

## **Minutes of the meeting of Council held at Council Chamber, The Shire Hall, St Peter's Square, Hereford, HR1 2HX on Friday 14 February 2020 at 10.00 am**

**Present:** Councillor Sebastian Bowen (chairperson)  
Councillor Kema Guthrie (vice-chairperson)

**Councillors:** Paul Andrews, Polly Andrews, Jenny Bartlett, Chris Bartrum, Christy Bolderson, Dave Boulter, Tracy Bowes, Ellie Chowns, Pauline Crockett, Gemma Davies, Barry Durkin, Toni Fagan, Elizabeth Foxton, Carole Gandy, John Hardwick, John Harrington, Liz Harvey, Jennie Hewitt, Kath Hey, David Hitchiner, Phillip Howells, Bernard Hunt, Helen I'Anson, Terry James, Peter Jinman, Tony Johnson, Graham Jones, Mike Jones, Jim Kenyon, Jonathan Lester, Trish Marsh, Bob Matthews, Mark Millmore, Jeremy Milln, Felicity Norman, Roger Phillips, Tim Price, Paul Rone, Alan Seldon, Nigel Shaw, Louis Stark, John Stone, David Summers, Elissa Swinglehurst, Paul Symonds, Kevin Tillett, Diana Toynbee, Ange Tyler, Yolande Watson and William Wilding

**Officers:** Alistair Neill, Chief Executive; Chris Baird, Director Children and Families; Richard Ball, Director for Economy and Place; Andrew Lovegrove, Chief Finance Officer; Paul Smith, Assistant Director All Ages Commissioning; Claire Ward, Solicitor to the Council; Kate Charlton; Interim Head of Legal Services; John Coleman, Democratic Services Manager

### **34. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Graham Andrews.

### **35. DECLARATIONS OF INTEREST**

Councillor Roger Phillips declared an other interest as the vice chairman of the national joint council (NJC) for local government services.

### **36. MINUTES**

The Chairman outlined two changes to the accuracy of the minutes of the previous meeting as outlined below:

Minute 32, bullet point 2 the wording 'the risk was currently being assessed' to be replaced with the wording 'the correspondence provided assurance that that it was unlikely that the £850k would be called upon'.

Minute 32, bullet point 15 (the last bullet point) the wording 'his election material explained that he did not support road schemes' to be replaced with the wording 'a number of members of the administration had been elected on the basis that they did not support the planned road schemes'.

**RESOLVED: That, subject to the changes outlined above, the minutes of the meeting 11 October 2019 be confirmed as a correct record and signed by the Chairman.**

**37. CHAIRMAN AND CHIEF EXECUTIVE'S ANNOUNCEMENTS**

Council noted the Chairman's announcements as printed in the agenda papers.

The Chairman introduced his announcements and informed Council of a suggestion to rename the cycle bridge at the outfall works and the path from Rotherwas to the bridge Canary Bridge and Canary Way respectively.

The chief executive introduced his announcements and provided an update from Public Health England regarding coronavirus.

It was requested that a briefing note was provided by the end of the day to provide an update on the phosphate levels in the river Lugg catchment.

**38. QUESTIONS FROM MEMBERS OF THE PUBLIC**

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

**39. QUESTIONS FROM MEMBERS OF THE COUNCIL**

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

**40. CORPORATE PLAN - THE COUNTY PLAN 2020/24**

Council considered a report by the Leader which set out the proposed corporate plan. The Leader moved the report and proposed the corporate plan, now to be referred to as the county plan 2020/2024, for approval. The Leader outlined the priorities contained in the plan, consisting of environment, community and economy and explained that the plan set the direction of the council for the next four years.

The deputy leader seconded the report and outlined the consultation that had taken place in the development of the Plan and the importance of highlighting the work undertaken with partners and the involvement of young people.

In discussion the following principal points were raised:

- It was important that connectivity for small, rural communities was acknowledged. It was hoped that villages without services and infrastructure would not be required to accept housing targets in the review of the core strategy;
- The Talk Community initiative was raised and good practice around adults' social care.
- A comment was made that the delivery of the priorities and objectives in the Plan was key, not merely their presentation.
- The Plan should contain details of depressed wages locally and relatively expensive housing and travel costs. Average earnings were below levels in the local region.
- It was felt that there should be greater reference to key partners in the Plan.
- Some members felt that they could not support the Plan without the western bypass to drive growth. The loss of funding resulting from the discontinuation of

the scheme would impact on growth and undermine the delivery of the priorities in the Plan.

