

Members' questions at Council – 16 December 2016

Question from Councillor A Seldon

Marches local enterprise partnership (LEP).

Question 1

With reference to the Marches Local Enterprise Partnership, who is responsible to scrutinising the activities of the board?

Answer from Councillor A Johnson, cabinet member corporate strategy and finance

Nationally there is an expectation that the involvement and engagement of the relevant councils will ensure there remains democratic accountability around decision-making regarding use of public funds. A joint executive committee has been formed to deliver this in the most efficient and effective way; however scrutiny of the activities of the committee currently remain a matter for the individual partner councils' own scrutiny committees to determine.

In Herefordshire that function falls to the general overview and scrutiny committee. In fulfilment of that role, in addition to calling in one decision of the joint committee the general overview and scrutiny committee considered a report on the activities of the LEP at its meeting on 8 March 2016.

Supplementary question

Given the lack of transparency in the county as acknowledged by the auditors, and the press interest in the board of the LEP in recent weeks, would greater scrutiny lead to better public confidence in the LEP?

Answer from Councillor A Johnson, cabinet member corporate strategy and finance

It was recommended by this council that there should be a joint scrutiny committee specifically for Marches LEP matters. Other member authorities didn't agree, so scrutiny remains a matter for each individual council. Media reports have been misleading. I consider the LEP is working as we would expect and with probity. It is recognised that public confidence in the LEP would be strengthened with greater reporting transparency. The Chairman of the LEP Board Graham Wynn, has been asked to look into this issue and I will keep council informed of progress.

Question from Councillor B Matthews

Accommodation strategy

Question 2

Several months ago members were informed that adult social services would be relocating to Elgar House, Holmer Road, Hereford. When is the move going to take place and what will the total bill be for the taxpayer in respect of removing the asbestos and any other renovating or decorating that will be required?

Answer from Councillor H Bramer, cabinet member contracts and assets

Staff are scheduled to move into Elgar House at the end of January following completion of agreed works to the building. The moves are an integral element of the council's overall

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accommodation strategy enabling us to relinquish costly and unsuitable premises and deliver longer term revenue savings.

The costs of the pre-contract asbestos removal and building refurbishment are estimated at £59k and £546K respectively making a total of £605k. The final account is yet to be received, but it is expected to come in within the total budget approved.

Supplementary question

The figures of repairs and rents are not yet known, what action is being taken to claim this expenditure back from the landlord?

Answer from Councillor H Bramer, cabinet member contracts and assets

The pre-contract agreement figures for removals and refurbishment are well known. The figure of £605k is not new and the final account is expected to come in well-under budget.

Question from Councillor L Harvey

Asset disposal

Question

In March 2015 Cllr Johnson took the decision to approve the sale of a property belonging to Herefordshire Council which formed part of the setting for the Master's House in Ledbury. This followed a sealed bid process which the community was assured would deliver a high quality restoration of the building and a new purpose for the property which would complement the Master's House and St Katherine's Hospital complex. The building was transferred with the addition of new vehicular access permissions not previously part of the deeds to the property.

18 months later the barn in question is for sale on the open market without any restoration work having been undertaken and with no prospect of a development coming forward to deliver on the assurances originally given.

What responsibility does the council accept for ensuring that the best outcome is achieved when public assets are transferred into private hands, and how has this been discharged in this particular case?

Answer from Councillor H Bramer, cabinet member contracts and assets

The objectives of the council's asset disposal strategy, within the overarching corporate property state that the council will see to:

- Only hold assets that meet the authority's operational property, socio-economic and investment objectives
- Release actual and latent capital from surplus assets
- Reduce or remove liabilities;
- Unlock the benefits of regeneration;
- Enable local development framework policies to be realised and:
- Optimise the proceeds or land use benefits of particular disposals for the benefit of the authority and its communities

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Councils are obliged to obtain best value when disposing of assets; in this case the property was tendered for sale on the open market, with the benefit of vehicular access. Tenders received were assessed against the following criteria and weightings

- Price – 50%
- Sustainability – 10%
- Impact on the Market House – 10%
- Funding for delivery – 10%
- Quality/'buildability' – 10%
- Employment – 10%

and the highest scoring bidder secured the sale.

Supplementary question

It is correct that the highest scoring bidder secured the sale of Masters House barn. Fifty per cent of the bid weighting was placed on the subject of price with the remaining criteria benefiting the local community; sustainability, impact on the masters' house funding, build quality and employment. Will the cabinet member and the leader give assurance protective measures will be included in future disposals of publicly owned assets?

Answer from Councillor A Johnson, leader of the Council and Councillor H Bramer, cabinet member contracts and assets

The fifty per cent obligation placed on the tenant with regard to price are completely within those terms. Future assurances could not be given. The council is the custodian of property with a duty to maximise profits from such assets. Clauses that could have been put into the terms of sale would only have resulted in a reduced saleability and price.