

SUPPLEMENT TO THE AGENDA FOR

General Overview & Scrutiny Committee

Monday 19 September 2016

2.00 pm

**Council Chamber, The Shire Hall, St Peter's Square, Hereford,
HR1 2HX**

4. MINUTES

Pages

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HEREFORDSHIRE COUNCIL

MINUTES of the meeting of General Overview & Scrutiny Committee held at Council Chamber, The Shire Hall, St Peter's Square, Hereford, HR1 2HX on Monday 5 September 2016 at 9.30 am

Present: Councillor WLS Bowen (Chairman)
Councillor CA Gandy (Vice Chairman)

Councillors: JM Bartlett, MJK Cooper, J Hardwick, EPJ Harvey, JF Johnson, MT McEvelly, AJW Powers, NE Shaw, EJ Swinglehurst, A Warmington and SD Williams

In attendance: Councillors DG Harlow - cabinet member-economy and corporate services, AW Johnson - leader of the council and PD Price – cabinet member-infrastructure.

Officers: K Bishop – Lead Development Manager, A Harris – head of management accounting, A Floyd – communications manager, S Gilson – local and neighbourhood planning community engagement officer, G Hughes – director economy, communities and corporate, K Singleton – team leader strategic planning

11. APOLOGIES FOR ABSENCE

Apologies were received from Mrs A Fisher and Mr P Sell, statutory co-optees.

12. NAMED SUBSTITUTES

No substitutions were made.

13. DECLARATIONS OF INTEREST

There were no declarations of interest.

14. MINUTES

RESOLVED: That the minutes of the meeting held on 26 July 2016 be approved as a correct record and signed by the chairman.

15. SUGGESTIONS FROM THE PUBLIC

No suggestions had been received.

16. QUESTIONS FROM THE PUBLIC

No questions had been received in advance of the meeting in relation to the following items.

17. FOUR YEAR FINANCIAL SETTLEMENT

The Committee's views were sought on the four year central government funding deal.

The Head of Management Accounting presented the report. She commented that the Government was currently consulting on 100% business rates retention. The impact of any change would become clearer by the end of 2016. Some £28 million of savings remained to be delivered by 2019/20. This was a challenging target, leaving to one side the uncertainty over business rate retention, noting that the Council currently received £6.9 million per year from the national redistribution of business rates through a top up grant. The budget outturn was showing overspends for adult social care and children's services in the current year but measures were in place to address the position. Accepting the funding deal would offer certainty. The risk of not accepting the deal was that the Council would receive a lesser financial settlement.

The Leader of the Council reinforced the point that the four year settlement did not take account of the proposals for 100% business rate retention. He noted that funding considerations would need to be taken into account in considering the Council's participation in the West Midlands Combined Authority.

The Director for Adults and Wellbeing commented that a number of grants relating to adults and wellbeing, such as the public health grant, were separate from the revenue support grant. The proposed settlement did not have a significant impact for the service but did have some implications.

The Director of Children's Services commented that the Council had been expecting to gain additional funding from the implementation of the national schools funding formula. The implementation had now been delayed for a year. In addition £1m of the Education Services Grant was to be withdrawn from the Council and academies, although the statutory duties which this grant is for have not changed.

In discussion the following principal points were made:

- It was asked if the Government had indicated whether the current 1.9% cap on council increases would remain in place and whether the permission to levy an additional 2% for adult social care as for 2016/17 would be continued. The Head of Management Accounting commented that the government had given no indication as to its approach on either of these points. She added that the concern was that if the Council did not accept the deal it could be subject to further budget cuts.
- Concern was expressed as to what the benefits of accepting the deal actually were in practice. Paragraph 10 of the report noted that although labelled as guaranteed minimum grant funding the Government had reserved the right to change the settlement due to unforeseen circumstances. In addition it was remarked that the Government had a track record of changing what was included within various grants adding to the uncertainty about the grant figures quoted in the report.
- It was clearly implied that a decision not to accept the deal risked the Council being disproportionately penalised in its funding settlement. However, conversely it was

asked whether accepting the offer would prevent the Council from making the case for additional funding to meet the additional costs of delivering services in a rural area.

