

20 September 2023

Our Ref Council/28 September 2023  
Contact. Committee Services  
Direct Dial. (01462) 474655  
Email. [Committee.Services@north-herts.gov.uk](mailto:Committee.Services@north-herts.gov.uk)

To: The Chair and Members of North Hertfordshire District Council

**NOTICE IS HEREBY GIVEN OF A**

**MEETING OF THE COUNCIL**

to be held in the

**COUNCIL CHAMBER, DISTRICT COUNCIL OFFICES, GERNON  
ROAD, LETCHWORTH**

on

**THURSDAY, 28 SEPTEMBER 2023**

at

**7.30 PM**

Yours sincerely,

Jeanette Thompson  
Service Director – Legal and Community

**\*\*MEMBERS PLEASE ENSURE THAT YOU DOWNLOAD ALL AGENDAS AND REPORTS VIA THE MOD.GOV APPLICATION ON YOUR TABLET BEFORE ATTENDING THE MEETING\*\***

## **Agenda** **Part I**

<b>Item</b>		<b>Page</b>
<b>1.</b>	<b>APOLOGIES FOR ABSENCE</b>	
<b>2.</b>	<b>MINUTES - 13 JULY 2023</b> To take as read and approve as a true record the minutes of the meeting of the Committee held on the 13 July 2023.	5 - 22
<b>3.</b>	<b>NOTIFICATION OF OTHER BUSINESS</b> Members should notify the Chair of other business which they wish to be discussed at the end of either Part I or Part II business set out in the agenda. They must state the circumstances which they consider justify the business being considered as a matter of urgency.  The Chair will decide whether any item(s) raised will be considered.	
<b>4.</b>	<b>CHAIR'S ANNOUNCEMENTS</b> <u>Climate Emergency</u> The Council has declared a climate emergency and is committed to achieving a target of zero carbon emissions by 2030 and helping local people and businesses to reduce their own carbon emissions.  A Cabinet Panel on the Environment has been established to engage with local people on matters relating to the climate emergency and advise the council on how to achieve these climate change objectives. A Climate Change Implementation group of councillors and council officers meets regularly to produce plans and monitor progress. Actions taken or currently underway include switching to green energy, incentives for low emission taxis, expanding tree planting and working to cut food waste.  In addition the council is a member of the Hertfordshire Climate Change and Sustainability Partnership, working with other councils across Hertfordshire to reduce the county's carbon emissions and climate impact.  The Council's dedicated webpage on Climate Change includes details of the council's climate change strategy, the work of the Cabinet Panel on the Environment and a monthly briefing on progress.	

### Declarations of Interest

Members are reminded that any declarations of interest in respect of any business set out in the agenda, should be declared as either a Disclosable Pecuniary Interest or Declarable Interest and are required to notify the Chair of the nature of any interest declared at the commencement of the relevant item on the agenda. Members declaring a Disclosable Pecuniary Interest must withdraw from the meeting for the duration of the item. Members declaring a Declarable Interest, wishing to exercise a 'Councillor Speaking Right', must declare this at the same time as the interest, move to the public area before speaking to the item and then must leave the room before the debate and vote.

#### **5. PUBLIC PARTICIPATION**

To receive petitions, comments and questions from the public.

#### **6. QUESTIONS FROM MEMBERS**

23 - 24

To consider any questions submitted by Members of the Council, in accordance with Standing Order 4.8.11 (b).

#### **7. NOTICE OF MOTIONS**

25 - 26

To consider any motions, due notice of which have been given in accordance with Standing Order 4.8.12.

#### **8. FINANCIAL SYSTEM BUDGET**

27 - 32

##### **REPORT OF SERVICE DIRECTOR - RESOURCES**

To inform Council of the expected benefits and costs of the new finance software system.

#### **9. EXCLUSION OF PRESS AND PUBLIC**

To consider passing the following resolution:

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).

#### **10. SETTLE PENSION AGREEMENT - PART 2**

33 - 48

##### **REPORT OF THE SERVICE DIRECTOR – RESOURCES**

To consider a new pension Admission Agreement with settle and the extent of any risk that the Council is taking on in acting as a guarantor.

#### **11. SETTLE PENSION AGREEMENT - PART 1**

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##### **REPORT OF THE SERVICE DIRECTOR – RESOURCES**

As included in Part 2.

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## NORTH HERTFORDSHIRE DISTRICT COUNCIL

### MINUTES

Meeting of the Council held in the Council Chamber, District Council Offices, Gernon Road,  
Letchworth  
on Thursday, 13th July, 2023 at 7.30 pm

**PRESENT:** Councillors: Councillor Daniel Allen (Chair), Councillor Chris Lucas (Vice-Chair), Ian Albert, Amy Allen, Matt Barnes, Raj Bhakar, Clare Billing, Ruth Brown, Cathy Brownjohn, Val Bryant, Sam Collins, Mick Debenham, Elizabeth Dennis, James Denselow, Dominic Griffiths, Chris Hinchliff, Terry Hone, Keith Hoskins, Steve Jarvis, David Levett, Ian Mantle, Daniel Marsh, Nigel Mason, Bryony May, Ian Moody, Gerald Morris, Ralph Muncer, Michael Muir, Lisa Nash, Sean Nolan, Louise Peace, Tom Plater, Sean Prendergast, Claire Strong, Mandi Tandi, Richard Thake, Tamsin Thomas, Tom Tyson, Phil Weeder, Michael Weeks, Alistair Willoughby, Dave Winstanley and Daniel Wright-Mason

