

NORTH HERTFORDSHIRE DISTRICT COUNCIL

CABINET

MEETING HELD IN THE COUNCIL CHAMBERS, DISTRICT COUNCIL OFFICES, GERON ROAD, LETCHWORTH GARDEN CITY, SG6 3JF
ON TUESDAY, 31ST JANUARY, 2023 AT 7.30 PM

MINUTES

Present: *Councillors: Councillor Elizabeth Dennis-Harburg (Chair), Ruth Brown, Ian Albert, Keith Hoskins, Amy Allen, Steve Jarvis and Sean Prendergast*

In Attendance:

Nigel Smith (Strategic Planning Manager), Anthony Roche (Managing Director), James Lovegrove (Committee, Member and Scrutiny Manager), Ian Fullstone (Service Director - Regulatory), Ian Couper (Service Director - Resources), Isabelle Alajooz (Legal Commercial Team Manager and Deputy Monitoring Officer), Eleanor Hopcraft (Committee, Member & Scrutiny Officer), Martin Lawrence (Strategic Housing Manager) and Anne Banner (Benefits Manager)

Also Present:

At the commencement of the meeting approximately 2 members of the public, including registered speakers.

158 APOLOGIES FOR ABSENCE

Audio recording – 2 minutes 24 seconds

There were no apologies for absence received.

159 MINUTES - 13 DECEMBER 2022

Audio Recording – 2 minutes 37 seconds

Councillor Elizabeth Dennis-Harburg, as Chair, proposed and Councillor Ruth Brown seconded and, following a vote, it was:

RESOLVED: That the Part 1 Minutes of the Meeting of the Committee held on 13 December 2022 be approved as a true record of the proceedings and be signed by the Chair.

160 NOTIFICATION OF OTHER BUSINESS

Audio recording – 3 minutes 20 seconds

There was no other business notified.

161 CHAIR'S ANNOUNCEMENTS

Audio recording – 3 minutes 26 seconds

- (1) The Chair advised that, in accordance with Council Policy that the meeting was being audio recorded as well as filmed. The audio recording would be available on Mod Gov or via the Council's YouTube Channel.

- (2) The Chair reminded Members that the Council has declared a Climate Emergency. This was a serious decision and means 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. More details were included on the agenda front sheet.
- (3) The Chair reminded Members to make declarations of interest before an item, the detailed reminder about this and speaking rights was set out under the Chair's Announcements in the Agenda.
- (4) The Chair advised for purposes of clarification that 4.8.23(a) of the constitution did not apply to this meeting.

162 PUBLIC PARTICIPATION

Audio recording – 4 minutes 38 seconds

The Chair advised that Bernard Lovewell and Martin Stears-Hanscomb from the Black Squirrel Credit Union were present to provide a presentation. This would be given before the presentation of Item 9 'The Allocation of the DLUHC Grant'.

163 ITEMS REFERRED FROM OTHER COMMITTEES

Audio recording – 5 minutes 9 seconds

The Chair advised that the two items referred from the Finance, Audit and Risk Committee would be taken with the respective items on the agenda.

164 DEVELOPER CONTRIBUTIONS SPD

Audio Recording – 5 minutes 36 seconds

Councillor Ruth Brown presented the report entitled 'Developer Contributions SPD' and advised of the following:

- In September, Members voted to send the draft Developer Contributions SPD to public consultation and this had now been completed.
- Following the close of the consultation, amendments were made to the SPD and it was now recommended for adoption.
- This SPD was crucial for ensuring the developers make a fair contribution to infrastructure when planning permission is granted.
- The SPD provided clarity, certainty and consistency and especially secured contributions for environmental measures.
- It gave the Council's Planning Officers a policy platform for negotiations with developers to get the best for the community.

The following Members asked questions:

- Councillor Steve Jarvis

In response to those questions, Councillor Brown advised:

- There would be a timeline for the additional SPDs and updates, including the Sustainability SPD.

Nigel Smith, Strategic Planning Manager, advised:

- It was up to the Council when SPDs would be updated, and they can be updated when needed.

Councillor Brown proposed and Councillor Ian Albert seconded and, following a vote, it was:

RESOLVED:

- (1) That the Developer Contributions SPD, attached as Appendix A to the report, was adopted.
- (2) That the 2006 Planning Obligations SPD was revoked.
- (3) That delegated authority was granted to the Service Director – Regulatory in consultation with the Executive Member for Planning and Transport to make any minor non-material corrections (including but not limited to cosmetic additions of presentational alterations) to the adopted Developer Contributions SPD as considered necessary for publication and publicity in accordance with the relevant regulations.

REASON FOR DECISIONS

- (1) To allow the Developer Contributions SPD to be adopted so that it can support the delivery of the policies in the recently adopted Local Plan and ensure an efficient process of securing developer contributions across the District.

