

NORTH HERTFORDSHIRE DISTRICT COUNCIL

CABINET

**MEETING HELD IN THE COUNCIL CHAMBER, COUNCIL OFFICES, GERNON ROAD,
LETCWORTH GARDEN CITY
ON TUESDAY, 31ST JULY, 2018 AT 7.30 PM**

MINUTES

Present: *Councillors Lynda Needham (Chairman), Julian Cunningham (Vice-Chairman), David Barnard, Tony Hunter, David Levett, Bernard Lovewell and Michael Weeks*

In Attendance:

Councillor Cathryn Henry (Chairman of the Overview and Scrutiny Committee), Jeanette Thompson (Service Director - Legal and Community), Ian Couper (Service Director - Resources), Louise Symes (Strategic Planning and Projects Manager), Nigel Smith (Principal Strategic Planning Officer), James Ellis (Legal Advisor), Reuben Ayavoo and Hilary Dineen (Acting Committee and Member Services Manager)

Also Present:

At the commencement of the meeting Councillors Judi Billing and Elizabeth Dennis-Harburg and one member of the public.

15 APOLOGIES FOR ABSENCE

There were no apologies for absence.

16 MINUTES - 19 JUNE 2018

RESOLVED: That the Minutes of the Meeting of the Committee held on 19 June 2018 be approved as a true record of the proceedings and be signed by the Chairman.

17 NOTIFICATION OF OTHER BUSINESS

There was no other business notified.

18 CHAIRMAN'S ANNOUNCEMENTS

- (1) The Chairman announced that Members of the public and the press may use their devices to film/photograph, or do a sound recording of the meeting, but she asked them to not use flash and to disable any beeps or other sound notifications that emitted from their devices. In addition, the Chairman had arranged for the sound at this particular meeting to be recorded;
- (2) The Chairman reminded Members that, in line with the Code of Conduct, any Declarations of Interest needed to be declared immediately prior to the item in question;

- (3) The Chairman asked that, for the benefit of any members of the public present at the meeting, Officers announce their name and their designation to the meeting when invited to speak.

19 PUBLIC PARTICIPATION

There were no presentations from members of the public.

20 ITEMS REFERRED FROM OTHER COMMITTEES

6A ITEM REFERRED FROM OVERVIEW AND SCRUTINY COMMITTEE: 24 JULY 2018 - CORPORATE PLAN 2019-24 AND CORPORATE OBJECTIVES 2019-2024

RESOLVED: That consideration of this referral takes place in conjunction with agenda item number 8 (see Minute 22 below).

21 STRATEGIC PLANNING MATTERS

The Executive Member for Planning, Enterprise and Transport presented a report of the Service Director – Regulatory informing Members of the current position regarding other Local Plans and Examinations, North Hertfordshire Local Plan, Neighbourhood Plans, St Ippolyts Neighbourhood Planning Area (included in this report under urgency procedures), Government announcements and Strategic Planning. The following appendices were submitted with the report:

Appendix A - Copy of comments made by North Hertfordshire District Council regarding Preston neighbourhood Plan Submission Version.

The Executive Member for Planning and Enterprise updated the Cabinet on the following matters:

Other Local Plans and Examinations

- Central Beds
submitted, but no timetable issued as yet.
- Uttlesford
In consultation period.
- East Herts
Inspector's report issued 3 July 2018;
Main modifications increase housing numbers from 16,390 to 18,458;
Concluded that the exceptional circumstances to release land from the Green Belt for development were met;
Due to be presented to Council on 11 September 2018.
- Welwyn Hatfield
Stage 4 hearing took place in June 2018;
They are likely to be affected by the outcome of additional Green Belt work requested by the Inspector..
- Stevenage
Currently still on hold.
- St Albans
Consultation taking place in September to which NHDC would provide a response;;
A Duty to Co-operate meeting had been held.

North Hertfordshire Local Plan

- Letter dated 23 July 2018 received which stated that the Inspector was reviewing documentation;
- Documents will be published and people will be asked to comment;
- Unlikely to be available until mid September at the earliest;
- Consultation will likely be in December 2018, but this was not a certainty as it was in the Inspector's hands.

Neighbourhood Plans

- Wymondley Parish Council were looking for an Examiner and we were now in the process of appointing one.

St Ippolyts Neighbourhood Planning Area

- St Ippolyts asked for a variation to the designated area to cover the whole Parish;
- This was covered by the regulations;
- Recommendation 2.3 asks for the application to be approved;
- Recommendation 2.4 seeks delegation for the Service Director – Regulatory to approve applications in future;
- This application was being considered under urgency procedures as it was time-constrained and did not fit in with the Committee cycle.

