

Agenda

General scrutiny committee

Date: **Tuesday 10 August 2021**

Time: **10.15 am**

Place: **Three Counties Hotel, Belmont Road, Belmont,
Hereford, HR2 7BP**

Notes:

Please note the time, date and venue of the meeting.

Watch the meeting on the Herefordshire Council YouTube channel through the link: <https://youtu.be/p9cWqaSJ9dQ>

For any further information please contact:

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Agenda for the meeting of the General scrutiny committee

Membership

Chairperson **Councillor Jonathan Lester**
Vice-chairperson **Councillor Tracy Bowes**

Councillor Sebastian Bowen
Councillor Barry Durkin
Councillor Louis Stark
Councillor David Summers
Councillor William Wilding

Agenda

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| 1. | <p>APOLOGIES FOR ABSENCE</p> <p>To receive apologies for absence.</p> | |
| 2. | <p>NAMED SUBSTITUTES</p> <p>To receive details of members nominated to attend the meeting in place of a member of the committee.</p> | |
| 3. | <p>DECLARATIONS OF INTEREST</p> <p>To receive declarations of interests in respect of Schedule 1, Schedule 2 or Other Interests from members of the committee in respect of items on the agenda.</p> | |
| 4. | <p>MINUTES</p> <p>To receive the minutes of the meeting held on 19 July 2021.</p> | 11 - 16 |
| <p style="text-align: center;">HOW TO SUBMIT QUESTIONS</p> <p>The deadline for the submission of questions for this meeting is 5.00 pm on Wednesday 4 August 2021.</p> <p>Questions must be submitted to councillorservices@herefordshire.gov.uk. Questions sent to any other address may not be accepted.</p> <p>Accepted questions and the responses will be published as a supplement to the agenda papers prior to the meeting. Further information and guidance is available at www.herefordshire.gov.uk/getinvolved</p> | | |
| 5. | <p>QUESTIONS FROM MEMBERS OF THE PUBLIC</p> <p>To receive any written questions from members of the public.</p> | |
| 6. | <p>QUESTIONS FROM MEMBERS OF THE COUNCIL</p> <p>To receive any written questions from members of the council.</p> | |
| 7. | <p>FREEHOLD DISPOSAL OF THE TOWN HALL, ST. OWENS ST. HEREFORD</p> <p>TO CONSIDER PROPOSALS FOR THE DISPOSAL OF THE TOWN HALL, ST. OWEN STREET, HEREFORD IN THE OPEN MARKET WITHIN THE CONTEXT OF THE COUNCIL'S OVERALL ASSET MANAGEMENT STRATEGY.</p> | 17 - 40 |
| 8. | <p>DATE OF NEXT MEETING</p> <p>The next scheduled meeting is 13 September 2021, 10.15 a.m.</p> | |

The Public's Rights to Information and Attendance at Meetings

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We will review and update this guidance in line with Government advice and restrictions. Thank you very much for your help in keeping Herefordshire Council meetings a safe space.

YOU HAVE A RIGHT TO: -

- Attend all Council, Cabinet, Committee and Sub-Committee meetings unless the business to be transacted would disclose 'confidential' or 'exempt' information.
- Inspect agenda and public reports at least five clear days before the date of the meeting.
- Inspect minutes of the Council and all Committees and Sub-Committees and written statements of decisions taken by the Cabinet or individual Cabinet Members for up to six years following a meeting.
- Inspect background papers used in the preparation of public reports for a period of up to four years from the date of the meeting. (A list of the background papers to a report is given at the end of each report). A background paper is a document on which the officer has relied in writing the report and which otherwise is not available to the public.
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- Have access to a list specifying those powers on which the Council have delegated decision making to their officers identifying the officers concerned by title.
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Members of the public are advised that if you do not wish to be filmed or photographed you should let the governance services team know before the meeting starts so that anyone who intends filming or photographing the meeting can be made aware.

The reporting of meetings is subject to the law and it is the responsibility of those doing the reporting to ensure that they comply.

The council may make an official recording of this public meeting or stream it live to the council's website. Such recordings form part of the public record of the meeting and are made available for members of the public via the council's web-site.

Public transport links

The three counties hotel is accessible by bus; bus stops in each direction are positioned on the Belmont Road at the front of the hotel.

Guide to general scrutiny committee

Scrutiny is a statutory role fulfilled by councillors who are not members of the cabinet.

The role of the scrutiny committees is to help develop policy, to carry out reviews of council and other local services, and to hold decision makers to account for their actions and decisions.

Council has decided that there will be three scrutiny committees. The committees reflect the balance of political groups on the council.

The general scrutiny committee consists of 7 councillors.

| | |
|---|--------------------------------|
| Councillor Sebastian Bowen | True Independents |
| Councillor Tracy Bowes (vice-chairperson) | Independents for Herefordshire |
| Councillor Barry Durkin | Conservatives |
| Councillor Jonathan Lester (Chairperson) | Conservatives |
| Councillor Louis Stark | Liberal Democrats |
| Councillor David Summers | Independents for Herefordshire |
| Councillor William Wilding | Independents for Herefordshire |

The committees have the power:

- (a) to review or scrutinise decisions made, or other action taken, in connection with the discharge of any functions which are the responsibility of the executive,
- (b) to make reports or recommendations to the authority or the executive with respect to the discharge of any functions which are the responsibility of the executive,
- (c) to review or scrutinise decisions made, or other action taken, in connection with the discharge of any functions which are not the responsibility of the executive,
- (d) to make reports or recommendations to council or the cabinet with respect to the discharge of any functions which are not the responsibility of the executive,
- (e) to make reports or recommendations to council or the cabinet on matters which affect the authority's area or the inhabitants of that area
- (f) to review or scrutinise decisions made, or other action taken, in connection with the discharge by the responsible authorities of their crime and disorder functions and to make reports or recommendations to the council with respect to the discharge of those functions. In this regard crime and disorder functions means:

