

MINUTES of the meeting of Cabinet held at The Council Chamber, Brockington, 35 Hafod Road, Hereford on Thursday 4 June 2009 at 2.00 pm

Present: Councillor JP French (Chairman)

Councillors: LO Barnett, AJM Blackshaw, H Bramer, JA Hyde, JG Jarvis, PD Price and DB Wilcox

In attendance: Councillors ACR Chappell, PJ Edwards, PA Andrews, WU Attfield, TM James and RI Matthews

116. APOLOGIES FOR ABSENCE

Apologies were received from Councillor RJ Phillips, Leader.

Apologies were also noted from Councillor GFM Dawe, Alliance Group Leader.

117. DECLARATIONS OF INTEREST

No declarations of interest were expressed.

118. MINUTES

RESOLVED: That both the open and confidential Minutes of the meeting held on 7 May 2009 be approved as a correct record and signed by the Chairman.

119. DATA QUALITY ANNUAL REPORT

The Deputy Chief Executive introduced a report which outlined progress against the data quality action plan, which was recognised as a key element in supporting and demonstrating effective performance management and improvement within the authority.

Steve Martin, Corporate Policy and Research Manager outlined to Members the context within which information in the report should be considered, including the data quality action plan, attached as an appendix to the report. Cabinet was advised that auditors continued to view the Council's performance on data quality to be adequate. The authority was aiming to achieve good and, ultimately, excellent performance, for which the improving current position, including the action plan, provided a firm foundation on which to deliver further improvement.

The Corporate Policy and Research Manager drew Members' attention to the following specific issues of note:

- 62% of the actions outlined in the action plan had been completed, while 85% had either been completed or started; this left 15% that had yet to commence.
- Procedures on data quality were continuing to be embedded within the authority; this would be of key importance in order that performance improvement could be monitored and informed decisions made regarding areas which might require additional attention. Members were advised that the existing data quality policy itself remained fit for purpose, and that what mattered now was its full and consistent implementation across the organisation.

- Achieving this, and completing the action plan successfully, depended primarily on two key matters being attended to: the identification and rationalisation of existing policies and procedures relevant to data quality in all directorates and services; and concluding work to improve the contract register. An important foundation had been laid with the designation in each service of a named officer responsible for contract management.

Responding to a question regarding expected items of information that had been missing from earlier performance reports, the Corporate Policy and Research Manager stated that there were two primary reasons for their absence; firstly, that the information was, for good reason, not available at a particular point in time (for example because it depended on the results of a periodic survey) but would be in the future; or secondly, that the information had simply not been provided, which was plainly a matter requiring management action. Members were advised that, despite reminders, not all partners had yet co-operated where that was necessary to achieve items in the action plan. It was recognised that this situation needed to be rectified and would be escalated where necessary. Members expressed a strong view that partners who were not co-operating needed to understand better how their data contributed to the wider picture and the importance of submitting timely, quality data.

The Deputy Chief Executive, responding to a concern raised regarding several revisions to original dates for actions to be completed, stated that the data quality action plan, whilst providing an excellent framework had turned out to be over-ambitious in its target setting, which had resulted in revised timescales having to be set for some actions. Members were informed that there had been significant progress to date, but it was acknowledged that some areas of activity remained outstanding and required urgent attention.

A member referred to an instance in which the Council had apparently lost data from a survey and had had to ask people to complete the exercise again.

An amendment to the recommendation was proposed by Councillor JP French for consideration as an additional recommendation (c); 'That the Deputy Chief Executive ensure that a review of the implementation of the plan is undertaken with a view to ensure its timely delivery'.

RESOLVED THAT:

- (a) **progress against the 2008 / 09 data quality action plan be noted, and;**
- (b) **that Appendix 1 be approved as the 2009 / 10 action plan.**
- (c) that the Deputy Chief Executive ensures that a review of the implementation of the action plan is undertaken with a view to ensuring timely delivery.