- The Government was in contravention of the Council of Europe Charter for Local Government by providing insufficient funding. It was asked whether rural authorities in particular had considered challenging the government on this point.
- The outcome of the Government's consultation on business rate retention did not have a direct bearing on deciding whether or not to accept the funding deal. The deal did offer some certainty. Accepting the deal did not preclude the council from pursuing every avenue to secure the funding it required to deliver a balanced budget.
- In response to a question about the approach being taken by other authorities the Director – economy, communities and corporate commented that his understanding was that a significant proportion were proposing to accept the government's offer.
- The Leader of the Council acknowledged that the deal was not particularly palatable. There were areas of expenditure specifically excluded from the deal. However, it did provide a level of certainty. He was due to meet ministers the following week and assured the Committee that he would do everything he could to seek to reduce uncertainty and seek the best funding settlement possible for the County. Accepting the deal was the best option. It would not prohibit the council from lobbying for additional funding.
- It was proposed that in order to make a considered recommendation to Cabinet a task and finish group should be formed to consider the matter in more detail.
- The Director – economy, communities and corporate drew attention to the timetable set out in the report at paragraph 15 requiring Council to consider recommendations from Cabinet on 30 September in order to decide whether to accept the government's offer by the deadline of 14 October.
- It was suggested that further information should be provided to the Committee on the following points and it should be recommended that Cabinet should also consider these points in making its recommendation to Council:
 - The scope to make representations based on the fact that the UK was in breach of Charter of local government
 - Information on Business rates and the Business rate consultation paper, the numbers of small businesses and the impact of business rate proposals on them.
 - Information on views of other local authorities, in particular comparator authorities.
 - Information on lobbying opportunities including what the LGA is doing and the work of the Rural Services Network Sparsity Group.
 - Further clarification on Council tax capping and whether flexibility to raise an additional 2% for adult social care will remain?
 - More analysis of options open to the Council.

RESOLVED:

That (a) in order to make a recommendation on whether or not to accept the 4 year funding settlement a further meeting should be convened to consider alternative options including information from comparator authorities; and

(b) Cabinet be recommended to consider the points made by the Committee and the further information the Committee considered was

required in order to make a recommendation to full Council on whether or not to accept the four year funding deal.

18. STATEMENT OF COMMUNITY INVOLVEMENT CONSULTATION, COMMUNICATIONS AND PROGRAMME TO ADOPTION

The Committee was asked for its views on a revised draft statement of community involvement having regard to the outcome of public consultation.

The Team Leader Strategic Planning presented the report. He commented that the document had not been updated for some 9 years and had been amended to reflect developments during that period, including increasing reliance on communicating online and not via post and hard copy documents, and new initiatives such as neighbourhood development planning, community right to build and neighbourhood development orders.

In discussion the following principal points were made:

- It was noted that there had been 48 responses to the consultation. This compared with 38 responses to the consultation in 2007. The view was expressed that this was a low response and in itself indicative of the council's difficulty in communicating. The focus on online communication was questionable given the number of people in the County who did not have internet access. It should also be noted that two thirds of those who had responded to the consultation did not think that the consultation methods proposed would be effective. There was considerable interest in planning matters, as demonstrated by the number of neighbourhood development plans being prepared, amongst other things.
- The Team Leader confirmed that all Town and Parish Councils in the County had been consulted. The Neighbourhood Plans team had included information on the consultation in their newsletter but had not contacted NDP planning groups individually.
- The Local and Neighbourhood Planning Community Engagement Officer (LNPCOE) commented that she had produced a plain English version of the consultation document. Proposals to generate greater engagement included utilising public places such as libraries various networks and support groups.
- In response to questions, the Lead Development Manager commented;
 - With reference to P53 paragraph 10.16 there was no legal requirement for an applicant to involve the community in their application at pre-application stage. However, the wording in that paragraph could be strengthened.
 - The council's software should be used to update the consultation deadline following the placement of site notices. He would issue a reminder to ensure that this was happening.
 - He confirmed that care was taken to ensure that sufficient notices of an application were placed on and around sites.
 - It was suggested that the Herefordshire and Gloucestershire Canal Trust should have been a consultee given its strategic role.
 - In relation to the table of engagement methods at section 8.4 of the report it was suggested that consideration needed to be given to what communication resources were available to residents in different parts of the county and engagement methods tailored to address deficiencies. The LNPCOE acknowledged that engagement methods needed to be area dependent given the varying quality of parish council websites and other resources.