Government announcements

- Revised National Planning Policy Framework
The revised National Planning Policy Framework was published on 23 July 2018 and took immediate effect;
There had not yet been an opportunity to fully review the new NPPF, but this would be done and key points would be circulated to Planning Control Committee Members;
The NHDC Local Plan was being judged on the NPPF in force at the time of submission rather than the new version.

Strategic Planning.

- Luton Airport
The proposal was for a substantial increase in the number of passengers from 18.1 million to 36 million;
A non statutory consultation regarding the proposals had been launched;
There had been a meeting with Luton Airport Authority where disappointment was expressed that some car parking was planned to be in North Herts boundaries, which we were previously unaware of;
There was no detail yet regarding traffic flow but it was estimated that 9 percent of traffic for the airport travels through North Herts;
The estimated 9 percent of 20 million airport users would have a very large impact on traffic in North Herts;
The size of the proposed development was such that the National Infrastructure Committee would determine the application;
Luton anticipate submitting the application in 2019;
There were no plans to extend the existing runways or put in additional runways;
Additional capacity would be achieved by extending the current taxiway;
A response to the non-statutory consultation was being developed and would be reported to a future meeting of Cabinet:

The Executive Member for Planning, Enterprise and Transport moved a further recommendation as follows:

That the Executive Member for Planning, Enterprise and Transport be authorised to provide a co-ordinated response, in consultation with the Service Directors for Place and Regulatory and the Executive Member for Leisure and Green Issues and the Executive Member for Housing and Environmental Health, to the non-statutory Luton Airport consultation by 30 August 2018.

The Executive Member for Planning, Enterprise and Transport answered a number of questions on the report.

RESOLVED:

- (1) That the report on Strategic Planning Matters be noted;
- (2) That Cabinet note and endorse the submissions in Appendix A;
- (3) That the revised Neighbourhood Area application for St Ippolyts be approved;
- (4) That delegated powers for non-key decisions be granted to the Director of Regulatory Services, in consultation with the Executive Member for Planning, Enterprise and Transport, to:
 - i. Approve future applications for whole parish neighbourhood planning areas where no consultation is required under the relevant regulations;
 - ii. Approve for consultation a proposed submission neighbourhood plan (Regulation 16) where all necessary documentation is received; and
 - iii. 'Make' neighbourhood plans following a successful referendum.
- (5) That the Executive Member for Planning, Enterprise and Transport be authorised to provide a co-ordinated response, in consultation with the Service Directors for Place and Regulatory and the Executive Member for Leisure and Green Issues and the Executive Member for Housing and Environmental Health, to the non-statutory Luton Airport consultation by 30 August 2018.

REASON FOR DECISION:

- (1) To keep the Cabinet informed of recent developments on strategic planning matters and progress on the North Hertfordshire Local Plan.
- (2) To improve the efficiency with which the Council can make non-key decisions on neighbourhood planning matters for which there are no alternative options following changes to the relevant regulations and 'lessons learnt' from the Pirton Neighbourhood Plan and other neighbourhood plans.

22 CORPORATE PLAN 2019 TO 2024 AND CORPORATE OBJECTIVES FOR 2019 TO 2024

The Leader of the Council presented the report of the Senior Policy Officer and Leader of the Council in respect of the Corporate Plan 2019 to 2024. The following appendix was submitted with the report:

Appendix A – Corporate Plan 2019-2024.

The Chairman of the Overview and Scrutiny Committee presented the following referral from that Committee, made at its meeting held on 24 July 2018, in respect of the Corporate Plan 2019 to 2024 and Corporate Objectives 2019 to 2024 (Minute 20 refers):

“RECOMMENDED TO CABINET: The Overview and Scrutiny Committee considers that the current Corporate Plan Document is a record of past achievements rather than a plan for the future, and that it should be revised to clearly set out plans to achieve Council’s objectives.

The Overview and Scrutiny Committee urges Cabinet to revise this Plan at the earliest opportunity.”

The Leader of the Council advised that the Corporate Plan acknowledged the Council’s financial constraints and the need to provide services at their current level and ensure that they remained relevant to the community and drew attention to the following:

- Paragraph 5.2 of the report detailed those who had been consulted regarding the Plan;
- Paragraph 8.2 of the report highlighted that ongoing financial constraints made it increasingly likely that the emphasis for Council spend would be on the day to day service delivery; and
- Paragraph 8.3 of the report detailed that the Plan needed to reflect changes in matters such as legislation, capacity and financial constraints.

The Leader of the Council advised that, whilst statutory requirements had increased, funding would continue to be under pressure.