120. INTEGRATED CORPORATE PERFORMANCE REPORT

The Corporate Policy and Research Manager, Steve Martin, presented the report on the end of year Integrated Corporate Performance Report. He advised Members that future reports would be presented in a different, streamlined format; a briefing would be arranged before the new arrangements came into effect. Cabinet was advised that, since the production of the end of year report, validated information as regards social care for both children and adults had become available from Frameworki. This therefore replaced the forecast out-turn or earlier data used for judgements in the circulated report. Members were assured that, although there were, as a result, some changes in the judgements as regards individual indicators, the overall picture as presented in the circulated report had not been altered significantly.

Cabinet was informed that, as usual, two main forms of judgement were considered in assessing performance: performance against the targets the Council had set and direction of travel (i.e. how the indicators did in 2008-09 compared with the previous year). In relation to performance of key indicators against targets set, 63 indicators (56%) had achieved their target with 32 indicators (29%) below target (with a small number remaining amber because validated end-of-year information was, for good reason, not yet available). This result was better than in the previous year, 2007/08, in which 32% of the targets had been achieved but 36% had not. Members were advised that, in relation to the Local Area Agreement (LAA), 20 of the 30 indicators were on track, with 8 currently behind target. As regards direction of travel, 55% of indicators showed improved performance compared with the previous year, while 40% had deteriorated: this compared with 60% and 30% respectively in 2007/08.

Responding to a question as to whether the authority might in some instances be setting unachievable targets, and that the number of red-rated indicators might therefore be presenting a falsely negative picture of performance, particularly since a number of red-rated indicators were close to achieving the requisite target level, the Corporate Policy and Research Manager stressed that performance should be considered in the wider context of the judgements outlined above. In particular, it was important to note that, in the case of some indicators, whilst set targets had not been achieved, performance had improved compared with the previous year. Nonetheless, targets had been agreed as part of the performance improvement cycle, including the allocation of resources, so as to deliver the Council's priorities, so they did need to be taken seriously. It was acknowledged that, where performance had improved significantly on the previous year's, this should provide a good basis for higher levels of achievement in the future.

RESOLVED That Cabinet:

- (a) notes performance for 2008-09; and
- (b) agrees that directors should ensure that the performance issues arising are addressed within their respective areas.

121. HIGHER EDUCATION FOR HEREFORDSHIRE

The Cabinet Member Economic Development and Community Services, Councillor AJ Blackshaw introduced the item and informed Cabinet the Higher Education for Herefordshire Management Board was currently preparing applications to various funding pots to develop a Higher Education facility in the county, including a bid to the Department for Innovation, Universities and Skills (DIUS) University Challenge Initiative. To demonstrate support and commitment to the bid in the form of local contributions, Cabinet was being requested to consider the allocation of the Council's Blackfriars site as a possible location for the Higher Education Centre, as the Council element of the site was due to become surplus to requirement as part of the broader accommodation strategy. Members were informed that the deadline for submission of a 'statement of intent', the first stage of the process, would be 30 June 2009, following which, if supported, a full business plan would be drawn up and submitted by the end of the year.

Geoff Hughes, Director of Regeneration informed Cabinet of the wider vision for the site should the bid be successful as outlined in Appendix 1 of the report. It was planned that a Higher Education Centre would provide student accommodation, a students union and conference facilities; collectively the HE centre would also provide a significant benefit to the tourism offer of the county.

Responding to comments raised by Members, the Director of Regeneration advised Cabinet that there were important and integral links between higher end skills

development and employability. For a Higher Education Centre bid to be successful strong links with the business community would need to be demonstrated and it would be necessary to outline how the higher education offer would engage with businesses in the locality to provide a firm basis for the further development of skilled jobs.

The Cabinet Member Economic Development and Community Services, Councillor AJ Blackshaw, responding to points raised by Members, stated that currently around 250 individual 18-25 year olds attended out of the county higher education facilities, therefore a higher education establishment in the county would provide an option for young people to remain and study in the county whilst attracting individuals from other authorities areas. The Cabinet Member informed Cabinet that there was currently significant skills shortage in the county for example in engineering. With the GDP of the county being £2.5billion, of which only 7% related to agriculture, there was a need to ensure the higher education initiative was closely aligned with positive growth in the county's businesses and business opportunities.

