

REPORT OF THE MEETINGS OF CABINET

Held on 1st, 15th and 29th September and 20th October, 2005

Cabinet Members: R.J. Phillips (Leader of the Council),
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 is the second report submitted to Council for the current year and covers proceedings of the meetings listed above.

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

- 1.1 No such decisions were considered by Cabinet since the previous meeting of Council.

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 **Enforcement of Clean Neighbourhood and Environment Act 2005** - The new Clean Neighbourhood and Environment Act 2005 has brought into sharper focus the issue of enforcement of Environmental Crime legislation, particularly through Fixed Penalty Notices (FPNs). The issue is also of significance to the Council in view of its Corporate Priorities and commitment to Streetscene.

The main Streetscene focus is to improve the cleanliness of the City and Market Towns of Herefordshire through a comprehensive co-ordinated approach to cleansing, brought about by the partnership between Herefordshire Council and Herefordshire Jarvis Services.

The Cabinet Member (Environment) has therefore agreed that fixed penalty fines for litter, fly-posting and graffiti be set at £100, reduced to £50 if paid within 14 days of issue (fixed penalty fine for dog-fouling offences is fixed at £50); newly appointed Highways Inspectors with specific Streetscene enforcement responsibilities, dog wardens and other 'outside' officers (as required) be authorised to issue fixed penalty notices for the offences as outlined above.

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

4.1 Report on Decisions Taken

- (i) **Capital Strategy** – Cabinet has approved a revised strategy for capital investment which will influence capital programme considerations in future years and also provides a comprehensive view on all capital issues. Cabinet has noted:

- The Capital Strategy is intrinsically linked to the Herefordshire Plan and

the Council's Corporate Plan and their objectives and priorities, and there needs to be a balance between the investment in existing assets and in new initiatives.

- The relaxation of borrowing powers through the Prudential Code has had a significant and positive impact on the Council's capital programme.
- Prudential borrowing within the constraints of capped Council Tax increases.
- The policy of increasingly seeking to fund assets over their actual life will continue, thus minimising the build up of debt over the long term.
- There are several major strategic issues which will affect the capital programme in the future eg the Edgar Street Grid, Local Area Agreements, office accommodation and associated projects.

The County Treasurer was thanked for the work he had carried out on the Capital Strategy since his appointment and he paid tribute to the staff who had assisted him.

- (ii) **Local Area Agreements (LAA) Framework** – On 19th May, Cabinet gave consent for interest to be registered with Government Office West Midlands (GOWM) in obtaining a Local Area Agreement. The Council was successful in its bid and was required to submit an outline proposal by 30th September, 2005. The LAA has to be jointly agreed by the Local Strategic Partnership and the Council. The LAA work will continue to run in parallel with the re-launch of the Herefordshire Plan and provide further focus for the work of the Herefordshire Partnership. Cabinet has approved the submission noting that the Agreement will be negotiated over a six-month period which will give further opportunity to comment on its content. It has also thanked the staff involved for their efforts in completing this work within a very tight timescale.
- (iii) **Race Equality Annual Report** - The Race Equality Scheme was introduced in May 2002 and a revised action plan approved in May 2005. Cabinet has received a report which sets out progress against that Action Plan. It has noted that, in recognition of Herefordshire's relatively low Black and Minority Ethnic Population, a partnership approach has been adopted with many of the larger projects being undertaken in conjunction with other agencies. Over the last 12 months the Herefordshire Equality Partnership has changed its remit and has now broadened its scope within Herefordshire to address issues that cover, not just Race, but the wider equality agenda. Best Value Performance Indicator (BVPI) 2b sets out a number of actions against which the Council's performance is measured. The target for 2004/05 was 60% - the actual performance was 47%. Cabinet has suggested that the report be updated, and where targets had not been achieved revised targets be included. It has noted a number of key initiatives aimed at monitoring and promoting race equality during 2004/05, including awareness sessions for Members and staff, anti-racism week of action in football and the appointment of a Traveller Liaison Officer. Cabinet has noted the arrangements in place to provide a translation service, across a number of organisations and is keen to encourage those who do not have English as their first language to attend English lessons, feeling that this would help them to integrate better into the community.

Cabinet has requested that the annual report be updated before publication.

