

Minutes of the meeting of Council held at The Council Chamber - The Shire Hall, St. Peter's Square, Hereford, HR1 2HX on Friday 14 July 2017 at 10.00 am

Present: Councillor DB Wilcox (Chairman)
Councillor PJ Edwards (Vice-Chairman)

Councillors: PA Andrews, BA Baker, WLS Bowen, TL Bowes, H Bramer, CR Butler, ACR Chappell, MJK Cooper, PE Crockett, PGH Cutter, BA Durkin, CA Gandy, DW Greenow, KS Guthrie, J Hardwick, EPJ Harvey, JA Hyde, TM James, AW Johnson, JF Johnson, JLV Kenyon, JG Lester, PP Marsh, RI Matthews, RL Mayo, MT McEvilly, PM Morgan, PD Newman OBE, FM Norman, CA North, RJ Phillips, AJW Powers, PD Price, P Rone, AR Round, A Seldon, NE Shaw, J Stone, D Summers, EJ Swinglehurst, LC Tawn, A Warmington and SD Williams

In attendance

Officers: Chris Baird, Annie Brookes, John Coleman, Geoff Hughes, Caroline Marshall, Alistair Neill, Martin Samuels and Claire Ward

12. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Bartlett, Harlow, Holton, Lloyd-Hayes, Mansell, Michael and Skelton.

13. DECLARATIONS OF INTEREST

There were no declarations of interest.

14. MINUTES

An amendment to the minutes was discussed to include the additional wording, 'option D would be cost neutral whereas option B would place further burden on taxpayers whose council tax had just risen by 4% during April this year', under the summary of the debate relating to the councillors' allowances scheme at the previous meeting. There was division in the membership regarding whether the minute was accurate. It was agreed, by a simple majority, that the additional detail should not be added to the minutes.

In a correction to the minutes, it was noted that the table of elected chairmen and vice-chairmen to committees required amendment, as it was inaccurate, to include Councillor EJ Swinglehurst as the vice-chairmen for general scrutiny committee in place of Councillor CA Gandy.

RESOLVED: That, subject to the correction outlined above, the minutes of the meeting of 19 May 2017 be confirmed as a correct record and signed by the Chairman.

15. CHAIRMAN AND CHIEF EXECUTIVE'S ANNOUNCEMENTS

Council noted the chairman and chief executive's announcements as printed in the agenda papers.

The chairman highlighted the following:

- The deputy lieutenant would address members at the end of the meeting in regard of the Honours system and the Queen's Award for Voluntary Service;
- The 200th anniversary of the Shire Hall; and
- The resignation of the Councillor Graham Powell from the council.

The chief executive highlighted the following:

- The budget consultation process currently in progress;
- Recent, good performance in hospital discharges enabled by available social care provision;
- The minute's silence for the victims of the Grenfell Tower disaster and safety and fire inspections that had been undertaken following requests from government.
- The opening of the EnviRecover waste processing plant.

16. QUESTIONS FROM MEMBERS OF THE PUBLIC (Pages 7 - 8)

A copy of the public questions and written answers, together with supplementary questions asked at the meeting and answers, is attached to the Minutes at Appendix 1.

17. TREASURY MANAGEMENT OUTTURN 2016/17

Council considered a report which provided detail of the treasury management outturn for 2016/17. The cabinet member financial management and ICT introduced the report and explained that there had been compliance through the year with the treasury management strategy. The council had taken advantage of lower cost short term loans which had reduced the amount of interest payable during the year. The volatility in the Public Works Loan Board rates had allowed for the replacement of some short term loans with longer term arrangements, at a lower rate of interest payable. During the year the amount of interest received by the council was less than expected due to council maintaining a lower cash balance to reduce reliance on loans.

The comments of members and the responses provided are as follows:

- Concern was expressed regarding the current level of debt, the interest payable on that debt and the decreasing level of assets. It was commented that longer term plans were required to address the issue. *In response it was confirmed that the level of debt at the council was within statutory limits and the current medium term financial strategy had identified the disposal of assets up to 2019 to reduce the level of borrowing. The importance to the council's finances of identifying quality capital projects through the capital expenditure programme was also highlighted.*
- It was suggested that the proceeds of the sale of the tenanted farms should be allocated to developing student accommodation. *It was confirmed that projects were being developed to allow the council to realise good levels of return on investments and a commercial development partner would be appointed shortly to oversee this work.*
- A query was raised regarding the greater level of flexibility announced by government to allow local councils to undertake additional borrowing against capital assets. Further details regarding the implications of this initiative to Herefordshire Council were sought. *It was confirmed that the borrowing position of the council was under constant review. When proposals for capital investment were produced there was consideration of how to secure borrowing and at that stage an assessment of the implications to the council was undertaken. Greater*

flexibility around financing would be considered in a review of the treasury management strategy with any changes or formal proposals reported to Council.

