

NORTH HERTFORDSHIRE DISTRICT COUNCIL

CABINET

MEETING HELD IN THE COUNCIL CHAMBER, DISTRICT COUNCIL OFFICES, GERONON ROAD, LETCHWORTH GARDEN CITY
ON TUESDAY, 29TH JUNE, 2021 AT 7.30 PM

MINUTES

Present: *Councillors: Elizabeth Dennis-Harburg (Chair), Paul Clark (Vice-Chair), Ian Albert, Amy Allen, Judi Billing, Sam Collins, Gary Grindal and Steve Jarvis*

Councillor Ian Mantle was present as Deputy Executive Member for Planning.

In Attendance: *Ian Couper (Service Director - Resources), Steve Crowley (Service Director - Commercial), Ian Fullstone (Service Director - Regulatory), Jeanette Thompson (Service Director - Legal and Community), Vaughan Watson (Service Director - Place), Chloe Gray (Commercial Officer), Andrew Mills (Service Manager - Greenspace), Nigel Smith (Strategic Planning Manager) and Matthew Hepburn (Committee, Member and Scrutiny Officer)*

Also Present: *At the commencement of the meeting approximately 1 member of the public. Councillor David Levett was present as Chair of the Overview and Scrutiny Committee for item 7.*

1 WELCOME

Audio Recording – 30 Seconds

The Chair welcomed everyone to the Cabinet meeting that was being held in the Council Chamber and advised that the meeting was being streamed live on the Council's YouTube channel and some Officers were joining online.

The Chair invited the Committee, Member and Scrutiny Officer to explain how proceedings would work.

The Committee, Member and Scrutiny Officer undertook a roll call of those officers joining the meeting online to ensure that they could hear and be heard and gave advice regarding the following:

- Voting; and
- Covid Risk Assessment Measures.

The Chair, Councillor Elizabeth Dennis-Harburg, started the meeting proper.

2 APOLOGIES FOR ABSENCE

Audio Recording – 3 Minutes 5 Seconds

Apologies for absence were received from Deputy Executive Members: Ruth Brown, Adem-Ruggiero-Cakir, Sean Prendergast and Carol Stanier.

Councillor Keith Hoskins, Chair of the Finance, Audit and Risk Committee also sent his apologies for absence.

3 MINUTES - 16 MARCH 2021

Audio Recording – 4 Minutes 5 Seconds

It was proposed by Councillor Elizabeth Dennis-Harburg, seconded by Councillor Paul Clark and upon being put to the vote, it was:

RESOLVED: That the Minutes of the Meeting of the Committee held on 16 March 2021 be approved as a true record of the proceedings and be signed by the Chair.

4 NOTIFICATION OF OTHER BUSINESS

Audio Recording – 4 Minutes 55 Seconds

There was no other business notified.

5 CHAIR'S ANNOUNCEMENTS

Audio Recording – 5 Minutes 3 Seconds

- (1) The Chair welcomed those present at the meeting, especially those who had attended to give a presentation;
- (2) The Chair advised that, in accordance with Council Policy, the meeting would be audio recorded;
- (3) Members were reminded that this Council had declared a Climate Emergency. This was a serious decision and meant that, as this was an emergency, all of us, officers and Members had that in mind as we carried out our various roles and tasks for the benefit of our District.
- (4) The Chair drew attention to the item on the agenda front pages regarding Declarations of Interest and 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.
- (5) The Chair advised that Item 8 regarding the Community Lottery Policies would be presented before Item 7 and Item 16 (the Part 2 Item) regarding the Grounds Maintenance Contract would be presented before Item 14 (the part 1 report on the same subject).

6 PUBLIC PARTICIPATION

Audio Recording – 6 Minutes 3 Seconds

There was no public participation.

7 ITEMS REFERRED FROM OTHER COMMITTEES

Audio Recording – 6 Minutes 40 Seconds

7a. Referral from Overview and Scrutiny Committee: 22 June 2021 – North Hertfordshire Community Lottery - New Policies

The Chair of the Overview and Scrutiny Committee, Councillor David Levett, presented the referral from the meeting of that Committee held on 22 June 2021.