4.2 **Report on Items of Interest**

- (i) **Audit Services Assurance Report 2004/05** - Cabinet has received a report on Audit Services activity during the year 2004/05. It has noted that, following assessment of the Council's overall level of internal control, a satisfactory level of control has been achieved. Core financial systems had been identified and annual review of their effectiveness showed that all except one were given satisfactory audit opinions or better. Although issues have been identified at service level, there are no material issues that affect the Council's overall level of internal control. However, it is likely that the Audit Commission's annual management letter will refer to fundamental systems which have a marginal or worse opinion. The key issues relate to the overspend in Social Care and the Council overall disaster recovery arrangements. Management continues to respond positively to recommendations and has agreed to take action on 95% of the recommendations made, which is broadly the same as last year. Audit follow-up of previous recommendations has shown that action was being taken on some 89%. Critical recommendations and progress being made on them will be highlighted in future reports to the Audit Committee who can recommend further action, if required.
- (ii) **Treasury Management Activities 2004/05** - Cabinet has received the annual report on the Council's treasury activities for the period 1st April, 2004 to 31st March, 2005 and the outturn of prudential indicators for 2004/05. Cabinet noted that regarding transactions for the financial year 2004/05 the cost of borrowing was below budget and the investment income was above budget. The return on internally managed investments exceeded the index benchmark for 2004/05. The net return on externally managed funds was in line with the index benchmark for 2004/05 and the treasury limits and prudential indicators were complied with during 2004/05. Cabinet congratulated staff on their hard work.
- (iii) **Community Forums** - Cabinet has received a report on the September/October 2005 round of Community Forum meetings. It has noted that the standards of presentations are good and the topics interesting, but is concerned that attendance across all Forums remains low despite additional publicity. The Leader and Community Forum Chairmen are due to meet in early November to discuss the future of the meetings and how attendance and facilities can be improved.
- (iv) **Strategic Monitoring Committee** - Cabinet has received and noted the report of the Strategic Monitoring Committee which is the subject of separate report to Council.

5. **CHILDREN'S SERVICES** (Cabinet Member and Deputy Leader: Councillor D.W. Rule, MBE)

5.1 **Report on Items of Interest**

- (i) Cabinet has received progress reports on a number of issues affecting Children's Services.

Safeguarding Children

The second joint national Chief Inspector's Report on Arrangements to Safeguard Children, published in July 2005, found that:

- some agencies still give insufficient priority to safeguarding and children's interests;
- there are still considerable concerns about the differing thresholds applied by social services in their child protection and family support work and about the lack of understanding of the role of social workers by other agencies; and
- continuing difficulties in recruitment and retention in some services affect their ability to safeguard children effectively and may restrict their capacity to deliver the new Every Child Matters arrangements.

Cabinet has noted the number of children in the different categories of education, fostering and adoption placements and the costs which ranged from £300 per child per week to £4,500 depending on their individual circumstances and whether the placement was in or out of area. Cabinet has also noted that, officially, children placed 20 miles from Hereford are considered to be "out of area" even though some of those placements are within the County.

The final Adoption Service report has judged that the service provides excellent practice and although there were some deferrals before placements, all these were now deemed safe.

Integrated Services for Children and Young People in Herefordshire

Cabinet has been informed of a consultation exercise on integration of services for children, currently underway with key partners and stakeholders, including schools. The strategy proposes an arrangement which will combine local primary schools, extended schools and children's centres, alongside multi-professional teams covering the seven proposed locality partnership areas - Bromyard, Golden Valley, Hereford City, Kington/Weobley, Ledbury, Leominster, and Ross-on-Wye.

Cabinet has been assured that partnership arrangements for the three children's centres at Leominster, Greencroft and Hunderton/Hollybush are working well and there is a commitment to providing more centres based in the other market towns and the Golden Valley.

Moving towards a Children's Trust

The Council has reviewed progress in meeting the requirements of the Government's policy for Children's Services.

**6. COMMUNITY SERVICES
(Cabinet Member - Councillor R.V. Stockton)**

6.1 Report on Decisions Taken

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

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

7.1 Report on Decisions Taken

- (i) **Customer Services Strategy** - Cabinet has received a report on the Strategy which outlines the Council's vision for Customer Service over the next three years. The Strategy aims to "put the customer first", and recognises the importance of the diversity of customers' needs in Herefordshire. It sets out an ambitious plan to ensure the Council provides levels of customer services that are among the highest of any council in the country.

The changes required to achieve these aims fall into four main categories:

- the attitudes the Council has and the way the Council behaves;
- the way the Council does things;
- where the Council is located and how it is structured;
- the ICT Systems the Council uses.

