

REPORT OF THE MEETINGS OF CABINET

**HELD ON 3RD AND 17TH JUNE AND
1ST and 15TH JULY, 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 first report submitted to Council for the current Council year and covers proceedings of the meetings held on 3rd and 17th June and 1st and 15th July, 2004. The meeting of 15th July was adjourned until 22nd July, 2004 so it will be necessary to circulate a supplementary report to Council after that meeting. On 22nd July, Cabinet will also receive a presentation from the Commission for Social Care Inspection following its inspection of Social Care Services for Older People in Herefordshire.

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

- 1.1 **Corporate Plan 2004/07 (including Best Value Indicator Reporting for 2003/04)** – The Corporate Plan forms part of the Council's Policy Framework under the Constitution and its formal approval is a decision to be made by full Council. The ODPM has streamlined the requirements on Best Value Performance Plans and, as a "good" authority the Council is able to combine an updated Corporate Plan for 2004/07 with its report on performance indicators for 2003/04 and targets for future years. In line with the Council's improvement and corporate agenda, thorough review of the corporate planning process and performance reporting of best value indicators will take place in the autumn. Cabinet has noted a number of revisions to the papers circulated with the agenda. It has also requested that officers continue to work on the presentation of the information in order to make it easier to understand, and that a summary of performance/targets not met, achieved or improved be included.

Cabinet recommends to Council that the Corporate Plan 2004/07, incorporating the up-to-date Best Value Performance Indicators for 2003/04 as set out at Appendix 1, be approved.

- 1.2 **Council Tax Designation and Capping Local Government Finance Act 1992 Council Tax Limitation (England)(Maximum Amounts) Order 2004** - Cabinet has considered a report in relation to the Budget and Council Tax for 2004/05, following designation of the Council for capping in-year by the First Secretary of State. Subject to the approval of the House of Commons, an order will be made under the Local Government Finance Act stating that the amount calculated by the Council for the year as its budget requirement may not exceed £175,320,000. Cabinet was also advised that the Combined Fire Authority (CFA) has been designated for capping in 2004/05 and will have to make a substitute precept. This will require the Council to make consequential changes to the Council Tax.

Cabinet has condemned the government for imposing an in-year penalty for such a relatively small amount. Reductions on a Band D property would equate to £3.80 a year or 7p a week. The estimated re-billing costs are in the order of £1.25 a year or 2.5p a week.

The County Treasurer has confirmed that the Council, by re-setting its budget as outlined in Appendix 2, can cover both the costs of the reduction required by the capping notice and the rebilling costs. He has also advised that he is satisfied with the robustness of the substitute budget calculations and the adequacies of the financial reserves.

Cabinet recommends to Council that::

- (a) the Council sets its budget at the capping figure of £175,320,000;**
- (b) in doing so, the Council makes budget savings of £300,000 to cover both the reduction required by the Capping Notice and the re-billing costs;**
- (c) the Council agrees to make substitute calculations to achieve the consequential council tax at Band D for Herefordshire Council services of £955.73; and**
- (d) revised council tax demand notices incorporating both the substitute council tax and the consequential amendment necessitated as a result of the anticipated revised precept from the Combined Fire Authority be issued.**

Note: The County Treasurer has prepared revised Council Tax Resolutions, based on this recommendation, under Agenda Item 10.

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 There have been no such decisions during the reporting period.

