

Supplement to the agenda for

Council

Wednesday 8 December 2021

10.00 am

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

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Agenda item no. 5 - Questions from members of the public

Question Number	Questioner	Question	Question to
PQ 1	Mr Dixon, Leintwardine	Given the return of major traffic congestion to pre-pandemic levels in central Hereford, and the absence of even a medium term prospect of a by-pass, what steps if any has the Council taken to monitor and assess air pollution on the main traffic routes in the city AND the adjoining residential roads?	Cabinet member housing, regulatory services and community safety
Response: Herefordshire Council has been monitoring air quality in the City for many years. We monitor air quality (particulates and nitrogen dioxide (NO2)) using a ' <i>continuous ambient air-quality monitoring system</i> ', which is located adjacent to Victoria Street in Hereford. We have also been monitoring NO2 from a number of diffusion tubes at roadside locations around the City for an even longer period. These test tube type samples are analysed monthly and enable us to report statistically viable annual averages for NO2 at each of the locations. Test results from diffusion tube samples are published on the Council website, together with an annual ' <i>Air Quality Status Report</i> ' which considers all new monitoring data in relation to the national Air Quality Objectives. Published air quality documents and data can be found at the Herefordshire Council website: https://www.herefordshire.gov.uk/downloads/download/67/air_quality_documents Herefordshire Council have also set aside capital money that will be invested in modernising Hereford City's continuous air quality monitoring station over the coming financial year. .			
PQ 2	Ms Attfield, Bromyard	What is the process for Council Committees to vet co-optees, and how would concerns (in particular safeguarding / security concerns) from members of the public / Councillors about co-optees be dealt with as part of the process?	Cabinet member finance, corporate services and planning
Response: The standards of conduct required to be a co-optee are set out in the Council's co-optee scheme under section 3.2 https://councillors.herefordshire.gov.uk/documents/s50092712/Appendix%20-%20Co-optee%20protocol.pdf In certain circumstances co-optees may be asked to complete a Disclosure and Barring Service (DBS) check. Thereafter their conduct is subject to the Nolan principles and the Council's Code of Conduct.			

Any concerns raised regarding the suitability or behaviour of a co-optee will be considered by the Monitoring Officer and any formal complaints raised will be considered under our arrangements for dealing with Code of Conduct complaints in the same manner as they are for elected members.

Supplementary question:

I have recently signed up to be a volunteer with the Art Gallery and Museum service and had to go through a bit of a process including references and such but from what I understand from the Council's response to my question (and I have to say I find this quite astonishing), there is **no process in place at all to vet co-optees to Council Committees (including the SACRE Committee) before they take up post**; instead the default is an **assumption** as to their suitability and unless someone happens to come across their name and raise a question at any time, the co-optee will simply be, and continue to be accepted which means that having had no prior vetting at all - no references, no background checks, no safeguarding (except for certain roles) or security checks - they will be in a position to influence the work of a Council Committee?

Cabinet member response:

The council has the flexibility to co-opt members of the public onto its various committees so as to broaden the committee's expertise and capabilities – especially when dealing with areas of the council's responsibilities where outside expertise is valuable. The ways in which these co-options take place differs according to the committee and this is outlined in the respective Committee Rules sections of the Council's Constitution.

Non-voting Council Committee – under scrutiny rules a committee is able to co-opt up to two individuals to assist in a review or meeting. The committee agrees who these co-optees shall be, according to its needs and circumstances – see excerpt from scrutiny rules below.

4.5.6 A scrutiny committee may co-opt a maximum of two non-voting people as and when required, for example for a particular meeting or to join a task and finish group. Any such co-optees will be agreed by the committee having reference to the agreed workplan and/or task and finish group membership.

As part of this sort of an appointment process, it would be usual for references to be taken up before any appointment is confirmed and for these references to be shared with the committee to enable the committee to make a decision regarding each appointment when there are more co-optee options available to the committee than seats to fill.

