of risk. External audit requirements ensure that application of the policy is reviewed as part of audit procedures and submission of the claim to DWP.

## **Consultees**

12. None.

## **Appendices**

None.

## **Background papers**

Appendix 1: Housing Benefit and Council Tax Benefit Circular HB/CTB S11/2011

Appendix 2: Risk Based Verification Policy 2024/25 (Exempt)





## Housing Benefit and Council Tax Benefit Circular

Department for Work and Pensions

1<sup>st</sup> Floor, Caxton House, Tothill Street, London SW1H 9NA

# HB/CTB S11/2011

### SUBSIDY CIRCULAR

<b>WHO SHOULD READ</b>	All Housing Benefit (HB) and Council Tax Benefit (CTB) staff
<b>ACTION</b>	For information
<b>SUBJECT</b>	Risk-Based Verification of HB/CTB Claims Guidance

### Guidance Manual

The information in this circular does not affect the content of the HB/CTB Guidance Manual.

### Queries

If you

- want **extra copies of this circular/copies of previous circulars**, they can be found on the website at <http://www.dwp.gov.uk/local-authority-staff/housing-benefit/user-communications/hbctb-circulars/>
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  - **technical content of this circular**, contact  
Email: [HBCTB.SUBSIDYQUERIES@DWP.GSI.GOV.UK](mailto:HBCTB.SUBSIDYQUERIES@DWP.GSI.GOV.UK)
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## Risk-Based Verification of HB/CTB Claims Guidance

### Introduction

1. This guidance outlines the Department's policy on Risk-Based Verification (RBV) of Housing Benefit and Council Tax Benefit (HB/CTB) claims.

### Background

2. RBV allows more intense verification activity to be focussed on claims more prone to fraud and error. It is practiced on aspects of claims in Jobcentre Plus (JCP) and the Pension Disability and Carers Service (PDCS). Local authorities (LAs) have long argued that they should operate a similar system. It is the intention that RBV will be applied to all Universal Credit claims.
3. Given that RBV is practised in JCP and PDCS, the majority (up to 80%) of HB/CTB claims received in an LA may have been subject to some form of RBV. Already 16 LAs operate RBV. Results from these LAs have been impressive. In each case the % of fraud and error identified has increased against local baselines taken from cells 222 and 231 of the Single Housing Benefit Extract (SHBE). In addition, in common with the experience of JCP and PDCS there have been efficiencies in areas such as postage and storage and processing times have improved.
4. We therefore wish to extend RBV on a **voluntary basis** to all LAs from April 2012.

This guidance explains the following;

- What is RBV?
- How does RBV work?
- The requirements for LAs that adopt RBV
- How RBV claims will be certified
- What are the subsidy implications?

### What is RBV?

5. RBV is a method of applying different levels of checks to benefit claims according to the risk associated with those claims. LAs will still be required to comply with relevant legislation (Social Security Administration Act 1992, section 1 relating to production of National Insurance numbers to provide evidence of identity) while making maximum use of intelligence to target more extensive verification activity on those claims shown to be at greater risk of fraud or error.
6. LAs have to take into account HB Regulation 86 and Council Tax Benefit Regulation 72 when verifying claims. The former states:

*“a person who makes a claim, or a person to whom housing benefit has been awarded, shall furnish such certificates, documents, information and evidence in connection with the claim or the award, or any question arising out of the claim or the award, as may reasonably be required by the relevant authority in order to determine that person’s entitlement to, or continuing entitlement to housing benefit and shall do so within one month of being required to do so or such longer period as the relevant authority may consider reasonable.”*

Council Tax Benefit Regulation 72 is similar.

7. These Regulations do not impose a requirement on authorities in relation to what **specific** information and evidence they should obtain from a claimant. However, it does require an authority to have information which allows an **accurate assessment** of a claimant’s entitlement, both when a claim is first made and when the claim is reviewed. A test of reasonableness should be applied.

### How does RBV work?

8. RBV assigns a risk rating to each HB/CTB claim. This determines the level of verification required. Greater activity is therefore targeted toward checking those cases deemed to be at highest risk of involving fraud and/or error.
9. The classification of risk groups will be a matter for LAs to decide. For example, claims might be divided into 3 categories:
  - **Low Risk Claims:** Only essential checks are made, such as proof of identity. Consequently these claims are processed much faster than before and with significantly reduced effort from Benefit Officers without increasing the risk of fraud or error.
  - **Medium Risk Claims:** These are verified in the same way as all claims currently, with evidence of original documents required. As now, current arrangements may differ from LA to LA and it is up to LAs to ensure that they are minimising the risk to fraud and error through the approach taken.
  - **High Risk Claims:** Enhanced stringency is applied to verification. Individual LAs apply a variety of checking methods depending on local circumstances. This could include Credit Reference Agency checks, visits, increased documentation requirements etc. Resource that has been freed up from the streamlined approach to low risk claims can be focused on these high risk claims.
10. We would expect no more than around 55% of claims to be assessed as low risk, with around 25% medium risk and 20% high risk. These figures could vary from LA to LA according to the LA’s risk profiling. An additional expectation is that there should be more fraud and error detected in high risk claims when compared with medium risk claims and a greater % in medium risk than low risk. Where this proves not to be the case the risk profile should be revisited.
11. LAs may adopt different approaches to risk profile their claimants. Typically this will include the use of IT tools in support of their policy, however, the use of clerical systems is acceptable.

