

Title of report: Leaders report to Council

Meeting:Meeting: Council

Meeting date: Friday 21 October, 2022

Report by: The Leader of the Council

Classification

Open

Decision type

This is not an executive decisionThis is not an executive decision

Wards affected

(All Wards);

Purpose

To provide an update on the work of the Cabinet since the meeting of Council held on 29 July, 2022.

Recommendation(s)

That:

- (a) **the report be noted.**

Alternative options

1. There are no alternative options; the constitution requires the Leader to provide Council with reports on the activities of the executive.

Key considerations

2. It is a constitutional requirement that the Leader of the Council provides a report to each ordinary council meeting, other than the budget meeting, on the work of cabinet since the last meeting. In my report I include a summary of the matters decided by the cabinet and the cabinet members, any decisions taken under the urgency provisions and those subject to call in.
3. It is customary for all of the decisions to be listed in an annex to this report (appendix A). These decisions have been made available on the council's website. All councillors and members of the public have the opportunity to review these decisions as they are being made.
4. Of the decisions taken since my last report to Council, two key decisions were taken under the general exception provisions (giving more than five but less than 28 calendar days' notice) and none were taken under the urgency provisions (less than five days' notice).

5. Included in my report is a summary of what I consider the most significant decisions supporting the achievement of the County Plan, as well as some additional subjects that I hope will be of interest. Each is themed around our County Plan commitment 'Respecting our past, shaping our future'.

Household Support Fund (HSF):

6. The Household Support Fund continues to provide money, part of an allocation of £1.3m to Herefordshire Council from the Department of Work and Pensions, to support low-income households. The fund is assisting families and individuals experiencing food and fuel poverty and assists with other essential household bills. The money, had needed to be spent by the end of September 2022. The money has been used for the following purposes;
 - a) **Food Vouchers** for children entitled to Free School Meals have been provided for children during the May half term and during the summer holidays. The vouchers are based on £15 per week for each week of the holidays and schools have been organising this direct with families who are entitled to claim this. Over 4600 children have been supported (c. £485,000)
 - b) **Low-income pensioners:** Direct awards of £170 have been made to Herefordshire residents in receipt of Pension Credit Guarantee and not living in a residential or nursing care home. The council wrote to all those eligible and a total of – over 3,200 pensioners amounting to over £545,000 funding.
 - c) **Support from Voluntary and Community Organisations:** Money has been allocated to a number of local organisations to support local people who are struggling to pay essential bills as a result of the cost of living increases. About £250,000 was awarded to these organisations with over 400 households supported.
 - d) **The Talk Community Money on Your Mind website** has played a pivotal role in providing information on organisations like Citizens' Advice as well as others who may be able to help. Direction to emergency welfare support has also been offered for those in most urgent need of assistance.

Housing Land Supply and Housing Delivery:

7. We are now into our second year in a row where Herefordshire has a 5-year Housing Land Supply (6.19 years in total). With regards to the housing delivery test, we submitted the requisite data to Government last week ahead of the deadline of 30th September. We are unlikely to know the results of the test until next February, but given the high level of housing completions in the County in 2021-22 we believe we will pass the test (if the Government use the same calculation as last year). In addition, a recent appeal lodged against Herefordshire Council, has challenged the supply position. We await the outcome of that appeal, which may require an addendum to the August paper depending on the Inspectors decision.

Housing delivery of note:

8. Following the site specification and design (Reserved Matters) being agreed in December 2019, the Tillington Road, site has now completed and delivered an additional 44 affordable homes with a mixture of tenures. Working closely with Connexus for a number of years through the planning process they have delivered homes that have addressed our greatest housing priorities, Accessible Homes which have enabled families with a disabled family member to be housed, In addition to this, we have also secured 6 one bedroom houses for our clients who suffer with their mental health. These clients will have support from an independent company who will ensure they have all the tools and support they need to maintain their tenancies.

