

**MINUTES of the meeting of Cabinet held at The Council Chamber, Brockington, 35 Hafod Road, Hereford on Thursday 20 June 2013 at 2.00 pm**

**Present:** Councillor PD Price (Deputy Leader in the Chair)

**Councillors:** H Bramer, RB Hamilton, JW Millar, PM Morgan, RJ Phillips, GJ Powell, PD Price and PA Andrews

**In attendance:** Councillors EPJ Harvey, JLV Kenyon, MD Lloyd-Hayes and AJW Powers

**5. APOLOGIES FOR ABSENCE**

Apologies were received from Councillors AW Johnson and TA James.

**6. DECLARATIONS OF INTEREST**

There were no declarations of interest made.

**7. OPEN BOOK REVIEW OF RESIDENTIAL AND NURSING HOME FEES FOR OLDER PEOPLE**

The Cabinet Member Corporate Strategy and Finance presented a report about the Open Book Review, which proposed changes to the weekly fees paid in relation to nursing and residential care homes for older people. The report made proposals for 2013/14, and also indicated how fees would change over the following three years, up to the next scheduled full review in 2016/17. He highlighted the following points in relation to the report:

- The Open Book Review demonstrated that the Council had been paying more on average for residential and nursing care than its comparable authorities. He advised that the review had looked at the actual costs of providing care in Herefordshire and the Council was now at a point where it could propose a Maximum Usual Price (MUP) as a preferred option for further consultation with providers.
- He emphasised the importance of being clear to clients and providers about how the pricing would be structured, and who would be paying for what elements of care, including what items would be deemed as “additional” or “top-ups”.
- He reported that there would be a transition period leading up to any new rates taking effect from 1 January 2014, and that discussions with providers would continue about pricing and the format of contracts.

The Solicitor of the Council tabled amended recommendations to the report, which made clear that what was being recommended was the approval of a preferred option as the basis for further consultation with providers, and that this consultation would inform the final decision on the MUP. Members accepted the amended recommendations.

The Assistant Director Peoples’ Services thanked the providers for their co-operation throughout the comprehensive consultation process, and added that the amended recommendations enabled a further period of consultation with the providers. She confirmed that the proposals ensured that the Council would continue to meet its statutory obligations, and that all who needed care would receive it equitably and reasonably.

During the ensuing discussion, members made the following points:

- Those who were most vulnerable would be the Council's priority, and measures would be put in place to protect them and provide the appropriate level of care.
- The involvement of the Health and Wellbeing Overview and Scrutiny Committee was welcomed, and Cabinet encouraged other members also to engage in the process.
- A wider discussion with the community was also necessary, for example the voluntary sector, to offer greater choice and flexibility to clients.
- Concern was expressed that certain aspects of the review lacked sufficient detail, and the chairman of the Health and Wellbeing Overview and Scrutiny Committee felt that there was potential merit in calling in any decisions made on the basis of the recommendations before Cabinet. Members requested that instead of instigating the call-in procedure, which would potentially disengage the service providers, the Overview and Scrutiny Committee be enabled to work on an integrated approach with Cabinet, so that the review and consultation process could continue.
- Assurance was given that there would be sufficient time to enable the review to be fully inclusive and take account of the needs of local residents.

**RESOLVED: that**

- (a) the Open Book Review approach that has been used, including evaluation of the alternative options and methodology for evolving the Herefordshire model be noted;**
- (b) the proposed Maximum Usual Price (MUP) (as set out in paragraph 11.2, Table 1 of the report), for older people's residential and nursing care purchased by the council be approved as the preferred option for further consultation with providers, and the involvement of the Health and Wellbeing Overview and Scrutiny Committee; and**
- (c) delegated authority be given to the Director for People's Services, in consultation with the Cabinet Member Health & Wellbeing, having due regard to the outcome of the further consultation, to finalise the MUP and undertake a formal procurement exercise. This procurement exercise shall include the introduction of a new outcome based contract and framework approach, and an annual indexing process, with a view to implementation of this MUP, effective from January 1st 2014, and a further review scheduled for 2017.**

**8. CORPORATE PLANNING AND PERFORMANCE REPORT**

Cabinet reviewed the evidence base which formed the corporate planning and performance report, and members were advised of proposals for the future review and development of the corporate plan, and the focus for future performance reporting. The evidence base comprised "Understanding Herefordshire 2013" – an overall assessment of the health and wellbeing needs of Herefordshire's population, the corporate performance report 2013/13, and the budget outturn report for 2012/13. In its current format, the corporate plan would ensure that future decisions on service priorities, planning and commissioning, took full account of the evidence available.

The Cabinet Member Corporate commented that the evidence base provided was an important tool for re-shaping the organisation and engaging both the whole Council and the public, adding that the report highlighted the importance of improving customer contact across the system. She commended the work undertaken to relocate the majority of Council employees to the Plough Lane site, which would create efficiencies and generate longer-term savings through reduced accommodation costs.