165 STRATEGIC PLANNING MATTERS

Audio recording – 9 minutes 21 seconds

Councillor Ruth Brown presented the report entitled 'Strategic Planning Matters' and advised of the following:

- The Sustainability SPD was expected in March, the Biodiversity SPD expected June/July and the Design Code SPD in Autumn.
- Master Planning processes were well underway, with a webpage to look at applications in the Master Planning stage.
- Strategic Sites and Master Planning Board remit was being widened to include the Executive Member for Environment and Leisure and the Officer for Climate Change.
- There were lots of planning reforms proposed in the Levelling up and Regeneration Bill.
- The Hertfordshire Infrastructure Partners Planning and Partnership Board had a discussion around this, with a joint response being submitted across Hertfordshire and local authorities submitting individual responses.
- Article 4 Directions for Town Centres had been previously adopted.
- LCWIP adoption had been delayed due to significant comments from residents, and County Council had not had the time to respond.
- It was important the comments from residents were taken into consideration.
- Herts County Council had confirmed this will not risk the accessibility of funds.
- The tender for the EV charging points in North Hertfordshire car parks had closed and was under evaluation.

The following Members asked questions:

- Councillor Amy Allen

In response to the questions Councillor Brown advised:

- The current decision was not to have the Executive Member for Recycling and Waste on the Strategic Sites and Master Planning Board.

Nigel Smith, Strategic Planning Manager, advised:

- Other Executive Members could attend the Strategic Sites and Master Planning Board by invitation.
- Ward members could also attend with certain Strategic Sites are being discussed.

The Chair commented that it was important that the Executive Member for Recycling and Waste was included in discussions when relevant to the portfolio.

Councillor Brown proposed and Councillor Dennis-Harburg seconded and, following a vote, it was:

RESOLVED: That Cabinet:

- (1) Noted the report.
- (2) Noted and endorsed the Officer responses attached as Appendices A to C.

REASON FOR DECISIONS:

- (1) To keep Cabinet informed of recent developments on strategic planning matters.

166 THE ALLOCATION OF DLUHC HOMELESSNESS GRANT

Audio Recording – 16 minutes 25 seconds

The Chair invited Bernard Lovewell and Martin Stears-Hanscomb, Black Squirrel Credit Union (BSCU), to provide a presentation.

Mr. Lovewell and Mr. Stears-Hanscomb thanked the Chair, gave a presentation, with slides and advised:

- BSCU commenced operations in July 2002.
- They operated in North Hertfordshire and surrounding areas and used savings to provide loans at a low interest rate of 1%.
- BSCU had 1028 members, with £908k in active loans.
- The number of loans provided by the Credit Union had fluctuated over the years.
- In 2010, the BSCU formed a partnership with North Hertfordshire District Council.
- The Grant Fund had covered provisions for bad debt, administration and legal fees for the BSCU.
- The partnership had many benefits, including quick payments to those in need and reduced costs due to an in-house administration and legal team.

The following Members asked questions:

- Councillor Ian Albert

In response to the question, Mr. Lovewell and Mr. Stears-Hanscomb advised:

- The decreased number of loans in 2023 could be due to residents deciding to move out of the district to cheaper housing.
- There was still a demand for loans, but the figures varied year to year.

Martin Lawrence advised that the private rented sector was unpredictable, which had led to some residents to rent in cheaper areas outside of the district. Further, many residents could not afford to take out a loan.

Members thanked Mr. Lovewell and Mr. Stears-Hanscomb for their work with the BSCU.

Mr. Stears-Hanscomb thanked the Chair and the Housing Team and commented on the good relationship that the BSCU had with the Council.

The Chair thanked Mr. Lovewell and Mr. Stears-Hanscomb for their presentation.

Councillor Sean Prendergast presented the report entitled 'The Allocation of DLUHC Homelessness Grant' and advised of the following:

- The report covered recommendations 2.1 to 2.5.
- There was an additional recommendation in relation to 2.6.
- Section 8.1.1 outlined the intended £63.2K grant to the Black Squirrel Credit Union.
- Sections 8.1 to 8.9 covered the subsidy loss issues, and section 8.7 highlighted the national issues with accommodation.
- There was a large amount of subsidy loss in relation to hotels. However, the Council was able to use a higher subsidy rate to increase to rate reclaimable from the Department of Work and Pensions.
- Section 8.12 covered the intended £6.8k grant to the Herts County Council Crashpad scheme, which provided emergency accommodation to homeless young people.
- Section 8.13 covered the intended £80k grant to Beam, a social enterprise organisation that supported individuals at risk of homelessness by accessing privately rented accommodation and job opportunities.
- An addendum to section 8.6 Local Authority Housing Fund. There were difficulties supporting this scheme, and the government timescales were unrealistic.