The SACRE (Standing Advisory Council for Religious Education) council is a slightly different entity. Although SACRE is listed as a committee of the Council it is actually a statutory outside body whose role is to advise Herefordshire Council on matters concerned with the provision of Religious Education and Collective Worship – the only element of the school curriculum which remains the responsibility of the Council in its role as the Local Education Authority (LEA). The rules governing the operation of the SACRE are given in the Council's Constitution here:

<https://councillors.herefordshire.gov.uk/documents/s50095663/Appendix%20%20SACREs%20constitution.pdf>

SACRE is comprised of four groups representing, respectively: Christian denominations and other religions and denominations of such religions as, in the opinion of the LA, will appropriately reflect the principal religious traditions in the area; the Church of England; a variety of associations representing teachers; and representatives of the local education authority. Each of these four groups put forward nominations for their representatives on SACRE and it is for the Council in its role as the LEA to make those appointments to the committee. On any question to be decided by SACRE, only the four representative groups on SACRE shall be entitled to vote, and each such group shall have a single vote.

The SACRE rules (at para 9 of the above link) also reference the committee's right to co-opt additional members and SACRE committee members decide co-options following nominations from existing members of SACRE or from relevant representative groups. Any co-opted members on SACRE do not have a vote.

In terms of the **Voting Co-optees** on council committees there are five seats for the statutory co-optees on children's scrutiny these are agreed at the annual meeting of Council.

The two church representatives are sought from the local CofE Diocesan Board of Education and the Roman Catholic Arch Diocese – as per regulation 13 of the legislative provision below. The legislation only requires for persons to be nominated by these religious bodies in order to be deemed to qualify for appointment:

[The Local Authorities \(Committee System\) \(England\) Regulations 2012 \(legislation.gov.uk\)](#)

The parent governor representatives are selected by contacting governors/governing bodies and by advert. Where multiple expressions of interest/nominations are received from parent governors an election is held; where one expression of interest/nomination is received for one PGR co-optee an election is not necessary and we appoint the candidate as long as they conform to the requirements of the legislation below:

[The Parent Governor Representatives \(England\) Regulations 2001 \(legislation.gov.uk\)](#).

In the same way as for councillors, the conduct of all co-optees is subject to the Nolan Principles and the Council's Code of Conduct.

PQ 3	Mr Lockie, Donnington	<p>Can Herefordshire County Council explain why the Fastershire contract has failed in its objective to provide fast fibre to the most isolated internet users in Herefordshire, who in HCC is responsible for oversight of the Fastershire relationship, and what is the Council is doing to ensure that Fastershire delivers as promised?</p> <p>I speak as a resident of Donnington, Herefordshire where no fibre connections have been provided by BT or Gigaclear to any property, the promise of provision by Gigaclear has been broken, and even if provided there will remain some residents unconnected because of restrictions to the Gigaclear contract with Fastershire.</p> <p>Promises and publicity about Herefordshire joining the modern internet world ring very hollow to Donnington residents forced to exist on the old, decaying, copper telephony local loop supplied post-war by the GPO.</p>	Cabinet member environment and economy
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Response:

The current superfast broadband coverage is 93% of premises in the county, this is compared to the figure in 2012 at the start of the Fastershire broadband project of 0.6% (independent figures available from www.thinkbroadband.com). Over the next few years coverage is due to increase as more homes are reached with fibre broadband. Unfortunately 1.24% premises in the county currently have less than 2Mbps, and reaching of these premises is challenging and costly due to being remote or at a distance from existing telecommunication infrastructure such as an broadband cabinet or the backhaul fibre network.

For the properties that have access to less than 10Mbps broadband speed, universal service obligation (USO) exist to provide 'decent' broadband for eligible premises via BT.

The Fastershire project was established due to commercial operators not providing superfast broadband in areas because of the limited return on investment due to the cost being so high. The council decided to use its own capital investment which is match funded by national government, with the project operating in partnership with Gloucestershire County Council to share revenue costs and use strength in numbers to attract suppliers. The council does not feel the project has failed with the coverage rising fast from a low base making a significant difference to many businesses and households. Unfortunately there are still some gaps in coverage to due to suppliers not bidding to cover those areas despite public subsidy.

The project had a recent setback as Gigaclear pulled out of coverage for 2,324 premises with less than 30Mbps in the south of the county. This is documented in a decision made on 18 November 2021, that in summary transfers the households and businesses affected by the Gigaclear withdrawal to be part of the government's Project Gigabit programme with added investment in the county. Gigaclear will complete their already started delivery in the north of the county with their own additional investment.

Two households in Donnington (based on postcodes) have registered for the council's Community Broadband Scheme which was introduced to address gaps in coverage. Part of the decision of 18 November (published on the council website) was to increase the value of subsidy per household from £5k to £7k in order to address the problem of suppliers not bidding to cover hard-to-reach areas due to cost. Based on this uplift premises in Donnington will be reviewed within the parameters of cost and the number of premises.