- The concerns expressed by a local MP over the level of debt at the council in 2003 were raised. The significant increase in the level of debt since this time was noted and comment was invited from the cabinet member. *In response it was confirmed that the council had managed its borrowing within statutory and prudential limits.*
- The capital receipts generated during the year were questioned and further detail on those assets sold during the previous year was sought. It was also requested that detail of the percentage of the overall assets sold in 2016/17 be provided. *It was confirmed that detail would be sent to members.*

RESOLVED – that the treasury management outturn (at appendix one) for 2016/17 is approved.

18. LEADER'S REPORT

The Leader presented his report on the activities of Cabinet since the meeting of Council on 3 March 2017. Questions were invited to the Leader which included those issues raised below:

- The corporate parenting strategy was welcomed. The training provided to members regarding responsibility as corporate parents needed to be more effective than the online training previously provided. *The nature of the training would be discussed with officers.*
- Following Ofsted reports which highlighted the lack of supervision and support for front line staff would the training programme of adult social workers ensure consistent reporting and savings through more cost-effective work practices? *All work practice initiatives were aimed at ensuring more cost-effective arrangements and a significant recent improvement had seen an increase in the level permanent social workers compared to agency staff.*
- To support tourism and economic development in the county it was felt that the number of electric charging points for cars should be increased. Requiring all new homes to incorporate a charging point would contribute towards the council carbon management plan. *The projected increase in electric cars would necessitate a review of parking strategies and facilities for charging would be included in future policies of the council.*
- An issue regarding potential structural damage to ex-council houses was raised. It was understood that in some cases cladding had encased structural damage and prevented remedial repair. Problems securing home insurance had been experienced by some residents living in these houses. *The council no longer had social housing; the transfer to housing associations took place in 2002. A written reply would be provided to the issue raised.*
- The publication of six neighbourhood plans in the county since June ensured that those local parish councils were in a stronger legal and policy position to exercise control over development.
- Following the launch of the economic vision at Eastnor Castle the leader was questioned on what measures were in place to address the different opportunities for economic development in the market towns and the west of the county. *For the development of the county it was essential that the city attracted investment. The intention was for development and growth to be spread from the city to the market towns. To this end policies were being explored with the new university requiring students to locate and develop businesses in the market towns.*
- The external auditors had raised a concern regarding valuations on the council's properties and it was questioned whether this related to the small holding estate. *Valuations were subject to variance depending on methodology and current*

circumstances. Generally the bids that had been received were in excess of the valuations undertaken.

- The importance to economic development of tourism required acknowledgment in the annual performance report 2016/17 and assurance was sought that littering and fly-tipping would be addressed as part of initiatives to create vibrant town centres. *Work was ongoing to address littering including the introduction of gull-proof hessian refuse sacks to fast food restaurants and encouraging local cafes to reduce the size of disposable cups. It was explained that a funding bid had been made to access funds through the European Structural Infrastructure Fund for projects to extend the tourism season between October to March.*
- The level of support provided to carers was queried and if the council could do more. The role of a carers champion was raised. *It was confirmed that cabinet would be considering a carers strategy at its meeting on 20 July.*

RESOLVED: That the report is noted.

19. NOTICES OF MOTION UNDER STANDING ORDERS

The chairman confirmed that the notice of motion contained in the report attached to the agenda had been deferred, at the proposer's request, for consideration at the following meeting of the full council on 13 October 2017.

20. QUESTIONS FROM MEMBERS OF THE COUNCIL (Pages 9 - 10)

A copy of the Member questions and written answers, together with supplementary questions asked at the meeting and the answers, is attached to the Minutes at Appendix 2.

21. DATE OF NEXT MEETING

In closing the meeting, the chairman reminded members that the next meeting is due to be held on 13 October 2017.

