

MEETING:	COUNCIL
DATE:	28 MAY 2010
TITLE OF REPORT:	LEADER'S ANNUAL REPORT

CLASSIFICATION: Open

Purpose

To provide an overview of the Executive's activity in the last 12 months and priorities for the future.

Recommendation

THAT:

The report be noted.

Report

1. Twelve months ago I noted the challenges presented by the credit crunch and the deepest recession for generations. The national financial position is now even starker; efficiency cuts in central government spending of some £6bn have already been announced and the new Government will be presenting its emergency budget on 22nd June, when we will begin to know the full impact on local government and the health service.
2. It has long been a matter of concern that central government has not given Herefordshire its fair share of funding. The 2010/11 settlement figures show that Formula Grant, at £317 per head of population in Herefordshire, is 17% below the unitary authority average. Working closely with our County's elected representatives in parliament, we will continue to press our case for fairer funding for the County; the 2011 Census will be crucial in supporting the further development of that case.
3. Additional challenges during the year have included:
 - The co-ordinated response to the swine flu epidemic to protect local people, which necessitated a significant amount of local resources; and
 - The worst weather experienced in decades, where we battled to keep the primary routes open and the county open for business but which left the inevitable potholes. Our increasing by 10%, to some £18m, our investment in roads maintenance in our county, whilst necessary, adds to the financial challenges we must manage.
4. The Council and its partners have been recognised through independent assessment as improving the services we deliver, particularly for older and for younger people. The first comprehensive area assessment found Herefordshire is a good place to live, thanks to the council, NHS Herefordshire and the police services working very closely together to improve people's lives. It also found the council had significantly improved in its management of performance and acknowledged many positives in terms of what was being done or achieved in relation to housing, health, crime, the environment and the economy.
5. OFSTED records that children's services are performing well, and it is equally pleasing to note that the Care Quality Commission found that adult social care performance has improved from performing adequately to performing well.

6. I have continued to chair the Herefordshire Partnership, which this year has seen the establishment of six policy and delivery groups to progress the key activities needed to deliver the Local Area Agreement and our county's sustainable community strategy. This strategy will be refreshed in the coming year to ensure that partners from across the public, private and third sectors continue to focus their energies on meeting the needs of our communities.
7. Our close partnership with health is already delivering real improvements in the quality of services we deliver, and increasing the number of recipients of these services, within the same financial envelope. Improvements include:
 - The mental health intermediate care project has reduced the numbers of people going into residential care by 43% and has high levels of customer and carer satisfaction
 - A Joint Customer Insight Unit established to provide an integrated service for responding to customer feedback and ensuring that the feedback leads to improved services
 - £147k procurement savings in 2009/10 with a further £693K planned in 2010-11

Joint Corporate Plan

8. During the past year Cabinet has increasingly focussed on the priority themes of the joint corporate plan (JCP)
 - Economic development and enterprise,
 - Healthier communities and older people,
 - Children and young people,
 - Safer communities,
 - Stronger communities,
 - The environment
 - Organisational improvement and greater efficiency

Economic development and enterprise

9. The need, heightened by the current climate, is clear. Herefordshire has the lowest median wage earnings of all 14 West Midlands authorities and the gap is growing. In 2006 the county's earnings were 6% lower than the West Midlands average (14% lower than the England average); by 2009 the equivalent figures were 9% and 23% lower. Herefordshire has an older age profile than both the West Midlands region and England & Wales; a quarter (25%) of the county's population is of state retirement age or above (44,700 people), compared to a fifth both regionally & nationally (20% & 19% respectively), with people in Herefordshire living longer than the national average.

10. We have:

- As members of the West Midlands Leaders Board, launched a Statement of Intent, signed by all 33 local authority leaders setting out how we will work together, why local authorities should be taking the lead economically and also outlining four key areas of priority
 - Improve the economic position of the West Midlands so that business can grow and prosper again
 - Show local government's leadership role in forging solutions to our problems and holding partners to account for delivering those solutions
 - Improve the image and reputation of the West Midlands and lobby government with one voice so that we secure the resources we need
 - Maximise the effectiveness of local government and speak with authority on the challenges facing us
- Six broad sub-regional partnerships have been identified and Herefordshire is working with Shropshire & Telford and Wrekin. Similar sub-regional working arrangements are

being put in place in health.