I sympathise enormously with the households that have still not been reached by faster broadband, and want to assure you that as a council we are doing everything we can to address the market failures that have created this situation.

Supplementary question:

Can I also ask for the answer to my initial question, missing in the response:

Who is the HCC Councillor taking the lead on managing the Fastershire contract ? (We've never received answers to emails sent to Fastershire and I have asked for help from our county councillor, Helen l'Anson, but not yet received a response.)

Now that the Gigaclear contract for South Herefordshire has been abandoned, can we in Donnington be assured that the replacement Project Gigabit contract will include not just the properties covered by the defunct Gigaclear contract, but also the two properties that Gigaclear refused to cover ?

(I've exercised the USO option: BT quoted £70k-£100k for a connection, and EE confirmed they cannot provide an acceptable broadband service via cellphone.)

Cabinet member response:

The response aimed to outline that Fastershire is a project run by an internal team of the council covering both Herefordshire and Gloucestershire in partnership with Gloucestershire County Council. Fastershire lets contracts to suppliers e.g. Gigaclear and Openreach based on a procurement process. The lead cabinet member is myself (Cllr Chowns).

According to our records queries to Fastershire via info@fastershire.com have been responded to, including the most recent via Bill Wiggin MP on 31st January 2021 (the process is that response is returned to the MP). An email sent to Cllr l'Anson in November has now been responded to.

The first step for Project Gigabit is to launch a Public Review, run nationally, which will inform future procurements – this is due to be released in February 2022. Until this step is complete the coverage cannot be confirmed.

The Universal Service Obligation is a potential option for premises on low megabits, though not suitable for all. With this scheme, there is no charge to the user if the cost is below £3,400 per premises, if between £3,400 and £5,000 per premise the additional cost will be split equally between user and supplier; If cost is above £5,000 per premises (on top of the £3,400) full build cost to get a connection will need to be met by the user. The costs quoted from BT gives an example of the high cost for connecting some premises. For more information on USO: ([Universal Service Obligation \(USO\) for Broadband \(bt.com\)](#)) ([Universal Service Obligations - Ofcom](#))

PQ 4	Mr Edge, Ledbury	Can Council explain on what basis council funds for the maintenance of Parks, Council maintained roads, pavements and other public pathways covered by Statute and various Highways Acts are split between the City of Hereford and the other major County Towns- Leominster, Ledbury, Ross, and Bromyard. For example, is it based on rateable domestic and business rates, size of area population- however designated, or is it simply an arbitrary decision of a Council department; are there any financial accounts (audited or non-audited) related to each of the Towns and City published for these costs, available for public scrutiny?	Cabinet member finance, corporate services and planning
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Response:

First may I thank Mr Edge for his question, which is one that puzzles and interests many people and which I very much welcome.

The prioritisation of countywide highways and public realm maintenance work and the consequent annual allocation of what funding we receive from central government and from income sources such as council owned car parks, is undertaken by applying the asset management approach specified by the Department for Highways and Transportation.

The Council's Highway Infrastructure Asset Management Policy, Strategy and Transport Asset Management Plan (TAMP) documents – which are available online - communicate the detail of this approach. This process has been developed in accordance with key national guidance and codes of practice documents published by the UK Roads Liaison Group:

- Highway Infrastructure Asset Management Guidance (May 2013);
- Well Managed Highway Infrastructure Assets – Code of Practice (Oct. 2016); and...

...uses the results of condition surveys, inspections and the maintenance requirement for parks, open space and green infrastructure such as verges and trees.

The prioritisation of identified highways works to receive funding takes account of road classification (A, B, C & U), which is generally indicative of usage and maintenance need. However it is recognised that, due to the geography of the county some lower classified roads do have higher use than the assessment model would normally assume. Therefore adjustments are made to the national network classification to account for this reality on the ground which then results in a more accurate Herefordshire Network Hierarchy.

This network picture is overlaid with the information gathered regarding priorities and strategic importance – e.g. value for money, whole life cost, safety issues, condition, safety inspections. The number of public enquiries and number of potholes reported are also taken into account at this stage and together this information results in a prioritised listing of highway maintenance and public realm schemes.

It is important that we follow this structured method because it has an impact on the amount of funding we then receive from the Department of Transport (DoT) which rewards highways authorities that follow their approved asset management process with slightly higher funding allocations and penalise those that don't. Over the last 5 years between 2016/17 to 2020/21, Herefordshire has been assessed as operating at the highest Tier 3 level of DoT funding.

