

Agenda

Cabinet

Date: **Thursday 6 March 2025**

Time: **2.30 pm**

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

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

For any further information please contact:

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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>1. APOLOGIES FOR ABSENCE</p> <p>To receive any apologies for absence.</p>	
<p>2. DECLARATIONS OF INTEREST</p> <p>To receive declarations of interests in respect of Table A, Table B or Other Interests from members of the committee in respect of items on the agenda.</p>	
<p>3. MINUTES</p> <p>To approve and sign the minutes of the meeting held on 23 January 2025.</p> <p>The minutes to follow.</p>	
<p>HOW TO SUBMIT QUESTIONS</p> <p><i>The deadline for submission of questions for this meeting is:</i></p> <p>5pm on Friday 28th February 2025.</p> <p><i>Questions must be submitted to councillorservices@herefordshire.gov.uk. 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 https://www.herefordshire.gov.uk/getinvolved</i></p>	
<p>4. QUESTIONS FROM MEMBERS OF THE PUBLIC</p> <p>To receive questions from members of the public.</p>	
<p>5. QUESTIONS FROM COUNCILLORS</p> <p>To receive questions from councillors.</p>	
<p>6. REPORTS FROM SCRUTINY COMMITTEES</p> <p>No scrutiny reports have been received.</p>	
<p>7. Q3 2024/25 BUDGET REPORT</p> <p>To report the forecast position for 2024/25 at Quarter 3 (December 2024).</p>	11 - 48
<p>8. Q3 PERFORMANCE REPORT</p> <p>To review performance for Quarter 3 (Q3) 2024/25 and to report the performance position across all Directorates for this period.</p>	49 - 72
<p>9. HOUSING DEVELOPMENT COMPANY</p> <p>To explore the development of a council owned housing development company.</p>	73 - 102
<p>10. SEND INSPECTION UPDATE</p>	103 - 116

To share the feedback report from Ofsted and Care Quality Commission (CQC) following the SEND inspection of Herefordshire Local Area Partnership conducted in December 2024.

11. EDUCATION STRATEGY

To endorse the Education Strategy 2024/29.

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The Public's Rights to Information and Attendance at Meetings

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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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<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.



Title of report: Q3 2024/25 Budget Report

Meeting: Cabinet

Meeting date: Thursday 6 March 2025

Cabinet Member: Cabinet member finance and corporate services

Report by: S151 Officer

Report Author: Director of Finance (S151 Officer)

Classification

Open

Decision type

Non-key

Wards affected

(All Wards);

Purpose

To report the forecast position for 2024/25 at Quarter 3 (December 2024), including explanation and analysis of the drivers for the material budget variances, and to 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 savings targets, and that the reasons for major variances are understood and are being addressed to the cabinet's satisfaction.

The forecast 2024/25 outturn shows a net overspend of £7.0 million at Quarter 3, before further management action estimated at £5.9 million to reduce the forecast overspend to £1.1 million.

Recommendation(s)

That: Cabinet

- a) reviews the financial forecast for 2024/25, as set out in the appendices A-D, and identifies any additional actions to be considered to reduce forecast cost pressures;
- b) notes the progress in delivery of savings targets and recovery actions for 2024/25; and
- c) notes the forecast revenue outturn position at Quarter 3 2024/25 of a £7.0 million overspend, before management action, and the potential impact of this overspend on the council's reserves.

Alternative options

1. Cabinet may choose to review financial performance more or less frequently; or request alternative actions to address any identified areas of variance from budget, including referral to the relevant scrutiny committee.

Key considerations

Revenue Outturn

2. The council's approved net revenue budget for 2024/25 is £212.8 million which includes planned savings of £19.5 million comprising £11.6 million of Directorate Savings and £7.9 million of Council-wide budget savings.
3. This report presents the forecast outturn position for 2024/25 at Quarter 3 (December 2024) and highlights continuing in-year cost pressures to support increases in demand across social care budgets, temporary accommodation and Special Educational Needs (SEN) transport services.
4. **The Quarter 3 revenue outturn position for 2024/25 shows a forecast variance from budget of £7.0 million (3.3% of net budget), an improvement of £3.2 million compared with the position reported at Quarter 2.**
5. Whilst underlying cost pressures in demand-led budgets remain, the successful delivery of management actions identified at Quarter 2 has had a positive impact on the overall outturn position. Of the £8.2 million of management actions and planned mitigations reported at Quarter 2, £4.9 million have been delivered in the period from October to December 2024.
6. **It is expected that further planned activity in Quarter 4 (January to March 2025) will reduce the forecast overspend to £1.1 million (0.5% of budget) by 31 March 2025, as outlined in Table 2.**
7. Robust, timely monitoring of the revenue budget and responsible stewardship of financial resources throughout 2024/25 has enabled the council to respond to and mitigate financial pressures. Risks to the forecast outturn position, across individual Directorate budget areas, have been reviewed as part routine budget monitoring arrangements and this has enabled a proactive, managed approach to identifying recovery actions to mitigate the council's overall position.
8. A review of the delivery and status of approved savings has been undertaken at Quarter 3, to confirm the deliverability of savings targets previously assessed as 'in progress'. The impact of this revised assessment is included in the forecast outturn position set out in Table 1 below with additional detail, by Directorate, set out in Appendix D.
9. Where savings are assessed as 'at risk' of delivery, the impact on the forecast outturn position has been mitigated in 2024/25 by targeted management of Directorate budgets to reduce expenditure and positive variances in corporate financing transactions in the Central budget. A review of activity planned to deliver these savings recurrently is underway, as highlighted in paragraph 34 below.

10. The forecast outturn position for 2024/25 by Directorate, is shown in Table 1 below. Movement in the net budget position reflects the transfer of budgets between Directorates and the separation of SEN and Home to School Transport budgets for transparency.

Table 1: 2024/25 Forecast Revenue Outturn before management recovery action

	Revenue Budget £m	Forecast Outturn £m	Forecast Variance £m
Community Wellbeing	76.3	82.0	5.7
Children & Young People	59.7	57.7	(2.0)
Economy & Environment	26.9	27.5	0.6
Corporate Services	21.8	23.1	1.3
SEN&Home to School Transport	9.4	12.0	2.6
Directorate Total	194.1	202.3	8.2
Central	16.4	17.5	1.1
Sub-Total	210.5	219.8	9.3
C&YP Budget Amendment	2.3	-	(2.3)
Total	212.8	219.8	7.0

Key Directorate Variances

11. Detailed explanations for variances from budget are set out in Appendix A by Directorate and Service area. Key cost pressures and movements from the outturn position reported at Quarter 2 are highlighted below, by Directorate.
12. **Community Wellbeing:** The Directorate forecast overspend of £5.7 million represents in-year net cost pressures of £3.3 million and savings targets assessed as 'at risk' of delivery by 31 March 2025 of £2.4 million. In-year cost pressures are largely attributable to increasing demand and complexity of client need, leading to increased costs, and increased demand for temporary accommodation. The Section 151 Officer's Section 25 Report, presented as part of the documents to support the 2025/26 Revenue Budget, provides assurance that the Directorate budget allocation for 2025/26 reflects these cost pressures and is sufficient to meet the costs of service delivery.
13. The 2024/25 budget assumes delivery of approved savings of £3.2 million plus delivery of savings not delivered recurrently in the previous financial year of £2.5 million. Significant progress has been made to deliver against this target with £3.3 million (57%) of the total £5.7 million target forecast to be delivered by 31 March 2025; successfully transforming the way that services are delivered whilst managing cost pressures in demand led areas of the Directorate budget.
14. At Quarter 3, a review of the deliverability of savings previously assessed as 'in progress' has highlighted risks to delivery by 31 March 2025 and, as a result, £2.4 million of savings have been assessed as 'at risk' and this has been reflected in the Directorate outturn position. Clear work plans and associated activity is underway to deliver the savings but, as a result of capacity constraints associated with managing increased demand, these savings will not be delivered in year. Work is underway through Directorate Savings Boards to maximise delivery, or mitigate, in Quarter 4 and to review and strengthen activity plans to provide assurance over delivery and timing of 'at risk' savings from 1 April 2025.

15. **Children & Young People:** The Directorate forecast is an underspend of £2.0 million for 2024/25 with forecast delivery of the £2.3 million savings target in full by 31 March 2025. Alongside transformation and improvements in service delivery, the forecast underspend position reflects the impact of increased rigour and challenge of Directorate expenditure throughout 2024/25 and provides assurance that the savings approved for delivery in 2025/26 (Year 2 of the revised Financial Plan) are already in progress.
16. Forecast expenditure across service areas within the Children & Young People Directorate continues to decrease as a result of review and management of residential placements and continued reduction in agency staff in social worker posts.
17. At Quarter 3, the SEN Transport budget and expenditure have been transferred from the Directorate budget and is reported separately alongside Home to School Transport budget and expenditure.
18. **Economy & Environment:** The Directorate forecast overspend of £0.6 million represents in-year net cost pressures of £0.2 million (after mitigations from reductions in expenditure across energy and waste services) plus savings targets assessed as 'at risk' of delivery by 31 March 2025 of £0.4 million. In year cost pressures reflect the under-delivery of planning income; this income target has been revised in the 2025/26 budget and a realistic budget has been approved.
19. The 2024/25 budget assumes delivery of approved savings of £3.3 million plus delivery of savings not delivered recurrently in the previous financial year of £1.1 million. At Quarter 3, the Directorate is forecasting to deliver £3.9 million (89%) of the total savings target of £4.43 million. Work continues to review original proposals and activity required to deliver the outstanding savings to mitigate the impact on the 2024/25 outturn position and reduce pressures on future years' budgets.
20. **Corporate Services:** The Directorate forecast overspend of £1.3 million represents in-year savings targets assessed as 'at risk' of delivery by 31 March 2025 and in-year cost pressures as a result of the increase in statutory audit fee. The Directorate position has been mitigated by the application of capital receipts against eligible expenditure, as approved by full Council on 7 February 2025, successful reviews of income due to the council and management of employee budgets across the Directorate.
21. The 2024/25 budget assumes delivery of approved savings of £2.8 million plus delivery of savings not delivered recurrently in the previous financial year of £0.9 million. At Quarter 3, the Directorate is forecasting to deliver £2.0 million (54%) of the total savings target of £3.7 million. Work to deliver the outstanding savings in Corporate Services is underway, aligned to the development of the Transformation Strategy and activity led by the newly appointed Director of Transformation & Strategy.
22. **Central:** The Central budget comprises financing transactions, Minimum Revenue Provision (MRP) and other corporate budget items including: pension costs, costs in respect of the administration of housing benefit and council tax and business rate collections and income from the council's business rate pooling arrangement. This budget is informed by planned delivery of the council's Capital Programme and corresponding borrowing requirement.
23. At Quarter 3, the net £1.1 million overspend represents 'at risk' savings targets which have not been mitigated by recovery actions and efficiencies in year. Work to review the original

proposals, planned activity and timescales, is underway aligned to the development of the Transformation Strategy and Target Operating Model.

Management Activity and Recovery Actions

24. The Corporate Leadership Team has continued to exercise robust financial management of the forecast position throughout the year; monitoring the impact of planned mitigations and recovery actions on the in-year forecast and the progress of delivery of approved savings targets. Monthly Budget Board meetings of Corporate Directors, the Chief Executive and S151 Officer, have taken place to highlight key Directorate pressures and challenges in the delivery of savings, and to identify action plans to manage cost pressures and mitigations for 'at risk' savings.
25. At Quarter 1, a forecast overspend of £10.8 million in 2024/25 was reported, expected to reduce to £6.8 million with delivery of management recovery actions. The impact of strengthened controls and challenge of expenditure, supported by a clear focus on mitigating any in-year overspends and 'at risk' savings, is a reduction in this forecast position at Quarter 3. Recovery actions identified have successfully mitigated cost pressures and challenges in the delivery of savings, **with further activity planned to reduce the forecast overspend to £1.1 million by 31 March 2025.**
26. Corporate Directors will continue to identify further mitigations to manage in-year delivery of services within the approved budget, and expenditure controls implemented during the last financial year remain in place to support recovery activity in 2024/25. Directorate panels will continue to review expenditure on goods and services as well as changes in staffing arrangements to maintain the increased level of rigour and challenge over expenditure for the remainder of the financial year.
27. The updated forecast revenue position for 2024/25, after management actions and planned mitigations is set out in Table 2 below.

Table 2: Updated forecast revenue position 2024/25

	Revenue Budget	Forecast Outturn	Forecast Variance	Recovery Action/ Planned Mitigations	Revised Forecast
	£m	£m	£m	£m	£m
Community Wellbeing	76.3	82.0	5.7	(3.7)	2.0
Children & Young People	59.7	57.7	(2.0)	-	(2.0)
Economy & Environment	26.9	27.5	0.6	(0.6)	-
Corporate Services	21.8	23.1	1.3	-	1.3
SEN/Home to School Transport	9.4	12.0	2.6	(0.5)	2.1
Directorate Total	194.1	202.3	8.2	(4.8)	3.4
Central	16.4	17.5	1.1	(1.1)	-
Sub-Total	210.5	219.8	9.3	(5.9)	3.4
C&YP Budget Amendment	2.3	-	(2.3)	-	(2.3)
Total	212.8	219.8	7.0	(5.9)	1.1

28. Recovery actions expected to reduce the forecast overspend in Quarter 4 include:
- allocation of the Budget Resilience Reserve to mitigate the impact of cost pressures and volatility in demand in Directorate budgets;
 - challenge of forecast expenditure over the remainder of the financial year through Directorate expenditure control panels; and
 - review of financing transactions, Minimum Revenue Provision (MRP) and other corporate budget items aligned to forecast delivery of the Capital Programme and borrowing requirements as part of year end reconciliation and closedown activity.

Delivery of Savings

29. Council approved a total of £19.5 million of savings for 2024/25 comprising Directorate Savings of £11.6 million and £7.9 million of Council-wide Savings. Appendix D includes a detailed breakdown of the assessment of savings targets; at Quarter 3, the revised assessment reflects robust challenge of savings targets previously assessed as 'in progress' and the deliverability of these savings over the remainder of the financial year.
30. This review confirms delivery of £10.2 million (52%) of the total savings target for 2024/25 at Quarter 3. A further £1.1 million are expected to be delivered by 31 March 2025 to bring the total savings delivered in year to £11.3 million (58% of the full year target).
31. Savings of £8.1 million (42%) are assessed as 'at risk' of delivery in 2024/25. Whilst significant progress has been made to deliver against the full year target, the delivery of recurrent savings whilst managing in-year cost pressures and supporting continuous improvement and transformation across services, remains a key challenge for the council.
32. **The impact of 'at risk' savings in each Directorate has been mitigated**, where possible, in 2024/25 and the Directorate forecast outturn positions are noted above at Table 2. **The resulting forecast overspend for 2024/25 of £1.1 million (0.5% of budget) confirms that timely action has been taken throughout the year to manage the risks and challenges in delivering savings alongside managing budget pressures.**
33. Monitoring progress in the delivery of savings throughout 2024/25 has highlighted challenges arising due to areas of overlap and/or conflict between Directorate targets and council-wide targets particularly in areas which relate to reductions and efficiencies in staffing costs. In these instances, delivered savings have been allocated to prioritise delivery of Directorate targets before contributing to council-wide savings. In addition to a full year impact of £2.4 million of savings attributable to the council-wide Mutual Early Resignation Scheme (MERS) saving target, a further £1.7 million of savings relating to reductions in staffing are forecast to be delivered in 2024/25 as part of Directorate Savings Plans.
34. Delivery of savings targets has been further challenged in year by increasing demand and costs for council services, changes in the national economic climate limiting ability to achieve savings in third party expenditure and the timing of transformation activity.
35. Actions to maximise and expedite the delivery of 'at risk' savings targets have been identified and implemented, as outlined below, and progress will continue to be monitored and reported in the next budget monitoring report to Cabinet. Planned action includes:

- review of original proposals and planned activity in the context of current market conditions;
 - development of revised savings plans, supported by detailed activity plans with sign off by accountable officer; and
 - strengthened monitoring and governance of delivery of savings through Directorate Savings Boards and Budget Board meetings;
 - external review of demand and cost pressures in transport services and development of action plan to deliver savings and additional efficiencies in 2025/26; and
 - focused review of opportunities to deliver savings through transformation aligned to the Transformation Strategy and development of the council's Commercial Strategy.
36. Savings achieved in 2024/25 have been delivered through transformation and innovation in service delivery, increased service cost recovery, reductions in expenditure and transformation of the size and shape of the organisation to create a lean and resilient council for the future.
37. Directorate led transformation has resulted in the achievement of savings and efficiencies in 2024/25 as well as providing the foundations to accelerate delivery of further savings in 2025/26 and future years.
38. In the Community Wellbeing Directorate, £0.5 million of savings will be realised in 2024/25 through the transformation of care packages and improved utilisation of care contracts with continued delivery in 2025/26.
39. Improvements in the Children & Young People Directorate, including transformation of social work practice and conversion of agency posts, have supported the delivery of services within budget and the achievement of £2.3 million savings in full.
40. In the Economy & Environment Directorate, key transformation activity has resulted in efficiencies in the council's waste collection services and public realm contract; delivering over £1.5 million in transformation savings across the Directorate in 2024/25.
41. In Corporate Services, work to transform the delivery of councils services through the Service Level Agreement with Hoople Ltd continues, with detailed activity plans expected to deliver recurrent savings from 2025/26.
42. A summary of the status of delivery of 2024/25 approved savings, at Quarter 3, is shown in Table 3 below with additional detail, by Directorate, set out in Appendix D.

Table 3: Assessment of Delivery of Savings at Quarter 3

	Target £m	At Risk £m	In Progress £m	On Target £m	Delivered £m
Community & Wellbeing	3.2	0.7	0.4	0.1	2.0
Children & Young People	2.3	-	-	-	2.3
Economy & Environment	3.3	0.4	0.1	0.1	2.7
Corporate Services	2.8	1.3	0.4	-	1.1
Council wide Savings	7.9	5.8	-	-	2.1
Total	19.5	8.2	0.9	0.2	10.2
	100%	42%	5%	1%	52%

Dedicated Schools Grant (DSG)

43. The cumulative DSG deficit is accounted for as an unusable reserve on the council's Balance Sheet, as permitted via statutory instrument, which will remain in place until 31 March 2026. This enables all local authorities to ring-fence the DSG deficit from the overall financial position in the statutory accounts.
44. Beyond the period of the statutory override, the expectation is that any balance on the DSG Unusable Reserve will transfer back to the council's total Earmarked Reserves. The deficit will have an impact on the council's overall financial position once the override period ends and this risk is being managed alongside the assessment of the adequacy of the council's reserves, as part of the council's medium term financial strategy. It should be noted that this issue is a major concern amongst local authorities nationally.
45. On 1 April 2024, the cumulative deficit brought forward totals £6.1 million. A focused review to quantify the impact of emerging demand in 2025/26 and future years has been undertaken during Quarter 3 to inform the High Needs Budget for 2025/26 and the council's DSG Deficit Management Plan.
46. The revised position for 2025/26 is a forecast overspend of £11.1 million in 2024/25. This will increase the council's cumulative DSG deficit of £6.1 million at 31 March 2024 to £17.2 million at 31 March 2025, an increase of £3.5 million from the forecast overspend reported at Quarter 2.
47. The increase in forecast expenditure is largely attributable to an increase in independent school placements, with a 68% increase in places in the 12-month period from January to December 2024. A lack of sufficiency in local authority special school places means the council is reliant upon the independent sector to meet the specialist education needs of children in the county. The increase in Top Up costs (element 3 funding), driven by the national increase in the number of Education, Health and Care Plans (EHCPs) represents an additional cost pressure in 2024/25.
48. Herefordshire, like many other local authorities, continues to experience increases in demand which are not met by corresponding increases in funding. This is a significant risk across local government and the number of authorities with significant DSG deficits is increasing. The council continues to work with the Department of Education, Local Government Association and other local authorities to seek clarification on the position once the statutory instrument expires and a sustainable funding strategy for the High Needs budget.
49. Measures to contain the deficit and mitigate future cost and demand pressures will be managed by the Service through the DSG Management Plan and the financial impact of agreed mitigations will be monitored and reported throughout the year as part of the council's routine budget monitoring processes.

Capital Outturn

50. The 2024/25 approved capital budget of £160.0 million has been revised to £96.7 million. The revised capital budget includes £15.3 million of unspent project budgets brought forward from 2023/24, approved movements of £0.3 million, £3.8 million additional grants and a reduction of £82.7 million reprofiled into future years, all of which are detailed at the bottom of Appendix B

Table b. A summary breakdown is shown in Table 4 below.

Table 4: Revised Capital budget 2024/25 to 2027/28

	2024/25 Budget £m	2025/26 Budget £m	2026/27 Budget £m	2027/28 Budget £m	Total £m
February 2024 Council Approved Budget	160.0	50.8	19.2	-	230.0
Re-profile Budget	(82.7)	55.3	20.1	7.3	0.0
Other Approved Movements	0.3	2.5	-	-	2.8
23/24 Carry Forward	15.3	-	-	-	15.3
Additional Grant	3.8	25.4	22.4	20.4	72.0
Revised Capital Budget	96.7	134.0	61.7	27.7	320.1

51. The forecast spend position is £79.6 million, which represents an underspend of £17.0 million against a budget of £96.7 million. Full details for each project are in Appendix B, Table a. This underspend consists of £4.5 million projects that will deliver below the project budget and £12.5 million in respect of project budgets to be rolled forward for delivery 2025/26 if not spent. The full capital programme analysed by project for current and future years can be seen in detail by Appendix B Table b.

Community impact

52. In accordance with the accepted code of corporate governance, the council must ensure that it has an effective financial control framework to support delivery of services within the agreed budget. The council is accountable for how it uses the resources under its stewardship, including accountability for outputs and outcomes achieved. In addition, the council has an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies.

Environmental Impact

53. 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.
54. This report is to review the financial outturn at Quarter 3 of 2024/25 so will have minimal environmental impacts, however consideration has been made to minimise waste and resource use in line with the council's Environmental Policy.

Equality duty

55. The Public Sector Equality Duty requires the Council to consider how it can positively contribute to the advancement of equality and good relations and demonstrate that it is paying 'due regard' in our decision making in the design of policies and in the delivery of services.
56. The mandatory equality impact screening checklist has been completed for this activity, and it has been found to have no impact for equality.

Legal implications

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

Risk management

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

Resource Implications

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

Consultees

60. None in relation to this report.

Appendices

Appendix A - Revenue outturn

Appendix B – Capital outturn

Appendix C - Treasury management outturn

Appendix D - Savings delivery

Background papers

None Identified

Appendix A: 2024/25 Revenue Outturn Quarter 3 December 2024

2024/25 Forecast Revenue Outturn at Quarter 3 (December 2024)			
	2024/25 Revenue Budget	Q3 Outturn	Q3 Outturn Variance
	£m	£m	£m
Community Wellbeing	76.3	82.0	5.7
Children & Young People	59.7	57.7	(2.0)
Economy & Environment	36.3	39.5	3.2
Corporate Services	21.8	23.1	1.3
Directorate Total	194.1	202.3	8.2
Central	16.4	17.5	1.1
Sub-Total	210.5	219.8	9.3
C&YP Budget Amendment	2.3	-	(2.3)
Total	212.8	219.8	7.0

Community Wellbeing	2024/25 Approved Revenue Budget £'000	Q3 Outturn £'000	Q3 Outturn Variance £'000
Director and Community Services	(14,634)	(11,515)	3,119
Adult Social Care and Housing	72,824	75,751	2,927
All Ages Commissioning	16,961	16,658	(303)
Public Health	1,082	1,107	25
Directorate Total	76,233	82,001	5,768

The Directorate is forecasting cost pressures as a result of increased demand and market conditions within adult social care and housing. There has been a continued increase in demographic demand which is reflected in the number of new clients eligible for adult social care provision. In addition, there has been an increase in the complexity and intensity of care support to meet eligible demand, as well as increased average weekly costs. The forecast also includes 2024/25 and b/fwd 2023/24 Savings Targets assessed as 'at risk' of delivery by 31 March 2025.