- The Plan represented a shift of emphasis that placed residents and the community at the heart of decisions that affected them.
- The western bypass would not relieve the congestion caused by the local residents travelling in the City which accounted for 85% of journeys.
- Local businesses should be supported by the Plan to drive jobs and growth.
- The promotion of tourism was important.
- The Plan ensured that the environment and response to the climate emergency were at the heart of the council's work.

The County Plan 2020/2024 was put to the vote and carried by a simple majority.

**RESOLVED: That the County Plan 2020/2024, as set out in appendix A to the report, is approved.**

#### **41. 2020/21 COUNCIL TAX REDUCTION SCHEME**

Council considered a report by the Leader to agree the council tax reduction scheme for 2020/21.

The Leader moved the report and proposed the current council tax reduction scheme for approval. The scheme proposed for approval had been originally adopted in 2015 and it was considered the scheme continued to provide an appropriate level of reduction.

The cabinet member finance and corporate services seconded the report and explained that the retention of the current scheme was supported by responses to the budget consultation. The scheme provided support to vulnerable residents and those suffering hardship. In effect the scheme resulted in a reduction in council tax to the council of £10.9 million. Over 80% of council tax billed to claimants of the reduction scheme was collected; a rate which had remained consistent across the period of the current reduction scheme.

The principal points below were raised during the debate:

- The provision of relief of up to three months to local residents forced to leave their homes following flooding was raised and what further relief could be provided after three months.
- There was concern at those local residents who did not meet the threshold to claim the reduction but who were just about managing.
- The number of claimants for a reduction highlighted the high number of people in the county on low incomes.

A named vote was held to agree the council tax reduction scheme set out in the report. The scheme was approved unanimously.

FOR (52): Councillors Paul Andrews, Polly Andrews, Bartlett, Bartrum, Bolderson, Boulter, Bowen, Bowes, Chowns, Crockett, Davies, Durkin, Fagan, Foxton, Gandy, Guthrie, Hardwick, Harrington, Harvey, Hewitt, Hey, Hitchiner, Howells, Hunt, l'Anson, James, Jinman, Johnson, Graham Jones, Mike Jones, Kenyon, Lester, Marsh, Matthews, Millmore, Milln, Norman, Phillips, Price, Rone, Seldon, Shaw, Stark, Stone, Summers, Swinglehurst, Symonds, Tillett, Toynbee, Tyler, Watson and Wilding.

Against (0)

Abstentions (0)

**RESOLVED: that the council tax reduction scheme for 2020/21, attached at appendix 1, is approved with the same parameters as the existing scheme.**

#### **42. CAPITAL PROGRAMME 2020/21 ONWARDS AND CAPITAL STRATEGY**

Council considered a report by the Leader to approve the capital investment budget and capital strategy 2020/21 onwards.

The cabinet member finance and corporate services moved the report and proposed the recommendations. She explained that the capital programme of the previous administration had been largely retained with additions including: school improvement; the Talk Community initiative; care home facilities; employment facilities; and infrastructure investment. Environmental improvements were also proposed through the programme including waste reduction initiatives. The majority of investment proposed through the capital programme was from grant funding with a small amount from borrowing.

The Leader seconded the report and explained that the capital plan reflected the county plan and proposed investment across market towns and rural areas.

In discussion the following points were raised in the debate concerning the Cabinet's capital budget:

- The impact of the loss of grant funding from the Local Enterprise Partnership was raised and where new grant funding would be identified in its place. Support was expressed for a capital strategy that proposed a bypass but it was noted that funding for such an initiative had been withdrawn.
- A shortfall in social and affordable housing was raised and the need for investment in this area.
- The importance of a review of the processes around the capital programme and risk management of capital schemes was raised.
- Support was expressed for the investment in schools and superhubs.
- Welcome was expressed for climate specific projects in the capital programme including electric buses. The programme proposed integrated action on environment and economy and the future carbon management strategy would set out how the capital programme could contribute to initiatives to reduce carbon emissions.
- Support was expressed for projects to construct care homes.
- There was requirement for investment in the road network, in particular drainage issues.

**Amendment 1 – Proposed by Councillor Bob Matthews, seconded by Councillor Bernard Hunt. To allocate £2.2m of the capital receipts monies to rural verges management and any remaining funding from New Homes Bonus, not used for phosphate issue or climate change, will also be allocated. The funding will be used to commence work to provide adequate passing bays on the county's minor road network to help prevent the destruction of the grass verges alongside these B and C class Highways which contain a wide range of valuable and rare flora and fauna, and would be a means of protecting the rural environment generally.**

Councillor Bob Matthews proposed the amendment and explained that recent public surveys had established that highway improvements were a priority for the public. The amendment proposed the use of capital receipts from the smallholdings sale to improve minor roads. Passing places along minor roads formed naturally over time; the amendment would formalise these passing places which would help protect rural roads and reduce the incidence of potholes.

