

# REPORT OF THE MEETINGS OF CABINET

**HELD ON 8TH AND 22ND FEBRUARY, 2007**

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**Cabinet Members:** R.J. Phillips (Leader of the Council),  
D.W. Rule, MBE (Deputy Leader),  
Mrs. O Barnett, P.J. Edwards, Mrs. J.P. French, J.C. Mayson,  
R.V. Stockton, R.M. Wilson.

This meeting of Council is set primarily to approve the Council's Revenue Budget and Capital Programme for 2007/08, any decisions on its Medium Term Financial Strategy, together with the Council Tax for 2007/08, and the Council's Corporate Plan 2007/10.

## **1. DECISIONS RESERVED TO COUNCIL UNDER PART 4 OF THE CONSTITUTION**

- 1.1 **Revenue Budget and Capital Programme 2007/08** – Cabinet has received the Corporate Management Board's proposals for the Revenue Budget and Capital Programme for 2007/08. Cabinet has made recommendations on these matters taking into account the Council's financial standing, resource availability and spending pressures for the future.

It has also noted that the Strategic Monitoring Committee has made no specific recommendations on the draft Budget Strategy. However, a number of aspects had been discussed by the Committee, in particular the Cabinet's intention to propose a Council Tax increase of 3.8% compared with the assumption of 4.7% in the Medium Term Financial Management Strategy and to cover the consequences of this proposal from various sources. The Committee has called for a report setting out the position on the Council's reserves, the level of reserve needed to manage risk and what scope further reserves might afford the Council in its future financial planning. The Committee has also noted the importance of the delivery of the Herefordshire Connects Programme, and has received an assurance that appropriate measures have been taken to cover the assumed financial risk should there be any difficulty in the delivery of the Herefordshire Connects Programme in 2007/08.

A full set of papers considered by Cabinet are attached at Appendix 1.

**Cabinet recommends to Council that:**

- (a) **the Medium Term Financial Management Strategy (MTFMS) for 2007/08 to 2010/11 be approved;**
- (b) **in approving the MTFMS (referred to in (a) above), Council also approves the:**
  - a. **Medium-Term Financial Resource Model for 2007/08 to 2010/11;**
  - b. **Directorate revenue base budgets for 2007/08;**

- c. **Invest to Save / Invest to Mitigate proposals for 2007/08;**
  - d. **Medium-Term Capital Plan for 2007/08 to 2010/11;**
  - e. **Capital Programme for 2007/08, (subject to the deferral at paragraph 7.1(ii) in this report);**
  - f. **Efficiency Strategy for 2007/08 to 2010/2011**
  - g. **Treasury Management Strategy for 2007/08 and the Prudential Indicators for 2007/08 to 2009/2010;**
  - h. **Corporate Risk Register as at February 2007; and**
  - i. **Financial Risk Assessment as at February 2007.**
- (c) **the revenue and capital budget proposals for 2007/08 outlined in the MTFMS be approved for Council Tax setting purposes;**
  - (d) **a corporate strategy on fees and charges be developed as an integral part of the MTFMS when it is updated prior to the start of the next Performance Improvement Cycle;**
  - (e) **the delivery of the benefits resulting from the Invest to Save /Invest to Mitigate proposals be managed using the benefits realisation process developed for Herefordshire Connects; and.**
  - (f) **the Council's responsibilities under Sections 25 – 29 of the Local Government and Finance Act 2003 be noted.**

- 1.2 **Proposed Corporate Plan 2007/10** – The Corporate Plan sets out the Council's intentions for its contribution to The Herefordshire Community Strategy which is underpinned by the Council's Local Area Agreement. It includes performance measures and targets over the next three years, actions to achieve them, associated risks and their mitigation and the resources allocated. Some targets have yet to be included. The gaps are indicated on the draft plan. These include those to be agreed in the refreshed Local Area Agreement. Government had indicated that the Minister was to have approved these by 5 February.

A full set of papers considered by Cabinet, including some minor changes, are attached at Appendix 2.

**Cabinet recommends to Council that:**

**subject to detailed final changes, the Corporate Plan 2007/10 be approved.**

## **2. NOTICES OF MOTION**

- 2.1 No Motions to Council were considered by Cabinet during the reporting period.

