

MEMBER QUESTIONS TO COUNCIL – 18 OCTOBER 2013

Question from Councillor PJ McCaull

Question 1

When Cllr Roger Phillips was Leader of the Council and the building of the New Market came before Full Council in the Shire Hall for approval I spoke against the package. Cllr Roger Phillips put the cost of the new market at around 7 million I said I thought it to be nearer 10 million. Actual cost 14.8 million.

He also stated the development would put 18 million in the council's bank plus the development would also provide for the Link Road and other infrastructure. So what has gone wrong, who got all the figures so wrong?

- 1) We are borrowing 34 million for the Link Road which with compulsory purchase and other costs could be 40 million in the end.
- 2) Cllr Phillips put forward a good case and led us to believe the above
- 3) *How could anyone get it so wrong and what has happened to the monies the council were led to believe would be coming from it all in total?*

Answer from Councillor RJ Phillips Cabinet Member Enterprise & Culture

Answer to question 1

Firstly let me be clear that the building of the new livestock market is an enabling element for the redevelopment of the old market site – and the economic benefits which flow from the latter will not be immediately apparent simply from the successful move of the livestock market. However I'm delighted with the positive impact the new livestock market has already had on our agricultural economy; this Wednesday alone saw 12,000 sheep from Herefordshire and neighbouring counties including Cheshire, Glamorgan, Oxfordshire and Warwickshire. The points Cllr McCaull raises around the costs of this were addressed in my answer to his question to Council in November 2011, the £7.1 m being the build cost as identified in the Cabinet report in September 2009.

I must also correct the assertions made in the question. We have not borrowed £34m pounds for the Link Road. We do have provision of £27m within the Medium Term Financial Strategy; we are actively exploring other funding opportunities including through the Marches Local Transport Body and the latest round of government pinch point funding.

Major infrastructure project costs will always vary to some degree through the development of the scheme and a decision on implementation will be based on the costs and funding available when the decision is taken.

Question from Councillor MD Lloyd Hayes

Question 2

Many members of the public attended public meetings in June concerned about the future care for their relatives. They were informed in June that assessments would take place promptly, we are now in October and these needs assessments have not taken place.

How can budgets be drawn up when the council is not aware of the costs involved?

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Answer from Councillor AW Johnson Cabinet Member Corporate Strategy & Finance

Answer to question 2

In answer to the question, budgets are drawn up on the basis of a wide range of information available at the time; all budgets are of their very nature projections and will include a number of variables and every effort is made through the budgeting process to minimise or take account of those variables, which of course include natural changes in social care service users' needs. We of course know the cost of our current services and the available resource we will have in future years to support people living in the community which inform our budget setting.

I am also delighted to be able to respond to the issue about the timetable for assessments for people who use the council provided day opportunities services.

My colleague, the Cabinet Member Health & Wellbeing, advises that where people request an assessment due to a change in need or because they wish to take a direct payment, they will have an assessment. Where a change in service is proposed assessments will be scheduled if necessary. As we have slowed down the period of transition in order to consult and involve service users, their families and providers, we have not needed to commence a programme of reassessments in quite the same way we originally envisaged. All service users should have an annual review, and we will use this process to complete reassessments by the end of March 31st 2014.

It is important to note that the timing of reviews when service changes are being effected is crucial to ensure they take place as close to the point of transition as possible and mitigate any potential duplication of resource whilst also ensuring that the needs of our service users are met in the most appropriate and cost effective way.

Question from Councillor DC Taylor

Question 3

Council Tax and business rates 2012-13

Could I be advised how many Court Summons' this council has issued in the above financial year for non payment of Council tax and business rates. What was the total amount collected on behalf of this Council for each of the above? What percentage did we fail to collect?

Answer from Councillor AW Johnson Cabinet Member Corporate Strategy & Finance

Answer to question 3

In 2012/13 there were 6,083 summons issued to 5,465 (6.6%) households in relation to council tax, and 533 in relation to business rates (NNDR).

