

MINUTES of the meeting of Cabinet held at The Council Chamber, Brockington, 35 Hafod Road, Hereford on Thursday 12 June 2014 at 2.00 pm

Present: Councillor AW Johnson (Chairman)
Councillor PM Morgan (Vice Chairman)

Councillors: H Bramer, JW Millar, PM Morgan, GJ Powell, PD Price and P Rone

In attendance: Councillors RJ Phillips and JA Hyde

Officers: Alistair Neill, Bill Norman and Peter Robinson

1. APOLOGIES FOR ABSENCE

There were no apologies for absence from Cabinet Members.

Apologies for absence were received from Councillors: JG Jarvis, Chairman Audit and Governance Committee; CNH Attwood, Chairman Health and Social Care Overview and Scrutiny Committee.

2. DECLARATIONS OF INTEREST

There were no declarations of interest made.

3. MINUTES

RESOLVED: That the Minutes of the meeting held on 10 April 2014 be approved as a correct record and signed by the Chairman, subject to the final sentence of Minute no 86 being amended to read:

“...the cost of transferring staff out of SWAP under TUPE.”

The Chairman welcomed Councillor RI Matthews as Leader of the Herefordshire Independents Group from 31 May 2014. Councillor Matthews succeeds Councillor WLS Bowen.

4. RESIDENTIAL AND NURSING HOME FEES FOR OLDER PEOPLE

The Cabinet Member, Health and Wellbeing, introduced a report explaining the calculation of fees for residential and nursing homes for older people.

He reported that following Cabinet discussion on 20 June 2013, a full procurement exercise and consultation had been carried out by the Director of Adults Wellbeing through delegated authority, leading to new recommendations for best value.

The Director for Adults Wellbeing and the Chief Financial Officer presented the report, the main points of which were:

- A review of the Open Book process had taken place and an Overview and Scrutiny Task and Finish Group had reviewed the consultation. Representatives from the

Clinical Commissioning Group joined the project board and feedback had been gathered. Advice from external legal counsel had been sought regarding the legislative framework.

- The rationale for the fees included Best Value considerations. There would be a significant impact on other services should fees increase above the annual expenditure of £10 million to provide for 400 people.
- 26 care homes participated in the review, with the fee being based on the average cost of care. It was noted that some local authorities based prices on the lowest cost of care. It was further noted that there was no correlation between price and quality of care.
- Local factors meant that demand for places was significant and this was expected to double during the next 20 years. There were a high proportion of self-funders in Herefordshire. There was a local and national decrease in residential care and the council's strategy is to increase reablement support for those in need of adult social care.
- There was a responsibility to make the best use of resources and implement the new fee from 1 August 2014. However, people currently in care would not see a change in price.
- The aim was to provide genuine choice and meet Care Quality Commission requirements.
- Risks have been considered and mitigated, with advice taken together with consultation and engagement. The Health and Social Care Overview and Scrutiny Committee would be asked to provide updates on progress of implementation.

Officers and Members were commended for work undertaken as a good example of how significant decisions were consulted upon.

RESOLVED THAT:

The usual price for the spot purchase of publicly funded places in residential care homes and nursing homes for older people be set as follows:

- I) Residential care and residential care with dementia - £452.93 per week
- II) Nursing home care - £518.00 per week;^{*1}

the implementation plan set out in paragraph 8.21 of the report be agreed; and

the Health and Social Care Overview and Scrutiny Committee be requested to undertake regular progress reviews in implementation.

***1 providers will also receive a further payment for funded nursing care (currently £112.70 per week from the NHS)**

5. NATIONAL NON DOMESTIC RATE DISCRETIONARY RELIEF

The Chief Financial Officer presented a report seeking approval of a new Discretionary Rate Relief Charter that would facilitate a revised "Policy for Awarding Discretionary Rate Relief" to be implemented in April 2015.

Discretions had been reviewed for fairness and financial considerations. Costs are shared with the Government. The policy would be intended to be an incentive to business and to set out how to meet decisions regarding discretionary relief.