**IN ATTENDANCE:** Ian Couper (Service Director - Resources), Sarah Kingsley (Service Director - Place), Anthony Roche (Managing Director), Jeanette Thompson (Service Director - Legal and Community), Eleanor Hopcraft (Committee, Member and Scrutiny Officer), James Lovegrove (Committee, Member and Scrutiny Manager), Melanie Stimpson (Democratic Services Manager), Sjanet Wickenden (Committee, Member and Scrutiny Officer) and Callum Reeve (Business Administration Apprentice (Democratic Services))

**ALSO PRESENT:** At the commencement of the meeting approximately 2 members of the public, including registered speakers.

#### 214 APOLOGIES FOR ABSENCE

*Audio recording – 1 minute 36 seconds*

Apologies for absence were received from Councillors Terry Tyler, Adam Compton, David Barnard, Faye Frost, Simon Bloxham and Juan Cowell.

*Councillors Sam Collins and Phil Weeder entered the Chamber at 19.32.*

#### 215 MINUTES - 25 MAY 2023

*Audio Recording – 2 minutes 34 seconds*

Councillor Daniel Allen, as Chair, proposed and Councillor Elizabeth Dennis seconded and, following a vote, it was:

**RESOLVED:** That the Minutes of the Meeting of the Committee held on 25 May 2023 be approved as a true record of the proceedings and be signed by the Chair.

#### 216 NOTIFICATION OF OTHER BUSINESS

*Audio recording – 3 minutes 31 seconds*

There was no other business notified.

## 217 CHAIR'S ANNOUNCEMENTS

*Audio recording – 3 minutes 37 seconds*

- (1) The Chair advised that, in accordance with Council Policy, the meeting would be audio recorded.
- (2) 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.
- (3) 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.
- (4) The Chair advised that the normal procedure rules in respect of debate and times to speak will apply.
- (5) The Chair advised that 4.8.23(a) of the Constitution did not apply to this meeting. A comfort break would be held at an appropriate time, should proceedings continue at length.
- (6) The Chair advised that the referrals at Agenda Item 8 should be numbered 8A, 8B, etc.
- (7) The Chair noted that the thoughts of the Council were with those affected by the recent fire in Baldock and advised support would be available via the Herts County Council website.

*N.B. Councillor Daniel Marsh left the Council Chamber at 19.35 and returned at 19.36.*

## 218 PUBLIC PARTICIPATION

*Audio recording – 7 minutes 02 seconds*

There was no public participation at this meeting.

## 219 QUESTIONS FROM MEMBERS

*Audio recording – 7 minutes 11 seconds*

In accordance with Standing Order 4.8.11, three questions had been submitted by the required deadline set out in the Constitution.

### (A) Council Response to London Luton Airport Application

Councillor Ralph Muncer to Councillor Elizabeth Dennis (Leader of the Council).

“We note decision by Cabinet to object to the application, in conjunction with other local authorities, from Luton Rising for a Development Consent Order to increase the capacity of London Luton Airport from 18 million passengers per annum to 32 million passengers per annum.

As Luton Airport is owned by Luton Borough Council which is under the control of her Labour colleagues. Will the Leader commit to lobbying her colleagues both at Luton Council and in Westminster to oppose the unnecessary expansion of Luton Airport?”

Councillor Elizabeth Dennis gave a response as follows:

"I am of course in regular, honest and frank conversations with the Leader of Luton Borough Council, around multiple issues which affect both of our districts, our district and their borough, given the boundary that we share and the transience of our populations across that particular boundary.

Clearly Luton does rely on income from the airport to support its funding for its very complex communities and in order to meet its housing needs, and against the backdrop of uncertain funding of local government by central government. It is, of course, key to ensure the success of the borough and everybody's opportunity to thrive in those particular spaces. The airport is, of course, also a major regional employer, providing jobs to North Herts, notwithstanding that this Council has quite clearly declared a Climate Emergency and takes those responsibilities incredibly seriously. And we have, as Councillor Muncer will note, objected to parts of the expansion in principle. I do have quite detailed commentary on this from Officers and, if it will save Council time this evening, I'm more than happy to provide that as a written response to Councillor Muncer, rather than reading it out as part of my response to this part of the question, or any supplementary.

However, I think it's also worth drawing Councillor Muncer's attention to the fact that Luton Rising, which was the body set up to manage not just the airport, but the benefits that fall out of it and the wider community aspects, they have set up an Environmental Impact Assessment and created a green controlled growth body. This green controlled growth aspect is new, environmentally focussed framework for managing long-term sustainable growth at London Luton Airport and it will produce binding limits. Not just binding in our terms, colleagues, but legally binding limits for the airports noise, carbon emissions, air quality and service access impacts.

The controls that are proposed, and that will be enforced, as I said are legally binding. The plans for growth would be approved by a new independent body, which would, amongst others, include representatives from both this Council and Luton Council, and clearly link through to Dacorum and other key stakeholders in local government in this region, with approval only to be provided where it is shown that growth can be contained within acceptable limits.

