

REPORT OF THE MEETINGS OF CABINET

HELD ON 29TH JANUARY, AND 12TH AND 19TH FEBRUARY, 2004

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

This is the fourth report submitted to Council for the current year and covers proceedings of the meetings listed above. This meeting of Council is set primarily to approve the Council's revenue budget strategy for 2004/05 and any decisions on its medium-term strategy, together with the Council Tax for 2004/05.

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

- 1.1 **Medium Term Financial Plan 2004/05 - 2007/08** - Cabinet has been advised that the development of a Medium Term Financial Plan will assist in ensuring that financial resources are aligned to the Council's key policies and strategic priorities.

Cabinet recommends to Council that:

- (a) **a Medium Term Financial Plan (Appendix 1) be adopted for the four-year period commencing 2004/05;**
 - (b) **£7 million be identified as the level of investment needed to support the Medium Term Financial Plan over the four-year period as part of the Revenue Budget Strategy 2004/5; and**
 - (c) **a planned programme for redirecting expenditure from within existing budgets be adopted.**
- 1.2 **Revenue Budget 2004/05** – Cabinet has received reports about the Revenue Budget for 2004/05. It has considered the importance of adopting a Medium Term Financial Plan for the period 2004/05 to 2007/08; the impact of capital financing costs arising out of the introduction of Prudential Guidelines; status and risk issues; reserves and balances; aligning the Medium Term Financial Plan with the 2004/05 Budget and Council Tax Capping.

Cabinet has also considered the views set out in the report of the Strategic Monitoring Committee, namely:

- (a) its concern over the levels of investment in Social Care (Adults), notwithstanding the proposed investment of £1 million, and invited Cabinet to reassess the risks of that approach
- (b) the impact of levying Council Tax at the proposed Band D level and the hardship that could be created for some sections of the community;
- (c) support for the concept of fulfilling the commitment to replenish reserves by accumulating the additional revenues raised from second homes whilst noting some concern expressed that the sums mentioned might be optimistic.

The full report of the Strategic Monitoring Committee is set out at Agenda Item 13.

The Leader indicated that he shared some of the concerns expressed by the Strategic Monitoring Committee but stated that the Council had to balance affordability with the constraints of the Council Tax system. He also announced a public awareness campaign aimed at those who might be entitled to claim benefits. He spoke of the large demands being made particularly in relation to Social Care, Education, waste disposal and the service improvement programme.

Alternative means of raising future revenue were discussed, and while no conclusions were reached, it was acknowledged that it was important for the Council to try to influence any changes to the current system so that Herefordshire would not be disadvantaged.

Cabinet has received initial feedback from the consultation exercise with the public and has noted that the results would be updated for Council on 5th March, 2004, and available prior to a final decision being taken.

The County Treasurer advised that the precepts for the Combined Fire Authority and the West Mercia Police Authority were £60.21 and £137.69 respectively.

A copy of the Revenue Budget report to Cabinet on 19th February, including supporting documents, is attached at Appendix 2.

Cabinet recommends to Council that the initial revenue budget proposals for 2004/5 be based on expenditure of £176.433m with a corresponding council tax at Band D of £972.45.

The County Treasurer has prepared Council Tax resolutions for 2004/05, based on this recommendation, under Agenda Item 10.

- 1.3 **2004/05 Supported Capital Borrowing and Other Areas Capital Programme-** Cabinet has given preliminary consideration to the extent and allocation of supported and unsupported borrowing for capital expenditure for 2004/05. Cabinet has noted the list of preferred bids, but has deferred making a final decision on individual schemes until a future meeting, so that they can be confident that the approved bids wholly reflect current priorities.

Cabinet recommends to Council that:

- (a) the basis of distributing supported borrowing for Transport, Education and Housing as outlined in Appendix 3 be endorsed;**
- (b) a capitalisation de-minimus limit of £10,000 be approved;**
- (c) an amount of £5 million be approved by means of unsupported Prudential Borrowing to meet the preferred list of capital projects;**
- (d) the Prudential Indicators detailed in Appendix 4, which include the projected Capital Programme, be endorsed**
- (f) the borrowing limits outlined in Appendix 4 be approved; and**

(e) the Treasury Management Strategy at Appendix 5 be endorsed.