Councillor Bernard Hunt seconded the amendment and explained that the amendment represented additional investment for rural roads which were in need of improvement.

In discussion the following points were raised in the debate concerning amendment 1:

- It was explained that the creation of passing places would help to protect verges on rural roads which could be considered by Balfour Beatty Living Places (BBLP) during the forthcoming year.
- There was concern that the amendment would re-commit funding that would be allocated to address phosphate levels in the Lugg catchment.
- It was noted that the proposal had not undergone scrutiny; it was suggested that the consideration of amendments at scrutiny prior to the budget meeting could be considered by the governance working group.
- It was commented that this was the type of work or road improvement which could be undertaken by parish councils through lengthsman schemes or by raising parish precepts.
- Verges often encroached on rural roads restricting width; clearance work was necessary to address this problem.
- Clarity was sought from the section 151 officer concerning the capital receipts identified in support of the proposal in the amendment. There was concern that the use of capital receipts for the proposal in the amendment would undermine the use of such investment to secure a return. *The section 151 officer explained that the funding identified in the amendment came, in part, from unallocated capital receipts.*
- There was some concern that the proposal in the amendment could be considered revenue spending.

Councillor Liz Harvey, as proposer of the original motion, responded to the amendment and explained that the amendment was not supported as there was confusion regarding changes to the amendment and the source of the funding, between capital receipts and the New Homes Bonus. Capital reserves existed but were for use in times of emergency or to be allocated to priorities following detailed proposals and consultation. Engagement with the cabinet member for infrastructure and transport was encouraged to investigate if the proposal in the amendment could be brought forward.

The budget amendment was put to the recorded vote and was lost by a simple majority.

FOR (7): Councillors Boulter, Foxton, Hunt, Graham Jones, Mike Jones, Matthews and Price.

Against (41): Councillors Paul Andrews, Polly Andrews, Bartlett, Bartrum, Bolderson, Bowes, Chowns, Crockett, Davies, Durkin, Fagan, Gandy, Guthrie, Hardwick, Harrington, Harvey, Hewitt, Hey, Hitchiner, Howells, l'Anson, Jinman, Johnson, Kenyon, Lester, Marsh, Millmore, Milln, Norman, Phillips, Rone, Seldon, Shaw, Stone, Summers, Swinglehurst, Tillett, Toynbee, Tyler, Watson and Wilding

Abstentions (4): Councillors Bowen, James, Stark and Symonds.

**Amendment 2 – Proposed by Councillor Paul Symonds, seconded by Councillor Chris Bartrum.**

**a) That a new ring fenced capital allocation be included in the capital programme to provide an additional £1m per year to be invested through the Public Realm annual plan for market towns public realm improvement in 2020/21, 2021/22 and 2022/23 and that this be funded from capital receipts.**

**b) That additional capital funding of £300,000 be allocated to the client team budget for the Public Realm contract to provide 2 additional inspectors during 2020/21, 2021/22 and 2022/23, increasing supervision and checking of capital works carried out by BBLP and to enable a review during 2020/21 of the benefit in transferring the Locality Steward service from BBLP to Herefordshire Council, Hoople or another contractor. This funding to be provided from capital receipts.**

Councillor Paul Symonds proposed the amendment and explained that amendment (a) concerned how investment in the public realm of the market towns was allocated through the capital programme. The amendment had no impact on council tax and was drawn from a pot of unallocated monies. Amendment (b) concerned the effectiveness of the investment in the public realm and would complement and help drive the proposed review of the BBLP contract and monitoring arrangements. It was confirmed that the two proposals were intended as separate amendments.

Councillor Chris Bartrum seconded the amendment and explained the reduction in funding for local authorities from central government. In order to make improvements to the public realm in market towns alternative funding needed to be identified to support projects such as the resurfacing of roads that were disintegrating. Local residents supported such proposals which would improve the safety of road users.