12. Some IT tools use a propensity model<sup>1</sup> which assesses against a number of components based on millions of claim assessments to classify the claim into one of the three categories above. Any IT system<sup>2</sup> must also ensure that the risk profiles include 'blind cases' where a sample of low or medium risk cases are allocated to a higher risk group, thus requiring heightened verification. This is done in order to test and refine the software assumptions.
13. Once the category is identified, individual claims cannot be downgraded by the benefit processor to a lower risk group. They can however, exceptionally, be upgraded if the processor has reasons to think this is appropriate.

### **The requirements for LAs that adopt RBV**

14. RBV will be voluntary. However, all LAs opting to apply RBV will be required to have in place a **RBV Policy** detailing the risk profiles, verification standards which will apply and the minimum number of claims to be checked. We consider it to be good practice for the Policy to be examined by the authority's Audit and Risk Committee or similar appropriate body if they exist. The Policy must be submitted for Members' approval and sign-off along with a covering report confirming the Section 151 Officer's (section 85 for Scotland) agreement/recommendation. The information held in the Policy, which would include the risk categories, should not be made public due to the sensitivity of its contents.
15. The Policy must allow Members, officers and external auditors to be clear about the levels of verification necessary. It must be reviewed annually but not changed in-year as this would complicate the audit process.
16. Every participating LA will need a robust baseline against which to record the impact of RBV. The source of this baseline is for the LA to determine. Some LAs carry out intensive activity (along the lines of the HB Review) to measure the stock of fraud and error in their locality. We suggest that the figures derived from cells 222 and 231 of SHBE would constitute a baseline of fraud and error currently identified by LAs.
17. Performance using RBV would need to be monitored monthly to ensure its effectiveness. Reporting, which must be part of the overall Policy, must, as a minimum, include the % of cases in each risk category and the levels of fraud and error detected in each.

### **How RBV claims will be certified?**

18. Auditors will check during the annual certification that the subsidy claim adheres to the LA's RBV Policy which will state the necessary level of verification needed to support the correct processing of each type of HB/CTB claim. The risk category will need to be recorded against each claim. Normally the LA's benefit IT/clerical system will allow this annotation.

<sup>1</sup> Whilst DWP is of the opinion that the use of IT will support the success of RBV, it does not in anyway endorse any product or company

<sup>2</sup> The same safeguard must be applied to clerical systems

## Other considerations

19. The sample selection for HB/CTB cases will not change i.e. 20 cases will be selected for each headline cell on the claim form. The HB COUNT guidance used by the external auditors for certification will include instructions for how to deal with both non-RBV and RBV cases if selected in the sample. For non-RBV cases, the verification requirements will remain the same i.e. LAs will be expected to provide all the documentary evidence to support the claim.

## What are the subsidy implications?

20. Failure by a LA to apply verification standards to HB/CTB claims as stipulated in its RBV Policy will cause the expenditure to be treated as LA error. The auditor will identify this error and if deemed necessary extrapolate the extent and, where appropriate, issue a qualifying letter. In determining the subsidy implications, the extrapolation of this error will be based on the RBV cases where the error occurred. For this reason, it is important that RBV case information is routinely collected by ensuring that LA HB systems incorporate a flag to identify these RBV cases. If sub-populations on RBV cases can not be identified, extrapolations will have to be performed across the whole population in the particular cell in question.
21. We will now work with the respective audit bodies to incorporate this into the COUNT guidance. If you have any queries please contact Manny Ibiayo by e-mail [HBCTB.SUBSIDYQUERIES@DWP.GSI.GOV.UK](mailto:HBCTB.SUBSIDYQUERIES@DWP.GSI.GOV.UK)

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## **Marches Forward Partnership Memorandum of Understanding**

**Meeting: Cabinet**

**Meeting date: Thursday 28 September 2023**

**Cabinet member: Jonathan Lester, Corporate Strategy and Budget**

**Report by: Corporate Director, Economy and Environment**

**Report author: Roger Allonby, Service Director Economy and Growth,  
Economy and Environment**

### **Classification**

Open

### **Decision type**

Key

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

Notice has been served in accordance with Part 3, Section 10 (General Exception) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) Regulations 2012.

### **Wards affected**

All Wards

### **Purpose**

This report seeks approval for the council to sign a Memorandum of Understanding (MOU) between Herefordshire Council, Shropshire Council and Monmouthshire and Powys County Councils for collaboration as a Marches Forward Partnership.

### **Recommendation(s)**

**That:**

- a) Support Herefordshire Council's Leader in working with neighbouring local authorities to present outline terms of reference for a Marches Forward Partnership;**
- b) Delegate to the Chief Executive in consultation with the Council's Leader to agree changes in finalising the Memorandum of Understanding to reflect feedback from each cabinet and to complete the Memorandum of Understanding; and**

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Further information on the subject of this report is available from  
Roger Allonby, Roger.Allonby@herefordshire.gov.ukl

- c) Delegate to the Chief Executive and Corporate Director for Economy and Environment to proceed with development of a work programme to meet the objectives within the Memorandum of Understanding, in consultation with relevant Portfolio Holders.**

### **Alternative options**

1. To establish a strategic partnership with alternative partners – the Memorandum of Understanding (MoU) is not an exclusive agreement, each council will continue to explore partnership working with other areas.

