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NORTH HERTFORDSHIRE DISTRICT COUNCIL

CABINET

TUESDAY, 23RD JUNE, 2020

SUPPLEMENTARY AGENDA

Please find attached supplementary papers relating to the above meeting, as follows:

Agenda No	Item
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| 5. | <u>ITEMS REFERRED FROM OTHER COMMITTEES</u> (Pages 3 - 20) |
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Any Items referred from other committees will be circulated as soon as they are available.

Please find referrals attached

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Referrals from Other Committees

- 5a Item referred from Finance, Audit and Risk Committee: 15 June 2020 – Investment Strategy (Capital and Treasury) End of Year Review 2019/20
- 5b Item referred from Finance, Audit and Risk Committee: 15 June 2020 – Revenue Budget Outturn 2019/20
- 5c Item referred from Overview and Scrutiny Committee: 16 June 2020 – District Wide Survey 2019 – Key Findings
- 5d Item referred from Overview and Scrutiny Committee: 16 June 2020 – Corporate Peer Challenge Action Plan
- 5e Item referred from Overview and Scrutiny Committee: 16 June 2020 – Regulation of Investigatory Powers Act (RIPA) Update and Annual Review
- 5f Item referred from Overview and Scrutiny Committee: 16 June 2020 – Garden Waste Service Impacts of Covid 19
- 5g Item referred from Overview and Scrutiny Committee: 16 June 2020 - Commercial Waste Collection Service - Impacts of Covid-19

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**CABINET
23 JUNE 2020**

PART 1 – PUBLIC DOCUMENT

**5a - ITEM REFERRED FROM FINANCE, AUDIT AND RISK COMMITTEE: 15 JUNE 2020
– INVESTMENT STRATEGY (CAPITAL AND TREASURY) END OF YEAR REVIEW
2019/20**

The Service Director – Resources presented the report entitled Investment Strategy (Capital and Treasury) End of Year Review 2019/20 and drew Members' attention the following:

- Paragraph 4.2 on page 73 within the report and advised that the primary principles governing the Council's investment criteria were the security and liquidity of its investments. After this the return was then considered, which provided an income source for the Council;
- Paragraph 8.4 on page 75 within the report and the contents in Table 2 which listed the schemes in the 2019/20 Capital Programme that will now start or continue in 2020/21;
- Paragraph 8.9 on page 78 within the report and informed that the Council's Capital Financing Requirement (CFR) at 31 March 2020 was negative £5.60 million. This means that the Council does not have a need to borrow for capital spend;
- The Treasury Management 2019/20 at paragraphs 8.10 – 8.18; and
- Paragraph 8.18 on page 80 within the report and advised that the Chief Executive (under urgency powers) had approved a removal on the limit on balances the Council held in its current account in response to Covid-19.

The following Members asked questions in respect of the Service Director's report:

- Councillor Steve Deakin-Davies.

In response to the questions raised by the Member, the Service Director – Resources responded as follows:

- A review of the benefits of Cloud computing would need to be looked at by IT; and
- It was covered in the recently approved IT Strategy.

RECOMMENDED TO CABINET:

- (1) That the expenditure of £1.473million on 2019/20 on the capital programme, paragraph 8.3 refers, and in particular the changes detailed in table 3 which resulted in a net decrease on the working estimate of £0.055million, be noted;
- (2) That the adjustments to the capital programme for 2020/21 as a result of the revised timetable of schemes detailed in table 2, increasing the estimated spend in 2020/21 by £0.277million (re-profiled from 2019/20), be approved;
- (3) That the position of the availability of capital resources, as detailed in table 4 paragraph 8.6 and the requirement to keep the capital programme under review for affordability, be noted;

- (4) That the application of £0.639million of capital receipts towards the 2019/20 capital programme and the drawdown of £0.397million from set aside receipts, paragraph 8.6 refers, be approved;
- (5) That the position of Treasury Management activity as at the end of March 2020 be noted.

Cabinet recommend to Council:

- (1) That the actual 2019/20 prudential and treasury indicators be approved;
- (2) That the annual Treasury Report for 2019/20 be noted.

REASONS FOR DECISIONS:

- (1) Cabinet is required to approve adjustments to the capital programme and ensure the capital programme is fully funded;
- (2) To ensure the Council's continued compliance with CIPFA's code of practice on Treasury Management and the Local Government Act 2003 and that the Council manages its exposure to interest and capital risk.

(Take with Item 14)

**CABINET
23 JUNE 2020**

PART 1 – PUBLIC DOCUMENT

**5b ITEM REFERRED FROM FINANCE, AUDIT AND RISK COMMITTEE: 15 JUNE 2020
– REVENUE BUDGET OUTTURN 2019/20**

The Service Director – Resources presented the report entitled Revenue Budget Outturn 2019/20.