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

4.1 Report on Decisions Taken

- (i) **Herefordshire Council Improvement Plan - Monitoring Report** - During 2002 the Council was subject to Comprehensive Performance Assessment (CPA). One of the requirements arising from that assessment was for an Improvement Plan. The Council's Improvement Plan is drawn from the recommendations outlined in the CPA report and those outstanding from the previous improvement plan arising from the Improvement and Development Agency's peer review in 2001. The Improvement Plan was agreed with the Audit Commission and forms the basis of the Council's current audit and inspection programme. Cabinet has noted that the majority of actions have either been completed or are on track for completion by the target date. Cabinet has agreed that the Improvement Plan should be realigned with the Council's revised Corporate Plan, the foundations of which are due to be established during August 2004.
- (ii) **Local Area Forums** - Cabinet has received feedback on the latest round of the Local Area Forums. It has agreed that:
- the use of more local papers including Herefordshire Matters should be explored;
 - accessibility of the website should be improved;
 - Cabinet Members continue to attend designated forums;
 - the LAF co-ordinator, working with the senior officer present, should advise as to who takes responsibility when questions require follow up; and
 - a programme of meetings be agreed taking account of existing Parish Council meeting dates if possible.
- (iii) **Revenue Support Grant (RSG)** - Cabinet has noted that a body of finance experts has recently discussed the issue of fast growing authorities and how they are affected under the RSG formula system. It has been estimated that Herefordshire has been disadvantaged by circa £1.8 million by the use of out of date data. A separate but related issue is the Amending Reports to the Local Government Finance Settlement recently released by the Office of the Deputy Prime Minister (ODPM). Again this may have a significant impact not only on the level of grant receivable in 2005/06 but also, in this capping environment, an impact on the level of council tax the Council can raise.
- Cabinet has agreed that local MPs, the Local Government Association, the County Councils' Network and Unitary Authority groups be urged to support the Council in formally lobbying the Government to use up to date population data in the formula grant settlement. It has also asked the County Treasurer to prepare a response to the Amending Reports objecting to the continued use of outdated census information and agreed that expert advice should be sought in analysing the Council's position relative to the National RSG framework.

- (iv) **Budget Timetable 2005/06** - Cabinet has noted that, with a general election possible in 2005, the Government will wish to control council tax rises which it deems excessive. The Prime Minister has already stated that he expects council tax rises to be no greater than inflation. For this to happen the central revenue support provided for in the 2002 Comprehensive Spending Review (CSR) will need to be increased considerably. Cabinet has approved a timetable and principles for setting the 2005/06 capital and revenue budgets, including the expansion of the budget panel to include two extra members to be appointed by the Leader; a higher profile for Cabinet Members in receiving representations from other Members of the Council and wider briefings for all Members of the Council, ideally after the CSR 2004 announcement and after the announcement of the 2005/06 settlement in late November. Cabinet has also welcomed the inclusion of Trade Union representatives and asked that they be encouraged to participate fully in the process.
- (v) **Budget Consultation** - Cabinet has approved a programme for consultation during 2004/05 on the Corporate Plan for 2005/08 and budgets for 2005/06. Although the County Treasurer favoured an on-line interactive approach to consultation with the public on the budget it was acknowledged that the Council was not currently able to offer that option. Areas which could be exploited included the use of the Council's newspaper "Herefordshire Matters" and the Citizen's Panel. Although interested in a consultation technique SIMALTO (Simultaneous Multi-Attribute Level Trade Off) which forces people to make trade-offs between levels of service in different service areas, there was some concern about the costs involved and Cabinet has asked that this be investigated further before proceeding.
- (vi) **Developing a Herefordshire Approach to Children's Services** - Cabinet has received a report on a number of issues that will need to be addressed as a result of a number of significant national drivers in the development of children's services. Government expects all councils to develop policies and ways of working which will lead to better integration of services, demonstrable partnerships between statutory and voluntary sectors and development of statutory child protection boards. The Council has a lead in the development of these services with the expectation of the development of the function of Director of Children's Services and the identification of a lead member for children's services.

Cabinet has noted the preliminary steps taken by the Chief Executive to commission further work on service integration and has approved the establishment of a Member/officer working group to help steer the changes, together with a children's whole system inspection group to ensure a self-assessment is prepared against the new model. Although Cabinet recognises that the challenge is considerable it was confident that the Council's previous excellent record in both education and children's services will stand it in good stead.

4.2 Report on Items of Interest

- (i) **Final Revenue Outturn 2003/04** - Cabinet has received a report detailing the final revenue outturn for 2003/2004 and noted that the Statement of Accounts will be presented to the Statutory Accounts Committee on 2nd August, 2004. Cabinet has noted that there are significant commitments against the carry forward sum of £3,543,000, including approximately £1,000,000 for Education alone. Social Care is expected to carry forward an

overspend of £245,000 and Cabinet acknowledged the challenge faced by staff and users and the public waiting for these services. It was noted that underspending in the Youth Service was mainly due to an inability to recruit staff, which was being addressed through a restructuring of the service.

