

# REPORT OF THE MEETINGS OF CABINET

**HELD ON 17TH AND 24TH FEBRUARY, 2005**

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**Cabinet Members:** R.J. Phillips (Leader of the Council),  
G.V. Hyde (Deputy Leader), Mrs. L.O. Barnett, P.J. Edwards,  
Mrs. J.P. French, J.C. Mayson, D.W. Rule, MBE, R.V. Stockton,  
D.B. Wilcox, R.M. Wilson.

This report covers the proceedings of the meetings listed above. This meeting of Council is set primarily to approve the Council's Corporate Plan 2005-08, the Council's revenue budget strategy for 2005/06 and any decisions on its medium term strategy, together with the Council Tax for 2005/06.

## **1. DECISIONS RESERVED TO COUNCIL UNDER PART 4 OF THE CONSTITUTION**

- 1.1 **Corporate Plan 2005-2008** - The Corporate Plan sets out what the Council intends to achieve in the coming three years and how it proposes to do so. It is the basis for setting priorities and the means to achieve them, including the management of key risks. It also provides the basis for the Annual Operating Plan, directorate and service plans and performance management. It is included with the agenda as a separate document and is available on the Council's website or on request. Cabinet has thanked the Corporate Policy and Research Manager and colleagues for their work in compiling the Plan and for partner organisations for their valuable contributions.

**Cabinet recommends to Council that the Corporate Plan be approved on the basis that the Local Public Service Agreement (LPSA) 2G performance indicators and targets will be included as and when they are agreed with central government.**

- 1.2 **Capital Programme 2005/06** - Cabinet has received a report outlining the key issues for consideration regarding the capital funding strategy and the allocation of supported and unsupported borrowing for capital expenditure for 2005/06.

It has noted that the capital investment plans for Education, Transport and Strategic Housing are based on analysis of need and have been developed through rigorous appraisal in order to attract supported borrowing approvals from Government. It has also noted that Prudential Borrowing allocations made in 2004/05 had consequential commitments up to 2008. Therefore, future years allocations agreed in 2004/05 become the first call on the 2005/06 allocations.

In addition to the schemes listed in the report, Cabinet has agreed to recommend a further £2 million capital sum to be ring-fenced to the refurbishment of Hereford City Centre, subject to on-going consultation with the City Council, the City Centre partnership and other relevant partners.

Cabinet has also agreed, in principle, that consideration be given to sums raised from the disposal of property being used wholly corporately, unless there is a good reason why it needs to be re-invested in a particular service area. It was acknowledged that this would need to be phased in over a period of time alongside the implementation of the Property Review.

**Cabinet recommends to Council that:**

- (a) the supported borrowing for Education, Transport and Housing be distributed in accordance with government allocations (Appendix 1);**
- (b) the future years funding commitments resulting from 2004/05 allocations of Prudential Borrowing, as stated in Appendix 2, be reaffirmed;**
- (c) a capital sum of £2 million be provisionally allocated to the refurbishment of Hereford City Centre and the County Treasurer be asked to make the necessary additional provision within the Revenue Budget and within the Prudential Borrowing requirements; and**
- (d) Prudential Borrowing for 2005/06, for 2006/07 and for 2007/08 be approved to meet projects as set out in Appendix 3.**

**1.3 Revenue Budget and Council Tax 2005/06** - Cabinet has taken account of a number of factors, including the recommendations of the Budget Panel and the Strategic Monitoring Committee and the outcomes from public consultation in making its recommendations on the Council's Revenue Budget for 2005/06. The consequent level of Council Tax to finance this budget is summarised below and set out in detail with the recommended Revenue Budget in the prescribed format at item 10 of the agenda. A full set of papers considered by the Cabinet is attached at Appendix 4.

Cabinet has addressed the need to budget in a sensitive and prudent manner and aligned the budget with the aims of the Council's Medium Term Financial Plan and the Council's Corporate Plan.

Cabinet had some concerns about the level of savings the Council would be required to find but was assured that these should be possible to achieve.

Cabinet has also included provision to finance the proposed £2 million for Hereford City Centre refurbishments by prudential borrowing subject to on-going consultation with the City Council, the City Centre partnership and other relevant partners.

**Cabinet recommends to Council that**

- (a) the Revenue Budget for 2005/06 be set at £184,889,000 (representing the figure reflected in the budget report to Cabinet plus a further £200,000 being the capital financing costs associated with the Hereford City Centre improvements proposal); and**
- (b) the consequential Council Tax Band D figure for 2005/06 be £996.94 representing a 4.31% increase as detailed in the Council Tax Resolution 2005/06 set out at item 10 of the agenda.**

**Note:** The Council will need to consider and approve the detailed recommendations in the prescribed format set out as the Council Tax Resolution 2005/06 at item 10 of the Agenda. Any proposed amendments to the recommendations will need to be moved and agreed in the debate on the Cabinet Report so that these can be incorporated into the Council Tax Resolution.