Members were directed to Table 3 on page 56 within the report and advised that the table detailed major variances above £25,000. The Service Director – Resources drew Members' attention to the following variances:

- Careline were purchasing and installing digital alarms when an alarm required replacement. The digital alarm costed twice as much as the analogue product previously installed but could be used up to three times;
- Council Tax Court Summons Income was lower than budgeted as a result of the closure of the Court until at least 30 June 2020, in response to the COVID-19 pandemic; and
- The shortfall in parking income was indicative of the impact of the response from the government and public to the COVID-19 pandemic. Income recorded for March of £107k was significantly lower than the £164k recorded for March 2019.

The Service Director – Resources concluded that from looking at the estimated overall impact on 2020/21, it was hoped that there would not be any ongoing impact that would require the Council to make additional long-term savings.

The Service Director – Resources drew Member's attention to the following:

- Paragraph 8.12 on page 62 within the report and advised that the previous trend of reductions in eligibility for Council tax reductions had stabilised and the impact of Covid-19 was resulting in an increase in eligibility. This creates a deficit on the Council Tax Collection Fund;
- There was an update provided in relation to Paragraph 8.15 on page 63 within the report. It had now been confirmed that there was a £917,000 gain which would increase the general fund balance end of 2019/20 up to £9.4million;
- Table 6 at paragraph 8.17 summarised the impact on the General Fund balance of the outturn position detailed in the report;
- The Council's total business rates income had been above its baseline for several years, meaning pooling gains and Section 31 grants were able to be transferred into a business rate reserve. This provides protection against potential fluctuations in Business Rates income, timing differences inherent in collection fund accounting and the potential impact of a Business Rates reset; and

- the MHCLG Grants Reserve (as shown in Table 8 on page 65) would be reviewed as it was possibly now too high. The 2020/21 budget had committed to releasing £368,000 from this reserve relating to the 2018/19 pooling gain. The balance as of 31 March 2020 of MHCLG Grants Reserve was £3.7million.

The following Members asked questions:

- Councillor Sam Collins;
- Councillor Kate Aspinwall; and
- Councillor Steve Deakin-Davies.

In response to questions raised, the Service Director – Resources responded as follows:

- The impact of lost income from parking, as a result of COVID-19, would be kept under review particularly in relation to changes as lockdown is eased.
- The Council is currently forecasting a £1.4million loss in parking income for the year which was the most significant hit on the Council's income. This is based on a gradual recovery during the year;
- There had been a reduction in Penalty Charge Notices being issued. There would be a move back towards issuing PCNs, which had only been focused on safety issues;
- A number of businesses were receiving a mandatory business rate relief, providing the Council with some protection and guaranteed some level of income;
- There could be a longer term impact of business rates if some businesses were to close post lockdown;
- Alongside the Medium-Term Strategy, there would be a report providing a forecast of the impact of Covid-19; and
- Careline did not make a profit.

RECOMMENDED TO CABINET:

- (1) That the report be noted;
- (2) That a decrease of £129k in the 2019/20 net General Fund expenditure, as identified in table 3 and paragraph 8.1, to a total of £14.692 million be approved;
- (3) That the changes to the 2020/21 General Fund budget, as identified in table 3 and paragraph 8.2, a total £344k increase in net expenditure, be approved;
- (4) That the transfer, as referred to in paragraph 8.3, of £59k from the underspend on the General Fund to the strategic Priority fund to enable the Leadership Team to undertake invest to save and/or continuous improvement projects be approved.

That Cabinet recommend to Council:

- (1) The net transfer to earmarked reserves of £2.161million be approved.

REASONS FOR DECISIONS:

- (1) Members are able to monitor, make adjustments within the overall budgetary framework and request appropriate action of Services who do not meet the budget targets set as part of the Corporate Business Planning process.
- (2) Changes to the Council's balances are monitored and approved.

(Take with Item 13)

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**CABINET
23 JUNE 2020**

PART 1 – PUBLIC DOCUMENT

**5c ITEM REFERRED FROM OVERVIEW AND SCRUTINY COMMITTEE: 16 JUNE 2020
– DISTRICT WIDE SURVEY 2019 – KEY FINDINGS**

Councillor Martin Stears-Handscomb, Leader of the Council, presented the report entitled District Wide Survey 2019 – Key Findings and informed Members of the following:

- The Peer Review recommended that reports should be presented by Executive Members.
- The District Wide Survey was carried out every two years.
- Drew attention to various elements within the report.
- He thanked the Communications Manager and her team for the work and analysis involved in producing this report.