In welcoming and supporting the initiative, Members raised the following additional points:

- A higher education facility in the county would provide a small, but important number of professional positions in academia.
- It was important to consider the long term economy of the county in line with the ESG 30 year project and ensure that a Higher Education Centre was a flagship project and a centre of excellence.
- A higher education facility would encourage high quality students to remain within the county once qualified and could assist with reducing the cost associated with higher education e.g. travel, accommodation. An example was given relating to the former Hereford Teacher Training College which demonstrated that if quality higher education facilities were made available, skilled and professional people could be retained in the county.
- The suggested use for the Blackfriars site was a positive option which far outweighed other possibilities.

RESLOVED THAT:

- (a) **The allocation of the Council's Blackfriars site as a location for a possible Higher Education Centre be approved, and;**
- (b) **Authority be delegated to the Director of Regeneration, in consultation with the Director of Resources, to finalise arrangements subject to development of a robust business plan.**

122. FINAL REVENUE AND CAPITAL OUTTURN REPORT

The Cabinet Member Resources, Councillor H Bramer, presented the report of the final revenue and capital outturn for 2008/09 which provided the Council's overall performance for the financial year and which outlined the creation of new reserves in the accounts.

Members were advised of the positive overall summary for the Directorate budgets with a net under spend on the revenue account of £42,000 on a net budget of £132m. Whilst overall Directorate positions did contain some over and under spends Members were advised that sufficient reserves had been available to cover overspends in areas had they been required.

The final overall position for the authority taking account of the Directorate position and corporate items such as cash management and other activities undertaken centrally, provided an overall underspend of £249,000 on the Council's net budget of £132m. Councillor Bramer stated that this was a sound position and demonstrated strong financial management within

the Council.

The Cabinet Members Resources outlined to Members the proposed creation of new reserves at a time when future funding of local government would come under pressure and during which the economic recession would affect the local economy. It was proposed that a £346,000 economic development reserve be created to support Herefordshire's economy during this difficult time. A further £500,000 would be added to the Council's waste disposal reserve and the overall £249,000 underspend on the revenue account would be added to the existing social care reserve bringing it to a level of £926,000.

Members were informed that the Council had not been affected by the collapse of the Icelandic Banks during 2008/09 and the overall management of cash balances by the Treasury Management Team contributed £483,000 to the overall position. During the year, borrowing had been re-scheduled, which would minimise the amounts that impacted the Council's revenue account in the future

The Cabinet Members Resources stated that the Council had responsibility for a significant capital programme and in 2008/09 capital expenditure totalled just over £48m against an original budget of £57.9m. Significant capital schemes in excess of £500,000 were outlined in the report and the wide ranging schemes demonstrated the extent of the Council's involvement in activities to support service provision in Herefordshire. It was recognised that whilst there had been some slippage in the programme it was noted that this would not result in the loss of funding and the Council would carry forward any unused funding for capital schemes into 2009/10 financial year.

Heather Foster, Acting Head of Financial Services outlined to Members some additional points for consideration.

The current economic conditions had reduced local government income and had a significant detrimental impact on both the Deputy Chief Executive's and Regeneration Directorates in respect of reduced search fees and planning receipts respectively. Members were informed that there had also been a reduction in car parking fees, however this loss had been contained in the Environment Directorate's overall outcome.

In relation to general reserves, the Acting Head of Financial Services stated that whilst the overall level had reduced by £338,000 to £6.39million, the amount of reserves was in excess of the minimum required within the council's medium term financial strategy of £4.5million, and demonstrated the authority's healthy position in relation to both general reserves (outlined in page 33 of the report), together with specific reserves which equated to £16.06million (as outlined in page 34/35 of the report). Cabinet was advised that the Council had used £8.2million in prudential borrowing, with a further £2.5million of budgeted prudential borrowing to be allocated to schemes at the end of 2008/09 which was used to fund the capital bids for 2009/10. Members were informed of the capital receipts reserves, the commitments for which over the next three years included the funding of corporate accommodation, strategic housing, smallholdings improvement and the provision of a cattle market.

Responding to a question posed by the Independent Group Leader regarding the number of school positions that would become redundant during the year and would be funded through the Schools Redundancy Special Reserve, the Cabinet Member for ICT, Education and Achievement, Councillor PD Price stated that 15 new head teachers had been appointed during the year, however no information was available regarding redundancies. Councillor Price emphasised that there would be no school closure in the context of agreed Council policy. More detailed information would be provided to the Independent Group Leader in due course. The Deputy Leader informed Cabinet that it was important to acknowledge that some schools were working closely and constructively together to consider possible merger options, as a consequence some redundancies may arise, however no specific details were currently

available.

