

**MINUTES of the meeting of Cabinet held at The Hall, Shire Hall, St Peters Square, Hereford, HR1 2H on Thursday 22 January 2015 at 2.00 pm**

**Present:** Councillor AW Johnson (Chairman)  
Councillor (Vice Chairman)

**Councillors:** H Bramer, JW Millar, PM Morgan, GJ Powell, PD Price and P Rone

**In attendance:** Councillors CNH Attwood, WLS Bowen, ACR Chappell, JA Hyde, TM James, JG Jarvis, RI Matthews and AJW Powers

**Officers:** Richard Ball (Assistant Director Place Based Commissioning), Steve Burgess (Head of Transport and Access Services), Geoff Hughes (Director for Economy, Communities and Corporate), Helen Coombes (Director of Adults Wellbeing), Jo Davidson (Director of Children's Wellbeing), Tony Featherstone (Head of Corporate Asset Management), Bill Norman (Assistant Director, Governance), Alistair Neill (Chief Executive), Peter Robinson (Chief Financial Officer).

**54. APOLOGIES FOR ABSENCE**

None.

**55. DECLARATIONS OF INTEREST**

None.

**56. MINUTES**

**RESOLVED:** That the Minutes of the meeting held on 18 December 2014 be approved as a correct record and signed by the Chairman.

**57. BUDGET AND MEDIUM TERM FINANCIAL STRATEGY**

The chief financial officer outlined the proposals to be recommended to council including the 2015/16 revenue budget, council tax increase, draft medium term financial strategy, and treasury management strategy. It was noted that the council was predicted to spend within its budget in 2014/15.

The chairman of general overview & scrutiny committee noted that, in reviewing the proposals the committee had not made any recommendations for substantive change. Concern was expressed about the challenges faced in meeting the pension requirement and maintaining suitable school accommodation in light of a recent announcement of future planned reductions in central government capital funding for schools.

It was noted that repayment of the deficit over 21 years was budgeted for. It was also noted that a schools estate strategy was in development for consideration later in the year to inform planning and prioritisation of capital requirements for school buildings.

The chairman of health & social care overview & scrutiny committee welcomed the increased resourcing of social workers meeting the needs of children and young people. On behalf of the committee a plea was made that should any surplus be identified during the budget

process consideration be given to supporting general advice services provided by the Herefordshire citizens' advice bureau (HCAB).

In relation to any future grant funding of HCAB the cabinet member health & wellbeing explained that commissioning an information advice and signposting service to come into effect from 1 April was to meet the requirements of the Care Act. It was open to HCAB to bid for the new service. HCAB had been in receipt of a grant from Herefordshire Council of some £117k per year and had been advised a year ago that this would be ending in March 2015. The council was not the only funder of the service and no longer gave 'grants'; rather it commissioned services. The council would continue to provide approximately some £75k support in kind through accommodation and associated costs. In May 2014 HCAB received significant lottery funding in excess of £300k to help re-shape the organisation and increase collaborative working.

The leader of the Independents reported his group had some concerns focussing on the level of borrowing which may need addressing after the May 2015 elections, but were content to support the proposals as put forward.

In response to queries raised by the leader of It's Our County, the following points were noted:

- £1m of reserves had been set aside to support the costs of delivering savings where those savings were greater than the investment required; this included ICT investment and staff exit costs although the latter would be kept to a minimum through effective vacancy management.
- Previously unallocated savings of some £3m identified in the draft proposals considered by the overview and scrutiny committees, and which related to the 2016/17 budget, had since been allocated across the directorates. The chief financial officer confirmed the projected savings were achievable; and advised they would continue to be refined and challenged through the year as the 2016/17 budget was further developed.

The leader of the Liberal Democrats concurred with the comments of the chairman of health & social care overview & scrutiny committee relating to HCAB; and cautioned against increases in borrowing.

**RESOLVED:**

**That (a) the following be recommended to Council:**

- i. approval of the revenue budget as set out in appendix 2;**
- ii. approval of a council tax increase of 1.9% in 2015/16, therefore rejecting the 2015/16 council tax freeze grant, this will result in a band D council tax level of £1,275.10,**
- iii. approval of the medium term financial strategy shown in appendix 4;**
- iv. approval of the treasury management strategy for 2015/16 shown in appendix 5; and**

**(b) it be noted that the council is projected to spend within its budget for the 2014/15 financial year.**

**58. HEREFORD UNITED FOOTBALL CLUB (1939) LTD (APPROVAL TO SEEK NEW TENANT AT EDGAR STREET ATHLETIC GROUND, HEREFORD)**

Cabinet considered proposals to seek a short term tenant for the Edgar Street Athletic Ground following the winding up of Hereford United Football Club (1939) Ltd. The proposed lease term was not fixed, but was intended to cover two full seasons from March; longer term arrangements would be considered following consultation with the broader community.

Members in attendance expressed some concern that a lease term of less than five years may not be sufficient to attract suitable investors. Cabinet was advised it would not be prudent at this stage to offer a longer lease as there would be insufficient time to complete appropriate due diligence; a shorter lease would enable football to continue pending longer term consideration of the most appropriate way of securing football in the county in the longer term and protect the council's assets held on behalf of the county. Cabinet was advised that the ward member had been consulted and was supportive of the proposal. It was noted that the general overview & scrutiny committee would be conducting a review of the matter during February.

Assurance was provided that the council would meet its statutory obligations re issues such as electrical safety, conditions survey etc. prior to entering into any lease arrangement.

**RESOLVED:**

- That (a) the cabinet member contracts and assets be authorised (following consultation with the leader of the council) to seek a new football tenant for the pitch (and such ancillary sports related facilities as he considers appropriate) at the Edgar Street athletics ground through an open public advertisement process and consultation with parties likely to be affected by the decision including as a minimum the Hereford United Supporters' Trust, the Football Association and Sport England);**
- (b) the director for economy, communities and corporate be authorised (following consultation with the assistant director, governance) to grant an initial short term lease to the new football tenant on such terms as are appropriate to protect the council and the use of the ground; and**
- (c) the director for economy, communities and corporate submit a further report to Cabinet to recommend longer term arrangements.**

**59. JOINT PROPERTY VEHICLE (JPV)**

Cabinet received a report on the outcome of work undertaken to assess the business case regarding the establishment of a joint property vehicle. It was noted that, because Herefordshire Council had already done much to join up its property services with other public sector partners, including housing associations, and therefore the business case did not support the council becoming a founder member.

**RESOLVED:**

- That (a) Herefordshire Council does not join the proposed joint property vehicle as a founding member; and
- (b) the director of economy, communities, and corporate, produce a further report following completion of a review of the options for ensuring a sustainable property service for Herefordshire including consideration of joining or becoming a customer of the joint property vehicle once it has been established.

**60. ROTHERWAS RAIL DEVELOPMENT PLAN**

Cabinet considered a report setting out proposed actions in response to a motion passed at Council. It was noted that since drafting the report a change had been agreed regarding the responsibility for undertaking demand forecasting; this would now be undertaken by Herefordshire Council and was not expected to cost more than £10k.

**RESOLVED:**

- That (a) the development plan outlined at paragraph 8 of this report, and setting out roles and responsibilities of appropriate rail authorities and other interested bodies be approved, noting that establishment of the likely level of demand and service implications will be led and resourced by Herefordshire Council; and
- (b) the Head of Transportation and Access be instructed to progress the development plan to Initial Feasibility before bringing back a further report to Cabinet.

The meeting ended at 3.33 pm

**CHAIRMAN**