**3. KEY DECISIONS BY INDIVIDUAL EXECUTIVE MEMBERS WHICH WERE NOT INCLUDED IN THE FORWARD PLAN**

3.1 No key decisions were considered by Cabinet during the reporting period.

**4. CORPORATE STRATEGY AND FINANCE  
(Chairman of Cabinet : Councillor R.J. Phillips)**

**4.1 Report on Decisions Taken**

- (i) **Public Service Trust Project Initiation Document** – Cabinet has noted the progress being made in relation to the formation of a Public Service Trust. It has approved a Project Initiation Document and Terms of Reference, previously approved by the Primary Care Trust, as a basis for advancing the work of the Public Service Trust.
- (ii) **Annual Operating Plan 2007/08** – Cabinet has agreed the Annual Operating Plan for 2007/08 subject to final changes. The Plan gives effect to the first year of the Corporate Plan and to serve as a basis for in-year integrated performance reporting. Strategic Monitoring Committee has considered the Plan and Cabinet has been informed of its concerns.

**5. CHILDREN AND YOUNG PEOPLE  
(Cabinet Member: Councillor D.W. Rule, MBE)**

**5.1 Report on Decisions Taken**

- (i) **Every Disabled Child Matters** – Cabinet has considered a report which highlights the work being undertaken in Herefordshire to ensure that in implementing the Every Child Matters agenda, disabled children and young people are not marginalised. The report refers to another report produced in October 2006 by a group of five charitable organisations called 'Every Disabled Child Matters – Off the Radar' (also circulated to Cabinet) This report sets out a Charter which it hopes local authorities will have in place by January 2008. Cabinet has accepted and adopted this Charter as a best practice standard for the service and has noted the work being carried out in this area. The Children and Young People's Directorate is currently finalising the first draft of its disability strategy for children and young people. The draft will be scrutinised by the Government Office for the West Midlands in March and will then go out to full consultation in April for completion in summer 2007.
- (ii) **Progress on Improvement – Children and Young Peoples Services** – Cabinet has noted a report on the progress and remedial work in relation to improvement in outcomes and performance management in children and young people's services. In November 2006 a report outlined a change in the action plan arrangements. The new approach was endorsed by the Government Office for the West Midlands and the updated plan has been circulated and noted by Cabinet. In December 2006, Government Office for the West Midlands Improvement Board for Herefordshire endorsed the achievements for 2006 and these achievements will be informing the second report to the Minister along with the positive but separate outcomes for

2005/06. These have also been circulated to Cabinet. Herefordshire is top nationally on two key indicators and is in the top group in several others. A summary of the current position was part of the Integrated Performance Report to Cabinet in January 2007. The achievements summary for 2006 was presented as part of that report also. The report highlighted Disability Strategy and Workforce Strategy as exceptions and set out the actions being taken to improve these areas of concern.

- (iii) **Smokefree Herefordshire** - A report on this item is to be found at Item 8.1(iii) of this report.

## **6. COMMUNITY SERVICES** **Cabinet Member: Councillor R.V. Stockton**

### **6.1 Report on Decisions taken**

- (i) **Herefordshire Council Services in Ledbury Linking to a Library Big Lottery Application** – Cabinet has received a report giving an overview of schemes in Ledbury that will inform the way forward in developing new facilities in the town. It has agreed that an outline application be submitted for Big Lottery Funding by March 2007 to support the library element of an integrated centre incorporating Info (customer services) and provision for young people and agreed that a Consultation Partnership Board be established to oversee the project.

