


Appendix 1: Report of the Leader of the Council - 30 November 2023 to 29 February 2024

Leader's Report	
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The beginning of 2024 and the period since my last report in December has seen a significant amount of our time and work focused on shaping and proposing the budget, which Council agreed at our February meeting. It has been a major undertaking to be able to set a balanced budget in these financially constrained times. This position has not been achieved without taking some difficult decisions. But we are confident that the decisions we have taken will maintain Herefordshire Council's financial viability in the coming years ahead.

A central underpinning to our budget is ensuring local children, young people and their families in receipt of our services experience improved outcomes with those services. This remains a top priority. At their most recent meeting (31 January) the Improvement Board met to consider the required quickening of pace in a number of areas of improvement identified by Ofsted.

Whilst progress continues to be made in areas such as social work practice we remain resolute in our focus that all identified areas of improvements are delivered as quickly as possible. We continue to implement this improvement supported by our colleagues from Leeds. Their insights of a local authority moving from inadequate continue to give additional support which is greatly valued.

Since my last report there have been some other really positive developments. I was pleased to receive the decision of the Stronger Towns Fund to support the council's proposed relocation of the Hereford Library to Shirehall. The £3 million received from the fund now paves the way to delivering our ambitions to create a new modern library and learning centre within one of our city's most historic buildings. We believe it will create a wonderful visitor experience whilst also enabling the restoration and return to use of one of Herefordshire most recognisable and iconic buildings. We look forward to work starting in the near future.

As many members will know consultation has taken place with a wide number of stakeholders as we seek to develop our longer term plans, through a new County Plan for Herefordshire. I am really keen to use the feedback received to set the strategic direction and priorities for the coming years ahead.

Finally, as I am sure many of you will have seen, Hereford city centre is currently undergoing a very welcome transformation with eight new public artworks on our city streets. These artworks are starting to appear on gable ends of prominent buildings, in underpasses, in passageways, and above shops throughout February and March 2024. The commissioned artists range from international and regional level to new Herefordshire talent.

Some of the artworks will continue to emerge over the coming weeks so look out for the artists as they work across the city. I am sure you will all agree with me, they create a very welcoming and impressive addition to the way our city looks and feels. I am certain it will be a real draw for many residents and visitors alike.

Children's Services

1. Update Children's services

During February, we hosted our fourth Ofsted Monitoring Visit which focussed on care leavers and older children in our care. We expect the formal report on this most recent visit on 27 March. Initial feedback received identifies areas of continuing improvement as well as ongoing areas where we need to step up the pace of progress. Whilst some children and families are receiving a better service, it is not the case that all children and families are and this is the focus in 2024. While it is important to be able to recognise success where it is observed our attention has to be maintaining focus on the areas where improvements are still required.

Our work with the Leeds City Council's Relational Practice Centre continues with a focus on delivering a range of practice improvements. A huge amount of work has already been completed to strengthen this area of service delivery. We continue to build on the progress outlined in my December report.

You can view our progress on the improvement plan on all of the areas of action that require improvements on the council's [website](#)

Rivers, Nutrient Management and Growth

2. Sustainable growth – unlocking river restoration through phosphate credits

We continue to lead from the front in our continued efforts around river restoration. This was recently recognised when we secured further grant funding from Government to invest further in our mitigation measures to address the pollution in our rivers.

Colleagues will recall that in my last report I noted the announcement for the Chancellor of the Exchequer on 24 November 2023 two funding streams for local planning authorities. A planning capacity fund to target application backlogs and a local nutrient mitigation fund to deliver high quality schemes to offset nutrient pollution, unlocking planning permissions that are otherwise stalled.

I am delighted to report that our work in connection with river restoration has recently received a very welcome financial boost - securing a grant of up to £1.76 million from the local nutrient mitigation fund. This funding recognises this council's frontline role in finding solutions towards river restoration and accelerating our work towards river betterment. It will enable the creation of more wetlands and more phosphate credits to be issued which in turn will facilitate more planning permissions to be granted.

This is excellent news for the county's rivers, house builders and our communities through the anticipated delivery of more housing. It is a credible example of truly sustainable development – a 'win-win-win' scenario; appropriate safeguards and restorative criteria to the environment built in to the planning consents; delivery of more housing which in turn will return much needed capacity to accommodate the growth of the County.

