

Minutes of the meeting of the Scrutiny Management Board held in Conference Room 1 - Herefordshire Council, Plough Lane Offices, Hereford, HR4 0LE on Tuesday 21 November 2023 at 2.00 pm

Committee members present in person and voting: Councillors: Bruce Baker, Jenny Bartlett (Vice-Chairperson), Ellie Chowns, Simeon Cole, Frank Cornthwaite, Pauline Crockett, Toni Fagan, Peter Hamblin, Liz Harvey (Chairperson), Bob Matthews, Rob Owens, Louis Stark and Richard Thomas

Others in attendance: B Baugh (Democratic Services Officer), R Cook (Corporate Director - Economy and Environment), J Higgins (Governance Support Assistant), R Jones (Head of Learning and OD), S Jowett (Strategic Assets Delivery Director), A Pitt (Director of Strategy and Performance), A Rees-Glinos (Governance Support Assistant), T Sampson (Director of HR and OD), Councillor P Stoddart (Cabinet Member Finance and Corporate Services), Councillor E Swinglehurst (Cabinet Member Environment) and D Webb (Statutory Scrutiny Officer)

[Note: [Click here for the link to the agenda and to the video recording of this meeting](#); the links provided were correct at the time of publication of this minutes document]

23. APOLOGIES FOR ABSENCE

Apologies for absence had been received from Councillor Terry James.

24. NAMED SUBSTITUTES

There were no substitutes present.

25. DECLARATIONS OF INTEREST

No declarations of interest were made.

26. MINUTES

It was noted that the minutes of the meeting held on 7 November 2023 would be submitted to the next scheduled meeting for approval.

27. QUESTIONS FROM MEMBERS OF THE PUBLIC

No questions had been received from members of the public.

28. QUESTIONS FROM MEMBERS OF THE COUNCIL

No questions had been received from councillors.

29. WORKFORCE STRATEGY 2024-2027 - DEVELOPMENT AND CONSULTATION

The Cabinet Member Finance and Corporate Services introduced the report. It was noted that the board had made recommendations to the executive on 'Herefordshire Council's Human Resources and Workforce Strategy' at the meeting on 28 November 2022 ([link to minute 36 of 2022/23](#)).

The principal points of the discussion are summarised below.

1. With attention drawn to the sentence 'Central to the new strategy will be a theme of a 'one council' approach where staff not only work within their directorates but are able to work across directorates and we aspire to "grow our own" to achieve a one council culture.' (paragraph 6, agenda page 10), it was clarified that this related to skills and capability development to support individuals to make conscious career decisions to move within or outside their directorates.
2. It was confirmed that the "grow our own" approach would explore coaching and mentoring opportunities between the council and other local employers, and that there had been early discussions with the Herefordshire and Worcestershire Integrated Care System about transferable skills.
3. It was noted that work was ongoing to address the gender pay gap, informed by emerging research and work at a national level, particularly in relation to flexible working practices and targeted interventions.
4. The committee was advised that: although not mentioned explicitly in the report, apprenticeships featured within the draft workforce strategy and there was engagement with schools; the 'Spirit of Herefordshire' website would include career and learning pathways, although its focus was on the Children and Young People Directorate initially; the council had joined the Local Government Association's National Graduate Development Programme, with three graduates appointed in the current year; and the council wanted to be known as an employer of choice with a skilled and stable workforce.

A committee member suggested that the Spirit of Herefordshire website could include references to apprenticeships.

5. It was noted that a key theme was 'Culture and Belonging' to attract and retain a diverse workforce, and that employee networks had been fundamental in shaping the draft strategy.
6. The committee was advised that the council did not have an overseas recruitment campaign currently but this was being explored, potentially for the Children and Young People Directorate, informed by the learning from the campaigns run by local health partners.
7. A committee member considered that: further consideration could be given to the wording of the themes and objectives (paragraph 19, agenda page 13) for the purposes of brevity and clarity; and the 'Emerging Thrive values' (agenda page 22), should focus on the substance of the content, rather than be constrained by an acronym. The Chairperson welcomed the inclusion of word clouds, as different words would resonate with different people.
8. The Chairperson commented on the need for staff and others to be able to provide open feedback and fair criticism, for unfair criticism of staff to be challenged, and for staff to be supported to try new things, recognising that they will sometimes fail. The Cabinet Member Finance and Corporate Services emphasised the importance of the 'Inspirational Leadership' theme, alongside emotional intelligence. Other comments were made about embedding core values and behaviours.
9. It was confirmed that information from exit interviews had been used as part of a desktop exercise to inform the emerging themes, such as matters around flexibility.