Nutrient Certainty - Luston Integrated Wetland:

9. Herefordshire Council has chosen to voluntarily exercise its well-being powers to build integrated wetlands in the Lugg Catchment to provide development headroom and “river betterment”. Phosphate credits will be used to offset developments with a view that any new development can demonstrate nutrient neutrality to satisfy the Habitat Regulations.
10. Since the May Cabinet meeting extensive work has been undertaken by the Council’s designer, the Wye and Usk Foundation, the Council’s peer reviewer Ricardo Consulting and the appointment of a specialist external legal advisor. Following those discussions the Council’s project team is now able to recommend that all necessary due diligence steps have been undertaken to provide the necessary assurance that Nutrient Certainty has been achieved and that Phosphate Credit Trading may commence.
11. The project team provided a certificate of offset to the Local Planning Authority and trading in Phosphate Credits commenced in August 2022 and will increase as further Wetlands arrive on stream. Credits are allocated on the agreed first come first served policy. A successor policy with weighted allocation criteria aligned to the County Plan is under development and will be consulted later this year.

Cabinet Commission- Restoring the River Wye Catchment

12. In July 2022, the latest source apportionment data for the Upper Wye was published indicating the main causes of phosphate pollution following sampling work in the river. This shows the main sources of phosphate pollution come from the following sources:
 - 72% agricultural diffuse pollution including run-off
 - 23% sewage treatment works
 - 5% other (e.g. highways run off)
13. In September, Cabinet agreed for a Cabinet Commission to be established. The Commission will undertake a more strategic and systems led review of river quality and in particular will consider how the council can use all the powers and influence available to it to progress the restoration of the Wye and Lugg. The Cabinet Commission will strengthen capacity and develop close liaison with Powys and Monmouthshire councils in a shared endeavour to tackle this most serious of pollution risks in the Wye and Lugg river catchment areas.
14. An early task of the Commission will be to consider what more can be achieved by the Local Planning Authority (LPA) and to identify a package to demonstrate full Nutrient Neutrality for all new planning applications by April 2025. The council will look to introduce new measures in phases based on the source apportionment data to direct priorities for action. In particular the Commission will consider whether it is now reasonable to use Planning Conditions and the Planning Enforcement regime to ensure that nutrient outputs from new developments are certified to ensure that they do not create down-stream impacts within the Lugg and Wye Catchments.
15. The Commission will also consider what more can be done to address river quality issues caused by current developments. Over the summer work has been undertaken to finalise the Commission’s terms of reference, work programme and timetable with regular progress reports to be provided to Cabinet. These were approved by Cabinet in September.

The future use of the Town Hall and No. 10 St. Owen’s Street.

16. Cabinet have made a commitment in the Delivery Plan 2022-23 to manage the council’s assets to maximise their use. As part of this commitment the future of the Town Hall and the adjacent attached building to the left of it, No 10 St Owens Street, have been considered. The Town Hall is currently an

operational site used by Registrars, Car Park Enforcement, Custodians and Coroners. It also includes storage, an IT data room, the City Council, Town Information Centre and Business Improvement District as external tenants. No 10 St Owens Street houses Electoral Services and the Public Rights of Way team have recently relocated there.

17. Following a review of a proposal to dispose of the Town Hall by the then General Scrutiny Committee it recommended that a decision should not be taken in isolation, but should be brought together with all of the council's listed buildings within the asset review. As a result, a listed Site Review was commissioned on the Shirehall, Town Hall and Churchill House sites. The report that followed noted that the Town Hall campus has poor space utilisation and its listed status means that it is inflexible and must be taken on its merits. The future uses by the council of the building are expected to be limited to current office and some ceremonial uses. The council has no identified use for the vacant space and a full review and design appraisal will be required if the building is retained.
18. In September the Cabinet agreed, subject to agreement of heads of terms by 31 December 2022, to transfer the freehold of the Town Hall and No. 10 St Owens Street to Hereford City Council or its nominee with the transfer to be completed by 31 October 2023. In the event that these deadlines are not met there is a commitment to complete an option appraisal which will include disposal on the open market.