So, this is something that is independent, it is not in the interest of shareholders. It is very much in the interest of the communities, and it is legally focussed on the environmental impacts and will be subject to regular public reporting. If monitoring would suggest at any point that any of the limits were in danger of being breached, then there must be plans to set out how that breach would be avoided and, again, these plans would require agreement by this new, independent body.

If any environmental limits were ultimately breached, further growth would be stopped and mitigation would be required. GCG limits will include a robust system of governance, and independent oversight, to ensure that performance against environmental limits is properly monitored and managed. So, again, this isn't something that is part of delivering a massive new airport, which is going to be potentially environmentally damaging, there is very clear focus being given to independent assessment of the environmental risks, mitigations must be taken and, if it is indicated at any point that what is proposed in respect of this airport could have irreparable, irreversible environmental damage it will be stopped.

I'm most happy to provide Councillor Muncer, again, with the full written notes I've been provided by Luton Council."

Councillor Muncer asked a supplementary question, as follows:

"I thank Councillor Dennis for providing that response and I would be very interested in reading the response that Council has submitted to the public enquiry that is about to begin.

But I must say I do think residents will be disappointed somewhat with that response, because it does sound almost it's been taken from the Luton Council.

The Leader mentioned about funding, how Luton relies very heavily on funding, so could I put this question to her: does she believe it is right taxpayers had to bail out Luton Council in 2021 to the tune of £35billion, due to their poor financial management, specifically failing to diversify financially instead of relying on the income, of which was gained from London Luton Airport?"

Councillor Dennis responded:

"I wish I could answer Councillor Muncer's question, unfortunately I think that it's actually a question that is better posed to a different local authority, which has all the access to the relevant information required. But if Councillor Muncer wishes to continue to discuss the environmental aspects of Luton Rising, our relationship with our neighbours, either Luton or our other neighbours nearby we need to work with productively, I'm more than happy to continue that relationship. But I would respectfully refer my colleague to the relevant authority to answer that sort of technical question."

*N.B. Councillor Lisa Nash entered the Chamber at 19.40.*

(B) Levelling Up Funds

Councillor Terry Hone to Councillor Ian Albert (Executive Member for Finance and IT).

"What applications have been made or are in preparation by this Council for grants from Governments £4.8billion Levelling Up Fund?"

Councillor Ian Albert gave a response as follows:

"The Council to date has not submitted grant applications to the governments levelling up fund, although we actively considered a bit in partnership with Network Rail and Herts County Council for the Hitchin station easter access project under round two of the levelling up fund in September 2022. This would have been to fund the subway, or possibly a bridge, under the railway line, a bridge over the railway line, access from the eastern side of the station.

Neither Network Rail or Herts County Council had any funding to offer for the scheme and with the timescales that we were being set. And obviously the uncertainty from Network Rail, although actually there was a deliverable scheme, we chose not to make a bid at that time. But Members have expressed their desire to proceed still with the project in the interim. As part of the budget setting for 23-24, the joint administration proposed that the Members agreed match funding with Hertfordshire County Council, to consider a wider project scope, which including exploring additional options, other than the subway, including improving access for people walking or cycling to Hitchin station from the east of the town and, indeed, generally across the town.

The government has not announced the details and timing for round three yet, they are still evaluating the first two rounds. A further £1bn is still left to spent. Michael Gove said, I believe, at the LGA Conference that he has listened to issues around bidding for funding and that the levelling up fund will change for the next round, but we don't know when that timetable is yet. Our working aim though, is to have the outline business case in time, hopefully to be able to submit a bid in round three, but it is too early to say yet whether this will be possible, since we don't know when the levelling up fund round three would be launching."

Councillor Hone asked a supplementary question, as follows:

"Thank you, Councillor Albert, that was very detailed, we appreciate your commentary around what is happening at Hitchin station. We were also disappointed that we had not made any



progress on that. It does beg the question, do we have contingency, if that's not successful? Do we have other plans to go for the governments levies to see if we can get funding for other projects, that may be on the agenda?"

Councillor Albert responded:

"Yes, we will always look at other alternative and we continue to look at whether there are other schemes and indeed obviously in relation to this particular project, other funding available. We've had recent meetings with Hertfordshire County Council looking at the projects and we would certainly hope to be able to deliver a scheme in time for whatever funding might become available.

But I think it would be clear that it is worth say here that obviously looking into the question, I think I was struck by a quote from the Conservative mayor of the West Midlands, Andy Street, who has criticised the bidding process, the centralised system of allocating funding, arguing that the process should be devolved for local decision makes to decide what's best for their areas. That's what we would really like as an administration to see, to not be part of an auction bidding process, but to actually have the funds to make those decisions within this Council, by residents and their elected representatives.

But of course, more than happy Councillor Hone to discuss any thoughts and ideas you have on this outside of the meeting. We are keen to work cross party on this, both with Hertfordshire County Council and our local MPs on any projects people come to us with ideas. We are very happy to sit down and have those conversations with you, or other colleagues."

(C) Council Office Reception

Councillor David Levett to Councillor Elizabeth Dennis (Leader of the Council).