The following recommendations had been made by the Committee:

- (1) That the age limit for playing the North Hertfordshire Community Lottery should be raised from 16 to 18, should legislation allow;
- (2) That consideration be given to putting a policy in place which would limit any one person to buying no more than £10 worth of tickets per week;
- (3) That the concerns and issues raised by the Overview and Scrutiny Committee, as detailed in the minutes of the Committee held on 22 June 2021, be taken into account when making its final decision on adopting these policies and the lottery

7b. Referral from Finance, Audit and Risk Committee: 23 June 2021 – Risk Management Update

The Chair advised that this referral would be considered with item 13.

7c. Referral from Finance, Audit And Risk Committee: 23 June 2021 – Revenue Budget Outturn

The Chair advised that this referral would be considered with item 11.

7d. Referral From Finance, Audit and Risk Committee: 23 June 2021 – Investment Strategy End of Year Review 2020/21.

The Chair advised that this referral would be considered with item 12.

8 NORTH HERTFORDSHIRE COMMUNITY LOTTERY - NEW POLICIES

Audio Recording – 9 Minutes

The Executive Member for Enterprise, the Arts and Transport, Councillor Sam Collins, presented the report entitled North Hertfordshire Community Lottery - New Policies.

Councillor Collins advised that the focus of the report was on the Community Lottery policies rather than the concept of the lottery itself as this was approved by Cabinet in December last year.

Councillor Collins further informed Cabinet that the reason behind the Council initiating a North Hertfordshire Community Lottery was due to central Government shortfalls in funding.

The Service Director – Commercial provided further information to Cabinet, including:

- There were policies in place to protect the people taking part in the lottery;
- The aim of the Community Lottery was to generate additional revenue in support of good causes such as local charities, community groups, sports clubs and schools within the District;
- The Community Lottery would support local groups and organisations to create and promote an additional funding stream;
- Members of the public/ community would be able to purchase tickets from the North Hertfordshire Community Lottery website and choose which group or organisation/s they wish to financially support via a lottery ticket sale;
- The Council would also benefit financially from each ticket sale, however at a lower monetary proportion than the groups.
- The lottery would not encourage gambling as players decide where the money should go;
- 50% of ticket sales would go directly to good causes;
- Every Council that had a Community Lottery spoke positively about it;
- Gatherwell (External Lottery Manager) had been in place for 8 years. In that time, there had been no reports of gambling problems or issues with vulnerable people; and
- Gatherwell was audited on an annual basis by the Gambling Commission.

The Service Director – Commercial drew Members' attention to the Addendum Report which contained his responses to the recommendations put forward by the Overview and Scrutiny Committee:

- The minimum age to purchase a ticket could not be increased from 16 to 18 years old;
- The maximum number of tickets that can be purchase in one transaction is 20; and;
- Tickets could only be purchased using a Debit Card.

The Service Director – Commercial informed Cabinet that in order to allow for Call-in, the decision to proceed with the Gambling Licence application would be moved to 7 July 2021 instead of 30 June 2021 as originally stated in the report.

The following Members asked questions and/or raised comments:

- Councillor Judi Billing; and
- Councillor Ian Albert.

Once discussions had concluded, Councillor Judi Billing proposed that in order to allow for more cross-party dialogue and to enable Cabinet more time to consider the policies, the implementation of the new policies associated with launching and delivering the North Hertfordshire Community Lottery be postponed.

Councillor Ian Albert seconded Councillor Billing's proposal.

To clarify matters, the Service Director – Legal and Community/Monitoring Officer asked if the item was to be adjourned until the next Cabinet meeting or adjourned to allow for Officer delegated decision in consultation with the Executive Member.

In response, Councillor Elizabeth Dennis-Harburg requested that the report be reconsidered and decided by Cabinet at the next meeting.

It was voted upon and:

RESOLVED: That consideration of the new policies associated with launching and delivering the North Hertfordshire Community Lottery be postponed until the next Cabinet meeting (20 July 2021).

REASON FOR DECISION: To allow for appropriate consideration by Cabinet and Members Cross-Party.

9 STRATEGIC PLANNING MATTERS

Audio Recording – 24 Minutes 54 Seconds

The Executive Member for Planning, Councillor Paul Clark, presented the report entitled Strategic Planning Matters along with the following appendices:

- Appendix A – NHDC response to Central Bedfordshire Main Modifications Consultation;
- Appendix B – NHDC Response to Ashwell Neighbourhood Plan Consultation;
- Appendix C – NHDC Response to Knebworth Neighbourhood Plan Consultation.