**1.4 2005/06 Prudential Indicators and Treasury Management Strategy** - Cabinet has noted that the setting of the Prudential Indicators and the reporting of the Council's

Treasury Management Strategy for the coming financial year is required by the CIPFA Prudential Code for Capital Finance.

**Cabinet recommends to Council that:**

- (a) **the Prudential Indicators detailed in Appendix 5 which includes the projected Capital programme, subject to confirmation of the inclusion of £2 million for refurbishment of Hereford City Centre, be approved;**
- (b) **the Treasury Management Strategy in Appendix 6 be approved; and**
- (c) **the borrowing limits outlined in Appendix 6 be approved.**

- 1.5 **Draft Crime, Disorder and Drugs Reduction Strategy 2005-08** - Cabinet has noted that, in accordance with the Crime and Disorder Act 1998 and the Police Reform Act 2002 the Council, in partnership with the Probation Service, Fire Service, Primary Care Trust and Police Authority are required to produce, publish and implement a three-yearly crime and drugs strategy. The Strategy forms part of the Council's Policy Framework. As the consultation period for the strategy had been extended until 4th March, 2005 Cabinet has authorised the Leader to agree a final version of the strategy for Council approval.

**Cabinet recommends to Council that the final version of the Crime, Disorder and Drugs Reduction Strategy 2005-08, as agreed by the Leader, be approved.**

**2. NOTICES OF MOTION**

- 2.1 No motions to Council were considered by Cabinet during the reporting period.

**3. KEY DECISIONS BY INDIVIDUAL EXECUTIVE MEMBERS WHICH WERE NOT INCLUDED IN THE FORWARD PLAN**

- 3.1 There were no such decisions made during the reporting period.

**4. CORPORATE STRATEGY AND FINANCE  
(Chairman of Cabinet – Councillor R.J. Phillips)**

**4.1 Report on Decisions Taken**

- (i) **Minority Ethnic People's Experiences in Herefordshire** - The Council has a duty to ensure equality of access to information, services and employment. It also has a duty to promote the integration of communities and racial harmony. Cabinet has received a report setting out the findings, conclusions and resulting recommendations of a research project examining 'minority ethnic people's experiences in Herefordshire'. The research was commissioned and largely funded by the Council, with a contribution from West Mercia Constabulary (Herefordshire Division) via the Herefordshire Race Equality Partnership. The report's findings will be used to inform policy development in a number of areas including the revised Race Equality

Scheme and Action Plan which, following a six week consultation period, will be considered by Cabinet in April 2005. A review of the Council's Travellers' Policy is underway and the appointment of a Travellers' Liaison Officer is also planned which should assist in addressing some of the concerns raised in the report. The Council has recently started publishing copies of Herefordshire Matters in Portuguese and Russian and is putting in place translation and interpretation services to facilitate easier access to services and information for ethnic minorities. Cabinet has commended businesses and factories in assisting the teaching of English as a second language and the South Wye Literacy Project.

Cabinet has noted that further supplementary evidence will need to be collected as the original research is about 18 months old. Publication of the report had been delayed in order to resolve concerns over the content of a passage in the report which referred to a specific incident which had been the subject of a criminal trial and conviction.

- (ii) **Service Improvement Programme** - Cabinet has received a report on proposals to assist in the development of a robust high-level approach for the implementation of key service improvement projects under the proposed Service Improvement Programme (SIP) and to maximise the benefits for the Council that such a programme has to offer Herefordshire. Cabinet has noted that the proposals are not so much about technology as a change in culture. It has been acknowledged that the process would not be easy but change was vital if the Council was to improve how services are delivered. Cabinet has agreed that:
- (a) The Plough Lane office be used as a model for the elimination of duplication and new ways of integrated working between the Environment and Policy & Community Directorates, starting with the work currently being undertaken by the former Head of Service for Culture, Leisure and Education for Life on duplication. This will leave the new Children's Services Directorate free to concentrate in the short term on how to bring relevant services together, but does not preclude their involvement in the rationalisation of services down the line;
  - (b) The Directorate restructure currently proposed for the Policy & Community Directorate form a pilot for organisational change as part of the new Service Improvement Programme and that a specialist project manager, experienced in change management, be assigned to support the Director and two Heads of Service formally set up the restructure project and its constituent parts;
  - (c) The work already begun to establish the investment required for the establishment of a corporate contact centre be expanded to scope the likely plan for deployment, timescales, costs, benefits and resources, including personnel, required. Included in this work would be the need to identify those services according to the corporate priorities defined in the new Corporate Plan and an assessment of appropriate technologies to support the service requirements identified;
  - (d) A review be undertaken of the work previously carried out by the Service Improvement Project by an independent Prince 2 practitioner

