

Minutes of the meeting of Council held at The Council Chamber - The Shire Hall, St. Peter's Square, Hereford, HR1 2HX on Friday 15 February 2019 at 10.00 am

Present: Councillor DB Wilcox (chairperson)
Councillor PJ Edwards (vice-chairperson)

Councillors: BA Baker, JM Bartlett, WLS Bowen, TL Bowes, H Bramer, CR Butler, ACR Chappell, E Chowns, MJK Cooper, PGH Cutter, BA Durkin, DW Greenow, KS Guthrie, J Hardwick, DG Harlow, EPJ Harvey, EL Holton, TM James, PC Jinman, AW Johnson, JF Johnson, JLV Kenyon, JG Lester, MD Lloyd-Hayes, PP Marsh, RI Matthews, RL Mayo, MT McEvilly, SM Michael, PD Newman OBE, FM Norman, CA North, RJ Phillips, AJW Powers, PD Price, P Rone, AR Round, A Seldon, NE Shaw, WC Skelton, J Stone, D Summers, EJ Swinglehurst, LC Tawn, A Warmington and SD Williams

Officers: Chris Baird, Annie Brookes, John Coleman, Matthew Evans, Andrew Lovegrove, Alistair Neill, Stephen Vickers and Marc Willimont

CHAIRMAN'S INTRODUCTION

The Chairman opened the meeting and paid tribute to Councillor JA Hyde who had passed away recently. Her passing was a great loss to Herefordshire in general and Ross-on-Wye in particular. Councillor Hyde was a dedicated and hardworking councillor who would be missed greatly by her colleagues. She was a champion for vulnerable people and spent much of her career supporting and encouraging children in care.

The Leader paid his respects to Councillor Hyde and explained that she was a well-respected colleague who had the best interest of others at heart. She did not shy away from difficult decisions and was focused on ensuring the wellbeing of children in the county from a young age.

Councillor RI Matthews spoke about Councillor Hyde and explained that he had known her for a number of years. She was fair minded and professional and the condolences of the Herefordshire Independents group were offered.

Councillor FM Norman offered her sympathies to Councillor Hyde's family. Tribute was paid to her work on the Corporate Parenting Board and her work with looked after children which was a greatly appreciated and valued aspect of her work.

Councillor TM James spoke of Councillor Hyde's positivity and her drive to achieve change. He also paid tribute to her even-handedness and the absence of tribal politics in her work.

Councillor EPJ Harvey offered the sincere condolences of the It's Our County group and spoke of the dedication Councillor Hyde showed working on behalf of looked after children and to promote children and young people in the county.

The Chairman explained that any donations should be made to Hereford 16+ Herefordshire Children in Care.

A minute's silence was conducted.

Councillor Cutter paid tribute to Councillor Hyde and her work with children and on the adoption panel. A personal expression of thanks to Jenny was made.

39. APOLOGIES FOR ABSENCE

Apologies were received from Councillors SP Anderson, PA Andrews, PE Crockett and CA Gandy.

40. DECLARATIONS OF INTEREST

There were no declarations of interest at this stage of the meeting please see minute 47 below with details of a other interest declared by Councillor RJ Phillips and a other interest declared by Councillor A Seldon.

41. MINUTES

RESOLVED: that the minutes of the ordinary meeting of Council on 12 October 2018 and the extraordinary meeting of Council on 18 January 2019 are approved as correct records.

42. CHAIRMAN AND CHIEF EXECUTIVE'S ANNOUNCEMENTS

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

The Chairman introduced his announcements and referred to the exhibition in the European Parliament in Brussels sponsored by the M.E.P Anthea McIntyre to showcase Herefordshire. The exhibition was being attended by The Chairman, Councillor DG Harlow and the director of children and families at the invitation and expense of the European Union.

The Chief Executive introduced his announcements and corrected the date of the local elections stated in his report to the 2 May 2019.

43. QUESTIONS FROM MEMBERS OF THE PUBLIC (Pages 17 - 26)

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.

44. QUESTIONS FROM MEMBERS OF THE COUNCIL (Pages 27 - 30)

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.

45. 2019/20 COUNCIL TAX REDUCTION SCHEME

Council considered a report by the Leader to agree the council tax reduction scheme for 2019/20.

The deputy leader moved the report and proposed the current council tax reduction scheme for approval. He noted that summons for arrears were mostly arising from claimants of council tax reduction and that collection rates had been maintained at a stable level. The council tax reduction scheme introduced a discount to care leavers which offered a 100% discretionary discount to care leavers aged 18 – 25.

The report was seconded by the Leader.

In discussion the following principal points were raised:

- The impact of universal credit (UC) was raised. *The deputy leader explained that discussions of the impact of the introduction of UC took place at Blueschool House which demonstrated the benefit of co-locating the council and job centre in the same building. There were no concerns regarding the council tax reduction scheme in respect of claimants of UC.*
- The impact of council tax debt was raised and whether budgeting training was made available to help the vulnerable cope. The provision of staff to help with the roll out of UC and assist claimants was queried. The impact of the introduction of UC required ongoing monitoring by the council. *The deputy leader confirmed that training in respect of UC had been made available through the council which would pass to the citizens advice bureau from 1 April 2019. Currently there was a concern regarding the capacity of the citizens advice bureau to provide a sufficient number of trained staff from April.*
- The introduction of council tax relief for care leavers was supported.
- The status of students in relation to council tax liability and the council tax reduction scheme was raised. *The deputy leader confirmed that a written reply to the query would be provided.*
- The retention of the existing council tax reduction Scheme was supported.

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

For (48): BA Baker, JM Bartlett, WLS Bowen, TL Bowes, H Bramer, CR Butler, ACR Chappell, EE Chowns, MJK Cooper, P Cutter, BA Durkin, PJ Edwards, DW Greenow, KS Guthrie, J Hardwick, DG Harlow, EPJ Harvey, EL Holton, TM James, PC Jinman, AW Johnson, JF Johnson, JLV Kenyon, JG Lester, MD Lloyd-Hayes, PP Marsh, RI Matthews, RL Mayo, MT McEvilly, SM Michael, PD Newman, FM Norman, CA North, RJ Phillips, AJW Powers, PD Price, P Rone, AR Round, A Seldon, NE Shaw, WC Skelton, J Stone, D Summers, EJ Swinglehurst, LC Tawn, A Warmington, DB Wilcox, SD Williams.

Against (0)

Abstentions (0)

RESOLVED:– that the Council Tax Reduction Scheme for 2019/20, attached at appendix 2 of the report, is approved.

46. CAPITAL PROGRAMME 2019/20 ONWARDS AND CAPITAL STRATEGY

Council considered a report by the Leader to approve the capital investment budget and capital strategy for 2019/20 onwards.

The deputy leader moved the report and proposed the recommendations. He outlined a number of schemes in the report within each of the directorates for which an expanded description was provided. The capital strategy document was also proposed for approval which was intended to bring clarity regarding how the council prioritised its work

programme, setting out its appetite for borrowing and specifying monitoring arrangements.

The Leader seconded the report.