The underspending is significantly better than the figure previously reported, partly because anticipated spending has been delayed and partly because an over cautious approach has been taken in forecasting the end of year position which involved highlighting potential overspendings while assuming carry forwards would be spent in year.

- (ii) **LPSA 2nd Generation Update** - Cabinet has received an update on the progress of the second Local Public Service Agreement (LPSA) which the Council will be negotiating with the Government later in 2004. The original scoping document has been revised by the Office of the Deputy Prime Minister (ODPM) to include "Improving the Quality of Life for an Ageing Population" which includes environment, housing and transport. The main exclusions are within formal education pre-16 and children in care both of which are being addressed through other measures.
- (iii) **Capital Programme - Final Outturn 2003/04** - Cabinet has noted that the final capital programme outturn for 2003/04 totalled £32,075,000 (excluding LSVT costs) compared to an original budget of £31,793,000 which represents an increase of £282,000 or 1%. Capital monitoring systems and procedures continue to improve and the work of the Capital Programme Monitoring Working Group has helped to ensure that no conditional resources have been lost.
- (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.
- (v) **Herefordshire Jarvis Services (HJS)** - Cabinet has received a briefing on the uncertainties regarding the operation of Jarvis plc, the parent company of HJS to whom the Council has let a contract to deliver various services on behalf of the Council. It has noted the potential implications and steps being taken to minimise any risk to the Council and sub-contractors.

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

5.1 Report on Decisions Taken

- (i) **Performance Management Action Plan** - The current Performance Management Action Plan was approved by Cabinet in November 2003. Progress on the first Performance Management Action Plan has been good, with the majority of actions having been completed on time. Cabinet has approved the Action Plan for the next twelve months which builds on these achievements and provides a robust basis for embedding performance management in Herefordshire in a real and tangible way.

5.2 Report on Items of Interest

- (i) **Local Government Ombudsman Complaints and Complaints Panel 2003/04** - The Local Government Ombudsman's office investigates complaints about councils with the aim of putting things right if they have gone wrong. It is unbiased and independent. The Council's Best Value Performance Improvement Plan 2002/03 set targets for the number of complaints to the Ombudsman classified as maladministration. There have been no such findings against the Council since it was set up in 1998. Of the 35 complaints received by the Ombudsman, three were settled locally, 12 had no (or insufficient) evidence of maladministration, 10 were not proceeded with for a variety of reasons and 10 were outside the Ombudsman's jurisdiction. The majority of complaints about planning matters were complaints about the decision rather than the process.

The Complaints Panel meet to hear unresolved complaints from members of the public following review by the local manager and Director. The Panel comprises the Chief Executive and two Group Leaders advised by the County Secretary and Solicitor. During 2003/04 it heard eight complaints, upheld one and partially upheld another.

- (ii) **Results of 2003/04 BVPI Satisfaction Survey** – Cabinet has received the results of a Best Value Performance Indicators User Satisfaction Survey carried out between September and November 2003. The survey consisted of a postal questionnaire exploring users' satisfaction with corporate health (satisfaction with the overall service provided by the Council), Transport, Litter and Waste, and Culture and Recreation. Although the overall satisfaction figure was reduced, there was more satisfaction with services relating to litter and waste. Satisfaction rates with provision of cultural and recreational facilities remained fairly static. Cabinet has noted that direct comparison with the previous survey in 2000/01 should be treated with caution as only the most recent results have been weighted in accordance with guidance from the Office of the Deputy Prime Minister. The Council has also been participating in the "Connecting with Communities Project". This also shows that overall satisfaction with the Council is down slightly, reflecting the national trend. However ratings of the level of information provision are up, as are recall of the magazine "Herefordshire Matters" and awareness of the website.