The Cabinet Member Highways and Transportation, Councillor DB Wilcox, responding to a question regarding the finishing costs of the Rotherwas Access Road stated that as with all major schemes the finishing element of completed projects were accounted for and were not unexpected.

Responding to a question regarding the setting of borrowing limits, the Acting Head of Financial Services stated that, as in line with CIPFA guidance (introduced in 2004), the Council itself considered what was prudent to borrow and determined its own borrowing limits, which were currently well within the limit set by the authority. Members were informed that all authorities determined their borrowing limits which took account of affordability (income/expenditure) and prudence. No change to the current CIPFA guidance was anticipated.

The Cabinet commended all Council staff and the Resources Team on the production of an overall exceptional set of figures and for prudent financial management in what had been a difficult financial year.

RESOLVED that Cabinet

(a) Approve the final outturn position for 2008/09.

(b) Approve the creation of new reserves in the 2008/09 accounts.

123. RE-COMMISSIONING OF DAY SERVICES FOR OLDER PEOPLE

The Cabinet Member Social Care Adults, Councillor LO Barnett introduced the report and thanked the Adult Social Care and Strategic Housing Scrutiny Committee, under the Chairmanship of Councillor PA Andrews for their work.

The Cabinet Member outlined the main issues of the report which included; lack of usage of some centres and their high unit cost, the quality and variety of activities on offer in many centres, the inefficient arrangements for transporting service users to centres, and the need to implement clear assessment processes for accessing day services. Members were informed that difficult choices would need to be made in this and future years.

The Director of Integrated Commissioning, Dr Ian Williams stated that as requested when the item was previously considered by Cabinet in January 2009, appropriate consultation take place regarding the possible closure of Norfolk House with a recommendation that the service users be invited to move to the service provided at Waverley House, located directly next-door. The outcome of the consultation was attached as Appendix 3 to the report. Dr Williams advised Cabinet that it was necessary to commission services to meet assessed needs of service users, and a model to deliver on the requirements for both the modernising of day opportunities and the development of complementary low-level preventative service was at an advanced stage. Cabinet was informed that maximum use would be made of the existing contractual arrangements with Shaw Healthcare under the 30-year contract.

The Chairman of Adult Social Care and Strategic Housing Scrutiny Committee, Councillor PA Andrews, highlighted the inadvisability of the authority committing to a to 30 year contract and suggested that the cost of transporting service users to day centres be explored to deliver better value for money e.g management of taxi contracts. The need for formal assessment processes was additionally stressed, with the example given of one service user of 18 years standing who had not been assessed during this time.

Members supported the view that the transport costs needed to be explored and an additional recommendation (c) was proposed. Examples were provided by Members of inefficient and

illogical transportation arrangements. The Director of Integrated Commissioning informed Cabinet that both transportation costs and scheduling arrangements would be considered.

Responding to a comment regarding the importance of the continuation of friendship links and the efforts being made to retain these links, the Director of Integrated Commissioning stated that many aspects of service provision were being assessed and acknowledged the importance of friendship links to those within them.

The Director of Integrated Commissioning, in response to a request to clarify current arrangements with Shaw Healthcare stated that the authority was five years into a 30 year long term contract with Shaw Healthcare for co-located specialist care and day opportunities. For the duration of the contract, maximum use would be made of Shaw establishments.

RESOLVED That Cabinet:

- (a) approve the closure of the in-house day service for older people at Norfolk House, redeployment of two part-time day centre staff and transfer of day service provision to Waverley House;**
- (b) note the closure of some under-utilised mobile day centres for older people and the re-provision of services to appropriate alternative centres, with consequential extensions and variations to a number of existing provider contracts;**
- (c) requests that the Director of Integrated Commissioning considers the concerns expressed by Cabinet about transportation issues relating to taxi and bus provision for clients of day services for older people.**

The meeting ended at 3.15 pm

CHAIRMAN