Key variances from budget (> £250k) at Q3:

£2.6m overspend - Increase in demand for adult social care - Residential and Homecare
£2.4m overspend - 2024/25 and b/fwd 2023/24 Savings Plans considered 'at risk' of delivery
£0.9m overspend - General Fund Housing - Temporary Accommodation
£0.2m overspend - Discharge to Access Pressures

£0.6m net utilisation of Social Care Resilience Reserve

Children & Young People	2024/25 Approved Revenue Budget £'000	Q3 Outturn £'000	Q3 Outturn Variance £'000
Central Children Directorate Costs	924	654	(270)
Education Skills & Learning	3,721	3,564	(157)
Performance Quality, Assurance & Safeguarding	8,133	7,315	(818)
Safeguarding and Family Support	46,915	46,149	(766)
Sub Total	59,693	57,682	(2,011)
Supplementary Budget Approval	2,303	0	(2,303)
Directorate Total	61,996	57,682	(4,314)

The forecast includes the decrease in staffing costs driven by a continued reduction in agency staff and the vacancy management of hard to recruit Social Workers posts. This alongside the reduced forecasted costs of Foster Care Fees and Supported Accommodation, mitigate the growth in costs of Unaccompanied Asylum Seeking Children.

Key variances from budget (> £250k) at Q3:

£0.5m overspend - Looked After Children - Unaccompanied Asylum Seeking Children

£3.5m underspend - Net forecast for reduced headcount of Staff and Agency/Interims

£0.6m underspend - Looked After Children - Agency and In-house Foster Care

£0.6m underspend - Looked After Children - Supported Accommodation

£2.3m Supplementary Budget Approval - Delivery of 3 Year Plan

Economy & Environment	2024/25 Approved Revenue Budget £'000	Q3 Outturn £'000	Q3 Outturn Variance £'000
Director Management	55	649	594
Environment, Highways and Waste	22,653	21,340	(1,313)
Strategic Assets	3,335	3,297	(38)
Economy and Growth	944	2,277	1,333
Sub-Total	26,987	27,563	576
SEN & Home to School Transport	9,348	12,024	2,676
Directorate Total	36,335	39,587	3,252

The Development Planning Control Income is forecast at £1.4 million less than budgeted in 2024/25, this cost pressure is mitigated in part by reduced forecasts in staffing, energy and waste services expenditure. The forecasted overspend for both SEND and HTST transportation is based on the growth in terms of the number of children requiring transport since the start of the new academic year and transport contracts inflation.

Key variances from budget (> £250k) at Q3:

£1.9m overspend - SEND Transport

£0.7m overspend - Home to School Transport (HTST)

£1.4m overspend - Development Planning Control Income

£0.5m overspend - 2024/25 and b/fwd 2023/24 Savings Plans considered 'at risk' of delivery

£0.7m underspend - Reduced Waste Disposal contract costs

£0.3m underspend - Reduced Energy costs

£0.3m underspend - Net forecast for reduced headcount of Staff and Agency/Interims

Corporate Services	2024/25 Approved Revenue Budget £'000	Q3 Outturn £'000	Q3 Outturn Variance £'000
Transformation and Strategy Services	7,071	8,312	1,241
Governance & Legal	5,652	5,392	(260)
HR & Organisational Development	1,866	1,946	80
Strategic Assets	0	0	0
Strategic Finance	7,186	7,379	193
Directorate Total	21,775	23,029	1,254

The Directorate is forecasting a cost pressures associated with the 2024/25 and b/fwd 2023/24 Saving Targets forecast 'at risk', where delivery plans to evidence activity and confirm recurrent savings are still under review. The forecast also includes an estimate of the increase in external audit fees for 2024/25 as determined by the PSAA.

Key variances from budget (> £250k) at Q2:

£1.9m overspend - 2024/25 and b/fwd 2023/24 Saving Plans considered 'at risk' of delivery

£0.3m overspend - External Audit Fees

£0.6m underspend - Application of capital receipts to fund transformation work

£0.3m underspend - Review of income due to the council and employee budgets

Central	2024/25 Approved Revenue Budget £'000	Q3 Outturn £'000	Q3 Outturn Variance £'000
Central Total	16,425	17,500	1,075

The Directorate is forecasting a cost pressure associated with the 2024/25 Saving Targets forecast 'at risk', where delivery plans to evidence activity to deliver recurrent savings are still under review. The forecast also includes additional interest earned from the Authority's finance and investments and additional income.

Key variances from budget (> £250k) at Q3:

£5.7m overspend - 2024/25 Saving Plans considered 'at risk' of delivery

£4.6m underspend - Additional interest and income

Appendix B

**Table A - 2024/25 Capital Programme
Forecast Position Dec 2024**

Table A - 2024/25 Capital Programme Forecast Position Dec 2024					2024/25			
Adjustments include 23/24 carry forwards and additional grants allocations	2024/25 Original Budgets £000s	Adjustments in Year £000s			Current Capital Budget £000s	Q3 Forecast £000s	Forecast Variance to Current Budget £000s	Reason for Forecast Variance to Current Capital Budget
		2023/24 C/Fwd	Reprofile Table C	Grant & Other changes Table B				
Disabled facilities grant	2,000	1,009	0	475	3,484	3,484	0	
Empty Property Investment & Development	0	893	-300	0	593	593	0	
Single Homelessness Accommodation Programme (SHAP)	455	0	0	460	915	915	0	
Acquisition Fund for Housing Provision	0	0	0	2,500	2,500	250	-2,250	This is a fund to enable the Council to react quickly to opportunities, therefore the forecast will remain low until purchases come forward. The budget is not reprofiled to ensure it’s available in year.
Merton Meadow - Brownfield Land Release Fund	0	0	0	600	600	402	-198	Funded from a government grant (£2m). Re-profile due to slight delay in procuring and appointing master planners for the development. They are now contracted and have commenced work. Outline planning application to be submitted in the spring, to enable the flood alleviation scheme to commence in the autumn (in accordance with the requirements of the grant).
Swimming Pool Support Fund	0	0	0	83	83	83	0	

Libraries Improvement Fund	0	0	-19	62	42	42	0	
Stronger Towns Fund - Hereford Museum & Art Gallery Redevelopment	7,400	227	-6,228	0	1,399	1,056	-343	Due to the delay in appointing a contractor to advise on RIBA stage 4 (construction designs) and implement the construction phase (RIBA 5) subject to being within budget. The council has proactively engaged contractors at each stage. To date there has been limited interest in a design and build approach. We are at advance stage of discussions with a major contractor regarding a direct award via a framework.
Stronger Towns Library & Learning Centre relocation to Shirehall	2,611	350	-2,687	0	274	274	0	
Property Improvements in Care Homes	550	0		0	550	475	-75	The contingency won't be required, so should deliver under budget.
Community Capital Grants Scheme	1,800	200	-1,880	0	120	0	-120	Scheme has not yet been launched so no spend expected this financial year.
Total Community Wellbeing Transformation Board	14,816	2,679	-11,114	4,179	10,559	7,573	-2,987	
Key Network Infrastructure (Core Data Centre Switches & Corporate Wi-Fi)	0	28	0	0	28	28	0	
HARC SAN Lifecycle Replacement	370	0	0	-160	211	155	-56	Project will deliver under budget
Data Centre Equipment Lifecycle Replacement	0	137	0	-100	37	37	0	
Windows Server Upgrades	0	155	-36	0	119	119	0	
Device and Ancillary kit replacement programme	365	-178	0	0	187	187	0	
M365 E5 Implementation	150	0	0	77	227	227	0	

Planning & Regulatory Services software	698	0	-28	0	670	200	-470	Due to the complexity of the procurement process and the broad scope of service areas involved, the process to appoint a new provider has been more time consuming than originally anticipated
Contact Centre Telephony Replacement	0	0	0	82	82	82	0	
Wide Area Network (WAN) Replacement	0	0	0	286	286	286	0	
VMWare Host Replacement	248	0	0	0	248	187	-61	Project will deliver under budget
Total IT & Transformation Delivery Board	1,831	142	-64	185	2,094	1,508	-587	
Schools Capital Maintenance Grant	3,902	976	-1,595	18	3,300	3,300	0	
Peterchurch Area School Investment	3,175	-26	-2,478	0	671	500	-171	Due to a delay from awarding a tender to getting the contract executed as queries to the contract arose which led to a delay. The initial design meetings are now complete, RIBA 3 report is due to be approved by 10 January and a pre-app for planning has been submitted so good progress to make up time lost in the programme.
Brookfield School Improvements	3,875	703	-1,748	0	2,830	1,892	-938	Due to a delay in completing contract with the contractor and the retained multi-disciplinary team together with a decision to re-programme one phase of the project, initial payments were delayed, however the programme is still on track overall to complete by the end of Aug 2025.
High Needs Grant	3,328	143	-2,971	0	500	500	0	

Basic Needs Funding	5,000	-16	-3,984	0	1,000	300	-700	Budget reprofiled due to delays with the appointment of the main contractor. It should be noted that this does not affect the completion date for the works at Aylestone School.
Childcare Expansion Capital Grant 2023-24	0	0	-296	296	0	0	0	
Preliminary works to inform key investment need throughout the county	23	186	0	0	210	210	0	
School Accessibility Works	2,172	189	-1,837	0	524	590	66	Some schemes have progressed sooner than expected so accelerated spend approved
C & F's S106	1,047	-13	1,105	301	2,440	1,444	-996	<ul style="list-style-type: none"> • Kingstone High School Storage conversion and extension project (£318k) have been placed on hold while the school are re-evaluating their options • Kingstone & Thrupton Primary School - Small Group / Intervention room and Forest School Upgrades is expected to complete (£22k) under budget • Kingstone High School - Access Corridor Installation has a very large budget and after tendering is expecting an underspend of (£187k) • Ashfield Park Office and Reception Area extension (£663k) has a longer build programme than anticipated and some spend has been moved into the next FY <p>The above project related delays/issues have prompted the reduction in forecast</p>
Work to Shirehall Annex (Care Leavers Base)	0	100	0	0	100	84	-16	Project will deliver under budget

Shirehall Improvement Works	3,000	0	-3,000	0	0	0	0	
Children's residential homes for 11 to 18 year olds	424	0	-424	0	0	0	0	
Estates Capital Programme 2019/22	1,456	113	-331	0	1,238	1,238	0	
Residual property works identified in the 2019 condition reports	650	129	0	0	779	429	-350	Underspend by £350k projects delivering under original budget or no longer required.
Estates Building Improvement Programme 22-25	1,135	418	-1,053	0	500	400	-100	Underspend due to a combination of projects being delivered under budget and re-programming of works to account for receipt of statutory approvals and delivery during seasonal restrictions.
Estates Building Improvement Programme 2023-25	2,747	21	-1,768	0	1,000	906	-94	Underspend due to a combination of projects being delivered under budget and re-programming of works to account for receipt of statutory approvals and delivery during seasonal restrictions.
Estates Building Improvement Programme 2024-27	1,818	0	-918	0	901	820	-81	Underspend due to projects being delivered under budget and re-profiling of programme to focus on urgent works.
Building works from 2022 Condition Surveys	191	0	-181	0	10	2	-8	
Flexible Futures	0	110	0	0	110	110	0	
Wye Valley Trust - Education Centre Investment	6,000	0	-6,000	0	0	0	0	
HWGTA - Development of Vocational Work Based Skills Investment	2,000	0	-2,000	0	0	0	0	
Green Homes Grant - Local Authority Delivery	0	40	0	0	40	1	-39	Project has delivered under budget

Home Upgrade Grant	4,646	0	0	0	4,646	4,125	-522	The underspend is based on the number of applications that have been received and can be delivered by March 2025. The grant budget is a 'ceiling' amount against which funds can be drawn down. Actual spend is always influenced by the type of applications coming forward and the resulting spend per property, which can only be estimated at the outset. A new scheme will continue in 25/26, following on from this current phase.
Solar Photovoltaic Panels	1,007	64	-1,070	0	1	1	0	
Employment Land & Incubation Space in Market Towns	10,000	98	-9,471	0	627	531	-96	Reflects a slight delay in finalising the RIBA stage 4 (construction designs) prior to seeking a contractor. Some changes are required to the highways designs requiring a revision to the current planning approval. Contractor to be procured by April/ May and on site in summer 2025.
Leominster Heritage Action Zone	653	958		300	1,911	1,878	-33	Underspend relates to the grant not claimed in 23/24
Gypsy & Traveller Pitch development	1,046	23	0	0	1,069	0	-1,068	Due to planning being refused a new business case will be required as an alternative plan is developed.
Total Growth Delivery Board	59,294	4,216	-40,021	915	24,405	19,260	-5,145	
Local Transport Plan (LTP)	15,466	0	0	0	15,466	15,466	0	
Extra Ordinary Highways Maintenance & Biodiversity Net Gain	151	213	0	0	365	207	-158	Works will complete under budget and no use of the contingency.
Public Realm Maintenance - Mitigating Risk on the Network	193	832	0	0	1,025	404	-621	Works will complete under budget and no use of the contingency.

Additional Pothole Allocation 23/24 & 24/25	3,660	0	0	0	3,660	3,660	0	
Winter Resilience	740	44	435	0	1,219	1,175	-44	Project will deliver under budget
Resurfacing Herefordshire Highways	5,000	0	0	0	5,000	5,000	0	
Natural Flood Management	337	43	-104	0	276	276	0	
Highways Infrastructure Investment	6,835	1,335	0	0	8,170	8,170	0	
Public Realm Improvements for Ash Die Back	367	296	-118	0	544	526	-19	
Traffic Signal Obsolescence Grant and Green Light Fund		0	-271	541	270	270	0	
Hereford City Centre Transport Package	5,755	420	-5,375	0	800	597	-203	Challenging and protracted negotiations with legal teams at Network Rail and Transport for Wales in connection with the Transport Hub have delayed the point of certainty at which a contractor can be appointed, which has prevented construction expenditure originally planned for Q4.
Hereford City Centre Improvements (HCCI)	300	603	0	0	903	560	-342	Project completed under budget mainly due to underspend on project management and lack of capital bids for shop front grants
Hereford ATMs and Super Cycle Highway	650	350	-711	0	289	0	-289	This budget represents match-funding to the Levelling Up South programme and so being delivered together. Budget profiling is to match LUF South as noted below.
Emergency Active travel Fund	0	31	0	0	31	31	0	
Active Travel Fund 4	150	98	0	0	248	121	-127	Underspend on the Barton Road element is to be re-allocated to Quiet Routes. Though agreed in principle previously, this re-allocation was only formalised by

								Active Travel England in late December and so the budget could not be re-profiled until confirmed.
Southern Link Road	2,200	800	-1,620	0	1,380	639	-741	The need to procure alternative professional services rather than utilising Public Realm contract has delayed the start of works meaning that less work will be undertaken this financial year than anticipated.
Stronger Towns Fund - Greening the City	300	-2	0	0	298	11	-287	This element of Stronger Towns funding represents match funding for the Great Western Way part of the Levelling Up programme, and so the budget is profiled to match. Previous in-year budget figures reflect the original ST grant timeline and could only be reprofiled when the Stronger Towns board formalised approval for delivery in 25/26 alongside LUF.
LUF - Active Travel Measures (north of river)	3,715	196	-3,053	0	858	459	-398	Changes to scope arising from the consultation phases, alongside internal reviews of delivery priorities have elongated the design period compared to what had originally been envisaged. This has moved construction phases into 25/26. A revised timeline on this basis has previously been agreed in principle with DfT, extending the delivery period to March 2026. However it has not been possible to reprofile the budget until more recently without the Project Adjustment Request which formalises the agreement, and so previous in-year

								forecasts could not reflect the proposed carry-forward. The LUF North programme (Transport Hub) has also been impacted by the legal challenges and delays associated with Network Rail/Transport for Wales as noted under HCCTP above.
LUF - Active Travel Measures (south of river)	8,445	507	-5,029	0	3,923	335	-3,588	Comments as noted for LUF North
Integrated Wetlands	339	182	-616	591	497	375	-122	Much of the expenditure forecast for 24/25 related to the pilot scheme for school sewage treatment plant replacement, a new approach to phosphate mitigation. Natural England as a stakeholder raised a challenge to the way the pollution load from day pupils and boarders was being accounted for, which if justified risked making the scheme financially non-viable. A cautionary pause while the council's legal position was reviewed and ratified means that while the scheme is back on track, the main expenditure will now be in 25/26. Design for the Tarrington wetland and land acquisition for the Dilwyn site remain on track for 24/25.
Local Electric Vehicle Infrastructure Capital Fund (LEVI)	300	124	-424	0	0	0	0	
LEVI Pilot Fund Grant	0	0	-36	60	24	0	-24	
Wye Valley National Landscape (previously AONB)	116	37	0	123	276	276	0	
Safer Streets 5	0	0	0	165	165	165	0	

Fastershire Broadband	2,508	272	0	-108	2,672	1,637	-1,035	Forecast based on Gigaclear claim for 24/25, all planned works will have been delivered.
E & E's S106	4,045	1,223	-3,237	0	2,030	1,935	-95	Scope changes within the Highways Programme
Moving Traffic Enforcement Phase 2	119	25	0	0	144	0	-144	There is no plan to progress this project currently
Total Infrastructure Delivery Board	61,691	7,629	-20,159	1,372	50,533	42,296	-8,237	
UK Shared Prosperity Fund	845	103	0	0	948	935	-12	Still looking to allocate a grant if possible if it can be defrayed by March 2025
Waste	18,090	0	-11,393	0	6,697	6,697	0	
Rural Prosperity Fund	856	569	0	0	1,424	1,369	-55	Still looking to allocate a grant if possible if it can be defrayed by March 2025
Total Commissioning Delivery Board	19,790	671	-11,393	0	9,069	9,001	-68	

Total	157,422	15,338	-82,751	6,651	96,660	79,637	-17,023
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Projects that could be delayed into 25/26, some with no decisions yet made on spend, others with delays in delivery.

-12,479

Project to deliver under budget, not spend full grant allocation or project not continuing.

-4,544

-17,023

Table B – Overall Capital Programme position 2024/25

Scheme Name	Prior Years £000s	2024/25 budget £000s	2025/26 budget £000s	2026/27 budget £000s	2027/28 budget £000s	Total scheme budget £000s
Disabled facilities grant	0	3,484	2,200	2,200	2,200	10,084
Empty Property Investment & Development	0	593	600	0	0	1,193
Single Homelessness Accommodation Programme (SHAP)	455	915	0	0	0	1,370
Acquisition Fund for Housing Provision	0	2,500	2,500	0	0	5,000
Merton Meadow - Brownfield Land Release Fund	0	600	1,400	0	0	2,000
Swimming Pool Support Fund	0	83	0	0	0	83
Libraries Improvement Fund	0	42	19	0	0	62
Stronger Towns Fund - Hereford Museum & Art Gallery Redevelopment	2,008	1,399	5,690	10,000	53	19,150
Stronger Towns Library & Learning Centre relocation to Shirehall	45	274	2,063	624	0	3,005
Property Improvements in Care Homes	0	550	0	0	0	550
Community Capital Grants Scheme	0	120	1,530	350	0	2,000
Total Community Wellbeing Transformation Board	2,508	10,559	16,003	13,174	2,253	44,497
Key Network Infrastructure (Core Data Centre Switches & Corporate Wi-Fi)	527	28	0	0	0	555
HARC SAN Lifecycle Replacement	1	211	0	0	0	212
Data Centre Equipment Lifecycle Replacement	192	37	0	0	0	229
Windows Server Upgrades	175	119	36	0	0	330
Device and Ancillary kit replacement programme	0	187	415	548	0	1,150
M365 E5 Implementation	300	227	43	0	0	570
Planning & Regulatory Services software	0	670	726	0	0	1,396
Contact Centre Telephony Replacement	0	82	0	0	0	82
Wide Area Network (WAN) Replacement	0	286	0	0	0	286

VMWare Host Replacement	0	248	0	0	0	248
Total IT & Transformation Delivery Board	1,196	2,094	1,220	548	0	5,058
Schools Capital Maintenance Grant	0	3,300	2,795	1,200	1,200	8,495
Peterchurch Area School Investment	288	671	6,595	3,299	0	10,853
Brookfield School Improvements	422	2,830	2,570	0	0	5,822
High Needs Grant	85	500	2,000	4,318	0	6,903
Basic Needs Funding	215	1,000	8,000	7,068	0	16,284
Childcare Expansion Capital Grant 2023-24	0	0	296	0	0	296
Preliminary works to inform key investment need throughout the county	306	210	0	0	0	516
School Accessibility Works	141	524	1,143	693	0	2,503
C & F's S106	0	2,440	2,369	345	0	5,153
Work to Shirehall Annex (Care Leavers Base)	0	100	0	0	0	100
Shirehall Improvement Works	0	0	2,220	780	0	3,000
Children's residential homes for 11 to 18 year olds	0	0	424	0	0	424
Estates Capital Programme 2019/22	4,313	1,238	331	0	0	5,882
Residual property works identified in the 2019 condition reports	613	779	0	0	0	1,392
Estates Building Improvement Programme 22-25	1,453	500	1,053	0	0	3,007
Estates Building Improvement Programme 2023-25	759	1,000	1,768	0	0	3,527
Estates Building Improvement Programme 2024-27	0	901	1,525	340	0	2,766
Building works from 2022 Condition Surveys	0	10	455	280	0	745
Flexible Futures	740	110	0	0	0	850
Wye Valley Trust - Education Centre Investment	0	0	6,000	0	0	6,000
HWGTA - Development of Vocational Work Based Skills Investment	0	0	2,000	0	0	2,000
Green Homes Grant - Local Authority Delivery	779	40	0	0	0	819
Home Upgrade Grant	0	4,646	0	0	0	4,646
Solar Photovoltaic Panels	1,063	1	535	535	0	2,134

Employment Land & Incubation Space in Market Towns	343	627	11,318	53	8,360	20,701
Leominster Heritage Action Zone	1,493	1,911	0	0	0	3,404
Gypsy & Traveller Pitch development	808	1,069	0	0	0	1,877
Total Growth Delivery Board	13,824	24,405	53,399	18,911	9,560	120,099
Local Transport Plan (LTP)	0	15,466	15,466	15,466	15,466	61,864
Extra Ordinary Highways Maintenance & Biodiversity Net Gain	1,934	365	0	0	0	2,299
Public Realm Maintenance - Mitigating Risk on the Network	3,925	1,025	0	0	0	4,950
Additional Pothole Allocation 23/24 & 24/25	0	3,660	0	0	0	3,660
Winter Resilience	183	1,219	0	0	0	1,402
Resurfacing Herefordshire Highways	0	5,000	5,000	0	0	10,000
Natural Flood Management	274	276	373	350	0	1,274
Highways Infrastructure Investment	0	8,170	3,985	3,885	0	16,040
Public Realm Improvements for Ash Die Back	19	544	494	240	118	1,416
Traffic Signal Obsolescence Grant and Green Light Fund	0	270	271	0	0	541
Hereford City Centre Transport Package	38,304	800	7,875	0	0	46,979
Hereford City Centre Improvements (HCCI)	5097	903	0	0	0	6,000
Hereford ATMs and Super Cycle Highway	0	289	711	0	0	1,000
Emergency Active travel Fund	88	31	0	0	0	119
Active Travel Fund 4	58	248	0	0	0	306
Southern Link Road	0	1,380	3,620	5,300	0	10,300
Stronger Towns Fund - Greening the City	105	298	0	0	0	404
LUF - Active Travel Measures (north of river)	555	858	3,053	0	0	4,466
LUF - Active Travel Measures (south of river)	244	3,923	5,029	0	0	9,197
Integrated Wetlands	2,479	497	1,686	99	0	4,760
Local Electric Vehicle Infrastructure Capital Fund (LEVI)	0	0	424	400	300	1,124
LEVI Pilot Fund Grant	0	24	96	0	0	120
Wye Valley National Landscape (previously AONB)	173	276	0	0	0	449
Safer Streets 5	0	165	0	0	0	165

Fastershire Broadband	30,958	2,672	0	0	0	33,630
E & E's S106	0	2,030	3,904	3,356	26	9,315
Moving Traffic Enforcement Phase 2	0	144	0	0	0	144
Total Highways Maintenance Delivery Board	84,398	50,533	51,987	29,095	15,910	231,922
UK Shared Prosperity Fund	187	948	0	0	0	1,135
Waste	0	6,697	11,393	0	0	18,090
Rural Prosperity Fund	281	1,424	0	0	0	1,706
Total Commissioning Delivery Board	469	9,069	11,393	0	0	20,931

Total	102,394	96,660	134,002	61,728	27,723	422,507
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	2024/25 Budget £000s	2025/26 Budget £000s	2026/27 Budget £000s	2027/28 Budget £000s	Total
February 2024 Council Approved Budget	160,033	50,791	19,187	-	230,011
Reprofile Budget	-82,751	55,302	20,092	7,357	0
Other approved Movements	266	2,543	-	-	2,809
23/24 Carry Forwards	15,338	-	-	-	15,338
Additional Grants	3,774	25,366	22,449	20,366	71,954
Revised Capital Budget	96,660	134,002	61,728	27,723	320,113

Grant Additions since February Council

	2024/25	2025/26	2026/27	2027/28	£000s
DfE - Childcare Expansion Capital Grant 2023-24	296				296
WMP - Safer Streets 5 Grant & Town Council Cont	165				165
DLUHC - Phosphate Mitigation Grant	591	1,071	99		1,760
DfE - additional Grant for Brookfield School		822			822
WMCA - LEVI Pilot Grant	60	60			120
DfE - High Needs Grant Increase		2,847			2,847
DfT - TSOG and Green Light Fund Grant	541				541

DfE - Schools Maintenance Grant	18				18
DLUHC - SHAP Grant	460				460
Sport England - Swimming Pool Support Fund	83				83
Libraries Improvement Fund Grants	62				62
DLUHC - DFG 24/25 additional grant	475				475
DfE - Schools Maintenance Grant 25/26 to 27/28		1,200	1,200	1,200	3,600
DLUHC - DFG 25/26 to 27/28		2,200	2,200	2,200	6,600
DfT - LTP Grant 25/26 to 27/28		15,466	15,466	15,466	46,398
C&F S106 Income	301		1,734		2,035
E&E S106 Income			1,000	1,500	2,500
Arts Council Grant for Museum Project			750		750
DLUHC - Brownfield Land Release Fund	600	1,400			2,000
DEFRA - Wye Valley National Landscape	123				123
MHCLG - RS15 Grant		300			300

3,774	25,366	22,449	20,366	71,954
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Other Movements	2024/25	2025/26	2026/27	2027/28	£000s
LHAZ additional budget approved at council	300	0	0	0	300
Acquisition Fund for Housing Provision approved at Council	2,500	2,500	0	0	5,000
M365 Project funded from reserves	77	43			120
Removal of Maylords Library Project	(2,611)				(2,611)
	266	2,543	0	0	2,809
Total Grants and other movements	4,040	27,909	22,449	20,366	74,763



APPENDIX C TREASURY MANAGEMENT QUARTER 3 UPDATE

Introduction

- 1.1 Treasury Management is the management of the council's borrowing, investments and cash flows, including its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.
- 1.2 The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management 2021 recommends that members be updated on treasury management activities at least quarterly. This report, therefore, ensures the council is implementing best practice in accordance with the Code.