In discussion the following principal points were raised:

- The lack of public consultation was raised. The lack of public input in the programme was unacceptable given the significant amount of money allocated in the capital programme. *The deputy leader explained that the consultation of the MTFS was undertaken some time ago and this year there was a focus on honing elements of the revenue budget. The statutory consultation required was from businesses only however the council was always open to receiving comments and feedback.*
- The level of support from members, listed against projects in the report, was queried. It was assumed that this was cabinet member support as members were not aware of being consulted on the projects. For clarification it should be titled cabinet member support. The low level of support for the Members IT project was queried. *The deputy leader confirmed that the indicator of member support demonstrated the backing provided for the project by the cabinet member. The level of support indicated for the IT project was a subjective view informed by the longevity of the equipment used by the deputy leader; it was however recognised that to respond to IT security concerns, updated IT equipment for members was required. The chief finance officer clarified that the scoring for member support outlined in the report was based upon an examination of the business cases of the projects and their link to the corporate strategy.*
- The capital programme was inconsistent with the scale of the climate change and public interest in this environmental challenge. There was no mention of climate change in any of the administration's budget papers but it needed to be acknowledged that the proposals in the budget would establish long term patterns of development with an impact on the climate. The road building projects were not consistent with the challenge faced by climate change; every building in the capital programme should be zero carbon. *The deputy leader explained that there were a number of environmentally friendly elements of the budget which all had a big effect on reducing the council's carbon footprint, and new development such as the cyber security project was being designed to a high level of environmental standards.*
- It was concerning that the administration was not looking at incorporating the principle of sustainability in to the budget. It was explained that the It's Our County group supported the level of spending proposed in the capital programme but would have different priorities and a different sequencing of spend on projects. It was concerning that there was a lack of a 21st Century attitude in spending and investment and the group was not supportive of the capital programme in its present form.
- It's Our County would change the capital spend on transport and infrastructure and take a new 21st century approach, including providing bus, cycle, foot and sustainable transport measures as a priority. It was noted that the new university required new non-car solutions and a modern day approach was needed to accord with the department for transport guidance on how new infrastructure should be built.
- The council needed an identified and ring-fenced capital repair programme for the repair of bridges to avoid the urgent and delayed repairs that had been necessary to infrastructure in the county. *The deputy leader explained that*

infrastructure was surveyed through public realm audits to identify repair. Through such surveys the administration was proposing £5 million was allocated to capital repairs which should provide security through the period of the programme.

- It was explained that the It's Our County group would undertake a different approach with respect to the Keepmoat development partnership. It would deliver publically owned buildings on public land, similar to a scheme in Sheffield. The development would be energy efficient, incorporating schemes for the generation of renewable forms of energy and provide a sustainable form of income to the council by retaining the development in public ownership.
- The level of investment in the Hillside Centre was raised and the underestimated cost of the facility highlighted. There was disappointment that there was no proposed investment in teenage respite care facilities, similar to the niche, market shaping nature of the Hillside Centre. It was explained that since the closure of 1 Ledbury Road children and young people requiring respite care were having to travel out of the county. *The cabinet member health and wellbeing explained that the Hillside Centre did not offer respite care but looked after people with age related conditions. The original provision made in the capital programme of £1.5 million had always clearly been stated as a provisional estimate subject to review following completion of detailed feasibility work. That estimate of costs had now been increased to future-proof the facility.*
- The investment in b, c and u class roads was welcomed to address deterioration of local roads that had occurred over a number of years. It was noted that c and u class roads were not only present in rural areas. A number of very heavily used roads in urban areas were c and u class and their deterioration had rendered some cycle ways to be unsafe. *The cabinet member transport and regulatory services explained that a risk based approach was undertaken in order to prioritise repairs. Prioritisation of works was required to undertake improvements within limited budgets.*
- There was concern expressed regarding the energy efficiency of the enterprise zone and applications for developments on the site should be considered in respect of their energy efficiency. *The deputy leader explained that new building regulations required new buildings to be more energy efficient.*
- Assurances were sought that project costs would be monitored and maintained within capital budgets.
- The response of the council to the challenge of climate change was outlined including solar photovoltaic panels, LED streetlights and investment in school transport software which enabled a more sustainable service.
- The number of responses received to the budget consultation were queried and whether the level of response validated the investment decisions. *The deputy leader acknowledged that there were not enough people who responded to consultations. Previously a consultation was undertaken on the streets in the market towns which resulted in a greater level submissions from the public. The deputy leader was keen to repeat the exercise at the start of the next four year budget setting cycle.*
- The building of council houses on council land was raised and the associated costs involved in the building and maintenance of the houses. The right to buy scheme was also highlighted and it was felt that this brought into doubt the income generation opportunities involved in building and ownership of council housing.
- It was queried how much of the £2.25m capital grant funding for investment in the condition of footways and cycle ways was related to the HTP and South Wye roads building schemes rather than investment across the county, particularly schemes in the market towns. *The deputy leader confirmed that the funding was*

separate to the road building schemes and would provide a written response to clarify the matter.

- *It was queried whether the fleet procurement strategy would seek to purchase electric cars. The deputy leader confirmed that the strategy would seek to purchase hybrid cars and it was recognised that the county required more charging points for electric cars.*

A named vote was conducted on the recommendations in the report. The recommendations were approved by a simple majority.

For (32): BA Baker, WLS Bowen, H Bramer, CR Butler, ACR Chappell, MJK Cooper, P Cutter, BA Durkin, PJ Edwards, DW Greenow, KS Guthrie, J Hardwick, DG Harlow, EL Holton, TM James, AW Johnson, JLV Kenyon, JG Lester, RL Mayo, MT McEvilly, PD Newman, CA North, RJ Phillips, PD Price, P Rone, AR Round, NE Shaw, WC Skelton, J Stone, EJ Swinglehurst, DB Wilcox, SD Williams.

Against (13): JM Bartlett, TL Bowes, EE Chowns, EPJ Harvey, MD Lloyd-Hayes, PP Marsh, SM Michael, FM Norman, AJW Powers, A Seldon, D Summers, LC Tawn, A Warmington.

Abstentions (2): PC Jinman, RI Matthews.

Resolved – that

- (a) **the proposed capital programme from 2019/20 attached at appendix 3 is approved;**
- (b) **cabinet is delegated authority to add the two deferred projects (Countywide Investment in B, C & U roads and Countywide Investment in Strategic Road Network) in appendix 1 as funding becomes available; and**
- (c) **the capital strategy document at appendix 4 is approved.**

47. SETTING THE 2019/20 BUDGET AND UPDATING THE MEDIUM TERM FINANCIAL STRATEGY AND TREASURY MANAGEMENT STRATEGY

Council considered the report setting the 2019/20 budget and updating the medium term financial strategy (MTFS) and treasury management strategy.

The Chairman outlined the procedure to be followed during the budget debate and the time limits for speaking.

Councillor EPJ Harvey raised a point of order. The administration's budget that Council was considering had not been approved by cabinet. Appendix 7 to the budget report had not be considered or approved at the cabinet meeting on 31 January. The proposals contained in appendix 7 were an amendment to the cabinet's budget and not clarifications. The changes should follow the process for amendments set out in the budget and policy framework rules. The chief finance officer had explained to the It's Our County group that it could not change its alternative budget after consideration by the scrutiny committees and for the administration to make changes to its budget following the cabinet meeting on 31 January was unconstitutional and undermined the authority of cabinet to make recommendations to Council. The Chairman was asked to withdraw appendix 7 and require that it be submitted as an amendment.

The Chairman explained that the detail in appendix 7 was clarification provided by the cabinet concerning the allocation of the £2 million additional funding sources in the 2019/20 budget, and followed a request made by a group leader at the cabinet meeting

for additional detail. The Chairman was content with the manner in which the budget had been submitted; the £2 million had been in the budget agreed by cabinet and appendix 7 provided detail regarding its allocation.