- (i) a strategy for the reduction of crime and disorder in the area (including anti-social and other behaviour adversely affecting the local environment); and
 - (ii) a strategy for combatting the misuse of drugs, alcohol and other substances in the area; and
 - (iii) a strategy for the reduction of re-offending in the area
- (g) to review and scrutinise any matter relating to the planning, provision and operation of the health service in its area and make reports and recommendations to a responsible person on any matter it has reviewed or scrutinised or to be consulted by a relevant NHS body or health service provider in accordance with the Regulations (2013/218) as amended. In this regard *health service* includes services designed to secure improvement—
- (i) in the physical and mental health of the people of England, and
 - (ii) in the prevention, diagnosis and treatment of physical and mental illness
 - (iii) and any services provided in pursuance of arrangements under section 75 in relation to the exercise of health-related functions of a local authority.
- (h) to review and scrutinise the exercise by risk management authorities of flood risk management functions or coastal erosion risk management functions which may affect the local authority's area.

The specific remit of the general scrutiny committee includes:

- services within the economy and place directorate and corporate centre
- corporate performance
- budget and policy framework matters
- statutory flood risk management scrutiny powers
- statutory community safety and policing scrutiny powers

Who attends general scrutiny committee meetings?

The following attend the committee:

- Members of the committee, including the chairperson and vice-chairperson.
- Cabinet members, they are not members of the committee but attend principally to answer any questions the committee may have and inform the debate.
- Officers of the council to present reports and give technical advice to the committee.
- People external to the Council invited to provide information to the committee.

(Other councillors may attend as observers but are only entitled to speak at the discretion of the chairman.)

**The Seven Principles of Public Life
(Nolan Principles)**

1. Selflessness

Holders of public office should act solely in terms of the public interest.

2. Integrity

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

3. Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

4. Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

5. Openness

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

6. Honesty

Holders of public office should be truthful.

7. Leadership

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.



Minutes of the meeting of General scrutiny committee held at Herefordshire Council Offices, Plough Lane, Hereford, HR4 0LE on Monday 19 July 2021 at 10.15 am

- Present:** Councillors Jonathan Lester (Chairperson), Sebastian Bowen, Louis Stark, David Summers and William Wilding
- In attendance:** Councillors Ellie Chowns (Cabinet Member - Environment, Economy and Skills, Vice-Chairperson of Employment Panel and Group leader for the Green Party), Gemma Davies (Cabinet Member - Commissioning, Procurement and Assets) and David Hitchiner (Leader of the Council)
- Officers:** Ben Baugh (Democratic services officer), Ben Boswell (Head of environment, climate emergency and waste services), Sarah Buffrey (Democratic services officer), John Coleman (Democratic services manager), Matthew Evans (Democratic services officer), Guy Goodman (Deputy solicitor to the Council), Rachael Joy (Interim programme director - waste initiative) and Neil Taylor (Interim director of economy and place)

10 APOLOGIES FOR ABSENCE

Apologies for absence had been received from Councillors Bowes and Durkin.

11 NAMED SUBSTITUTES

No named substitutes were present.

12 DECLARATIONS OF INTEREST

No declarations of interest were made.

13 MINUTES

The minutes of the meeting held on 11 June 2021 were received.

Resolved: That the minutes of the meeting held on 11 June 2021 be approved as a correct record and be signed by the chairperson.

14 QUESTIONS FROM MEMBERS OF THE PUBLIC

No questions had been received from members of the public.

15 QUESTIONS FROM COUNCILLORS

No questions had been received from councillors.

16 UPDATE ON EXECUTIVE RESPONSE CLARIFICATIONS TO THE COMMITTEE'S WASTE MANAGEMENT STRATEGIC REVIEW AND THE REVIEW OF THE CLIMATE AND ECOLOGICAL EMERGENCY

The chairperson explained that, on 26 April 2021, the general scrutiny committee received an update on the executive responses to recommendations made in relation to the committee's waste management strategic review and the review of the climate and ecological emergency

(minute 62 of 2020/21 refers). At that meeting, the committee made seven further recommendations on waste management and eleven further recommendations on the Climate and Ecological Emergency. It was noted that decision notices for the executive responses to the further recommendations were published on 16 July 2021; the related documents were circulated in a supplement to the agenda for this meeting.

Waste management strategic review

The head of environment, climate emergency and waste services provided an overview of the executive responses. Questions and comments were invited from committee members, and responses were provided by the attending officers and the cabinet member - commissioning, procurement and assets. The principal topics of discussion included:

- a. Members of the former task and finish group were to be briefed on the new integrated waste management strategy, with a report due to be considered by cabinet on 29 July 2021. It was noted that the litter review task and finish group would need to be conscious of relevant linkages to the strategy in its own work.
- b. It was confirmed that consideration was being given to the current partnership with Worcestershire Council and any future joint working arrangements with neighbouring authorities. It was also confirmed that a waste communications officer had been appointed recently.
- c. The importance of contract monitoring in terms of the destination of waste collected for recycling and the need for further communications with residents about getting waste into the right place.
- d. There was a discussion about the potential for additional communications around identifying, separating and preparing materials for recycling; such as educating people to inform their purchasing choices and the use of visual guides on waste bins.
- e. It was confirmed that consideration was being given to increased reuse provision at household recycling centres (HRCs).
- f. It was acknowledged that the current booking system ensured that HRCs could only be used by Herefordshire residents but it was suggested that there should be greater flexibility in terms of access, especially during lower levels of demand.
- g. Comments were made about the need for the unified waste strategy to put the resident at the heart of it, in order to help them to reuse, repair and recycle. Reference was made to the national resources and waste strategy and the need to refine the approach locally to simplify and communicate key messages.
- h. There was a discussion about the waste generated by small holiday let businesses, including the current requirement to use plastic sacks. An overview was provided of the rules and regulations associated with commercial waste. It was commented that the council should help small businesses to comply with the objectives of the strategy and any issues with national legislation should be highlighted to the government.
- i. It was noted that suspected contaminated land should be reported to enable the council to carry out its duties under the Environmental Protection Act as necessary.
- j. The committee was advised that the current contract provided the ability for the contractor to landfill a maximum of 22%. The new strategy would contain a target of no more than 1% of municipal waste to be sent to landfill from 2025 and zero waste to landfill by 2035. It was suggested that there was a need to reflect upon learning and examine how

contracts could include sufficient flexibility, with appropriate review points and break clauses, to enable adaptation to changing circumstances without impacting upon commercial viability. It was also commented that the performance of contractors needed to be monitored and managed properly.