Economic Context

- 2.1 The third quarter of 2024/25 saw:
 - Stagnant UK growth, with Gross Domestic Product (GDP) at 0.1% for the quarter;
 - The 3 month year on year rate of average earnings growth increase from 4.4% in September to 5.2% in October;
 - CPI inflation at 1.7% in September, 2.3% in October and 2.6% in November (clothing and fuel prices were among the main drivers behind the rise);
 - 10-year gilt yields starting October at 3.94% before finishing at 4.57% at the end of December (peaking at 4.64%).
- 2.2 On 7 November, the Bank of England's Monetary Policy Committee (MPC) voted to reduce the Bank Rate from 5.00% to 4.75% and held it steady in their December meeting.

Investments

3.1 At 31 December 2024, the council held investments as shown in table 1.

Table 1 Investment Portfolio

Treasury investments	Term	Maturity date	Interest rate	Amount invested £m
Instant Access Money Market Funds:				
Federated	N/A	N/A	4.78%	10.00
Aberdeen Standard	N/A	N/A	4.78%	10.00
Invesco	N/A	N/A	4.76%	7.00
CCLA	N/A	N/A	4.75%	3.25
95 Day Notice Bank Accounts:				
Barclays (ESG green deposits)	N/A	N/A	4.80%	5.00
Fixed Term Deposits:				
DMADF	21 days	07/01/25	4.70%	10.00
Central Bedfordshire Council	181 days	20/11/24	5.20%	5.00
Total treasury investments			Average 4.80%	50.25

3.2 The council applies the credit worthiness service provided by Link Group. This service employs a modelling approach utilising credit ratings from three main credit rating agencies (Fitch, Moody's and Standard and Poor's). This modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system to which Link Group allocate a series of colour coded bands with suggested maximum durations for investments. These are detailed in the Treasury Management Strategy for 2024/25 as approved by Council in February 2024.

3.3 The council has earned interest on its investments as shown in table 2. There is a revenue budget of £0.5 million for 2024/25, resulting in an underspend of £2.040 million within the Central budget line.

Table 2: Interest earned

Month	Average amount invested £m	Average rate of interest earned	Amount of interest earned £m
April 24	54.6	5.31%	0.221
May 24	61.0	5.27%	0.273
June 24	64.0	5.26%	0.276
July 24	76.2	5.23%	0.339
August 24	75.4	5.06%	0.324
September 24	68.5	5.01%	0.282
October 2024	69.7	4.97%	0.294
November 2024	71.6	4.82%	0.284
December 2024	60.5	4.79%	0.247
Total			2.540
Budget			0.500
Underspend variance			2.040

3.4 In addition to the 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 of £1.9 million in 2024/25 and will be credited to the waste reserve.

Borrowing

- 4.1 The council can only borrow up to its Authorised Borrowing Limit which represents the affordable 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 external borrowing for 2024/25 is £350m which was approved in the Treasury Management Strategy.
- 4.2 At 31 December 2024, the council held long-term borrowing of £117.7m; no new long-term borrowing has been secured during the financial year. The council's Capital Financing Requirement at 1st April 2024 is £303.1m, which demonstrates that the Council has significant internal borrowing when compared to the actual long-term borrowing (excluding PFI liabilities) of £117.7m.
- 4.3 The current capital financing budget position is shown in table 3.

Table 3: Summary of borrowing budget

	Budget £m	Forecast £m	(Surplus)/deficit £m
Minimum Revenue Position (MRP)	9.7	9.5	(0.2)
Interest Payable on loans	5.8	4.7	(1.1)
Total	15.5	14.2	(1.3)

Compliance with Treasury and Prudential Limits

- 5.1 During the quarter ended 31 December 2024, the council has operated within the treasury and prudential indicators set out in the Treasury Management Strategy for 2024/25. Actual values for quarter 3 are shown in table 4.
- 5.2 Treasury indicators for quarter 3 are shown as actual values as at 31 December 2024, e.g. for PI4 (authorised limit for external debt), the actual value of external debt as at 31 December 2024 of £155.5 million is shown against a Treasury Indicator limit of £420.0 million as approved in the Treasury Management Strategy. This means that actual debt is lower than the approved limit and the council is operating within agreed boundaries.
- 5.3 Prudential indicators for quarter 3 are shown as updated forecasts for the financial year 2024/25, e.g. for PI1 (capital expenditure), the forecast of spend for the financial year 2024/25 of £96.7 million is shown against a Prudential indicator value approved in the Treasury Management Strategy of £160.0 million. This means that capital expenditure for 2024/25 is now forecast to be lower than was budgeted for at the start of the year.

Table 4: Prudential and Treasury indicators for 2024/25 as at 31 December 2024

Ref	Treasury indicators	Description	2024/25 Budget/Limit £000	Actual as at 31 December 2024 £000	Compliance result
PI4	Authorised limit for external debt	To set an authorised limit for its gross external debt for the forthcoming financial year (includes PFI liabilities)	420,000	155,500	Within limit
PI5	Operational boundary for external debt	To set an operational boundary for its gross external debt for the forthcoming financial year (includes PFI liabilities)	400,000	155,500	Within limit
PI8	Upper limit for principal sums invested over 364 days	To set an upper limit for total principal sums invested over 364	5,000	NIL	Within limit
PI7	Maturity structure upper and lower limits:	To set upper and lower limits for the maturity structure of its borrowing			
	Under 12 months		0-10%	6%	Within limit
	12 months to 2 years		0-10%	9%	Within limit
	2 to 5 years		0-25%	7%	Within limit
	5 to 10 years		0-35%	20%	Within limit
	10 years and above		0-80%	58%	Within limit
	Prudential indicators	Description	2024/25 Budget £000	Forecast for 2024/25 at 31 December 2024 £000	Compliance result
PI1	Capital expenditure	A reasonable estimate of the total capital expenditure that it plans to incur during the forthcoming financial year	160,033	96,660	Under budget
PI2	Capital financing requirement (CFR)	A reasonable estimate of the total capital financing requirement at the end of the forthcoming financial year	349,974	324,806	Under budget
PI3	Gross debt and CFR	To ensure that the total gross debt does not, except in the short term, exceed the total of capital financing requirement	52%	36%	Below 100%, within limit
PI6	Ratio of financing costs to net revenue stream	To estimate the proportion of financing costs to net revenue stream for the forthcoming financial year	7%	7%	In line with budget
PI9	Ratio of net commercial and service investments income to net revenue stream	To estimate the proportion of net income from commercial and service investments to net revenue stream for the forthcoming financial year	1%	1%	Low reliance on this income

Appendix D: Progress against 2024/25 approved Savings as at 31 December 2024 (Quarter 3)

Total Savings of £19.5m for 2024/25 were approved by Council on 9 February 2024.

The status of the delivery of approved savings at 31 December 2024 (Quarter 3) is noted below:

Directorate	Approved Savings £m	Delivered £m	Forecast £m	At Risk £m
Community Wellbeing	3.2	2.0	0.5	0.7
Children & Young People	2.3	2.3	-	-
Economy & Environment	3.3	2.7	0.2	0.4
Corporate Services	2.8	1.1	0.4	1.3
Council-wide	7.9	2.1	-	5.8
Total Savings	19.5	10.2	1.1	8.2
	100%	52%	6%	42%

At 31 December 2024 (Quarter 3), £10.2 million (52%) of the £19.5 million savings for 2024/25 have been delivered with a further £1.1 million (6%) forecast to be delivered in year.

The forecast outturn position at Quarter 3 includes the impact of savings assessed as 'at risk'; additional delivery of these savings in 2024/25 will improve the outturn position. The forecast position includes recovery actions, efficiencies and forecast Directorate underspends to mitigate the impact of 'at risk' savings in 2024/25.

Activity to expedite delivery of 'at risk' savings targets is underway as highlighted at paragraph 33 of the Quarter 3 2024/25 Budget Report.

The status of individual Directorate savings as per Appendix B of the Council Report approved on 9 February 2024, is shown in Annex 1 below.

Annex 1: Status of delivery of approved savings at 31 December 2024 (Quarter 3)

Community Wellbeing 2024/25 Saving Targets Q3 Forecast		Target £'000	At Risk £'000	In Progress £'000	On Target £'000	Delivered Recurrent £'000
S1 (i) Workforce service review - reduce posts in Talk Community		353	-	-		353
S3 Delete vacant permanent posts not currently occupied		801	-	-	51	750
S4 Review of high cost packages in Adult Social Care		1,000	514	257	57	172
S5 Better utilisation of existing care contracts		200	200	-	-	-
S6 Reduction in non-care contract values		104	-	-	-	104
S7 Public Health Savings		211	-	-	-	211
S8 Maximise housing benefit claims		22	-	-	-	22
S9 Ensure correct pathways for funding of complex care		500	-	120	35	345
S10 Charge for welfare benefits support		5	-	-	-	5
Total Community Wellbeing		3,196	714	377	143	1,962
Children & Young People 2024/25 Saving Targets Q3 Forecast		Target £'000	At Risk £'000	In Progress £'000	On Target £'000	Delivered Recurrent £'000
S1 Reduce Children's High Cost Placements		959	-		-	959
S2 Reduce the number of Social Workers based on assumption of reduced demand		338	-	-	-	338
S3 From 1 October 2024 convert 30 posts from Agency to permanent		1,006	-	-	-	1,006
Total Children and Young People		2,303	-	-	-	2,303
Economy & Environment 2024/25 Saving Targets Q3 Forecast		Target £'000	At Risk £'000	In Progress £'000	On Target £'000	Delivered Recurrent £'000
S1 Delete vacant permanent posts not currently		340	-	-	-	340
S2 BBLP – Revision of Annual Plan works		450	-	-	-	450
S3 BBLP – Annual Efficiency Saving		250	-	-	-	250
S4 Reduced Energy Costs		580	-	-	-	580
S5 Changes to School Enforcement team		40	-	7	-	33
S6 Inflationary Increases in Fees and Charges		350	233	-	71	46
S7 Waste Collection Service		800	-	-	-	800

S8 Transfer of functions from the Local Enterprise Partnership (LEP)	250	-	100	-	150
S9 Stop using Scoot Highways System	20	-	-	-	20
S4 Transferred from C&YP SEN Transport Efficiencies	200	200	-	-	-
Total Economy and Environment	3,280	433	107	71	2,669
Corporate Services 2024/25 Saving Targets Q3 Forecast	Target £'000	At Risk £'000	In Progress £'000	On Target £'000	Delivered Recurrent £'000
S1 Governance & Legal Services: 50% reduction in locum budget	200	-	-	-	200
S2 Governance & Legal Services: 20% reduction in external legal budget	100	-	-	-	100
S3 Resources & Assurance: Implementation of Oxygen Finance solution	60	60	-	-	-
S4 Resources & Assurance: Reduction in mobile phone provider contract	170	150	-	-	20
S5 Resources & Assurance: automation of Council Tax and Business Rate processes using GovTech solution	100	-	100	-	-
S6 Reduction in Hoople SLA contract value and workforce service reviews	2,142	1,052	312	-	778
Total Corporate Services	2,772	1,262	412	-	1,098
Central Budget 2024/25 Saving Targets Q3 Forecast	Target £'000	At Risk £'000	In Progress £'000	On Target £'000	Delivered Recurrent £'000
S1 Mutual Early Resignation Scheme 2024 (MERS24)	4,500	2,375	-	-	2,125
S2 Transformation: Thrive Programme Savings	2,600	2,541	-	-	59
S3 Transformation: Target Operating Model	815	815	-	-	-
Total Central Budget	7,915	5,731	-	-	2,184
Total All Directorates 2024/25 Savings Targets	19,466	8,140	896	214	10,216

RAG Rating – to show confidence in delivery of savings

Red	Delivery in 2024/25 at risk. Recovery action to identify mitigations required.
Amber	Activity to deliver savings in 2024/25 is in progress.
Green	Activity to deliver savings expected to be delivered in 2024/25 is on target.
Blue	Savings achieved in 2024/25.



Title of report: Q3 Performance Report

Meeting:	Cabinet
Meeting date:	Thursday 6 March 2025
Cabinet member:	Cabinet member finance and corporate services
Report by:	Director of Strategy and Transformation
Report author:	Head of Corporate Performance and Intelligence

Classification

Open

Decision type

Non-key

Wards affected

(All Wards);

Purpose

To review performance for Quarter 3 (Q3) 2024/25 and to report the performance position across all Directorates for this period.

Recommendation(s)

That Cabinet:

- a) review performance for Q3 2024/25

Alternative options

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

Key considerations

1. This report aligns with the Council Plan 2024-2028 and the associated annual Delivery Plan for the 2024/25 financial year. It provides a summary of the activities undertaken to deliver the key priorities and goals in Q3, and highlights the key performance indicators (KPIs). Appendix A provides the full breakdown of the Q3 updates on the Delivery Plan milestones that are due to be in progress by Q3. 140 out of 179 milestones (78%) that were due to be in progress by Q3 under the new Delivery Plan for 2024/25 were completed or are on track to be delivered by the end of the financial year.
2. Beyond the Delivery Plan, the council has achieved many successes in Q3 of 2024/25.

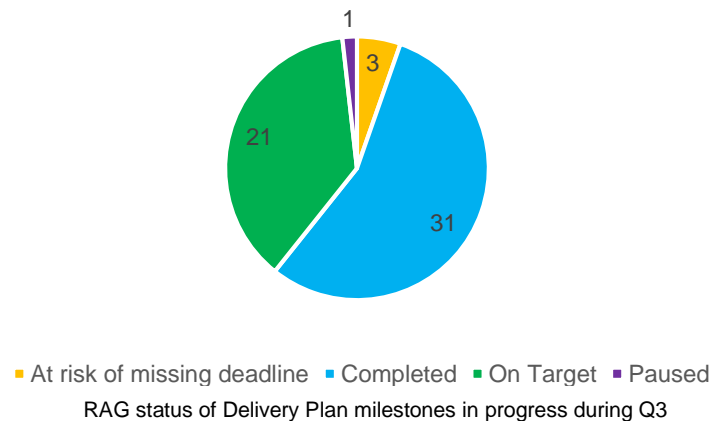
Quarter 3 highlights

3. The council has continued to deliver on its Capital Investment Programme. The following table presents some of the highlights for Quarter 3.

Project	Investment	Where are we...
Barrs Court Phase 2	£225,000 grant funding	Completed in Q3. A remodelled teaching kitchen, together with widening a number of doors so that pupils can access the outdoor spaces at the Symonds Street site.
Withington Primary School	£200,000 corporate borrowing	Extension and internal alterations to improve accessibility.
Improvements to schools under the Schools Capital Maintenance Programme	£250,000 corporate borrowing	5 completed projects in Q3 under the Schools Capital Maintenance Programme. Example project: Drainage and Flooding works at Almely Primary School – The school has suffered from flooding into the building due to issues with gutters and downpipes not being able to cope in heavy downpours along with insufficient drainage capacity for water run-off. The project has delivered upgrades to the drainage systems and guttering/ downpipes to eliminate water ingress and protect the school building.
Section 106 Delivery Programme	£160,000 Section 106 funding	4 completed projects in Q3 under the Section 106 programme. Example project: Infilling of former swimming pool area at Bishop of Herefords Bluecoat School – as phase 1 of a wider project, the scheme has created additional outdoor social and recreational space for pupils in a previously unused area.
Estates Capital Improvement Programme	£280,000 corporate borrowing	3 completed projects in Q3 under the Estates Capital Investment programme. Example project: Roofing and external works at Three Elms Trading Estate - Replacement roof and external maintenance improvements to enhance the life expectancy of corporate asset which is leased out.

Road resurfacing across the county	£10m in total, £5m in 2024/25 and £5m in 2025/2026	All of the A and B-road resurfacing targets for 2024/25 are either completed or in motion and scheduled to be completed during January, accounting for full spend of the £5m in-year allocation. Planning and scoping is now under way to prepare for the next phase in 2025/26.
Safer Streets 5	£150k grant funding	All new CCTV cameras and external lighting to the targeted areas completed ahead of schedule in Q3.
Integrated Wetlands	£4.76m grant funding	Detailed design phase has begun for the second wetland scheme in Tarrington, and final terms have now been agreed with both landowners in connection with a third site, aiming to complete acquisition during Q4.
Transport Hub	£10.5m, of which £6.3m is LUF grant funding	Detailed design phase completed and tenders for appointment of a contractor are now live, due to close in January. Complex legal agreements with Network Rail, Transport for Wales and MFA Bowl are nearing conclusion.

Performance: People



Children and Young People

- Significant work has been underway to support young people into employment, including the opening of the Youth Employment Hub in Q3. Since the opening, 90 referrals were received, and Career and Employment coaches are working directly with the young people either from the hub or in the wider community.
- Key activities to drive further improvements in the care and support of children and young people have been completed in Q3, which includes the Participation Strategy, Education Strategy, and the development of 'Locality' delivery model. These strategies provide a clear plan of action to address the challenges and seize the opportunities to improve the overall quality of life for Herefordshire's children and young people.

Adult services

6. 13 providers for new work opportunities have signed up for the community activities framework in adult services. The framework includes an innovation lot to allow for the development of new opportunities which will enable us to support people with disabilities into work.

All Age Carers

7. Further progress has been made in relation to the support provided to unpaid carers of all ages in Herefordshire. The newly formed Carers Partnership Board is in the process of agreeing the implementation plan which reflects the key priorities identified within the All Age Carers Strategy 2024-29. Further to this, events are being planned to explore carers' views on respite provision across the county.

Performance: Place



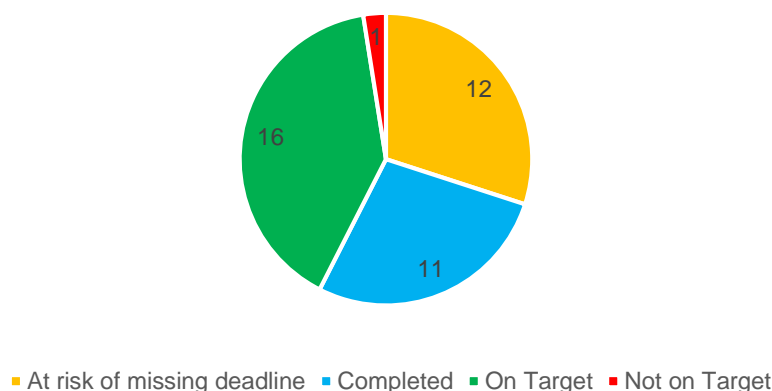
RAG status of Delivery Plan milestones in progress during Q3

8. Q3 data shows that the council is slightly off target in relation to reducing carbon emissions by 1.8%. Waste fleet partners have reduced diesel consumption and there are further reductions expected as the new waste collection fleet was introduced this financial year, including the two electric refuse collection vehicles. Work is ongoing on the council's next Carbon Management Plan to reach our aim of net zero by 2030.
9. The heat decarbonisation plans for the corporate estate are expected to be carried over to the beginning of the next financial year. Six properties have been identified and a procurement framework is now in place.
10. The Herefordshire's Natural Flood Management (NFM) project aims to reduce flood risk to the community and a key activity to enable this is ensuring that the community is kept informed and are engaged. This has included the live update of the NFM webpages; seasonal NFM Newsletter; attending multiple events throughout Q3, such as the Wye Catchment Partnership Meeting, Herefordshire Rural Business Advice Day and the Council's Rivers Conference. Work will continue into the next quarter, such as the council supporting the event run by Severn Rivers Trust which will focus on how NFM can increase farm productivity.
11. Shared community spaces play a crucial role in improving the quality of life in Herefordshire, particularly post-Covid, as well as fostering a sense of community and belonging. The new Public Realm Services operating model was approved in Q3 and the completion of public

realm improvement works also reached practical completion in December. In addition, a Library design consultant was appointed, and the interim Library was relocated to the Town Hall whilst exciting redevelopment work is underway.

12. To reflect the increased housing targets that the council has been set, the council is reviewing where these allocations will be sited around Hereford as part of the review of its Local Plan. Accommodating the growth that was not anticipated within the previous business case for the Hereford Transport Plan is likely to impact on assumptions on alignment and design of the current route of the Western Bypass as a result of changes to traffic levels and movements. As a result, this will require a comprehensive review of the business case to meet the current requirements of governments Green Book approach.

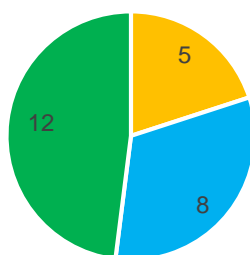
Performance: Growth



RAG status of Delivery Plan milestones in progress during Q3

13. A key mechanism to bring employment opportunities to the county is to attract businesses. A review of employment land needs and opportunities countywide is complete with commissioning work to consider feasibility of business units in Bromyard being considered, as well as business hubs in each market town. In the meantime, the plot sales in the Enterprise Zone is currently on track and current businesses continue to be supported.
14. 15 properties are being purchased through the Single Homelessness Accommodation Programme, specifically for young people identified at risk of homelessness. In addition, homeless prevention activity and engagement with rough sleepers to enable them to access accommodation and appropriate support is continuing with the support of partners and making additional accommodation available.
15. The business case for the proposed Golden Valley Parkway railway station is awaiting sign off of the requirements for additional professional services to carry out this work. Once agreed, the procurement of these services will commence.