- Working with the Leader of Shropshire Council I am exploring opportunities for further development of the Memorandum of Agreement in place with the Welsh Assembly government.
- Locally:
 - We have relocated the open retail market to provide a further attraction for shoppers to come to High Town
 - We have started work on the new livestock market to ensure we safeguard our farming heritage that has shaped our beautiful county
 - We have created an economic development reserve (£346k) to support the local economy in difficult times; the Audit Commission has commended our response to the recession.
 - We have signed the ESG retail quarter development agreement with Stanhope, and in active negotiation with household name department stores and multiplex cinema groups, which will boost Hereford as a shopping and leisure destination
 - We are progressing the new flood alleviation scheme which will bring peace of mind to several city businesses and residential streets and planning permission has been granted for a new link road to open up an underused part of the city
 - We continue with our partners to establish a higher education centre based at the Blackfriars site to ensure more of our bright young people stay in Herefordshire
 - We increased our commitment to a single city centre, combining the best of the historic and twenty first century retailing. This is emphasised by a range of activities with partners including: the appointment of renowned streetscape designer Ben Hamilton Baillie and beginning the £1.3m Widemarsh Street high quality refurbishment scheme to create a flagship street attractive for local businesses, residents and visitors; the proposals to restore the Buttermarket in line with residents' preference for a Victorian style interior; and the redevelopment of the Cathedral Close;
 - We have secured a range of external funding to support local business and enterprise including European LEADER funding, Future Jobs funding to help young unemployed people into employment
 - We have agreed how we will address the challenges of delivering broadband throughout the county, recognising that a strategic and long-term vision for broadband is needed, with smarter and more collaborative procurement across all public sector bodies. Broadband access is essential to support a sustainable and vibrant rural economy in the future. Only 1.5% of homes in villages and hamlets can access cable-based broadband services, compared with almost 60% of urban homes yet rural internet users are more likely to rely on the internet for transactions.
 - We have progressed the development of the Model Farm site in Ross on Wye to attract more knowledge-based industries to the county

Healthier Communities and older people

11. The number of people aged over 65 in Herefordshire is forecast to continue to increase, but more rapidly than in recent years, and is expected to be 61% higher in 2026 than in 2008. In particular, the number of people aged 85 and over, who have by far the greatest needs for health and social care, is expected to almost double, from 5,200 in 2008 to 10,200 in 2026. Between 2004 and 2020 there is expected to be at least a 55% increase, from 4,200 to 6,500, in the number of people over 65 likely to have a high demand for social care. The number with some dependency is expected to grow by much the same extent, from 10,500 to 16,200 people. Whilst people in Herefordshire generally live longer than the national and regional average:

- Cancer and circulatory disease are the main cause of early deaths
- Lifestyles in both the young and old contribute to long term health problems

- Obesity, diabetes, heart failure, kidney disease, Chronic obstructive pulmonary disease, and alcohol abuse are common
- Smoking is the single biggest risk to longevity
- Young people more likely to smoke, take drugs and drink alcohol when compared nationally
- Mental ill health in younger groups is relatively high

12. We have:

- Contributed to a Communities and Local Government (CLG) review of how local strategic partnerships are preparing for an ageing population and used the opportunity to lobby for more resources.
- With our partners, NHS Herefordshire and Hereford Hospitals NHS Trust, embarked on radical transformation of patterns of care to meet future needs of local people
- Enabled a 16% increase in numbers helped to live at home by means of equipment; and a five-fold increase in number aided by Telecare
- Joined up services to support older people with mental problems 24 hours a day in their own homes and improved support for family carers
- Implemented a joint smoking cessation action plan including the public 'Stub Buddies' campaign launched earlier this year.
- Encouraged local people to make lifestyle changes in relation to their activity levels through the joint Change4Life campaign
- Enabled local people to choose and book appointments with specialists – at a hospital or clinic to suite them – using libraries or customer service centres
- Funded with NHS Herefordshire, village wardens in remote rural parishes who give practical support to older people, helping them to feel safe, healthy and in touch