### **Key considerations**

2. Herefordshire Council has been working collaboratively with Shropshire Council and both Monmouthshire and Powys County Councils to develop a common understanding of each other's organisations. The aim has been to establish areas where there is mutual benefit and added value in working together, supporting each other's strategic aims and leveraging combined knowledge, resources and activities.
3. Geographically, the neighbouring local authorities cover a contiguous area which straddles over 80% of the English and Welsh border. Commuting patterns and access to retail, education, business support and healthcare services all reflect the functional profile of the area.
4. The Marches Forward Partnership brings together strategic joint working between Herefordshire, Shropshire, Powys and Monmouthshire local authorities. It covers a population of approximately 737,000 residents and covers an area of approximately 1,140,000 hectares.
5. For many local people, the border between England and Wales is somewhat of an artificial boundary and can limit potential for collaboration. A strategic cross border partnership provides opportunity to support government ambitions around Union Connectivity, improving join up between England and Wales and helping to increase investment and accelerate delivery of key infrastructure projects.
6. Early scoping work has highlighted the potential to innovate and look at creative solutions which are not bound by statutory delivery timescales or regulatory frameworks. The Partnership offers a flexible framework to explore how local services and corporate priorities can be delivered differently using shared skill sets and an unusual level of freedom. It provides a unique opportunity to focus on the added value of working as a collective whole whilst not seeking to duplicate or impact on individual partner relationships or partnerships explored in the future by constituent partners.
7. Whilst initially focused on short term opportunities for more efficient and effective service delivery, the Partnership also provides opportunity for constituent partners to seek and gain greater recognition of the need for joint working across borders with respective Governments. As such, it provides a platform to raise the profile of the area and seek greater investment for delivery.
8. Functionally there are already significant flows of people between the Mid Wales-English border in areas including healthcare, education, skill development, jobs and service provision. This cross border movement is attributable to a number of interrelated factors including geographic convenience, specialities in sector and service provision and infrastructure availability.
9. Cross border partnership working has also been a focal point for some time. Shropshire, Telford and Wrekin and Herefordshire currently operate as an economic geography under the Marches Local Enterprise Partnership and whilst there is not a similar LEP structure for Wales,

cross border joint working is a focus of activity between Shropshire, Herefordshire, Powys and Monmouthshire on a local service delivery basis. The Marches has also been progressing conversations, for some time, on the potential for a cross border Growth Deal with Powys. This is based on recognition of the importance of the cross border relationship between Mid Wales and the Marches.

10. Between the summer 2022 and January 2023, Local Authority Leaders within the Marches discussed, with the Marches LEP, options for securing more freedoms to make decisions at a local level. Such discussions were also driven by consideration of the types of means available in the future to unlock greater investment into the area as an enabler of growth.
11. At the same time, local authority Leaders across Herefordshire, Shropshire, Powys and Monmouthshire started to explore areas of collective interest and ambitions to bring together both Welsh and English Governments to support, in principle, joint working across borders. It was agreed that joint scoping should take place across the local authorities to understand shared priorities and opportunities that are worthy of further investigation. This was aimed at identifying those key focal points where strategic thinking and joint work at the collective scale provides the most benefit such as road infrastructure.
12. Alongside this early scoping work, ongoing conversations are taking place with both Wrexham Council and Telford and Wrekin Council as the two other local authorities with a shared interest in this functional geography. An open invitation has been established for these partners to join the Partnership, as the development work progresses and more information is known and shared on priority areas and joint working opportunities.
13. It is also not intended that the Partnership be an exclusive arrangement, each Local Authority will continue to work with and further develop relationships with other neighbouring authorities and partners in meeting local needs and realising far reaching opportunities. For example, our local strengths in Cyber Security, along with Worcestershire and Gloucestershire.
14. From the early scoping work across the Partnership area, key areas of shared interest have been identified around nature and climate adaptation (including river quality issues), energy, transport and connectivity, housing, digital, food/ agriculture, skills and innovation. In June 2023, a draft MOU was developed to reflect some of the outputs from the early scoping work. This is summarised within the following six objectives:
  - Objective 1: Data, Evidence and Research: Leveraging joint intelligence and research expertise to improve the quality of life for our rural, cross border communities through sharing information and carrying out research.
  - Objective 2: Nature, Energy and Climate Adaptation: Working together to identify and collaborate on strategic scale opportunities based around our high quality natural environment, addressing current and future resilience challenges in relation to climate change and nature recovery.
  - Objective 3: Transport and Digital Transformation: Working together to improve rural connectivity, to level up access to jobs, education and opportunity and bring mutual benefits for our neighbouring areas.
  - Objective 4: Sustainable Communities: Working together on the development of sustainable communities, creating a social infrastructure offer which realises the growth and sustainability of the rural economy and supports our residents, employers and users of our geography.
  - Objective 5: Food, Rural Development and Visitor Economy: Working together to identify opportunities for closer collaboration which encourages the economic growth of our rural economy.
  - Objective 6: Government and Strategic Relations: Working together on strategic communications to raise the regional, national and international profile of our area.

15. These objectives now provide a starting point, to be built on through the Marches Forward Partnership.
16. It is intended that a 12 month review will be undertaken to consider if the MOU remains on track, and the partnership is achieving the expected outcome.