Fastershire progress:

19. 94.2% of properties in Herefordshire can access a superfast broadband connection (30Mbps and above), with over 51.56% able to access a gigabit-capable connection. Fastershire's current contracts with Gigaclear and Airband and grant schemes will increase this further. Gigaclear's work continues in north Herefordshire, with 78% of subsidised premises "Ready for Service" where residents can order full fibre gigabit-capable broadband.
20. During August, builds are ongoing across Almeley, Eardisley, Staunton-on-Wye, Ivington, Pembridge and Wigmore. Ongoing work in Ledbury has resulted in premises in the town going live, with more to follow soon. Airband's rural networks are still progressing with works in Clehonger and surrounding areas and other clusters following on.

UK Shared Prosperity Investment Plan

21. In July, the cabinet agreed to apply for the UK Shared Prosperity Fund (UKSPF). In accordance with the Levelling Up White Paper, government launched the UKSPF to help address geographical disparities in economic performance and circumstances. The funds objectives are to;
 - a) Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging
 - b) Spread opportunities and improve public services, especially in those places where they are weakest
 - c) Restore a sense of community, local pride and belonging, especially in those places where they have been lost
 - d) Empower local leaders and communities
22. Each 'Lead Local Authority' has been allocated a three year funding commitment, subject to the development, submission and approval of a suitable Investment Plan. Herefordshire Council has been allocated £7,545,330 between 2022/23 and 2024/25, of which £903,194 is for 'Multiply' adult numeracy support. The remaining £6,642,136 is the focus of this decision and accompanying Investment Plan. The majority of the funding is revenue funding (£5.5m), with the remainder (£1.1m) funding for capital projects.

23. The funds will be allocated across the three themes identified in the national guidance, community and place, supporting business and supporting skills. We are now awaiting government approval of the Investment Plan, and are starting to develop the areas of activity we will be seeking to fund later in the year.

Levelling Up Fund:

24. On the 2nd August we submitted 3 Levelling Up Fund bids to government via their national portal which had been subject to some technical issues. At the end of June the cabinet approved the submission of £43.6m of bids to the second round of government's Levelling Up Fund (Decision - Levelling Up Fund Bid Submission to Government - Herefordshire Council). Herefordshire has been identified as a priority 1 area in the latest bidding round, and can make up to three bids.
25. We have made a £19.2m bid to support the development of much needed employment land in the south of the county, developing Ross Enterprise Park. A £19.9m bid for Hereford City Transport improvements, including the proposed transport hub at the train station and active travel measure enhancements across the city. A £4.3m bid to support public realm improvements in Leominster and Ledbury, as well as working with Leominster Town Council to support the development of the Priory building to provide a range of local services including visitor accommodation and business space.

Stronger Towns Fund:

26. Government have approved all of the Hereford Towns Funding full business case submissions, totalling £22.4m of government funding. This includes the council let £18million redevelopment of Hereford Museum and Art Gallery, creating a new world class visitor and cultural attraction in the current grade 2 listed building. The £3.5m redevelopment of Maylord Orchards to create a new modern library and learning resource centre, as well as enhancing the current atrium space and Trinity square to establish an improved environment for people to meet, spend time and attend events..
27. As part of the cabinet decision in June and then approval to the capital programme by full council in July, the council has committed £8m of capital receipt reserves to the Museum project and £0.5m to the Maylord project. This will ensure that these flagship developments can be taken forward.

Enterprise Zone - Completion of ground work on North Magazine.

28. We are now in the final stages of completing the land remediation and infrastructure works on the North Magazine area of the Skylon Park, the Hereford Enterprise Zone. The successful conclusion of the infrastructure project will provide much needed employment land in the city. Building on success of the wider business park, there has been unprecedented interest in the land with Hereford Enterprise Zone Ltd board having to make some difficult decisions as to which businesses to sell plots to.
29. The New Model Institute in Technology and Engineering (NMiTE) have also recently completed their impressive £7m Skylon Campus, including the Centre for Advanced Timber Technology and Centre for Advanced Manufacturing.