Project Manager from ICT Services to establish if these methods remain appropriate, given the revised corporate priorities;

- (e) Whatever the outcome of that Review to identify the lessons learned;
- (f) The project already underway to gather requirements, identify potential process improvements, build a business case and conduct a competitive software selection exercise under EU guidelines for a corporate document management solution be concluded and a solution deployed across the Council.
- (g) The current back office integration project due to start in February 2005 be incorporated into the programme with ICT Services acting as the pilot, and the benefits assessed both with respect to in service benefits within ICT, but also the extended use of this platform in other areas of the Authority such as e-procurement, Corporate HR and Performance Management.
- (h) A robust financial model be constructed to establish a baseline for all aspects of the programme, to include but not limited to:
  - The savings to be made by the elimination of duplication
  - The Revenues & Benefits pilot phase 2
  - The restructure of the Policy & Community Directorate
  - The ICT Services back office project
  - The likely investment required of a corporate contact centre (both financial and technical)
  - Investment/benefits realisation for a corporate DMS
- (i) The impact of CPA 2005 be assessed and key priorities reflected in the Service Improvement Programme plan.
- (j) The current discussions regarding regional shared services be considered with a view to likely impact on this programme.
- (k) The current accommodation review be considered with a view to likely impact on the programme.
- (l) A seminar on the Service Improvement Programme be held and all Members encouraged to attend, given the importance of the Programme to the Council's Corporate Plan.

**5. AUDIT AND PERFORMANCE MANAGEMENT  
(Cabinet Member - Councillor D.B. Wilcox)**

**5.1 Report on Decisions Taken**

- (i) There were no decision by Cabinet relating to this programme area during the reporting period.

**6. CHILDREN'S SERVICES  
(Cabinet Member: Councillor D.W. Rule, MBE)**

**6.1 Report on Decisions Taken**

- (i) **Developing the Children's Agenda in Herefordshire: Change for Children** - Cabinet has received a report on progress in the local change programme and agreed a response to the consultation on the Joint Area Review (JAR) inspection and revised priorities for the 1st March, 2005 priorities conversation. It has noted that the JAR inspection will be carried out between 26th September and 7th October, 2005 and that preparatory documents need to be submitted by mid-June. Although it was recognised that the processes and terminology involved in the Change Programme were extremely bureaucratic, it was hoped that it would be possible to make them more understandable. Cabinet noted that the JAR would become an integral part of the Corporate Performance Assessment. Whilst that would place significant pressure on the Council through the Autumn period it had to be seen against a background of an overall reduction in inspection over the three year CPA 2005 programme. Cabinet has agreed a response to the consultation on the JAR Inspection and agreed revised priorities.

Note: The Council has been notified that the JAR will be conducted concurrently with the Council's CPA.

- (ii) **Developing a Commissioning Strategy for Children and Young People in Herefordshire** - Cabinet has noted the requirement to develop a commissioning strategy for children and young people in Herefordshire and has received an outline of the initial elements for such a strategy. It has also noted expected changes to the demographics of the County over the next few years, whilst recognising that this trend may not be reflected in the number of Looked After Children. It has considered the immediate priorities and responses to the challenges on resources and performance in 2004-05. It has agreed that:

the Children's Partnership Board (once established) should ensure that there is a commissioning strategy for vulnerable children (social care) and that this be reflected in the broader Children and Young People's Plan for April 2006;

the key elements for a commissioning strategy for children's service focuses on a needs assessment for County children, family support and the overall needs of looked after children;

a three-year commissioning strategy for children and young people be produced by December 2005 to identify efficiencies and potential investment options; and

immediate commissioning priority service attention be put into further developing fostering services and targeted family support services.

- (iii) **Review of the Discretionary Policy on Denominational Home to School Transport** - Cabinet has noted that free transport is currently provided, as a discretionary policy to pupils attending school on genuine denominational ground for 50 primary and 750 High School pupils within Herefordshire at an annual cost of £465,000. It has become apparent that the current policy needs updating to reflect modern day requirements and to correct current anomalies which arise from the different admission policies which exist across the denominational school sector.