There was a need to plan for the aging population and to consider the patterns and location of areas of deprivation, which had changed over the last 5 years and it was necessary to ensure that services and how they are delivered, responded accordingly.

The limited resources of the Council and its partner agencies needed to be directed to the areas of greater need.

The objectives remained broadly the same, although objectives 1 and 2 had been slightly amended to now read:

Objective 1 – Attractive and Thriving

To work with our partners to provide an attractive and safe environment for our residents where diversity is welcomed and disadvantaged people are supported.

Objective 2 – Prosper and Protect

To promote sustainable growth both within and where it affects our district to ensure economic and social opportunities exist for our communities whilst remaining mindful of our cultural and physical heritage.

Objective 3 – Responsive and Efficient

To ensure that the Council delivers cost effective and necessary services to our residents that are responsive to developing need and financial constraints.

In respect of the Corporate Plan itself, the Leader of the Council drew attention to some of the additions to the Plan including:

- In light of the impact of neighbouring authorities on this district the existing and future green space provision would be reviewed;
- Representations would be made by the Council regarding neighbouring authorities plans, policies and aspirations;
- Review of the Council's Car Parking Strategy to ensure that it supports the Council's objectives. A workshop regarding this would take place soon;
- Working with relevant stakeholders to find sustainable solutions for the changing town centres.

With regard to the recommendations of the Overview and Scrutiny Committee, the Leader of the Council advised that plans were already in place to start the review of the Corporate plan for the next financial year.

In considering other issues raised by the Overview and Scrutiny Committee, she advised that:

- Air quality issues were extremely concerning, however there was an Air Quality Policy in place;
- Target workshops had been organised in the past, but these had now been stopped as Members did not attend them;
- An equalities Policy was in place which should address concerns regarding equality and diversity throughout North Herts;
- The Corporate Service Plan, with Service Action Plans attached, that detailed how objectives and targets would be achieved, was in place and this had been considered by the Overview and Scrutiny Committee;
- The report included that the Council needed to take account of the impact of neighbouring Authorities, this addressed concerns regarding the comment regarding acknowledgment of changing risks to employment opportunities in surrounding areas such as Stevenage;
- In respect of the budget, there were many unknowns therefore it was difficult to assess how the budget would be affected.

Following debate on the Corporate Plan it was proposed by Councillor Needham and seconded by Councillor Cunningham that Objective 2 be amended to read:

To promote sustainable growth both within and wherever it affects our district to ensure economic and social opportunities exist for our communities whilst remaining mindful of our cultural and physical heritage.

Following a vote it was:

RECOMMENDED TO COUNCIL:

- (1) That the Corporate Objectives for 2019 to 2024 as detailed below be agreed;
 1. To work with our partners to provide an attractive and safe environment for our residents, where diversity is welcomed and disadvantaged people are supported;

2. To promote sustainable growth both within and where it affects our district to ensure economic and social opportunities exist for our communities, whilst remaining mindful of our cultural and physical heritage;
3. To ensure that the Council delivers cost effective and necessary services to our residents that are responsive to developing need and financial constraints.

(2) That the Corporate Plan 2019 to 2024, as attached at Appendix A, be adopted.

REASON FOR DECISION: To have in place a suitable, high level strategic policy document for the Council, to inform its corporate business planning process.

23 TREASURY MANAGEMENT FIRST QUARTER 2018/19

The Executive Member for Finance and IT presented the report of the Service Director – Resources in respect of the Treasury Management First Quarter 2018/19.

The Executive Member for Finance and IT advised that Council had previously approved the Treasury Management Strategy and the Council continued to invest in deposits with Banks, Building Societies and other Local Authorities.

Investments had generated a little more income than had been assumed due to spending being less than expected.

RESOLVED: That the position of the Treasury Management activity as at the end of June 2018 be noted.

REASON FOR DECISION: 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.

24 FIRST QUARTER CAPITAL MONITORING 2018/19

The Executive Member for Finance and IT presented the report of the Service Director – Resources in respect of First Quarter Capital Monitoring 2018/19. The following appendices were submitted with the report:

Appendix A – Capital Programme Summary 2018/19 Onwards;
Appendix B – Capital Programme Detail Including Funding 2018/19 onwards.

The Executive Member for Finance and IT drew attention to:

Paragraph 8.3 – Table 2 – Scheme Timetable Revision

- The forecast spend on property improvements reflected the work that was planned for the current year. Condition surveys would be reviewed and, if possible, the allocated budget in 2019/20 would be reduced.
- The Lairage Car Park was being monitored to ascertain the level of work required with any work required not due to commence until 2019/20 or later.
- All new casework for the Disabled Facilities Grant was being handled by Hertfordshire County Council

Paragraph 8.4 – Table 3 - Capital Schemes commencing in 2018/19

- Initial work had been undertaken on the business case for the extension of the Royston Leisure Centre. This was determined not to be financially viable within the current contract period and therefore would not be progressed.