### **Community impact**

17. The Marches Forward Partnership will enhance service delivery to Herefordshire communities, particularly in cross border locations, in terms of transport, skills, environment, health care and housing growth. The greater sharing of best practice, resources and expertise across the partnership area will improve service delivery, and provide a basis for seeking additional government funding.
18. Across the partner local authorities, the Marches Forward Partnership is seen as an opportunity to:
  - I. Focus on the shared geography and maximising the potential of the area.
  - II. Provide the right tools for effective service delivery within each local authority.
  - III. Understand and work together to attract the right investment, for example for critical road/ transport infrastructure.
  - IV. Understand and innovate to address the needs of rural communities.
  - V. Harness the value of shared rural assets.
  - VI. Align policy and investment drivers to obtain the best from cross border political ambitions.
  - VII. Understand future trends and service demands across a functional area.
  - VIII. Focus on where collaboration adds the greatest value.
  - IX. Share learning and best practice.
19. Cross border communities will benefit from greater co-ordination of service delivery and longer term co-ordinated development of activities
20. The Herefordshire County Plan 2020 to 2024 identifies that we will work with a wide range of partners to improve services and to address issues such as climate change, skills and enhanced connectivity. The Economic Plan identifies a need to work with neighbouring functional economic geographies to enable growth, and to collaboratively make the case for government investment.
21. A priority for the new Herefordshire administration is to improve river quality, address congestion on the A49 through developing a western bypass to Herefordshire, protect the natural environment and address climate change.

### **Environmental Impact**

22. The Partnership provides a significant opportunity for the partner local authorities to support one another on climate and net zero plans and local delivery.

23. Early scoping work for the Partnership identified key areas of service alignment and priority across the neighbouring authorities. As a grouping with a shared, high quality, rural environment, a key thematic focus has already emerged around nature, energy and climate adaptation. This is reflected in the MOU which highlights opportunity to work together on strategic scale projects to address current and future resilience challenges in relation to climate change and nature recovery. The Partnership could also support rural resilience through work around land management and exploring common local authority aspirations around net zero and renewable energy solutions.

### **Equality duty**

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

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

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

25. Each of the respective Local Authorities are committed to improving services and places for all of our communities. The Partnership provides a basis for the councils to work better together in serving local people, particularly hard to reach and/or disadvantaged groups through sharing skills and expertise, and best practice across the four councils.

### **Resource implications**

26. The MOU makes clear that nothing in the agreement involves a commitment of funds from the partner local authorities. Work to date has used existing local authority resources, focused on shared staff time and skills. It has not involved any other financial implications.
27. The Partnership provides opportunity for continued sharing of staff resources to support development of cross border joint working. Through the development of the Partnership work programme, partners may decide to commission work on particular topics to progress key areas of activity. Future work by the Partnership may therefore involve an ask for partner investment. However, the Partnership framework provides a basis to prioritise, agree and divide such costs across the collective partners, thereby providing benefit and reducing the financial implications to each individual organisation.
28. Given the informal working relationship under the strategic collaboration, the MoU does make clear that each local authority will have individual responsibility for relevant Cabinet and Council briefings. This will include ensuring all the necessary financial agreements are in place within each partner local authority for any future key areas of work associated with the Partnership. Political leadership and oversight through a Leaders Group will ensure regular updates on progress and future work programmes.
29. As a strategic collaboration, the Partnership provides opportunity as a means of unlocking new funding into the area. Using the additional value of the unique cross border location and

collective approach, the Partnership provides a platform to attract investment for effective service delivery and critical infrastructure across the area.

## **Legal implications**

30. There are no legal implications. The Memorandum of Understanding does not bind the Council as it is a voluntary partnership. If any workstreams require a commitment (whether politically or financially) then we would recommend that that individual arrangement is secured by formal agreement.

## **Risk management**

31. Significant opportunity is provided by the development of the Marches Forward Partnership. The Partnership provides a flexible umbrella framework for joint working which supports local service delivery based around how people and places function rather than being confined within organisational or geographical boundaries. It also enables the Council to harness the unique value of Herefordshire's cross border location.
32. The Partnership is not intended to be a legal entity. There will be no formal governing structure and no elements of the MOU will be legally binding. As a result, there are no legal risks to the Council since the Partnership will operate on an informal basis, based around joint working on areas of common purpose.
33. Mapping has been undertaken to understand existing strategic partnership arrangements across the area. As a result, the development of the Partnership and its intended work programme do not pose a risk in terms of duplicating existing arrangements. Instead, the Partnership will only focus on areas of added value, addressing an existing gap in strategic cross border working between England and Wales.
34. As a flexible arrangement, each local authority within the Partnership has the freedom to either not undertake a particular activity or not participate further in the Partnership at any point in time. The Partnership does not therefore pose a risk in terms of prejudicing or constraining any of the constituent partners or groupings of partners in being involved in alternative partnership arrangements. The MOU does not restrict, in any way, other arrangements that a partner local authority may wish to develop independently.
35. The risks and opportunities relating to this report are predominately focused on Herefordshire Council's role in developing an informal partnership and the associated working arrangements. Whilst this poses resource implications, the proposed management structure for the Partnership is focused on joint resourcing. Each local authority will share skills, data and learning as well as the provision of a portfolio lead for thematic working groups. There are significant opportunities for greater efficiency and effectiveness through joint working initiatives as well as the potential to use the Marches Forward Partnership as a platform to secure wider investment support.

## **Consultees**

36. Political group consultation to be held on the 21<sup>st</sup> September. Partnership groups such as the Herefordshire Sustainable Growth Strategy Board have been engaged and expressed support

for enhanced strategic working with neighbouring authorities.