1.4 **Herefordshire Unitary Development Plan: Revised Deposit Draft** - Before considering the Revised Deposit Draft version of the Herefordshire Unitary Development Plan (UDP) the Leader apologised to local Members for the fact that they had not been kept up to date with some of the most recent changes. The Cabinet Member (Environment) set out the aims of the UDP which reflect the vision of the Herefordshire Plan. He acknowledged that seeking to identify a new site for the relocation of the Cattle Market was premature and a paper detailing further proposed amendments to the sections of the UDP relating to the relocation of the Hereford Livestock Market and the improvements to the Roman Road, Hereford were circulated at the meeting.

A considerable number of changes were proposed to the original Plan in the light of representations made. The most significant related to:

- Revisions to the treatment of sustainable development (chapters 2 and 3)
- Revised policies on public art and flood risk (chapter 4)
- Substitution of a proposed allocation of 300 dwellings at Bullinghope for the original housing proposal at Holmer, which is to be deleted. The new Bullinghope allocation is intended to assist with delivery of the Rotherwas Access Road (chapter 5).
- At Bromyard, removing existing and proposed employment allocations at Porthouse Farm, with the town's employment land needs now to be met through the expansion of Linton Trading Estate. Porthouse Farm is to be a housing proposal, with the original residential allocation at Lower Hardwick Lane being deleted (chapters 5 and 6)
- New provision for single rural exception dwellings in amendments to policy H10 (chapter 5)
- Deletion of the employment allocation at Holmer, Hereford (chapter 6)
- Substitution of land at Model Farm, Hildersley, Ross-on-Wye for the employment proposal at Overross (chapter 6).
- Identification of new employment land at Kington, to replace a longstanding unimplemented allocation at Hatton Gardens (chapter 6).
- Identification of a site for a relocated Hereford Livestock Market at Roman Road (chapter 7)
- Amendments to retail planning policies for Hereford city centre pursuant to the Edgar Street Grid Masterplan, including changes to the city centre boundary and safeguarding of the routes of the Edgar Street/Commercial Road link and Canal Road extension (chapters 7 and 8)
- Inclusion of elements of the Hereford Transport Review (chapter 8)
- Inclusion of the agreed Waste Best Practicable Environmental Option (BPEO) in chapter 12.

Cabinet noted concerns on the proposals to include housing at Bullinghope to assist with the provision of the Rotherwas Access Road, deletion of housing at Munstone and the proposals for Kington. The Chairman of the Strategic Monitoring Committee welcomed the reversion to a criteria based approach for the relocation of the Hereford livestock market.

Cabinet welcomed the strengthening of proposals for affordable housing and for protection of open spaces within the County. They thanked all the officers involved in the production of the UDP.

Cabinet recommends to Council that, subject to the following amendments, the revised draft version of the UDP be approved for the purposes of public deposit:

Page 78, paragraph 3, delete "in length" and insert "frontage";

Pages 144-145 delete paragraphs 7.7.17 - 7.7.20 and the follow-on paragraph headed "TCR19 - Hereford Livestock market - relocation", and substitute the replacement paragraphs attached at Appendix 6, and

Page 169, insert new paragraph 8.8.14 attached at Appendix 7.

2. NOTICES OF MOTION

2.1 No motions to Council were considered by Cabinet during the report period.

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

3.1 There were no such key decisions during the reporting period.

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

4.1 Report on Decisions Taken

(i) There were no decisions taken relating to this programme area during the reporting period.

4.2 Report on Items of Interest

(i) **Budget Monitoring 2003/04** – Cabinet has noted the position with regard to revenue budget monitoring for programme areas in 2003/04. The projected overspend for the year is £421,000, which is well within the Council limit of 1%. The improved position reflects the continuing reductions in the expected overspending for Social Care together with the projected underspend of £564,000 for modernisation. The estimated value of reserves at 31st March, 2004 is £2,050,000. This takes account of a likely underspend on capital financing costs during the year and the final Herefordshire Commercial Services position, offset by potential call on reserves in relation to land charges and other areas. The figure also takes account of authorised approvals during the course of the financial year.