The deputy leader introduced the budget and made the principal points below:

- Over the previous 10 years the Council had achieved significant savings which stood at £90 million since 2010. Over this period of time the revenue support grant from central government had decreased from 60.1 million to 0.6 million.
- The budget included savings of £3.9 million and a council tax increase of 4.9% which included 2% to address adult social care pressures. The band D charge was above the CPI but below RPI measures.
- The budget setting process had rebased the entire budget and had taken into account policy changes and population growth. The process had taken into account those funding pressures faced by the Council and the savings required over the period of the MTFS.
- The recommendation in the report was to approve the MTFS and the treasury management strategy, the chief finance officer had confirmed that he was content that the approach of the Council was robust.
- The future fair funding review and the business rates retention scheme were two elements of uncertainty in the MTFS. The rural nature of the county and the relatively low business rate levels meant that help would be required to meet obligations such as public health and lobbying of the local MPs was taking place to ensure that government expedited the review of local government funding.
- Appendix 7 set out details of the allocation of additional funding for 2019/20.
- Under the economy and place directorate the budget reflected the comments from the parish summit including investment in community transport and lengthsman schemes to assist local communities with issues such as drainage and rural road networks.
- In the children and families directorate the budget supported early intervention priorities.
- In the adults and communities directorate the budget had been dedicated to spend on the roll out of the community hubs.
- It was confirmed that all projects proposed in the budget would be subject to detailed project business cases.
- The scrutiny committees were thanked for their role in considering the draft budget.
- Thanks were offered to the finance officers who had helped compile the budget.

The Leader seconded the budget and raised the principal points below in his speech:

- Tribute was paid to the work of the deputy leader over the course of a number of years to ensure that the council had emerged from a period of cuts with a balanced budget and a financially strong position.
- The budget invested in future partnerships, supported higher education in Herefordshire and invested in schools.
- The budget invested in the Herefordshire economy and protected frontline services.
- The achievements of the council included the energy from waste facility, increasing investment in children services, improved delivery of adult social care and providing key infrastructure.
- The executive had engaged with the community and had a focus on the wellbeing of communities and local residents.

- The additional funding would be targeted on outcomes and tangible projects not on consultancy or feasibility studies.

Councillor RI Matthews explained that the financial position of the council had improved but it could be in a better position if issues with capital projects had been addressed when first raised. The achievements of the administration were questioned: the new retail centre at the old livestock market had required £15 million of borrowing; slow progress with the bypass which had not been delivered; the new city link road and its financing; and the enterprise zone which had not realised the level of jobs that had been anticipated. The waste plant partnership with Worcestershire was noted as a success. The Fastershire programme in partnership with Gloucestershire was raised as a project with an expanding budget. £58 million of assets had been disposed of but the council could be in a healthier financial position with better levels of reserves.

Councillor EPJ Harvey explained that the budget contained some good and some bad elements. The budget did not contain fresh thinking, examples of learning from others or ambition. The current administration was felt to be tired and was disregarding decision-making processes and the council's constitution. The It's Our County group was welcoming of new ideas and was learning from others. The council should seek to learn from other authorities involved in development partnerships, implementing new models of care, delivery of 21st century council-owned housing and changing care in the home arrangements. Some of the ideas in the alternative budget highlighted the gaps in the administration's budget. The detail in appendix 7 was raised including the way in which funding for libraries and museums was a method to delay cuts to the service; the It's Our County group was talking to local town councils about how to share the costs of the service in future. Community transport was very important and the allocation of funding by the administration replicated one of It's Our County's proposals. The parish lengthsman grant should be provided from revenue derived from car parking as proposed by It's Our County. The early help programme was seen as the administration's attempt to repair cuts to preventative services. The expansion of wellbeing hubs were also a proposal for which It's Our County was pressing and it was noted that there was no strategic intervention to limit social care costs. Development targets were not met which caused opportunistic development and job creation figures were not positive. The administration's budget was not felt to tackle the strategic challenges that the council faces.

Councillor PP Marsh explained that the Council used to have a vision with all combining for the benefit of the county. Central government had ground down the council with requirements for savings. The administration was tired nationally and locally. The revenue support grant now represented a very small proportion of the income for the Council with a reduction of 99%. Local services that had been valued had been significantly diminished. There was uncertainty with the funding settlement not announced until the spring, rural sparsity levels in doubt and Brexit. The budget was therefore guess work as outlined in the MTFs with limited sources of income. It was difficult to state that the council had a growth budget with the likely additional responsibilities that would be placed on the authority. Other financial risks including the savings of £8 million required over the medium term were contained in the budget but impacts of these cuts were not specified. Concern was expressed regarding the allocation of the £2 million funding in the administration budget which had not been scrutinised. The alternative budget was felt to be a more convincing document with proper scrutiny. A new approach was required to work in partnership with local communities and the third sector. Best practice models also needed to be considered.

Councillor TM James spoke on the budget and explained that what was of concern to the public was the increase in council tax and this should be the subject of discussion. The increase of 4.9% would cause difficulties for people in the county. It was the responsibility of Council to determine the level of council tax which was high because of the reduction in funding from central government. The administration blamed the government which they supported for the cuts. There was overwhelming support for the council tax increase and all that was being discussed was the strategy that could be changed. The Council only had a short period of time before the elections and a new Council may decide a new strategy. A lot of talk about costed programmes would take place but it needed to be understood that the rise in council tax would harm a lot of people.

In discussion the following principal points were raised:

- There were good elements to both budgets and political groups should work together to produce proposals.
- The impact on individuals of Council Tax increases needed to be considered. There had been a series of increases in council tax, the sum of which was 15.6% over the previous four years. It was necessary to look at different ways of providing services.
- The challenge was recognised in Herefordshire in terms of the economies of scale and geography. These issues had been addressed whilst producing a balanced budget that protected the vulnerable, supported the economy and supported the environment. The administration's budget clearly set out a future for the county. Work was undertaken with the SPARSE Rural funding group which allocated money to rural areas and evidence was provided to government of the challenges in these areas. The extra money provided on care costs was an appropriate use of rural funding and a good example of how it could be used. The budget addressed the unique problems that faced the county.

Councillor RJ Phillips declared a other interest as a representative of the council on SPARSE Rural – special interest group of the LGA.

The discussion continued as below:

- The work being undertaken in adult social care in the county was being looked at by other areas and social housing targets were being met.
- With respect to criticism of the council tax increase it was noted that under a previous Liberal Democrat administration there had been significant increases.

Councillor TM James made a personal explanation to confirm that council tax increases under liberal democrat administrations were undertaken at a time when real incomes were also increasing.

The discussion continued as below:

- It was commented that the differences between the administration's budget and the alternative budget were quite small and concerned the spending of £2 million in additional funding sources for 2019/20.
- The proposals presented in appendix 7 to the administration's budget were felt to be hastily conceived whereas the alternative budget had clearer and more detailed plans for the use of the funding.

The meeting adjourned at 12:45 p.m. and reconvened at 1.05 p.m.

Apologies for the afternoon session of Council were received from Councillors TM James, EL Holton, MT McEvilly and LC Tawn.

Amendment 1 – An Alternative Budget proposed by Councillor EPJ Harvey and seconded by Councillor AJW Powers.

Councillor EPJ Harvey proposed the amendment and explained that this was the first alternative budget proposed in a generation. The ideas in the alternative budget had come from individuals and organisations throughout Herefordshire and other areas. The alternative budget welcomed other ideas and it built resilience and delivered affordable and social housing. It proposed investment in measures to transform social care delivery, address climate change, increase council income and reinvest in preventative service. It proposed the creation of new council houses, 21st century transport solutions and greater engagement with parish and town councils. It had gained the support of individuals, groups and the scrutiny committees. Hereford City Council had implemented progressive procurement practices and the council was encouraged to procure from local businesses. It proposed solutions to traffic issues in the city, investment in mass transport options and investment in sustainable modes of travel. The alternative budget took models of transformation for children's care service, in particular the Hertfordshire model of care services which had realised very positive results and was scalable and transferrable to other areas. There was a need to reverse the trend in social care where 2% of those requiring care were consuming a large proportion of the care budget. The alternative budget provided options to make clear strategic investment decisions.