The priorities for the Annual Maintenance Plan and Forward Investment Plan are developed with input from stakeholders such as Town, Parish Councils and County Council Ward Members. The funding allocation from central government is never sufficient to cover more than a fraction of the work which actually needs doing, which places even greater emphasis on the importance of the council sticking to this methodical asset management approach.

The Maintenance and Investment Plans are formally agreed and published online each year, and progress in their delivery is tracked throughout the year. Between now and Christmas your ward members are being consulted on the draft plans for 2022.

PQ 5	Ms Westmacott, Ross-on-Wye	Can the council please explain what allowances/arrangements are being made for those people living in flats/bedsits, small houses with little or no room to store refuse for up to 3 weeks and in many cases do not have outside space for bins?	Cabinet member commissioning, procurement and assets
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Response:

Thank you for your question, as the cabinet report of the 25th November 2021 outlines, all residents will be provided with the core twin stream recycling and food waste collection service. However we know this will be difficult for people living in flats. Special consideration will be given to the service provided to those residents living in flats. We will be commencing a project to complete a full audit of flat developments in the county to assess the suitability of the current facilities to incorporate the new collection service. Pilot projects will be established to assess collection options for flats. Through the project we will be working with landlords, residents groups and owner occupiers of flats to develop, as far as is possible, a differentiated service (or services) for them.

As we already do, we will also be considering collection options for those residents with limited outside storage space, such as no garden, who could opt out of the garden waste collection service where space is limited too.

To meet the challenges Herefordshire faces from climate change, I am afraid there are not always easy solutions, through our consultation on the changes we know that residents support more measures to help them reduce, reuse and recycle and we want to ensure that residents living in flats and smaller properties are not excluded from the opportunity to do this.

PQ 6	Mr McKay, Leominster	With bringing PROW back in-house under consideration will this include a 'Project 2026' to review and update the Definitive Map and Statement published 1989 that is long overdue consolidation as detailed in the BBLP 2020-21 Annual Plan presently being an Unresourced Project, with the DM Statements and the digitised 1950's Parish Schedules of Information viewable online, enabling the individual research required to resolve the large numbers of known anomalies to both the Definitive Map and other highway records as referenced by BBLP, and prospective Restricted Byways you become aware of, to be shared with the Parishes and the Public in a planned and informed manner by 2026, after which this may become more complex ?	Cabinet member infrastructure and transport
Response: The current priority is to ensure the efficient and effective transfer of the service from BBLP to the Council by April 2022. Following the insourcing of the service, the Council will be developing a service improvement plan to identify projects that can improve service delivery and the resources necessary to deliver these. Consideration will then be given to the available funding for service improvements and which projects are the highest priority for the Council. Officers will ensure Mr McKay's request is considered as part of that process at the appropriate time.			
Supplementary question: Addressing this issue, with known anomalies, having been an Unresourced Project for a number of years, will you consider asking Government to defer the 2026 date when unrecorded ways will be extinguished should you also require more time?			
Cabinet member response: Thank you Mr McKay, we have written to the minister, George Eustice, to ask for deferral or cancellation of the 2026 deadline. We intend to write again as his answer was most unsatisfactory.			
PQ 7	Mr Emmett, Cusop	Our recent Press Release about the state of our rivers highlighted a lack of regulation and co-ordination over the placement and number of intensive poultry units (IPUs). How confident are the Council that we are avoiding the same lack of planning and impact management on the issue of housing across the county; what assurances are there that the quality of these homes aren't sacrificed in favour of quantity? Whilst we favour social and affordable housing, Herefordshire deserves a high environmental standards in both food and housing.	Cabinet member finance, corporate services and planning
Response: I would like to thank Mr Emmett for his question. As an administration we are confident that the law will require improved environmental standards in the very near future and we are committed to ensuring that in Herefordshire new development of all types is of the highest environmental quality. As regards housing and buildings developed by the council itself, the Council approved the Herefordshire Future Homes Report in September this year, and adopted the environmental building design standards for future housing developments on council-owned land and council retrofit			

schemes. The Council is continuing to progress plans to build more affordable homes in the county and we intend that these shall be both affordable to buy AND to live in because they will also be designed to net zero-carbon standards.

