

<b>MEETING:</b>	<b>COUNCIL</b>
<b>DATE:</b>	<b>16 JULY 2010</b>
<b>TITLE OF REPORT:</b>	<b>LEADER'S REPORT</b>

**CLASSIFICATION:** Open

### **Wards affected**

County wide

### **Purpose**

To provide an overview of the Executive's activity since the last meeting of Council.

### **Recommendation**

**THAT: the report be noted.**

### **Report**

1. Cabinet has considered the following issues:
  - a) *Public Health Annual report* – Cabinet received the annual report of the Director of Public Health noting the key population health issues in Herefordshire and the recommended strategies and actions to address these issues.
  - b) *Budget and Performance Monitoring Reports* – Cabinet considered reports on the end of year performance and revenue and capital outturn for 2009/10. Cabinet noted a slowing in the rate of improvement and the need for greater focus on the selection of appropriate targets to support improvement in local priorities. Cabinet approved allocations from the capital programme of £1.5m for maintenance and refurbishment of Hereford Leisure Pool and £.25m to support the disabled facilities grant scheme.

### **Meeting the Financial Challenge**

2. With the announcements made by Government over recent weeks, there has been some greater clarity about the impact of in-year budget reductions as well as the likely scale of the challenge to be met in future years. On 10<sup>th</sup> June, the Communities & Local Government Minister announced that nationally some £1.165bn of in-year savings were to be found from local government expenditure, to be achieved through reduction of grants to local authorities.
3. The revenue grant reduction for Herefordshire amounts to some £1.158m (0.7% of grant) all of which is within Herefordshire's area based grant allocation, with a further £640k reduction in capital grants. In addition, an estimated £836k of grant will not be received in Herefordshire; however as these grants had not been confirmed prior to the council's budget setting their loss impacts on the ability to add to existing budgets rather than requiring a reduction to existing commitments. The table below outlines the position for Herefordshire; however the council will look to be as flexible as possible in determining where these cuts must be made to ensure that the impact of these cuts on the most vulnerable will be kept to a minimum.

<b>GRANT REDUCTION AREA</b>	<b>£000</b>
<i>Revenue Grant (ABG)</i>	
Department for Education	934
Supporting People Administration	102
Cohesion	18
Road Safety	87
Home Office	17
<b>TOTAL</b>	<b>1,158</b>
<i>Capital Grants</i>	
Integrated Transport Block	540
PRN Network Funding	30
Road Safety Capital Grant	70
<b>TOTAL</b>	<b>640</b>

4. Further announcements have shown that Herefordshire will no longer receive the government support for its free swimming programme for local people under 16 or over 60 years of age.
5. The government has confirmed its commitment to a council tax freeze, and whilst we await the outcome in the autumn of the government's comprehensive spending review which will give a clearer indication of the scale of savings to be met by local government from 2011/12 onwards, we have continued to prepare for future budget reductions. The council has continued to deliver a balanced budget demonstrating a positive track record for financial management which will place us in a good position for the future. In addition, the uniquely close partnership with NHS Herefordshire means the county is better placed than most to make the efficiencies needed to ensure the resources we have available are directed to best effect. Already the partnership has merged some directorates and is reducing the number of senior managers as well as seeking further savings through sharing corporate support services between the council, NHS Herefordshire and Herefordshire Hospitals Trust.
6. During the summer/early autumn the council and NHS Herefordshire will be asking our employees and residents for their views and suggestions on how, together, we can best meet the needs of local people in light of the new financial pressures on public services; and we will of course continue, both in our own right and with partners, to press for a fairer share of government resources for Herefordshire.

#### **Statement of Accounts 2009/2010**

7. It is pleasing to note that the Audit & Governance Committee, at its meeting on 29<sup>th</sup> June, approved the annual Statement of Accounts for 2009/2010, which provides clear information to the public about the council's finances. As a complex public body with an annual budget of around £350 million and providing a vast array of services, many in partnership with others,

any information that helps people understand how we work is welcomed.