- A number of detailed comments on the text of the statement of community involvement were made and it was proposed that the following amendments should be considered by Cabinet (page numbers refer to the published agenda papers):

P 35 paragraph 2.6	Use of the word minimum should be changed.
P36/37 paragraph 5.4	The wording in relation to deprivation should be made consistent with that in other council documents.
P39 paragraph 7.1 bullet point 5	Amend to say that decisions should be based on all relevant evidence
P40 paragraph 8.4	Engagement methods should be tailored having regard to communication resources within geographical areas.
P51 paragraph 10.7	The wording should specify that neighbouring parish councils should also be informed of applications that affected them.
P51 paragraph 10.7	Correct contact e-mail address
P52 paragraph 10.12	The redirection criteria should be included.
P53 bullet point 4 line 1	Amend "large" to "larger"
P53 paragraph 10.16	Strengthen word "encourage" in line 3 of shaded box.
P54 paragraph 11.4	Clarify bullet point 2. An NDP can promote less development as well as more.
P54 11.5 bullet point 1	Rather than "cannot conflict with" the wording should state that neighbourhood development plans should be "in general conformity" with the Core Strategy.
P54 paragraph 11.7	Clarify reference to "next column"
P56 bullet point 3	Change "'can provide guidance" to "will"
P57 bullet point 2	It should be made clear that Herefordshire Council not the Parish Council has the final say.
P58 Section 12	Further consideration should be given to this section. Reference should be made to what will be done with monitoring information, monitoring should include the effectiveness of Neighbourhood plans to resolve conflict and be robust in managing development.
P59	Development Plan Document definition should make reference to relationship with NDPs.
P60 last line	Suggested 2012 should be 2015. Other references of this nature should also be checked and updated.
P61	The references to specific consultation bodies and general consultation bodies should be clarified. The language should be consistent.
P64	Reference should be made to the role of the local ward member in speaking at the Planning Committee
General points:	That work on the Constitution which included consideration of the role of the Planning Committee should be taken account of to ensure the Statement of Community Involvement was consistent with the Constitution.
	That there should be a broader consideration of methods of communication and the clarity of the message.
	To avoid references – for example to named consultation bodies becoming out of date, where feasible a reference should be made to the master source.

RESOLVED: That Cabinet be recommended to consider amending the revised draft statement of community involvement to take account of the amendments proposed in the above table.

19. COMMUNICATION PROTOCOL FOR MEMBERS

The Committee considered whether to make any recommendations to inform cabinet's consideration of the communication protocol for members.

The protocol formed part of the communication strategy which had been considered by the Committee on 26 July and was the subject of a further report at the Committee's request.

The cabinet member – economy and corporate services presented the report. He commented that the protocols had been in place since 2010 and it was not intended that they should place restrictions upon members but that they should offer support.

In the course of discussion the following principal points were made:

- The Director – economy, communities and corporate read out a statement seeking to address the concern that greater clarity was required as to what was meant when a communication was issued or statement made purporting to be by “the council”. This stated that it depended on the context and the role of the member. The revised protocol set out at paragraph 3.1 a range of different roles and the context in which members may speak ‘on behalf of the council’. In essence if a member had a formal role relative to the issue in question, they could speak on behalf of the Council otherwise they were speaking as an individual. It was analogous to the position in Westminster where a cabinet member may speak on behalf of the government, the opposition had spokespersons who made the opposition response, select committee chairs spoke on matters their committee have looked at, and backbenchers (regardless of their political persuasion) spoke as individuals on general issues or as constituency members when it was a matter relating to their constituency.

Having considered this statement, it was considered that further clarification was still required.

- In relation to Councillors use of social media the communications manager stated that there would be briefings for councillors and staff.
- It was suggested that there was a need for further clarification on the following points: the role of local ward members, the application and operation of paragraph 4.2, and paragraph 4.5 and that an additional paragraph should be added providing guidance as to how members should approach communications as a council appointee to an outside body.

RESOLVED: That cabinet be recommended that further consideration be given to the following matters in relation to the communication protocol for members:

- **In relation to paragraph 3.1 of the protocol further clarification was needed on when it was appropriate to use the word “Council” in communications when referring to such matters as Council policy and when further distinction was needed between a decision taken at full Council and a decision taken by an individual cabinet member or an officer.**

- Paragraph 3.4 needed further clarification, in particular regarding the role of local ward members.
- Paragraph 4.2 –greater clarity was needed on the application and operation of this paragraph.
- Paragraph 4.5 also required consideration and clarification.
- An additional paragraph should be added providing guidance on how members should approach communications as a council appointee to an outside body.

20. DATE OF NEXT MEETING

The Committee noted that the date of the next scheduled meeting was Tuesday 27 September at 10:00 am.

The meeting ended at 12.20 pm

CHAIRMAN