Children and Young people

13. The number of under-16s in Herefordshire is forecast to continue to fall until 2016, although at a slightly slower rate than in recent years. Numbers are then expected to stabilise at around 29,000 (7% below 2008 levels). Herefordshire does not receive an equitable share of government funding, ranking 147th out of 149 authorities in the level of Dedicated Schools Grant received per pupil (that being some £68 per pupil less than the average of comparable education authorities). With the demise of the Learning and Skills Council, we have taken on responsibility for 14-19 education in the county but concerns remain regarding the national context within which this must be managed. In addition to the overall safeguarding responsibilities that rest with the Council, we undertake a specific role as 'corporate parents' for some of our most vulnerable young people.

14. We have:

- Endorsed the cluster working and school leadership proposals of the Schools Task Group
- Seen a 149% rise in the number of children with child protection plans in the two years to November 2009
- Agreed the statutory process necessary to secure the amalgamation of Leominster Infant & Junior schools.
- Worked with other local authorities to secure fairer funding from government, sent a Cabinet delegation to the then Minister of State for Schools and Learners, and through the F40 group of local authorities, continue to lobby for more money for our children's education
- Agreed the new management and delivery arrangements for Connexions
- Seen the Herefordshire College of Technology campus enhancement completed in Folly Lane, Hereford
- Supported free swimming for the under 16s (as well as the over 60s) available at Halo

swimming pools across the county (around 7,000 people have registered for the scheme)

- Improved the quality of broadband services for county schools

Safer Communities

15. Due to close working between the Council, the Police and other partners, Herefordshire has particularly low levels of crime and anti social behaviour, and we are also improving road safety and reducing trips and falls in the home.

16. We have:

- Formed a well-received new community protection unit in response to requests from residents to take action on low level anti social behaviour
- Agreed action plans to reduce the growing number of people going into hospital as a result of alcohol harm
- Reduced the number of people killed or seriously injured in road accidents
- Targeted action against graffiti by removing it across Herefordshire
- Established a joint emergency planning service with NHS Herefordshire so that we work more effectively in responding to the challenges of major incidents or health threats, such as pandemic flu

Stronger Communities

17. Herefordshire people have a strong sense of identity and are rightly proud of their county. We have through the year taken a number of actions to build on that sense of place and take forward in particular our role as community leaders. We are tackling the provision of decent and affordable homes, which is a key priority and for which there is high demand.

18. We have:

- Achieved success with the Reaching the Hearts of Herefordshire pilot in 4 areas, Kington, Mortimer, Bromyard and the Golden Valley, and already seen positive changes in the community such as the setting up in Bromyard of a Youth Forum, and a new community newsletter "The Kington Chronicle". Elsewhere partner organisations have begun to share office space and discussions about handing over assets to the community are in progress. Dorstone Front Room has been helping the Council resources directorate by test running various forms and giving practical feedback
- Promoted a wide range of community events and activities including the 'Out in the Sticks' festival, the 'No prejudice in HEREfordshire' campaign; International Women's day and the Holocaust Memorial Day, and the 'Baywatch' campaign to ensure disabled parking facilities are not used inappropriately.
- Revised the sustainable community strategy for Herefordshire and will completely refresh it in the next 12 months,
- Considered 42 recommendations from the public for local actions under the 2007 Sustainable Communities Act and forwarded 14 to the Local Government Association to lobby for legislative change to allow these to happen,
- Approved a new smallholdings and estates strategy, which put £500k capital in for each of the next three years to improve the quality of these assets.
- Cut the use of temporary and bed and breakfast accommodation for people who are made homeless and focused instead in getting them a permanent home

- Helped scores of families stay in their homes through the Council's mortgage rescue scheme and committed £1million to helping homeowners avoid repossession, which inspired the government's own £200-million scheme last year.
- Met the annual Local Area Agreement target to provide additional affordable homes
- Tackled fuel poverty through our energy efficiency grants and programmes to help older people keep warm in their homes.
- Developed a common approach to improving access to public services in localities and ensure that resources are used as effectively as possible.