The meeting ended at 11.40 am

Chairman

Appendix 1 - Questions from members of the public

Question Number	Questioner	Question	Question to
PQ 1	Ms Godbert, Hereford	Can Herefordshire Council give me an assurance that the tennis courts at Bishop's Meadow will be resurfaced with new floodlighting for the four tarmac courts, so that they are handing over to the city council a public asset that is fit for purpose in 2017?	Cabinet member contracts and assets
<p>Cabinet member response There are currently no plans to provide new floodlights or to resurface Bishop's Meadow tennis courts in advance of any potential asset transfer.</p>			
<p>Supplementary question – Ms Godbert When will Herefordshire Council allocate appropriate funding to maintain their unique public asset of six grass and four tarmac tennis courts, situated opposite Herefords cathedral in King George V playing fields, a prime conservation area, to ensure the courts remain fit for purpose after the 2017 refit?</p>			
<p>Cabinet member response to supplementary question Maintenance is currently undertaken within available budgets to ensure the tennis courts may be used safely during the tennis season. Herefordshire Council has already delivered savings of £59m in the past 6 years and must undertake a further £28m by 2019/20; in light of that financial challenge we cannot invest in every local facility. The council's community asset transfer policy ensures that where a local facility is valued by the community it serves, there is the opportunity for ownership and management of the facility to be transferred to the local community. If the tennis courts are subject to an asset transfer during the current year, it would be for the organisation taking responsibility for the assets to consider and fund any improvements that they consider appropriate, and advice on sources of funding is available from the council's project development team.</p>			
PQ 2	Mr Geeson, Hereford	As the City Link Road between Edgar Street /Commercial Road nears completion can the Cabinet member confirm there have been recent and comprehensive traffic surveys at either end of the new road and along Newmarket Street / Blue School Street so good quality data is available on traffic flows before the Link Road and thus further surveys can be undertaken to demonstrate the effect of the new road once opened?	Cabinet member infrastructure
<p>Cabinet member response Yes. A programme of traffic surveys was carried out prior to the construction of the city link road and will be repeated following its completion in accordance with the requirements of the planning permission granted for the road.</p>			
<p>Supplementary Question – Mr Geeson Can the Cabinet member say approximately when the new survey will be held after the road is completed?</p>			
<p>Cabinet member response to supplementary question Surveying and design elements for everything that goes forward in the city centre and the Hereford transport plan is ongoing and I cannot specifically give a date for this particular survey but it will be done as soon as possible after the completion of the road and the traffic using it settles into a normal routine.</p>			

Appendix 2 - Questions from members of the council

Question Number	Questioner	Question	Question to
MQ 1	Councillor RI Matthews	At full council on May 19 it was noted that certain financial responsibilities had been delegated to Hoople Ltd, a public registered business financed by taxpayers in Herefordshire. The company's accounts to March 2016 showed losses of £1.396M and decreased turnover of 8%. I asked the leader to arrange an urgent review of responsibilities for monitoring this publicly-owned business. Can the Leader inform Council what action he has taken?	Leader of the council
<p>Leader's response</p> <p>Following the May meeting of Council I asked the chairman of the Audit and Governance Committee to consider the delegation to Hoople staff regarding the writing off of uncollectable debts and the issues around the Hoople pension deficit. I am pleased to be able to report that the chairman has agreed for the matter to be considered at the next meeting of the Audit and Governance Committee and, following discussions with external audit, officers are preparing a report for the committee. The council remains responsible for monitoring the performance of Hoople.</p>			
<p>Supplementary question – Councillor RI Matthew</p> <p>I am satisfied with the response that this matter is going to audit and governance committee for close monitoring during the next twelve months.</p>			
MQ 2	Councillor ACR Chappell	The cabinet member, Chief Executive and relevant Director are members of the university project board. There is only one elected member, drawn from the executive. Cabinet will receive reports from the board and the £300K loan from council requires reports to audit committee. Will the Leader ensure that one non-executive member is appointed to the board and a standing item exists at general scrutiny and Council providing scrutiny and accountability?	Leader of the council
<p>Leader's response</p> <p>The joint university delivery board is not an outside body to which the council makes appointments but a partnership arrangement and as such complies with the council's approved framework for partnership governance. Arrangements are in place for the effective monitoring and reporting of any financial arrangements between the council and the university bodies. There is no requirement to report on deployment of loans to the audit and governance committee; however that committee does assure the robustness of our risk management and governance frameworks and the council's internal audit team will have access to all records relevant to the loan. I do not see that appointment of a further member of council to the delivery board will strengthen accountability; however I will, through the delivery board, ask the university team to consider reviewing their broader community engagement mechanisms. It is a matter for the scrutiny committees to prioritise and determine their own work programmes. I would be happy to meet separately with Councillor Chappell to provide updates on the work of the board.</p>			

Supplementary Question – Councillor ACR Chappell

I am concerned that the public perception is that Herefordshire Council is giving away not just money but properties etc. The audit committee is not a scrutiny committee but one of the priorities of the Board is that it is scrutinised, I just feel there should be ongoing scrutiny of what is happening and what is being handed over so that the public and we their elected representatives are 'on-board'.

Leader's response to supplementary question

The nature of your question and the logic behind it was understood Councillor Chappell. There are two issues here; the actuality and the perception. The actuality is this council does not drive or manage the university project, it is a separate organisation. We provide help with putting green bookcases together and securing loans via the LEP but we have no authority over the body. It would therefore be inappropriate to scrutinise it, as it would any business in the city. What you refer to is understood, if there is a public perception that we are responsible for the university and that we are giving them public money then that is a perception that we should deal with.

Chief Executive comment – the intention is to be transparent and therefore minutes of meetings of the joint university delivery board are on the website. It may help to have further discussions about what is possible with the intention of increasing transparency.