During the ensuing discussion, the following principal points were made:

- Understanding Herefordshire 2013 was the result of thorough research, and provided an invaluable basis for decision-making and crucial guidance for the role of overview and scrutiny in the future.
- The importance of using the evidence correctly was emphasised, particularly in relation to risk management.
- The report highlighted the significant role undertaken by local carers, and it was suggested that Understanding Herefordshire 2013 could be used to target an adequate level of resourcing and support for this group.
- With reference to recommendation (f) in the covering report, members would need to work together to determine the future role of the Council, taking account of proposed cuts.
- The Chief Officer Finance and Commercial drew Cabinet's attention to paragraph 8.1 on page 183 of the agenda, and also page 187 of the agenda (Final Outturn Report 2012/13), which indicated that the revenue overspend was approximately £2.3 million, compared to an anticipated overspend of £3.5 million as of February 2013. The overall position in 2012/13 was more secure than forecast. He highlighted areas where savings had been made, and commented on the benchmarking graph on -page 207 of the agenda, which indicated that the Council was earning an above average return with a lower than average level of risk.
- Performance was intrinsically linked to the Council's financial position. The Chief Officer Finance and Commercial said that he would improve the presentation of the accounts so that the financial position was as clear as possible. The current set of accounts showed both the before and after position relating to a series of necessary end-of-year adjustments, and the presentation would benefit from an additional column to show expenditure.
- In response to a question, the Assistant Director People Policy and Partnerships commented that the use of agency staff could be viewed as positive, and was an active choice in some service areas because it enabled the Council to backfill staff turnover. The use of agency staff was particularly helpful during the Council's re-design phase because it was a method of reducing the headcount, thereby limiting further the number of compulsory redundancies.

**RESOLVED: that**

- (a) the evidence base (consisting of Understanding Herefordshire, the corporate performance report for 2012/13 and the budget outturn report for 2012/13) be noted, and used to inform future planning, commissioning and decision making;**
- (b) suggestions for recommendations arising from the 2013 Understanding Herefordshire be discussed by senior management, all Councillors, the Health and Wellbeing Board and the Herefordshire Partnership Executive Group;**
- (c) the final outturn for 2012/13 be noted;**
- (d) the movements to new reserves outlined in paragraph 8.7 of the report at Appendix C of the report be approved;**
- (e) the Treasury Management out-turn report be recommended to Council for approval; and**

- (f) the annual review of the corporate plan be deferred to enable completion of the ongoing work to determine the future role of the council.

## **9. HOUSING ALLOCATION POLICY FOR HEREFORDSHIRE**

The Assistant Director Homes and Community Services presented his report in respect of the proposed housing allocation policy for Herefordshire, which would come into force in April 2014, and which detailed the procedures that were to be followed, and determined the priorities for allocating housing. The policy's main aim was to ensure that the Council and its Home Point partners made the best use of their scarce affordable housing provision, and contributed towards sustaining communities. He gave an overview of the main allocation criteria set out in the policy, and the legislation supporting it. In response to a question, he confirmed that budgetary provision, including ICT costs, was in place for the work associated with the policy implementation.

Members raised the following points in discussion:

- The proposed policy met the statutory requirements and aimed to help those who were most vulnerable and in need. It provided an open and transparent mechanism for allocating housing, and gave clear expectations to the public.
- Cabinet accepted the views of the overview and scrutiny committees, who had emphasised the need for flexibility to respond to changing future needs.
- It was noted that the Council would support housing associations that chose to limit the duration of tenancies, to enable families to move into other forms of accommodation when their resources increased. Although the local authority had an ability to encourage this practice, it was not mandatory on the part of the housing associations.

**RESOLVED: that**

- (a) the revised Housing Allocation Policy for Herefordshire be noted and approved;**
- (b) the implementation of the revised policy on 1st April 2014, be noted and agreed;**
- (c) that decisions on minor amendments to the policy associated with implementation through the Home Point system, be delegated to the Cabinet Member for Planning Environment and Housing to approve; and**
- (d) the Cabinet Member for Planning Environment and Housing be given delegated authority to agree amendments to the current allocation policy taking into account the publication of new statutory guidance relating to migrants to the UK.**

## **10. EXECUTIVE ROLLING PROGRAMME**

Cabinet reviewed the executive rolling programme and approved it in its current form without amendment. Members agreed to continue to review the programme on a quarterly basis, and to refer any items as deemed necessary to the relevant overview and scrutiny committee to consider, so that their views were able to inform future decision-making.

**RESOLVED: that**

- (a) the reviewed Executive Rolling Programme be approved;**
- (b) consideration be given to identifying any elements for referral to the relevant Overview and Scrutiny Committee; and**
- (c) the Executive Rolling Programme be scheduled for future review by Cabinet on a quarterly basis.**

The meeting ended at 4.09 pm

**CHAIRMAN**