## **7. CORPORATE AND CUSTOMER SERVICES AND HUMAN RESOURCES** **(Cabinet Member - Councillor Mrs. J.P. French)**

### **7.1 Report on Decisions taken**

- (i) **Herefordshire Council Services in Ledbury Linking to a Library Big Lottery Application** - A report on this item is to be found at Item 6.1(i) of this report.
- (ii) **Integrated Performance Report** – With the exception of the deferral by Cabinet of the way in which the shortfall is to be met on the capital schemes for Riverside Primary School and Sutton Primary School, to enable the Leader and appropriate Cabinet Portfolio Member to put forward alternative solutions, Cabinet has endorsed a report setting out performance to the end of January 2007 against the Annual Operating Plan 2006/07. The report also set out the performance against revenue and capital budgets and corporate risks together with remedial action to address areas of under-performance. The report covered the progress being made against the Council's Overall Improvement Programme. Cabinet has also noted an addendum to the report which was circulated at the meeting setting out the Comprehensive Performance Assessment Scorecard for 2006, which indicated that the Council has been given a 3 star rating for its overall performance in 2006.
- (iii) **Local Government Pension Scheme – Response to Statutory Consultation** – Cabinet has endorsed the response to the statutory consultation being undertaken by the Department of Communities and Local Government in respect of the proposed changes to the Local

Government Pension Scheme. Cabinet has noted the scope of the draft regulations for the New Look Local Government Pension Scheme. The response indicated that overall the proposals meet the objective of being attractive in comparison to other industries, yet financially viable. Cabinet has been informed of Herefordshire's internal consultation process prior to responding, and the cost implications of the proposals.

## **8. ENVIRONMENT (Cabinet Member: Councillor P.J. Edwards)**

### **8.1 Report on Decisions Taken**

- (i) **West Midlands Regional Spatial Strategy Phase Two Revision** – Cabinet has received a report on the West Midlands Regional Spatial Strategy – Phase Two Revisions Spatial Options. The Options consultation focuses on housing, employment land, transport and waste. The development of the options followed an earlier consultation in February 2006 when the Council, along with other strategic planning authorities, provided advice to the West Midlands Regional Assembly (WMRA) regarding sub-regional issues. The Spatial Options set out a wide range of questions and choices relating to development of the Region up to 2021, or in respect of housing and employment to 2026. The report detailed a schedule of responses to the questions set out in the Strategy which Cabinet has endorsed for forwarding to the WMRA.
- (ii) **Planning Obligations Supplementary Planning Document** – Cabinet has received a report and has agreed with one amendment, a draft Supplementary Planning Document (SPD) which sets out the Council's policy and use of planning obligations for consultation purposes. The amendment changes the need to seek contributions from a minimum of six dwellings, to contributions from all residential dwellings in developments where accessibility, transport and movement are concerned. The document has been included within the Council's Local Development Scheme and is being produced in line with the regulations of the new planning system introduced under the Planning and Compulsory Purchase Act 2004. The Draft SPD forms part of the Council's emerging Local Development Framework and is being prepared to the timetable set in the Local Development Scheme.
- (iii) **Smokefree Herefordshire** – Cabinet has received a report on the changes made by the Health Act 2006 that will mean that from 1st July 2007 virtually all enclosed public places and workplaces in England will become smoke free. The Health Act 2006 imposes new duties on local authorities to enforce the Act and its Regulations. To this end, in accordance with guidelines set out in the White paper Choosing Health, the Council will be achieving this through the Smokefree Herefordshire Partnership established in July 2006. The Partnership is made up of officers from various divisions within Herefordshire Council, the Herefordshire Primary Care Trust, the Herefordshire and Worcestershire Fire and Rescue Service, HM Customs, West Mercia Police and representatives from the business and voluntary/community sectors and operates under the umbrella of

the Herefordshire Partnership. Cabinet has approved the Action Plan circulated with the report for raising awareness and enforcement of the smokefree legislation and the way it will be funded.

**9. RESOURCES**  
**(Cabinet Member: Councillor R.M. Wilson)**

**9.1 Report on Decisions taken**

- (i) **Asset Management Plan: Overview Issues Report (deferred from the 18th January meeting of Cabinet)** – The Asset Management Plan (AMP) sets out the Council's approach to managing its property assets. There is no longer a requirement to submit the AMP to the Government Office for the West Midlands but there is an expectation that it will continue to represent a significant statement of the Council's intentions in respect of how it uses its resources and will, therefore, form a key part of the Use of Resources Assessments by the Audit Commission.

Cabinet has endorsed the Asset Management Plan 2006/07, approved revised Asset Management arrangements and noted the key issues and actions relating to the implementation of the Council's Asset Management Plan 2006/07.

**COUNCILLOR R.J. PHILLIPS**  
**LEADER OF THE COUNCIL**