Climate and Ecological Emergency (CEE)

The head of environment, climate emergency and waste services provided an overview of the executive responses. Questions and comments were invited from committee members, and responses were provided by the attending officers and the cabinet member – environment, economy and skills. The principal topics of discussion included:

- k. It was reported that the re-thinking governance working group was reviewing the scrutiny committee structure and this may include a new committee focused on environmental issues.
- l. It was commented that more needed to be done in terms of the immediacy and profound challenges being faced. It was suggested that, rather than reporting through the scrutiny structure, there should be a standing advisory panel reporting directly to the executive.
- m. Attention was drawn to the executive response to recommendation 11 which rejected the development of a county-wide policy concerning the use of article 4 directions for the suspension of the general permitted development order relating to temporary events involving off-road motorsports. There was a discussion about the purpose and application of article 4 directions, and national guidance. Committee members considered that there was a need for the council to explore the potential to use this process to prevent environmental or ecological harm, albeit in a more specific and targeted way.
- n. It was considered that the council's website homepage rolling banner should reference the CEE explicitly and as soon as possible, with links to relevant information and resources.
- o. It was reiterated that issues with national legislation should be highlighted to government, including the view that the general permitted development order was too permissive and limited the ability to control potentially harmful activities. It was commented that the Local Government Association might be prepared to support the council on this matter. It was requested that the draft letter be circulated to committee members.
- p. It was suggested that the experiences of other local authorities could inform the council's own approach to article 4 directions.
- q. Comments were made about the challenges in terms of resourcing and prioritising planning enforcement activity, and keeping local people informed.
- r. It was suggested that the standing panel could consider whether the planning system was fit for purpose for dealing with the CEE.

The committee then reviewed and refined draft recommendations, and agreed the following resolution. It was noted that the executive responses to the additional recommendations could be brought back through the committee's work programme item, rather than as a separate agenda item, in due course.

The members of the former task and finish groups were commended for their dedication and hard work on these reviews.

Resolved:

Waste management strategic review

- 1. That the executive consider additional communications, such as visual guides on waste bins, to help residents to understand the different waste types that can be recycled and how to clean and separate materials properly.**
- 2. That the executive be encouraged to review the booking system for household recycling centres to enhance flexibility of use and access by the public.**
- 3. That the executive be asked to explore options for the treatment of waste from small holiday let businesses.**
- 4. That the executive be encouraged to examine how contracts can remain commercially viable but include sufficient flexibility to enable adaptation to changing circumstances.**
- 5. That it be recommended to the executive that the unified waste strategy puts residents and small businesses at the heart of it.**

Review of the Climate and Ecological Emergency

- 6. That, given the pressing and profound challenges facing the County from climate and ecological change, the executive urgently consider setting up a Climate and Ecological Emergency (CEE) standing advisory panel directly advising and supporting them and ensuring that the executive deliver our commitments to the Council's declared CEE. That this CEE standing advisory panel be responsible for keeping the appropriate scrutiny committee abreast of progress and thus enabling the executive to be held to account on progress on the CEE.**
- 7. That the general scrutiny committee believes that having signed up to our Climate and Ecological Emergency (CEE) that further action needs to be taken across Herefordshire to stop activities that are further damaging our environment and ecology and recommends:**
 - i. That the executive be invited to explore more fully those permitted development rights which could be subject to Article 4 direction;**
 - ii. That the executive be encouraged to write to the government and the Local Government Association to suggest that the General Permitted Development Order should be reviewed in terms of the potential environmental or ecological damage that some permitted activities can make; and**
 - iii. That the standing panel be invited to consider whether the planning system is fit for purpose for dealing with the CEE.**
- 8. That it be recommended to the executive that a banner about the Climate and Ecological Emergency, with appropriate links to relevant information, is displayed permanently on the council's webpages.**

17 COMMITTEE WORK PROGRAMME

It was reported that committee members had met informally on 12 July 2021 to discuss the work programme. The committee considered the outcomes of this session and prioritised items

of business for future meetings, including an additional meeting on 10 August 2021 for the pre-decision call-in of the forthcoming decision 'Freehold disposal of the Town Hall, St Owen Street', and agenda items for the following meeting on 13 September 2021.

There was a brief discussion about how the re-thinking governance proposals for the scrutiny committee structure could impact upon existing and emerging work programme items. It was considered that there was a need to prioritise future scrutiny activity on the New Model Institute for Technology and Engineering (NMITE) and on the Hereford City Centre Transport Package (HCCTP).

A draft scoping statement for the litter review task and finish group was considered, including the scope of the activity to be undertaken, the membership, chairperson, timeframe, desired outcomes and what will not be included in the work. It was reported that Councillor Bowes had suggested the inclusion of two co-optees from local litter picking groups and this was supported by the committee.