"When will the reception at the Council Offices re-open full time for personal callers?"

Councillor Elizabeth Dennis gave as response as follows:

"It's a relatively simple answer. As Councillor Levett knows the Customer Service Centre is open for drop in visitors all day Mondays and half day Wednesday. But more than that we are open full time, we have Customer Service staff in the office 9 to 5 Monday to Friday and they are available for any customer or visitor who arrives with or without an appointment. That means that, if someone were to present themselves at our office doors as homeless for example, or needing some other urgent assistance, they are always going to be assisted. That might involve a face-to-face meeting or a referral onto another agency. I've got quite a lot of other, further information, Councillor Levett, about the background to this, the journey that we've been on and where we would like to that this further in terms of the Customer Service Strategy, that I'm more than happy to share with you offline."

Councillor Levett asked as supplementary question, as follows:

"A number of people, many people, aren't aware they are still able to make personal calls when reception is physically closed, does the Council have any plans to make that a lot clearer to people, because online isn't always seen by people?"

Councillor Dennis responded:

"I absolutely take the point about digital exclusion and that is something that we do try to work on when we can, to send engagement to all communities. As I said though, if anybody does turn up outside the Council offices, whether or not it's during one of the advertised and semi-official slots on the Mondays and Wednesdays, there is always somebody in this building who is able to assist and will come down to provide the help and support that people need.

Of course, communications can always be better, we can always communicate more, we can always communicate across new, diverse, as well as existing channels effectively. And I take the point on challenge about making sure that none of our residents are left behind or forgotten when it comes down to communications.”

The Chair advised that there was also one urgent question submitted in accordance with Standing Order 4.8.11(d)(ii), which had been accepted by the Member to which the question was addressed. The reason provided for the matter being urgent was that the issue had potential to cause community tensions and to bring the Council into disrepute.

(D) Housing for Asylum Seekers

Councillor Dominic Griffiths to Councillor Sean Prendergast (Executive Member for Housing and Environmental Health).

"Would the Executive Member for Housing and Environmental Health please outline any communications between the home office and the council regarding the use of Needham House, located in the village of Little Wymondley, to house asylum seekers?"

Councillor Sean Prendergast gave a response as follows:

“Thank you, Councillor Griffiths, for your question. The Council was first contacted by the Home Office in early April raising the possibility of using Needham House to house asylum seekers. There was limited detail at that stage. In May, the Home Office informed the Council of its intention to use the hotel and advised that despite our concerns people would be moving in shortly. The Home Office then effectively postponed this decision and there has been no further meaningful communication from the Home Office, despite concerns from Members in this Council to engage in dialogue with them.

Last week the Council was made aware that the hotel would be re-opening for asylum seeker families less than one day before people moved in. There was no formal notification provided by the Home Office. All in all, the communication from the Home Office on this subject has been very challenging to say the least, often with no response to important questions. Frankly, their unwillingness, or ability, to enter into meaningful dialogue with local authorities is completely unacceptable.

It is clear that use of hotels in this way cannot be appropriate for vulnerable asylum seekers. Even before taking into account the individual factors associated with each site, including isolated locations such as this. In addition, the impact on already stretched local services has already featured heavily in feedback to the Home Office. However, despite concerns being raised the Home Office conducts its own assessment and unilaterally decides if it proceeds, as well as the timing of the initial occupation.

The Council has, and continues, to make it clear to the Home Office that this location is unsuitable. The village where it is located has few facilities nearby, for example it has no shop, and transport links are limited. A media statement to this effect was made previously and these concerns remain.

The joint administration at North Herts Council would like to stress the fact that North Herts is a welcoming, friendly place and we strongly reject the governments hostile language and policies towards migrants. They have been wrongly portrayed as responsible for the failures of this government to deal with the housing crisis, low wages and the lack of social cohesion in many communities. The Council believes that migrants and seekers of asylum should be treated with dignity and respect. We as Members should feel empowered to expose the flawed arguments of people seeking to exploit concerns that people have about immigration.”

Councillor Griffiths asked a supplementary question, as follows:

“Thank you very much for the response as well. Will the Executive Member commit to keeping local residents informed about any such facility, proposed or current as well?”

Councillor Prendergast responded:

“I absolutely understand the concerns that local people may have around this, and I think it’s vitally important to keep residents up to date. The Home Office leads on identifying and procuring facilities and placing the asylum seekers there. However, if and when the Home Office tells us they are using accommodation in North Herts in this way, we will of course alert local ward Councillors, so they can share this information.”

## 220 NOTICE OF MOTIONS

*Audio recording – 26 minutes 08 seconds*

There were five motions submitted in accordance with Standing Order 4.8.12.

### (A) The Great Home Upgrade

Councillor Chris Hinchliff proposed the submitted motion as follows:

“This council believes that a green recovery from the pandemic is not only possible but imperative if we are to meet our carbon reduction targets as a local authority. However, up to now much of the proposed actions from National Government are little more than rhetoric. We need to turn rhetoric into action.

As a local authority, we have worked on several environmental actions that have assisted residents and the wider environment. These include the ‘Solar Together’ scheme, utilising the Home Upgrade Grant to improve homes that are earning under £30k annually (and with an EPC rating of E, F, or G (plus some D-rated properties)), and have worked with environmental groups throughout the district to spread eco-friendly messaging.