It is intended that the Council adopts a front and back office approach. This will allow the public to contact the Council through one point, Info, and to have a dedicated member of staff assigned to their query. The Strategy requires a fundamental change in the way services are delivered. Advances in IT mean that the ICT system will play a crucial role in the success of the scheme.

Cabinet has agreed the proposed way forward.

- (ii) **Communications Strategy 2005/06** - The Council's Communications Strategy has been updated to ensure that the aims and ambitions within the Council's Corporate Plan and the Herefordshire Plan are communicated to all its audiences, internally and externally. The Strategy provides an overarching framework for all communications activity within the Council. It also aims to communicate the achievements of the Council and its partners and emphasises the crucial role every elected Member and member of staff plays in communications. The key messages have been revised to incorporate the Corporate Plan's strapline "Action for a better Herefordshire". Cabinet has approved the revised Communications Strategy for 2005/06.

7.2 Report on Items of Interest

- (i) **Integrated Performance Report** - Cabinet has received a progress report on the Council's performance, integrating progress on the Annual Operating Plan, risk management and financial information. The integration of these key areas into a single report is central to the implementation of the Corporate Plan by means of an effective performance management system. Further reports will be presented for the periods ending September, November, January and March and will include and highlight progress on the Local Area Agreement when it is agreed. Cabinet has noted that there are about 10 areas of particular concern relating to progress on the Annual Operating Plan. In addition the section on Financial Performance and Risk Management reveals concern about likely overspends on Social Care (including the carry-forward from 2004/05) and Housing (mostly arising from the costs of temporary housing). These overspends are also identified in the Risk section as needing early attention.

Cabinet has asked that the format of the report be reviewed, and that, in future, the Cabinet Member be given the opportunity to approve the report before publication.

- (ii) **Staff Opinion Survey 2005** - Cabinet has received a report on the key findings of the Staff Opinion Survey 2005 which was carried out in July.

40% of employees took part in the survey compared to 38% in 2004. The work the Council has done, and is doing, to improve has clearly made a difference to what employees think and there are a number of areas which received more positive responses than previous years; eg

- more employees think that the Council is good to work for,
- more employees think that their targets and standards are achievable,
- more people are confident that they will still be working for the Council in 12 months time,
- more people agree communications in their service is working well,
- confidence in immediate managers continues to be high and confidence in senior management has improved,
- over two thirds agreed that they have a Staff Review and Development discussion annually and the quality of the discussion has also improved,
- employees were far more confident that there were opportunities for development,
- more agreed that the Council takes into account the views and diverse needs of its service users, that the Council is open, honest and accountable to all its customers and that customer/client relationships are well managed.

There were two main areas where employees said things had not improved: the requirement to work long hours and the physical work environment.

The Council compares well against the average for local government in many areas, including: the Council being a good employer and providing recognition for a job well done; understanding about job priorities and objectives, being kept informed about plans and priorities and being involved in decisions and being consulted over changes; training opportunities, having adequate resources for the job, physical work conditions and work-life balance.

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

8.1 Report on Decisions Taken

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

**9. HIGHWAYS AND TRANSPORTATION
Cabinet Member - Councillor D.B. Wilcox)**

9.1 Report on Decisions Taken

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

**10. RESOURCES
(Cabinet Member - Councillor R.M. Wilson)**

10.1 Report on Decisions Taken

- (i) **Asset Management Plan** - Cabinet has received a report on the Council's Asset Management Plan (AMP) for 2005. The AMP gives details of the property portfolio of the Council and outlines property issues and action to be taken in the short-term and details the results of actions taken over the last twelve months. Contained within the AMP are fifteen performance indicators that cover property issues such as energy, maintenance, rates of return and costs. These performance indicators are submitted to the Institute of Public Finance to enable comparison with other Councils. Cabinet were advised that the performance indicator trends were positive. Cabinet noted the importance of this corporate document covering key areas for the Council.
- (ii) **Small Business Friendly Concordat** - Cabinet has received a report on the principles set out in the Small Business Friendly Concordat, which is a voluntary, non-statutory code of practice, and the Small Business Event in Shrewsbury on 5th October 2005. The Concordat sets out what organisations supplying local government can expect when tendering for Local Authority contracts. The purpose of the Concordat is not to intentionally give smaller suppliers an advantage when tendering for contracts, but to ensure that all suppliers are treated equally. The Concordat also sets out the standards that public sector buyers should expect from their suppliers. The National Procurement Strategy for Local Government sets a target for all local authorities to have adopted the Concordat by the end of 2005.

10.2 Report on Items of Interest

- (i) **Audit Services Assurance Report 2004/05** - A report on this item is to be found at paragraph 4.2(i) of this report.

11. RURAL REGENERATION AND STRATEGY (Cabinet Member - Councillor J.C. Mayson)

11.1 Report on Decisions Taken

- (i) **Herefordshire Thinks Rural** - Cabinet has received a report on "rural proofing", the means by which local authorities and other organisations, test out their service delivery, policies and strategies in a rural context. In Herefordshire the need to reflect this was originally demonstrated through the impact assessments required to comply with the Race Relations Amendment Act within the Diversity agenda. During various inspections Officers and Members have been asked to evidence what we do differently or what is the result of operating in a rural area and what impact this has on our thought process. The Council's response, in the past has been that this is almost intuitive. However, as the question was raised so often, it was considered that a study be made to define what it is that makes Herefordshire distinctive, to look at current practice in relation to rural proofing and to construct an action plan which the Council could use to move its thinking in this area forward.

Cabinet has endorsed the contents of "Herefordshire Thinks Rural" and agreed an Action Plan which deals with those areas designated "quick wins". Councillor J.C. Mayson, Cabinet Member (Rural Regeneration and Strategy) has been appointed as the Council's "rural champion".

- (ii) **Relocation of the Livestock Market** - Cabinet has received a confidential report identifying a preferred site for a new livestock market. It had agreed that officers be instructed to develop a partnership agreement with the landowner and submit a planning application for the redevelopment of the preferred site.

Following a call in of this decision by the Strategic Monitoring Committee, Cabinet has reconsidered its decision. The Cabinet Member (Rural Regeneration and Strategy) has recommended and Cabinet has agreed that a site search for relocating the Hereford Livestock Market be recommenced and that all options in the north west quadrant of the County should be examined with full public involvement. This is expected to last six months.

The Strategic Monitoring Committee has requested that, in considering alternative sites, Cabinet be mindful of environmental issues such as flooding and terrain, consider carefully whether it is realistic to seek to link a livestock market to a rural business park and ensure that the report to Cabinet on options be detailed and robust, including a clear assessment of the costs of each of the options and in particular the cost to the Council of developing a site outside its ownership.

- (iii) **Herefordshire Council Community Involvement Strategy** – Cabinet has approved a revised Community Involvement Strategy and related action plan. The strategy outlines the Council's commitment to involving residents of

Herefordshire in decisions that affect them. An important aspect of consultation is to feed back to those who have been consulted as well as local Members on issues affecting their wards.

12. SOCIAL CARE ADULTS AND HEALTH (Cabinet Member Councillor Mrs. L.O. Barnett)

12.1 Report on Decisions Taken

- (i) **Housing Strategy for Herefordshire** - Cabinet has noted that the Council is no longer required to submit an annual Housing Investment Strategy but is required to develop a Housing Strategy that is rated as "Fit for Purpose" following assessment by the Government Office for the West Midlands. The Housing Strategy for Herefordshire 2005/08 has been developed to encompass the requirements set out for achieving Fit for Purpose. In doing so appropriate consideration has been given to the evaluation of the challenges faced within Herefordshire, the relative priorities and the actions planned to achieve the agreed priorities. Appropriate regard has been given to the important role of partnership working to identify and deliver the priorities including reflection on the successes that have been achieved to date.

The priorities for action over the three year period covered by the strategy are: to achieve a more balanced housing market; to address the increasing levels of homelessness in the County; to ensure that vulnerable people needing housing linked to support have their needs met in all parts of the area; and to improve housing conditions in Herefordshire across all tenures. Cabinet has approved the Housing Strategy for Herefordshire 2005/08, subject to any alterations required to achieve Fit for Purpose rating from the Government Office for the West Midlands.

- (ii) **Herefordshire Older People's Strategy** – Cabinet has received a report on the County-wide strategy for older people in Herefordshire. Members noted the importance of the strategy especially as the profile within the County is for an aging population. The work is to be carried out in partnership with strategic organisations and will touch upon all areas across the Council.
- (iii) **National Health Service Organisational Change** – In July 2005 the Department of Health published "Commissioning a Patient Led NHS" which sets out a framework for improving commissioning of services alongside improvements in health and service. Cabinet strongly supports the case for the retention of a sovereign NHS body commissioning service for the residents of Herefordshire. Members were advised of the potential impact for service delivery should a combined PCT come into being. A three month public consultation period will commence in November.

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