The Environment

19. We believe that the protection of our distinctive environment is a priority for all who live and work in Herefordshire.

20. We have:

- Completed the hugely successful latest phase of the Shaping Our Place/Local Development Framework consultation of local people. Their views are vital so that we have the right frameworks to provide the growth needed in the county to ensure there are better-paid jobs, better homes, a better transport system and a sustainable and viable economy for future generations, while protecting our renowned quality of life.
- Supported, in principle, the proposals made by the council's waste disposal contractor for the development of an Energy from Waste plant in Worcestershire
- Concluded the first review of the joint municipal waste management strategy with Worcestershire
- Successfully launched the new waste collection contract run by FOSCA. Almost 60,000 wheeled bins are now in use enabling residents, on average, to recycle over 300 tonnes each week, compared to 93 tonnes under the previous arrangements, whilst retaining the popular weekly 'black bag' household waste collection.
- Made energy monitors available for residents through our county's libraries
- Supported the construction of the £11million Ross Flood alleviation scheme and saw the opening of the £5.5million Hereford flood defences

Organisational improvement and greater efficiency

21. Quite rightly given the pressures that are already obvious, we have focussed a great deal of attention on this.

22. We have:

- Agreed a joint property strategy with our partners in health, including an office accommodation strategy which will result in improved service delivery, long term revenue savings, a reduced carbon footprint and act as a catalyst for regeneration
- Enhanced our award-winning customer services which now provide help and information on a wide range of health, council and other public services
- Become the first in the UK to provide information technology, systems and support across local authority, primary care trust, hospital trust, schools, mental health services, GP practices and voluntary sector organisations.
- Made significant progress on our shared services project with Hereford Hospital NHS Trust and NHS Herefordshire. When fully implemented this should save between £3m and £5m a year, delivering value for money and strengthening the financial viability of public sector provision in Herefordshire
- Secured an excellent deal in the purchase of the Plough Lane offices and adjacent land to provide a future headquarters for Herefordshire Council and NHS

Herefordshire, which will cut administrative costs and the upkeep of older, expensive to maintain buildings

- Agreed a sustainable procurement strategy emphasising local sourcing of goods and services wherever possible. Events have been held for local suppliers and all opportunities over £5000 are now published on the web.
- Achieved efficiency savings of £770K in 2009/10 through the Herefordshire Connects programme, with further savings in excess of £2m projected over the coming two years
- Shared our experiences, in establishing our innovative partnership with the local NHS, with national and regional government, and other local authorities and NHS trusts across the UK – achieving recognition for improving services through partnership

The year ahead

12. The challenge, in the hard times ahead, is to achieve more, for more people, with fewer resources than we have now; maintaining a dialogue with our public sector partners, the third sector, businesses and, most importantly, local communities, we must focus our activity on:

- Ensuring that quality improvement and cost reduction benefits are delivered
- Continuing to deliver improved performance for less cost
- Rationalising supporting infrastructure like accommodation and ICT
- Sharing corporate functions and using efficiencies to safeguard essential services
- Enhancing our unique partnership between health and local government
- Empowering local councils
- Seeking to remove the traditional boundaries between public services and the citizen
- Building on Herefordshire's strong sense of place through total place and locality working
- Exploring any potential for more productive cross border working
- The finalisation of an inward investment strategy to attract businesses to Herefordshire

13. I would like to take the opportunity to thank all elected members of the Council, including Overview & Scrutiny members for the contribution they have made towards informing policy development. I am also grateful for the continued dedication and hard work of all members of staff across the Council and NHS Herefordshire in meeting the challenges we face. I would also like to place on record my appreciation of the time, attention, and commitment the Deputy Leader and all my Cabinet colleagues give to the strategic matters that affect everyone's quality of life in Herefordshire.