We note that melting ice caps and forest fires can often seem like someone else’s crisis when many are taking effect so far from our homes. But we also note that crises closer to home affecting thousands of local families can not be separated from those further afield. Here in North Herts there are 6193 households living in fuel poverty, and many homes affected by damp. Across the UK there are more than 24 Million Homes leaking heat.

Housing in the UK is leaky and draughty. We have older housing than every EU country, and our homes leak heat three times faster than those in Northern Europe. 56% of homes in North Herts fall below a good level of energy efficiency (EPC rating C). This means we spend more money and energy keeping our homes warm. For those who can afford to, this leads to higher carbon emissions from burning fuel for heating — 14% of the UK’s total emissions come from our homes. For the 3.18 million UK households (13.4%) that can’t, living in a cold home could be putting their health at risk.

Upgrading our homes would mean that everyone can live in a warm, comfortable home that doesn’t pollute the planet. But for more than a decade, we’ve had stop-start policy when it comes to making our homes warmer and less polluting. The main problem is the Treasury’s reluctance to put proper money towards retrofitting. Right now, home upgrades are still just in the hundreds of thousands a year — just 118,000 insulation measures were installed in 2020.

There is no route to decarbonising the economy without retrofitting these more than 24 million homes across the UK. Doing so would not only help to protect our planet, but can improve housing, lead to cheaper energy bills and create hundreds of thousands of good quality jobs. Here in North Herts there are 38,873 properties that require retrofitting.

The highest standard of whole-house retrofits can mean that households only have their heating on for a few days a year. However, the Energy Efficiency Infrastructure Group (EEIG) estimates that if all homes were upgraded to the EPC C efficiency band, households could save £400 each on average — that's £7.5bn total savings across the whole country by 2030. Plus, if our homes are less reliant on fossil fuels, then households will be insulated against sudden rises in energy prices.

With proper investment from the government and companies, the Great Homes Upgrade could directly create at least 190,000 jobs across the UK. Other estimates vary quite widely, but all suggest that we could create hundreds of thousands of jobs. The Construction Leadership Council estimates that upgrading 12m homes by 2030 could create nearly 500,000 jobs. A key part of the Great Homes Upgrade should be training up tens of thousands of people to fill these jobs. And because there are homes in need of upgrading all over the country, these jobs wouldn't be limited to one region. This means new, secure, well-paid, long-term jobs making our homes and local areas healthier and happier places to live in.

- North Herts calls upon the Prime Minister to call for a Great Homes Upgrade and a commitment to retrofit 19 million homes by 2030.
- We also call on the Chancellor to commit to investing over the next three years to begin a Great Homes Upgrade, and that the government will commit to working with housing associations, private rental properties and owner occupiers to upgrade properties for net zero and commits to setting up a retrofitting taskforce to target resources now to achieving net zero through upgrading properties.
- We also commit to writing to our neighbouring local authorities to ask them to join us to join the campaign.”

Councillor Sean Prendergast seconded the motion.

The following Members took part in the debate:

- Councillor David Levett
- Councillor Gerald Morris
- Councillor Sam Collins
- Councillor Steve Jarvis
- Councillor Matt Barnes
- Councillor Tamsin Thomas
- Councillor Alistair Willoughby
- Councillor Daniel Marsh
- Councillor Sean Prendergast
- Councillor Claire Strong

Councillor Plater summarised that he was bemused by the suggestion that the climate emergency did not require urgent action. This motion would see the creation of up to 190k jobs directly and 500k in total. There were over 38,000 properties in North Herts which required upgrading and residents could not afford for the Council to do nothing.

Having been proposed and seconded and, following a vote, it was:

**RESOLVED:**

The Council:

- (1) Calls upon the Prime Minister to call for a Great Homes Upgrade and a commitment to retrofit 19 million homes by 2030.
- (2) Calls on the Chancellor to commit to investing over the next three years to begin a Great Homes Upgrade, and that the government will commit to working with housing

associations, private rental properties and owner occupiers to upgrade properties for net zero and commits to setting up a retrofitting taskforce to target resources now to achieving net zero through upgrading properties.

- (3) Commits to writing to our neighbouring local authorities to ask them to join us to join the campaign.

(B) Ecological Emergency

Councillor Steve Jarvis proposed the submitted motion as follows:

“Council notes that loss of nature, alongside climate change, represents a major threat to future generations of North Herts residents and that the UN Biodiversity Conference COP15 that took place in December 2022 agreed to progress global actions to deal with this.

The Council therefore resolves to:

1. Declare an ecological emergency.
2. Ensure that addressing the ecological emergency and nature recovery are considered as strategic priorities for planning policies and design guides for new development, including master-planning of sites, by identifying appropriate areas for habitat restoration and biodiversity net gain and ensuring that development limits impact on existing habitats in its process.
3. Set measurable targets and standards for biodiversity increase, in both species and quantities, seeking also to increase community engagement.
4. Work with our partners to establish a Local Nature Partnership for Hertfordshire as soon as possible, in keeping with the urgency of this declaration.
5. Work with our partners to develop Nature Recovery Networks and Nature Recovery Strategy for Hertfordshire, again in keeping with the urgency of this declaration.
6. Look for opportunities to work in partnership with local charities and environmental organisations to deliver nature recovery in North Hertfordshire.
7. Investigate new approaches to nature recovery such as habitat banking that deliver biodiversity objectives and provide new investment opportunities.”