Paragraph 8.5 – Table 4 – Funding the Capital Programme

- Current spending plans record that a very significant amount of the Capital would be spent on the Capital programme as it stood.
Some useable Capital receipts from the sale of assets were expected.
- The availability of third party contributions and grants to fund capital investment was continuously being sought.

Appendix A – John Barker Place, Hitchin

- It was not suggested that the funding set aside for this project should be removed from the capital programme at this point, however it was unclear when Settle would progress this project.
- It will be necessary, at some point, to consider whether this will be used and whether there was a better use for this funding
- It may be that we want to use the monies for our own property company.

Appendix A – Parking Infrastructure

- There were various entries regarding parking infrastructure
- It was important to be cognisant of the pressures on capital spend and be certain that spending on the right project

In response to questions and comments the Executive Member for Finance and IT advised that, in respect of Royston Leisure Centre, it was not appropriate to retain items in the Capital Budget for which there was no viable business case, however, he was happy to consider reinstating the project in a later year if a business case was made.

In respect of the Parking Strategy the Executive Member for Planning, Enterprise and Transport advised that they were working through phase 2 of the Strategy which recommended a number of changes regarding the Council's parking. The current expenditure was based on the existing strategy, however, if the strategy were to change then the capital programme would need to be realigned. He suggested that only safety associated works be undertaken using the existing capital expenditure.

In respect of the proposed extension of Hitchin Swimming Pool car park, the Executive Member for Finance and IT acknowledged the decision made by the Planning Inspectorate that the proposal made was not appropriate. Officers were investigating alternatives for which these funds may be required, however if it was determined that there was no use for that money, then it would be removed from the capital programme.

RESOLVED:

- (1) That the forecast expenditure of £15.857million in 2018/19 on the capital programme be noted and the adjustments detailed in table 3 which resulted in a net decrease on the working estimate of £0.958million be approved;

- (2) That the adjustments to the capital programme for 2018/19 onwards as a result of the revised timetable of schemes detailed in table 2, decreasing the estimated spend in future years 2019/20 by £1.340million be approved;
- (3) That the position of the availability of capital resources, as detailed in table 4, and the requirement to keep the capital programme under review for affordability be noted.

REASONS FOR DECISIONS:

- (1) Cabinet is required to approve revisions to the capital programme;
- (2) Cabinet is required to ensure that the capital programme is fully funded.

25 FIRST QUARTER REVENUE MONITORING 2018/19

The Executive Member for Finance and IT presented the report of the Service Director – Resources in respect of First Quarter Revenue Monitoring 2018/19.

The Executive Member for Finance and IT drew attention to the following:

Paragraph 7.2 – Table 2

- Commercialism
It should be noted that the reason that the figure for Commercialism was negative was that it included approximately £1 million of income from assets.

Paragraph 8.1

- Hitchin Town Hall Community Facility Income
The original intention was that the whole facility would have been to allow facility to be upgraded and opened to provide an increased revenue flow. The facility was providing some a revenue low, but it was not as high as hoped and expected. It was important to get whole facility in use as intended, but if this could not be achieved adjustments may need to be made to the budget.
- District Elections
The Service Director - Resources advised that elections covered a wider area in some years, whereas the budget reflected an average figure.
- Processing of Comingled Recyclables
It was becoming increasingly difficult to dispose of recyclables and prices were much reduced. This was a risk that had been identified at the beginning of the year.
- Net Income from the Garden Waste Collection Service
The decision to charge for garden waste was taken last year. The prediction had been for a 26 percent take up of the service, but it had been more popular and the actual take up figure was over 50 percent, hence the significant variation.
This figure was the difference between what we paid Urbaser to collect the brown bins and the amount collected for the service. The figure did not include the overheads of Council and work would have to be undertaken to identify these costs.
Three Rivers Council intended to increase the cost for this service to £40, on a 75 percent take up, and they did not believe they were making a surplus.

Paragraph 8.3

It was proposed that, following the senior management restructure, two offices be recruited to the Commercial Support Team. It was intended to use special reserves for two years and aim for the posts to become self-funding after that.

Paragraph 8.7

The budget for car parking fees was based on the income anticipated to be derived from the outcome of the Strategic Parking Review. Due to the delay of the Parking Review no income raising measures had been implemented and therefore there was a risk that the anticipated level of income may not be met.