## Appendices

Appendix 1 – Memorandum of Understanding

## Background papers

None

## Report Reviewers Used for appraising this report:

Governance	John Coleman	Date 04/09/2023
Finance	Karen Morris/ Wendy Pickering / Judith Tranmer	Date 05/09/2023
Legal	Sean O'Connor	Date: 31/08/2023
Communications	Luenne Featherstone	Date 31/08/2023
Equality Duty	Harriet Yellin	Date 31/08/2023
Procurement	Carrie Deeley	Date 04/09/2023
Risk	Kevin Lloyd	Date 31/08/2023

Approved by	Ross Cook	Date 08/09/2023
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## Draft Memorandum of Understanding

For the

Cross Border Marches Partnership

Between

Herefordshire Council, Monmouthshire County Council,  
Powys County Council and Shropshire Council

August 2023

### Background:

Herefordshire Council, Monmouthshire County Council, Powys County Council, and Shropshire Council have been working collaboratively to develop a common understanding of each other's organisations. The aim has been to establish areas where there is mutual benefit and added value in working together, supporting each other's strategic aims and making the most of combined knowledge, resources and activities.

Geographically, the local authorities cover a contiguous area which straddles over 80% of the English and Welsh border. It is a wonderful area to live, work and visit and we have much to celebrate together. However, commuting patterns and access to retail, education, business support and healthcare services all reflect the functional profile of the area. The neighbouring local authorities are bound together by common purpose based on their rurality with longer and more expensive access to services, changing service demands from an ageing population and low levels of productivity and employment growth.

Whilst the local authorities have interacted as neighbouring areas on many levels for a long time, these activities had not previously been fully coordinated to align respective strategic visions, plans and resources for the maximum impact on the Marches and cross border area.

With an increased emphasis on the importance of place and local authorities in a system leadership role, and with the closure of the Marches LEP planned next year, this MOU formalises the strategic relationship between the Marches and cross border local authorities.

### Purpose:

This MOU represents the spirit of co-operation and joint working between the local authorities. It is based on a shared set of principles around working together to raise the regional, national, and international profile of the Marches and cross border area with both Welsh and UK Government, businesses, and other key stakeholders.

The aim is to work together to maximise efficient service delivery, attract investment and positively impact the area and benefit local communities.

The local authorities do not intend this MoU to be legally binding. It is not intended that any formalised governing authority be created by this MoU.

Nothing in this MoU will seek to constrain the individual activities of each local authority or groupings of local authorities within the partnership. It is also not intended to duplicate existing partnership working by the constituent partners.

### Objectives:

The MOU is set in the context of the climate emergency, economic uncertainty and drive for inclusive growth to level up communities and support Union Connectivity. It embodies the following agreed set of overarching principles:

- Providing a flexible umbrella framework for joint working
- Focusing on driving the best economic deal for the geography
- Delivering services that respond to how the area functions
- Unlocking additional value through harnessing the unique cross border location
- Developing a joint working approach to innovation
- Shaping and delivering outcomes for the best short, medium and long term future.
- Sharing learning and best practice with partners.

The focus of the collaboration is further defined by the following six objectives:

**Objective 1: Data, Evidence and Research:** Leveraging joint intelligence and research expertise to improve the quality of life for our rural, cross border communities through sharing information and carrying out research, with a particular focus on:

- Climate Change
- Transport and Connectivity
- Public health and inequalities
- Economic growth
- Data analysis and modelling to inform integrated policy-making and delivery between England and Wales based on a functional geography.

**Objective 2: Nature, Energy and Climate Adaptation:** Working together to identify and collaborate on strategic scale opportunities based around our high quality natural environment, addressing current and future resilience challenges in relation to climate change and nature recovery, with a particular focus on:

- Supporting rural resilience through bringing together thinking and work around land management
- Developing and unlocking climate and nature based investment opportunities
- Exploring common local authority aspirations around net zero and renewable energy solutions.

**Objective 3: Transport and Digital Transformation:** Working together to improve rural connectivity, to level up access to jobs, education and opportunity and bring mutual benefits for our neighbouring areas, with a particular focus on:

- Working together to establish a coherent, consistent and integrated bus network.
- Developing simplified cross border travel through integrated ticketing.
- Exploring opportunities with partners to increase frequency and speed of local rail provision.
- Developing cross area SMART collaboration opportunities to support shared social and economic outcomes.

**Objective 4: Sustainable Communities:** Working together on the development of sustainable communities, creating a social infrastructure offer which realises the growth and sustainability of the rural economy and supports our residents, employers and users of our geography, with a particular focus on:

- Understanding cross border movements to access health provision and the infrastructure needed to support this.
- Working collaboratively to provide cross border leadership for housing, including horizon scanning to identify future risks and opportunities and sharing information and good practice.
- Understanding and articulating the needs of existing and prospective employers to improve the ability for learning, skills and business support provision across borders to meet demands.

**Objective 5: Food, Rural Development and Visitor Economy:** Working together to identify opportunities for closer collaboration which encourages the economic growth of our rural economy, developing and promoting our unique offer, with a particular focus on:

- Supporting the development of key projects to attract investment, harnessing the power of shared assets, thematic propositions and strategic tourism routes.
- Working together to catalyse the realisation of key economic development sites, with strategic priority being to support market town regeneration.
- Establishing our value in food production supporting UK food sovereignty and agroecological practices, developing an enterprising and entrepreneurial culture which supports the development of sector based strategies and economic clusters.
- Working together to support a coherent cultural and visitor economy offer.