10. A concern was expressed that the strategy should not be too internally focussed, without considering how employees could be enabled to do their jobs better. It was suggested that clarity was needed about how the strategy connected to the County Plan and the Delivery Plan. The Cabinet Member Finance and Corporate Services drew attention to the questions asked during the engagement sessions with staff (paragraph 13, agenda page 11) and commented on the need to develop an agile and adaptive workforce. It was noted that the Learning and Organisational Development Team would work with the Corporate Leadership Team to align the strategy with the County Plan and the Delivery Plan.
11. In response to a question about measures of success, the Cabinet Member Finance and Corporate Services commented on the potential for a key performance indicator on employee churn over a three-year period.
12. In response to concerns expressed about the loss of experienced officers and about opportunities for internal promotion, the Cabinet Member Finance and Corporate Services reiterated the importance of 'Inspirational Leadership' and supporting the workforce to develop skills and capabilities.
13. Attention was drawn to the recruitment and retention challenges identified in a recent presentation to the Health, Care and Wellbeing Scrutiny Committee ([link to the presentation on Home Care Capacity and Delivery](#)). It was suggested that pre-employment 'taster days' could be offered.

The need to publicise the council's apprenticeships was acknowledged; there were 83 active apprenticeships currently.

14. Comments were made about the potential value of council leaders participating in practice interviews for students within schools.
15. The committee was advised that: information had been collected from engagement sessions on organisational culture; as an internal strategy, the public had not been consulted; the Children's Improvement project included a specific work stream on culture; and there would be strategies for each directorate to reflect the different challenges and workforce requirements.
16. The Vice-Chairperson commented that the discussion had been useful but it had been limited by the fact that the draft strategy had not been circulated. The Cabinet Member Finance and Corporate Services noted that the timeline was effectively six weeks late. The Chairperson suggested that board members, as part of a work programming session, may wish to consider the potential for further scrutiny activity.

The Chairperson noted that no formal recommendations to the executive had been identified and invited the Cabinet Member Finance and Corporate Services and officers to take the comments of the committee into consideration as part of the continuing work on the strategy.

Resolved: That the report be noted.

30. DELIVERY PLAN 2023-2024 AND 2024-2028 COUNTY PLAN DEVELOPMENT

The Cabinet Member Finance and Corporate Services introduced the report; this had been published in [Supplement 1](#) to the agenda. It was noted that the report on the Delivery Plan was to be considered by Cabinet on 21 November 2023 ([link to minute 56 of 2023/24](#)).

The principal points of the discussion are summarised below.