Anthony Roche, Managing Director, provided a verbal update and advised:

- Since publication of the addendum report, the Council had continued to work to find a way to make the scheme viable.
- In relation to RP4, while the LHA were keen to make the scheme work, it would not work financially.
- In relation to RP5, other enquiries had been made, with no response.
- The Council had been checking in with other Local Authorities to try and make the scheme viable.
- Settle had put forward one large property under the bridging allocation, and two smaller properties under the main allocation.
- There was potential to submit this to government for decision.
- The funding prospectus validation form was not a commitment, with an extra month to liaise with settle to work on detail before signing a Memorandum of Settlement.
- Other Hertfordshire local authorities may only deliver one large property under the bridging element with many smaller properties under the main element.

Councillor Prendergast proposed and Councillor Dennis-Harburg seconded the recommendations.

The Chair commented on the frustration felt on succeeding and delivering this project in a short timeframe. She commended the Officers and Settle for their work in delivering the project, and that submitting the validation form on 3 February 2023 would be the best step forward.

Councillor Brown commented on her support on the project and commented on the need to put in the validation form to support those who need housing.

N.B Councillors Ian Albert and Keith Hoskins advised that they Board Members of the Black Squirrel Credit Union and therefore would not take part on the vote on recommendation 2.4.

Councillor Prendergast proposed and Councillor Dennis-Harburg seconded and after a vote, it was:

RESOLVED: That Cabinet:

- (4) Approved allocations of HPG for 2022/23 to the Black Squirrel Credit Union (£63.2k), Herts County Council Crashpad Service (£6.8k) and Beam (£80k).

Councillor Prendergast proposed and Councillor Dennis-Harburg seconded and after a vote, it was:

RESOLVED: That Cabinet:

- (1) Noted the allocation of HPG funding (2022/23) of £40k to cover the Department of Work and Pensions (DWP) subsidy loss on the Keystage Housing service for the most recent period (Until the end of December 2022) and authorised HPG usage for the projected cost of a further £15k to end of the current financial year.
- (2) Approved the allocation of future HPG allocations to cover DWP subsidy loss created by the accommodation of homeless people in future years, to be included as part of the quarterly budget monitoring process.
- (3) Noted the corporate Financial Risk concerning the cost of measures to address homelessness will be broadened to include DWP subsidy loss.
- (5) Agreed that any remaining HPG for 2022/23 be allocated by the Director of Regulatory Services in consultation with the Executive Member for Housing and Environmental Health.
- (6) Noted the DLHUC's single Homelessness Accommodation Programme and its Local Authority Housing Fund.
- (7) Noted the update on the Local Authority Housing Fund and wished to support the scheme if it can. Therefore, as Settle has indicated that it was able to provide one larger property and two smaller properties, if that was at a social rent the Council would submit the validation form seeking to pursue that opportunity.
- (8) Requested that Officers feedback to government the difficulties with the scheme, which have prevented the Council taking the full allocation.
- (9) Delegated to the Service Director Regulatory and the Service Director Resources, in consultation with the Executive Member for Housing and Environmental Health and Executive Member for Finance and IT, the final decision on submission of the validation form.

REASON FOR DECISIONS

- (1) The Council's Housing Strategy 2019-2024 outlines the Council's support for residents with housing challenges and the collective measures outlined in paragraph 2 will benefit

homeless people locally, providing support for targeted interventions that will prevent and relieve homelessness.

167 REVENUE BUDGET 2023/24

Audio Recording – 54 minutes 44 seconds

Ian Couper, Service Director – Resources, presented the referral from the Finance, Audit and Risk Committee. He commented that the Committee was interested in the general funding, balance calculations and various budget risks that were outlined in the report. He summarised that the Finance, Audit and Risk Committee were happy to pass this referral on to Cabinet for consideration.

Councillor Ian Albert, the Executive Member for Finance and IT, presented the report entitled 'Revenue Budget 2023/24' and advised:

- The report covered various elements of setting the budget for 2023/24.
- Overall, the Government settlement was better than forecast but was less than inflation, which would have an impact on the Council and its residents.
- Paragraph 8.24 advised that the medium and short term positions were better than forecast, so less reserves would be used.
- Based on current forecasts, the Council could afford to be slower with the delivery of savings so that they could hopefully be delivered when the Cost-of-Living crisis had subsided, but overall needed to deliver annual savings of £2.5million in future.
- Paragraph 8.27 detailed uncertainties that may affect saving levels and timings.
- Paragraph 8.22 advised that it was sensible to set aside a central budget for the ongoing impacts of COVID, which would need to be reviewed.
- The report advised a Council Tax increase of 2.99%, which would maintain services in the medium term.
- The Capital Programme would be reviewed as there was significant revenue impacts arising from the forecasted capital spends.
- Overall, the Revenue Budget for 2023-2024 was prudent and affordable.
- The Executive Member proposed an additional recommendation which would create a Community Wealth Fund for one year, totalling £100k.