In discussion the following points were raised in the debate concerning amendment 2:

- There was concern that the proposed amendment (a) allocated money from reserves to a small number of towns in the county. There was a possibility that this could be divisive between the City of Hereford and the market towns.
- Roads were assessed for resurfacing and improvement work based on a risk/safety matrix. The assessment was a robust process to prioritise roads from across the county and undertake improvements on the basis of public safety. Separate allocations for market towns in amendment (a) would not complement this process.
- It was queried whether the addition of inspectors to supervise and check works in amendment (b) was a duplication of the work undertaken by locality stewards.
- There was concern that amendment (a) proposed taking money out of the capital budget to pay for recurring costs which represented revenue expenditure.
- The county plan contained a proposal to work with the market towns and parish councils.
- Amendment (a) was intended to support infrastructure across the market towns and was consistent with the priorities of local residents to make improvements to the maintenance of roads and public spaces. The proposal was supported by local residents and the town council in Ross-on-Wye.
- It was understood that processes existed to address long standing problems with highways that were not prioritised for safety repairs. The Cabinet should consider the best way to address such issues.
- Some members supported the enhanced supervision of works undertaken by BBLP as proposed in amendment (b).
- There was concern that the use of capital receipts to support the proposals in the budget amendments reduced their value. It was stated that the capital receipts from the sale of the smallholdings were intended to raise revenue.
- Clarification was sought regarding the period of time proposed in amendment (a). *The section 151 officer confirmed that the amendment sought a change to the capital programme over the next three years.*
- Lobbying of central government should be co-ordinated across the political groups to request funding to provide a safe road network.
- The proposal in amendment (b) would be looked at during the review of the BBLP contract.

- It was explained that the proposals in the budget amendment had been presented to scrutiny.

Councillor Liz Harvey, as proposer of the original motion, responded to the amendment and explained that the amendment to the capital programme was not supported; such proposals would require work before inclusion in the capital programme. It was important to ensure the prioritisation process for repairs and works was fair across the county. The new county plan included a priority to re-balance investment in market towns. Leominster had secured grant funding with matched capital money and other market towns were encouraged to apply for similar funding. Market towns had worked with BBLP to identify priorities for inclusion in the infrastructure plan. The review proposed by the cabinet member procurement and assets relating to contract and project management was the right way to address concerns with oversight of the BBLP contract.

Budget amendment **(a)** and **(b)** was put to the recorded vote and was lost by a simple majority.

**(a)**

For (22): Councillors Polly Andrews, Bartrum, Bolderson, Durkin, Gandy, Guthrie, Hunt, l'Anson, James, Johnson, Mike Jones, Lester, Matthews, Millmore, Price, Rone, Shaw, Stark, Stone, Swinglehurst, Symonds and Tillett.

Against (27): Councillors Paul Andrews, Bartlett, Boulter, Bowes, Chowns, Crockett, Davies, Fagan, Hardwick, Harrington, Harvey, Hewitt, Hey, Hitchiner, Jinman, Graham Jones, Kenyon, Marsh, Milln, Norman, Phillips, Seldon, Summers, Toynbee, Tyler, Watson and Wilding.

Abstain (2): Councillors Bowen and Howells

**(b)**

For (13): Councillors Polly Andrews, Bartrum, Howells, Hunt, James, Graham Jones, Matthews, Phillips, Price, Stark, Summers, Symonds and Tillett.

Against (36): Councillors Paul Andrews, Bartlett, Bolderson, Boulter, Bowes, Chowns, Crockett, Davies, Durkin, Fagan, Gandy, Guthrie, Hardwick, Harrington, Harvey, Hewitt, Hey, Hitchiner, l'Anson, Jinman, Johnson, Mike Jones, Kenyon, Lester, Marsh, Millmore, Milln, Norman, Rone, Seldon, Stone, Swinglehurst, Toynbee, Tyler, Watson and Wilding.

Abstain (2): Councillors Bowen and Shaw

**Amendment 3 – Proposed by Councillor Nigel Shaw and seconded by Councillor Carole Gandy – This amendment reduces the capital allocated to the Hereford Transport Plan (HTP) from £3.6m to £1.6m and provides the released £2m to be used to repair and maintain our U and C roads.**

Councillor Nigel Shaw proposed the amendment and explained that the use of the road safety matrix alone resulted in some minor roads never receiving investment or repairs. The proposal involved the adjustment of the HTP to allow more roads to be repaired and drainage issues addressed.

Councillor Carole Gandy seconded the amendment and explained that there was some disappointment that the capital programme proposed investment in road infrastructure close to Hereford and roads in rural areas had been marginalised. The deterioration of rural roads affected tourism, particularly associated with the cycle routes through the

county. The parish drainage scheme contained unspent funding and new projects needed to be brought forward.

