

MINUTES of the meeting of Cabinet held at The Council Chamber, Brockington, 35 Hafod Road, Hereford on Thursday 18 October 2012 at 2.00 pm

Present: Councillor JG Jarvis (Chairman)
Councillor (Vice Chairman)

Councillors: H Bramer, RB Hamilton, PM Morgan, GJ Powell and PD Price

In attendance: Councillors AJM Blackshaw, JA Hyde, AW Johnson, NP Nenadich, P Rone, MAF Hubbard, TM James, RI Matthews, A Seldon, J Hardwick, MD Lloyd-Hayes and AJW Powers

Officers:

33. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor RJ Phillips, Cabinet Member Enterprise and Culture.

34. DECLARATIONS OF INTEREST

There were no declarations of interest made.

35. MINUTES

RESOLVED: That the Minutes of the meeting held on 11 October 2012 be approved as a correct record and signed by the Chairman.

36. BUDGET MONITORING REPORT 2013/15

The Cabinet Member Corporate Services presented the report of the Head of Corporate Finance and stated that the report forecast the financial position for both revenue and capital to end of September 2012 and gave a mid year assessment of treasury management activity.

The Cabinet Member made the following comments:

- As at end of September 2012 the overall revenue budget position for 2012/13 showed a £2.4m projected overspend. This is approximately 1.7% of the council's £143.4m revenue budget, excluding Dedicated Schools Grant funding.
- The report includes a mid year treasury management report, which follows best practice in the reporting of information on the handling of investments and borrowing.
- The 2012/13 budget included £10.8m of savings to meet the reduced funding from central government. This was in addition to the £10.3m of savings made in 2011/12 both of which are as a result of the government's national deficit reduction programme.
- Projections to date have shown an overall reduction in the overspend. This has been achieved through the control on discretionary spend, recovery plan actions and a review of budgets.
- The position on the capital programme for 2012/13 was a forecast spend at year end of £40.7m.

- The Leadership team continues to closely monitor the position.

The following comments were made in discussion:

- Cabinet noted the discretionary spend position for the People's Services directorate had improved overall since its peak in June 2012.
- In response to a question regarding risk outlined at paragraph 38 of the report, the Cabinet Member Health and Wellbeing confirmed the forecast did not include the additional activities required resulting from potential safeguarding pressures or the need for development activity in this area. The director confirmed this would not cause an adverse effect to service delivery.
- The Cabinet Member Education and Infrastructure referred to changes to the governments' schools funding formula and stated that current proposals would put Herefordshire in a difficult position in clawing back funding.
- In response to a question on home care the director advised that all home care was provided by the private and voluntary sector and funding was paid directly to the individual concerned.
- In response to a question on provision of broadband by BT the Cabinet Member Education and Infrastructure referred Cabinet to their meeting of 11 October, where details of the contract were discussed.
- In raising concerns over the budget the IOC group leader requested that the original budget predictions were provided with the report in order that comparisons could be made.
- 2012/13 required £10.4m in savings to be made.
- It was important to maintain the Council's reserves.
- In response to concerns over capital project Cabinet was reminded that some schemes were carried over to the following year or pause a project to cover the revenue budget.
- In response to a question on legal services the Assistant Director reminded Cabinet the budget covered core legal requirements. The legal department was being restructured with appointments to key posts in the new year and the budget provided would be sufficient. Any work for outside organisations would be considered on a case by case basis. The Assistant Director added that he would be providing an options paper on the future of legal services.
- The Cabinet Member Health and Wellbeing stated that savings were on target and that most of the savings were in processes and practices.
- The Leader emphasised it was important to be honest with the public on the provision of services. The administration would do its best to come in on budget at the end of the year.

RESOLVED

THAT:

- a) the report and the forecast position was noted;**
- b) it was noted the Leadership Team undertook to deliver a further level of savings for 2012/13;**

- c) **taking account of recommendation (b) Cabinet noted the requirement that Directors deliver recovery plans to ensure a balanced revenue budget; and**
- d) **the mid-year treasury management report at Appendix C to the report be noted.**

37. CORPORATE PLAN 2013/15

The Leader of the Council, as the Cabinet Member responsible for Corporate Strategy and Finance presented the report of the Assistant Director People, Policy and Partnership.

The following comments were made in discussion:

- Cabinet was reminded that the current corporate plan was based around the partnership between Herefordshire Council and the Primary Care Trust.
- The plan for 2013/15 outlines the important priorities for Herefordshire.
- The Chairman of the Overview and Scrutiny Committee endorsed the plan and stated that the acronym PEOPLE should be utilised in both the foundation and the delivery of any project proposed as part of the plan.
- It was felt there should be more reference to public health within the document.
- It was believed the language used in the plan needed to be reviewed to be meaningful and reflect a more empowering organisation.
- Cabinet was reminded that measures were mapped to outcomes and Cabinet would be able to check the outcomes in the regular performance reports.
- Cabinet noted that the plan would be finalised in time to reflect upon when Cabinet would be making budget decisions.
- Cabinet noted the recommendations of the Overview and Scrutiny Committee, which would be picked up under recommendation a) of the report.

RESOLVED

THAT

- a) **authority be delegated to the Director of Corporate Services, in consultation with the Leader, to effect any amendments arising from the discussion at Cabinet, prior to consideration by Council; and**
- b) **subject to the above, the corporate plan as set out at Appendix B to the report be recommended to Council.**

The meeting ended at 3.00 pm

CHAIRMAN