Budget Setting – timetable and scrutiny review

30. The Cabinet has begun considering the significant financial challenges in the continued delivery of services and improvements whilst maintaining a financially sustainable and resilient position for the next municipal year, as well as the years after. Continued uncertainty over Central Government funding and national changes in policy, particularly adult social care reforms, alongside inflation, emerging cost and

demand pressures, will have a significant impact on the council's net revenue and capital budgets over the medium term.

31. The draft Medium Term Financial Settlement (MTFS) presents a challenging position; with early forecasts identifying a gap between resources and pressures of £21.6m in 2023/24, rising in subsequent years to around £57m by 2026/27 if no mitigating actions are implemented. This draft position is based on a number of variables and assumptions which are subject to change and these are detailed later in this report.
32. The council maintains a prudent level of reserves to manage future financial risks. At 31 March 2022, the council has useable reserves of £106.1m, comprising Earmarked Reserves of £96.5m and a General Fund balance of £9.6m. These reserves were deemed to be adequate to support the 2022/23 budget.

Update on Children's Services

33. This aspect has been a significant draw on the attention of all members of the Cabinet since my last report.
34. As Councillors know Herefordshire Council children's services were inspected by Ofsted inspectors during the period 18 to 29 July 2022. The inspection report was published by Ofsted on 21 September 2022, and considered at a special Council meeting on Friday 30th September
35. The Cabinet welcomed the appointment of Eleanor Brazil as Commissioner for Children's Services in Herefordshire with her remit to assess the council's capacity and capability to improve itself, in a reasonable timeframe.
36. Cabinet receive regular reports on progress in this Directorate which is such an important area of improvement for children in our care and for all councillors. These include progress to date including further reductions to workloads for practitioners, and recent small reductions in the number of children in our care; as well as the barriers and obstacles to improvement at a faster pace in the future. Cabinet are challenging and supporting the wider partnership to come together to respond to the Ofsted findings. The Improvement Board will be meeting more frequently as will the Herefordshire Safeguarding Children Partnership. Additional support is in place for the Corporate Parenting Board and the Children and Young People Partnership is to be relaunched.

Talk Community – thank you events

37. The Talk Community and Halo Leisure Community Thank You Events were designed to thank the community for supporting each other through the Covid pandemic and to encourage people across Herefordshire to get active.
38. The 'Thank You Events' provided free access to a range of leisure and sport activities (swimming, badminton, exercise classes, gymnastics) as well as fun activities like face painting, balloon modelling and bouncy castles.
39. Health and well-Being providers and local community groups were in attendance, as well as the Police and the Fire Service. Three recent events in Hereford, Leominster and Ross have been very popular and seen over 1,000 people attend.
40. There were a number of events which took place on the following dates:
 - 31 July 2022 - The Bromyard Centre
 - 7 August 2022 - Lady Hawkins Community Leisure Centre, Kington
 - 20 August 2022 - Ledbury Sports Centre, with one further event to take place on
 - 6 November 2022 - Hereford Leisure Centre

41. There are now 66 Talk Community Hubs with Madley, Garway and Llangarron having recently launched.

Warm Spaces:

42. We are creating a directory of warm spaces across Herefordshire to enable Herefordshire residents who are feeling the cold to go and keep warm, enjoy a little company and a hot drink. Alongside Herefordshire libraries and HARC, 18 Talk Community hubs have registered to be warm spaces so far.

Here for Herefordshire activities and food programme:

43. For the summer 2022 programme we had 30 different providers offering 8500 spaces. These included rugby, climbing, ceramics, music, football, circus skills and many more. Over 1155 children attended, 109 of which were SEND. Preparation is under way for the Christmas programme, including the launch of a new booking system, a partnership with a local app to source donated kit and a taster day at Whitecross school for potential new providers.