Performance: Transformation



■ At risk of missing deadline ■ Completed ■ On Target

RAG status of Delivery Plan milestones in progress during Q3

16. Work is continuing at pace to develop strategic and directorate transformation programmes to support the delivery of the Transformation Strategy and the Future Council Operating Model.
17. The residents and businesses of Herefordshire are at the heart of everything we do, and there is also a recognition that the needs of our customers can vary so there is no one size fits all approach. Following consultation with a range of stakeholders, the Customer Charter and Customer Standards have been refreshed with the next phase of customer service transformation focusing on the overall operating model. The focus of the target operating model is to ensure that customers get the best possible customer experience however they choose to contact us, maximising the use of technology to create an efficient customer journey.
18. The council have engaged a new telephony system and Wide Area Network provider, and implementation of new systems will result in several strategic, operational, customer-facing benefits. These developments also ensure that the Council's network infrastructure is future-proof, secure, and able to meet the growing demands of modern service delivery.

Local Authority Data Explorer

19. The Office for Local Government (Oflog) was an office of the Ministry of Housing, Communities and Local Government (MHCLG) launched in July 2023 and set up the Local Authority Data Explorer. Oflog has since closed, however the Local Authority Data Explorer continues to be maintained by the MHCLG.
20. The aim of the tool is to create an overlapping and holistic picture of local government performance, with the facility to easily view metrics across different domains.
21. At present, the Explorer covers six areas of performance. These are: waste management, planning, adult social care, roads, adult skills, corporate and finance
22. Some of the data published in this tool is historic and therefore should be interpreted with caution.
23. The following top ten indicators have, therefore, been selected to demonstrate a more meaningful indication of the latest performance:

Key Performance Indicator	Q2 Actual	Q3* Projection	Q3* Actual	Q3* RAG**
Percentage of service users aged 65+ discharged from hospital into	77.2%	80%	78.75%	

Home First who are still at home 91 days after discharge				
Percentage of Children and Young People social work assessments completed within timescale (45 days)	55.9%	82%	63.5%	
Percentage of children in care who have an up-to-date review	99.5%	95%	99.5%	
Percentage of major planning applications dealt with within 13 weeks (or 16 weeks if subject to an Environmental Impact Assessment), or with an agreed extension of time <i>Provisional subject to DLUHC confirmation</i>	93%	70%	88.89%	
Percentage of non-major (minor and other) planning applications dealt with within 8 weeks, or with an agreed extension of time <i>Provisional subject to DLUHC confirmation</i>	77%	80%	77.63%	
Number of kg of waste that is not sent to reuse, recycling or composting (per household) <i>Provisional subject to DEFRA confirmation</i>	244.62kg	320kg (YTD Nov 2024)	325.08kg (YTD as at Nov 2024)	
Number of affordable homes delivered	158	199	209	
Local count of Herefordshire homelessness	10	5	5	
Value of grants awarded to businesses to support viability and enable growth through UK Shared Prosperity Fund and Rural England Prosperity Fund	£1,867,543.70	£1,600,163	£2,960,138	
Average days sickness per FTE***	9.35	9	8.04	

* year to date (April – December 2024)

** RAG (Red Amber Green) Key: Green (target met/ exceeded); Amber (within 10% threshold); Red (away from target by 10%+ in an adverse direction); Grey (not targeted/ monitoring only)

*** Amendment to the Q2 report: the Q1 outturn was 8.77. 9.10 referred to the outturn at the end of 2023/24.

24. In relation to the red outturn of the percentage of children and young people social work assessments completed within timescale, staffing pressure in managing vacancies and agency turnover have impacted on our ability in periods to manage these in a timely way. However, the service manager has worked effectively with the team managers in Assessment Teams, and in other parts of the service, to keep on top of this work which is reflected in the year to date improvement trend. We now have permanency in all four Assessment Team Manager posts, and in the new locality model there is more management capacity to support smaller teams.

Community impact

25. 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.

26. 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

27. 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

28. 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.

29. 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. Each project within the Delivery Plan will assess its equality impact individually.

30. The equality impact within each project of the Delivery Plan will assess where a decision is likely to result in detrimental impact on any group with a protected characteristic it must be justified objectively. This means that attempts to mitigate the harm will be explored. If the harm cannot be avoided, the decision maker will balance this detrimental impact against the strength of legitimate public need to pursue the service change.

Resource implications

31. 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

32. This Council is a best value authority designated under the Local Government Act 1999. It is required to make arrangements to secure continuous improvement in the way it exercises its functions. Measuring performance is a tool to evidence such improvement.

Risk management

33. 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.

Consultees

34. None in relation to this report.

Appendices

Appendix A Q3 Council Plan Delivery Plan Updates

Background papers

Council Plan 2024-2028
Delivery Plan 2024-2025

Report Reviewers Used for appraising this report:

Governance	John Coleman	Date 13/02/2025
Finance	Karen Morris	Date 11/02/2025
Legal	Sean O'Connor	Date 07/02/2025
Communications	Luenne Featherstone	Date 06/02/2025
Equality Duty	Harriet Yellin	Date 10/02/2025
Procurement	Claire Powell	Date 07/02/2025
Risk	Jessica Karia	Date 05/02/2025
Approved by	Rosie Thomas-Easton	Date 13/02/2025

Appendix A - Council Plan Delivery Plan Updates

People: We will enable residents to realise their potential, to be healthy and to be part of great communities that support each other. We want all children to have the best start in life.

Objectives	THIS YEAR WE WILL....	Key Milestones to Deliver	RAG	Remarks
59	Support all children to have the best start in life.	Develop a revised Children's Improvement Plan	Blue	Completed Quarter 1
	Further develop and embed our restorative practice model focussed on working with families	<ul style="list-style-type: none"> • Work with our partners to deliver against the approved priorities in the revised Children's Improvement Plan for 2024-2025 • Deliver a programme of 8 restorative practice learning webinars • Complete the supervision train the trainer programme 	Blue	Completed Quarter 1
	Ensure that the views and lived experience of children and young people inform strategic intent and service delivery	<ul style="list-style-type: none"> • Conduct a quality of life survey with children and young people • Utilise findings from the Bright Spots survey to update service delivery and strategic intent • Develop and publish a Participation Strategy for vulnerable children and young people 	Blue	Completed Quarter 2
	Roll out delivery of the Early Intervention and Prevention Strategy for children and young people	<ul style="list-style-type: none"> • Complete a review of early help provision 	Blue	Completed Quarter 1
	Update the Early Intervention and Prevention Strategy for children and young people based on the above review and update the implementation plan	<ul style="list-style-type: none"> • Develop an implementation plan for the Early Intervention and Prevention Strategy 	Green	The Early Help and Prevention Strategy is being reviewed and updated. To be completed by the end of quarter 4 with an updated implementation plan.
	Increase capacity of specialist Special Educational Needs (SEN) school places so that children and young people can attend a local provision that meets their needs	<ul style="list-style-type: none"> • Update the Education Strategy which includes a sufficiency focus • Ensure that all future applications to Department for Education (DfE) schemes are completed and submitted by the DfE specified deadline • Publish a plan to explore solutions through the High Needs capital grant to increase or improve SEN provision, that may include: resource based provision, repurposing of existing council buildings, new build, and purchase and conversion of existing buildings 	Blue	Completed Quarter 2
			Green	There have been no open rounds this quarter.
			Green	The announcement by the government to increase Herefordshire's mandatory housing target has delayed the publishing of the plan so that it can be taken into account the new figures. To be published Q4.
	Develop and launch the updated Corporate Parenting Strategy	<ul style="list-style-type: none"> • Approve the refreshed Corporate Parenting Strategy • Produce an implementation plan for the strategy 	Blue	Completed Quarter 2
			Blue	This has been completed and is going through the Governance procedure with final sign off at Cabinet on the 19/12/24.
	Support all residents to live healthy lives within their communities.	Deliver active travel programmes to encourage more walking and cycling	Green	7 businesses contacted in view to support updating their Travel plans.
		<ul style="list-style-type: none"> • Support 5 businesses at the Hereford Enterprise Zone with employer travel plans • Engage with 15 primary schools across Hereford and the market towns as part of the Stride Active (walk to school) programme • Deliver the Bikeability (cycle training) programme 	Amber	Stride Active have delivered: 5 x assemblies and held 4 x sessions supporting Walking Champions. Unspent funds used to extend the contract until May 2025.
			Green	381 level 1 and 2 combined places delivered. On track to meet annual target of 1602 pupils trained.
	Increase capacity and capability of addiction programmes to reduce harm from smoking, alcohol and drugs	<ul style="list-style-type: none"> • Increase capacity of the Herefordshire Stop Smoking Service by recruiting additional Stop Smoking Advisors 	Blue	
	Sign up education settings to the healthy tots/healthy schools framework	<ul style="list-style-type: none"> • Complete pilot of healthy tots/schools framework • Sign up 20% of education settings to the framework 	Blue	This target has been exceeded with 40% of primary schools signed up to the framework. The next phase is to expand the framework for nursery settings and high schools. Expansion phase: healthy tots framework launched with 10 nursery settings, in addition to 15 settings already included that provide nursery/primary education. One secondary school recruited to pilot the current healthy schools framework to advise on feasibility/changes necessary to ensure it is appropriate for secondary schools.

People: We will enable residents to realise their potential, to be healthy and to be part of great communities that support each other. We want all children to have the best start in life.

Objectives	THIS YEAR WE WILL....	Key Milestones to Deliver	RAG	Remarks
Tackle inequality and facilitate social mobility by focussing on early intervention and prevention activities that enable people to live independent and fulfilling lives.	Protect children and young people at risk of exploitation	<ul style="list-style-type: none"> Develop Get Safe as a response to child exploitation and contextual safeguarding concerns Develop support for young adults up to 25 years, who may be at risk of exploitation, and a transition pathway, through review of the Care and Risk Management Process (CARM) for this cohort and introduction of the adults exploitation toolkit 	Blue	
			Purple	Adult and Children Services have been working with partner organisations to strengthen the transitional support for young adults, post 18 years who have been supported by children's services due to exploitation risk. Work on this pathway was delayed, however Herefordshire Safeguarding Adults Board (HSAB) have re-visited the approach and task and finish group has been assembled. HSAB has agreed a standardised response to Adult Exploitation that also includes care leavers.
	Promote the emotional health and wellbeing of children and young people	<ul style="list-style-type: none"> 400 new registrations achieved to the online Solihull Approach parenting programme and 600 new courses started by parents/carers 	Blue	Herefordshire continues to perform in the top 3 out of 81 counties signed up to the Solihull Approach programme in terms of online registrations. Final figures will be included in the annual report and reported at the end of Q4.
	Deliver a Youth Employment Hub to support young people aged 16 to 24 into education, employment and/or training	<ul style="list-style-type: none"> Launch a Youth Employment Hub 	Blue	Youth Employment Hub opened end of October 2024.
	Deliver five technology pilots within the wider Technology Enabled Living Programme	<ul style="list-style-type: none"> Provide support for 200 young people who are not in education employment or training 	Green	Received 90 referrals to work and support young people since opening in October. Career and Employment coaches are in post and working with young people either from the hub or in the wider community DWP Job Coaches and SENDIASS Advisor are also working from the hub and supporting young people. Physical building is open and with an official opening taking place in February.
		<ul style="list-style-type: none"> Complete roll out of the technology pilots 	Green	The five technology pilots have been rolled out for test and learn, however, two products were not viable. We are now in the stage of designing exit planning, efficiency reviews and lessons learned that will start in Q1 25-26. Two new products based on service need are being evaluated.
		<ul style="list-style-type: none"> Complete evaluation of the technology pilots 	Amber	There has been a delay in completing the evaluation of the pilots. This will be completed in Q1 of the new financial year.
	Deliver implementation plans for best start in life and good mental wellbeing within the Health and Wellbeing Strategy	<ul style="list-style-type: none"> Sign up to the prevention concordat for better mental health Agree the Mental Wellbeing implementation plan Present annual progress reports against the implementation plans to the Health and Wellbeing Board 	Blue	
			Blue	
			Green	Progress reports on Best Start in Life and Good Mental Wellbeing have been presented to the Health and Wellbeing Board alternately (March, June, September, December, 2024). A BSIL annual report to be presented in March 2025 and a Good Mental Wellbeing annual report due in June 2025. A scoping workshop to consider plans for 2025/27 to be held February 2025.
Enable people to support themselves and each other by providing the right help at the right time.	Deliver schemes to tackle inequality and support our most vulnerable residents	<ul style="list-style-type: none"> Ensure the council tax reduction scheme continues to be maintained at its maximum level of discount Deliver the Holiday Activity and Food programme (HAF) targeted at children in receipt of free school meals Deliver the Household Support Fund (HSF) to those affected by cost of living 	Blue	
			Blue	
			Blue	
			Blue	
	Improve services for carers of all ages	<ul style="list-style-type: none"> Approve and launch the All Ages Carers Strategy Commence delivery of the implementation plan 	Blue	
			Green	The newly formed Carers Partnership Board is in the process of agreeing the final action/implementation plan. This will form the basis of work to be taken forward by board members. The plan reflects the key priorities identified within the All Age Carers Strategy 2024-29.

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Objectives	THIS YEAR WE WILL....	Key Milestones to Deliver	RAG	Remarks
61	Improve services for people with learning disabilities and mental health issues	<ul style="list-style-type: none"> Implement a new framework for supported living and community activities Sign up three new work opportunities providers 	Blue	
			Green	13 providers have now signed contracts for the community activities framework and participated in mobilisation meetings, the framework includes an innovation lot to allow for the development of new opportunities and supports the requirement for an improved offer to support Service Users into meaningful work. Two engagement events will take place with providers in February 2025 to develop the approach.
	Review existing respite provision and design and implement a model for future delivery	<ul style="list-style-type: none"> Consult users of existing respite services to understand issues and areas for improvement 	Green	Two face-to-face events are planned for February 2025 to explore carers' views on respite. 60 eligible carers have been directly invited by post and information has also been shared with Tu Vida Carers Links service, Healthwatch and key partnership groups in order to promote the sessions.
		<ul style="list-style-type: none"> Design a model for improved respite provision 	Green	Review of existing provision and analysis of short term respite is continuing. The recommendations are due early March 2025 following consultation with carers to design the new model.
	Explore options for investing in, and building, the council's own care facility	<ul style="list-style-type: none"> Complete a business case for a council-owned care facility 	Blue	The outline business case has been completed and soft market testing will commence in Q4 to inform the full business case.
		<ul style="list-style-type: none"> Take a decision on a council owned care facility 	Amber	The decision on a council owned care facility will be submitted to Cabinet in April 2024 following the outcome of the soft market testing.
	Improve the model to ensure that people who are discharged from hospital receive the right support in the community, including reablement	<ul style="list-style-type: none"> Implement robust processes with health partners to achieve safe discharge from hospital Review the existing reablement model in light of best practice 	Blue	Completed Quarter 2
			Green	Work to refine service specifications is underway following further discussions with partners. A workshop for partners will further develop the work in line with best practice. This will lead to a more developed specification for reablement services, and a new model of contract management is being implemented for April 2025.
		<ul style="list-style-type: none"> Undertake a review of 25 sample hospital discharge cases of people aged over 18 to provide assurance on partnership working. 	Green	A detailed review of the discharge process, including the pathways, has been completed. Daily meetings of key partners are working well where each case for discharge is discussed to ensure the right outcome for that person. Work is ongoing in relation to reviewing outcomes and refining data.
	Work with partners and residents to build connected and resilient communities.	<ul style="list-style-type: none"> Publish the findings of the strategic review Develop and agree the three-year Talk Community Strategy Launch the community capital grants scheme Allocate funding 	Blue	
62	Support people to feel safe and respected in their communities.	<ul style="list-style-type: none"> Agree and appoint a new Chair Full implementation of the Working Together 2023 requirements 	Blue	
			Green	All statutory requirements for the implementation of WT23 have been completed in timescale i.e., revised Safeguarding Children Partnership arrangements and annual report published. 23 out of the 28 objectives on the implementation plan have been completed, with extended timescales for five low risk objectives required for completion in Q4 24-25. Ongoing oversight of the WT23 Implementation plan takes place at the Safeguarding Partnership Board to ensure that timely progress is assured.
	Expand CCTV through delivery of the Safer Streets 5 programme	<ul style="list-style-type: none"> Install CCTV cameras and undertake other related improvements in Leominster, Ross on Wye and Ledbury 	Green	Practical works continued on lighting columns and installation of cameras. 90% complete at all sites. Aiming to be finished completely by end of Jan 25.
	Deliver a Safer Streets for Schools policy and deliver designs for safer routes to school	<ul style="list-style-type: none"> Policy developed and approved 	Blue	Completed Quarter 2
		<ul style="list-style-type: none"> Identify three priority schools 	Blue	Completed Quarter 1
		<ul style="list-style-type: none"> Complete co-design stage & stakeholder consultation 	Blue	Completed Quarter 3

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Objectives	THIS YEAR WE WILL....	Key Milestones to Deliver	RAG	Remarks
		• Identify eight schools to benefit from smaller scale enhancements	Blue	Completed Quarter 2
	Commence implementation of the Community Safety Partnership (CSP) Strategy 2024 – 2027	• Implement the first year of the CSP Strategy against the four priority areas: Domestic Abuse, Violence against Women and Girls - Sexual Violence, Misuse of Drugs and Neighbourhood Crime	Green	The strategy is in place and sub groups are operating with action plans to support the overarching strategic aims.
	Reduce the waiting list of Traffic Regulation Orders (TROs) and investigate and commence delivery of 35 TRO's countywide	• Progress the delivery of 35 schemes to reduce the TRO waiting list using Local Transport Plan (LTP) Capital Funding	Green	The Traffic Management team are continuing to work through schemes in order to meet this objective.

On Target

At risk of missing deadline

Not on Target

Paused

Completed

Place: We will protect and enhance our environment and ensure that Herefordshire is a great place to live. We will support the right housing in the right place, and do everything we can to improve the health of our rivers.

Objectives	THIS YEAR WE WILL....	Key Milestones to Deliver	RAG	Remarks
3	Develop Herefordshire as a place for growth, prosperity and communities to thrive	• Launch Regulation 18 consultation	Blue	Completed Quarter 1
		• Commence Regulation 19 consultation	Purple	Due to the publication of the NPPF in December 2024 and the introduction of mandatory housing targets, the local plan is unable to progress from Reg.18 to Reg.19 due to the significant increase in the housing requirement, as this necessitates the production of a new local plan
	Deliver the New Road Strategy	• Complete design review of phase 1 (Southern section of the western bypass)	Green	Approvals in place to appoint Aecom to undertake review. Programmed for Design Review to be completed March 2025.
		• Complete “heads of terms” on land acquisition for phase 1 (Southern section of the western bypass)	Amber	Draft Heads of Terms developed and engagement taken place with land owners. Completion will not take place until Phase 1 Review complete to ensure land acquisition appropriate.
		• Complete scheme review of phase 2 (western bypass)	Red	Broadening of scope to include Growth Corridor has extended the time required to review. Approvals in place to appoint Aecom to undertake review. Programmed for Design Review to be completed March 2025.
	Deliver a new Local Transport Plan	• Complete public consultation on draft Local Transport Plan (LTP)	Purple	Given the significant changes to National Planning Policy Framework, the Local Transport Plan has been paused until the impact the location of housing and employment growth is known.
		• Complete draft Local transport Plan	Purple	Given the significant changes to National Planning Policy Framework, the Local Transport Plan has been paused until the impact the location of housing and employment growth is known.
	Deliver the Public Realm Services	• Agree Public Realm Services operating model	Blue	Approved at Cabinet 28 November 2024
	Continue to deliver Section 106 infrastructure projects	• Commence the procurement for a new Public Realm contractor	Green	Procurement scheduled to commence 16 January 2025
		• Reduce backlog of Section 106 schemes	Green	Project delivery on target for 24/25. Expedited delivery will help towards the reduction in the backlog of Section 106 schemes.
		• Commission infrastructure projects in a timely manner to ensure best value for money when income is received	Amber	Projects continued to be commissioned in a timely manner however some delays have occurred. The S106 Team continues to work with service areas to ensure efficient commissioning and procurement practices.
	Work with an investment partner to develop student accommodation across the city	• Work with stakeholders to progress designs at the College Road Campus site and Edgar Street Football Stadium site	Amber	A governance decision on the output of RIBA stage 2 to decide the future of the project expected in February 2025.
		• Cabinet to consider a business case and investment models to build student accommodation on both sites	Amber	A governance decision on the output of RIBA stage 2 to decide the future of the project expected in February 2025.
Expand and maintain the transport infrastructure network in a sustainable way and improve connectivity across the county.	Carry out transport infrastructure improvements	• Continue with the delivery of the Levelling Up Fund (LUF) projects	Amber	19m of LUF funding planned for delivery in 2025/26; good progress being made on a number of schemes including the Transport Hub (out to tender construction contract award expected in January), Holme Lacy Rd (out to tender in Jan/Feb 2025) and Aylestone Hill (finalising designs). The vast majority of the schemes will move into delivery phases before April 2025.
		• Produce a Parking Strategy for the City	Green	Draft Parking Strategy has been produced.
	Deliver the highways maintenance investment programme across the county	• Deliver the Department for Transport (DfT) Highways Maintenance scheme within the additional funding	Green	Work was completed in August to surface dress 30 sites across the county. Further work to spend the remaining budget is in progress for completion by the end of the financial year.
		• Deliver the Resurfacing Herefordshire Highways scheme	Green	The delivery programme was completed by Christmas 2024.
	Work with parishes on locally important maintenance	• Lengthsman: deliver the scheme within the additional £250k	Amber	Agreements have been signed and Purchase Orders raised to Parish Councils for them to deliver this spend in year. Spend is reliant on Parish Councils.
		• Public Rights of Way (PROW): deliver the scheme within the additional £250k	Amber	Contract variation agreements have been issued to Parish Councils who are taking part in the scheme. Spend is reliant on Parish Councils who have been advised of the revised spend deadline of June 2025.

Objectives	THIS YEAR WE WILL....	Key Milestones to Deliver	RAG	Remarks
		<ul style="list-style-type: none"> Drainage: deliver the scheme within the additional £445k 	Amber	Contract variation agreements have been issued to Parish Councils who are taking part in the scheme. Spend is reliant on Parish Councils who have been advised of the revised spend deadline of June 2025.
	Reopen as many closed public rights of way routes as possible	<ul style="list-style-type: none"> Deliver £140k Local Transport Plan (LTP) capital funding to scope, design and replace bridges to support reopening of routes 	Green	A tender exercise was completed in December 2024 for the replacement of 10 PROW bridges and 1 set of steps. A contract award will take place in January to allow works to be undertaken during the rest of the financial year.
	Work with partners across the recently launched Marches Forward Partnership	<ul style="list-style-type: none"> Engage with both UK and Welsh governments on a new model for working together that not only reflects our functional geography but will also be a pilot for other potential partnerships who sit outside urban conurbations 	Green	Work has continued to develop the Marches Forward Partnership Prospectus, and a report is due to be considered by Cabinet in the Spring. However, with the Government announcement regarding Local Government Review and Devolution, our current focus is to work with regional partners to consider the options for Devolution, and how this aligns to the work of the MFP.
Value nature and uphold environmental standards to minimise pollution and maximise biodiversity	Deliver Phase 2 Strategic Mitigation for Phosphate Credits	<ul style="list-style-type: none"> Purchase additional wetland site 	Green	Contract terms have now been agreed for both land and easements for the third wetland site and documents with solicitors to schedule completion. Amber rating as an extended period for negotiation of contract terms has pushed completion of sale into Q4, but now imminent.
		<ul style="list-style-type: none"> Commence design for second site 	Blue	Completed Quarter 2
		<ul style="list-style-type: none"> Commence construction on the second site 	Green	Contractor appointed and working towards some enabling work in March 24. Bulk of construction will be during Spring/Summer 26 to account for seasonal weather conditions.
		<ul style="list-style-type: none"> Commence first off-mains treatment plant replacement 	Green	Feasibility work and negotiation of terms with the school have commenced. Some progress paused in Q3 as Natural England questioned one of the phosphate reduction principles. This being a pilot scheme there was a need to seek legal advice to ratify the council's position and ensure robustness and financial viability going forward, but now resolved.
	To lead and be responsible for the delivery of the Local Nature Recovery Strategy	<ul style="list-style-type: none"> Delivery of the Nature Recovery Network mapping 	Blue	Completed Quarter 1
		<ul style="list-style-type: none"> Public engagement to support delivery of the strategy 	Green	LNRS opportunity mapping published for consultation.
		<ul style="list-style-type: none"> Publication of the Nature Recovery Strategy 	Green	On track for completion in Quarter 4.
	Integrate Biodiversity Net Gain into the planning process	<ul style="list-style-type: none"> Securing Biodiversity Net Gain through creation of natural habitats both onsite and offsite through individual planning applications 	Green	Mechanism to deliver BNG through planning process in place. A number of Habitat Banks within the county approved by Ecology awaiting Legal input.
	Develop a countywide Tree Strategy and guidance	<ul style="list-style-type: none"> Deliver guidance for the management of the council's tree and hedgerow stock 	Blue	Completed Quarter 1
		<ul style="list-style-type: none"> Deliver the Ash Die Back action plan for the council 	Blue	Completed Quarter 2
		<ul style="list-style-type: none"> Work with partners to deliver a countywide Tree Strategy 	Green	Commission underway and public consultation held between 19th November 2024 and 8th December 2024.
	Continue to implement the Herefordshire Natural Flood Management (NFM) project to reduce flood risk to communities within the county	<ul style="list-style-type: none"> Deliver a range of engagement activity throughout the year 	Green	Herefordshire Council's NFM webpages have been kept up to date. The Autumn 2024 NFM Newsletter was published in Nov 2024. NFM Team members have attended the following events, at which they have promoted the Herefordshire NFM Project; Regional Flood and Coastal Committee, Working with Natural Processes Practitioners Conference – 16 Oct 2024, Wye Catchment Partnership Meeting – 22 Oct 2024, Herefordshire Rural Business Advice Day – 12 Nov 2024, Council's Rivers Conference on 21 Nov at the Shell Store – NFM Project had a stand here and project staff supported the event. Severn Rivers Trust are planning an event in Feb 2025 which will focus on how NFM can increase farm productivity, HC's NFM Team are helping support this event.