- (ii) **Capital Programme Monitoring 2003/04** - Cabinet has noted the position as at 30th November, 2003 with regard to the Capital Programme 2003/04. The revised forecast for 2003/04 remains at £34,732,000 (excluding LSVT costs) the actual spend in the first eight months at £19,225,000 was 50% of the forecast. This excludes commitments and the current capital monitoring forecast is that subject to the acceleration of spending and bringing forward spend on new schemes, no conditional resources will be lost.
- (iii) **Race Equality Scheme - Progress Report** – Cabinet has received an update on the progress made in the last six months on implementing the Council's race equality scheme.
- (iv) **Strategic Monitoring Committee** - Cabinet has received and noted the report of the Strategic Monitoring Committee which is the subject of separate report to Council.

5. AUDIT AND PERFORMANCE MANAGEMENT (Cabinet Member - Councillor D.B. Wilcox)

5.1 Report on Decisions Taken

- (i) There were no decisions taken relating to this programme area during the reporting period.

5.2 Report on Items of Interest

- (i) **Corporate Health Performance** - Cabinet has received an update on the Council's corporate performance in relation to its National and Local Best Value Performance Indicators from 1st April to 30th November, 2003. Five targets have been exceeded in the monitoring period. It was noted that the level for the percentage of top 5% of earners that are from black and minority ethnic communities was 2.3% rather than 3.2% stated, which is still above the 2% target. The indicators for staff mileage and use of public transport by staff covered a two month period (October and November) rather than the eight month period stated, but even so resulted in net savings of approximately £18,000. Many of the 12 areas identified for improvement showed signs of continuing improvement over the previous monitoring periods. It was noted that the number and types of interactions that are enabled for electronic delivery as a percentage of the types of interactions that are legally permissible for electronic delivery has risen from 42% to 44% but that a greater number of services are now falling into this category. The percentage of formal complaints resolved at Complaints Officer level has risen from 21% to 61% due in part to discrepancies in how they were previously recorded. There were no indications that there was a greater level of increase in complaints in any one service. Cabinet has also noted proposals to improve reporting arrangements from 1st April, 2004.

6. COMMUNITY AND SOCIAL DEVELOPMENT (Cabinet Member - Councillor R.V. Stockton)

6.1 Report on Decisions Taken

- (i) There were no decisions taken relating to this programme area during the reporting period.

**7. ECONOMIC DEVELOPMENT, MARKETS AND PROPERTY
(Cabinet Member and Deputy Leader - Councillor G.V. Hyde)**

7.1 Report on Decisions Taken

- (i) There were no decisions taken relating to this programme area during the reporting period.

**8. EDUCATION
(Cabinet Member: Councillor D.W. Rule, MBE)**

8.1 Report on Decisions Taken

- (i) There were no decisions taken relating to this programme area during the reporting period.

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

9.1 Report on Decisions Taken

- (i) There were no decisions taken relating to this programme area during the reporting period.

**10. HIGHWAYS AND TRANSPORTATION
(Cabinet Member - Councillor R.M. Wilson)**

10.1 Report on Decisions Taken

- (i) There were no decisions taken relating to this programme area during the reporting period.

**11. HUMAN RESOURCES AND CORPORATE SUPPORT SERVICES
(Cabinet Member - Councillor Mrs. J.P. French)**

11.1 Report on Decisions Taken

- (i) **Single Status/Job Evaluation** - Cabinet has received a confidential report on arrangements for the introduction of single status employment. It has authorised the Chief Executive, in consultation with the Head of Human Resources and the County Secretary and Solicitor, to conclude a Collective Agreement to introduce new terms and conditions of employment including a fair pay and grading scheme, and is satisfied that there is sufficient flexibility within the budget to complete negotiations.

**12. RURAL REGENERATION AND SMALLHOLDINGS
(Cabinet Member - Councillor J.C. Mayson)**

12.1 Report on Decisions Taken

- (i) There were no decisions taken relating to this programme area during the reporting period.

**13. SOCIAL CARE AND STRATEGIC HOUSING
(Cabinet Member Councillor Mrs. L.O. Barnett)**

13.1 Report on Decisions Taken

- (i) **Older People Service Business Case for Improvement and Development**
- Cabinet has considered a business case in order to guide future policy and investment for older people's services. The focus of the business case is to support best value for older people's services into the future. This approach was supported by Cabinet which expressed its appreciation for the work undertaken by the Officers involved in its preparation.

Cabinet has supported the direction for improvement and development of the older people service outlined in the business case and approved the investment needed in the context of the medium term financial plan.

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