In discussion the following principal points were raised:

- The alternative budget was welcome and opened up thinking and possibilities. The family-centred approach, early intervention proposals, the wellbeing hubs and community transport proposals were particularly welcomed. The alternative budget recognised sustainability and would meet environmental needs. The long term planning contained in the alternative budget in partnerships with communities was supported.
- The standing orders of the Council should be amended in the next term to enable an alternative budget to be properly considered.
- The notion that the proposals were an alternative budget was questioned as it concerned the alternative allocation of £2 million of additional funding in 2019/20. It was recognised that the Its Our County budget acknowledged and incorporated elements of the administration's budget. Clarity was sought regarding the status of the alternative budget following the chief finance officer's statement of robustness. *The chief finance officer referred to section 1.2 of the alternative budget proposal 2019/20 which explained where the proposals were consistent with the administration's budget.*
- Some elements of the county were deprived where people were unable to afford cars and had to walk as their only form of travel. The notion contained in the alternative budget that could result in traffic lights being turned off was felt to be flawed. It was felt that the focus should be on removing tractors and lorries from roads in urban areas. The turning off of traffic lights was felt to be an irresponsible suggestion.
- A number of members congratulated and commended the It's Our County group on compiling an alternative budget. It was a valued and worthwhile exercise to ensure a range of approaches and ideas were considered during the setting of the budget.

- The alternative budget contained innovative ideas which were proposed for investigation and further exploration, including traffic management. Forward thinking and fresh ideas in the proposals were welcomed and they had been scrutinised in depth. A careful process had been followed to allocate the additional £2 million funding for 2019/20 and proposals had been properly developed. The proposals in the alternative budget represented fresh thinking which had been scrutinised and were proposed for addition to the revenue budget proposed by the executive.
- The executive had the benefit of officer support in compiling the budget. Some elements of the alternative budget were exploratory but the potential benefits attached to the proposals meant they were worth investigating.
- The discussion over an alternative budget had been made possible because the council had achieved a balanced budget, was not in deficit and had an executive which was responsive and alert to pressures and challenges faced by the county. It was difficult to support proposals for exploratory activities or intentions to engage with partners and agencies because they were not felt to offer value for money to residents of the county.
- The alternative budget had been fully costed and recognised the need to invest in investigating potential initiatives to improve services in the county. The example of the introduction of the Hertfordshire family-centred model was proposed as an approach which could be introduced in the county to realise significant improvements. The money proposed in the alternative budget to be dedicated to arts funding would be beneficial if it resulted in one young person being diverted from care. It was necessary to spend to assess initiatives to make improvements to services before changes could be implemented.
- The alternative budget presented a number of proposals to think about but not what to do. The administration's budget was fully costed, planned and outcome focused.
- The notion that the administration's budget had not been subject to detailed planning and preparation was not felt to be accurate or fair. The revenue budget was supported by the capital budget; any re-profiling of the capital budget following changes to the revenue budget was felt to be a significant risk.
- The Hertfordshire family centred model would represent a very significant change to arrangements in Herefordshire and it was not felt that current circumstances in the county warranted the introduction of the new model. The statistics from Hertfordshire concerning the number of children on child protection plans were encouraging but Herefordshire was introducing an edge of care service which sought to reduce admissions to care arrangements and trends in the county were positive particularly the reduction of children on child protection plans. Spending £150,000 on investigations of an alternative model was not felt to be justifiable. Grant funding should be sought for investigations if the project was taken forward.

Councillor NE Shaw, as proposer of the original motion, responded to the amendment and explained his doubt over a number of investments outlined in the amendment but welcomed the support for the administrations substantive budget including its targets for carbon reduction and adults wellbeing hubs. It was doubted that the social housing proposals in the alternative budget could be achieved with a reluctance on the part of Its Our County members to approve applications for a development, incorporating affordable housing, in Bromyard. Request halts were felt to be excessively costly and it would be difficult to ensure sufficient usage to justify the investment. The procurement process of the council already encouraged the use of local suppliers and currently 47% of procurement was from local sources.

Councillor Seldon made a personal explanation and explained that additional developments in Bromyard would require infrastructure and facilities to be in place before applications should be approved.

The discussion continued as below:

- The use of the revenue raised from car parking charges did not benefit Hereford or the market towns and the proposals in the alternative budget would ensure a better allocation of this income.
- It was noted that the public had fed into consultations over the Its Our County alternative budget proposals.
- Investment in highways in Hereford was prioritised in consultation and agreement with town and parish councils in the county.
- The allocation of additional 2019/20 funding source had taken account of the outcomes of the parish council symposium.
- The proposals for rail request stops were not felt to be practical and were unlikely to attract the interest of providers.
- There was doubt as to how the proposed building of social housing in the alternative budget would impact on house building targets in the county. It was felt that more detail was required over the implications of right to buy legislation on the proposal.
- The alternative budget had been fully scrutinised but the administration's proposals contained in appendix 7 to its budget had not been properly examined. The proposals for use of the funding set out in the alternative budget were more far-reaching and were better proposed than the allocations identified in appendix 7. It was felt that the executive spent considerable money on consultants fees and feasibility studies. The alternative budget represented a better allocation of available funding.
- A Core Strategy review was proposed for 2019 and would enable a strategy to be in place until 2041 with house building targets. The alternative budget concerned the allocation of additional funding of £2 million and it was not felt that such a detailed discussion would occur over a reduction in budget of £2 million. The Hereford bypass would be taken forward Highways England.

Councillor AJW Powers spoke as the seconder of the alternative budget amendment. The entirety of the alternative budget had been endorsed by senior officers and directors. Proposals in the alternative budget allocated money to investigate new models or initiatives. Funding was required for initial investigations and it was noted that the administration had spent significant sums on a range of projects. Investment had been allocated to road building projects with no evidence of benefit to local residents. The allocations of funding in the alternative budget for new thinking had been informed through discussions with senior officers and directors. The allocations of funding in appendix 7 appeared to have been taken from proposals in the alternative budget.

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

For (15): JM Bartlett, TL Bowes, EE Chowns, J Hardwick, EPJ Harvey, PC Jinman, JLV Kenyon, MD Lloyd-Hayes, PP Marsh, SM Michael, FM Norman, AJW Powers, A Seldon, D Summers, A Warmington.

Against (27): BA Baker, WLS Bowen, H Bramer, CR Butler, MJK Cooper, P Cutter, BA Durkin, PJ Edwards, DW Greenow, KS Guthrie, DG Harlow, AW Johnson, JF Johnson,

JG Lester, RL Mayo, PD Newman, CA North, RJ Phillips, PD Price, P Rone, AR Round, NE Shaw, WC Skelton, J Stone, EJ Swinglehurst, DB Wilcox, SD Williams.

Abstentions (2): ACR Chappell, RI Matthews.

Amendment 2 – Proposed by Councillor RI Matthews and seconded by WLS Bowen: The Cabinets approved budget recommends £225,000 in savings in regard to reduced costs of school, college and public transport and the removal of subsidy for community transport. We move an amendment to the effect that spending of these projects remain as at present and that to balance the budget the figure of £225,000 to be taken from the community transport vehicle grant, reducing the grant from £500,000 to £275,000.

Councillor RI Matthews proposed the amendment and explained that cabinet had recommended £225,000 in savings relating to community transport. It was noted that there had been repeated savings against the service and there was concern that any further reductions would render it unviable. The removal of the service was not acceptable therefore there was a need to maintain the subsidy and provide an ongoing service for vulnerable residents.

Councillor WLS Bowen seconded the amendment and explained that there was a need to maintain public transport in rural areas. The service was valued locally and was beneficial to the social and economic wellbeing of the county.

The deputy leader, as the proposer of the original motion, and the Leader as the seconder of the original motion, indicated their acceptance of the amendment.