For developer-led housing we remain constrained to operate within the Local Plan policy framework adopted back in 2015, which is far less ambitious as regards building standards than this administration is today. Therefore we will also shortly consult upon an emerging Environmental Building Standards Supplementary Planning Document (SPD) to sit alongside the Local Plan. This SPD is being developed within the context of national and local Net Zero Carbon targets and will provide detail on what is to be required from developers so as to deliver high quality construction whilst we are undertaking a significant update to the Local Plan planning policy framework. The SPD will also look to address and improve other environmental issues such as biodiversity and resilience to climate change.

Our preparation of an updated Local Plan for the county will also enable the highest possible environmental standards to be embedded within the new plan's revised suite of statutory planning policies. In updating and extending our Local Plan we shall take care to consider the most appropriate locations for all forms of development so that as the county continues to grow it does so from now on in a sustainable and resilient manner. We aim to have this plan ready for public examination by the end of 2022.

Supplementary question:

On the path to carbon neutral, what is the Council doing to address the national scandal of many new homes being constructed with inadequate insulation, will you ensure new housing has sufficient, sustainable infrastructure, including transport, health, education, recreation and green space. Finally is the Council using accurate scientific data from a wide range of sources to inform about the environmental impacts - near and far - of proposed housing developments?

Cabinet Member response:

Thank you Mr Emmett for your supplementary questions. In terms of the first point, the Herefordshire Future Homes Report sets out details of the high standards of insulation expected to be provided as part of Council-led developments and the emerging Environmental Building Standards SPD will also emphasise the need to incorporate high standards of insulation.

I also agree that it is vital that when we plan for new housing we ensure that an appropriate level of infrastructure is provided alongside the housing. As per previously, we are looking to do this through the local plan process. We do this by engaging across all sections of the Council and with external partners to identify infrastructure requirements and by assembling a comprehensive evidence base to support the plan's strategy, policies and proposals. An update of our Statement of Community Involvement has recently been approved by Cabinet, outlining our approach to this and other consultation processes and can be found at the following link at item number 72:

<https://councillors.herefordshire.gov.uk/ieListDocuments.aspx?CId=251&MId=8143&Ver=4>

The evidence base produced for the Local Plan will also provide a basis for assessing the environmental impacts of development proposals and, wherever necessary, will ensure that appropriate mitigation is embedded within the policies of the plan.

Agenda item no. 6 - Questions from members of the Council

Question Number	Questioner	Question	Question to
MQ 1	Councillor Alan Seldon, Bromyard West	It is well known that during periods of extreme adverse weather, all roads into Bromyard can become impassable very quickly. The site of the Highways Depot on the Hereford Road in Bromyard has been unused for at least four years with its infrastructure reasonably intact. Following the failure of the Planning Application on the site, will the Cabinet Member instruct BBLP to station at least one gritting machine and a stock of grit on the site? This will stop the current situation where employees of BBLP have to drive to Kingsland, pick up a machine and grit then drive back to Bromyard.	Cabinet member infrastructure and transport
<p>Response: The councils Winter Service Plan sets out how the council manages the county highway network through the winter period. In managing the network the council operates a fleet of gritters which treat precautionary routes and in times of heavy frost and/or snow, treat the priority routes and secondary routes.</p> <p>I understand the logic of Cllr Seldon's question and admire his continued advocacy for the best interest of his residents but it is felt we cannot station a valuable asset at one depot to support one town when the optimal Winter Service Plan means teams and fleet are managed, supervised and supported to ensure the appropriate resources are available for the planned activities across the entire network . The fleet needs to be maintained, fueled, cleaned, mechanical and maintenance checks undertaken and the vehicles loaded using the appropriate vehicle, this requires the service to operate from fully operational depots.</p> <p>I can give assurance the team will respond to any additional requests for gritting deemed appropriate.</p>			
<p>Supplementary question: Thank you to the Cabinet Member for his response.</p> <p>However, he seems to think that my question relates only to the Town of Bromyard. Given the distances involved when gritting priority routes around the North East of the County, would it not be sensible to reopen the depot to prevent excessive and unnecessary mileage being racked up by staff? As I stated in the original question, the infrastructure at the Bromyard Depot is reasonably intact.</p>			
<p>Cabinet Member response:</p>			

My apologies Cllr Seldon, from the wording of your original question I did indeed mistake your question as relating primarily to Bromyard, happy to be corrected and I now understand more fully your suggestion. The short answer to your reiterated question is, no, it is not sensible, nor equitable at present with limited resources – for the reasons already laid out – to station a gritter on standby at the empty depot at Bromyard. If that situation changes and we get increased revenue into our public realm budget, and more revenue for operatives or an extra gritter, for example, we can consider that suggestion very closely. Thank you Cllr and my apologies again for the misunderstanding.