Use of the Council's Earmarked Reserves

44. As a matter of good practice a review is undertaken each year to establish the continued need for reserves held for earmarked purposes to ensure resources can be used to best effect whilst maintaining a prudent level of reserves to meet future anticipated commitments.
45. Actual earmarked reserve balances at 31 March 2022 were £106.1m against £114.7m at 31 March 2021. There has been a £9.1m decrease in Earmarked Reserves and an increase of £0.5m for the General Fund in line with the reported £0.5m underspend in the revenue budget outturn report which went to Cabinet on 26 May 2022. It should be noted that there are further amounts to be drawn down from earmarked reserves during 2022/23 including £11.49m to be drawn down from the Financial Resilience Reserve to fund the Children's Transformation work (Cabinet decision on 31 March 2022).
46. Cabinet decided that it was appropriate to spend some of the available reserves on some specific measures which will have long term benefits to the community. These items are as follows:
- I. **The implementation of a program to introduce area wide 20mph speed limit zones (£1.2m)** in towns and villages, including all schools, designed to reduce injuries, fatalities and improves air quality. It will also address increasing demand for speed reductions in residential areas as well as smaller parishes where interest from councils and residents is strong.
 - II. **The travel plan support for schools (£0.31m)** will provide a review of countywide school travel plan support, to include the provision of direct assistance to schools who are looking to update their existing school travel plans. It will also support the delivery of the Local Transport Plan and contribute towards the delivery of a number of County Plan objectives.
 - III. **The Building Retrofit & Supply Chain Development (£0.58m)** will help to start to address a critical skills gap in retrofit market to mitigate achievement of carbon neutral standards. It will advantage local suppliers by strengthening the supply chain and contribute to higher levels of carbon neutral standards.
 - IV. **The further development of the Eastern River crossing (£1m)** will enable the council to achieve the feasibility/options phases of the project that contributes to the delivery of a key component of the Hereford Transport Strategy.
 - V. **The reduction in the backlog of Traffic Regulation Orders (TRO) (£0.66m)** and signing and lining will address a maintenance backlog of signs and lines. It will ensure that signs and

lines are compliant with TRO's and any anomalies are eliminated and reduce the number of outstanding applications for TRO's all of which contribute to the safety of residents.

Update on Herefordshire Households open up their homes to Ukrainian refugees

47. The Government launched the Homes for Ukraine Sponsorship Scheme on the 18th March 2022. The Council mobilised operations team in partnership with the Association of Ukraine Great Britain (AUGB) are managing the tremendous work of collection, distribution and support based at unit 37 on the Three Elms Trading Estate, co-ordinating the support for Ukraine response.
48. To date the team have co-ordinated 27 fully loaded lorries, with Humanities Aid, equalling 324 tons of donated items. This includes, an ambulance, 4x4 car, essential medical equipment and supplies, food, clothing, baby items and bedding. Herefordshire Council is leading by supplying the largest amount of aid being sent into the Ukraine in the UK. All the aid is reaching areas within the Ukraine where the war is currently raging. There are a small proportion of guests now moving into their own accommodation, to date 15 families have been supplied with donated furniture, household items and white goods, which have all been donated by residents and companies of Herefordshire.
49. Herefordshire Council receives a grant of £10,500 per person. Of this sum £200 is paid to each individual arriving as an initial payment. The remaining £10,300 is to be used to cover costs incurred by the local authority as a result of the scheme and to facilitate and extend community based support through voluntary, community and public sector organisations. In addition the Council receives a further grant to fund the monthly Sponsor Thank You Payment of £350. This is activated once all the mandated checks have been completed and is available for 12 months as long as the guests stay with their sponsors.
50. Herefordians are to be commended for the way in which they have welcomed Ukrainians into our community
51. As at 3rd October 2022:
 - I. There are 222 unique sponsors from Herefordshire on the Governments Foundry System.
 - II. There are 678 unique guests seeking to come to Herefordshire.
 - III. 499 guests have arrived to-date, coming to 185 sponsors located across the county