In discussion the following points were raised in the debate concerning amendment 3:

- Reduced funding had affected the minor road network and although £2million was not a large sum of money it would help with maintenance and repair.
- It was commented that the amendment proposed that money was removed from a budget for the HTP project that was currently under review. There was concern that the amendment pre-empted the outcome of the review. If the outcome resulted in money becoming available its reallocation could be considered. There was concern that the amendment raised legal problems concerned with the pre-determination of the outcomes of the review. *The monitoring officer explained that there were no concerns regarding pre-determination; Council was a separate decision-making body to Cabinet. Cabinet would be responsible for determining how the outcomes of the review would be put into effect.*
- It was acknowledged that the road network was in a bad condition which had resulted from reduced funding from government. There was a need to lobby local MPs and central government for the provision of greater funding in the local road network.
- Repair and maintenance of the road network was a priority for local communities. The amendment sought to provide more money to address the poor condition of the highways.
- There was concern that the amendment proposed the use of capital funding on recurring revenue costs and that the amount proposed would be of little effect.
- The amendment would help provide for those roads that were not considered a priority on the road safety matrix but were in a poor condition.
- The condition of the minor road network impacted upon rural tourism and local businesses.
- The lack of investment since 2014/15 in the minor road network was attributed to the priorities and decision-making of the previous administration.
- There was concern that the amendment had not been considered at scrutiny or Cabinet before presentation to full Council.
- The loss of funding from the LEP would impact upon the council's ability to access funding in the future.

Councillor Liz Harvey, as proposer of the original motion, responded to the amendment and explained that it was not supported as there was concern that money would be removed from the HAP budget before the conclusion of the review. The review would take account of alternative transport options which the government was now prioritising for grant funding. The entire £28million had not necessarily been lost but the new administration were not in a position, upon assumption of office, to award a contract for the work contained in the south wye transport package.

The amendment was put to the recorded vote and was carried by a simple majority.

For (26): Councillors Polly Andrews, Bartrum, Bolderson, Bowen, Durkin, Gandy, Guthrie, Howells, Hunt, l'Anson, James, Johnson, Graham Jones, Mike Jones, Lester, Matthews, Millmore, Phillips, Price, Rone, Shaw, Stark, Stone, Swinglehurst, Symonds and Tillett.

Against (25): Councillors Paul Andrews, Bartlett, Boulter, Bowes, Chowns, Crockett, Davies, Fagan, Hardwick, Harrington, Harvey, Hewitt, Hey, Hitchiner, Jinman, Kenyon, Marsh, Milln, Norman, Seldon, Summers, Toynbee, Tyler, Watson and Wilding.

Abstain (0)



**RESOLVED: That:**

**This amendment reduces the capital allocated to the Hereford Transport Plan from £3.6m to £1.6m and provides the released £2m to be used to repair and maintain our U and C roads.**

**The bulk of the Hereford Transport Plan capital funding was predicated on the need to purchase early properties that might be blighted by the route of the Hereford Bypass. With the scheme now under review and any funding application for the scheme, should it go ahead, further delayed, it makes no sense to keep this capital allocation at the current level. The Conservative Group would ask others to consider the plight of the U and C roads in our most rural communities. In the unlikely event that additional capital above the £1.6m is suddenly needed for the HTP, then the general reserve and the financial resilience reserve (standing at £13.6m) are available.**

**Although A and B roads in Herefordshire are the fastest roads and carry the most vehicles, the C and U roads are the capillaries that feed these roads and, in the more remote places, the arteries for local transport too. Since the one off spending of £20m in 2014/5 there has been minimal investment in the U and C road infrastructure and drainage and the results are visible for all to see.**

**This additional £2m will not fix all of the issues, but is seen as a responsible step by this Council to address the concerns of the rural third of this county's population.**

The capital programme 2020/21 onwards and capital strategy, as amended by amendment 3 above was put to the recorded vote and carried by a simple majority.

FOR (49): Councillors Paul Andrews, Polly Andrews, Bartlett, Bartrum, Bolderson, Boulter, Bowen, Bowes, Chowns, Crockett, Davies, Durkin, Fagan, Gandy, Guthrie, Hardwick, Harrington, Harvey, Hewitt, Hey, Hitchiner, Howells, Hunt, l'Anson, James, Jinman, Johnson, Graham Jones, Mike Jones, Kenyon, Lester, Marsh, Matthews, Millmore, Milln, Norman, Phillips, Price, Rone, Seldon, Shaw, Stone, Summers, Swinglehurst, Tillett, Toynbee, Tyler, Watson and Wilding.

Against (0)

Abstentions (2): Councillors Stark and Symonds

**RESOLVED: That:**

**(a) the proposed capital programme for 2020/21 attached at appendix 3, as amended by amendment 3 above, be approved; and**

**(b) the capital strategy document at appendix 4 be approved.**

There was an adjournment at 1.50 p.m. The meeting reconvened at 2.25 p.m.