MQ 2	Councillor Carole Gandy, Mortimer	Does the Cabinet Member for Finance join with me in welcoming the Covid 19 Recovery related grant funding provided by the Conservative government which has enabled this authority to make available £15 to every household in the county to spend in local shops?	Cabinet member finance, corporate services and planning
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Response:

Of course I am very grateful for any and all funding provided by the current Conservative government. Short-term and one-off funding is always better than no funding at all and this administration is doing its utmost to use these funds in innovative and ground-breaking new ways through our Covid19 Economic Recovery Plan to give a rapid boost to economic, community wellbeing and organisational recovery in all communities across Herefordshire.

The Shop Local scheme is only one element in the comprehensive support package approved by Cabinet to aid the local recovery. Other projects currently underway include:

- Revive and Thrive - grant support to new retail and commercial ventures
- additional funding for this administration's continued support to the visitor economy left languishing by the Conservatives. Our investment in strategic destination marketing and our Visit Herefordshire brand awareness campaign has reached over 8.3m TV viewers and over 1m social media impressions
- free weekend bus travel within the county – hopefully for a whole year
- and, most recently, Welcome Back and Great Places to Visit grants of up to £110,000 passed to Market Town Councils to pump prime improvements at the most local of levels

What would be even more welcome would be for Cllr Gandy and her Conservative Party colleagues to encourage their Westminster masters to address the systemic and strategic funding issues for local government of which they have been the architects. Issues such as:

- Addressing the iniquities in the present local government funding formulas which has Herefordshire at the bottom end of every county council funding indicator
- Getting on with gripping the real issue of adequately funding social care rather than capping the amount the better off have to pay while leaving the less well-off still selling their homes to pay for care in old age
- Revaluing and broadening the council tax banding system to distribute the burden of local taxation in a fairer and more equitable manner
- Funding rural and borderland authorities to reflect the funding and operational disadvantages inherent in our positions
- Tackling the crisis in public transport to improve sustainability, resilience and choice.

Whether or not this Conservative Government acts to address these Westminster-made problems, this administration will continue to ensure that the funds provided by central government are used to provide a catalyst for positive change for Herefordshire residents at a community and household level.

What we shall not be doing is acting upon the very recent suggestions of Conservative Ministers that this money is syphoned-off to offset their own persistent refusal to adequately fund the recovery from the county's serious flood damage and the consequential major road repairs.

MQ 3	Councillor Nigel Shaw, Bromyard Bringsty	One year after the Maylord shopping centre lease was purchased by this Administration for £4.2m the external auditor has devalued the site by £5.9m. Would the Cabinet member agree that though Maylord Street used to feature a White Lion, it now features a different, much bigger, white creature of her own making, on which she is apparently spending an additional £700,000 this year?	Cabinet member commissioning, procurement and assets
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Response:

Thank you Cllr Shaw for your question and continued interest in Maylord Orchards. The valuation of the Maylords site reflects national RICS guidance in relation to reflecting material valuation uncertainty where we continue to be faced with an unprecedented set of circumstances caused by Covid-19 and an absence of relevant/sufficient market evidence on which to base critical judgements. This is not just a Herefordshire issue and I believe that this was made clear to the audit and governance committee to which you are Chair.

I am actually incredibly proud of the fact that despite a downward trend across the country, the interest in units at Maylord Orchards continues to be very high. The recent Maylord Orchards strategy approved by Cabinet demonstrates our commitment to creating a buzzing regeneration of a key area of the city centre in which independent retailers, national retailers, first time businesses and charitable organisations are all welcome. And at the very the heart of the area is the ongoing commitment to creating a cultural beacon for the county in this incredible space.

We now have dedicated on site management and a new centre manager who has already forged relationships with the Hereford Business Improvement District, Hereford City Council and the Old Market to work on a programme of activities to create a city centre where you can work, shop, live and play.

Though the area was bought to 'wash its face financially' and to focus on the social value created by a regeneration of our city centre, Maylord Orchards acquisition actually contributed £0.5m to the 2020/21 financial outturn position.

The reference to £700,000 is incorrect, officers have confirmed that this was incorrectly linked, by yourself, to a reference in the statement of accounts that is not retail related.

