

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

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

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

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

Response:

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

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

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

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

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

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

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

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

Response:

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

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

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

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

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

MQ 4	Councillor Barry Durkin, Old Gore	The Council made a loss of £4.9m on its trading operations in the last financial year 2020/21, compared with a profit of £2.2m the previous year. Will the Cabinet member agree that her previous statement “we do not have to make a profit” is one which she is being spectacularly successful at delivering?	Cabinet member finance, corporate services and planning
------	-----------------------------------	---	---

Response:

I would like to thank Cllr Durkin for taking a keen interest in the Council’s set of Annual Accounts. Something less intrepid members might find a touch dry for their liking.

For anyone as fearless of the figures as Cllr Durkin, the detail of the Trading Operations of the Council’s Markets, Industrial and Retail property portfolio can be found on page 69 of the published 2020/21 Annual Accounts which are located here on the council’s website: <https://www.herefordshire.gov.uk/downloads/download/2155/council-accounts-202021>

This section of the accounts comprises a breakdown of the income, expenditure and any movements in the valuation of the asset portfolio for each trading group. For information, I reproduce below the movements over the last 5 years in asset value for each trading group alongside the net income/expenditure position and the overall trading position.

Asset Type	Asset Revaluation Movement (£m)				
	2016/17	2017/18	2018/19	2019/20	2020/21
Markets	0.1	(1.0)	(0.3)	(0.3)	(0.5)
Industrial Estates	1.4	(5.4)	2.4	0.2	1.3
Retail Properties	3.8	(2.3)	0.6	-	6.4
Net (Income)/Expenditure	3.3	(2.1)	(2.2)	(2.1)	(2.3)
Overall Trading Position	8.6	(10.8)	0.5	(2.2)	4.9

From this it is clear that in recent years the council’s property investment portfolio trades in profit (Expenditure + Income) each year to the tune of in excess of £2m. Whilst the council is not required to make a profit to pass on to shareholders this trading profit is real money coming in each year which is used to support service delivery across the council. I would like to offer my congratulations to our officers for their ‘spectacular success’ in maintaining this level of trading profit throughout this year of Covid.

The year-on-year fluctuations in overall trading performance come mainly from changes in the assessed value of the property portfolio which is revalued each year. These portfolio adjustments are important to understand in the context of managing the portfolio to deliver value across the range of measures we use to ensure publicly owned assets are working hard for the people of Herefordshire to whom they all belong.

However, the 2020/21 downward adjustment in portfolio value reflects the levels of economic risk and uncertainty caused by the coincidence of Brexit and the Covid pandemic. That said, we must also acknowledge the level of national concern has been raised regarding the

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