In respect of Careline, the Executive Member for Housing and Environmental Health advised that maintenance costs have risen, although this was being looked at. There had been some reliance on agency staff, with associated costs, there was however a successful programme to turn some of those agency staff into permanent staff, which not only provided financial benefit, but also provided stability to the service. The partnership with Hertfordshire County Council remained strong and business was increasing.

In respect of Planning Control Fees, the Executive Member for Planning, Enterprise and Transport advised that £79,000 was awarded as costs relating to an appeal. Since then there had been two more successful appeals with costs awarded against the Council. These figures did not include the costs for the Council and as an indication the fees payable for legal fees associated with a recent public enquiry amounted to approximately £50,000. As the Local Plan progressed the Council has seen a number of aggressive applications, which the Council has had to defend rigorously and it was likely that more applications such as this would be made.

It was proposed and seconded that a figure of £62,500 be added to recommendation 2.4

RESOLVED:

- (1) That the report entitled First Quarter Revenue Monitoring 2018/19 be noted;
- (2) That the changes to the 2018/19 General Fund budget, as identified in table 3 and paragraph 8.2, a £30k increase in net expenditure be approved;
- (3) That the changes to the 2019/20 General Fund budget, as identified in table 3 and paragraph 8.2, a £55k decrease in net expenditure and that these will be incorporated in the draft revenue budget for 2019/20 be noted;
- (4) That the proposal, as outlined in paragraph 8.3, to recruit two additional officers to embed the principles of commercialisation and develop commercial activity across the authority be noted and the required adjustments within the overall budgetary framework to the 2018/19 budget of £62,500 be approved.

REASON FOR DECISION: 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.

26 MEDIUM TERM FINANCIAL STRATEGY 2019 TO 2024

The Executive Member for Finance and IT presented the report of the Service Director – Resources in respect of the Medium Term Financial Strategy 2019 to 2024.

The Executive Member for Finance and IT advised that the Medium Term Financial Strategy was an integral part of the budget cycle.

The future was more uncertain that it had been in the past and there were significant concerns regarding the nature of funding in the future and it was extremely unlikely that this Council would be a net beneficiary of funding decisions.

The Fair Funding Review and Business Rate retention would likely not benefit NHDC and the potential changes to the New Homes Bonus would add to the financial difficulties.

This meant that the Council would be reliant on commercialisation projects, Council Tax and any Business Rates that could be retained.

Large parts of the budget were allocated to business as usual.

Paragraph 2.12 set out the working assumptions for the next four years.

Primarily due to the savings from the waste contract, the position was significantly different from that presented last year, but it was still the case that revenue reserves needed to be retained at reasonably high levels in order to protect the Council.

It was assumed that the Council would make savings of £700,000 over the next four years and it was hoped that a substantial amount of this would come from commercialisation projects. It would be difficult for the Council to identify savings, unless the way in which services were delivered was changed therefore officers should be challenged to identify efficiencies.

Annex 1 of the report set out the budget assumptions and policies and it was the general view that this was the right way forward.

Following the vote it was:

RECOMMENDED TO COUNCIL: That the Medium Term Financial Strategy 2019-24 as attached at Appendix A be adopted.

REASON FOR DECISION: Adoption of a MTFs and communication of its contents will assist in the process of forward planning the use of Council resources and in budget setting for 2019/2020 to 2023/2024, culminating in the setting of the Council Tax precept for 2019/20 in February 2019.

27 AMENDMENT TO PERFORMANCE MANAGEMENT MEASURES FOR 2018/19

The Executive Member for Finance and IT presented the report of the Service Director – Resources in respect of an Amendment to Performance Management Measures for 2018/19.

The Executive Member for Finance and IT advised that the Council maintained a range of statutory and local performance indicators.

Indicator LI037 related to the previous Housing and Public Protection Service and concerned a general customer satisfaction survey measure for some of the Environmental Health, Housing, Community Safety and Licensing functions.

The recent restructure meant that responsibility for this indicator now fell under two separate Directorates and the method of conducting the survey was time consuming to administer and achieved a low number of responses.

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The proposal was to delete this indicator in its current form and enable the Service Directors to refresh and improve the approach to measuring customer satisfaction.

RESOLVED: That the deletion of performance indicator LI037, and its associated targets be approved.

REASON FOR DECISION: The recent restructure has meant that the Performance Indicator in its current format covers functions relating to more than one directorate. An historic lack of responses to the survey as a paper based exercise allows the opportunity to refresh and improve the way that this data is collected and reported.

The meeting closed at 9.20 pm

Chairman