In response to a question regarding the definition of a charity, the Chief Financial Officer confirmed that regulations provide for all registered charities to benefit from mandatory relief and this included housing associations. In Herefordshire, this included organisations delivering strongly on priorities contributing to social care and housing.

RESOLVED THAT:

the Discretionary Rate Relief Charter be approved so that a revised “Policy for Awarding Discretionary Rate Relief” can be introduced in April 2015.

6. FINANCIAL OUTTURN 2013/14

The Chief Financial Officer presented a report informing the Cabinet of the revenue and capital outturn for 2013/14, including the Treasury Management Outturn report.

The following points were highlighted:

- Spending had been kept within budget with a small surplus. A saving of £13 million had been achieved. However, a savings of £33 million must be delivered in the next three years. This is achievable although challenging. The expectation was to remain within budget.
- A target level of general reserves of 3% of net expenditure, £4.5m has been maintained and will be increased to allow for any slippage on savings plans.
- The total level of reserves was at £23 million, providing greater resilience and presenting a healthier balance sheet compared with some other local authorities.
- £43 million was spent on capital schemes in 2013/14 bringing benefits and value for money, such as for schools, roads, the Enterprise Zone, parking and infrastructure, plus smaller scale schemes.
- Debt was being repaid and was reducing. Investments in Spend to Save schemes were good decisions, for example, Halo Leisure, leading to future revenue savings. Long and short-term borrowing was balanced based on interest rate projections.
- It was a legal responsibility to balance spending. The council was in a position of making incremental savings, which was in contrast to health and education, making it easier to balance risks. Steps were being taken to build reserves for non-Academy schools.
- The pension deficit, related to past service, with debt of £160 million being repaid over 21 years.
- The council was in a more resilient position than many local authorities, because of good economic growth in the county, despite receiving lower levels of grants. There was confidence in delivering the budget this year.

RESOLVED THAT:

- (a) the financial outturn for 2013/14 be noted;**
- (b) the movement to new reserves outlined in paragraph 12 of the report be approved; and**
- (c) the Treasury Management outturn report be recommended to Council for approval.**

7. CORPORATE PERFORMANCE REPORT 2013/14

The Cabinet Member for Corporate Services introduced the Corporate Performance Report for the operating year 2013/14, stating that much had been achieved and the focus next year would be on performance systems.

The following points were made in discussion:

- There was concern that larger investors should have moved into Rotherwas Enterprise Zone thus introducing new businesses as well as those with an existing local presence.
- Concern was also expressed that the procurement of services previously provided by Amey should not be regarded as an achievement due to the manner in which it was managed.
- Effort was being made to meet the needs of all, although it was commented that many people still do not have digital facilities and so they must continue to be catered for. However, digital take up is being encouraged.
- There had been a varied experience of online services such as the planning portal and the pothole reporting system.

RESOLVED THAT: the Corporate Performance Report be noted.

8. UNDERSTANDING HEREFORDSHIRE 2014

The Cabinet Member for Corporate Services introduced the report.

The main points of the report were that Herefordshire contained a vulnerable population with low earnings, unaffordable housing, and high levels of inequality. The evidence supported the Corporate Plan and budget proposals.

The Principal Officer, Research and Intelligence added that the report was an annual overview and fulfilled statutory requirements for data gathering. It set out the key issues and the long-term challenges in enabling development within Herefordshire.

The report was recognised as an important resource and the Research department was commended for its work in gathering and presenting the data.

RESOLVED THAT:

- (a) the evidence base be noted and used to inform future planning, decision making and commissioning;**
- (b) in the light of the evidence base, no changes be made to the current corporate plan; and**
- (c) the budget proposals are developed in accordance with the timetable outlined in the report.**

9. REVIEW OF REGULATION OF INVESTIGATORY POWERS ACT (RIPA) POLICY

The Solicitor to the Council presented a report seeking approval of a new Regulation of Investigatory Powers Act 2000 (RIPA) policy to reflect legislative changes under the Protection of Freedoms Act 2012.

The policy change related to a requirement for the council to gain magistrate consent for covert surveillance.

RESOLVED THAT: the revised Regulation of Investigatory Powers Act 2000 (RIPA) policy be approved.