Strategic Planning Manager informed Cabinet that in relation to the third recommendation, the purpose was to broaden the use of the existing planning reserve to deal with the delivery of the Local Plan.

Councillor Sam Collins, Executive Member for Enterprise, the Arts and Transport, advised that there were concerns over the proposed developments in Central Beds as they had an impact on traffic levels in North Herts as well as causing problems for parking in the town centres. Councillor Collins also highlighted that Hitchin already had poor air quality owing to traffic levels.

Councillor Ian Mantle, Deputy Executive Member for Planning, raised that it was important that Central Beds were aware people used various forms of transport to get into North Herts from Central Beds and vehicles were not the only form of transport.

Councillor Ian Mantle also raised that it was important Hertfordshire County Council worked in conjunction with Central Bedfordshire in terms of bus provision as there were bus routes that passed through both Counties.

Upon being put to the vote, it was:

RESOLVED:

- (1) That the report on Strategic Planning Matters be noted
- (2) That the correspondence in Appendices A to C be noted and endorsed by Cabinet.
- (3) That the use of the reserve from the additional planning income in 2017/18 be extended to include the delivery of the Local Plan as per paragraph 10.4

REASON FOR DECISIONS: To keep Cabinet informed of recent developments on strategic planning matters and progress on the North Hertfordshire Local Plan.

10 BALDOCK, BYGRAVE AND CLOTHALL NEIGHBOURHOOD PLAN

Audio Recording – 33 Minutes 10 Secs

The Executive Member for Planning, Councillor Paul Clark, presented the report entitled Baldock, Bygrave and Clothall Neighbourhood Plan.

Councillor Sam Collins raised that archaeology was something that people needed to be aware of in that area as it was likely to turn up in a development in Baldock.

Upon being put to the vote, it was:

RESOLVED:

- (1) That the result of the referendum for the Baldock, Bygrave and Clothall Neighbourhood Plan is noted.
- (2) That the Baldock, Bygrave and Clothall Neighbourhood Plan be made as part of the statutory Development Plan for North Hertfordshire.

REASONS FOR DECISIONS:

- (1) As previously reported to Cabinet, the Baldock, Bygrave and Clothall Neighbourhood Plan has successfully been examined by an independent examiner and the referendum held on May 6th 2021 voted in favour of “making” the neighbourhood plan becoming part of the statutory development plan for North Hertfordshire.
- (2) Neighbourhood plans have normally been “made” by delegated authority, as approved by Cabinet in July 2018 (Minute 21). However, the designated neighbourhood planning area for Baldock, Bygrave and Clothall covers more than two wards and “making” the neighbourhood plan is therefore a key decision which must be taken by Cabinet.

11 REVENUE BUDGET OUTTURN 2020/21

Audio Recording – 36 Minutes 14 Seconds

The Executive Member for Finance and IT presented the report entitled Revenue Budget Outturn 2020/21, including:

- The final quarter saw a significant reduction in forecast spend. The most significant element of this was the decrease in the support required by SLL, due to reducing utility costs (such as by reducing the pool temperatures) and use of furlough;
- All of the other significant variances were detailed in table 2 starting on page 99;
- It should be noted that £317k of the forecast movement were areas of spend that were now planned to be delivered in 2021/22;
- In relation to the parking income position at the bottom of page 104 there were a couple of typos. The total at the bottom in bold for the working budget should be 1,338 and the equivalent number for the outturn should be 1,278. The variance is correct, and all the other numbers in the table are correct;
- Table 6 on page 110 detailed the year end budget impact of Covid-19. The final sales, fees and charges contribution from Government had yet to be confirmed, but assuming that there were no issues with our claim, then the net impact was a £1.5m additional cost;

- Table 7 on page 111 showed the impact on the General Fund, which had a balance at the start of the year of just under £9.4m and a year end position (subject to audit) of almost £8.9m. This was just under a £500k reduction;
- The difference between this and the Covid-19 impact was made up (1) other variances that were not due to Covid-19, (2) total carry-forwards of £719k which would increase spend and therefore decrease the General Fund balance in 2021/22 and (3) the position in relation to sources of funding which was explained on pages 107-109; and
- The transfers to and from reserves on page 112/3 would be referred on to Full Council for approval.