**Objective 6: Government and Strategic Relations:** Working together on strategic communications to raise the regional, national and international profile of our area, with a particular focus on:

- Joining up conversations with partners to support understanding and to work collaboratively on the promotion of activities and opportunities with key stakeholders.
- Where appropriate and in the interests of the area, agree key messages and a collective shared approach; noting that individual local authority positions will not always be aligned.
- Coordinating responses to jointly inform consultations, strategies and policies developed by others.

**Management of MoU activity:**

The Partnership will be coordinated through a Leaders Group bringing together the Leaders of each local authority on a quarterly basis.

The Leaders Group will be supported by officer groups comprising the Chief Executives and relevant Directors alongside working groups on particular focus areas.

Officer groups will operate on a monthly basis to support the Leaders in driving forward the programme of joint work.

## Joint management and delivery structure



The local authorities also agree that:

- LA Leaders will respond to and progress work within this MoU, with each Local Authority taking individual responsibility for relevant Cabinet and Council briefings, as needed, to update on progress and ensure widespread support for this work.



- this MoU will run for an 18 month term before review;
- the broader activity of the Partnership may evolve and expand during implementation and will be reflected in subsequent reviews;
- nothing in this MoU will be interpreted as a commitment of funds from each local authority; and
- this MoU does not restrict, in any way, other arrangements that a local authority may wish to develop independently.

Signed by:

Date:

DRAFT



# Title of report: High Needs Capital Grant: Hampton Dene Primary School, Extension of the Language and Communication Centre

<b>Meeting:</b>	<b>Full Cabinet</b>
<b>Meeting date:</b>	<b>Thursday 28 September 2023</b>
<b>Cabinet member:</b>	<b>Harry Bramer, Community Services and Assets, Ivan Powell, Children and Young People</b>
<b>Report by:</b>	<b>Corporate Director Childrens and Young People</b>
<b>Report author:</b>	<b>Quentin Mee, Head of Educational Development, Children and Young People</b>

## Classification

Open

## Decision type

Key

## Wards affected

(All Wards);

## Purpose

To approve spend from the High Needs Provision Capital Grant to extend Hampton Dene Primary School's Language and Communication Centre.

## Recommendation(s)

**That:**

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Further information on the subject of this report is available from  
 Karen Knight, Caroline Marshall, Quentin Mee, Rhiannon Pailing, Tel: 01432 383042, Tel: 01432 260249, ,  
 Tel: 01432 383425, email: kknight@herefordshire.gov.uk, caroline.marshall3@herefordshire.gov.uk,  
 Quentin.Mee@herefordshire.gov.uk, Rhiannon.Pailing@herefordshire.gov.uk

- a) **Subject to planning consent, up to £2.4m of capital spend from the high needs provision capital grant be allocated to extend Hampton Dene Primary School's Language and Communication Centre, and**
- b) **The Service Director for Education, Development and Skills will be authorised to take all operational decisions necessary to deliver the works.**

### **Alternative options**

- 1. Not to extend the Language and Communication Centre (LCC). This is not recommended as the LCC is currently over-capacity and there is an increasing need for spaces at the centre. The extension will resolve the current over-capacity and provide new additional spaces.

### **Key considerations**

- 2. The council has a statutory responsibility to provide sufficient high quality accommodation for pupils with an Education Health and Care Plan (EHCP) for their Special Educational Needs and Disabilities (SEND).
- 3. On 22 April 2021, Cabinet approved the Herefordshire Capital Investment Strategy 2021-2030 For Specialist Settings Educating Children and Young People with Special Educational Needs and Disabilities. The strategy seeks to ensure that there is high quality sustainable specialist educational accommodation for children and young people (CYP) with an EHCP for SEND in Herefordshire.
- 4. By adopting this above strategic approach and investment proposals over the lifecycle of the strategy, the council will be undertaking a planned and prioritised sequence of improvement works that continues to ensure that the statutory responsibility to provide sufficient high quality education places for children and young people with SEND in particular those with an EHCP relating to their SEND is met.
- 5. The number of EHCPs for which the council are responsible for has been increasing over the past 5 years and this increase is expected to continue into the future. The highest primary need in Herefordshire has been identified as Autistic Spectrum Disorder (ASD).
- 6. The LCC at Hampton Dene caters for children with Speech, Language and Communication Needs (SLCN) and ASD with 16 places currently available for each specialism. This unit has been full since 2018 based on its intended capacity however the school have continued to admit children taking their numbers to 50% above capacity.
- 7. The need to offer more places to meet demand has resulted in the creation of additional autism hubs in four mainstream schools as well as the proposed expansion at Hampton Dene. The aim behind the opening of these units is to limit the number of pupils having to attend schools either out of county and/or in the independent sector which comes at a significant cost to the council.
- 8. A feasibility study conducted in April confirmed that an expansion could be accommodated on the existing site.
- 9. The expansion will include two additional classrooms with the appropriate support space, toilets and outdoor space as set out in Department for Education (DfE) guidance Building Bulletin 104 – Area Guidelines for SEND and Alternative Provision. This will be a flexible learning environment that will accommodate 16 learners. The school have requested that the



expansion includes a community / meeting room which will assist the integration of children into the centre. The school will make a substantial contribution towards the cost of this space.