Councillor A Seldon declared a other interest as the chair of directors of Bromyard Community Transport.

A member commented that there were concerns regarding the withdrawal of permits for the operation of the community transport scheme. If this occurred the amendment would be redundant.

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

For (37): BA Baker, WLS Bowen, TL Bowes, H Bramer, CR Butler, ACR Chappell, EE Chowns, MJK Cooper, P Cutter, BA Durkin, PJ Edwards, DW Greenow, KS Guthrie, J Hardwick, DG Harlow, EPJ Harvey, PC Jinman, AW Johnson, JLV Kenyon, JG Lester, PP Marsh, RI Matthews, SM Michael, PD Newman, FM Norman, CA North, RJ Phillips, AJW Powers, PD Price, AR Round, A Seldon, NE Shaw, WC Skelton, J Stone, EJ Swinglehurst, DB Wilcox, SD Williams.

Against (0)

Abstentions (4): JM Bartlett, MD Lloyd-Hayes, P Rone, D Summers.

RESOLVED: that - the Cabinets approved budget recommends £225,000 in savings in regard to reduced costs of school, college and public transport and the removal of subsidy for community transport. An amendment is approved to the effect that spending of these projects remain as at present and that to balance the budget the figure of £225,000 to be taken from the community transport vehicle grant, reducing the grant from £500,000 to £275,000.

The deputy leader was invited to close the debate and explained he would explore concerns over support provided to minority groups with the group leader of the Greens

after the meeting. It was important that members had an awareness of relevant questions to raise during the budget debate and training would be investigated. The deputy leader thanked Its Our County for the work undertaken on the alternative budget, and drew attention to the references made in paragraph 20 of the report to achievement of the council's vision.

The substantive motion, as amended by amendment 2 above, was put to the recorded vote and carried by a simple majority.

For (29): BA Baker, WLS Bowen, H Bramer, CR Butler, MJK Cooper, P Cutter, BA Durkin, PJ Edwards, DW Greenow, KS Guthrie, J Hardwick, DG Harlow, PC Jinman, AW Johnson, JLV Kenyon, JG Lester, RI Matthews, PD Newman, CA North, RJ Phillips, PD Price, P Rone, AR Round, NE Shaw, WC Skelton, J Stone, EJ Swinglehurst, DB Wilcox, SD Williams.

Against (7): TL Bowes, EPJ Harvey, SM Michael, FM Norman, AJW Powers, A Seldon, D Summers.

Abstentions (4): JM Bartlett, ACR Chappell, EE Chowns, PP Marsh.

RESOLVED: that, subject to amendment 2, the following is approved:

- (a) the council tax base of 68,826.03 Band D equivalents**
- (b) an increase in core council tax in 2019/20 of 2.9%**
- (c) an additional precept in respect of adult social care costs of 2% applied to council tax in 2019/20 resulting in a total council tax increase of 4.9%; increasing the band D charge from £1,443.95 to £1,514.70 for Herefordshire Council in 2019/20;**
- (d) the balanced 2019/20 revenue budget proposal totalling £151.1m, subject to any amendments approved at the meeting, specifically:**
- (e) the net spending limits for each directorate as at appendix 3**
- (f) the medium term financial strategy (MTFS) 2019/2022 at appendix 1 be approved; and**
- (g) the treasury management strategy at appendix 4 be approved, this includes ratifying including the top five UK building societies as approved investment counterparties.**

48. PAY POLICY STATEMENT 2019

Council considered a report from the Chairperson of the Employment Panel concerning the pay policy statement at the council.

The Chairperson of the Employment Panel proposed and introduced the report. The recommendations presented to Council had been agreed by the Employment Panel. There was a requirement to approve the pay policy every year. The changes to the pay policy included new pay scales which had been agreed nationally by the National Joint Council. The new pay scales addressed cost of living concerns and supported those on the lowest wage at the council. It was noted that some authorities had moved away from the nationally agreed pay scales but this would represent a breach of contract of employment for employees at the council.

A member asked if there had been any progress in addressing the gender pay gap at the council. *The chief executive confirmed that the outcomes of the gender pay gap assessment had been published on the website.*

A member commended the council for paying the living wage recommended by the living wage foundation.

The recommendations in the report were put to the vote and approved unanimously.

RESOLVED: That:

- (a) the pay policy statement at appendix A is approved.**
- (b) Council approves in year recruitment, should the need arise, to any posts listed with salaries over £100,000.**

49. RECRUITMENT OF INDEPENDENT PERSONS

Council considered a report by the chairperson of the audit and governance committee concerning the appointment of independent persons to standards. Thanks were provided to those members of the committee who had assisted in the selection process.

The Chairman noted a correction to the recommendation in the report; the correct name of one of the proposed appointees was Gerald Hodson.

The recommendation in the report was put to the vote and approved unanimously.

RESOLVED: That:

- (a) the following candidates are approved for appointment for a term of office of four years from the date of appointment:**
 - **Sheila Archer**
 - **Jake Bharier**
 - **Bryn Caless**
 - **Malcolm Foord JP**
 - **Gerald Hodson**
 - **Claire Jenkins**
 - **Stephen Willmot**
 - **Roger Yates**

The meeting ended at 2.30 pm

Chairperson

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

Question Number	Questioner	Question	Question to
PQ 1	Ms Liddle, Ledbury	Will the Cabinet Member consider making provision in the Council's budget to undertake a gender audit of the Core Strategy as part of its review this year, along the lines of Together For Equality and Respect's (TFER) Gender Audit Tool and Guidelines (http://whe.org.au/tfer/wp-content/uploads/sites/2/2014/06/Gender-Audit-Tool-and-Guidelines1.pdf), to ensure that the legal requirement for 'due regard to equality' is fulfilled under the Public Sector Equality Duty?	Cabinet member infrastructure
Response: The request appears to focus on only one of the protected characteristic groups. The council carries out an equality impact assessment that relates to all protected characteristic groups when determining policy changes or other decision-making. This was done to inform the adoption of the current core strategy (and is available on the council's website) and will be done as part of the process for review and adoption of any revised core strategy; I understand the processes of review will begin later this year. The council's proposed budget includes provision to support this work ensuring that we continue to fulfil our public sector equality duties.			
Supplementary Question: Will you provide the assessment that was carried out of the current Core Strategy and an explanation as to how it does not discriminate against people identifying as women of all ages, religions, ethnicities, abilities and sexual orientations?			
Response from cabinet member to supplementary question: The cabinet confirmed that he would provide a response and make it available.			
PQ 2	Ms Sharp, Hereford	<p>The budget for the SLR, part of the SWTP, is re-forecast to cost £29.73 million with just £5 million now left for Active Transport Measures in South Wye – not £8million previously promised.</p> <p>Cllr Price assured me by email, December 1st 2016; '£8 million is and has been in the Council budget and will fund the active travel as described as part of the recent public consultation.'</p> <p>Further, at Cabinet on 16th November 2017 Cllr Price confirmed in answer to my public question; 'The budget for the active travel is £8 million and will be used for that purpose'.</p> <p>What assurances can Cllr Price honestly give about this issue bearing in mind the 2016 public consultation can now be revealed as a sham and his track record on budgets seems to be rooted in empty promises and 'stabs in the dark'?</p>	Cabinet member infrastructure
Response:			

In all the responses I have given to date about this matter I have always given assurance that the South Wye Transport Package (SWTP) active travel measures would be funded, and funding for this package would not be spent elsewhere. This commitment has not changed and I will be confirming soon the preferred package of schemes to be included in the SWTP business case to be submitted to DfT later this year.

The 2016 public consultation was far from being a sham. The feedback gained by this consultation was very positive, gives a clear mandate for delivery of the improvements in the South Wye area, and will continue to inform our decision-making.