The following Members took part in the debate and asked questions:

- Councillor David Levett;
- Councillor Claire Strong;
- Councillor Val Bryant;
- Councillor Sam Collins;
- Councillor Sue Ngwala

In response to questions the Communications Manager advised:

- That the search facilities for Mod.gov and the Council's website had not been integrated although this was being looked at;
- The website platform would be upgraded and this created the opportunity to look at the design of the website;
- Drupal 7 was not affecting the performance of the website;
- E-bulletins now had 12,000 subscribers;
- The vast majority of customers were engaging with the Council as opposed to contacting the Council via social media;
- The survey was intended as a snapshot and further information could be sought if desired;
- The Consultation Strategy would be updated later this year.

RESOLVED: That the report entitled District Wide Survey 2019 – Key Findings be noted.

RECOMMENDED TO CABINET:

- (1) That Cabinet comment on and note the key findings and observations from the District Wide Survey.

- (2) That Cabinet note that the results will be considered by Senior Management Team in conjunction with Executive Members, to inform the service planning process and future consultation activity.

REASON FOR DECISION: To ensure that Cabinet is aware of the results and any trends from previous surveys and how the results will be used to inform future service delivery.

(Take with Item 7)

**CABINET
23 JUNE 2020**

PART 1 – PUBLIC DOCUMENT

**5d ITEM REFERRED FROM OVERVIEW AND SCRUTINY COMMITTEE: 16 JUNE 2020
– CORPORATE PEER CHALLENGE ACTION PLAN**

Councillor Martin Stears-Handscomb presented the report entitled Corporate Peer Challenge Action Plan together with the following appendix:

- Appendix A – Draft Corporate Peer Challenge Action Plan.

He drew attention to the following:

- The Peer Review set the Council a number of challenges including to be risk aware rather than risk averse and to better understand our customer experience
- Paragraph 8.3 – we need to reimagine our customer experience and be flexible and brave enough to change.
- Paragraph 8.4 – There was an opportunity to take the lead in sustainability and put climate change at the centre of how the community recovers from Covid-19.
- In listening to the Black Lives Matter Campaign the Council needed to consult with black staff and customers.
- This was a work in progress and there would be further engagement with all Members as the Action Plan was moved forward.
- Thanks were give to the Deputy Chief Executive, Chief Executive, Leadership Team and Cabinet colleagues for the work undertaken.

The Deputy Chief Executive advised that there was an additional recommendation to read:

“2.4. That agreeing the specification for, and intended outcomes of, the transformation programme be delegated to the Leader, Deputy Leader, Executive Member for Finance and IT, Managing Director and Service Director Resources.”

The following Members took part in the debate and asked questions:

- Councillor Sam Collins;
- Councillor Sue Ngwala;
- Councillor David Levett;
- Councillor Claire Strong.

The debate included:

- That consultation be done with all minority groups.
- That Planning Training should be for all Members of the Council and be mandatory.
- That training was offered to all Members although take up was often not high.

In response to questions the Councillor Martin Stears-Handscomb advised:

- The County Council had consulted with their black staff and the Council would also need to look at the customer experience.
- That getting all Members to attend training was not easy.

Councillor Paul Clark, Deputy Leader and Executive Member for Planning and Transport advised:

- That he was agreeable to Planning training for all.
- That consideration was being given to external training for Members;

The Service Director – Legal and Community advised that Group Leaders could request that Planning training be compulsory.

RESOLVED: That the report entitled Corporate Peer Challenge Action Plan be noted,

RECOMMENDED TO CABINET:

- (1) That the draft Action Plan at Appendix A be approved.
- (2) That agreeing the timescales for the actions within the Action Plan be delegated to the Leader, Deputy Leader and Managing Director.
- (3) That Cabinet recommend to Full Council that the Special Reserve be used to fund a small transformation team for a period of 18 months from October 2020, with an estimated total cost of £150k (£50k in 2020/21 and £100k in 2021/22).
- (4) That agreeing the specification for, and intended outcomes of, the transformation programme be delegated to the Leader, Deputy Leader, Executive Member for Finance and IT, Managing Director and Service Director Resources.
- (5) That Cabinet consider making Planning training compulsory for all Members

REASON FOR DECISION: To ensure that the Council responds to the matters identified within the CPC report, ensuring that the benefits of the CPC process are realised.

(Take with Item 9)

**CABINET
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PART 1 – PUBLIC DOCUMENT

**5e ITEM REFERRED FROM OVERVIEW AND SCRUTINY COMMITTEE: 16 JUNE 2020
– REGULATION OF INVESTIGATORY POWERS ACT (RIPA) UPDATE AND
ANNUAL REVIEW**

Councillor Martin Stears-Handscomb, Leader of the Council presented the report entitled Regulation of Investigatory Powers Act ('RIPA') Update and Annual Review together with the following appendices:

- Appendix A – IPCO inspection report;
- Appendix B – RIPA Policy amended draft showing tracked changes;
- Appendix C – RIPA Social Media Policy amended showing tracked changes.