Resolved: That:

- a) **the work programme, as amended, be approved to include:**
 - i. **in accordance with Constitution paragraph 4.5.90, pre-decision call-in be undertaken of the forthcoming decision 'Freehold disposal of the Town Hall, St Owen Street' and an additional meeting be arranged on 10 August 2021 to examine the issues around it;**
 - ii. **agenda items on the Maylord Orchards shopping centre and on the disposal of the Holme Lacy school site be considered at the meeting on 13 September 2021; and**
 - iii. **priority be given in future scrutiny work programming to agenda items on the New Model Institute for Technology and Engineering (NMITE) and on the Hereford City Centre Transport Package (HCCTP).**
- b) **the litter review task and finish group be established and the scoping statement be confirmed, including the membership comprising: Councillors Bowes (chairperson of the group), Bowen, Milln, Probert, Summers, and one representative of the Liberal Democrats group; and two co-optees from local litter picking groups.**

18 DATE OF NEXT MEETING

Tuesday 10 August 2021 at 10.15 am.

The meeting ended at 12.39 pm

Chairperson



Title of report: Freehold Disposal of the Town Hall, St. Owens St. Hereford

Meeting: General scrutiny committee

Meeting date: Tuesday, 10 August 2021

Report by: Statutory Scrutiny Officer

Classification

Open

Decision type

This is not an executive decision

Wards affected

Central

Purpose

To consider proposals for the disposal of the Town Hall, St. Owen Street, Hereford within the context of the council's overall asset management strategy. It is important to note that the method of the disposal has not yet been determined.

The general scrutiny committee has identified this decision from the council's Forward Plan and has added this to their work programme as pre-decision call-in.

There are a range of services accessed by members of the public that are currently operating from the Town Hall. Namely, the county Coroners, registrars, storage, car parking enforcement, Custodians services and IT data room. The Town Hall also hosts two external local tenants, notably, Hereford City Council and the Business Improvement District (BID)

Recommendation(s)

That:

- a) **The Committee reviews the proposals for the disposal of the Town Hall and determines any recommendations it wishes to make to the executive, which may enhance the effectiveness of the plans.**

Alternative options

1. There are no alternative options, this is a report for scrutiny to consider the council's proposed decision within the context of a wider overall asset management strategy.

Key considerations

2. The Town Hall, in St. Owens St, in Hereford is one of the County's most iconic public buildings. The Edwardian building was opened in 1904 and houses the town's civic administration, including council chambers and the registrar's office. The property is a grade II* listed building in a prominent position in the city of Hereford.
3. The now expired Herefordshire Council's Corporate Property Strategy, 2016 to 2020 notes that the Town Hall, along with other significant public buildings such as the Shire Hall will be retained for public sector occupation and use. A new Strategic Asset Management Plan is being developed to take forward a new way of managing our assets for the future and current conditions.
4. On 5 July, the Council published a statutory notice that it would be taking a key decision to dispose of the Town Hall, in St. Owens Street.
5. The council currently operates a number of services in the buildings, namely the Coroner, Registrars, Parking Services and Electoral Services. The council also delivers a range of other functions including weddings, inquests and citizens ceremonies. It is proposed that plans are developed and implemented to relocate these services within the council's property portfolio. The building also plays host to two external tenants, Hereford City Council and Hereford Business Improvement District (BID).
6. Many of these statutory services will continue to require having physical buildings within the county to continue to deliver their services for the residents of Herefordshire.
7. The City Council approached the Council with regards the future management of the asset. Further to discussions with the City Council regarding a potential interest in taking over the management of the Town Hall building, the Council commissioned a survey in 2019 to understand the condition at that time and take a view on backlog maintenance and estimated cost. The survey identified that a total of £1.8m maintenance or repairs were potentially required.
8. Previously, maintenance works to the front elevation of the Town Hall were identified and incorporated in the capital bids for the year 2017/18. The front porch had settled by approximately 50mm and was required to be supported by scaffold to keep the front entrance open and safe.
9. A sum of £421k for stonework repairs at the town hall was approved by full council as part of the capital programme in December 2016.

Current Finances Associated with the current running costs and income generated

10. The running costs of the Town Hall, based upon 2019-20, as 2020-21 figures are unreliable due to Covid 19 as a true reflection of usual expense, are as follows:.

- a. Building & Maintenance – £47,778.96
- b. Cleaning - £49,398.43
- c. Rates - £66,765
- d. Utilities - £30,000

TOTAL: £193,491.00

11. The Income generated from the Town Hall (2020-21) show the following

- e. Rental income- £25,809
- f. Services Charges - £11,864
- g. Other income - £190 (in 2019/20 this income was approximately £6k)
- h. Income generated from other sources, namely car parking fees (2019-20), was £8,465

TOTAL: £28,738.00

Community impact

12. The current proposals support the Council's County Plan (2020 to 2024) to further rationalise our property holdings to deliver efficiencies as well as new income streams to support our services.

Environmental Impact

13. The council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment

Equality duty

14. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to –

- a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

15. The public sector equality duty (specific duty) requires that the council consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. Our providers will be made aware of their contractual requirements in regards to equality legislation.

Resource implications

16. There are no resource implications from this committee reviewing the responses. The resource implications are set out within the reports.

Legal implications

17. There are no direct legal implications arising from the recommendations.

Risk management

18. These are set out in the appended reports

Consultees

None

Appendices

Appendix A: Town Hall Data – General Scrutiny Committee

Background papers

Herefordshire Council – Corporate Property Strategy 2016 – 2020

TOWN HALL DATA- GENERAL SCRUTINY COMMITTEE

Council Services

- Coroners
- Registrars
- Storage
- Car Parking Enforcement
- Custodians service
- IT data room

External Tenants

- City Council
- BID

Repairs Liability

- Further to discussions with the City Council regarding a potential interest in taking over the management of the Town Hall building, the Council commissioned a survey in 2019 to understand the condition at that time and take a view on backlog maintenance and estimated cost.
- The survey identified a total of £1.8m maintenance or repairs were potentially required. Any survey is a snapshot in time and estimated costings will have to be adjusted in line with inflation

Finances

Figures are based upon 2019-20 as 2020-21 figures are unreliable due to covid as a true reflection of usual expense. Income shown is 2020-21 as the variance is not significant.