Councillor Ruth Brown seconded the motion.

The following Members took part in the debate:

- Councillor David Levett
- Councillor Gerald Morris
- Councillor Michael Muir
- Councillor Chris Hinchliff
- Councillor Ralph Muncer
- Councillor Dominic Griffiths
- Councillor Sam Collins
- Councillor Claire Strong

During the debate an additional recommendation was suggested by Councillor Chris Hinchliff. This amendment was approved by Councillor Jarvis, as proposer, and Councillor Brown, as seconder.

Councillor Jarvis summarised that there had been lots of examples of what has happened and much of this is related to planning issues. There were some good examples of work around the district to tackle the emergency, but more needed to be done. The motion was more than just a slogan and was about sending a message to the community and it was hoped that this would inspire action by residents. The Council could only do a limited amount of what was required, so community action would be necessary.

Having been proposed and seconded and, following a vote on the amended motion, it was:

**RESOLVED:**

The Council:

- (1) Declares an ecological emergency.
- (2) Ensures that addressing the ecological emergency and nature recovery are considered as strategic priorities for planning policies and design guides for new development, including master-planning of sites, by identifying appropriate areas for habitat restoration and biodiversity net gain and ensuring that development limits impact on existing habitats in its process.
- (3) Set measurable targets and standards for biodiversity increase, in both species and quantities, seeking also to increase community engagement.
- (4) Work with our partners to establish a Local Nature Partnership for Hertfordshire as soon as possible, in keeping with the urgency of this declaration.
- (5) Work with our partners to develop Nature Recovery Networks and Nature Recovery Strategy for Hertfordshire, again in keeping with the urgency of this declaration.
- (6) Look for opportunities to work in partnership with local charities and environmental organisations to deliver nature recovery in North Hertfordshire.
- (7) Investigate new approaches to nature recovery such as habitat banking that deliver biodiversity objectives and provide new investment opportunities.
- (8) Commits to considering biodiversity net gain policies within the review of the Local Plan at the earliest achievable opportunity, with a commitment to set a local BNG policy, which goes beyond the minimum, nationally required, 10% increase.

(D) Community Infrastructure Levy

Councillor Ian Moody proposed the submitted motion as follows:

“Following the adoption of the Local Plan Council believes that in order to maximise contributions and funding for infrastructure that the introduction of a Community Infrastructure Levy could be the best way to achieve this and ensure new developments contribute to the sustainability of the District and take into account the amount of cumulative development proposed. The government is also undertaking a consultation on the introduction of a mandatory CIL and is asking for local authorities to begin pilot testing in 2025.

Council request that:

1. North Hertfordshire District Council asks to be one of the pilot authorities for the introduction of a mandatory CIL.
2. The relevant officers prepare a report on the requirements for the introduction of CIL and the timescales for introduction if not accepted as a pilot authority.
3. The report sets out the advantages or otherwise of the introduction of a CIL.
4. The report details the potential financial implications and additional funding from the adoption of a CIL.
5. The report is presented to Council at the meeting scheduled for 23/11/23.”

*N.B. Councillor Amy Allen left the Chamber during this item and returned at 20.37.*

Councillor David Levett seconded the motion.

In response to the motion, the Executive Member for Planning and Transport advised that:

- They had much sympathy with the points raised about smaller developments.
- The motion calls for the Council to be a pilot authority for Community Infrastructure Levy, however these are set to be replaced by an Infrastructure Levy and provisions were made for this in the Levelling Up and Regeneration Bill.
- This move had been opposed by the Local Government Association and the District Councils Network and following this the government made several proposed amendments, but it was not known when this would be presented.
- Planning Officers were monitoring the situation and ensuring that the Executive Member was kept informed of developments.
- The priority of the Council following the adoption of the Local Plan was to update the SPDs and then begin a review process of the Local Plan itself.
- Requested the motion be withdrawn on the understanding that this was being monitored and the concern regarding smaller developments was shared.

Before the motion was put to a vote Cllr Moody withdrew the motion on the basis of the statement by the Executive Member for Planning and Transport.

*N.B. Councillor Ian Moody left the Chamber at 20.38 and did not return.*

(C) Waste Contract Renewal – Changes to the Residual Waste Collection Cycle

Councillor David Levett proposed the submitted motion, in the absence of Councillor Adam Compton, as follows:

“This Council notes the intention to introduce to 3 weekly collections for residual waste when the new waste contract is introduced.

Council has committed to engage with the community and put people first through it’s Council Plan 2022-2027 and has committed on waste and recycling to deliver change by development of the recycling and waste service to deliver any local outcomes of the national waste strategy, consider sustainability initiatives and options for renewal of the contract in 2025.

Given that this is a significant change to the service we provide to the public and to ensure through community engagement with its residents that the proposed changes are supported by the majority we want to know what residents think of the planned change to the collection cycle for residual waste.