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The amounts collected (which includes the 17% collected on behalf of the Police Authority, Fire & Rescue Authority and local councils), and the percentage not collected for the same year are as follows:

Council tax collected = £93,127k
Council tax % non-collected = 1.4%

NNDR collected = £44,539k
NNDR % non-collected = 0.9%

It is worth noting that Herefordshire's excellent collection rates for that year, as with previous years, was higher than the Unitary, Shire District and England averages.

Question from Councillor AJW Powers

Question 4

The Environment, Housing and Planning portfolio is of vital importance to such urgent strategic matters as the continuing Core Strategy process and the Herefordshire-Worcestershire Waste Disposal Contract negotiation. Given the already full-time portfolio responsibilities of other cabinet members amongst whom these key issues (and others) have been provisionally shared.

When can we expect an appointment to the key Environment, Housing and Planning portfolio vacated following the resignation of the former Cabinet Member Russell B. Hamilton?

Answer from Councillor AW Johnson Leader of the Council

Answer to question 4

Cllr Powers is absolutely correct in pointing out the importance of the Core Strategy and Waste Management Contract (although he is mistaken in thinking that the latter was included in the Environment Housing & Planning portfolio – it was and still is within the Major Contracts portfolio).

I am considering, in the context of the council's priorities, how best to deploy the wide range of skills and experience available to me and will of course inform members of any further Cabinet Portfolio changes at the appropriate time.

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Question from Councillor MAF Hubbard

Question 5

At the Council meeting in November 2012 the council RESOLVED:

a) That the appropriate Cabinet Member be requested to arrange for a revised retail impact assessment to be undertaken to understand the potential impact of the new development on Hereford's historic retail area;

b) That the Leader be requested to arrange cross party talks to develop a comprehensive strategy to tackle issues arising out of the revised retail impact assessment detailed in a) above.

This was passed by 47 votes to 3.

Would the Cabinet Member & Leader please explain how they have responded to the council's resolution to date?

Answer from Councillor RJ Phillips Cabinet Member Enterprise & Culture

Answer to question 5

The request to arrange a revised Retail Impact Assessment would place an unbudgeted financial pressure on the council at this time. Before taking a decision on the matter I have asked officers to identify what currently funded activity may contribute to a better understanding of retail impacts and trends in the city, to that end we are working with existing retailers on developing a 'one City' approach for the City's retail offer.

Question from Councillor MAF Hubbard

Question 6

The burnt out buildings in central Hereford are still very much in place, with no movement on re-developing the site. At a recent planning for real exercise run by the City Council the scaffolding & burnt out buildings featured as one of the biggest complaints. One of the burnt out buildings is a listed property and the owners have a duty to restore the damage. With the maximum lease being signed in the historic core presently set at about 10 years, with a five year break clause, the restoration of these buildings is becoming more and more unlikely.

How long will the Cabinet Member wait before he is prepared to take enforcement action to rectify this eyesore in our historic city centre?

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Answer from Councillor GJ Powell Cabinet Member Health & Wellbeing

Answer to question 6

Officers have been working closely with the site owner, the site owner's agent and architects in order to bring forward the recovery of this very prominent site. Planning permission has already been granted for a full and proper restoration and reconfiguration scheme, which will contribute significantly to the viability and vitality of High Town.

There are particular contractual and lease issues that need to be overcome before the planning permission can be fully implemented. Nonetheless officers have recently been advised that a contractor has been instructed to remove the temporary roof and the scaffolding from the building, although on-going support will be necessary for the damaged front elevation. The contractors will be carefully wrapping the listed sections of the properties to prevent any further damage. The work will take around 6 weeks and is planned to start at the end of this month.

On-going discussions are taking place regarding the reconstruction of the site. In the event that this does not proceed the council can consider the appropriateness or otherwise of pursuing regulatory action. Clearly any action will need to be considered within the context of the original accidental fire damage and for that action to be absolutely essential in order to safeguard the remaining listed structure. There are no legal powers to insist that a planning permission is implemented.