Running Costs (2019-20)

Building & Maintenance – £47,778.96

Cleaning - £49,398.43

Rates - £66,765

Utilities - £30,000

Income (2020-21)

Rental income- £25,809

Services Charges - £11,864

Other income - £190 (see notes) ¹

Income car park (2019-20)

Parking fees- £8,465

NOTES:

¹ Other income in 2019-20 was £6,020 and was around this level previously so covid clearly had an impact as the use of the building was limited during this time.

Herefordshire Council Corporate Property Strategy 2016-2020



VISION

"To support the efficient, integrated delivery of public services across the county by providing modern, fit for purpose buildings, shared by Public Agencies"

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Appendices

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| 1a | Corporate Property Programme |
| 1b | Acquisition and Disposal Policy |
| 1c | Tenanted non-residential property policy |
| 1d | Community Asset Transfer Policy |
| 1e | Corporate Building Maintenance Strategy |
| 1f | Revised Smallholdings Policy 2015 |

Section 1 - Foreword

The period since the publication of the last corporate property strategy has been one of significant change and challenge for the council, both in terms of the scale of reductions in local authority funding but also in terms of the impacts the reductions have had on the shape and operational approach of the organisation.

Like many local authorities, Herefordshire Council has had to review the scope and scale of services it is able to offer and seek new ways of working in partnership which protect the services we provide to our most vulnerable residents whilst reducing our costs.

The council is currently revising its corporate plan which will set the direction for the council and county in the coming years. The property strategy is a key aspect of this future approach and needs to be seen alongside this plan:

- The medium term financial strategy – which sees the revenue support grant reducing from the current level of 18% of the council's net budget requirement annually until 2019/20 when the council will be almost entirely funded locally through the council tax and business rates.
- One Herefordshire taking responsibility: the case for devolution – which sets out Herefordshire's approach to the government's challenge that power should be decentralised to the lowest appropriate level down to councils, neighbourhoods and individuals making services responsive to the people they serve which proposes, amongst other things, the creation of a new engineering university for the UK to be based in Hereford.
- Herefordshire's proposed development partnership – which will support the regeneration of Herefordshire through a partnership between the council and a commercial property development company.
- One public estate – which brings public sector bodies in a locality to work together to develop a joined up approach to managing their land and property.

The property strategy will support the council achieve its aims:

- The economic aims of the council by maximising the economic value of the estate and promoting modern, more efficient ways of working.
- The service performance objectives by providing accommodation to support the needs of services and their service users.
- The devolution approach by, for example, supporting the university to fulfil its accommodation needs.
- The one public estate agenda by providing shared accommodation where there are demonstrable benefits to the council, its partners, and service users.

Section 2 – Executive summary

- 2.1 The corporate property strategy aims to support and help deliver integrated public services across the county. Significant progress has been made to date and co-location of services and the sharing of accommodation for staff with partner organisations such as the clinical commissioning group (CCG), DWP, the Environment Agency and DVLA are already in place. However, there is much more that can be done and this strategy sets the framework within which these decisions can be made, taking into account the current and planned needs of the council and its partners.
- 2.2 The strategy is designed as a framework of strategies and policies which are flexible and robust enough to respond to changes in service delivery identified by this review and to meet future changes to models of service delivery.
- 2.3 The strategy also responds to the introduction or extension of mobile service delivery and flexibility of working practices.
- 2.4 The high level aims of the strategy are to: -
- Contribute to the corporate plan and other corporate strategies
 - Provide a framework, which defines the role of property in support of service delivery
 - Provide a rationale for the ownership, occupation and management of council property assets, including its use, acquisition and disposal
 - Optimise the property portfolio in terms of its efficiency, effectiveness and sustainability
 - Respond to the expectations and aspirations of the government's one public estate (OPE) agenda
- 2.5 Within those high level aims there are a number of core building blocks to the strategy particularly related to rationalisation of office accommodation:
- A hub and spoke model of office provision, with the capacity and flexibility to accommodate our partnership arrangements with other public and third sector organisations.
 - The hub will provide a single, strong, shared administrative centre based around the current Plough Lane office and other associated administrative buildings in Hereford.
 - A network of accessible locality offices based in the five market towns provide the spokes of the model.
 - The capacity and flexibility to provide integrated delivery of public sector services at a local level.
 - The retention of the Shire Hall and Town Hall in Hereford for public sector occupation and use.
- 2.6 The strategy will:
- challenge whether we hold assets to ensure we achieve value for money. This is relevant given the indications about the future direction of national policy requirements for the public sector's considerable property estate.
 - Inform our future use of all land and property assets owned or occupied by the council.

- cover all operational and non-operational land and property, whether owned or leased and which support either direct or indirect services to the public.
 - provides the vision for our property and a series of discrete but linked policies and strategies which support its delivery. It includes a corporate programme (appendix 1a) covering how we will provide back office provision as well as integrated local facilities.
- 2.7 Included in the strategy is our approach to community asset transfers which recognises that asset transfers play a role in sustaining service delivery and that it is not always appropriate for the council to keep and maintain all existing assets.
- 2.8 Asset transfers also have a role within the localism agenda, as a way of supporting sustainable communities and enabling the continuation of services of value to the locality.
- 2.9 Property is a valuable corporate asset. If managed well, it can enhance and improve service delivery by supporting efficient and effective operational delivery but also provide economic benefits and support the delivery of wider corporate priorities.
- 2.10 The council owns two main categories of property: operational and non-operational properties.
- 2.11 Operational property either provides:
- Frontline services direct to the public, e.g., schools, libraries, community hospitals, health clinics; or
 - Support services, e.g., administrative offices, vehicle depots
- 2.12 Non-operational property provides:
- Rental income which supports the council's revenue budgets, which helps to keep council tax levels down
 - Capital receipts through disposal of surplus properties, which support the capital programme to build, e.g. new schools or extensions to existing properties
 - Opportunities to support regeneration initiatives
- 2.13 This strategy highlights the corporate drivers to retain property assets so that we can provide more effective and efficient services to the public. The strategy also identifies a suite of underlying policy and strategy documents, which support and inform the decision making process.
- 2.14 The council will keep the underlying policy and strategy documents under review and can add to the suite of policies in response to changing circumstances or to provide clarity on issues which require a policy decision. The recently revised policy for the County Farms is attached at appendix 1f but future policy development will include a reference to the management of common land.