Objectives	THIS YEAR WE WILL....	Key Milestones to Deliver	RAG	Remarks
	Support and facilitate the partnership approach to address river pollution, through the River Wye Nutrient Management Board, the work of the Wye Catchment Partnership, the Cabinet Commission and working closely with the River Champion	<ul style="list-style-type: none"> Provide landowners and farmers with recommendations to reduce flood risk and to access the Natural Flood Management (NFM) construction grant 	Green	Catchment advisors continue to produce tailored reports for landowners identifying NFM works that may be undertaken. In terms of the construction grant scheme, we have made payments totalling £85.5k (out of the current budget allocation of £250k). A further £74k of the current grant budget has been allocated to grant offers and is awaiting claim. It is anticipated that £51k of the outstanding grant claims will be processed and paid in 2025, with the remaining £23k scheduled for payment in 2026. Catchment Advisors are continuing to work with landowners to develop and submit further grant applications to the NFM Construction Grant Scheme.
		<ul style="list-style-type: none"> Progress the Nutrient Management Plan and the Wye Catchment Plan 	Amber	The development of the Welsh evidence base has been commissioned with consultants. This work will be aligned with Diffuse Water Pollution Plan by the Environment Agency to provide a combined Nutrient Management Plan for the catchment. A specification for the Wye Catchment Plan has been drafted and funding is being sought in order to be able to commission work on the plan. Slightly delayed due to delay in receipt of funding.
		<ul style="list-style-type: none"> Deliver a rivers conference to promote sustainable farming innovation 	Blue	
		<ul style="list-style-type: none"> Work with partners to support in bringing forward river restoration projects on the ground 	Green	Continuing to chair the Nutrient Management Board and the Cabinet Commission to address river pollution. Meeting with developers of innovative schemes to address nutrient pollution from diffuse pollution and drafting Cabinet Member report to authorise spend to develop projects on the ground and support innovation. Noting central government is not currently taking forward the River Champion role.
Reduce waste, increase reuse and increase recycling	Mobilise the new waste contract	<ul style="list-style-type: none"> New contract commences 	Blue	Completed Quarter 2
Work towards reducing county and council carbon emissions, aiming for net zero CO ₂ by 2030/31 and work with partners and communities to make the county more resilient to the effects of climate change.	Reduce the council's own CO ₂ footprint through implementing our Carbon Management Action Plan	<ul style="list-style-type: none"> 2 electric refuse collection vehicles (RCVs) to be added to the waste collection fleet 	Blue	Complete - The two new electric refuse collections vehicles are in operation.
		<ul style="list-style-type: none"> Achieve a 65% reduction of CO₂ emissions from our 2008/09 baseline by the end of the financial year 	Red	Total emissions are now 9,545t CO ₂ e a decrease of 16,370 CO ₂ e or 63.2% from 2008/09. Despite the reduction we fell 1.8% short of the target 65%. Waste fleet partners reduced diesel consumption with further reductions expected as the new waste collection fleet was introduced in 24/25. Work is ongoing on the councils next Carbon Management Plan which will take us from 26/27-30/31 and net zero by 2030.
		<ul style="list-style-type: none"> 5 heat decarbonisation plans for the corporate estate 	Red	Supporting property services to have Heat Decarbonisation Plans for six identified buildings. A procurement framework has been identified and discussions had with the contractor. The plans will likely be delivered in Q1 FY25/26.
		<ul style="list-style-type: none"> Scope and commence development of the next carbon management plan to take us to 2030/31 	Blue	Completed Quarter 2
	Support households and businesses to take action to address climate change	<ul style="list-style-type: none"> Deliver a climate focused youth conference 	Blue	Completed Quarter 3
		<ul style="list-style-type: none"> Install energy efficient measures to 200 homes and retrofit assessments completed for 150 households 	Green	As of Q3, 167 properties have been upgraded through the HUG2 scheme. A further 63 are with contractors and 14 are in the grant approval process. 264 homes have so far received retrofit assessments. Despite UK-wide issues with retrofit skill shortages, industry capacity and householder trust, delivery performance in Herefordshire remains strong.
		<ul style="list-style-type: none"> Deliver 6 farm carbon audits 	Blue	Completed Quarter 2
		<ul style="list-style-type: none"> Deliver the Big Green Business Event in partnership with Herefordshire Means Business 	Blue	Completed Quarter 1

Objectives	THIS YEAR WE WILL....	Key Milestones to Deliver	RAG	Remarks
	Expand the electric vehicles charging network in council owned car parks and additional points through the Local Electric Vehicle Infrastructure (LEVI) funded project	<ul style="list-style-type: none"> • Deliver a total of 50 publically available charge point sockets across the county 	Amber	Current total publicly available charge point sockets in council car parks is 30 including Wenea and SWARCO units. EV Board approval has been given for a further 16 sockets for installation in 4 car parks. Installation expected to begin in Q4. In addition a further 12 sockets have been approved for installation on-street. Installation of these sites is also expected to begin in Q4.
Support our local culture and heritage and make Herefordshire a thriving, safe and attractive place to live and visit.	Progress the project to redevelop the Library and Learning Centre in the Shire Hall	• Appoint a Library design consultant to deliver design proposals	Blue	
		• Relocate interim Library to the Town Hall	Blue	
		• Undertake consultation with users, stakeholders and internal staff on designs	Blue	
		• Develop a new Library Strategy	Amber	In progress but decision made to extend programme to allow for a full public consultation process. Public consultation and focus group consultation completed 30 December 2024. Final strategy work to be completed by summer 2025.
		• Appoint principal contractor	Green	Procurement strategy underway.
	Progress the project to redevelop the Hereford Museum and Art Gallery	• Complete design work	Green	Gallery design review complete, progression to RIBA4 plans on track for wider museum design.
		• Commence Activity Plan (National Lottery Heritage Fund funded)	Blue	
		• Procure contractor	Green	Agreement to proceed with completing final designs and enter into the contractor procurement process given. Contractor procurement underway.
	Progress the Leominster Heritage Action Zone Project; including completion of public realm improvements	• Contractor commences works	Blue	Completed Quarter 1
		• Completion of public realm improvements works	Blue	The works reached practical completion in Dec and reopened to the public for the Corn Square Victorian Christmas Market. Some minor finishing-off works will be addressed after the Christmas break, consisting of snagging/defects rectification and two small areas left open for the electricity network contractors working on behalf of the Town Council.

66

On Target

At risk of missing deadline

Not on Target

Paused

Completed

Growth: We will create the conditions to deliver sustainable growth across the county; attracting inward investment, building business confidence, creating jobs, enabling housing development along with providing the right infrastructure.

Objectives	THIS YEAR WE WILL....	Key Milestones to Deliver	RAG	Remarks
67	Develop employment land across Herefordshire	• Commission Ross Enterprise Park design team	Blue	Completed Quarter 1
		• Procure contractor for Ross Enterprise Park	Amber	Market engagement exercise complete and procurement planned for Q4. Sometime risk around timeline on discharge of planning conditions, specifically interface with third-party housing development in same zone which also has highways-linked planning conditions.
		• Complete countywide review of additional employment land needs and opportunities	Green	Review of opportunities across wider county completed. Taking forward feasibility for possible employment land in Bromyard. Engaged developer pursuing employment land in Ledbury.
		• Select and allocate funding to additional employment land projects across Herefordshire	Green	Currently commissioning work to consider feasibility of employment land/ business units in Bromyard, as well as business hubs in each market town.
	Support the growth of the Enterprise Zone in Hereford	• Complete current plot sales in the Enterprise Zone	Green	Current lot sales on track.
		• Engage with businesses in Skylon Park regarding future management arrangements	Blue	All Skylon Park businesses written to and invited to the Enterprise Zone Celebration event in November 2024.
		• Complete transition of management of Skylon Park to the council	Blue	Completed Quarter 2
	Develop and implement an Inward Investment and Place Marketing plan for Herefordshire	• Recruit inward investment manager	Green	Inward Investment Manager recruited in November 2024, and due to start in post in February 2025.
		• Establish inward investment programme	Amber	At risk of missing deadline, due to delay in Inward Investment Manager starting and gaining approval for Inward Investment approach.
		• Commence delivery of the inward investment programme	Amber	At risk of missing deadline, due to delay in Inward Investment Manager starting and gaining approval for Inward Investment approach.
		• Publish an Investment Prospectus setting out both financial and development opportunities	Amber	At risk of missing deadline, due to delay in Inward Investment Manager starting and gaining approval for Inward Investment approach.
Support market towns and Hereford City to be vibrant hubs through working with residents, grassroots organisations and businesses.	Implement the £403k Towns Investment for the Greening the City Towns Investment project	• Secure land for improvements of the Great Western Way pathway	Blue	Completed Quarter 2
		• Confirm design of the widening of the pathway	Blue	Completed Quarter 1
		• Award contracts of works for the widening the pathway	Amber	Award of contract delayed due to errors found in drawing pack. Designers amending.
		• Works completed on the pathway	Amber	Works delayed due to errors found in drawings.
	Support implementation of the Market Town Investment Plans (MTIP)	• UKSPF (UK Shared Prosperity Fund) feasibility funding awarded to each town to support development of Market Town Investment Plan (MTIP) priorities.	Blue	Completed Quarter 2
	Work with partners in the Golden Valley Parkway Task Force to complete the strategic outline business case for the proposed new railway station	• Strategic Outline Business Case completed	Red	Delays in engagement with Network Rail has meant that the brief for procuring a professional services provider to undertake business case has not yet been agreed by the task force.
Support residents to access skills development, training and employment opportunities.	Work in partnership with Wye Valley Trust (WVT) with a view to developing a new Education Centre at Hereford County Hospital	• Signed "heads of terms" agreed	Amber	Expecting to receive full business case from WVT to inform cabinet decision on whether to proceed or not with the loan.
		• Full business case presented to Cabinet and decision to be taken	Amber	Expecting to receive full business case from WVT to inform cabinet decision on whether to proceed or not with the loan.
	Explore options for a strategic investment partnership with Herefordshire and Worcestershire Group Training Association (HWGTA) to establish a new centre of excellence at Skylon Park	• Signed "heads of terms" agreed	Amber	Outline business case expected in January 2025 to inform options around financial modelling to support the development of a new skills centre to present to cabinet a recommendation around the future of the project.

Objectives	THIS YEAR WE WILL....	Key Milestones to Deliver	RAG	Remarks
		• Full business case and delivery model for the new centre of excellence completed	Amber	Outline business case expected in January 2025 to inform options around financial modelling to support the development of a new skills centre to present to cabinet a recommendation around the future of the project.
		• Present to Cabinet for decision to be taken	Amber	Outline business case expected in January 2025 to inform options around financial modelling to support the development of a new skills centre to present to cabinet a recommendation around the future of the project.
	Agree a new strategic plan for the council's adult and community learning education service	• Develop and agree the new strategy and delivery plan to support learning and enable access to employment, further training and skill development opportunities	Amber	This work has already started and is in progress. There will be a delay to signing off to be able to take into consideration Government policy.
	Working in partnership with the Skills Board to promote the higher education offer available in Herefordshire	• Work in partnership with NMITE to support their development and growth	Green	We continue to support the development of NMITE following the September intake and in the further enrolments planned for November and January.
68	Work with partners to provide high quality and affordable housing to meet all needs.	• Establish a housing development team	Blue	Completed Quarter 1
		• Establish a housing forum to engage registered social providers and developers to identify development opportunities and barriers to growth for high quality and affordable housing	Green	Meetings with prospective developers organised.
		• Engage with surrounding land owners and key stakeholders to progress strategically significant council owned sites such as Merton Meadow in Hereford and Model Farm in Ross-on-Wye	Green	Technical teams commissioned to lead develop master plans for Merton Meadow and Ross on Wye.
		• Establish the delivery programme	Green	Seeking outline planning on some council sites prior to disposal for development. Cross party housing working group established, and options for approach to county wide delivery established.
	Secure accommodation for vulnerable people at risk of homelessness	• Purchase a further 15 properties using funding through the Single Homelessness Accommodation Programme, specifically for young people aged 18-25 identified at risk of homelessness	Green	On track with purchasing the 15 properties. For the final 3 complete on the 20th Jan 25.
		• Engage with rough sleepers to enable them to access accommodation and appropriate support	Green	Engagement with partners progressing, additional accommodation has been made available and further properties are in the pipeline.
Enhance the rollout of improved broadband across the county to deliver a fully digital Herefordshire	Increase full fibre broadband coverage in the county, and move to new stage of gigabit capable speeds by targeting the final 16% of properties (fibre to home)	• Complete the delivery of the remaining Fastershire stage 3 contracts	Green	Lot 1 Cotswolds - Contract is coming to the end of the BDUK assurance process. Lot 2/3c, Lot 3e and Lot 4 - Delivery of these contract finished in October 2024. Lot 3d - The closedown Deed of Variation has been signed by all parties and we're awaiting GCC legal to return Herefordshire Council and Giga clear's copy.
		• Support the transition and delivery of BDUK's (Building Digital UK) Project Gigabit investment programme in the county	Green	BDUK are currently reviewing Full Fibre's deployment plan and costing, it likely some properties will be descoped at this stage. Outcome of this process should be confirmed in the next few months. In 2024 BDUK announced Openreach as the preferred supplier for Type C procurements. We should know the outcome the call-off contract procurement for north Herefordshire and lot 24 early in the year.
Work with our partners and businesses to facilitate growth across the county.	Ensure engagement with local businesses by the Herefordshire Growth Hub	• Launch the Herefordshire Growth Hub brand	Blue	Completed Quarter 1
		• Establish and deliver a range of business support networking events	Green	
	Support the growth of the tourism industry across	• Secure local visitor economy partnership status	Blue	Completed Quarter 1

Objectives	THIS YEAR WE WILL....	Key Milestones to Deliver	RAG	Remarks
	Herefordshire, working closely with the Herefordshire County Business Improvement District (BID) and other key stakeholders	• Launch the tourism rural prosperity grants 2024	Blue	Completed Quarter 1
		• Deliver all tourism focussed grant funding	Green	
	Implement the UK Shared Prosperity Fund (UKSPF) and Rural England Prosperity Fund (RPF) grant schemes, to support local businesses and communities	• Launch all remaining UKSPF (UK Shared Prosperity Fund) and RPF (Rural England Prosperity Fund) grant schemes	Blue	Completed Quarter 1
		• Deliver and claim all UKSPF and RPF budget allocations	Green	
	Engage with mobile network providers to improve coverage across Herefordshire	• Produce a strategy to support improved network coverage	Green	The full county 4G/5G coverage survey due in October/ November 2024 has been delayed - awaiting update from River Severn Partnership Advanced Wireless Innovation Region (RSPAWIR).

On Target

At risk of missing deadline

Not on Target

Paused

Completed

Transformation: We will be an efficient council that embraces best practice, delivers innovation through technology and demonstrates value for

Objectives	THIS YEAR WE WILL....	Key Milestones to Deliver	RAG	Remarks
70	Change and transform the organisation to be fit for the future and deliver the efficiencies required	• Develop and launch the Transformation Strategy	Green	In progress and on track
		• Develop and launch the Future Council Operating model	Blue	Completed Quarter 2
		• Develop and implement the strategic and directorate transformation programmes to support delivery of the Transformation Strategy and Future Council Operating Model	Green	In progress and on track
	Attract and retain an excellent workforce through effective approaches to recruitment and retention.	• Launch the new Workforce Strategy incorporating our updated values through a planned programme of staff engagement	Blue	Completed Quarter 1
		• Conduct the employee survey	Blue	Completed Quarter 2
		• Deliver the employee survey action plan	Blue	The employee survey action plan was approved at CLT in November 2024
		• Report the revised employee engagement score	Blue	Completed Quarter 2
	Work collaboratively with our residents, communities and businesses to achieve the best results together.	• Develop and agree the implementation plan to deliver the strategy	Blue	Completed Quarter 2
		• Develop the new customer standards	Green	Following consultation with internal and external stakeholders, the Customer Charter and Customer Standards have been refreshed. They are currently seeking formal approval ahead of launch.
		• Review the top 10 high volume customer 'journeys' to streamline and improve the end to end process and experience	Green	Work continues to progress to complete end to end reviews of customer journeys. The main areas currently being reviewed include the Adult Social Care Front Door (including the development of the referral webform) and Assessment Response Process (email as default). Improvements have also been identified in customer telephone contact consistency across the Customer Service Contact Centre.
		• Review the council website and microsites to ensure that the information is accessible and relevant	Amber	Work is in progress to review the Council website, however this work will continue into 2025/26 aligned to the CMS project which is a key dependency of this work.
	Ensure improved working with Town and Parish Councils	• Develop a draft Town and Parish Charter	Green	Draft Town and Parish Charter produced
		• Charter ratified by Town and Parish Councils	Green	Meeting taken place with HALC (Herefordshire Association of Local Councils) to discuss the draft and next steps.
		• Recommence the Parish Summits	Blue	Completed Quarter 2
Adopt the digital strategy to embed improved technology across the council	Develop and implement an updated Digital Strategy for improved customer experience, communication and connectivity	• Roll out phase 1 of Microsoft 365 to ensure the workforce have the latest version of Microsoft tools	Amber	The project deadline has been adjusted to Q3 2025/26. The delivery approach had to be revised due to added complexities identified, and additional revenue was allocated in December 2024 to finalise this work. The rollout of Windows 11 device upgrade will now be completed by end of June 2025. The migration of departmental and personal data to the M365 Cloud could not be initiated before the completion of the Windows 11 device upgrade. This migration will now commence in June 2025 and is expected to be completed by December 2025.
		• Full review of the council website	Amber	The project deadline needs to be adjusted to Q3 2025/26 due to the prerequisite for this work, the migration to a new Content Management System (CMS), not due to be completed until September 2025.

Objectives	THIS YEAR WE WILL....	Key Milestones to Deliver	RAG	Remarks
		• Implement a new telephony system	Green	A replacement Telephony Contact Centre, which represents a 'lift and shift' of existing functionality to a new provider, is on track to be completed at the end of March 2025. Further development of the telephony contact centre will form part of the transformation of Customer Services project.
		• Upgrade the online and telephone payment function	Amber	The enhancement of the telephony payments function will begin in Phase 2, following the 'lift and shift' of telephony contact centre from April 2025 onwards. The migration of the website to a new CMS will not be completed until September 2025, and the upgrade of the online payments system is included in this scope of work.
		• Increase digital functionality in customer services, voice automation and Microsoft co-pilot capabilities	Green	This objective is being delivered across several projects which are on track for delivery in 2025.
		• Review and upgrade of our key software systems to be more efficient and fit for the future in order to support our statutory services	Green	This objective is being delivered across several projects which are on track for delivery in 2025/26.
Strengthen the council's strategy ensuring alignment for delivering the future vision	Align the council's strategic plans with internal service planning	• Review the council's strategic plans and alignment to the Herefordshire Council Plan	Green	In progress
		• Implement business service planning across the directorates to align to the Herefordshire Council plan	Amber	Business Service Planning template developed, further work required to review effectiveness and fully embed business service planning across the organisation, therefore this work will continue into 2025/26 as part of the delivery of the strategic transformation programme.
Build a data and performance rich culture to inform decisions, improve efficiency and manage demand	Strengthen the performance culture in the organisation and current process	• Agree and deliver a development plan for improved performance reporting across the organisation	Green	KPI refresh and target setting workshops are underway for a new suite of corporate KPIs in time for 2025/26, with alignment with the new delivery plan planned towards the end of Q4. Redesign of the corporate performance and intelligence function is currently being finalised.
		• Develop a Corporate Risk Strategy to improve the process for managing corporate and directorate risks	Green	Draft risk strategy has been developed. Risk management workshop for Corporate Leadership Team scheduled to take place early January 2025 to develop the council's risk appetite and a new Corporate Risk Register.

On Target

At risk of missing deadline

Not on Target

Paused

Completed



Housing Development Company

Meeting: Cabinet

Meeting date: Thursday 6 March 2025

Cabinet member: Cabinet member economy and growth;

Report by: Corporate Director, Economy and Environment

Report author: Service Director Economy and Growth

Classification

Open

Decision type

Key

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Wards affected

(All Wards);

Purpose

To explore the development of a council owned housing development company. There is a critical need for additional housing in the county. Following the outcome of a recent best practice study of how other local authorities across England have addressed this issue (appendix 1), the Connected Communities Scrutiny Committee have recommended that the council explore the development of a council owned housing development company, which is supported by the Cross Party Housing Working Group.

Recommendation(s)

That:

- a) To explore the development of a Herefordshire Council owned housing development company, to meet some of the county's critical housing need.

Alternative options

1. Do nothing – The significant gap in provision will continue.
2. Create a Housing Revenue Account where the council directly develops, owns and operates council housing. A previous study identified that to reach a break-even point on operating and maintaining services, the council would need a stock of circa 1,000 houses. There would be significant revenue cost requirements, and related risk, over a number of years before the council could reach this position. This option is not recommended.

Key considerations

3. Herefordshire like the rest of the UK faces a housing crisis, due to affordability levels and lack of provision. This is evidenced in Herefordshire by the increased applications for 'Home Point' the waiting list for affordable rented accommodation with numbers currently in excess of 2,100 households with 156 households being accommodated in temporary accommodation (such as B&Bs and chain hotels) with the gap in provision growing significantly year on year. Temporary accommodation can have a significant impact on the quality of people's lives – restricts social mobility/ aspiration, and health and wellbeing due to lack of food preparation and cooking facilities. This type of accommodation has a very high revenue cost to the council.
4. In addition to the need identified through the Home Point waiting list there are also vulnerable people who require accommodation but cannot bid for property through this mechanism, they require alternative accommodation such as supported accommodation. The client groups include but are not limited to people with learning disabilities, mental health issues and Care experienced individuals. Numbers exceed 200 individuals that require new supported accommodation.
5. The county also has an increasingly ageing population, driven by demographic changes including increasing life expectancy. This is a key driver of the need for housing which is capable of meeting the needs of older people. Herefordshire is projected to see a notable increase in the older person population, with the total number of people aged 65 and over projected to increase by 42% over the next 16 years. In total population terms, the projections show an increase in the population aged 65 and over of 20,400 people.
6. The Housing Market Area Needs Assessment, updated in July 2021 is a countywide assessment of all housing needs, open market and rental. The projected need for 2011-2031 to meet demand identified that 846 dwellings are required annually in the County. For the period 2011 – 2020 total net completions equated to 4,725 dwellings (525 per annum). Therefore demand from 2020 – 2030 has increased to 1,070 dwellings per annum.
7. The affordable housing needs evidence highlights a requirement for 422 rented affordable homes per year, and 175 affordable home ownership homes per year, indicating a total affordable housing need for 597 affordable homes per year. A significant proportion of this need is existing households who are resident in Herefordshire but need (or aspire) to live in a different tenure.
8. The private rented sector in the county is relatively modest in size equating to approximately 15% of the housing stock. Stock is often older and of poor quality leading to many properties being sub divided into Houses of Multiple Occupation. Due to the limited numbers in the private rental market rents have risen to unaffordable levels for people on local levels of average income. In addition, the stock is in great demand and often utilised by the Ministry of Defence, Wye Valley Trust, Colleges and other agencies which again increases rental levels.