MQ 4	Councillor Barry Durkin, Old Gore	The Council made a loss of £4.9m on its trading operations in the last financial year 2020/21, compared with a profit of £2.2m the previous year. Will the Cabinet member agree that her previous statement “we do not have to make a profit” is one which she is being spectacularly successful at delivering?	Cabinet member finance, corporate services and planning																																												
<p>Response:</p> <p>I would like to thank Cllr Durkin for taking a keen interest in the Council’s set of Annual Accounts. Something less intrepid members might find a touch dry for their liking.</p> <p>For anyone as fearless of the figures as Cllr Durkin, the detail of the Trading Operations of the Council’s Markets, Industrial and Retail property portfolio can be found on page 69 of the published 2020/21 Annual Accounts which are located here on the council’s website: https://www.herefordshire.gov.uk/downloads/download/2155/council-accounts-202021</p> <p>This section of the accounts comprises a breakdown of the income, expenditure and any movements in the valuation of the asset portfolio for each trading group. For information, I reproduce below the movements over the last 5 years in asset value for each trading group alongside the net income/expenditure position and the overall trading position.</p>																																															
		<table><tr><td></td><td colspan="5">Asset Revaluation Movement (£m)</td></tr><tr><td>Asset Type</td><td>2016/17</td><td>2017/18</td><td>2018/19</td><td>2019/20</td><td>2020/21</td></tr><tr><td>Markets</td><td>0.1</td><td>(1.0)</td><td>(0.3)</td><td>(0.3)</td><td>(0.5)</td></tr><tr><td>Industrial Estates</td><td>1.4</td><td>(5.4)</td><td>2.4</td><td>0.2</td><td>1.3</td></tr><tr><td>Retail Properties</td><td>3.8</td><td>(2.3)</td><td>0.6</td><td>-</td><td>6.4</td></tr><tr><td>Net (Income)/Expenditure</td><td>3.3</td><td>(2.1)</td><td>(2.2)</td><td>(2.1)</td><td>(2.3)</td></tr><tr><td>Overall Trading Position</td><td>8.6</td><td>(10.8)</td><td>0.5</td><td>(2.2)</td><td>4.9</td></tr></table>					Asset Revaluation Movement (£m)					Asset Type	2016/17	2017/18	2018/19	2019/20	2020/21	Markets	0.1	(1.0)	(0.3)	(0.3)	(0.5)	Industrial Estates	1.4	(5.4)	2.4	0.2	1.3	Retail Properties	3.8	(2.3)	0.6	-	6.4	Net (Income)/Expenditure	3.3	(2.1)	(2.2)	(2.1)	(2.3)	Overall Trading Position	8.6	(10.8)	0.5	(2.2)	4.9
	Asset Revaluation Movement (£m)																																														
Asset Type	2016/17	2017/18	2018/19	2019/20	2020/21																																										
Markets	0.1	(1.0)	(0.3)	(0.3)	(0.5)																																										
Industrial Estates	1.4	(5.4)	2.4	0.2	1.3																																										
Retail Properties	3.8	(2.3)	0.6	-	6.4																																										
Net (Income)/Expenditure	3.3	(2.1)	(2.2)	(2.1)	(2.3)																																										
Overall Trading Position	8.6	(10.8)	0.5	(2.2)	4.9																																										
<p>From this it is clear that in recent years the council’s property investment portfolio trades in profit (Expenditure + Income) each year to the tune of in excess of £2m. Whilst the council is not required to make a profit to pass on to shareholders this trading profit is real money coming in each year which is used to support service delivery across the council. I would like to offer my congratulations to our officers for their ‘spectacular success’ in maintaining this level of trading profit throughout this year of Covid.</p> <p>The year-on-year fluctuations in overall trading performance come mainly from changes in the assessed value of the property portfolio which is revalued each year. These portfolio adjustments are important to understand in the context of managing the portfolio to deliver value across the range of measures we use to ensure publicly owned assets are working hard for the people of Herefordshire to whom they all belong.</p> <p>However, the 2020/21 downward adjustment in portfolio value reflects the levels of economic risk and uncertainty caused by the coincidence of Brexit and the Covid pandemic. That said, we must also acknowledge the level of national concern has been raised regarding the</p>																																															

accuracy of such valuations in these particularly troubled and uncertain times. Only time will ultimately tell if the undoubtedly negative impact of these national and global challenges is long-lived.