The Service Director – Resources presented the referral from the Finance, Audit and Risk Committee held on 23 June 2021. The Service Director advised Cabinet that the FAR Committee had had a good discussion over matters in the report, particularly the parking income figures and the Income Guarantee.

Upon being put to the vote, it was:

RESOLVED:

- (1) That the report entitled Revenue Budget Outturn 2020/21 be noted;
- (2) That a decrease of £866k in the 2020/21 net General Fund expenditure, as identified in table 3 and paragraph 8.1, to a total of £19.379million, be approved;
- (3) That the changes to the 2021/22 General Fund budget, as identified in table 3, paragraph 8.2 and paragraph 8.3, a total £377k increase in net expenditure be approved.

RECOMMENDED TO COUNCIL: That the net transfer to earmarked reserves, as identified in table 8, of £11.464million, 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.

12 INVESTMENT STRATEGY (CAPITAL AND TREASURY) END OF YEAR REVIEW 2020/21

Audio Recording – 44 Minutes

The Service Director – Resources presented the referral from the Finance, Audit and Risk Committee held on 23 June 2021. The Service Director advised Cabinet that the FAR Committee had had a good discussion and were happy to forward the report to Cabinet.

The Executive Member for Finance and IT, Councillor Ian Albert, then presented the report entitled Investment Strategy (Capital And Treasury) End of Year Review 2020/21, including:

- The position on capital was summarised by the table on page 120. The intention at this time last year was that the Council would spend £13.4m this year.
- The outturn position was that the Council had spent under £2m;
- The lower than forecast spend meant that the Council had funded all their capital spend from contributions and capital reserves;

- Over £700k had been added to capital reserves during the year from finalising sales on surplus land and buildings;
- The position on treasury was summarised in paragraphs 8.11 through to 8.20, with more detail in Appendix B. The rates of return had been drastically impacted by Covid-19 with the average rate on new deals just 0.17%. There was little prospect that these rates would increase back up very quickly.
- As detailed in paragraph 8.20, the Council were progressing with new long-term investments in a property fund and multi-asset fund. These would help diversify our portfolio of investments, and it was hoped to provide a yield in line with the longer term investment risk being taken. This was being supported by the Council's treasury advisers.

Upon being put to the vote, it was:

RESOLVED:

- (1) That the expenditure of £1.883million in 2020/21 on the capital programme, paragraph 8.3 refers, and in particular the changes detailed in table 3 which resulted in a net increase on the working estimate of £0.001million, 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 2021/22 by £0.522million (£0.527million re-profiled from 2020/21 and £0.005million from 2021/22 re-profiled into 2020/21), be approved.
- (3) That the position of the availability of capital resources, as detailed in table 4 paragraph 8.8 and the requirement to keep the capital programme under review for affordability, be noted.
- (4) That the application of £1.224million of capital receipts towards the 2020/21 capital programme and the drawdown of £0.417million from set aside receipts, paragraph 8.8 refers, be approved;
- (5) That the position of Treasury Management activity as at the end of March 2021, be noted.
- (6) That the report entitled Investment Strategy (Capital and Treasury) End of Year Review 2020/21 be recommended to Council.

RECOMMENDED TO COUNCIL:

- (1) That the actual 2020/21 prudential and treasury indicators be approved;
- (2) That the annual Treasury Report for 2020/21 be noted.

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.

13 RISK MANAGEMENT QUARTERLY UPDATE AND ANNUAL REPORT

Audio Recording – 49 Minutes 22 Seconds

The Executive Member for Finance and IT, Councillor Ian Albert, presented the report entitled Risk Management Quarterly Update And Annual Report, including:

- Two risks had been considered by Risk Management Group this quarter as detailed in recommendation 2.1; and
- The proposal was that the Cyber risk remained unchanged and the risk score for the Brexit (EU transition) risk be reduced to a 5.

The Service Director – Resources presented the referral from the Finance, Audit and Risk Committee on 23 June 2021 and advised that FAR were happy to forward the report and recommendations to Cabinet.

Councillor Sam Collins raised that although the Brexit EU Transition Risk had decreased, it was important to be mindful that the risk could increase again.