9. In addition to the social and affordable housing needs, through the revisions to the National Planning Policy Framework (NPPF) government has assigned a mandatory housing growth target to the county of 27,260 over the next 20 years compared to 16,100 previously. To meet this increased target the current private sector build out rate will need to double each year.
10. In December 2023 a council motion was agreed ([Agenda for Council on Friday 8 December 2023, 10.00 am - Herefordshire Council](#) [Agenda for Council on Friday 8 December 2023, 10.00 am - Herefordshire Council](#)) to explore how the county's housing crisis could be addressed, including agreement to commission a best practice study of how other local authorities have addressed this issue.
11. In summary, the report (appendix 1) concluded that the private sector and Registered Providers have and continue to play a critical role in the delivery of affordable and social housing across Herefordshire. However, they are not in position to meet all of the need outlined above on their own. Therefore, like other councils across the country, in order to meet the current gaps in delivery the council will need direct control over some elements of housing development and delivery.
12. There are three options as to how this can be achieved;
 - I. Housing Revenue Account – the council directly develops, owns and manages council housing. This includes all facilities management/ maintenance services. Residents would have the right to buy, which also raises complexity in terms of maintaining the level of stock. A previous study identified that for the council to break even in meeting management and maintenance costs, we need a housing stock of circa 1,000 units. It would take a number of years to reach this level, which would require significant levels of revenue funding subsidy which is not affordable.
 - II. Joint Venture(s) – Establishing a joint venture (s) with the private sector is a route to controlling the type and the location of accommodation to be developed (in agreement with the private sector). Joint Ventures generate private investment into the county, and utilise developers expertise and pace of delivery. The council is engaging developers to explore opportunities, and it is anticipated we will pursue developments with the private sector as a key part of our overall strategy. However joint ventures are likely to be limited to the more commercially viable schemes. Therefore, Joint Venture(s) may address some of the county's needs but not all.
 - III. Council Owned Housing Delivery Vehicle – as identified in the report included in appendix 1, Local Authorities across the country have successfully established council owned housing development companies. Establishing a separate company enables for a more effective, efficient, and focussed delivery. The company would be owned and directly controlled by the council, enabling delivery in priority locations, and the range of type of accommodation to meet resident needs.
13. The Connected Communities Scrutiny Committee (CCSC) considered the findings of the report at their meeting on [13 November 2024](#). One of the recommendations made by the Scrutiny Committee was to '*Identify and begin the process of setting up a development company, using the lessons learned from other local authorities identified in the report*'.
14. The Cross Party Housing Working Group, including representatives from each local political party, met on 16 January 2025 to consider the consultant report and the CCSC recommendations. The Working Group also supported the recommendation, that the council should progress the development of a housing development company.

15. This decision seeks cabinet agreement to explore the development of a council-owned housing development company. This will consider the models established elsewhere, in developing a business plan and proposed company structure (Articles of Association) by mid 2025. A separate cabinet decision will be brought forward to then consider if the company should be created, and any resources required to take it forward considered in the budget setting process for 2026/27.

Community impact

16. As set out above, there is a critical need to establish affordable and social housing across the county, to meet current and future needs including attracting the workforce needed to support the economy.
17. The Council Plan 2024 - 2028 states '*Growth - We will create the conditions to deliver sustainable growth across the county; attracting inward investment, building business confidence, creating jobs, enabling housing development along with providing the right infrastructure*'.

Environmental Impact

18. Any future housing development company will seek the highest possible affordable environmental standards in both construction and delivery of any new homes. This will be a key consideration within the development of the business plan.

Equality duty

19. As outlined above, the Housing Development Company will help address the current gap in social housing need, as part of the council's overall housing strategy. There is a critical need for affordable and social housing to support vulnerable people, and to support social mobility and improve the quality of life for communities across the county as a whole.
20. Due to the potential impact of this decision being low, a full Equality Impact Assessment is not required. However the following equality considerations should be taken into account when making a decision about this activity/project:
 - a. The development of the business plan will consider the needs of all of the county's communities in considering how housing needs can be met.
 - b. An Equality Impact Assessment will be undertaken for any housing development brought forward, should a housing development company be created.

Resource implications

21. The development of the business plan for the proposed housing development company will be led by the Head of Housing Development, with input from key teams across the council such as Finance, Legal and Property Services.
22. Technical and legal advice is likely to be required in support of the development of the business plan, estimated at up to £150,000. This will be funded through the existing revenue housing budget (CO7523).

Revenue or Capital cost of project (indicate R or C)	2025/2026	Total
Technical Studies and legal advice	£150,000	£150,000
TOTAL	£150,000	£150,000

Funding streams (indicate whether base budget / external / grant / capital borrowing)	2025/2026	Total
Base Budget (CO7523)	£150,000	£150,000
TOTAL	£150,000	£150,000

Revenue budget implications	2025/2026	Total
To be funded from existing base budget	N/A	N/A
	N/A	N/A
TOTAL		

Legal implications

23. There are no direct legal implications arising from this report. A business plan, if proposed to support a housing development company, will be presented for approval following review.

Risk management

Risk / opportunity	Mitigation
Council fails to deliver the affordable and social housing the county needs, increasing the gap in provision, with people in high cost and inappropriate temporary accommodation.	Propose development of a housing development company, as well as continuing to work with the private sector and Registered Providers.
Younger generations and workforce leave the county as they can't secure homes.	Utilise all possible routes to establishing the affordable homes needed, including the potential housing development company to directly control how meet gaps.
The county fails to meet the new mandatory housing target set by government.	Through the development of the Local Plan, the council will seek to identify the land required to meet the housing target. We will work with government to seek to address critical infrastructure requirements, and the private sector to increase build out rates. The proposed Housing Development Company could help address gaps in provision.
The development of the Housing Development Company Business Plan identifies it is not viable.	The council will seek to learn lessons from local authority areas that have already successfully established a housing development company. Should the business plan indicate a company would be unviable; the council will seek alternative options to address the housing crisis.

Consultees

The Connected Communities Scrutiny Committee and the Cross Party Housing Working Group have been consulted in developing the proposed approach to addressing the housing crisis.

A Political group consultation was held on the 12th February 2025. All that those attended recognised the need to address the county's current critical need for affordable and social housing, and that the gap in provision grows year on year. It was felt that the potential for a council owned Housing Development Company should be explored. Questions raised primarily related to areas to be considered in the business plan, such as land availability, location of housing, costs of creating and operating the company. It was suggested the business plan should consider how any Housing Development Company could utilise public sector pension investment funds as means of enabling delivery.

Appendices

Appendix 1 – Review of best practice delivery models

Background papers

None

Report Reviewers Used for appraising this report:

Governance	John Coleman	Date 12/02/2025
Finance	Wendy Pickering	Date 23/02/2025
Legal	Emma-Jane Brewerton	Date 12/02/2025
Communications	Luenne Featherstone	Date 07/02/2025
Equality Duty	Harriett Yellin	Date 12/02/2025
Procurement	Carrie Christopher	Date 12/02/2025
Risk	Jessica Karia	Date 18/02/2025

Approved by	Ross Cook	Date 26/02/2025
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Please include a glossary of terms, abbreviations and acronyms used in this report.

Herefordshire Council

Best Practice: Review of approaches to developing & delivering affordable/ social housing

Report of findings

November 2024



Scene setting

Current position

Estimate of need for affordable housing

The **Housing Market Area Needs assessment** (2021)-

- 597 affordable homes per year
- 422 social/affordable rented homes
- 175 affordable home ownership homes
- 65% of these in Hereford and Ross.

∞ **Policy for delivery of affordable housing**

Current **Local Plan Policy**– Policy H1 (New plan - Reg 18 – similar percentages)

Sites over 10 dwellings to provide:

- 35% AH - Hereford, Hereford Northern/ Southern Hinterlands, and Kington and West Herefordshire
- 40% affordable housing - Ledbury, Ross and Rural Hinterlands; and Northern Rural (which includes Bromyard)
- 25% affordable housing - Leominster.

The task....

1. A strategic overview of the current delivery models for affordable housing

- Commentary on current delivery models – their relative merits and pitfalls
- Summary of any local authorities currently operating the models
- Examples of successfully delivered developments, as case studies
- Summary of relevant third party council policies in relation to affordable housing.

2. An overview as to which models could be appropriate to address the need in Herefordshire - to include:

- Delivery vehicle – model and governance requirements
- Possible sources of funding
- Details of any operational constraints.

Affordable housing delivery – next three years

Best estimate - from 3-year delivery plan – c 500 per annum

Development type	Est. Nos
Community Land Trusts	20
100% affordable housing schemes	350
Planning gain	1,110
Total	1,500
C 250 of the AH in rural villages	



Number of different housing associations involved



Variation in size of affordable housing schemes – down to 1 and 2 dwellings – mostly 10 to 40 - some bigger



Top 5 RPs in Herefordshire in terms of stock owning – c11,500 dws. There are another 20+ RPs with some stock in Herefordshire

Local perspectives

- RPs under financial pressures
- RPs are being careful/selective about what they develop – different approaches for different RPs e.g. one RP will take on smaller (rural) sites but another might operate to a minimum scheme size e.g. 20 or 40 dws
- RP 'red lines' e.g. gas boilers in new housing
- Some RPs are OK and some are cautious about involvement in s106 schemes
- Local 'pool' of contractors is limited especially in more rural areas – can push up costs
- LA planning capacity across the country is of general concern – planning delays = lost £s
- Nutrient issues are an increasing concern generally - in Herefordshire – there is a 'queue' for phosphate credits
- Good communications between RPs and LA at a senior level can matter.

Drawn from interviews with council officers, housing associations (registered providers - RPs) active in Herefordshire

National issues affecting most RPs – stock upgrades, rising build costs, slower sales market

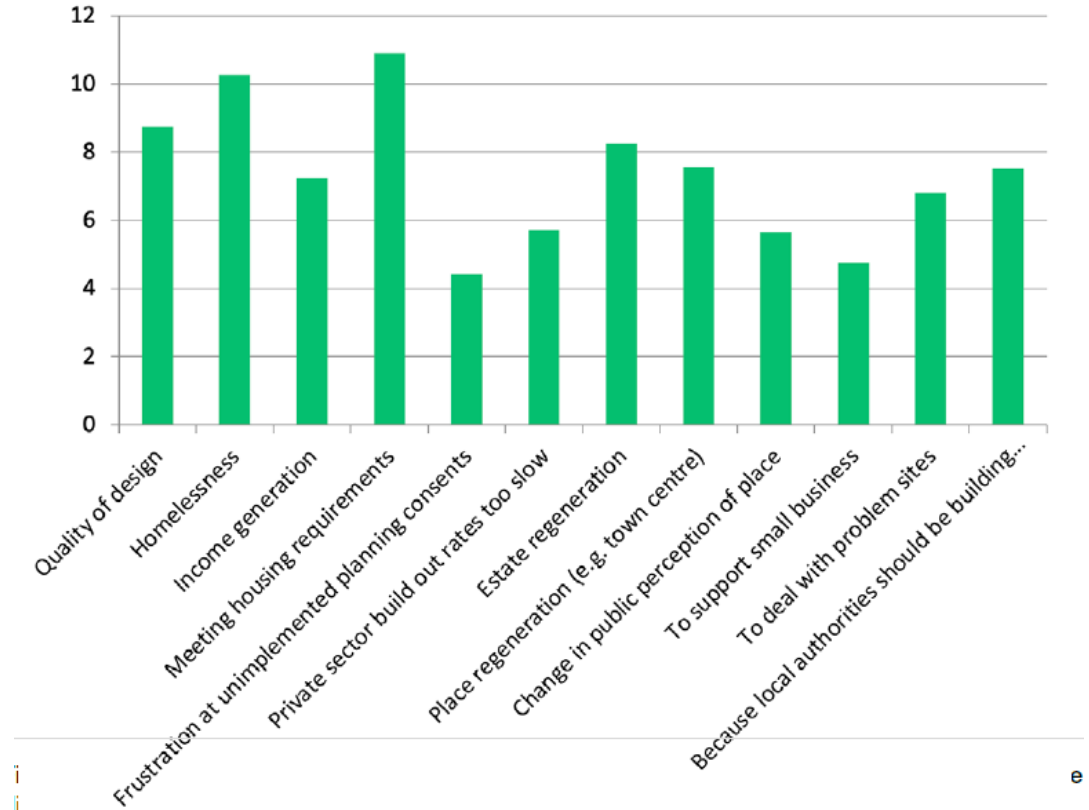
Waiting to learn more about impact of the Budget on Homes England spending plans – current Affordable Homes Programme ends in 2026

Local authorities – direct involvement in housing delivery

Annual survey - Bartlett School of Planning,
UCL - [Local authority Direct Provision of
Housing: Fourth Research Report – 2024](#)

- In 2023, 52% of authorities surveyed reported having one or more local housing companies
- In 2023, 69% local authorities have joint ventures
- Very few councils taking no action
- LAs developing wide range of initiatives e.g. establishing lettings agencies (e.g. Ashford, Bury, BANES, Wyre Forest)

What are the main reasons for engaging in housing provision? (Higher score = greater importance)



Where authorities choose not to get involved

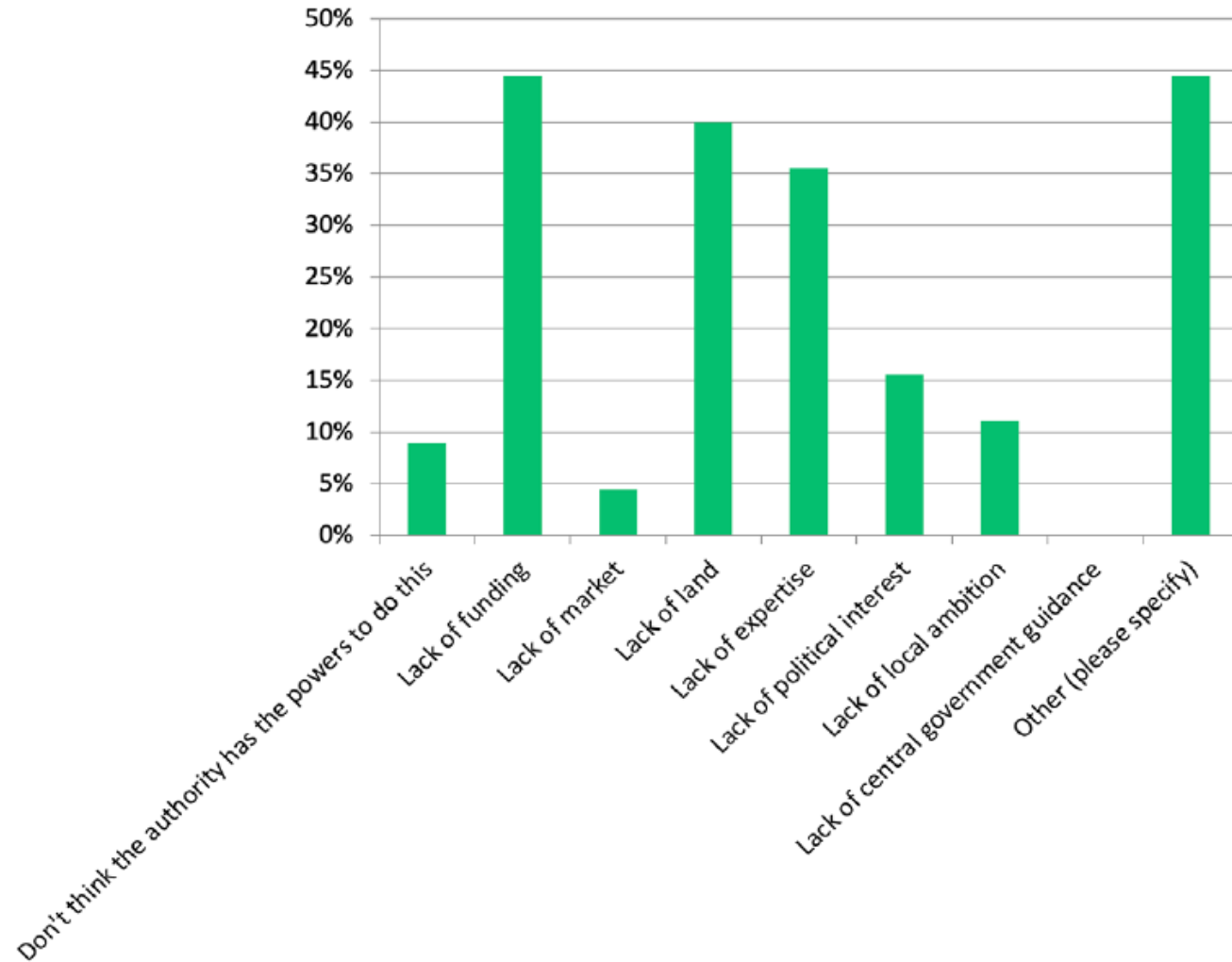
Again – from the annual survey quoted in previous slide

Small no in this group – c45 replying to the survey

Main reasons = lack of land, funding and experience

⁹⁸ + have picked up similar comments from local interviews and past research with local authorities

Reason(s) for not engaging in providing housing



LA delivery models – most common examples

Local housing companies - independent arms-length commercial organisations wholly or partly owned by councils - can develop, buy and manage properties within and outside the local authority area. Development companies sit outside local government housing financing systems (Housing Revenue Account). Local housing companies can establish RPs to deliver affordable housing.

Direct delivery of affordable housing - council involved in all aspects of delivery – including selecting and managing contractors for the build process. Can be small-scale or major schemes. If no HRA – when 200 units developed, would trigger need for HRA – or pass on to an RP.

Joint Ventures (JVs) – a range of different commercial arrangements between two or more separate partners. Each party contributes resources to the venture and a new business is created in which the parties collaborate together and share the risks and benefits associated with the venture. Typically the local authority contributes land. A local authority may have one or many JVs with one or more partners.

All the above could involve acquisitions as well as newbuild – acquisitions could include buy-back of properties previously bought through Right to Buy.

Other mechanisms – some examples

LAs that have used their own General Fund (GF) and Housing Revenue Account (HRA) land to ‘sell’ at lower value to RPs/HAs to deliver higher levels of Affordable Housing (AH), or 100% AH e.g. Welwyn Hatfield, Brighton.

As above – but LA active in reviewing own estate and then **parcelling up small sites** – then go to a number of RPs to bid for the different parcels e.g Hounslow.

88 **LAs lease new homes from a private developer or investor** (often for temporary accommodation) e.g. LB Brent and Greenstone.

LA enters into contract with developers to forward purchase newly constructed affordable homes off-plan e.g. Rotherham Council’s Small Sites Homebuilding Initiative.

Case studies – summary

(Further details in Appendix A)

Local authority	Activity – and timescale	Operation
Telford and Wrekin Council: Nuplace	Development company – established 2015 delivering mainly homes for market rent but also some general needs affordable 485 homes (64 AR)delivered (c400 pipeline – 2023) Focus on larger, more challenging, brownfield sites – mainly council owned	Wholly owned by the council Now making small profit before tax Runs alongside direct delivery focusing on housing for more vulnerable groups.
Shropshire Council: Cornovii	Development company - established 2019 (1 st completions 2023) 2024 Bus Plan - programme to deliver 913 homes over 10 years Delivers policy compliant affordable housing Entering the private rent market	Wholly owned by the council and council funded Expects a positive financial benefit over the life of the company
City of Wolverhampton Council: WV Living	Development company – established 2016 delivering policy compliant affordable housing (rest market sale or rent) Targets difficult to deliver BF sites 629 homes completed or under development - 135 AH Rented homes managed by council ALMO	Wholly owned by the council Part funded by council loans Move to financial surplus 2025/2026 Also direct delivery programme – using framework agreements with developers
Eastleigh Borough Council: Horton Heath	310-acre (125 ha) residential led development (up to 3,000 homes) Land now owned and to be developed by the council Residential units include market, affordable rent, low cost sale (shared ownership) and private rent	Initially promoted by private developers but development stalled Council acquired land in March 2018 – first completions 2025 Delivery undertaken in-house Governance via council decision making

Delivery models – learning points

	What would be involved	Key considerations
Development company	Setting up a company, establish funding, business plan and governance arrangements Full due diligence	Gives the LA control – can offer a wider range of products e.g. private rent or increased affordable housing Can generate income but not immediately BUT Have been high profile failures – lessons about getting bus plan and funding right at Day 1 and managing risk- must maintain a pipeline of sites
Direct delivery g	Similar to dev co but done directly under General Fund or HRA At 200 homes requires HRA Could choose to focus on specific development type such as TA or supported housing	Can be useful mechanisms to build out smaller sites Very hands on – requires wide range of skills and commitment/patience Consider impact of RtB
JVs	Identify land parcels and appropriate partners Full due diligence Identifying right legal mechanism and structure and exit routes	Importance of up front due diligence and of risk modelling Selecting the right partner is key – need to be committed and financially sound
Leasing from private developer	Taking a 10yr plus lease on newbuild or existing stock at an agreed return to the property owner	Short term fix Can be either with General Fund or HRA

Common themes from the delivery mechanisms

- Can deliver policy compliant amounts of affordable housing – but potential to scale this subject to funding, land availability and viability e.g. Salford City Council (Dérive)
- Some provide private rented homes which could i) take pressure off demand for affordable housing ii) provide an income for the council iii) provide an asset e.g. Telford and Wrekin Council, Cornwall Council
- Can deliver at scale or to meet small local opportunities e.g. Warwickshire County Council – JV with Countryside to deliver 2,000 homes over 20 years or Bristol direct delivery of small sites

HC-owned sites

- HC owns a number of sites that are capable of delivering policy compliant affordable and market homes
- Over 2,000 units on 18 sites with potential for further investigation
- 10 sites with potential for further investigation which each have capacity for less than 75 units – may be suitable as a pilot
- There may be other sites that will become available in due course
- See Appendix B – for list of sites included in the totals above.

Local potential for increasing delivery of AH

Potential opportunities to increase supply of affordable housing using existing mechanisms – in addition to maintaining good relationships with current RP partners

- Explore with current RP partners and RPs with some stock holding in Herefordshire but not currently developing, their potential to do more - some may have untapped financial/corporate capacity
- Use of council's own funds e.g. collected from commuted sums, to support delivery – possibly more about securing types of homes needed e.g. switch from affordable to social rent, provide more family sized units
- Consider options to ameliorate the wait for phosphate credits

Business as usual

S106 sites

- Difficulty of scaling up overall AH delivery
 - Minimal financial risk
-

- Small sites deliver no AH
- Cannot guarantee will meet policy – viability (total number and/or type)
- HE funding unlikely
- RtB / RtA
- Achieve mixed housing

100% affordable sites

- Difficulty of scaling up overall AH delivery
 - Minimal financial risk
-

- Potential of attracting HE funding
- RtB / RtA
- Mono-tenure
- RP more control over unit type

Overview of models which could be appropriate to address the need in Herefordshire

No single solution

The three main delivery mechanisms – DevCo, direct delivery, JV, are all capable of increasing capacity and influence the type of housing

HC has land that could be used for all of the above - potential to look at smaller sites, under 30 units, to use as a pilot

95

There are examples of success in wider sub-region – HC could discuss in more detail with the relevant councils

A common feature is that they all require significant effort and resources in setting up successfully (to mitigate risk) and take time to deliver

Limited short term options without an HRA - could include i) limited acquisitions ii) maintaining the current delivery pipeline through s106 and 100% AH sites working with RP partners.