1. In response to questions from the Chairperson about the timetable for the production of the County Plan 2024-2028 (Supplement 1, page 4), the Cabinet Member Finance and Corporate Services acknowledged that there was a challenging timeline for the development of the County Plan, and the Director of Strategy and Performance provided an overview of the intended engagement and consultation process. The Cabinet Member added that the delivery of the County Plan was the number one priority for Cabinet. The Chairperson proposed a recommendation that Cabinet consider rescheduling the governance process for the County Plan to enable a level of meaningful consultation to take place with the public and with scrutiny, and that the target date for the plan to go to Full Council be revised to become 8 March 2024. This recommendation was welcomed by the Cabinet Member.
2. It was noted that the presentation of the Delivery Plan 2023-2024 had been delayed and assurance was sought that the deliverables could be achieved within the remainder of the year. The committee was advised that many of the deliverables were continuations of the work identified in previous plans. A committee member considered that narratives should be provided to explain the changes to strategic documents.
3. The Chairperson considered it unfortunate that the format of the Delivery Plan 2023-2024 differed from previous plans, in that it did not set out clearly the County Plan ambitions, the work undertaken to date, and the work that was planned.
4. A committee member commented on the need for: appropriate numbering to assist with reporting and monitoring; identification of the relevant County Plan programmes; specific and measurable deliverables; and clarity about those elements that had been achieved in previous years, such as the establishment of the Economy and Place Partnership Board and the Herefordshire Skills Forum. Presentational points were also made about wording repeated in the Foreword and in the Future Planning and Delivery section, and about the centring of the map image on the final page.
5. There was a further discussion about delays in the production of the documents.
6. With attention drawn to the objective 'Improvement of Children's Services', further comments were made about the absence of specific, measurable deliverables, and RAG (Red-Amber-Green) ratings, which made it difficult for councillors and the public to ascertain whether the council was delivering on the ambitions.
7. The Cabinet Member Finance and Corporate Services said matters relating to formatting and layout would be addressed.
8. The Chairperson expressed concerns about omissions in the Environment ambition, such as the lack of references to the Hereford City Centre Masterplan, initiatives to reduce the council's carbon footprint, the Phosphate Commission, and the position with development within the River Lugg catchment area. The Chairperson proposed a recommendation that a closure report be produced for the existing County Plan to wrap up the achievements over the four years of the plan and to plug some of the gaps that have been identified in the Delivery Plan 2023-24. This recommendation was welcomed by the Cabinet Member Finance and Corporate Services. The Cabinet Member Environment provided an overview of the work that had been undertaken and was ongoing to deliver improved river quality.

9. Concerns were expressed about how changes to the Delivery Plan could impact upon the allocation of resources and the implications for the revenue budget. The Director of Strategy and Performance explained that each individual project included resource to deliver the schemes and any changes would go through a governance process.
10. The Chairperson commented that, whilst recognising that overall ambitions would take time to achieve, service areas needed to identify discrete steps and milestones to provide confidence that progress was being made. It was suggested that there should be 'SMART' (Specific, Measurable, Achievable, Relevant, and Time-bound) identified deliverables as part of the first Delivery Plan for the County Plan 2024-2028.
11. A committee member questioned whether any completed parts of the County Plan could be circulated earlier. The Cabinet Member Resources and Finances commented on the linkages between the County Plan, the Delivery Plan and the budget process, and said that an update could be provided on the matters completed to date.
12. The Vice-Chairperson suggested that simple informatics could be provided, particularly to illustrate the amount of work that had been undertaken. Another committee member commented on the need for plain English, and it was suggested that a glossary of terms be included in key documents.

At the conclusion of the debate, the Chairperson summarised potential recommendations and the following resolution was agreed by the committee.

Resolved:

1. **That Cabinet consider rescheduling the governance process for the County Plan to enable a level of meaningful consultation to take place with the public and with scrutiny, and that the target date for the plan to go to Full Council be revised to become 8 March 2024.**
2. **That a closure report be produced for the existing County Plan to wrap up the achievements over the four years of the plan and to plug some of the gaps that have been identified in the Delivery Plan 2023-24.**
3. **That a Task and Finish Group be convened to provide views and recommendations on the draft County Plan as it continues to develop, with terms of reference to be drafted for approval by the board.**

31. FEES AND INCOME

Further to the 'Income and Charging' report considered at the meeting on 7 November 2023 ([link to minute 18 of 2023/24](#)), the Chairperson said that it had been expected that more information would have been made available in the published agenda for this meeting.

The Cabinet Member Finance and Corporate Services introduced the report; this had been published in [Supplement 2](#) to the agenda. The Corporate Director - Economy and Environment tabled the presentation 'Thrive Transformation', which included slides on 'Herefordshire Council's Thrive Transformation Programme' and 'Thrive: Service Cost Recovery Work Package'; the presentation was published following the meeting in [Supplement 3](#).

The principal points of the discussion are summarised below.