**43. SETTING THE 2020/21 BUDGET AND UPDATING THE MEDIUM TERM FINANCIAL STRATEGY AND TREASURY MANAGEMENT STRATEGY**

Council considered a report from the Leader to set the 2020/21 budget and update the medium term financial strategy and treasury management strategy.

The cabinet member finance and corporate services introduced and moved the budget and explained that the administration had inherited a sound financial position and it was possible to set a balanced budget. The council tax precept increase was at a lower rate than it had been in the previous two years and the budget supported the priorities contained in the new county plan. The budget contained support for local business and education, including NMiTE, and incorporated plans to address challenges including the rising cost of services. The budget contained investment in social care for children and adults and the Talk Community initiative. The budget had been shaped by the public with extensive consultation and had been presented to each of the scrutiny committees twice.

The Leader seconded the budget and explained that the precept increase was prudent to enlarge the council tax base but it was regrettable that it was at a rate higher than inflation. There was a pressure on the budget from the increasing cost of looked after children. Headroom existed in the budget to support projects such as the superhubs and to address the climate emergency. The new homes bonus was being utilised to address the phosphate levels and support house building.

Councillor Jonathan Lester expressed support for the provision in the budget for key services and in particular the investment in legal and children's services to enhance safeguarding. He expressed concern at the precept level. The strong financial position of the council undermined the proposal for a precept above the level of inflation.

Councillor John Hardwick explained that there had been full and thorough consultation on the budget. The proposals in the budget demonstrated the effective working arrangements that had been established by the alliance and reflected the priorities expressed by the electorate.

Councillor Alan Seldon explained that the budget was the culmination of significant work by the executive and reflected the manifesto commitments of It's Our County. The proposals in the budget responded to the climate emergency and contained modern day thinking to address issues such as congestion in Hereford.

Councillor Polly Andrews explained that the comments of her political group would be outlined during the debate.

Councillor Ellie Chowns explained that the budget was set in the context of: a lack of central government funding; the pressure on adult social care services caused by the demography of Herefordshire; and the increased need of children's services caused by a lack of funding. Long term investment in services was proposed in the budget and the council tax precept was how the public collectively funded local services to protect vulnerable residents.

Councillor Bernard Hunt explained that in considering the proposed precept increase the demands on the resources of the council needed to be considered.

In discussion the following principal points were raised on the Cabinet's budget:

- The lobbying of central government was raised and the need to work with government to gain commitments and access funding.
- The level of reserves was raised and the potential utilisation of reserves to remedy road defects.
- The level of reserves was inherited from the previous administration of the council.
- There was sympathy with local residents with respect to the precept increase but it was necessary to avoid a reduction in the level of services. The council tax reduction scheme would help those vulnerable local residents to manage the

precept increase. If the council tax reduction scheme required a change to provide assistance to a wider range of local residents this could be considered.

- The level of the precept was high and Herefordshire residents had been required to pay increased precepts over a number of years. Some residents would struggle to pay the precept even with the council tax reduction scheme in place.

**Amendment 1 – Proposed by Councillor Nigel Shaw and seconded by Councillor Jonathan Lester - The proposed increase in council tax is reduced by 1% to 2.9%. The annual cost of this will be approximately £1m, the new homes bonus allocated in the government settlement of £2m will fund the reduction for the next two years.**

Councillor Shaw proposed the budget amendment and explained that the proposed reduction in the precept did not reduce services. The shortfall created by the reduction would be met from the new homes bonus. There was concern at the effect the tax increase would have upon local residents and the amendment was intended to reduce the burden on council taxpayers. The money allocated to the phosphate issue could be allocated from an alternative source.

In discussion the following principal points were raised on amendment 1:

- It was important that there was a budget to ensure that resources were in place to address the phosphate issue.
- The previous administration had consistently increased the council tax precept.
- Some members felt that any amendment which withdrew the money allocated to the phosphate issue could not be supported. It was recognised that the phosphate issue was significant and urgent.
- It was noted that even with the support provided by the council tax reduction scheme some local residents would struggle to pay the precept increase. Some members felt that the amendment offered the opportunity to reduce the financial burden of the precept on those local residents least able to afford it without affecting the overall budget.
- The allocation of funding to address the phosphate issue had only occurred at the end of January.
- A change to the council tax reduction scheme could be considered to change the thresholds.
- There was disappointment that the 3.9% increase was the only model considered in the budget.
- There was concern that the reduced precept would reduce the funding available to adult social care.

Councillor Lester seconded the amendment and explained that the proposal increased the precept but not to the level in the Cabinet's budget. The 3.9% placed an excessive burden on council taxpayers to provide for services; the amendment did not alter the budget or withdraw money from services but reduced the burden on the tax payer.