Cost of Living crisis

52. Cabinet are concerned about the effect of the significant increase in fuel and energy costs on our communities and which are likely to have a disproportionate impact on our County due to its rural nature. Herefordshire Council is committed to continuing to do what it can to protect people against higher costs, targeting help at those facing the most complex challenges. Working with partners, there is already a wide range of information, advice and support available, including Talk Community hubs and its money management and debt advice provision, Money on Your Mind website, Council Tax reduction scheme and Council Tax discretionary hardship policy. One off funding initiatives, including the Household Support Fund (see paragraph 6) and the discretionary fund of the Energy Rebate Scheme, are also proactively used in the county to support those in most need.
53. The council is also launching a directory of warm spaces in public and community buildings to help people who cannot afford their energy bills. These include libraries and some of Talk Community's 67 hubs across the county. We are currently working with community groups to explore ways in which warm spaces could be enhanced following their launch. Ideas include providing health checks, homework support as well as hot meals for those who need them this winter.

54. Recognising all the concerns, the Health and Wellbeing Board in September agreed to establish a multi-agency Cost of Living Commission to gather information on the challenges people are facing and to identify other ways in which the council and its partners can support individual residents and communities. Engagement work with communities and with partners is taking place through October and November, with a view to coming forward with a set of recommendations early in the New Year 2023.

Community impact

55. The community impact of any decisions of the executive have been set out within the relevant decision report and taken into consideration at the time the decision was taken. Reporting to Council the activities of the executive demonstrates the council's commitment to the code of corporate governance principle of implementing good practices in transparency, reporting and audit to deliver effective accountability.

Environmental Impact

56. The environmental impacts of any decisions of the executive have been set out within the relevant decision report and taken into consideration at the time the decision was taken. Reporting to Council the activities of the executive demonstrates the council's commitment to the council's [environmental policy commitments](#) and aligns to the following success measures in the County Plan.
- Increase flood resilience and reduce levels of phosphate pollution in the county's river
 - Reduce the council's carbon emissions
 - Work in partnership with others to reduce county carbon emissions
 - Improve the air quality within Herefordshire
 - Improve residents' access to green space in Herefordshire
 - Improve energy efficiency of homes and build standards for new housing
 - Increase the number of short distance trips being done by sustainable modes of travel – walking, cycling, public transport

Equality duty

57. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to –

- a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
58. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. As this

report provides a summary of activity undertaken, we do not believe that it will have an impact on our equality duty. These considerations are set out in each of the relevant reports informing the decisions listed at appendix A, and will inform any future decision making.

Resource implications

59. There are no new resource implications arising from the recommendations of this report. The resource implications of any decisions of the executive listed at appendix A have been set out within the relevant decision report and taken into consideration at the time the decision was taken and will inform any future decision making.

Legal implications

60. The council and committee, and cabinet rules within the constitution require the Leader to provide a report to Council on the work of the cabinet since the last meeting of Council and, at the first meeting to follow the annual meeting of Council (except in a year when there are ordinary elections), on the priorities of the cabinet and progress made in meeting those priorities. This report ensures these requirements are met.
61. There are no legal implications arising from the recommendations of this report. The legal implications of any decisions of the executive listed at appendix A have been set out within the relevant decision report and taken into consideration at the time the decision was taken.

Risk management

62. There are no risks arising from the recommendations of this report. The risks of any decisions of the executive listed at appendix A have been set out within the relevant decision report and taken into consideration at the time the decision was taken and will inform future decision making.

Consultees

None

Appendices

Appendix A: List of executive decisions taken since 22 July to 13 October

Appendix B: Herefordshire Council: Respecting our past, shaping our future. Delivery Plan for 2022/23

Background papers

None Identified