1. It was noted that there was an intention to 'make much greater use of digital technologies to deliver services and improve the efficiency of the council' (Supplement 3, page 4). The Chairperson questioned the risks associated with not being able to realise the benefits and savings of transformational changes. The Director of Strategy and Performance explained that each business case would consider what was needed in terms of upfront investment, the transformation programme, and the service delivery model to recover the investment. It was reported that pilots for an automated contact system had received positive feedback. The committee was advised that clarification could be provided on the budget timescales for wider investment in digital technologies across the organisation.
2. There was a discussion about the differences between services that had to be delivered as part of the council's statutory responsibilities and additional services that could be provided.
3. A committee member commented on the need to explore cost savings fully given the financial pressures on council tax payers and local businesses.
4. In response to a question about the overall target for the transformation programme, the Corporate Director - Economy and Environment said that a long-list of opportunities was being worked through in order to ascertain reasonable targets in terms of efficiencies and increased charges. Comments were also made about the need for services to be affordable and about the longer term sustainability of the organisation.
5. It was noted that budget setting for 2024/25 would include directorate savings, base budget and income plans.
6. It was reported that the government had recently announced that planning fees would increase from 6 December 2023 on most types of planning applications.
7. In response to questions about the council's strategic transformation partner, PricewaterhouseCoopers (PwC), the Cabinet Member Finance and Corporate Services advised that PwC had business and transformational skills that were not available within the council, along with substantial experience of the public sector nationally and internationally.
8. The Chairperson noted that the council had a commercial property portfolio and the appendices to the report included updates on the College Road Campus acquisition and the Three Elms Trading Estate acquisition. The Chairperson also welcomed the provision of the Strategic Asset Management Plan (StAMP) and the Property Services New Ways of Working – Informal Brief.
9. Further assurance was sought that investments in commercial assets were delivering appropriate returns. The Cabinet Member Finance and Corporate Services advised that a review of commercial rents had been undertaken during summer 2023. In response to questions, the Strategic Assets Delivery Director commented on: the standardisation of the approach to lease arrangements and the advice provided to tenants; there had been increases of around 34% to bring rents up to market levels, as part of phases one and two of the review, and phase three had started; whilst some tenants had been lost for various reasons, there was strong demand for units and the need for consistent treatment was emphasised; and the reference to 'Maintain the Terrier' (Supplement 2, page 19) related to the management of the record system for each asset.

10. A committee member considered that the StAMP should make explicit references to environmental sustainability, achieving carbon neutrality, and mitigating the impact of climate change. The Strategic Assets Delivery Director identified that the Carbon Management Plan was referenced and commented on the development of a procedure by a low carbon working group.
11. In response to a question about the maintenance of assets, the committee was advised that capital bids were submitted each year for major works, along with allocations for reactive maintenance and emergency works. It was noted that the costs of materials and labour had increased significantly in recent years.
12. In view of situations in other authorities, assurance was sought that the commercial property portfolio would not expose the council to high levels of risk in the future. The Cabinet Member Finance and Corporate Services advised that the 2022/23 External Audit Findings Report had been issued with an unqualified opinion.
13. In response to a question about the extent to which the StAMP benefitted the whole county, the Cabinet Member Finance and Resources noted the acquisition of commercial properties in Hereford historically and that that viable opportunities elsewhere in the county would be considered going forward.
14. The Chairperson proposed recommendations that the information provided with the budget papers should include: in relation to the commercial property portfolio, assurance that the council was generating an appropriate return for the investment made; and in relation to income and charging, clarity on where income was being generated, with targets clearly identified.

At the conclusion of the debate, the following resolution was agreed by the committee.

Resolved:

That the information to be provided with the budget papers should include:

1. **In relation to the commercial property portfolio, assurance that the council was generating an appropriate return for the investment made; and**
2. **In relation to income and charging, clarity on where income was being generated, with targets clearly identified.**

32. CHILDREN AND YOUNG PEOPLE DIRECTORATE - BUDGET TASK AND FINISH GROUP

The Chairperson drew attention to the draft terms of reference for 'Children and young people directorate – budget task and finish group'; this had been published in [Supplement 2](#) to the agenda.

Resolved:

That the task and finish group be formed according to the terms of reference attached to the report.

33. DATE OF THE NEXT MEETING

It was noted that the date of the next scheduled meeting was Tuesday 16 January 2024 at 2.00 pm.

[Note: In addition, an extraordinary meeting was arranged subsequently for Wednesday 10 January 2024 at 10.00 am]

The meeting ended at 5.08 pm

Chairperson