To provide some context. In Herefordshire, since commencing the trading of phosphate credits in July 2022, the council has received £420,782 phosphate income to manage and invest in future wetland projects and released planning permissions for 185 dwellings. Since my last report in December, these figures have risen by £56,000 to £476,700 and an additional 14 (199 in total) dwellings.

3. Phosphate Mitigation Strategy

On 29 February Cabinet agreed the Phosphate Mitigation Strategy. At present, the Local Plan identifies a housing need of circa 4,000 new homes in the Lugg sub-catchment and now proposes a three Phase Nutrient Mitigation Scheme to deliver nearly all of that need. Luston is the first such site in the world and will enable around 1,112 homes to be built whilst maintaining nutrient neutrality.

In addition to Constructed Integrated Wetlands, exploratory work has been undertaken with a number of schools which would see old septic tanks decommissioned and replaced with a modern Package Treatment Plant. This would reduce phosphate levels and as with the Wetland Programme, release phosphate credits. Design and Delivery of up to two further Wetland sites and the replacement of further schools Septic Tanks with package treatment plants alongside the Council's Nutrient Trading Phosphate Mitigation Scheme will deliver a minimum of 3,471 homes.

To ensure legal obligations to achieve scientific certainty beyond reasonable doubt it has been prudent to take a conservative view of the amount of phosphate mitigation that will be produced from each site. Once sites are established and being monitored it may become evident that they are performing above expectations. Should that be the case then there is a potential for a further credits enabling 416 homes which nearly closes the gap with the proposed development in the local plan.

I will look to report further on these exciting new development as they progress.

Economic development and developments

4. Transfer of functions from the Local Enterprise Partnership.

As I reported at the end of last year, the Government announced that they would no longer fund Local Enterprise Partnerships. From April 2024, government will support local authorities to take on Local Enterprise Partnership functions. Namely, business representation, strategic economic planning, and responsibility for the delivery of government programmes where directed.

Herefordshire Council will play the lead role for the Marches Joint Committee with Shropshire and Telford and the Wrekin Councils to oversee this transition. Our first meeting was on 7 March where we collectively agreed the transfer agreement. This sets out the legal framework for the transfer of functions, current schemes, staffing, pension obligations, existing grant funding contracts, and publically funded assets to the Local Authorities.

The Joint Committee comprises 3 members; the Leader or nominated lead portfolio holder from each local authority's. The Marches Joint Committee will have delegated powers within the respective budgetary and policy frameworks set by each of the constituent Councils.

Shropshire Council remains as the accountable body for all legacy arrangements. This includes the transfer of both benefits and obligations. The transfer will be completed by 12 March 2024. This will bring to a close the current government funded activity for the Marches Growth Hub in March (2024) and the Marches Career Hub in August 2024. The government has confirmed an allocation of up to £240,000 to accountable bodies, such as Shropshire Council, in 2024/25 to meet the on-going costs of Local Enterprise Partnership transition.

5. Maintaining focus on skills, jobs and growth

Herefordshire Growth Hub and the newly formed Herefordshire Skills Board, both projects that will continue beyond the Local Enterprise Partnership, held a Skills and Employers Roundtable event (on 5 February). The event provided opportunity for local employers to

discuss current and future workforce skills requirements and help inform local education and skills provision.

We increasingly see the closer communication and engagement between local businesses, education, training and government agencies as the means to understand business needs. We know workforce planning and an appropriate level of available skills in the workforce can be a limiting factor to growing a business in Herefordshire. The event has shed new light, and will improve our understanding around the barriers to growth. In bringing together business and training providers we will know where to better target future investment and business support.

In hosting the event we are also sending a clear signal to business leaders that Herefordshire is an enterprising place to start, run and grow your business. We want to ensure that we attract a cross-section of businesses of different sizes and sectors to the County. A place that your business will be supported in attracting the skills that local employers really need.

6. Further meetings with Midlands Connect

In January I had a further meeting with Sir John Peace, Chairman of Midlands Connect. It was a further opportunity to present our growth plans and our priority areas for infrastructure. It was also a useful opportunity to press home Herefordshire's case as a credible partner for investment.

7. Local Transport Fund – local infrastructure improvements

I was very pleased that the government has recognised that councils should have more control over investment in local infrastructure. Herefordshire will benefit from just over £100M worth of funding. More details about the scheme will be published in due course, but we are excited about the changes that this could deliver locally.