APPENDICES

Appendix A - Case studies – supporting information - 1

Case study	Description	Established	Delivery
Telford and Wrekin Council: Nuplace	Wholly owned development company - delivering mainly homes for market rent but also some general needs affordable. Runs alongside direct delivery programme focusing on housing for more vulnerable groups. Is now making a small profit.	2015 Council has complete control over identity of company and appointment of Directors.	Developed 485 homes (64 AR) +c400 pipeline – 2023. Manages own properties. Undertakes own developments using a housebuilder as a contractor. Also buys units 'off the shelf'. Focus on larger, brownfield sites – mainly council owned.
Shropshire Council: Cornovii Developments Limited	Wholly owned development company. To undertake development to address unmet housing need.	2019 Governance arrangements include Housing Supervisory Board – monitoring the operations and performance of the company.	First development completed 2022 (33 dwellings) 2024 Bus Plan - 882 homes across 10 schemes + entry into private rent market (initial 33 units to be retained and operated via a managing agent). Affordable housing delivery to be policy compliant.

Case studies – supporting information - 2

Case study	Description	Established	Delivery
City of Wolverhampton Council: WV Living	Wholly owned development company – delivers 25% AH as per policy (rest market sale or rent) Move to financial surplus 2025/2026	2016 Objectives to provide choice and offer local people the opportunity to buy high-quality, good value homes	Developed 451 new homes + 178 under development. Total of 629 - 135 of which are affordable homes. Rented homes managed by council ALMO. Targets difficult to deliver Brownfield sites. Runs alongside direct delivery framework, parcelling up council-owned land and inviting developers to bid to bring them forward for affordable homes.

Case studies – supporting information - 3

Case study	Description	Established	Delivery
Eastleigh Borough Council Horton Heath Development	<p>310-acre residential led development (up to 3,000 homes) – with land for employment and community facilities</p> <p>Land owned and to be developed by the council</p> <p>Amongst council's objectives – maximise housing quantum, accelerate delivery, minimum 35% AH, achieve min 40dph. Governance via council decision making</p> <p>Horton Heath Development Management Committee established plus additional officer expertise – including sales and marketing teams etc</p>	<p>Horton Heath first allocated in draft Local Plan – 2014</p> <p>Initially promoted by private developer(s)– with 1st consent in 2015 (for part of site) but development stalled due to protracted viability negotiations.</p> <p>Council acquired land in March 2018</p>	<p>Residential units include market, affordable rent, low cost sale (shared ownership) and private rent</p> <p>Delivery undertaken in-house</p> <p>In-house delivery including seeking tenders for new development.</p> <p>A key part of the next phase of the project will be disposal of the sales units on the open market. This will be done under the Council's housing brand “eastbrooke homes”</p> <p>First new homes to be occupied 2025</p>

Appendix B – List of HC owned sites – capacity for fewer than 75 units

Development	Site Address & Postcode	Area Ha	Total Units	HC Comments
Grafton,	The Green HR2 8BL	0.34	6	
Symonds Street site	Hereford, HR1 2HA		8	Temporary structure currently in place on site (Arrow Building)- site is bordered by Car Park and close to City Centre.
Westfield School Leominster	Westfield Scholl Leominster HR6 8HD	0.89	14	
Holme Lacy Primary	Holme Lacy, Hereford, HR2 6LW	0.6	18	Council owned former Primary School site. School building to be incorporated into planning designs. Governance granted for outline design, planning and disposal- July '21
Kington Livestock	Kington Livestock Market	0.93	18	
Broad St Car park	Broad Stret Leominster HR6 8RD	1.04	25	
Walls Hills Close	Wall Hills Close HR5 3	1.59	39	
Plough Lane	Top Car park Plough Lane Hereford	1.63	48	
Hildersley Farm incorporating former John Kyrle High School site	Hildersley, Ross-on-Wye HR9 7NN	2.66	52	Former Hildersley Farm and John Kyrle High School sites. Adjacent to Barratt David-Wilson development site and MoD Ross Ranges. Access currently land-locked and site unallocated within Local Plan
Chatsworth Rd playing field	Chatsworth Rd Hereford HR4 9hl	2.07	62	

Appendix B (Cont) – List of HC owned sites – capacity for more than 75 units

Development	Site Address & Postcode	Area Ha	Total Units	HC Comments
3 Elms Trading Estate	E Elmes Tarding est, HR4 9PU	2.8	77	
County Bus Station, HC land	Hereford HR1 2BJ		85	See above- new transport hub will free up site, although potential for multistory car park. Potential for mixed use if surrounding sites acquired.
Essex arms Hereford	Station Approach Hereford	1.56	120	
Land West Holmer North	Holmer North Hereford	10.67	213	
Bridge St sports centre	Bridge St Sport centreLeominster HR6 8EA	9.18	229	
Merton Meadow, Station Approach Sites	151 Widemarsh Street, HR4 9HE	2.85	300	Council owned site, earmarked for housing in City Master Plan. Site is constrained by flood-risk, for which £2m is available via BRLF funding if site is developed for housing however the site is currently a predominant part of car parking in the City.
Hospital Farm Hereford	Hospital Farm Hereford	40.64	359	max potential capacity 1000
Burghill Hospital Farm (East)	Burghill Hereford HR4 8NQ		400	HC owned former small-holding site that is land locked, potential to sell to Taylor Wimpey (neighbour with access) for a capital receipt or a sale agreement for affordable housing. Development of the site is not straight-forward due to current covenant in place and highways restrictions.



Title of report: SEND Inspection Update

Meeting:	Cabinet
Meeting date:	Thursday 6 March 2025
Cabinet member:	Cabinet member children and young people
Report by:	Corporate Director, Childrens and Young People
Report author:	Service Director, Education, Skills and Learning

Classification

Open

Decision type

Non-key

Wards affected

(All Wards);

Purpose

To share the feedback report from Ofsted and Care Quality Commission (CQC) following the SEND inspection of Herefordshire Local Area Partnership conducted in December 2024.

Recommendation(s)

That:

- a) **Cabinet to receive and note the feedback from the published Ofsted report (Appendix 1).**

Alternative options

1. There are no alternative options. The local area partnership's arrangements have been judged by Ofsted and the CQC as leading to inconsistent experiences and outcomes for children and young people with special educational needs and/or disabilities (SEND). The local area partnership must work jointly to make improvements. The next full area SEND inspection will be within approximately three years.

Key considerations

2. Herefordshire Council and NHS Herefordshire and Worcestershire Integrated Care Board (ICB) are jointly responsible for the planning and commissioning of services for children and young people with SEND.
3. Herefordshire's local area partnership SEND inspection took place on 2 to 6 December 2024. The Ofsted and CQC findings can be found in full in Appendix 1.
4. The summary of findings is set out below with partner/service response where appropriate.
5. Ofsted and CQC found that, *'Families of children and young people with SEND have varying opinions about their experiences in Herefordshire... Key leaders across the partnership know the variable experiences and outcomes of children and young people with SEND across Herefordshire.'*

Partnership and Leadership

6. The report notes that leadership of the local area partnership has strengthened, both at strategic and operational level. Investment in workforce development and capacity is identified as a strength. The partnership has been highly responsive to adjusting the capacity of some teams to manage with increase in demand across services, such as in the Special Educational Needs and Disabilities Information Advice and Support Service (SENDIASS), the School's Well-Being and Emotional Support teams (WEST) and the health service therapists' teams.
7. Inspectors notes that investment in additional staffing and training across all partners has been effective in improving the identification, assessment and meeting of children and young people's needs.
8. Staff across the whole partnership are referenced strongly for building positive relationships with children and young people and listening to their views. The report notes *'Professionals know children and young people well.'*
9. A strong feature throughout the report is how well the local area partnership supports children and young people to prepare successfully for their next steps, including adulthood.
10. The report highlights the need for the local area to promote more widely how families can secure the help and support they need, including communicating the *'comprehensive short breaks offer'* more widely and *'...raising awareness of pathways to access assessment and support services.'*

Co Production

11. Co-Production across the local area partnership is described as *'strong.'* Inspectors cited the recent development of the Youth Employment Hub as, *'Already making a significant difference for the young people who access the service.'*
12. Our partnership is proud of its coordinated work with the Parent Carer Voice Herefordshire (PCV) group and our children and young people and our families. Inspectors noted, *'The development of the 'Herefordshire Helpers' has raised the profile of children and young people at the highest levels.'* Parent carer voice Herefordshire told inspectors that *'they feel heard and that their views are acted on by the partnership.'*

Education

13. The full complement of educational settings across Herefordshire are referred to positively throughout the report. Affirmative remarks about early years, schools, specialist settings,

alternative providers and residential special schools, including those located out-of-area, are referenced throughout the report.

14. It is pleasing that vulnerable groups are noted as well supported by our alternative providers, including Herefordshire Pupil Referral Service (HPRS). The report notes, *'For children and young people with SEND who might have faced exclusion, absence, or medical needs, the pupil referral unit (PRU), and other AP, provide timely intervention to reintegrate them into long-term, successful education, training and employment.'* It is important to note that the number of available places at HPRS is insufficient for the current level of demand and the buildings are in a poor state of repair. A business case to relocate the two HPRS centres on to one site in improved facilities, and to increase capacity is well underway.
15. The range of additional activities available to children and young people, beyond school and college was reported as a strength. Inspectors reported that early help services play a key role in directing and supporting families. The report notes, *'Children and young people with SEND spoken to during the inspection valued these opportunities to socialise with other children and young people with similar needs.'* The additional needs service notes that publicising the Local Offer more widely is a helpful next step.
16. Children and young people reported that they felt well supported and listened to by their school and college staff. The report notes that access to high-quality provision, including alternative provision, is preparing children and young people well for the next stage of education. Our specialist settings are praised for being, *'innovative in finding appropriate solutions for meeting the most complex learning and health needs.'*
17. Ofsted found that, *'Across education, health and social care, there is variability in the timeliness of identification and assessment of SEND and issuing of EHC plans in the majority of cases.'* The additional needs service notes that the issuing of EHC plans is within statutory timescales in most cases. Herefordshire's performance against this measure is significantly above that seen nationally.
18. The special educational needs coordinator (SENCo) network is praised for its joint work between schools, social care and health providers.

Social Care

19. It is pleasing that inspectors found *'children and young people with SEND known to early help services access swift support from education, health and social care teams where appropriate.'* This is in line with ensuring that we understand the needs of children and their families, and that they have the right help at the right time.
20. The report identifies some real strengths in our social care teams including the quality of assessments that lead to appropriate support for children and young people. Inspectors commented, *'Disabled children and young people who receive a service from social care are well supported into adulthood.'*
21. The report recognises the strengths and continued commitment to children in care to ensure they understand their story. *'Some older children and young people with SEND in care are sensitively involved in developing their life stories, which aids their understanding and recollection of events and people that are important to them.'*
22. Inspectors describe effective and appropriate support for disabled young people who are leaving care. This includes receiving, *'Appropriate support to develop their independence skills for when they reach adulthood, and they are involved in preparing their pathway plan.'*

23. The Children with Disabilities Team is referenced as a strength in the partnership. Inspectors comment, *'Workers within the children with disabilities team understand children's needs. They are regularly visited; most disabled children establish strong relationships with their workers. Assessments are detailed and give a clear understanding of the child's world and the family context.'*
24. The inspectors identified that, *'Most disabled children and young people known to social care have plans that fully identify their needs. Plans are reviewed through regular multi-agency meetings, ensuring that most children and young people's plans progress and their needs are met. However, for some children and young people with SEND subject to child protection plans, changes in social workers can lead to them experiencing delays in having their needs met because records are not transferred effectively enough.'* The local authority is conscious and committed to the need for a permanent and stable workforce for children and families, and this is an ever improving picture.
25. The inspectors highlighted the, *'Comprehensive offer for short breaks, and currently, there is no waiting list for specialist short breaks for those children with the most complex learning and health needs. Much work has also been completed recently to increase the range of providers for short breaks. However, this offer is not consistently well communicated to children, young people and their families.'* The partnership is committed to making sure that children and families are informed about the available services and how to access them.

Health

26. Inspectors note, *'There are no extended waits for the core child and adolescent mental health services (CAHMS) team, meaning that children and young people are seen quickly. This is a timely and supportive service in identifying and supporting mental health.'*
27. The inspectorate recognised the positive impact of new ways of working, including drop-in clinics for speech and language therapy and physiotherapy and access to early years 'while you wait' groups.
28. Inspectors reported, *'Variability with access to health services in Herefordshire depending on age and need.'*
29. It was reported that there are comprehensive services for young children with a diagnosis of autism but limited for older children.
30. Health services transformation plans for therapies and neurodevelopment services were shared with inspectors noting these are *'at an early stage'* and have not yet significantly reduced waiting times. The local area partnership is committed to developing these at pace to bring about a stronger service offer to families.

Summary

31. Four areas of improvement are identified focused on:
 - Reducing waiting times across health services
 - Keeping families well informed about support while waiting for assessment and diagnosis of neurodevelopment conditions
 - Ensure sufficient staffing capacity and stability across health services
 - Promoting more widely the Local Offer to families.

32. The report makes four recommendations for improvement. This feedback and the priorities will inform the work of the area partnership to improve the experiences and outcomes for all children and young people with additional needs and disabilities in Herefordshire.
33. The local area partnership will receive its next full inspection within the next three years.

Community impact

35. The Council Plan 2024–2028 includes the ambition to ‘enable residents to realise their potential, to be healthy and benefit from communities that help people to feel safe and supported’ and more specifically, the council aims to:
- a) We want to support children and young people to thrive, be safe, and for families to be supported.
 - b) We believe that children and young people are best supported in their family networks and within highly effective schools and flourishing communities. Our children are the future. Sometimes children and families need our help.
 - c) We are committed to improving children’s services and providing support to families who need it. Acting on Ofsted inspection reports are part of our drive to improve our services to children and families.
 - d) We will support all children to have the best start in life.

Environmental Impact

36. There are no specific environmental impacts arising from this report.

Equality duty

37. There are no equality issues arising from this report.

Resource implications

38. There are no resource implications as a result of this report.

Legal implications

39. Section 20(1)(a) of the Children Act 2004 requires local authorities to make arrangements that promote cooperation between local area partners to improve the well-being of children in the area. The purpose of the local area SEND inspection is to hold the local authority to account by evaluating how effectively it meets its responsibilities for children and young people aged 0-25 with additional needs and disabilities.
40. The inspection also assesses how local areas are fulfilling their duties under the Equality Act 2010 and the Public Sector Equality Duty. It is crucial that the local authority develops and implements an action plan to address any inconsistencies or deficiencies identified during the inspection. This plan must detail specific actions to enhance the experiences and outcomes for children and young people with SEND, ensuring they have the opportunity to thrive, reach their potential, and live fulfilling lives.

41. Failure to address the identified issues could result in legal challenges, as the local authority would be at risk of breaching its statutory duties under the Children and Families Act 2014 and other relevant legislation.

Risk management

42. There are no new or additional risks arising from this inspection. Risks associated with SEND are monitored through the SEND Assurance Board.

Consultees

43. None

Appendices

Appendix 1 – Area SEND Inspection Report.

Background papers

None identified

Report Reviewers Used for appraising this report:

Governance	John Coleman	Date 25/02/2025
Finance	Click or tap here to enter text.	Date Click or tap to enter a date.
Legal	Pooja Nahar	Date 17/02/2025
Communications	Michala Lee	Date 21/02/2025
Equality Duty	Click or tap here to enter text.	Date Click or tap to enter a date.
Procurement	Claire Powell	Date 15/02/2025
Risk	Click or tap here to enter text.	Date Click or tap to enter a date.
Approved by	Tina Russell	Date 26/02/2025

Area SEND inspection of Herefordshire Local Area Partnership

Inspection dates: 2 to 6 December 2024

Dates of previous inspection: 26 to 30 September 2016

Inspection outcome

The local area partnership’s arrangements lead to inconsistent experiences and outcomes for children and young people with special educational needs and/or disabilities (SEND). The local area partnership must work jointly to make improvements.

The next full area SEND inspection will be within approximately three years.

Ofsted and the Care Quality Commission (CQC) ask that the local area partnership updates and publishes its strategic plan based on the recommendations set out in this report.

Information about the local area partnership

Herefordshire Council and NHS Herefordshire and Worcestershire Integrated Care Board (ICB) are jointly responsible for the planning and commissioning of services for children and young people with SEND in Herefordshire.

Significant changes have been made to the leadership of SEND services since the previous inspection. There have been some changes to leadership posts, including the appointment of a director of education, learning and skills in 2022 and an interim director of children’s services in July 2024. The commissioning of health services changed across England in 2022. On 1 July 2022, NHS Herefordshire and Worcestershire ICB became responsible for the commissioning of health services in Herefordshire.

The local area partnership commissions a range of alternative provisions (AP). AP, in Herefordshire, provides education for children or young people, including those who cannot attend schools due to social, emotional, mental health, or medical needs or for those who have been or are at risk of being permanently excluded from school.

What is it like to be a child or young person with SEND in this area?

Families of children and young people with SEND have varying opinions about their experiences in Herefordshire. For example, while about half of those parents and carers who responded to the survey reported that their child gets the right help and support in schools or colleges, only some stated that their child gets the right help and support from social care and health teams. Key leaders across the partnership know the variable experiences and outcomes of children and young people with SEND across Herefordshire. The local area partnership is committed to making further changes to continue its work to reduce waiting times for therapy and diagnostic services and improve capacity in health services.

Across education, health and social care, there is variability in the timeliness of identification and assessment of SEND and issuing of EHC plans in the majority of cases. Within mainstream schools, staff typically spot emerging needs of children and young people quickly and identify whether there is a need for further assessment and provision. Specialist settings are innovative in finding appropriate solutions for meeting the most complex learning and health needs. However, although waiting times for assessment and therapies have recently reduced, some children and young people still wait too long to access assessment and intervention. This limits how quickly these children and young people get the proper support to meet their SEND.

For children and young people with SEND who might have faced exclusion, absence, or medical needs, the pupil referral unit (PRU), and other AP, provide timely intervention to reintegrate them into long-term, successful education, training and employment.

For those children and young people with the most complex health, care and learning needs, there is a broad offer of opportunities to develop hobbies, pastimes and personal interests outside of school or college. These include swimming, local football teams, youth clubs and dance clubs. Children and young people with SEND spoken to during the inspection valued these opportunities to socialise with other children and young people with similar needs. However, some families who responded to the inspection survey, and some young people we spoke to on inspection, were unaware of this offer and how to access it.

Some children and young people with SEND who responded to the survey reported that they only sometimes receive the help that they need in school or college. However, the children and young people that inspectors spoke with during the inspection felt well supported by people who listened to them and acted swiftly when they needed help.

Many families who responded to the survey did not feel that their children get the right support to prepare them for their next steps. However, disabled children and young people who receive a service from social care are well supported into adulthood. For example, the Young Adult Team strongly supports disabled young people as they move

to adulthood. Assessments are detailed, and this helps to ensure that young people are supported in appropriate accommodation with a support package that meets their needs.

Some older children and young people with SEND in care are sensitively involved in developing their life stories, which aids their understanding and recollection of events and people that are important to them.

Children and young people with SEND who attend residential special schools or out-of-area provision typically receive a positive experience. The partnership works well to ensure that the intended provision accurately supports the education, health and care needs of children and young people. Young people told inspectors that professionals listen when they talk about their life ambitions. Consequently, there is a strong focus on preparation for the next steps and adulthood in these provisions.

What is the area partnership doing that is effective?

- ✓ The local area partnership has made improvements in several areas at an operational and strategic level. For example, they have reviewed, refreshed and implemented effective quality assurance measures for AP. This has assured the partnership that those most vulnerable children and young people have access to high-quality provision that prepares them well for their next steps.
- ✓ The local area partnership has invested in appointing additional staff and improved training. For example, they have made youth support worker roles within SENDIASS permanent. Senior practitioners within the school's well-being and emotional support teams (WEST) have been appointed. The partnership has increased the number of health service therapists and invested in the designated clinical officer (DCO) role. These appointments have improved the identification, assessment and meeting of children and young people's needs effectively.
- ✓ Across the partnership, professionals know children and young people well. For example, workers within the children with disabilities team understand children's needs. They are regularly visited; most disabled children establish strong relationships with their workers. Assessments are detailed and give a clear understanding of the child's world and the family context.
- ✓ Children and young people with SEND known to early help services access swift support from education, health and social care teams where appropriate. This includes sometimes means directing and supporting families with courses that might help them at home. Other children and young people, known to early help services, are supported in accessing community opportunities, such as skateboarding or short break opportunities.
- ✓ Most disabled young people leaving care receive appropriate support to develop their independence skills for when they reach adulthood, and they are involved in preparing their pathway plan. These plans strongly reflect the child's voice and give an understanding of their strengths and areas for support as they move towards independence.

- ✓ The Youth Employment Hub (YEH) is an exciting recent development. It has successfully brought together a range of education, health and social care professionals to support young people in employment, education and training. During the inspection, inspectors sampled the current experiences of young people known to the YEH, and it was clear that this is already making a significant difference for the young people who access the service.
- ✓ Over the last two years, the local area partnership has introduced new working models, including drop-in clinics for speech and language therapy and physiotherapy. Children and their families can access this specialist advice and support service without a referral in their early years.
- ✓ Children and young people with SEND and their families can access early years 'while you wait' groups within the area. This helps to meet children's needs while they wait to be seen by a paediatrician for an autism assessment.
- ✓ There are no extended waits for the core child and adolescent mental health services (CAHMS) team, meaning that children and young people are seen quickly. This is a timely and supportive service in identifying and supporting mental health.
- ✓ The health visiting service supports the early identification of needs effectively. Children and young people with SEND are seen at an additional three-year-old developmental review. This means that a child's health and developmental needs can be identified early, and appropriate specialist referrals can be made.
- ✓ Co-production with children and young people with SEND and their families is strong. The development of the 'Herefordshire Helpers' has raised the profile of children and young people at the highest levels. Parent carer voice Herefordshire told inspectors that they feel heard and that their views are acted on by the partnership.
- ✓ The special educational needs coordinator network has brought fresh enthusiasm for partnerships and joint work between schools, social care and health providers. Educational settings value the input from different services into this group, particularly from health colleagues. Education leaders are optimistic about the improvements in the local area partnership.

What does the area partnership need to do better?

- ✓ During the inspection, parents, carers, children, young people and practitioners told inspectors they were unaware of the systems and processes that could help them get the needed support. For example, some parents, carers and practitioners, including those in social care and health services, thought that parenting programmes were a prerequisite to accessing CAMHS services. Leaders say this is not the case. Equally, during the inspection, some parents, carers and practitioners told inspectors that a child must have a diagnosed need before they can have an education, health and care (EHC) plan. Partnership leaders are aware of these perceptions and offered

assurance that this is not the case. They are working to raise the profile with parents, carers and practitioners that EHC plans are identified by need and are raising awareness of pathways to access assessment and support services.

- ✓ In some situations where there had been a significant turnover of social care and health services staff, some parents and carers reported that they had to repeat information about their child's needs or prior experiences. This slowed the speed at which their child was provided effective assessment and support.
- ✓ Some parents, schools, colleges and practitioners reported that the local offer is not always well promoted. This limits how well children, young people and parents access the services and opportunities that could make the greatest difference to them. For example, some families told us they are unaware of the offer for children and young people with SEND to complete activities and pastimes in their local community.
- ✓ Access to health services varies for children and young people in Herefordshire, depending on their age and needs. For example, there is a comprehensive service in the early years for the diagnosis of autism. However, there is no commissioned service for speech and language provision in secondary schools unless the child or young person has an identified specific need. Where a child or young person does not have a potential diagnosis of autism, the availability of support is limited due to a lack of services for these children and young people.
- ✓ The local area partnership has developed transformation plans for therapies and diagnostic neurodevelopmental services. However, these are at an early stage of implementation, and have not yet sufficiently reduced waiting times for essential assessment and therapeutic intervention.
- ✓ Video fluoroscopy referrals in Herefordshire have been stopped due to a lack of referral pathways for specialist services. Although health services have effectively mitigated risks for children and young people, the local area recognises the need to re-establish this service. It is developing plans to establish a local service within Herefordshire to assure these children of a locally accessible service.
- ✓ Most disabled children and young people known to social care have plans that fully identify their needs. Plans are reviewed through regular multi-agency meetings, ensuring that most children and young people's plans progress and their needs are met. However, for some children and young people with SEND subject to child protection plans, changes in social workers can lead to them experiencing delays in having their needs met because records are not transferred effectively enough.
- ✓ There is a comprehensive offer for short breaks, and currently, there is no waiting list for specialist short breaks for those children with the most complex learning and health needs. Much work has also been completed recently to increase the range of providers for short breaks. However, this offer is not consistently well communicated to children, young people and their families. Most children and young people who responded to the survey said they do not get help to do things outside of education. Less than a quarter of parents who responded reported that their child gets the right

help and support to join in with clubs, activities to benefit from holidays or make friends.