Cabinet has agreed that a review be undertaken involving full consultation to determine a new school transport policy.

## **7. COMMUNITY AND SOCIAL DEVELOPMENT (Cabinet Member - Councillor R.V. Stockton)**

### **7.1 Report on Decisions Taken**

- (i) **Herefordshire Council Support to the Community and Voluntary Sector** - Cabinet has agreed, subject to the Council approving the Budget Panel's recommendation concerning the Voluntary Sector Budget, that the recommendations in the review be progressed during 2005/06 in consultation with the relevant Voluntary Sector Organisations, taking into account the amendments proposed by the Strategic Monitoring Committee at its meeting on 12th January, 2005, with a view to implementing any changes in 2006/07. The Leader thanked the Review Panel Members for their work.
- (ii) **Courtyard Review** - Cabinet has considered the recommendations of the review of the Courtyard Theatre, Hereford undertaken by the Social and Economic Development Scrutiny Committee. The Cabinet carefully considered the proposal to offer the Courtyard a one-year funding agreement from March 2005 but were concerned that this could undermine the Courtyard's position with the Arts Council. It also discussed the difficulties the Courtyard had had to deal with because revenue had been used to pay for some of the initial capital costs which came in over budget. It concluded that a three-year agreement would be more appropriate and would provide more stability. It was acknowledged that the theatre was an excellent centre for various youth-centred activities and asked officers to investigate whether it would be possible to provide some funding from the Children's Services budget. It has also requested that the Review Panel be reconvened to monitor the situation, with a further report to Cabinet and the Social and Economic Development Scrutiny Committee at an appropriate time. The Leader thanked the Review Panel Members for their work.

## **8. ECONOMIC DEVELOPMENT, MARKETS AND PROPERTY (Cabinet Member and Deputy Leader - Councillor G.V. Hyde)**

### **8.1 Report on Decisions Taken**

- (i) There were no decision by Cabinet relating to this programme area during the reporting period.

**9. ENVIRONMENT  
(Cabinet Member: Councillor P.J. Edwards)**

**9.1 Report on Decisions Taken**

- (i) There were no decision by Cabinet relating to this programme area during the reporting period.

**10. HIGHWAYS AND TRANSPORTATION  
(Cabinet Member - Councillor R.M. Wilson)**

**10.1 Report on Decisions Taken**

- (i) There were no decision by Cabinet relating to this programme area during the reporting period.

**11. HUMAN RESOURCES AND CORPORATE SUPPORT SERVICES  
(Cabinet Member - Councillor Mrs. J.P. French)**

**11.1 Report on Decisions Taken**

- (i) **Consultation on the Civil Contingencies Act** - Cabinet has noted that the Civil Contingencies Act 2004 seeks to deliver a single statutory framework for Civil protection in the UK by replacing the 1948 Civil Defence Act and the Emergency Powers Act 1920. It sets out clear responsibilities for all from front line responders, through regions, to Central Government Departments. It is an enabling Act that is supported by Regulations and Guidance with regard to powers and duties. The consultation process is an opportunity to comment on the supporting Regulations and Guidance documents.

Cabinet has authorised the County Secretary and Solicitor to respond to the consultation.

**12. RURAL REGENERATION AND SMALLHOLDINGS  
(Cabinet Member - Councillor J.C. Mayson)**

**12.1 Report on Decisions Taken**

- (i) There were no decision by Cabinet relating to this programme area during the reporting period.



**13. SOCIAL CARE AND STRATEGIC HOUSING  
(Cabinet Member Councillor Mrs. L.O. Barnett)**

**13.1 Report on Decisions Taken**

- (i) **Community Equipment/Independent Living** - Cabinet has received a report on developments in the Community Equipment Service. It recognised that development of this service would be instrumental in allowing more vulnerable people to stay in their own homes rather than being looked after in hospital or care homes. It welcomed the news that a new manager would shortly be joining the service and looked forward to a more efficient service from improvements in working with partners, particularly the occupational therapy service. It has agreed that the future development of the Service be supported by further integration work with the Strategic Housing Service and investigation of the option of alternative providers for Community Equipment Services, with a report back to Cabinet during 2005/06 on progress.
  
- (ii) **Developing Services to People with Learning Disabilities** - Cabinet has received a confidential report on developing services to people with learning disabilities and considered the need for modernisation of the services and the financial implications of this. It has noted that as the service develops it needs to reassure its long term users as well as providing an appropriate service for younger users who have different expectations.

**COUNCILLOR R.J. PHILLIPS  
LEADER OF THE COUNCIL**