In my responses that you refer to in your question, the figure of £8m for active travel measures I referenced was based on my understanding at that time of the estimated active travel measure costs. However I would also draw attention to a response I gave to another public question at the same meeting in November 2017 about cost/budget estimates relating to complex transport package schemes. That response stated: "I fully expect the final actual figures to differ from these estimates – that is normal and to be expected on a project of this scale being developed over a period of time and in accordance with relevant guidance. Any changes will be authorised and reported as they arise."

The active travel measures costs were set out in the Strategic Outline Business Case (SOBC) in 2014 and are based on the detail known at that time. These are as follows:

Package Element	Capital Cost £
A465 public realm scheme to reduce severance and encourage use of active modes	3,000,000
A465/A49 Southern link (including risk adjustment at 50%)	29,729,000
Cycle and walking schemes in Belmont	1,000,000
Cycle and walking schemes in Bullingham	1,000,000

It is the SOBC costs that are referred to in paragraph 27 of the Capital Programme 2019/2020 onwards, the capital strategy document, and the South Wye Transport Package - southern link road land acquisitions cabinet member report of 12 November 2018; they are not a reforecast as your question suggests.

The cabinet member report of 12 November 2018 set out clearly that spend to end of 2017/2018 on the SWTP project totals £4,977,931.67 with funding of £3,843,609.71 received from the Marches Local Enterprise Partnership (LEP) growth fund. Drawdown of the remainder of the grant will commence following the sign-off of the full business case by DfT. The report set out that the council has funded £1,134,321.96 of capital costs to end 2017/2018. This report also sets out that spend in 2018/2019 is forecast as £1.75m which will be funded from the council's Local Transport Plan grant in advance of drawing down Marches LEP grant.

The project funding to the end of financial year 2017/2018 has enabled the SWTP project to be developed and consulted on; this includes work on both the Southern Link Road (SLR) and the active travel measures (ATM) which will form part of the SWTP. We have considered options for the SWTP to confirm a preferred package of SLR and ATM schemes and carried out a detailed consultation in 2014 on route options and possible

complimentary ATMs which would form the SWTP. We have developed a business case for the full SWTP project (not just the road) including traffic surveys and modelling work to support economic assessment of the scheme in future years. We held a comprehensive consultation in 2016 on the possible complementary improvement schemes to support package development. The full business case for the scheme will be submitted later in the year, and will include a preferred package of schemes for delivery with the SLR. This full final business case will provide an updated estimated cost of both the SLR and ATMs and will be published on the council's website at that time. It is entirely appropriate in a significant scheme of this scale developed over a period of years for cost estimates to be revised and I fully expect them to continue to be so as the project progresses. This is neither an indication of an empty promise or a stab in the dark; it is sound programme development and implementation.

PQ 3	Dr Jamieson, Ross-on-Wye	Government has signalled that all councils will have to provide food waste collections from residential properties by 2023. Anaerobic Digestion (AD) of food waste is a proven way to reduce greenhouse gas emissions and AD is widely used in Herefordshire to process agricultural waste. Does the Herefordshire Capital Strategy 2018-2030 make any provision for the likely costs of implementing arrangements to collect food waste?	Cabinet member contracts and assets
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Response:

I understand that the government intends to consult on future arrangements for food waste collections in the coming months and will confirm the final policy requirements of its Resource and Waste Strategy having regard to the outcome of that consultation. The government has indicated that councils will receive additional resource to meet any new net costs; pending confirmation of both the policy requirements and central government funding it would be premature to include provision in the capital strategy.

The council continues to support measures to reduce the amount of food waste collected through the current service by encouraging waste prevention initiatives such as the national 'love food hate waste' campaign and home composting.

PQ 4	Dr Geeson, Hereford	At the moment there are two public consultations that overlap in their subject matter. The Draft Hereford Design Guide consultation includes a movement framework. The current Hereford Transport Package consultation is strangely not about ALL of Hereford, and does not mention plans for the City Centre or South Wye. Both consultations address improving public open space, but with very different and contradictory responses. The different approaches and spatial coverage of the consultant reports are confusing, and will not result in any clear overall action plan. My Question is, why is the budget of the council being spent on two different sets of consultants each being paid for similar appraisals?	Cabinet member infrastructure
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Response:

Whilst it is recognised that the Hereford Design Guide Supplementary Planning Document (SPD) and the Hereford Transport Package (HTP) both reference transport in Hereford, they remain separate pieces of work.

The role of the Design Guide SPD is to provide design guidance and good practice advice to help developers, applicants and council officers improve the quality of design in new development, public realm and movement projects across the city. The SPD will also inform emerging policies

within the Hereford Area Plan. As a result the council considered it appropriate to appoint a specialist urban design consultant to lead on the preparation of the document.

On the other hand, the HTP is a specific range of measures designed to improve the way we move about the city and give people more choice about how they travel. The HTP includes the Hereford Bypass to the west of the city and a series of walking, cycling and bus measures for short distance journeys. The current consultation focuses on the walking, cycling, bus and public space improvements within the HTP. The work on the HTP is being undertaken by transport consultants from WSP and Balfour Beatty.

The consultants have been in discussion with each other to ensure consistency between the work and the development of the HTP active travel measures have considered the draft design guide. This dialogue will continue as the projects are advanced. The detailed design of the HTP, following consultation, will continue to refer to the design guide, which will itself be further developed following consultation. Both projects are subject to appropriate budgetary processes to ensure value for money.

Supplementary Question:

There are overlaps and contradictions between the two current consultations for the Hereford Transport Package (HTP) and the draft Hereford Design Guide that make each very misleading; there is no overall picture. What was or is the budget for each of these two consultations?

Response from cabinet member to supplementary question:

The cabinet member confirmed that the HTP and the Hereford Design Guide were two very different projects. The budget for the Hereford Design Guide could be made available. The HTP budget would need to be finalised at a later date when it would be made available.

PQ 5	Ms Ovenstall, Dulas	Herefordshire Council has a good record of reducing carbon emissions and environment protection. What is the budget allocated to this work and is it ring-fenced?	Cabinet member infrastructure
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Response:

I am pleased that Ms Ovenstall recognises the excellent record the Council has in tackling carbon emissions and environmental protection in Herefordshire. The council recognises the importance of this work, as reflected in the proposed 2019/20 budgets.

The work on environmental protection is primarily undertaken by the council's regulatory services, which spans the protection of air, land and water quality as well as general environmental protection and pollution control work and the environmental management of our closed landfill sites. In 2019/20 we are proposing expenditure of circa £678,000, being offset with income from statutory fees in the order of £84,000, meaning we expect a net cost of about £594,000.

The tackling of the council's impact on carbon emissions is primarily undertaken by the council's environment & waste services. In 2019/20 we are proposing expenditure of circa £4.51m, being offset with grant income in the order of £1.67m, meaning we expect a net cost of about £2.84m.

Although these budgets are not ring fenced as such, budget movements are governed by our financial procedure rules available on the council's website.

Supplementary Question:

Will the council respond to the climate emergency and increase the budget to take action on carbon reduction and would it be responsible for rolling this out to all local businesses etc.?

Response from cabinet member to supplementary question:

The cabinet member explained that he was proud of the record of the council in reducing carbon emissions and it would be a matter for the next Council, after the elections in May, to determine how it would respond to the challenge of climate change.