Section 3 – Property Strategy Vision

3.1 The council’s strategic objectives defined in its corporate plan 2016-2020 are: helping residents to live safe, healthy, independent lives; keep children and young people safe and give them a great start in life; support the growth of our economy and the number of people in work; and to secure better services, quality of life and value for money.

3.2 These priorities set the scene for the property strategy 2016-2020. The corporate objectives and a climate of continued funding reductions from central government means that the council must continue its journey towards being more commercial in outlook, seeking to obtain maximum value from its assets and looking for innovative approaches to securing financial security into the future.

3.3 Our vision for our corporate property is as follows:

“To support the efficient integrated delivery of public services across the county by providing modern, fit for purpose buildings, shared by public agencies”

3.4 We believe that a number of key objectives support this vision. These objectives are central to any decision making around our properties and are as follows:

- To improve and simplify access to public services;
- To enable service integration and agile working with modern, fit for purpose workspaces supporting higher productivity;
- To maximise the economic benefits of the councils property asset base;
- To support economic development and housing growth;
- To enhance the working environment for our employees and our partners’ staff;
- To provide a catalyst for physical and social regeneration;
- To reduce running costs and release budget for reinvestment in frontline services;
- To support our public sector equality duties.

3.5 The key objectives in this corporate property strategy reflect the priorities set out in the government’s ‘One Public Estate’ (OPE) programme.

3.6 Within the accommodation strategy in section 4 and in appendix 1, a number of strategic projects are identified, which will support the achievement of the objectives noted in 3.1 above. In particular, the continued rationalisation of office accommodation in Hereford will be a key part of the integration of public sector service delivery across Herefordshire.

3.7 We aim to achieve:

- A set of modern, fit for purpose workspaces for our staff, supporting higher productivity through better ways of working;
- Teams located in buildings designed to support the level of access required by service users, located as conveniently as possible for those service users, and co-located with partner organisations where this is beneficial;

- The network of accessible multi-agency offices (MAOs) will continue to offer convenient locations for council, other public sector, and third sector organisations to work together;
- These MAOs will provide the capacity and flexibility for integrated delivery of public sector services at a local level and flexible working facilities;
- The Shire Hall and Town Hall in Hereford will continue in beneficial public sector occupation and use;
- Developing joint public sector property portfolios in Herefordshire to provide efficient office accommodation suitable for customer needs where necessary;
- The development of higher education opportunities in Herefordshire, including the proposed new university in the city of Hereford;
- Disposal of properties no longer suitable for service delivery and therefore surplus to operational requirements;
- Accessible buildings that promote equality of access for customers and staff.

Section 4 – Accommodation strategy for the administrative estate

4.1 Detail on the planned programme for the administrative estate is contained in appendix 1a.

4.2 The following principles underpin the management of the administrative estate:-

- A hub and spoke model for the countywide provision of services;
- A strong central administrative hub, based around the existing Plough Lane office site, supplemented by other city centre facilities;
- The spokes of the model will be multi-agency offices centred around localities;
- Where appropriate, the co-location of compatible public sector partner activities in pursuance of the operational efficiency programme and the one public estate agenda;
- Co-location of relevant council services, where appropriate, in support of improving or securing operational efficiency and improved service outcomes, particularly for vulnerable people;
- Efficiency and delivering value for money;
- The use of asset transfers to Parish/Town Councils and Third Sector organisations, where appropriate, to support the sustainability of local services and reduce revenue costs to the council;
- Improved outcomes for local people and businesses;
- Care closer to the service user;
- Excellence in service delivery;
- A focus on customers'/users' experience;
- Improving energy efficiency and reducing our carbon footprint;
- Better ways of working for staff;
- Equality of access to buildings for customers and staff.

4.3 In addition:

- a. Any accommodation strategy must support and take into account other relevant strategies and plans.
- b. Opportunities to exploit information technology (IT) will be considered when planning new office layouts. Modern office and flexible working practices benefit from the introduction of IT solutions. The introduction of wi-fi technology into office space wherever possible, with the in-built flexibility that this provides, should be considered.
- c. Future flexibility needs to be built into any works undertaken in conjunction with office moves to facilitate and reduce future costs.
- d. Continued implementation of an electronic document and records management system (EDRMS) and a policy on document retention is a necessity to reduce space requirements.
- e. Regular engagement should take place with public sector partners (e.g. CCG, 2gether, WVT) on respective accommodation strategies to ensure that best use is made of the overall 'public' estate.

Section 5 – Approach to the management of operational property

Operational property

- 5.1 The council (and its partners) hold operational properties for the purpose of service delivery. The council holds tenanted non-residential property (TNRP) for both investment and socio-economic purposes.
- 5.2 The approach for operational property is to identify those properties which are key to the delivery of core services to the public and are, (or subject to a business case can be), suitable for operational occupation.
- 5.3 Once identified, future investment of both capital and revenue expenditure will concentrate on those core properties.
- 5.4 The retained portfolio of operational properties will be maintained and improved to attain a level of physical condition which is at least satisfactory and is compliant with relevant statutory standards, e.g. DDA compliant.
- 5.5 The retained portfolio will be suitable for service delivery in terms of both condition and sufficiency.
- 5.6 The framework for the management of operational and non-operational property consists of five elements:-
 - Strategic objectives
 - Principles of property holding
 - Responsibilities of owners
 - Property review and option appraisal
 - Capital investment prioritisation
- 5.7 The strategic objectives for our corporate property are:
 - Optimise the contribution property makes to the council's strategic and service objectives
 - Prioritise investment in our operational assets to meet service delivery needs
 - With our one public estate partners, seek innovative value for money solutions to our staff accommodation needs.
 - Ensuring best value return from our investment property and land holdings
 - Reduce the environmental impact of our operational property assets
 - Use our assets to pump prime new development, regeneration and growth.
- 5.8 The principles behind holding property for service delivery are:
 - All property is a shared corporate asset, owned by the council not the occupying service/s.
 - A cross service and cross partnership approach to agreeing property priorities and asset utilisation is adopted.
 - Property should only be held that meets the objectives of the corporate plan.