10. The Council has received ad hoc High Needs Provision Capital (HNPC) grants from the DfE. The balance remaining to spend at the start of 23/24 is £3.978m. This grant funding is provided in order to create additional places and/or improving existing provision for children and young people with SEND, particularly those with needs that are more complex. The extension of the LCC at Hampton Dene Primary School will be one of a number of projects that will come forward in order to fully utilise the grant funding.

## Community impact

11. The project will help the council to achieve some of its stated intentions in the County Plan 2020-24. In particular that it will: invest in low carbon projects to achieve net zero carbon by 2030 in recognition of the current climate and ecological emergency; it will ensure that all children are healthy, safe and inspired to achieve; it will protect the lives of vulnerable people; and invest in education and skills.
12. The project will improve the educational outcomes for those pupils with EHCPs as outlined in Herefordshire Council's delivery plan which highlights the key activity planned for 2022-23.
13. The children and young people's directorate schools capital investment strategy itemises 11 principles. The extension of the school would align with principles 1, 2, 7, 8, 10 and 11.
  1. High quality learning environments are more likely to deliver the best outcomes for all children and young people.
  2. A high quality learning environment is one where:
    - a) The building is in good condition with an affordable and planned programme of maintenance;
    - b) The building has the right number of suitable places;
    - c) The building supports the delivery of a suitable curriculum and learning;
    - d) There is sufficient suitable outdoor space including playing fields and all weather surfaces;
    - e) Children are not taught in temporary classrooms;
    - f) The building is energy efficient;
    - g) The school has full disabled access;
    - h) The school meets all health and safety requirements.
  7. As a whole across Herefordshire, there should be no more than 10% surplus school places. This margin is designed to reflect population variations and trends over time.
  8. The council will be increasingly responsible for taking steps towards protecting the environment and will expect all schools to work towards achieving and displaying energy certificate rating of C or above and a silver eco schools rating along with reducing energy consumption located near community assets.
  10. Any financial investment must represent best value for investors and could come from a variety of sources, including:

- a) Specific grants and one off government schemes;
- b) The planned release of sites to sell and reinvest;
- c) External funding such as from The Education Funding Agency, the Diocese and section 106 agreements with housing developers.

11. The council will carry out detailed consultation on any changes or investment proposals.

- 14. As with all school provision, improvements to the quality of education is vitally important in improving the life chances of children and young people in the care system. The expansion of the LCC will improve the quality of education, and the educational experiences for pupils on roll, including those who are in care and therefore the responsibility of the corporate parenting board.
- 15. The detailed design will address how the safety of pupils, parents, staff and the community can be assured throughout the construction period. This will include separation of school and contractor spaces, management of vehicle movements, and control of machinery and materials which may pose any health and safety risk.

## **Environmental impact**

- 16. 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.
- 17. The main purpose of this project is to increase capacity in the LCC. There is no plan to retro fit the main part of the building in order to reduce its carbon footprint at this time. However, elements of the project will reduce the overall consumption of energy at the site thus there will be a carbon saving to be had by the measures detailed below.
- 18. The council have made a commitment to pursue energy performance over and above the minimum requirements of the building regulations, by targeting more stringent industry standards and will achieve a high standard of operational performance.
- 19. The council's brief for the new extension will require that the building must have a consistent good level of thermal comfort with very little energy consumption.
- 20. Most occupied spaces within the new school building will be provided with a good level of natural daylight to create a bright and enjoyable environment.
- 21. The project will seek to achieve a Biodiversity net gain in a way that will help create an environment that supports the children with their mental and physical health and wellbeing.

## **Equality duty**

- 22. 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.
23. The Equality Act 2010 established a positive obligation on local authorities to promote equality and to reduce discrimination in relation to any of the nine 'protected characteristics' (age; disability; gender reassignment; pregnancy and maternity; marriage and civil partnership; race; religion or belief; sex; and sexual orientation). In particular, the council must have 'due regard' to the public sector equality duty when taking any decisions on service changes. As this report is increasing the capacity at a school which provides high need support for disabled children by increasing places and accessibility it supports the council in discharging its duty in line with the Act.

### **Resource implications**

24. The work will be funded from the 2019/20, 2022/23 and 2023/24 High Needs Provision Capital Grant remaining to be spent of £3.978m and is in the council approved capital programme. There is no match funding required from the council.
25. The Hampton Dene project will have a budget of £2.4m to deliver the extension of the LCC.
26. The procurement process will be carried out in line with the council's contract procedure rules. The costs shown are estimates only and may vary once tenders are received.
27. There are no revenue cost implications from these works as the school fund any ongoing running costs.
28. Hampton Dene have indicated that they are willing to contribute up to £150k towards the final costs of the community / meeting room which has been included in the feasibility study.