PQ 6	Mr Milln, Hereford	The alternative budget proposed by It's Our County challenges Council to develop plans to achieve a reduction in carbon emissions of 80% on 1990 levels by 2035. Will Council recognise that most of the other councils cited by IOC in their budget (at para 3.42) as having declared a climate emergency have called for a reduction of 100% by 2030, i.e. carbon neutrality, which is more closely aligned with the most recent scientific assessments of the risk?	Cabinet member infrastructure
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Response:

I would refer to the answer given to the previous question and confirm that I am not at all complacent about the need to continue to act to reduce carbon emissions and other harmful environmental contributors to global climate change. However while targets and aspirational statements may grab headlines I prefer to take an informed and practical approach to delivering those reductions and want to be assured about how we can deliver sustained and meaningful improvement in the county before setting any target – particularly one of 100% which is unlikely to be deliverable however much I may wish it.

It is important to note the great strides Herefordshire Council has already made to lead a local reduction in countywide emissions. The most recent statistics (for 2016) show a countywide emission reduction of 32.5%; this is in line with the current emission reduction pathways set out within the latest report by the Intergovernmental Panel on Climate Change (IPCC)

I'm also pleased to confirm that the council is currently on track to exceed its 40% reduction target by 2020/21 and will be developing the third edition of our carbon management plan over the next year – targets will be reviewed as part of that process. To inform the development of this plan, and ensure that we have explored the options open to us to help in the global action needed to address climate change, I will be asking the General Scrutiny Committee to build into their work programme for 2019/20 consideration of the policy options and practical actions available to us.

PQ 7	Ms Toynbee, Hereford	It is shocking to see in the provisional settlement that just £1 million is due for Herefordshire Council from central government. This is less than 1% of the 2019-20 Herefordshire Council budget! Please could council let us know what efforts they made to influence government, and our local MPs, to obtain a grant that would enable them to provide the services we need?	Cabinet member finance and corporate services
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Response:

The council works with its local government colleagues through the Local Government Association, the County Councils' Network, Society of County Treasurers and SPARSE to lobby for fairer funding. For 2019/20 this helped secure additional funding for rural councils, £1m for Herefordshire. The council regularly briefs its MPs on the pressures facing the county and works with partner councils, both through the Marches Local Enterprise Partnership and regional networks, to set out the county's case.

The provisional settlement for 2019/20 confirmed the four year settlement agreed in 2017/18 and additional funding for rural and social care services plus EU exit preparations, this is shown below:-

	£000
Revenue support grant	624
Rural services delivery grant	5,101
Business Rates top up grant	9,281
Adult social care grant	2,385
New homes bonus	2,176
EU exit preparations	105
Total	19,672

Additionally the council actively pursues relevant central government funding opportunities and, on the strength of the evidence based cases developed, has secured additional funding towards road infrastructure and broadband delivery as well as enabled other bodies such as NMiTE and the voluntary and community sector to secure much needed grant funding into the county

Supplementary question:

Given that all cabinet members are Conservative councillors can we take it that our cabinet approves of, supports and defends their party's policy of impoverishing and weakening local government?

Response from cabinet member to supplementary question:

The Conservative group forms the administration and cabinet at the council but there is an ongoing dialogue with central government. Lobbying of central government also takes place through the Local Government Association (LGA) and SPARSE Rural which raises concerns on behalf of rural areas over methodologies of funding. The Conservative group supports the government but raises issues with local MPs and lobbies the government through the LGA and SPARSE Rural.

PQ 8	Ms Lagoutte, Hereford	The Core Strategy of 2015 set out the council's ambitions for providing much needed social housing across the county. Please can the Cabinet Member responsible explain how these budget proposals can fulfil this strategy?	Cabinet member infrastructure
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Response:

Significant provision of some £40m is made within the 2018 – 30 Capital Strategy to support the Development and Regeneration Programme. This funding will be used to support not only commercial development opportunities but also the development of new housing, including affordable housing, on council-owned sites, through our partnership with Keepmoat Homes. The recent approval of planning permission at Bromyard includes the requirement that 40% of the new homes provided will be affordable. A further £800k per annum 2018 – 2021, totalling £2.4m, has been allocated

towards Affordable Housing Grants to enable the council to support the development of affordable housing, including supported housing for our most vulnerable residents.

In addition, the revenue budgets include provision for a strategic housing function that will continue to support and direct our partners to deliver new affordable housing working alongside the Neighbourhood Development Planning and Strategic Planning teams whose work is important in helping local communities to identify suitable sites for new housing, including affordable housing, to meet their local needs.

I am satisfied, therefore, that the budget proposals include opportunities for significant investment in supporting the delivery of affordable housing.

PQ 9	Mr Palgrave, Hereford	In their alternative budget, It's Our County have proposed that Council should own and rent out new affordable / social housing. Will the responsible Cabinet member commit to give this proposal full consideration and will he take account of the additional information provided by IOC in their Response to Scrutiny Recommendations which addressed concerns raised about the "Right to Acquire" legislation?	Cabinet member health and wellbeing
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Response:

We continue to explore all options for ensuring an appropriate and balanced housing supply within Herefordshire. A number of councils have started developing new homes through the creation of arms-length companies or joint ventures using, in many cases, borrowing as a means of funding new development. Through these arrangements, they maintain ownership of the dwellings but also need to establish staffing and maintenance budgets and carry the contracting and commercial risk on any new development. This council's development partnership (DRP) with Keepmoat Homes Ltd allows Herefordshire Council to develop its own land for new housing, securing capital receipts whilst limiting exposure to financing, commercial and housing market risks. It also allows the council greater control over the type of market/affordable housing delivered to meet its strategic and operational needs.

Whilst the typical approach for the ownership, management and maintenance of the affordable housing would be via a Registered Provider we will be considering, having regard to the forward pipeline of housing developments, the potential for establishing joint venture or arm's length company arrangements for the management of private rented and affordable dwellings. This will include assessment of the costs of funding new developments and the establishment of ongoing organisational, management and maintenance arrangements.

PQ 10	Mr Guest, Llanwarne	How does the money provided in the 2019/2020 budget to subsidise bus services compare with subsidies in the previous 3 years?	Cabinet member transport & regulatory services
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Response:

The council provides significant financial support for bus use within the county. This includes direct subsidy of bus services which are not commercially viable but provide important access and mobility for local residents, the cost of support the concessionary travel scheme which provides free travel on buses for OAPs and disabled people and funds used to promote bus services. The table below summarises the budget for these contributions for 2019/20 and the previous three years:

	Route Subsidy (NET)	Concessionary Travel	Publicity
2019/20	£740k	£1.25m	£63k
2018/19	£725k	£1.25m	£63k
2017/18	£677k	£1.31m	£63k
2016/17	£622k	£1.47m	£63k
Total	£2.8m	£5.3m	£252k

Of the three million bus journeys made each year in Herefordshire, around 37% (1.1million) are supported by a financial subsidy from the council. In consultation with users we have identified the need to continue to support a 'core network' of bus services that operate between the market towns and larger villages and Hereford on a regular pattern during the day from Monday to Saturday. Our aim, in the context of reducing public sector funding, is to protect this network. We are currently able to support a more extensive network through conventional, rural bus services but our ability to maintain this network will be subject to funding.

In addition to directly supported services, the council also makes a substantial contribution to supporting free transport through the English National Concessionary travel Scheme. This includes reimbursing operators for pass holders using both council supported bus services and those that are operated commercially. In 2017/18 pass holders undertook just under one million journeys and there are over 28,000 registered pass holders in the county.

These figures do not include subsidies relating to children and young people's travel to school/college.

PQ 11	Ms Herrington, Ledbury	I understand that £2.5m has been budgeted for creation of adult respite centre. I think this is a wonderful and much needed idea, However, at the other end of the age spectrum, those youngsters that need similar respite i.e. the disabled youngsters/teenagers have had their in county respite centre closed 2 years ago and nothing suitable has been put in place for them. What happens to all those youngsters who are in need of in county unit based respite; there will always be those that need this. Should there not be a similar amount pledged to the youngsters?	Cabinet member children and families
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Response:

I would like to clarify that the £2.5m that the question refers to within the proposed capital programme is for Hillside. This is not to provide a respite centre for adults, but to provide nursing care for adults with high level needs.