He advised Members that

- the Authority required Council approval of the Policy.
- The available powers had not been used for 9 years;
- The Inspector believed that NHDC had effective systems in place.

Councillor Terry Hone suggested that TikTok should be added to the list of Social Media.

RESOLVED: That the content of the report entitled Regulation of Investigatory Powers Act ('RIPA') Update and Annual Review and the Investigatory Powers Commissioner's Office Inspection report (Appendix A) be noted.

RECOMMENDED TO CABINET: That the RIPA Policy and Social Media in Investigations Policy as amended (in Appendices B-C) be approved.

REASON FOR DECISIONS: To comply with the Inspector's recommendations and best practice.

(Take with Item 12)

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23 JUNE 2020**

PART 1 – PUBLIC DOCUMENT

**5f ITEM REFERRED FROM OVERVIEW AND SCRUTINY COMMITTEE: 16 JUNE 2020
– GARDEN WASTE SERVICE IMPACTS OF COVID 19**

Councillor Elizabeth Dennis-Harburg, Executive Member for Recycling and Waste Management, presented the report entitled Garden Waste Collection Service Impacts of Covid 19 and drew attention to the following:

- Three collection had been missed due to Covid-19 out of 26 collections in the year;
- An extension to the existing period was the most reasonable outcome which would result in a loss of £186,000;
- This extension would mean the renewal would be in October, which was a low gardening period, which could result in an initial low renewal rate;
- With the uncertainty of the future relating to Covid-19 it may be that the service has to be suspended again in future;

The following Members took part in the debate and asked questions:

- Councillor David Levett;
- Councillor Terry Hone;
- Councillor Tony Hunter;
- Councillor Sam Collins;
- Councillor Claire Strong

In response to questions Councillor Dennis-Harburg advised:

- Residents received a one year service from the date they paid;
- There had been a number of issues with implementing direct debits although it was hoped that this service would be available by the renewal date;
- It had never been policy to collect garden waste from those who had not paid;
- This was a joint contract with East Herts;
- There had been a number of collection staff who had self isolated due to Covid 19 and this had affected the ability to continue collections;
- Drivers of waste vehicles were specialist HGV drivers and could not easily be replaced;

RESOLVED: That the report entitled Garden Waste Collection Service Impacts of Covid-19 be noted.

RECOMMENDED TO CABINET: That Council agrees an extension of the current 12 months payment period for green waste collection, for a further period of 2 months [The loss of income based on current (48%) uptake is approximately £186,000].

REASON FOR DECISION: To acknowledge service disruption / suspension in our garden waste collection service and demonstrate to residents that the Council accepts the inconvenience caused during the seasonal peak of garden waste production.
(Take with Item 15)

**CABINET
23 JUNE 2020**

PART 1 – PUBLIC DOCUMENT

**5g ITEM REFERRED FROM OVERVIEW AND SCRUTINY COMMITTEE: 16 JUNE 2020
- COMMERCIAL WASTE COLLECTION SERVICE - IMPACTS OF COVID-19**

This item was considered prior to the Part 1 Item of the same name (Minute 17 refers).

There is no audio recording of this item as it formed part of a private meeting in accordance with Minutes 18 above.

Councillor Elizabeth Dennis-Harburg, Executive Member for Recycling and Waste Management presented that Part 2 report entitled Commercial Waste Collection Service Impacts of Covid-19.

The following Members took part in the debate and asked questions:

- Councillor David Levett;
- Councillor Sam Collins;
- Councillor Tony Hunter;
- Councillor Claire Strong

Councillor Dennis-Harburg and the Service Manager-Waste answered questions.

Councillors Martin Stears-Handscomb, Leader of the Council and Ian Albert, Executive Member for Finance and IT offered some advice.

Following detailed debated:

It was proposed by Councillor David Levett and Seconded by Councillor Sam Collins that Cabinet be requested to consider two option being:

- (a) The recommendation contained in the report
- (b) The option detailed in Paragraph 4.3 of the report

Upon the vote it was:

RESOLVED: That the Part 1 and Part 2 reports entitled Commercial Waste Collection Service Impacts of Covid-19 be noted.

RECOMMENDED TO CABINET: That Cabinet consider two options being:

- (c) The recommendation contained in the Part 2 report
- (d) The option detailed in Paragraph 4.3 of the Part 2 report

REASON FOR DECISIONS: To consider the impact of Covid 19 on the commercial waste collection service and consider what charges should be made for the 1st Quarter

(Take with Items 17 and 20)

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