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

6.1 Report on Decisions Taken

- (i) **Access to Services in Kington and Surrounding Areas** - A report on this item is to be found at paragraph 11.1(i) of this report.

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

7.1 Report on Decisions Taken

- (i) **Edgar Street Grid Delivery Vehicle** - In December 2003 Cabinet agreed the masterplan for the regeneration of the Edgar Street Grid site and its inclusion in the revised deposit draft of the Herefordshire Unitary Development Plan. Having reviewed the range of options available for a delivery vehicle a Joint Venture partnership appears to be the most appropriate model for taking forward the implementation of the Edgar Street Grid Masterplan.

Cabinet has therefore agreed that the Council should work with Advantage West Midlands and other appropriate partners to establish a joint venture company to deliver the Edgar Street Grid Masterplan.

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

8.1 Report on Decisions Taken

- (i) **Review of Discretionary Policies Applicable to Home to School Transport** - Cabinet has concurred with the views of the Education Scrutiny Committee that, for the time being, the current policy which ensures that all children offered a denominational place at an aided school will qualify for assistance with transport costs. A further report to Cabinet is expected once the government announces the result of its education transport review of national policy.

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

9.1 Report on Decisions Taken

- (i) **Edgar Street Grid Delivery Vehicle** - A report on this item is to be found at paragraph 7.1(i) of this report.
- (ii) **Municipal Waste Management Strategy and Integrated Waste Management Contract** - Cabinet has approved a Joint Municipal Waste Management Strategy for Herefordshire and Worcestershire; and authorised the Director of Environment, subject to a satisfactory outcome of negotiations, in consultation with the County Secretary and Solicitor and County Treasurer, and in conjunction with Worcestershire County Council to enter into a Variation to the Contract with Mercia Waste Management Ltd, to provide waste processing and recycling plants in order to meet the Council's Statutory and Voluntary Targets as set out in the Joint Municipal Waste Management Strategy; and enter into an associated Agreement with the Contractor's nominated sub-contractor, and/or their funding banks as necessary in order to protect the Councils' interests, for the provision of waste processing and recycling plants.

9.2 **Report on Items of Interest**

- (i) **Parish Plans Protocol** - A report on this item is to be found at paragraph 12.2(i) of this report.

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

10.1 **Report on Decisions Taken**

- (i) There were no decisions by Cabinet 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) **Access to Services in Kington and Surrounding Areas** - In April 2003, Cabinet had approved provisional proposals to develop the Wesleyan Chapel in Kington to provide a library, INFO in Herefordshire, Tourist Information Centre and other services. Cabinet has now agreed that the original proposal for redeveloping the Wesleyan Chapel is no longer viable. It has not been possible to identify a new site for the library and consultation has been carried out with interested parties about the development of the second floor of the existing library building. Although there are some reservations about the development of the library building, in particular relating to parking and costs of renovations to a listed building, Cabinet has agreed that Kington Library should be redeveloped to provide a library and INFO centre with a ceiling cost set at £500,000 and that the Council should work with the local community to determine a future use for the Wesleyan Chapel. Ongoing consultation will be undertaken locally and further reports submitted to Cabinet as necessary.

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

12.1 **Report on Decisions Taken**

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

12.2 **Report on Items of Interest**

- (i) **Parish Plans Protocol** – Cabinet has approved a Parish Plans Protocol, which outlines the relationship between Herefordshire Council and Parishes working on their Parish Plans and the procedures to be followed. Recognising the Council's limited capacity and budget for supporting this activity, it has suggested that the timescale for responses, currently 15 working days, may be relaxed by mutual agreement.

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

13.1 Report on Decisions Taken

- (i) **Herefordshire Housing Limited Proposed Conversion to Charitable Status** - Cabinet has authorised the Director of Social Care and Strategic Housing, in consultation with the County Secretary and Solicitor, to make the necessary arrangements for the Council to vote in favour of a proposal that Herefordshire Housing Limited becomes a charitable company on the basis that the objects of the new constitution encompass the full range of persons the Council would wish to nominate for housing and that the draft is approved by the Charity Commission.

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