Capital cost of project	2023/24	2024/25	2025/26	Future Years	Total
	£000	£000	£000	£000	£000
Construction		1,166			1,166
Construction Contingency		151			151
Design development	50	67			117
Construction Preliminaries		152			152
Construction Overheads		72			72
Inflation		83			83
Professional fees and survey	50	211			261
Equipment and Furniture		36			36
IT		43			43
<b>Sub total</b>	100	1981			2,081
HC Risk Contingency	10	204			214
Internal costs	50	55			105
<b>TOTAL</b>	160	2,240			2,400

Funding streams (indicate whether base budget / external / grant / capital borrowing)	2023/24	2024/25	2025/26	Future Years	Total
	£000	£000	£000	£000	£000
High Needs Provision Capital Grant	160	2,090			2,250
Hampton Dene Primary School DFC		150			150
<b>TOTAL</b>	160	2,240			2,400

Revenue budget implications	2020/21	2021/22	2022/23	Future Years	Total
	£000	£000	£000	£000	£000
No impact on LA revenue budgets, all revenue costs will be incurred and met by the school					
<b>TOTAL</b>					

## Legal implications

29. High Needs Provision Capital Grant funding is provided to local authorities through the high needs block of the dedicated schools grant (DSG). Local authorities must spend that funding in line with the associated conditions of grant, and School and Early Years Finance Regulations. The high needs funding system supports provision for children and young people with special educational needs and disabilities (SEND) from their early years to age 25, enabling both local

authorities and institutions to meet their statutory duties under the Children and Families Act 2014.

30. Section 13 & 14 of the Education Act 1996 places a general duty on the Council to secure that efficient primary and secondary education is available to meet the needs of the population in its area and a duty on the Council to secure that sufficient schools for providing primary and secondary education are available in its area, respectively
31. Part 3 of the Children and Families Act 2014 places a duty on the Local Authority to support children and young people in England with special educational needs or disabilities and to keep under review the educational provision in its area for those children and young people.
32. Section 19 of the Education Act 1996 - When children of compulsory school age are not receiving suitable education, the local authority has a duty to arrange it.
33. Schedule 2 to the School and Early Years Finance Regulations local authorities can also use high needs funding to provide additional or targeted support for children and young people with special educational needs and disabilities (SEND).
34. The procurement of the works will be in accordance with the council's contract procedure rules and supported by Commercial Services and Legal Services.

## **Risk management**

## Risk

If the remodelling works at the LCC are not carried out as stated in order to expand the capacity of Hampton Dene Primary School LCC to take on more primary children with ASD, the future increased numbers of children will not be able to be placed locally. This will result in the risk of having to commission up to eight places this year (and more in subsequent years) at settings outside Herefordshire at significantly increased cost and therefore an increased Dedicated Schools Grant (DSG) deficit. In addition this will cause considerable distress and anxiety for the children and young people for whom local placement is the expectation, and their parents and carers.

The project could cost more than the provision in the capital programme.

The project could expand to include works not originally intended.

There could be planning or similar regulatory requirements that add to costs.

The work of the school could be disrupted by any resulting building works.

Timescales may slip, if for example, governance, procurement and post pandemic issues occur.

## Mitigation

Numbers of primary children requiring places at special schools and in SEN units are increasing nationally, regionally and locally. This has resulted in a Government green paper response, and SEND ring fenced government grants to all Local Authorities to mitigate these pressures in the short and medium term, and support strategic long term solutions. The HNPC grant is for this particular purpose and if spent as suggested in this report, will allow more children to be placed locally in a school providing high quality education and outcomes. It will also reduce the risk of increased cost to revenue budgets and reduce transport costs and as a result support council sustainability aims.

The feasibility has given high level costs and included regular reviews of the market and inflation. More cost certainty will be identified at design stage with a clearly defined budget. In addition, a suitable retained contingency, with delegated authority gives better decision making ability and scrutiny.

The recommendations specify as precisely as possible what the project is intended to achieve. This will be in consultation with the school. Any additional extras to the design could be achieved at the school's cost.

Early involvement of planners will take place at RIBA stage 3, with amendments to the design being made where appropriate.

This possibility is anticipated and the architect is asked to address and suggest mitigation strategies for such potential disruptions.

Timescales within the control of the council will be closely monitored. Should any unexpected delays happen, these will be escalated by exception to mitigate any impact.

## Consultees

35. Consultation was carried out in respect of the [Herefordshire Capital Investment Strategy 2021-2030 For Specialist Settings Educating Children and Young People with Special Educational Needs and Disabilities \(SEND\)](#)
36. The Cabinet members for Community Services and Assets and Children and Young People have been consulted and are both supportive of the project.
37. An online political group consultation took place on 4 September 2023. Councillor representing the conservative party, Independents for Herefordshire, Liberal Democrats and The Green Party attended. The session was recorded and circulated to all councillors to provide their views. The Liberal Democrats wanted assurance that the project would seek net zero in operation.

## Appendices

None.

## Background papers

None identified

## Report Reviewers Used for appraising this report:

Governance	Ben Baugh	Date 29/08/2023
Finance	Karen Morris	Date 23/08/2023
Legal	Sean O'Connor	Date 23/08/2023
Communications	Michala Lee	Date 31/10/2023
Equality Duty	Harriet Yellin	Date 11/09/2023
Procurement	Carrie Deeley	Date 04/09/2023
Risk	Elizabeth Freedland	Date 23/08/2023

Approved by	Darryl Freeman	Date 14/09/2023
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## Glossary of terms, abbreviations and acronyms used in this report.

ASD	Autism Spectrum Disorder
CYP	Children & Young People
DfE	Department for Education
DSG	Dedicated Schools Grant
EHCP	Education Health & Care Plan
HNPC	High Needs Provision Capital
LCC	Language and Communications Centre

SEND	Special Educational Needs and Disability
SEN	Special Educational Needs
SLCN	Speech, Language & Communication Needs