Councillor Harvey, as the mover of the original motion, responded to the amendment and explained that it was not supported as the allocation of the new homes bonus to the phosphate issue sought to address an existential threat which put development in the county at risk and increased the potential for predatory development if housing targets were not met. The amendment could not be supported as it was essential that work was undertaken with partners to address the issue which the allocation from the new homes bonus supported.

The amendment was put to the recorded vote and was lost by a simple majority.

For (18): Councillors Polly Andrews, Bartrum, Bolderson, Durkin, Gandy, Guthrie, , l'Anson, Johnson, Graham Jones, Lester, Millmore, Phillips, Rone, Shaw, Stark, Stone, Symonds and Tillett.

Against (29): Councillors Paul Andrews, Bartlett, Boulter, Bowes, Chowns, Crockett, Davies, Fagan, Foxton, Hardwick, Harrington, Harvey, Hewitt, Hey, Hitchiner, Hunt, Jinman, Mike Jones, Kenyon, Marsh, Milln, Norman, Price, Seldon, Summers, Toynbee, Tyler, Watson and Wilding.

Abstain (3): Bowen, Howells and Swinglehurst.

Councillor Shaw withdrew his second proposed budget amendment.

The budget and updated medium term financial strategy and treasury management strategy was put to the recorded vote and was approved by a simple majority.

For (31): Councillors Paul Andrews, Bartlett, Boulter, Bowen, Bowes, Chowns, Crockett, Davies, Fagan, Foxton, Hardwick, Harrington, Harvey, Hewitt, Hey, Hitchiner, Hunt, Jinman, Graham Jones, Mike Jones, Kenyon, Marsh, Milln, Norman, Price, Seldon, Summers, Toynbee, Tyler, Watson and Wilding.

Against (9): Councillors Bolderson, Durkin, Guthrie, Johnson, Lester, Millmore, Rone, Shaw and Tillett.

Abstain (10): Councillors Polly Andrews, Bartrum, Gandy, Howells, l'Anson, Phillips, Stark, Stone, Swinglehurst and Symonds.

#### **RESOLVED:**

**That:**

**(a) Council approves;**

- a. the council tax base of 69,756.19 Band D equivalents in 2020/21**
- b. an increase in core council tax in 2020/21 of 1.9%**
- c. an additional precept in respect of adult social care costs of 2% applied to council tax in 2020/21 resulting in a total council tax increase of 3.9%; increasing the band D charge from £1,514.70 to £1,573.77 for Herefordshire Council in 2020/21;**
- d. the balanced 2020/21 revenue budget proposal totalling £157.1m, subject to any amendments approved at the meeting, specifically the net spending limits for each directorate as at appendix 3**
- e. delegates to the section 151 officer the power to make necessary changes to the budget arising from any variations in central government funding allocations via general reserves;**
- f. the medium term financial strategy (MTFS) 2020-24 at appendix 1 be approved; and**
- g. the treasury management strategy at appendix 4.**

As an amendment was made by Council to the capital programme the Leader was asked whether he, on behalf of the Cabinet, accepted the amendment.

The Leader requested an adjournment to consult with his Cabinet.

The meeting adjourned at 3.48 p.m. and reconvened at 4.01 p.m.

The Leader indicated on behalf of the Cabinet that he accepted the amendment to the budget.

#### **44. PAY POLICY STATEMENT 2020**

Council considered a report by the chairperson of the employment panel to approve the pay policy statement for 2020.

The report and recommendation was moved by the Leader (as chairperson of the employment panel) and seconded by the cabinet member for finance and corporate services.

During the discussion it was requested that in future the report should include detail of the gender pay gap at the council.

The pay policy statement was put to the vote and approved unanimously.

**RESOLVED: That:**

**(a) the pay policy statement at appendix A is approved**

#### **45. PROCEDURE FOR QUESTIONS AT SCRUTINY COMMITTEES AND CABINET**

Council considered a report by the solicitor to the council regarding the procedure for public and member questions at scrutiny committees and Cabinet. The correction supplement was noted.

Councillor Shaw proposed and Councillor Bolderson seconded the recommendation in the report.

**Amendment – Proposed by Councillor Bob Matthews and seconded by Councillor Bernard Hunt – That the constitution at section 4.4.11 (part c) in the cabinet rules – is amended to include group leaders being able to ask questions of the relevant cabinet member(s) at cabinet meetings.**

Councillor Hunt proposed the amendment and explained that it was democratic and essential that group leaders were able to ask questions of cabinet members at meetings of the cabinet.

In the debate concerning the amendment it was acknowledged that if it was approved it could lead to a lot of questions being raised at cabinet however it was considered that it would be more democratic and accountable.