8. Development work at Model Farm in Ross-on-Wye

£8million funding commitment by Herefordshire Council for the first phase of development at Model Farm. This significant investment will enable development to start on the employment land this year, establishing all the necessary infrastructure for the whole site including utility supply, road access and required changes adjoining the A40.

Model Farm forms part of the Ross Town investment plan, which has been a driver of the need for this investment. When the first phase of work is complete the site will provide the opportunity for the private development of a mix of office and industrial space across four acres initially. This will then act as a catalyst for future phases of development across the remainder of the site.

9. Delivery Plan/Council Plan

Running hand-in-hand with setting out our spending priorities is the ongoing development of the Council Plan. This is the key strategic document for the council that outlines our ambitions and objectives over the next four years. So far, we have themed the Plan around prioritising:

- **People** – Enable resilient and connected communities to ensure that everyone lives well and has the best start in life.
- **Place** - Protect and enhance our environment and keep Herefordshire a great place to live.

- **Growth** - Support growth across the county which builds on the county's strengths and resources and asks respondents to consider when they should be delivered during the next four years, and
- **Transformation** –securing the council's long term resilience and future sustainability by transforming services to ensure they allow the council to work as efficiently as possible while also improving the customer experience when engaging with the council

Thank you to those of you who have offered your views and ideas. They are so important to helping us to identify and unlock the huge potential of our County. We will be reviewing the responses we have received during February to help shape and refine the priorities.

There will then be further opportunity for people to feedback on the draft Plan in March. We will be announcing the dates for this shortly. Your continuing involvement and influence is hugely valued.

Other matters of significance in the County

10. **Establishing a cross-party housing working group**

Members will recall that at full Council on 8 December 2023, Council agreed to request the cabinet develop a programme to deliver an ambitious number of units of social housing (*including market-rent lifetime tenancies' affordable home ownership and market sale properties*). The proposal was to fund this through the prudent use of borrowing, capital receipts and the management of council assets in time for this to be agreed by Council as part of next year's capital programme.

In order to progress this motion, Cabinet is seeking to establish a cross-party housing working group to oversee the development of the strategy and associated delivery programme. We are currently agreeing the scope of this work to include:

- Developing the Affordable Housing Strategy for Herefordshire and the associated five-year delivery programme.
- Engaging with housing registered providers and housing developers operating in Herefordshire to secure commitment to the strategy and programme of works.
- Reviewing and advising Cabinet on best practice in relation to affordable housing, particularly in a rural context.
- Advising on current land ownership and opportunities to acquire land to deliver against identified priorities, and
- Reviewing and considering the implications for the Council of changes in national housing policy or legislation

It is our intention that the Housing Working Group will be an advisory board to Cabinet and will be chaired by the Cabinet Member – Economy and Growth with cross party input. It is expected that the Working Group will meet monthly. It is also our intention that the working group will consider the outputs from the request for the Connected Communities Scrutiny Committee review of good practice in local authority housing delivery. Their recommendations are anticipated to feed directly into Cabinet by June 2024.

In the meantime, the Chief Executive has already met with the Chief Executives of the main Registered Providers operating in the county and will be hosting a follow up meeting with them in early April.

11. **Transformation of Waste Collection Services**

On 25 January, Herefordshire Council's Cabinet approved the awarding of a new waste collection contract.

This is a significant moment in the transformation of waste services. Environmental impact has been key to the development of the service specification, which will include extensive

requirements to minimise waste, reduce energy and carbon emissions and enhance biodiversity.

The new waste collection service will help us to minimise waste and increase reuse, repair and recycling. It will also contribute to investment in low carbon projects, and strengthen our stewardship of Herefordshire's natural resources. The current contract runs to the end of August, residents and businesses will experience no changes to the current service. The council will be communicating with all residents as the current service comes to an end and the new services takes over.

12. Free School Meals

Over 4,650 Herefordshire children received free food vouchers during the February half term school holidays. Herefordshire children and young people in nurseries, schools and colleges will continue to receive free school meals support. Pupils who are entitled to benefits related free school meals will receive a free food voucher up to the value of £15 or equivalent directly through their schools, to cover the cost of a lunchtime meal during half term.

Children who are eligible for the early year's pupil premium and are not in a school setting, will receive a voucher posted direct from the council. The free school meals food voucher scheme is funded by the Department for Work and Pensions (DWP) through the government's Household Support Fund to support vulnerable families who are struggling financially.