There are individual children and families that do and will continue to need respite care. The small numbers of young people requiring respite care mean that the viability of a bespoke facility has not been evidenced in our work to date.

There are usually around 20 disabled children and young people that may need some additional support from the council through an overnight short break. Most overnight short breaks are provided in a family environment by specialist foster carers through the council's sleepover scheme. Other children are able to access breaks provided by hospice services in Herefordshire or specialist children's homes in neighbouring counties.

Although a small number of children are travelling out of county to access overnight support. Feedback from parents has highlighted that, even though distances are not ideal, the majority are happy with the quality of support provided. Where families prefer not to access the existing provision, or believes it does not meet their needs, the council works with them to find other ways to meet the needs through direct payments that can provide support tailored to their child.

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

Question Number	Questioner	Question	Question to
MQ 1	Councillor PC Jinman, Golden Valley South	In putting together the budget what specific consideration has been given to local, national and international concerns regarding climate change? Many councils have now passed motions declaring a 'climate emergency' and setting targets aiming for them to be carbon neutral by 2030. This requires budgetary measures now given that the budget is for the year ahead.	Cabinet member, infrastructure
<p>Response:</p> <p>I would refer to the responses given to public questions 5 and 6.</p> <p>We have given substantial consideration to climate change through the development of the budget, which includes significant resources to build on our strong performance to reduce countywide emissions to assist in tackling international concerns regarding climate change.</p> <p>The proposed capital programme in 2019/20 includes over £3.2m investment in energy efficiency, invest to save and renewable energy projects. These will continue our investment in solar and photovoltaic energy, improvements to public buildings energy efficiency, warm home grants available to low income households looking to install central heating for the first time, further investment in LED lighting, and a more fuel efficient council vehicle fleet.</p> <p>In addition to our own capital investment:</p> <ul style="list-style-type: none"> the council is able to use this resource to draw down significant external funding. This includes access to up to 50% capital grants for energy efficiency and renewable energy projects, energy efficiency grants for businesses, and significant funding from the Energy Company Obligation (ECO) to support residents with home energy projects. This will not only increase the total available funding for these projects, but will also offer the council better payback periods and improved value for money. Our proposed budget includes planned revenue expenditure of almost £1m for energy efficiency, active travel and affordable warmth activity. This revenue investment includes utilising £150k of grant funding from the Department of Business, Energy and Industrial Strategy to undertake a detailed project development study for the Hereford Heat Network. 			
<p>Supplementary question:</p>			

The sense of urgency concerning the response of the council to climate change was felt to have been lost when the cabinet member for infrastructure had suggested that it was a matter for the incoming Council after the May 2019 elections. The Council needed to show more of a sense of urgency following recent national reports and discussions needed to take place to inform budget-setting and measures to implement in future.

Response from cabinet member to supplementary question:

The cabinet member explained that the situation needed to be taken seriously. It had not come about as a recent emergency but had been known about for some time. The council had a carbon reduction target of 40% and had achieved 36%. To treat it as an emergency required the full involvement of the Council but due to the proximity of the elections it was suggested that an emergency meeting could take place early in the new Council. This would help formulate the policies of the Council if a new direction was to be taken.

MQ 2	Councillor RI Matthews, Credenhill	<p>A list of the Skylon Park Investors shows that thirty eight companies have located there and that thirty four of these were previously based elsewhere in the county. This means only four new companies have moved to the site from elsewhere in the country.</p> <p>Considering all businesses relocating to Government-Approved Enterprise Zones are granted very generous concessions and benefits.</p> <p>Is the cabinet member confident that the budget proposed to Council makes sufficient provision to encourage businesses to move to Herefordshire from elsewhere in the country?</p>	Cabinet member, economy and communications
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Response:

I am confident that our budget proposals are making the best use of the resources available to the council to encourage economic growth within the county whether by supporting our own highly valued businesses and entrepreneurs to develop and expand or attracting new businesses to the county.

When looking to relocate or expand a business will look at a set of criteria unique to them and their circumstances, the decision can be based on access to markets, availability of skilled workforce, work / life balance or a number of other factors and isn't just about monetary incentives. Herefordshire Council can make the county attractive to businesses by making available appropriate land and premises to accommodate businesses seeking to relocate, either locally or from elsewhere in the country, improving infrastructure (such as transport networks and Broadband), and supporting the development of quality housing, education, culture and leisure facilities for those who work in the county.

The capital programme includes contributions of over £28m towards the provision of new employment land or specialist business premises across the county. I see the new facilities at the forthcoming Ross Enterprise Park, Shell Store and Cyber Centre developments adding significantly to the existing Enterprise Zone offer in attracting inward investment.

The council has been working on bringing a superfast and ultrafast broadband network across the county making the area attractive to businesses in terms of national and global communications. To date 87% of premises in the Herefordshire can access over 30Mbps from a starting point of less than 1%. This will set to increase with the contract with Gigaclear deployment to fibre direct to the premises with fastest connections found in the country. The council also runs a bespoke broadband deployment programme for businesses with EU funding and training programmes on making the most of technologies and connectivity. Total public investment of some £36m over the broadband programme period is within the capital programme.

Attracting businesses is also about attracting people and families. The council has supported the improvement of Halo leisure facilities, invested directly in libraries, heritage and archives, and the capital programme reflects support for the Courtyard's plans for development. Development of the Old Market has added to the appeal of Hereford and our continued support for the development of higher education in the county will attract associated employment.

I firmly believe that supporting our existing and growing businesses is as important as attracting new inward investment and the number of expanding Herefordshire businesses locating at the Hereford Enterprise Zone is a success that should be recognised.

Supplementary question:

There was acknowledgement of the infrastructure introduced at Rotherwas but there was concern about the lack of jobs given the scale of the investment of £25 million. In terms of proposed developments in the county and the projected population growth it was asked whether there would be a requirement for 10,000- 12,000 extra well paid jobs for residents and reassurance was sought that the generation of new jobs would be a priority.

Response from cabinet member to supplementary question:

The cabinet member explained that currently there was low unemployment in Herefordshire, under 1,000 people. Better paid jobs were required in the county. The capital budget relating to the enterprise zone was focused on preparing the ground and providing infrastructure to encourage business investment which was an approach which was felt to be working. Over 500,000² feet of work space built or in construction and the £28 million private sector investment had allowed for job creation. External companies were encouraged to invest and promotion through the department for international trade, the midlands engine and Herefordshire investment partnership was being utilised. Work on new facilities at the shell store and cyber centre would shortly be commenced and attendance at a global investment conference would seek to encourage investment. Potential investors visited Hereford regularly to assess the opportunities. Assurance was provided that there was full awareness of the need for growth and better jobs but the role of the council was to create the conditions for investment.

MQ 3	Councillor ACR Chappell, Hinton and Hunderton	<p>The local authority is obliged to set an annual budget, which takes little account for future planning by parish councils or community groups.</p> <p>Will the Leader write to the Government, to amend the Local Government Finance Act 1992, to allow rural Unitary local authorities, like Herefordshire, to set an element of its budget that will assist parish councils and community groups over a three/five year period to draw down further funding for projects of benefit to rural communities?</p>	Leader
<p>Response:</p> <p>We continue to work closely with our local government colleagues and the county's MPs, to lobby for a fair funding allocation for the county. Parish Councils of course have the freedom to set their own precept and are not subject to the same limitations that we as the principle authority are in terms of the level of precept they may set without holding a referendum. This enables parish councils to support activity to meet local needs, whether through direct commissioning of services for their area, collective purchasing by working with neighbouring or like-minded parish councils, or by supporting community activity and groups in their own areas.</p>			