- ✓ Some health practitioners told inspectors about the challenges that they face regarding workload and capacity. Recently, there has been an increase in referrals across all services, which has led to challenges to the sustainability of the current workforce to meet the growing needs of the partnership. For example, some practitioners within specialist health roles stated that they sometimes do not have the capacity or training to fully meet the needs of children and young people with SEND.

Areas for improvement

Areas for improvement
The local area partnership must continue implementing recovery plans to reduce waiting times across health services, including therapeutic and diagnostic services.
The local area partnership needs to ensure that all children, young people with SEND, their families, and practitioners are well-informed about accessing the range of support services available to them while waiting for assessment and diagnosis of neurodevelopmental conditions.
The local area partnership needs to ensure sufficient capacity, stability and improved quality across all health services to improve service consistency, development and delivery.
The local area partnership needs to ensure that high-quality and accurate information regarding the range of services available to children and young people with SEND, their families, and professionals is promoted and communicated in an accessible form.

Local area partnership details

Local authority	Integrated care board
Herefordshire Council	Herefordshire and Worcestershire NHS Integrated Care Board
Tina Russell, Interim Director of Children's Services	Simon Trickett, Chief Executive
www.herefordshire.gov.uk	Herefordshireandworcestershire.icb.nhs.uk
Plough Ln, Hereford HR4 0LE	Kirkham House, John Comyn Drive, Perdiswell, Worcester WR3 7NS

Information about this inspection

This inspection was carried out at the request of the Secretary of State for Education under section 20(1)(a) of the Children Act 2004.

The inspection was led by one of His Majesty's Inspectors (HMI) from Ofsted, with a team of inspectors, including two HMI from education and social care, a lead Children's Services Inspector from the CQC, and another Children's Services Inspector from the CQC.

Inspection team

Ofsted

Chris Pollitt, Ofsted Lead inspector
Nick Bennison, Ofsted HMI
Gareth Morgan, Ofsted HMI

Care Quality Commission

Deana Fowle, CQC Lead inspector
Harriet Doran, CQC inspector

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Title of report: Education Strategy

Meeting: Cabinet

Meeting date: Thursday 6 March 2025

Cabinet member: Cabinet member children and young people;

Report by: Corporate Director, Childrens and Young People

Report Author: Service Director, Education, Skills and Learning

Classification

Open

Decision type

Non-key

Wards affected

(All Wards);

Purpose

To endorse the Education Strategy 2024/29.

Recommendation(s)

That:

- a) The Education Strategy 2024/29 is endorsed; and
- b) Delegated authority be given to the Corporate Director for Children and Young People to take all operational decisions, as set out within this report and appendix.

Alternative options

1. Not to have an Education Strategy. This is not recommended as the Council has a general duty under section 13 of the Education Act 1996 to secure that efficient education is available to meet the needs of the population of Herefordshire. The Herefordshire Education Strategy 2024/29 sets out how the Council will do this.

Key considerations

2. The education landscape within Herefordshire is both varied and diverse. The county is host to some 100 schools ranging from those that are maintained, selective, stand-alone academy trust, or those that are part of a multi-academy trust. Accountability for these settings is complex, with our Council retaining the responsibility for maintained schools, and academy trusts accountable to the Department for Education (DfE). Irrespective of the governance structures and accountability, when it comes to the provision of Special Education Needs and Disabilities (SEND), School Admissions and Attendance, Children in Care (CiC) and Early Years the Council has a range of statutory responsibilities and a leading role.
3. Herefordshire is typified by high performing schools and education settings. Most are rated positively by the inspectorate Ofsted. Performance data shows that in the majority of measures Herefordshire performs well against statistical neighbours and national averages.
4. Our role in education has changed significantly over the years, and the Council performs a multitude of different functions within an increasingly complex system. We operate as a key delivery partner, facilitator, and system leader. We seek to secure positive and inclusive outcomes for all children and young people.
5. The draft Herefordshire Education Strategy 2024/29 (Appendix 1) has been in development since 2023/24. Once approved, it will operate as the primary strategic driver for the Council's education team over the next five years, providing a foundation for current and future work. At its heart is an ambitious, collaborative and inclusive approach towards addressing the key challenges.
6. It will focus on the delivery of five key priorities which include:
 - a. Priority One: Ensuring access to and availability of high-quality educational places.
 - b. Priority Two: Preparing our children and young people to thrive.
 - c. Priority Three: Promoting collaborative school improvement to raise standards.
 - d. Priority Four: Embedding a climate of inclusion; and
 - e. Priority Five: Supporting the emotional health and wellbeing of all children and young people.
7. The implementation of the Strategy will be supported by a service delivery plan which will be monitored regularly and updated annually. The success of the Strategy will be measured via a range of performance indicators which complement the Council Plan 2024/28.
8. The Herefordshire Education Strategy 2024/29 has been informed, co-produced and developed by wide stakeholder engagement, which has included insight from children, young people, schools, early years settings and Post 16 providers.
9. The purpose of the Strategy is to provide a firm foundation for across the Education Service over the next four years by further strengthening our partnership approach to improvement and firmly placing the Council as a strong, influential leader within the wider Herefordshire Education system.
10. The new Education Strategy replaces the previous version from 2019 and consequently better reflects the current educational landscape and Government Policy so to deliver the best possible outcomes for children and young people.

11. The key deliverables from the Strategy are reflected in the Council Delivery Plan. Regular updates will also be provided as requested to the Council's Children and Young People's Overview and Scrutiny Committee. The SEND and AP Assurance Board and Roundtable Governance Group will receive regular updates.

Community impact

12. The Council Plan 2024–2028 includes the ambition to support to children and young people to thrive, be safe, and for families to be supported. We believe that children and young people are best supported in their family networks and within highly effective schools and flourishing communities. Our children are the future.

Environmental Impact

13. There is no direct environmental impact as a result of this strategy.

Equality duty

14. The Public Sector Equality Duty requires the Council to consider how it can positively contribute to the advancement of equality and good relations and demonstrate that it is paying 'due regard' in our decision making in the design of policies and in the delivery of services.
15. We believe that every learner, regardless of their background, identity, or ability, has the right to an equitable education that fosters personal growth and academic achievement. Our commitment to inclusivity ensures that all students have access to tailored resources, support, and opportunities, enabling them to reach their full potential.
16. The mandatory equality impact screening checklist has been completed for this strategy and it has been found to have low impact for equality.
17. Due to the potential impact of this strategy being low, a full Equality Impact Assessment is not required. However, the following equality considerations should be taken into account when making a decision about this strategy:
 - a. Inclusive language: Use of language that is respectful and inclusive of all students, regardless of their background, culture, faith, or identity.
 - b. Accessibility: Ensure that the education strategy promotes accessibility for all, including those children with disabilities, and provides equitable opportunity for participation and engagement.
 - c. Cultural sensitivity: Be aware of the diverse cultural backgrounds and experiences of children and ensure that the education strategy is culturally responsive and sensitive.
 - d. Opportunities for participation: Provide opportunities for all children and young people to be represented in the education strategy, including those who may be marginalised or underrepresented.
 - e. Monitoring and evaluation: Regularly monitor and evaluate the education strategy to ensure that it is effective in promoting equality and addressing any barriers or inequalities that may arise.

Resource implications

18. The Council has several funding sources available to support the implementation of the Education Strategy and the associated Service Delivery Plan. These include the core funding allocated to the Education Service, the commitment in the capital budget to support a programme of capital investment across the school estate, and the strategies outlined in the Dedicated Schools Grant (DSG) deficit management plan which aim to reduce the pressure on the DSG High Needs block. Also, funding allocated from a variety of DFE educational grants including the Special Educational Needs (SEND) and Alternative Provision Change Programme to support the SEND and Inclusion Change Programme.

Legal implications

19. The Education Act 1996 imposes a duty on local authorities to ensure the provision of efficient primary, secondary, and further education to meet the needs of their population. Specifically, the Act mandates local authorities to:
 - Exercise their functions with a view to promoting high standards, ensuring fair access to educational opportunities and training, and fostering the fulfilment of learning potential for children and young people within its local area.
 - Secure sufficient schools to provide appropriate education based on age, ability, and aptitude, while ensuring diversity of provision.
20. Local authorities are also obligated to promote and support the wellbeing and learning of all children in accordance with various statutory duties, including those outlined in the Education Act 1996, the Children Act 2004, and the Childcare Act 2006. These overarching duties apply irrespective of whether schools are maintained by the local authority or operate independently.
21. As the admission authority for community and voluntary controlled schools, the local authority is required under The School Admissions (Admission Arrangements and Coordination of Admission Arrangements) (England) Regulations 2012 and the Admissions Code 2021 (updated 11 March 2022) to determine the admissions arrangements.
22. The Children and Families Act 2014, along with The Special Educational Needs and Disability Regulations 2014, outlines the requirements for the provision for children and young people with special educational needs and disabilities, including those who require Education, Health, and Care Plan
23. Furthermore, the public sector equality duty, as stipulated in Section 149 of the Equality Act 2010, applies to the decisions made by the Cabinet Member in this report. This duty requires decision-makers to have due regard to the need to eliminate discrimination, advance equality of opportunity for individuals with protected characteristics, foster good relations between such groups, and eliminate any unlawful discrimination. This duty ensures that the local authority's education strategy is compliant with the local authority's statutory duties but also promotes inclusivity and fairness in its decision-making processes.

Risk management

24. Regular monitoring of impact measures by the Service will give assurance on the effectiveness of actions, highlight any key risks and identify mitigation strategies.
25. Consideration has been given to the risks to the council if the recommendation(s) are agreed and how these will be managed in the table below;

Risk	Mitigation
Insufficient School Places	Forward planning and regular meetings with place planning teaming at the Department for Education includes accountability for future projections and forward planning. The Dedicated Schools Grant includes a growth fund that supports increase in school places where necessary.
Insufficient specialist school places in Herefordshire	Capital investment from Department for Education in new build bid rounds (intermittent and occasional). Support from stakeholders to invest in special school expansion programme in Herefordshire and thus manage the high needs deficit.
Insufficient alternative provision places in Herefordshire	Business cases prepared to mitigate shortfall.
Poor condition to school estate	Government grant for capital maintenance received by local authorities. If insufficient, monitor and prepare business case for additional resource.

26. Working on the assumption that the recommendation(s) will be approved, the relevant risks will be managed at a directorate level and appear in the children's and young people risk register.

Consultees

- During consultation, the Education Strategy was presented to and discussed with the Headteacher Representative Forum, Primary Headteachers Forum and the Herefordshire Association of Secondary Headteachers (HASH). These groups include representatives from early years, primary and secondary schools and Post 16 providers. In capturing the voice of children and young people the service have used Parent Carer Voice Feedback and participation work findings as a guide.
- Headteachers provided useful feedback and agreed unanimously with the key priorities. Comments from our headteacher groups fed into the development of this strategy and were taken on board,

Appendices

Background papers

None identified

Report Reviewers Used for appraising this report:

Governance	John Coleman	Date 25/02/2025
Finance	Click or tap here to enter text.	Date Click or tap to enter a date.
Legal	Pooja Nahar	Date 26/02/2025
Communications	Luenne Featherstone	Date 14/02/2025
Equality Duty	Click or tap here to enter text.	Date Click or tap to enter a date.
Procurement	Claire Powell	Date 15/02/2025
Risk	Click or tap here to enter text.	Date Click or tap to enter a date.
Approved by	Tina Russell	26/02/2025

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Herefordshire Education Strategy 2024 - 2029

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Foreword by Councillor Ivan Powell

Herefordshire is a large and wonderfully diverse and safe rural county with a rich agricultural history and beautiful countryside. The county has a wide range of opportunities for around 24,000 pupils at 101 publicly funded schools.

Our Herefordshire Council's vision is for children and young people to feel included, valued, happy, healthy and safe in their homes and in their community as they grow up.

Our new Education Strategy sets out how we intend to support our children to achieve our vision.

We have high aspirations for all our children and young people. Access to quality learning from early years through to adulthood enables children and young people to thrive in their physical, emotional, intellectual and social development as they grow up to be young adults.

The Education Strategy for 2024 -2029 sets out our ambition for our children and young people and how we intend to fulfil our responsibilities in providing them with everything they need to develop and progress to enable them to do fantastic things with their lives. We are making it our mission to ensure access to, and availability of high-quality educational places in our county.

We are preparing our children and young people to thrive in an ever-changing world by supporting their emotional health and well-being, promoting collaboration and embedding a climate of inclusion across all of our schools and providers.

We are fully invested in our children and young people as they are at the forefront of Herefordshire's development as a county and as such become the next generation that ensures Herefordshire is the place people want to live, work and visit.



Vision

Our Vision is for children and young people in Herefordshire to feel Included, valued, happy, healthy and safe in their homes and in their community as they grow up. We want them to have access to good quality education, housing, sport and leisure facilities that enable them to thrive in their physical, emotional, intellectual and social development as they grow up to be young adults. Children and young people are at the forefront of Herefordshire's development as a county and as such, become the next generation that keeps Herefordshire the place people want to live and work.

Having access to high quality, local and inclusive education provision is key to achieving this vision.

Herefordshire children and young people deserve the best possible education and to leave school or college with the learning and skills that they need to succeed in further education or the workplace. A strong economy relies on a high performing education system to produce the workforce of the future and young people with the right skills, attitude and ambition to meet the needs of our employers or to start a business of their own.

We will actively listen to parents, carers, children and young people and front line practitioners to understand how the priorities impact them and use this to shape this strategy.

Our aspirations are firmly aligned to the policy aims set out in the following documents:

[Herefordshire Council Plan 2024-2028](#)

[Herefordshire Council Delivery Plan 2024 - 2025](#)

[Herefordshire Children and Young People's Plan](#)

[Herefordshire Special Educational Needs and Disabilities Strategy 2023-26](#)

[Accessibility Strategy](#)

[Herefordshire Council Carbon Management Plan](#)

[Herefordshire Big Economic Plan 2022 - branded version.pdf](#)

Priorities for 2024 to 2029

The vision and aims of the strategy are set out below and include our strategic intentions to be ambitious, collaborative and inclusive.

The refreshed strategy focuses on five priority areas and its implementation and expected progression will be monitored and assessed against them.

Woven through all five priority areas is ensuring the importance of attendance in education in all key stages is understood and valued by parent/carers, professionals and children and young people.

Our key priorities are:

1. Ensuring access to and availability of high-quality educational places
2. Enabling our children and young people to thrive
3. Promoting collaborative school improvement to raise standards
4. Embedding a culture of inclusion
5. Supporting the emotional health and wellbeing of all children and young people

Access to and availability of high-quality educational places

We believe that all children and young people should be able to access high-quality education in their school regardless of where they live. Key to children and young people achieving well is the widespread availability of good school places across the county and high quality accessible alternative provision places when children and young people need them.

We will:

- maintain high-quality education across Herefordshire schools and settings
- ensure all children and young people are educated in schools that are ‘fit for purpose’ in terms of condition, suitability and sufficiency
- ensure that there are sufficient educational places for all, including those with SEND and across all phases
- ensure that there is sufficient alternative provision options to meet children and young people’s needs
- improve access to education to ensure equality of opportunity, promote inclusion, and support children and young people with additional needs to reach their educational potential

We will measure how well we are doing by:

- proportion of schools and settings achieving good or outstanding Ofsted judgements*
- proportion of schools improving their Ofsted ratings*
- proportion of school days lost due to maintenance issues
- proportion of school and early years places meets demand including for SEND children and young people
- proportion of schools that are fully accessible

* Please note. This measure has now become redundant in its current form. During a graded inspection, Ofsted now grade schools for each key judgement: Quality of education, Behaviour and attitudes, Personal development and Leadership and management and for any relevant provision judgement (early years and/or sixth form). Schools receiving a graded inspection from September 2024 will not be given an overall effectiveness grade. As a result there is no current benchmarking standard across England. The Department for Education has confirmed plans to introduce School Report Cards from September 2025 which will seek to provide a complete picture of how schools are performing. We will review this measure when details of the new scorecard are published



Enabling our children and young people to thrive

We believe in the importance of every child and young person having the best start in life so they can thrive. Through excellent teachers and teaching, all children and young people will have access to a range of learning opportunities within a high-quality curriculum.

We will:

- provide the best start for all our children and young people by ensuring there is sufficient high-quality nursery, childcare and wrap around provision
- ensure high parental take up of early years government-funded places for eligible children including those from disadvantaged backgrounds
- work with families to support the most vulnerable children into early years provision
- work with the Herefordshire Safeguarding Partnership and partners including Ofsted and the Department for Education to monitor and where appropriate take action to ensure providers keep children and young people safe
- we will promote high standards of education and attendance by working with mainstream, special and alternative education settings
- working with partners, we will support Careers Leads in schools and colleges to strengthen the quality and availability of careers education in line with the Gatsby Benchmarks, to enable young people to make informed decisions
- we will work with the Herefordshire Skills Board and young people to ensure that a wide range of pathways (academic and vocational) are available that will enable young people to progress their learning, give them the skills they need to prosper and secure positive labour market outcomes
- we will work with partners to promote and support regular attendance across all school phases

We will measure how well we are doing by:

- proportion of early years settings that are Ofsted rated as good or outstanding**
- proportion of eligible 2, 3 and 4 year olds taking up early years government-funded places, including those from disadvantaged backgrounds
- making sure there is sufficient wraparound childcare to meet demand
- evaluating responses to the annual S175 safeguarding audit and undertaking quality assurance activity
- proportion of children and young people who regularly attend school, including keeping under regular review patterns and trends of absence, including persistent absence and severe absence.
- the proportion of children and young people who achieve well against national benchmarks
- the proportion of children and young people remaining in education, employment and training post 16 (EET))
- ensuring that all secondary mainstream and specialist schools and secondary Pupil Referral Units (PRUs) achieve all 8 Gatsby benchmarks by 2025

** Please note. This measure has now become redundant in its current form. During a graded inspection, Ofsted now grade schools for each key judgement: Quality of education, Behaviour and attitudes, Personal development and Leadership and management and for any relevant provision judgement (early years and/or sixth form). Schools receiving a graded inspection from September 2024 will not be given an overall effectiveness grade. As a result there is no current benchmarking standard across England. The Department for Education has confirmed plans to introduce School Report Cards from September 2025 which will seek to provide a complete picture of how schools are performing. We will review this measure when details of the new scorecard are published

Collaborative school improvement to raise standards

We believe that every child and young person should receive excellent teaching. High quality continuous professional development for school staff is key to realising this ambition, along with high standards of curriculum provision, attendance and behaviour. The sharing of best practice, resources and expertise through collaborative working between schools and with the local authority will help to drive up standards.

We will:

- continue to develop the 'school to school' model of school improvement, to develop expertise within the school community to drive up standards
- ensure that local authority-maintained schools who are at risk of falling into an Ofsted 'requires improvement' or 'inadequate' category are proactively supported to avoid this outcome*
- monitor the standards of children and young people's performance across all phases
- work in partnership with schools to be aspirational for all children and young people; facilitating networking opportunities and offering training
- embed the work of the attendance and social emotional and mental health (SEMH) inclusion service so that all children and young people of all abilities are encouraged to enjoy education
- provide support for school leaders and governors to ensure national and local priorities are addressed, with a focus on promoting an effective safeguarding culture
- develop the traded services offer to ensure support for schools beyond statutory functions

We will measure how well we are doing by:

- proportion of schools and settings achieving good or outstanding Ofsted judgements***
- proportion of schools improving their Ofsted ratings*
- the proportion of children and young people who achieve well against national benchmarks
- proportion of children and young people including vulnerable groups who regularly attend school
- increase the numbers of schools accessing the traded service support package

*** Please note. This measure has now become redundant in its current form. During a graded inspection, Ofsted now grade schools for each key judgement: Quality of education, Behaviour and attitudes, Personal development and Leadership and management and for any relevant provision judgement (early years and/or sixth form). Schools receiving a graded inspection from September 2024 will not be given an overall effectiveness grade. As a result there is no current benchmarking standard across England. The Department for Education has confirmed plans to introduce School Report Cards from September 2025 which will seek to provide a complete picture of how schools are performing. We will review this measure when details of the new scorecard are published

Embedding a culture of inclusion

No child or young person should be left behind, a collaborative education system will ensure the sharing of best practice, resources and expertise to enable all children and young people who need additional support to succeed.

We will:

- share best practice and ensure the effective sharing of information between key partners so that every child or young person's need, or situation is accounted for and supported
- deploy the social inclusion and attendance and engagement teams to assist schools to operate inclusively
- proactively support children and young people at risk of permanent exclusion or suspension
- making sure there is suitable and sufficient alternative or targeted provision to meet individual need so no child or young person is left behind
- work with parents and carers to fulfil their roles and responsibilities to support their children and young people in education
-

- strengthen the role of the social, emotional and mental health inclusion service to support children and young people who are reintegrating to mainstream after exclusion or intervention
- work with schools and to ensure they are at the heart of their communities, and assist families to access tailored child-centred early help through the Local Offer and other programmes (holiday activity fund) to support children and young people's engagement and attendance in learning environments and education

We will measure how well we are doing by:

- rate of permanent exclusions at both primary and secondary level
- proportion of children and young people, including vulnerable groups who regularly attend school
- alternative provision is appropriate and meets the needs of the pupil accessing it
- proportion of children and young people reintegrating back into mainstream education following a permanent exclusion

Supporting the emotional health and wellbeing of all children and young people

Children and young people who feel they belong will thrive; a calm, orderly, safe and supportive school encourages positive wellbeing. We value effective school leadership that supports and champions efforts to promote emotional health and wellbeing.

We will:

- ensure early identification and proactive intervention including access to current guidance, advice and national initiatives for school leaders, such as emotionally based school avoidance training
- apply robust processes for children and young people missing in education or unable to access education due to a health issue
- ensure appropriate advice, guidance and assistance to support the wellbeing of teachers and childcare professionals in Herefordshire
- deliver key initiatives such as the Holiday activity fund (HAF) and promote other health-based activities to vulnerable groups of pupils to support emotional health and wellbeing
- work in partnership with wider stakeholders, specifically ICB health partners and Public Health to promote children and young people's emotional health and wellbeing at home and at school – reviewing the development

and delivery of the ICB Mental Health in School programme in Herefordshire

- ensure that schools are able to identify their early help offer and the impact of this when supporting children and young people and their families through S11 audit process (safeguarding partnership)

We will measure how well we are doing by the:

- proportion of schools and providers engaging with training and national initiatives
- children and young people who are severely absent from school are monitored and appropriate interventions sought
- proportion of children absent from education due to Mental Health
- proportion of children and young people who get the right support at the right time and stay in education

Annexe A – Education providers in Herefordshire

Schools as of Summer 2024

Number of schools and academies:	99
LA maintained primary schools	52
Primaries (academies)	25
Primaries (free)	1
LA maintained secondary schools	5
Secondary schools (academies)	9
All through schools (academy)	1
LA maintained special schools	2
Special school (academies)	2
LA maintained PRU	1
Special Free	1
Independent Schools	5
Independent special schools	6

Post 16 providers:

- Hereford Sixth form College
- Herefordshire, Ludlow , North Shropshire college
- Hereford college of Arts
- Hoople Ltd
- Herefordshire and Worcestershire Group Training Association
- Riverside Training

Specialist provision

- Royal National College for the Blind
- National star college
- The Beacon College
- School sixth forms 2

Early Years:

- PVI: 59
- Independent school nurseries: 3
- Maintained nursery classes: 13
- Governor run: 19
- Academy nursery classes: 17
- Childminders: 57 of which 4 Suffolk Childminding Agency, 3 Tiney Agency
- Total settings: 168



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