The Chair commented that she was pleased the additional recommendation had made it to Cabinet, as it would support communities across the district.

Councillor Steve Jarvis commented on the amendment of the Capital Programme that would reduce the proposal to expand the Mausoleum. He asked the Service Director: Resources about how the Mausoleum reserve would be distributed elsewhere.

Councillor Jarvis also commented that following a successful 2-week extension of the opening times of the Outdoor Pool in Letchworth this summer at low costs, there was chance to extend it by 4 weeks this upcoming summer.

In response to Councillor Jarvis, Ian Couper advised:

- He was made aware of the Mausoleum item after the two reports were written.
- The Mausoleum item had three knock-on impacts: reduce the savings in future years, remove the capital line in relation to the building of the new Mausoleum and release the Mausoleum specific reserve back into the General Fund reserve.

Councillor Albert and Councillor Dennis-Harburg seconded and after a vote, it was:

RECOMMENDED TO COUNCIL: That Council

- (1) Notes the position on the Collection fund and how it will be funded.
- (2) Notes the position relating to the General Fund balance and that due to the risk identified a minimum balance of £2.5million was recommended.
- (3) Notes the net revenue savings that are likely to be required in future years, combined with the Chief Finance Officer's commentary on the reliability of estimates and the resilience index.
- (4) Approves the revenue savings and investments as detailed in Appendix B.
- (5) Approves a net expenditure budget of £18.123m, as detailed in Appendix C.
- (6) Approves a Council Tax increase of 2.99%, which was in line with the provisions in the Medium term Financial Strategy.
- (7) Approves that the revenue investment for leisure centre condition surveys (as detailed in Appendix B, reference R13) was brought forward so that it can be spent in 2022/23.
- (8) Approves an additional revenue investment (for 2023/24 only) to create a Community Wealth Fund of £100k to support the local community in delivering projects that have wider community benefits.

REASON FOR REFERRALS:

- (1) To ensure that all relevant factors are considered in arriving at a budget and Council Tax level for 2023/24 as set out in the Council Plan.

168 INVESTMENT STRATEGY (INTEGRATED CAPITAL AND TREASURY)

Audio Recording – 65 minutes 51 seconds

Ian Couper, Service Director: Resources presented the referral from the Finance, Audit and Risk Committee. He advised that Members of the Committee asked questions on different report aspects. He highlighted a section in the Investment Strategy that centred around where possible, seeking to invest in green and ESG investments. There was presentation issue between the Budget and Investment Reports, but that did not have a material impact, and this would be updated before the next Council meeting. In summary, the Finance, Audit and Risk Committee were happy to refer this report to Cabinet for consideration.

Councillor Ian Albert, the Executive Member for Finance and IT, presented the report entitled 'Investment Strategy (Integrated Capital and Treasury)' and advised of the following:

- The report detailed the Capital Programme and Treasury Management.
- The Executive Member highlighted an error in paragraph 5.1 in relation to CCTV cameras. The figure was £0.15million, not £0.015million, but that numbers were correct in the workings and appendix.
- The Capital Spend had a revenue impact in terms of minimum revenue provision and had lost investment interest.
- The Capital Programme needed to be kept under review.
- It was proposed to change the sovereign (country) rating of investments in non-UK banks from AAA to A- to allow more countries to pass and to diversify investments.
- The Council were looking to make investments that meet green and ESG criteria, where these are available.

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- Following the discussion around LHAF, if the Council was planning to pass funding straight through to another party, it should be added to the Capital Programme.
- It was likely that the Capital Programme would need amending to accommodate this.
- In relation to the error identity by FAR, the Service Director confirmed that the presentational difference had no material impact on the report and the appendix will be updated to reflect this before the Council meeting.

Councillor Ian Albert proposed and Councillor Amy Allen seconded and, following a vote, it was:

RECOMMENDED TO COUNCIL: That Council:

- (1) Approves the adoption of the Investment Strategy (as attached at Appendix A), including the capital programme and prudential indicators.
- (2) Approves the adoption of the four clauses in relation to the Code of Practice on Treasury Management (as detailed in Paragraphs 8.11 to 8.16).

REASON FOR REFERRALS:

- (1) To ensure that the capital programme meets the Council's objectives and officers can plan the implementation of the approved schemes.
- (2) To ensure the Council's compliance with the CIPFA's code of practice on Treasury Management, the Local Government Act 2003, statutory guidance from the Department of Levelling Up, Housing and Communities (DLUHC) and the CIPFA Prudential Code. As well as determining and managing the Councils risk appetite in respect of investments.

The meeting closed at 8.40 pm

Chair