Therefore Council proposes to call a referendum of all North Herts residents prior to committing to any change from the current bi-weekly collection asking:

Should North Herts Council

- A Retain the current bi-weekly collection of residual waste.  
or  
B Move to a 3 weekly collection of residual waste.”

Councillor Mandi Tandi seconded the motion.

The following Members took part in the debate:

- Councillor Amy Allen
- Councillor Matt Barnes
- Councillor Ralph Muncer

- Councillor Tamsin Thomas
- Councillor Tom Tyson
- Councillor Tom Plater
- Councillor Daniel Marsh
- Councillor Nigel Mason
- Councillor Ruth Brown
- Councillor Steve Jarvis
- Councillor Chris Lucas
- Councillor Elizabeth Dennis

Councillor Levett summarised that this had been an interesting debate and the first and only time Full Council had to comment. There were concerns raised by Overview and Scrutiny Committee in its referral to Cabinet on this item. As not all wards voted in the recent election it could not have been a referendum on this issue and the number of votes cast provide a different perspective. The item had twice been considered by Cabinet, but not by Full Council and the matter would affect every single person in the district. A small proportion of the overall population responded to the survey, therefore the population has not had a say. Whilst it was acknowledged there would be cost implications and the impact on meeting climate targets, but it was more important to promote democracy.

Councillor Ralph Muncer requested a recorded vote on this item.

Having been proposed and seconded and, following a vote, the result was as follows:

YES	:	9
ABSTAIN	:	3
NO	:	28
TOTAL	:	40

The individual results were as follows:

Cllr Daniel Allen	
Cllr Alistair Willoughby	NO
Cllr Amy Allen	NO
Cllr Bryony May	NO
Cllr Cathy Brownjohn	NO
Cllr Chris Hinchliff	NO
Cllr Chris Lucas	NO
Cllr Claire Strong	YES
Cllr Clare Billing	NO
Cllr Daniel Marsh	NO
Cllr Daniel Wright-Mason	NO
Cllr Dave Winstanley	NO
Cllr David Levett	YES
Cllr Dominic Griffiths	NO
Cllr Elizabeth Dennis	NO
Cllr Gerald Morris	YES
Cllr Ian Albert	
Cllr Ian Mantle	NO
Cllr James Denselow	NO
Cllr Keith Hoskins	NO
Cllr Lisa Nash	ABSTAIN
Cllr Louise Peace	NO
Cllr Mandi Tandi	YES
Cllr Matt Barnes	NO
Cllr Michael Muir	YES
Cllr Michael Weeks	YES



Cllr Mick Debenham	NO
Cllr Nigel Mason	NO
Cllr Philip Weeder	NO
Cllr Raj Bhakar	ABSTAIN
Cllr Ralph Muncer	YES
Cllr Richard Thake	YES
Cllr Ruth Brown	NO
Cllr Sam Collins	ABSTAIN
Cllr Sean Nolan	NO
Cllr Sean Prendergast	NO
Cllr Steve Jarvis	NO
Cllr Tamsin Thomas	NO
Cllr Terry Hone	YES
Cllr Tom Plater	NO
Cllr Tom Tyson	NO
Cllr Val Bryant	NO

As such it was:

**RESOLVED:** That the motion was lost.

(E) Solar Energy Policy

The Chair advised that this motion had been withdrawn.

## 221 ITEMS REFERRED FROM OTHER COMMITTEES

*Audio recording – 120 minutes 14 seconds*

*N.B. Ahead of this item, there was a break in proceedings and the meeting reconvened at 21.30. During the break Councillors Sam Collins, James Denselow and Michael Weeks left the Chamber and did not return.*

### 8a) Referral from Cabinet: Active North Herts Strategy

Councillor Steve Jarvis, Executive Member for Environment, Leisure and Green Spaces, presented the referral from Cabinet on the 'Active North Herts Strategy' and advised that:

- The Active Communities Officer role needed to be provided and for the next two years this was funded by the UK Shared Prosperity Fund, but Council would need to fund this role in the future.
- Therefore, it was proposed that this be included as part of the leisure procurement process and provided by whoever takes over the provision of leisure services from 2024.
- There was no financial implication this year but would need to fund this role from 2025 if Council wanted it to continue.

Councillor Steve Jarvis proposed and Councillor Alistair Willoughby seconded and, following a vote, it was:

**RESOLVED:** A budget of £50k was approved from 2025/26 onwards, to enable the delivery of a new Active Communities programme run by the leisure operator.

**REASON FOR DECISION:** To ensure the Council and its stakeholder partners have a clear policy position on its approach to the future delivery of sport, leisure, physical activity and wellbeing services across the district.

8b) Referral from Cabinet: Revenue Budget Outturn 2022/23

Councillor Ian Albert, Executive Member for Finance and IT, presented the referral from Cabinet on the 'Revenue Budget Outturn 2022/23' and advised that:

- The report outlined the final revenue budget for the full year 2022-23 and noted the draft final spend of £16.7million.
- The allocated Covid relief provision was not required as expected and there were higher than expected returns.
- Income from investments was higher than expected due to rising interest rates.
- Funding available for any future issues was detailed in the report.
- This report sought approval to transfer earmarked reserves, which had been used to fund expenditure throughout the year.