Councillor Jim Kenyon seconded the amendment and explained that good chairmanship would ensure democracy and transparency.

Councillor Shaw replied to the debate on the amendment and explained that he had sympathy with the amendment but such proposals should be considered at the audit and governance committee before determination at full Council.

The amendment was put to the vote and was carried by a simple majority.

**RESOLVED:**

**That the constitution at section 4.4.11 (part c) in the cabinet rules – is amended to include group leaders being able to ask questions of the relevant cabinet member(s) at cabinet meetings.**

The substantive motion, as amended above was put to the vote and carried by a simple majority.

**RESOLVED: That:**

- (a) the council approve the process for public and member questions at scrutiny and the deadline for cabinet questions with implementation with effect from the council meeting on 14 February 2020, including the amendment agreed above; and**
- (b) authority be delegated to the solicitor to the council to make technical amendments (grammatical, formatting, and consistency) necessary to finalise the revised constitution.**

**46. COUNCILLORS' ALLOWANCE SCHEME AND LINK TO THE NATIONAL JOINT COUNCIL (NJC) INDEX**

Council considered a report by the solicitor to the council concerning the index linking of the increase to councillors' allowances to the National Joint Council rates.

The monitoring officer introduced the report and explained that following a request from the Chairman a dispensation had been provided to all members to be present and vote on the report.

The recommendation in the report was proposed by the Leader and seconded by Councillor Nigel Shaw.

The recommendation in the report was put to the vote and approved by a simple majority.

**RESOLVED: That:**

- (a) The National Joint Council (NJC) pay award applying to the basic allowance and the special responsibility allowances received by councillors in 2020 and 2021 be approved.**

**47. ADDITIONAL ITEM - URGENT NOTICE OF MOTION**

Council considered an urgent motion regarding the appeal against the rejection of the Ledbury viaduct planning application by the planning committee.

In moving the motion Councillor Liz Harvey made the following points:

- The motion was intended to provide an opportunity for members of the planning committee and local ward members to express a view on the appeal of the Ledbury viaduct planning application and the monitoring officer's decision as to whether the council would contest the appeal.
- The planning committee had rejected the application, in part because it felt that a single access for the proposed site was inadequate. The developer had been asked to consider a second access under the viaduct but such a proposal had not been included in the report submitted to the planning committee in December.

- In reaching its decision the planning committee had taken the views of the local community into account.
- An appeal would be taking place and legal advice provided to the council from counsel stated that the appeal should not be contested. The legal advice considered that there were insufficient grounds to defend the decision of the planning committee and by not contesting the appeal the potential financial risk to the council would be reduced.
- The legal advice of counsel undermined the decision of the planning committee. The motion was intended to collate the thoughts of members to assist the monitoring officer to decide whether to defend the appeal.

Councillor Tony Johnson seconded the motion.

The following principal points were raised during the debate:

- Developments of the size proposed at Ledbury viaduct generally had more than one access.
- Ledbury Town Council would make representations at the inquiry that considered the appeal.
- There was substantial evidence concerning the application that needed to be considered at inquiry including contradictory highways assessments.
- The local community of Ledbury opposed development on the site where there was only a single access.
- To contest the appeal could result in significant costs against the council.
- Without the development of the viaduct site the council's three and five year housing land supply targets were threatened.
- The prospect of success in the appeal was queried. *The monitoring officer explained that counsel advice indicated that there was not a good chance of success.*
- If the decision of the planning committee was consistent with planning policy the appeal should be defended.
- It was noted that if the council defended the appeal it might become liable for the legal costs of the appellant.
- It was confirmed that there was strong feeling against the application among the members of the planning committee however the single access had been considered adequate by officers.
- It was acknowledged that the monitoring officer would need to assess the legal advice received in deciding whether to defend the appeal.

In closing the debate Councillor Harvey explained that it was a point of principle to defend the decision of the planning committee. To not defend the decision would run counter to localism and democracy.

The motion was put to the vote and carried by a simple majority of the Council.

**RESOLVED: That this Council:**

**notes that the solicitor to the council is considering making an urgent decision regarding whether or not the Council is to actively defend the appeal commenced by Bloor Homes against the Planning Committee's refusal of Bloor's planning application at the strategic housing site adjacent to the viaduct in Ledbury;**

**recognises this sensitive decision is the responsibility of the solicitor to the council to make; and**

**requests that the solicitor to the council gives very careful consideration to the views expressed by its Planning Committee on 11 December 2019, and in this urgent debate, in arriving at her decision.**

The meeting ended at 4.55 pm

**Chairman**