Upon being put to the vote, it was:

RESOLVED:

- (1) That the reviews of the Corporate Risks for the quarter, namely the review of the Cyber risks with no change to the Current risk score of 8 and a Target Risk score of 6 and the review of the Brexit (EU Transition) Risk with a decrease in the Current risk score from a 7 to a 5, and a Target risk score of 3, be noted;
- (2) That the Annual report on Risk Management be noted.

RECOMMENDED TO COUNCIL:

- (1) That the Annual Report on Risk Management be noted.

REASONS FOR DECISIONS:

- (1) The responsibility for ensuring the management of risks is that of Cabinet.
- (2) This Committee has responsibility to monitor the effective development and operation of Risk Management.

14 EXCLUSION OF PRESS AND PUBLIC

Audio Recording – 52 Minutes

Councillor Elizabeth Dennis-Harburg proposed and Councillor Paul Clark seconded.

Upon being put to the vote, it was:

RESOLVED: That under Section 100A of the Local Government Act 1972, the Press and Public be excluded from the meeting on the grounds that the following report will involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the said Act (as amended).

15 GROUNDS MAINTENANCE CONTRACT REVIEW

No Audio Recording taken

The Executive Member for Environment and Leisure, Councillor Steve Jarvis, presented the report entitled Grounds Maintenance Contract Review.

Following a discussion, it was voted upon and:

RESOLVED: That the Part 2 report entitled Grounds Maintenance Contract Review be noted.

REASON FOR DECISION: A contract review process has been undertaken in the lead up to an agreed possible break point (31st March 2022) within the existing contract with John O’Conner Grounds Maintenance Ltd (JOC). The review was via a series of Project Board Meetings undertaken between January 2021 and May 2021. Additionally, this is the ideal opportunity to adjust the existing contract standards to accommodate the “Wilding” agenda and the economic impacts of Covid 19 upon the authority’s finances.

16 GROUNDS MAINTENANCE CONTRACT REVIEW

Audio Recording – 1 Hour 3 Minutes 18 Seconds

The Committee, Member and Scrutiny Officer undertook a roll call to ensure that the Officers joining remotely had successfully re-joined the Part 1 meeting.

The Executive Member for Environment and Leisure, Councillor Steve Jarvis, presented the report entitled Grounds Maintenance Contract Review, including:

- The report looked at whether to extend the Grounds Maintenance contract or make changes to it in order to help the Council meet its environmental and climate change objectives as well as cost savings; and
- Specific considerations regarding the specific proposals were identified in the table at Paragraph 8.3 within the report.

The following Members asked questions and/or made comment:

- Councillor Ian Albert;
- Councillor Gary Grindal; and
- Councillor Ian Mantle.

In response to questions and points raised, the Executive Member advised:

- It was an achievement that changes to the contract would allow the Council to meet its environmental objectives whilst at the same time saving money;
- Communication work was key and needed to be done in order to ensure the public were aware of the areas where grass maintenance would be visibly different;
- There were complications over the maintenance of street trees.

Upon being put to the vote, it was:

RESOLVED:

- (1) That the existing contract with John O'Conner Grounds Maintenance Ltd is not retendered and that the specification is varied to accommodate 2.1.2 below, be approved
- (2) That the contract review process has identified an annual saving, as detailed in the Part 2 report, which is implemented from the 1st April 2022 for a period of 10 years with a mutual break clause after 5 years. This will extend the current arrangements with John O'Conner Grounds Maintenance Ltd by a further 5 years up to 2032, be approved;
- (3) That the future Greenspace Management Strategy from April 2022 - 2027 reflects the proposals that make up the savings value as identified in 2.1.2 above, be approved;
- (4) That the proposed approach to the structure of the Greenspace Team as discussed in section 15 of the report and detailed within the Part 2 report be approved and adopted.

REASON FOR DECISIONS: A contract review process has been undertaken in the lead up to an agreed possible break point (31st March 2022) within the existing contract with John O'Conner Grounds Maintenance Ltd (JOC). The review was via a series of Project Board Meetings undertaken between January 2021 and May 2021. Additionally, this is the ideal opportunity to adjust the existing contract standards to accommodate the "Wilding" agenda and the economic impacts of Covid 19 upon the authority's finances.

The meeting closed at 8.43 pm

Chair