- We will understand the condition of our properties and ensure they are effectively managed.
- Over time, all council premises are suitable and sufficient for their purpose, in a satisfactory condition, accessible to all and able to meet statutory requirements.
- Existing and new property assets are managed in an efficient, sustainable and cost effective way in terms of their use of energy and other resources, their property management and other running costs.
- The return from non-operational land or property is optimised, including unoccupied or tenanted land or property.

5.9 To ensure that the above objectives are met, a systematic and cyclic programme of property reviews and options appraisals are undertaken.

5.10 Three types of review are generally undertaken:

- **Single service review** - this will be an examination of some or all property holdings for an individual service.
- **Single property review** - an investigation into alternative uses of an individual building site no longer required for its original purpose.
- **Comprehensive area review** - a review of all property owned by the authority in a defined theme or area which may include other structuring bodies.

5.11 Each of these reviews involves an assessment of “fitness for purpose” and incorporates the following:

- **Suitability:** How well the premises meet the need of the service, i.e. the customers and staff. The suitability survey looks at characteristics of each type of internal space and external area, plus some health and safety aspects.
- **Sufficiency:** Focuses on total areas in relation to known service requirements
- **Condition:** Concentrates on the physical state of the building elements and provides a basis for developing planned maintenance programmes (including health and safety considerations)
- **Opportunity Cost:** Considers the financial and other benefits which could be lost as a result of not considering an alternative course of action for the land or building whilst continuing to meet the needs of the service and its customers.

5.12 This process involves the engagement of service users and stakeholders and is undertaken in accordance with the governance arrangements set out in the constitution.

5.13 The council is committed to enabling equality of access to its buildings and when implementing the forward work programme individual equality impact assessments will be undertaken.

5.14 Identified priorities from the review process are considered for capital investment through their prioritisation and option appraisal of capital projects scheme.

- a) Prioritisation and option appraisal for capital projects (scheme selection and prioritisation) The prioritisation and option appraisal for capital projects within the council is captured within the annual service planning cycle and referred to as “scheme selection and prioritisation” (SSP). Members prioritise and approve corporate accommodation investment

The council follow the guidelines and principles contained in the CIPFA local government directors of finance publication “Capital Planning and Option Appraisal – a Best Practice Guide for Councils” 2006.

- b) Prioritisation and option appraisal for capital projects are two distinct but interlinked processes. All bids for allocation of corporate capital funds require bids pro-forma to be completed before the schemes are assessed for prioritisation for financing within the council's capital programme. Once funding has been allocated, further option appraisal is then undertaken to decide the most effective means for delivering a project.

5.15 The process of capital scheme prioritisation is led by cabinet who make recommendations to Council. Further detailed option appraisal is then undertaken on the method of service delivery by the individual project management teams and boards.

Non-operational property or tenanted non-residential property (TNRP)

5.16 The term TNRP refers to local authority assets which are let to third parties e.g. retail, industrial or agricultural properties. Such assets may be held for investment or socioeconomic purposes.

5.17 Much of the portfolio plays a vital role in providing much needed rental income. The revenue received is used to offset the costs of providing direct and indirect services to the public. This in turn reduces the impact on council tax.

5.18 The general investment portfolio seeks to fulfil a wider economic well-being role by providing premises to promote business start-up and growth and by bringing prosperity to the county.

5.19 The council's non-operational investment portfolio will be kept under regular review to ensure it can respond flexibly to market opportunities and challenges. The following principles will guide the review processes:

- **The council should only continue to hold tenanted non-residential property if at least one of the following criteria applies:**
 - i) The investment return from the premises meets or exceeds a target previously set under the MTFs process taking into account maintenance and other liabilities
 - ii) There are other significant social, economic, community or strategic advantages to retaining the premises.

- iii) The legal tenure of the premises and/or any statutory constraints preclude disposal.
- **On properties that are retained within the portfolio of tenanted non-residential properties the management principles adopted should be:**
 - i) To maximise occupancy levels.
 - ii) To maximise rental levels consistent with a balanced tenant mix and prevailing market values.
 - iii) To continuously review the contribution that the premises make to social, community or strategic objectives and set tenant management policies (other than rent) to maximise these.

Smallholdings policy and management strategy

- 5.20 The smallholdings estate comprises approximately 4,800 acres (1,942 hectares) dispersed throughout the county and comprising 45 holdings.
- 5.21 Cabinet have resolved to undertake a structured sale of the entire smallholding estate taking into account expert legal advice as to achieving best value for the council and excluding land and/or buildings which are identified as having potential development value which should be retained for separate promotion and sale/development to maximise commercial/development value.
- 5.22 A revised smallholdings policy which sets out the strategy to implementing the policy was agreed and is attached at appendix 1f.