### **National Policy Developments**

8. Following publication of the Coalition Agreement, on 20<sup>th</sup> May the government published its five year programme setting out key actions in thirty-one policy areas. The full document can be found at: [http://www.cabinetoffice.gov.uk/media/409088/pfg\\_coalition.pdf](http://www.cabinetoffice.gov.uk/media/409088/pfg_coalition.pdf)
9. The Queen's Speech on 25<sup>th</sup> May set out 22 Bills that will be introduced in the parliamentary session running to November 2011; key Bills affecting local government include:
  - a) *Decentralisation & Localism Bill* – to include giving Councils a power of general competence; greater financial autonomy to local government & community groups; abolition of regional spatial strategies, the Infrastructure Planning Commission and the Standards Board regime; returning to local councils decision making powers on housing & planning; creation of Local Enterprise Partnerships to replace the current regional development agencies; local communities to have the right to bid to take over local state-run services and new powers to help save local facilities and services threatened with closure; publication of salaries and expenses of senior officials; local referendums on local issues and the power to veto excessive council tax increases; abolition of home improvement packs; creation of new trusts to enable communities to provide homes for local people; a review of the housing revenue account
  - b) *Academies Bill* – including providing schools with freedoms to deliver excellent education in the way they see fit within a broad framework where they are accountable for the outcomes they deliver; enable all maintained schools to apply to become an Academy; allow primary and special schools to apply to become an Academy in their own right; allow schools which apply to become Academies to keep any surplus balance they hold; automatic charitable status for Academies; simplified process for applying to become an Academy with no requirement to consult the local authority.
  - c) *Education & Children's Bill* - including providing schools with freedoms to deliver excellent education in the way they see fit; reform of OFSTED and other accountability frameworks; introduction of a slimmer curriculum; introduction of a reading test for 6 year olds; give teachers and head teachers powers to improve behaviour and tackle bullying; ensure money follows pupils with the introduction of a pupil premium so that more money follows the poorest pupils
10. A number of other Bills will also impact on local government including: Police Reform & Social Responsibility Bill; Public Bodies Bill, Health Bill, Freedom (Great Repeal) Bill.
11. We will take account of these legislative changes in planning for the county's future, whilst maintaining a clear focus on ensuring that we make the best uses of the resources we have locally to deliver better outcomes for the people of Herefordshire.

### **Supporting the local economy**

12. With the government's announcement that regional development agencies will cease to exist by 2012, we are working with our sub-regional partners and business sector to explore the potential opportunities offered by a local enterprise partnership to ensure that local businesses can continue to grow and develop; I have had positive meetings with the Leaders of Shropshire & Telford & Wrekin councils as well as local business representatives to progress this.
13. In Herefordshire we are maintaining our focus on regeneration; work has begun on the new

livestock market which will replace the current poorly located and inadequate site with a new state of the art market facility, safeguarding our agricultural economy for the future. As well as delivering improvements to the road, cycle and pedestrian network system around the site, the move will also unlock a significant area of land in the city centre.

14. Other activity includes:

- The creation of *Hereford Futures*, a new development company which will be responsible for securing private sector investment to bring to life the priorities voiced by residents in the recent *Shaping our Place* consultation, where local people said they wanted: new and better paid jobs, new enterprise, affordable homes and vibrant new communities, better transport links and improved higher education facilities. Following on from the holistic focus provided by *Hereford Futures*, this month also sees the launch of the new *Shop Hereford* card to help local residents save money whilst supporting local retailers.
- Work continues to time on the £1.3million refurbishment scheme for Widemarsh Street (including Maylord Street) in the city. The council has rapidly responded to the concerns of local people who reported that the new paving in the area was contributing to trips and falls. A temporary solution is in place and being monitored whilst the designers identify a more permanent solution to the problem.

### **World Blind Football Championships**

15. Hosted by the Royal National College for the blind, the county is extremely proud to be the home for the 1010 World Blind Football Championships, the first time this event has come to England. Running from 14th - 22nd August Blind 2010 will showcase the very best blind footballers from across the globe as they compete for the most prestigious prize in the sport - to be crowned world champions and win the right to compete in the London 2012 Paralympic Games. In addition to the football matches themselves, there will be a programme of arts events and community celebrations to mark the championships, which will be an excellent opportunity not only to welcome and celebrate different cultures and people whatever their ability or disability, but to promote Herefordshire to the wider world, and I encourage you all to attend – and support your favourite team!