Question from Councillor EPJ Harvey

Question 7

Back in 2011 the council's consultants were provided with a costed Infrastructure Delivery Plan (IDP) which contained the local infrastructure considered necessary to ensure that the Core Strategy was viable. This plan estimated the infrastructure costs at ~£560m and these costs were used to model the Economic Viability Assessment (EVA) produced at that time.

In spring 2013 the same set of consultants were provided with revised IDP costings which estimated the county's infrastructure costs at only ~£255m. The ~£300m 'saving' in infrastructure costs was achieved by removing the cost of the majority of the local infrastructure from the plan (schools, local highways and road alterations, improved path and cycleways, green spaces, play areas, etc.).

Please can the Cabinet Member explain:

(a) what the reason was for the decision to remove £300m of local infrastructure costs from the viability modelling for the Core Strategy; modelling which also forms the evidence base being used to inform the setting of the Community Infrastructure Levy rates for all development in Herefordshire from 2015 onwards?

(b) Was this a decision taken: by or on the advice of officers; by or on the advice of the council's consultants throughout the process: Three Dragons; or by or on the advice of cabinet member/s?

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Answer from Councillor PD Price Cabinet Member Highways & Transportation

Answer to question 7

- (a) There was no decision to remove 300m of local infrastructure costs. The Infrastructure Delivery Plan (IDP) is not a static one-off document but a 'live' one. The IDP schedule cannot specify the entire infrastructure to be provided, when it is to be delivered, or how it is to be funded in the county to 2031. Changed requirements may become apparent as new areas of development are designed in more detail and/or ways of delivering services or facilities are reviewed. In addition, the strategies of service providers and the introduction of new technology will have implications for infrastructure requirements and their costs over the plan period. The infrastructure costs will therefore fluctuate over the IDP period.
- (b) There was no decision.

Question from Councillor EPJ Harvey

Question 8

In July this council approved the Core Strategy without requiring the revised infrastructure Delivery Plan (IDP) to be approved by council or even for the document to be seen by council before being submitted as supporting evidence to the Core Strategy's Examination in Public.

Currently, and at the time of Core Strategy approval, the IDP lists a total infrastructure cost of £255m for what is termed 'Countywide Requirements', of which £155m is forecast to be provided by Community Infrastructure Levy (CIL) – at currently proposed rates ... £115m of which is proposed to pay for the Hereford Relief Road (~75% of the county's CIL for the next 20 years).

Community Infrastructure Levy has been consistently referred to by officers and Cabinet members as a 'funding bridge' and is not intended to deliver all the funding required to pay for the countywide infrastructure.

(a) At current preliminary draft rates, and assuming the affordable housing targets are met, what is the revenue modelled as delivered by CIL according to the advice provided by the council's consultants.

(b) What are the funding sources identified for the outstanding £100m of infrastructure, not being strategised as delivered by CIL, which is required to fill the funding 'chasm' under the CIL 'bridge'?

(c) What assurance has been obtained that this funding will be forthcoming from the sources identified?

(d) By what means has the viability and deliverability of the local infrastructure listed, but not costed, in the IDP been assured?

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Answer from Councillor PD Price Cabinet Member Highways & Transportation

Answer to question 8

- (a) This figure has not been calculated as it is dependent on the floorspace of proposed development which will not be known until the point a planning application is submitted.
 - (b) Public funding sources are also likely to vary over the life time of the Plan. As part of the annual budget Council approves a Treasury Management Strategy that includes capital financing requirements for the forthcoming year. This covers one year only and is based on agreed schemes.
 - (c) & (d) It is important to note that capital expenditure can be financed in a number of ways including government grant, capital receipts and borrowing. Until specific schemes are brought forward for agreement through the capital programme process it is not possible to indicate funding sources. The information contained in the Infrastructure Delivery Plan (IDP) schedule will therefore be kept under review and updated. On this basis the IDP is called a 'live' document.
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