Section 6 –One public estate and community buildings strategy

“One Public Estate” and emerging devolution proposals

- 6.1 The principle of co-operation between public bodies around planning for their future accommodation needs, predates any work surrounding the council's 2016 -- 2020 accommodation strategy. Those principles remain relevant to the new corporate property strategy.
- 6.2 In 2013, the government launched the One Public Estate (OPE) programme which seeks to promote and guide asset management and estate rationalisation across the whole public sector and the objectives in this corporate property strategy comply with the 4 priorities set out in the Government's 'OPE programme:
- Create economic growth – enabling released land and property to be used to stimulate economic growth, regeneration, new housing and jobs.
 - Deliver more integrated and customer-focused services – encouraging publicly funded services to co-locate, to demonstrate service efficiencies and to work towards a more customer-focused service delivery
 - Generate capital receipts – through the release of land and property
 - Reduce running costs – of central and local government assets.
- 6.3 During Herefordshire's partnership arrangements with the NHS from 2007-2012, the council's engagement with its public sector partners increasingly explored opportunities to secure operational efficiencies through joint approaches to meeting accommodation needs. Over this period, co-location opportunities were realised with:
- Her Majesty's Revenues and Customs
 - Department of Work and Pensions
 - Ministry of Justice (Her Majesty's Courts service)
 - West Mercia Constabulary (MASH)
 - West Mercia Youth Offending service
- 6.4 These arrangements were further progressed over the subsequent period alongside the delivery phase of the council's accommodation plans. Further co-location arrangements have involved:
- The Environment Agency
 - The Driver Vehicle Standards Agency
 - Job Centre Plus
 - Herefordshire Clinical Commissioning Group
 - Wye Valley NHS Acute Trust
 - 2Gether NHS Mental Health Trust
- 6.5 Herefordshire Council also exploits opportunities to co-locate with its private sector providers and shares accommodation with providers including Balfour Beatty Living Places: Interserve and Integral.
- 6.6 As the next phase of the accommodation strategy commences, the council is at the heart of initiatives to drive economic growth within the area, and to reform public services so that they achieve better value for money and are

designed around the needs of residents rather than the organisations that provide them.

- 6.7 The government is setting clear expectations for the integration of health and care services at a local level, and the council is working with local health bodies on a joint transformation programme which will have significant implications for the accommodation strategies of the partner organisations. These include the development of health and wellbeing centres with a strong focus on drawing on the assets of local communities and the co-location of health and care professionals, perhaps on a “hub and spoke” or cluster model around primary care facilities. There are also plans for greater collaboration with “blue light” services and, subject to satisfactory negotiations, a joint police and fire facility is planned for Hereford city with the council potentially providing land to facilitate the development.
- 6.8 Overarching this, Herefordshire Council is developing a case for devolution, to demonstrate how the council and its partners wish to step up and take responsibility for ensuring the long-term economic sustainability of the area. The proposals will seek to accelerate the pace of transformation, creating jobs, reducing dependency and redesigning the way our public services support the local economy and communities.
- 6.9 The approaches set out in the property strategy 2016 – 2020 will support the council in delivering the objectives set out under the devolution proposals.

Section 7 - Disposal of property assets

- 7.1 The council holds land and buildings solely for, or in support of, the efficient and effective delivery of services to the local community. The strategy will identify, over time, properties that no longer serve a need for operational service delivery. When a property is no longer required for this purpose the financial procedure rules and procedures in the disposal policy will apply. (see appendix 1b).
- 7.2 The council also owns dispersed land and buildings which may provide an opportunity for housing or commercial development and/or regeneration through a formal partnership vehicle which could enhance the financial return to the council and make a contribution towards strategic growth and economic development. Such parcels of land include elements of the county farms estate which cabinet resolved to dispose of through a structured sale.
- 7.3 The council has determined to consult with potential development and regeneration partners with a view to understanding the potential benefits to the council in the establishment of a programme to jointly develop land and buildings as opposed to disposal on the open market. The consultation will also consider the potential delivery models for a development partnership which might provide an increased financial return to the council
- 7.4 For further details on the asset disposal process please refer to appendix 1b.

Section 8 – Community ‘right to bid’ and community asset transfer

Community right to bid (assets of community value)

- 8.1 The Localism Act 2011 passed significant new rights direct to communities and individuals, making it easier for them to get things done and achieve their ambitions for the place where they live.
- 8.2 Every town, village or neighbourhood is home to buildings or amenities that play a vital role in local life. They might include community centres, libraries, swimming pools, village shops, markets or pubs. Local life would not be the same without them, and if they are closed or sold into private use, it can be a real loss to the community.
- 8.3 The Localism Act requires councils to maintain a list of assets of community value which have been nominated by the local community. When listed assets come up for sale or change of ownership, the Act then gives community groups the time to develop a bid and raise the money to bid to buy the asset when it comes on the open market. This will help local communities keep much-loved sites in public use and part of local life
- 8.4 The council maintains a '[List of Assets of Community Value](#)', which are nominated successfully by local community groups. If any of the listed assets are put up for sale, the council will inform the community and give them time to consider bidding to take over the asset themselves as a community enterprise.
- 8.5 The legislation does not guarantee that the community will be able to buy the asset, it just allows them time to prepare a bid for it on the open market
- 8.6 Facilities up for nomination must be of community value: the building furthers the social wellbeing or social interests of the local community (or has done in the recent past). Social interest uses can include cultural, recreational and sporting interests. Examples include village pubs, shops, schools, community centres, library buildings.
- 8.7 Assets of community value cannot be:
 - Residential properties and associated land
 - Land licensed for use as a caravan site
 - Operational land used for transport, and other infrastructures
- 8.8 The Assets of Community Value Regulations 2012 provide more detail on assets that will be exempt from listing and who has the power to make this exemption. The Government has also produced a non-statutory advice note which provides additional guidance to councils about this process.

Community asset transfer

- 8.9 Community asset transfers assist the council in supporting local communities, through third sector organisations and parish councils, to sustain and increase control over local services and assets of value to the community. Furthermore, the council recognises that the way in which assets are managed can have a long-term positive impact on the strength of e.g. third sector organisations and local communities more generally.
- 8.10 Community asset transfers can have the effect, therefore, of enabling the council to rationalise its property estate and reducing associated capital and revenue costs/liabilities whilst enabling the continuation of services which might otherwise be lost to the local community.
- 8.11 The transfer of council-owned assets is covered by the Community Asset Transfer Policy attached at appendix 1d.