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

**RESOLVED:** That Council approved the net transfer from earmarked reserves, as identified in Table 9, of £5.274million.

**REASONS FOR DECISION:**

- (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.

8c) Referral from Cabinet: Investment Strategy (Capital and Treasury) End of Year Review 2022/23

Councillor Ian Albert, Executive Member for Finance and IT, presented the referral from Cabinet on the 'Investment Strategy (Capital and Treasury) End of Year Review 2022/23' and advised that:

- The report set out the position on capital budgets for the full year 2022-2023 and the treasury returns.
- Details of revised timetables were included within the report.
- Capital would need to be kept under review in the current year.
- The report confirmed that the Council had fully complied with the Investment Strategy throughout the year.
- The rise in interest rates had led to an extra £1million for the Council.
- This report sought approval of the 2022-23 prudential and treasury indicators, as well as the Treasury Report 2022/23.

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

**RESOLVED:** That Council:

- (1) Approved the actual 2022/23 prudential and treasury indicators.
- (2) Noted the annual Treasury Report for 2022/23.

**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.

8d) Referral from Cabinet: Year End Report on Risk Management Governance

Councillor Ian Albert, Executive Member for Finance and IT, presented the referral from Cabinet on the 'Revenue Budget Outturn 2022/23' and advised that:

- The report provided an update on risk management in past year.
- The Council Delivery Plan was monitored by Overview and Scrutiny Committee, as well as Cabinet, and contains projects, performance indicators and project risk in one document.
- All Members have a duty to consider risk management, under the relevant policy.
- Finance, Audit and Risk Committee had reviewed the report and made some comments when presented to Cabinet.
- It was also amended at Cabinet to include that the risk associated with climate change should be recognised when the policy is reviewed in the autumn.

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

**RESOLVED:** That Council considered the Annual Risk Management update, including comments provided by Finance, Audit and Risk Committee.

**REASON FOR DECISION:** The responsibility for ensuring the management of risks is that of the Cabinet, who were responsible for monitoring the effective development and operation of Risk Management.

8e) Referral from Finance, Audit and Risk Committee: Finance, Audit and Risk Committee Annual Report 2022-2023

The Chair advised that this referral would be taken alongside Agenda Item 10 'Finance Audit and Risk Committee Annual Report 2022-2023'.

## 222 OVERVIEW AND SCRUTINY COMMITTEE ANNUAL REPORT 2022-2023

*Audio recording – 130 minutes 00 seconds*

Councillor David Levett presented the report entitled 'Overview and Scrutiny Committee Annual Report 2022-2023' and thanked Members who took part, Officers who supported and presenter who attended the meetings throughout the year.

Councillor David Levett proposed and Councillor Val Bryant seconded and, following a vote, it was:

**RESOLVED:** That Full Council noted the Annual Report of the Overview and Scrutiny Committee 2022-2023.

**REASON FOR DECISION:** To enable Council to consider the report of the Chair of the Overview and Scrutiny Committee regarding the work of that Committee in the 2022/2023 Civic Year.

## 223 FINANCE, AUDIT AND RISK COMMITTEE ANNUAL REPORT 2022-2023

*Audio recording – 131 minutes 35 seconds*

Councillor Sean Nolan presented the referral from Cabinet regarding the Finance, Audit and Risk Committee Annual Report 2022-2023 and advised that:

- It was important to highlight the Action Plan developed from the recommendations of the recent Peer Review.
- A number of items had been delayed into next year as detailed in the report.
- The draft accounts from the previous year had not been approved and the Service Director – Resources could provide further information on this.

The Service Director – Resources presented the report entitled 'Finance, Audit and Risk Committee Annual Report 2022-2023' and advised that:

- He thanked Councillor Terry Tyler for his work as Chair of Finance, Audit and Risk Committee in 2022-2023.
- The Annual Report highlighted the achievements of the past year and an overview of proposed work for upcoming year.
- Whilst many reports to the Committee are cyclical in nature, the report also highlighted the additional items.

In response to a question from Councillor Terry Hone, the Service Director – Resources advised that:

- There had been two delays which had prevented the accounts being approved. The first was to the outstanding approval of the 2021-2022 accounts, which had been delayed due to a variance on the numbers regarding the pension funds calculations, due to the timing of the triangular re-evaluation which took place.
- Due to this the audit was re-opened and, due to the differences, the figures needed to be reviewed further.
- It was hoped that a final outcome would be provided in the next few weeks and that the 2021-22 accounts would be approved in September.
- Due to the variance with pension funds from 2021-22, this had an impact on the opening balance of 2022-2023, therefore it would not be appropriate at this stage to release the final draft accounts.
- It was hoped that once the 2021-22 pension figures were finalised then the audit could begin, however this was not likely to be before November.

Councillor Sean Nolan proposed and Councillor Terry Hone seconded and, following a vote, it was:

**RESOLVED:** That Full Council noted the Annual Report of the Finance, Audit and Risk Committee 2022-2023.

**REASON FOR DECISION:** To provide Full Council with assurance as to the effectiveness of the Finance, Audit and Risk Committee.

## 224 ANNUAL REPORT OF THE STANDARDS COMMITTEE

*Audio recording – 137 minutes 09 seconds*

Councillor Ruth Brown presented the report entitled 'