

INTRODUCTION

This Cabinet Bulletin covers the meeting held on 20th September, 2007 and reviews the agenda for the forthcoming meeting to be held on Thursday, 11th October, 2007.

Please note that all meetings of Cabinet will start at 2.00 p.m. until further notice

CABINET MEETING – 20th September, 2007

- (a) **Integrated Performance Report** – Cabinet received the Integrated Performance Report which outlines performance to the end of July 2007 against the Annual Operating Plan 2007-08, national performance indicators used externally to measure the performance of the Council, together with performance against revenue and capital budgets and corporate risks. Cabinet thanked the Strategic Monitoring Committee for its helpful suggestions regarding the layout of the report. Cabinet noted the number of indicators marked red and not on target and were advised that this did not necessarily indicate a drop in performance. Cabinet were advised that 103 staff reviews and development were completed on time and performance was better than last year, but the 100% target would not be achieved. Cabinet noted that performance indicators where in-year data was available, the current direction of travel showed that 53% of indicators were on course to improve on last year. The next report to the end of September would be more complete as it would cover a complete six month period and be updated against the Local Area Agreement (LAA). Cabinet noted some areas of reporting where further clarity was required. At Appendix C to the report, 2007/08 Revenue Budget Monitoring Summary, Cabinet noted that the general reserves were comfortably healthy. The updated position with regards to the funding for the July floods was for a slightly lesser amount of £3.5m and that further damage was coming to light as a result of work being carried out. Cabinet reviewed the funding in each directorate and the position with possible overspends. Cabinet noted the performance to the end of July 2007 and the adequacy of the proposed remedial actions to address areas of under performance.
- (b) **Comprehensive Equality Policy and Equality Schemes** – Cabinet received a report on the Comprehensive Equality Policy (CEP) and Equality Schemes outlining progress regarding the Council's commitment to and delivery of its statutory obligations to the diversity agenda. The CEP provides the focus to ensure the Council meets the criteria to reach level three of the equality standard by March 2008. Two key changes in the report relate to the government white paper 'strong and prosperous communities'. Firstly the aim to give local people and communities more influence and power to improve their lives and communities. Secondly the need for councils to track and monitor local trends or 'hot spots', for example regarding possible tensions between different ethnic or faith groups or new and long-term residents to an area. Cabinet was advised that reporting would need to be carried out on a monthly basis to government office in those areas where there might be tensions. Cabinet was informed that to date there had been no incidents requiring monitoring and reporting. Cabinet noted the progress made on the Comprehensive Equality Policy and the associated equality schemes.
- (c) **Employee Opinion Survey 2007** – Cabinet received a report outlining the key findings of the Employee Opinion Survey, which is carried out annually during July. 53% of employees completed the survey, an increase of 5% on last year and a 10% increase on the national average. Cabinet were advised that there were marked improvements in the

perception of employees over the areas covered by the survey questions, with employees feeling things were getting better. Some of the areas staff felt improvements had been made were in Staff Review and Development discussions and in their skills training, with 77% of respondents agreeing they have adequate training for their job. Cabinet were pleased to note the number of employees participating in the Employee Opinion Survey and noted the report on the survey.

Cabinet also thanked the Head of Human Resources, David Johnson, for his contribution to the authority since joining it in 2003 and wished him well for the future with his move to a new post.

- (d) **Local Government Pension Scheme Rule of 85 Protections – Response To Statutory Consultation** – Cabinet received a report on the Local Government Pension Scheme and considered the proposed response to the statutory consultation being undertaken to extend the current protections in place for the Local Government Pension Scheme (LGPS) in England and Wales. This would affect the older scheme members with the removal of the rule of 85 from the 1st October, 2006. Cabinet were advised that prior to this date provisions within the scheme allowed members who voluntarily retired before age 65 to take unreduced benefits if their combined age and length of membership added up to 85. The amendments to the scheme provided for the phasing out of this rule from 1st October 2006 with transitional protection provided for older members who reached aged 60 or above by 31st March, 2013. Following industrial action the current protections provide that LGPS members who are 60 on or before 31st March, 2016 will be able to retire at 60 with an unreduced pension if they qualify for the 85 year rule. Members reaching 60 between 1st April, 2016 and 31st March, 2020 would have their benefits reduced on a tapered basis. Cabinet were not recommended to support the proposed extension of the existing protections, as additional costs would need to be offset through further adjustments to the benefits package or increase employees' contribution rates, but to support the tapering scheme. Cabinet endorsed the response to the statutory consultation.
- (e) **Hereford Children's Centre** – Cabinet received a report seeking their approval for the proposed Hereford Children's Centre for North Hereford on the site of the Widemarsh Workshops. Cabinet was advised that the existing Widemarsh premises were no longer fit for purpose and Cabinet had previously endorsed the need to modernise the Council's services for people with learning disabilities. The relocation of the Widemarsh Workshops and the provision of a Children's Centre for the North of Hereford would contribute to achieving these aims and help toward meeting government requirements to provide countywide Children's Centres. Cabinet noted the government grant for children's centres was allocated to be spent by 31st March, 2008 although there was an agreement to extend this to August 2008. Cabinet was advised that leased premises had been identified as suitable for two additional social enterprise organisations to be established, and provide existing Widemarsh Workshop service users paid employment opportunities. It was also noted that there would be additional employment opportunities associated with the facilities at the proposed Hereford Children's Centre. Cabinet was informed that should the recommendations not be approved the Council would lose the grant funding from government and the opportunity to progress two strategic objectives that of employment opportunities for people with learning disabilities and the modernising of an out of date service. Cabinet approved the use of the Widemarsh Workshops as a Children's Centre following conversion, with the conversion works being funded from the ring fenced funds in the General Investment Allocation for Children's Centres. Cabinet also approved the leasing of two units on the Foley Trading Estate to facilitate the relocation of the Widemarsh Workshops.

- (f) **Public Service Trust Progress For Herefordshire** – Cabinet received a report on the progress for the Public Service Trust. Cabinet noted the lateness of some of the papers but accepted the importance of receiving the further comments of the Primary Care Trust Board. Cabinet were informed of the number of questionnaires that had been distributed for consultation. Although the number of responses to the questionnaire was less than hoped for, there were some groups that had responded and therefore covered a slightly larger number of the public. In addition there had been several meetings held across the county seeking the view of the public to the proposals. Cabinet were informed that 57% of those that responded to the consultation confirmed their support for the proposal with 41% against. The Health Scrutiny Committee also responded to the public consultation and supported a more integrated approach to public services. Cabinet were reminded of the government's requirement for local authorities and primary care trusts to work more closely together. It was pointed out that should a full public service trust be agreed upon the earliest date it could come into being would be 2011, depending on primary legislation being amended. Cabinet noted the strategies to be put in place should there be a need for the joint Chief Executive arrangements to be disbanded. Cabinet noted the outcome of the public consultation regarding the Council and Herefordshire Primary Care Trust proposal to establish a Public Service Trust arrangement. Cabinet endorsed the Public Service Trust Steering Group's recommendation to support taking forward with Option 3, appointment of a new joint Chief Executive. Cabinet approved the draft roadmap and timetable. Cabinet agreed that regular reviews be carried out throughout the process with the information shared with all Councillors and that the existing strategy is examined at key stages.
- (g) **Special Report From the Director of Resources** – The Director of Resources presented the Special Report to Cabinet as the Council's Chief Statutory Financial Officer. The Director advised Cabinet that the purpose of the report was to disclose significant non-compliance issues within the ICT and Customer Services division, which were identified by the Council's internal audit team. It was added that further work would be necessary to establish whether the contractual arrangements the Council had entered into for the ICT back office project and the Community Network Upgrade (CNU) project represented best value. Cabinet noted that the ICT and Customer Services division was the only service division to have dedicated financial management support when the Council's senior management arrangements were re-organised in May 2005. The Director drew Cabinet's attention to the issues raised by the external auditor with regard to the (CNU) and advised Cabinet that this was a technical accounting issue only. Cabinet endorsed the actions outlined in the action plan and that an urgent reassessment be made of the CNU contract. Cabinet agreed that financial governance compliance testing and implementation of the recovery plan to be made a priority in line with the timetable in the action plan and financial services to be involved in all option appraisals. It was also agreed by Cabinet that an independent external officer be appointed to carry out a financial and technical appraisal of ICT and Customer Services.

FORTHCOMING CABINET MEETING – 11th October, 2007

- (a) **Annual Report on the Strategic Service Delivery Partnership** – to receive a report on the operations and performance of the Strategic Service Delivery Partnership between the Council, Herefordshire Jarvis Services Limited and Owen Williams Limited during the period April 2006 to August 2007.

- (b) **Herefordshire Connects Progress Report** – To note progress in respect of the Herefordshire Connects programme, approve the technology platform on which further progression will be based, and approve the extension of the existing interim agreement with Deloitte.
- (c) **Local Area Agreement Priority Setting** – To note the process of the Local Area Agreement (LAA) “super-refresh” and endorse the preliminary list of key priorities in Appendix 1.
- (d) **Modernisation of Registration Service** – To approve the proposal to establish a single registration district for Herefordshire and the implementation of a new governance framework.
- (e) **Update on the Future of Post Office Services in Rural Herefordshire** – To update Cabinet on the Government’s post office closure programme and the progress being made on an initiative to develop sustainable options for the delivery of post office services to rural communities in Herefordshire.
- (f) **Adult Social Care Fairer Charging** – To inform Cabinet of the outcomes of the recent public consultation on the Fairer Charging for non-residential Social Services recommendations made by Cabinet in June 2007. The report also recommends revisions to the recommendations made in June following the consultation.
- (g) **Herefordshire Housing Post Transfer Improvement Programme** – To provide an update to Cabinet of the progress made in delivering improvements to housing stock transferred to Herefordshire Housing.

EXCLUSION OF THE PRESS AND PUBLIC

- (h) **Proposed Purchase of Blueschool House, Blueschool Street, Hereford, HR1 2LX – To seek approval for acquisition of the freehold property of Blueschool House, Blueschool Street, Hereford HR1 2LX.**

This item discloses information relating to the financial or business affairs of any particular person (including the authority holding that information).

- (i) **Affordable Housing Development Programme 2007/08 – To seek approval for the funding of the Affordable Housing Development Programme in Herefordshire for 2007/08**

This item discloses information relating to the financial or business affairs of any particular person (including the authority holding that information).

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*Copies of the agenda are available on the Council's website www.herefordshire.gov.uk,
at the meeting or on request from
Mrs. Sally Cole, Committee Manager (Executive) on (01432) 260249.*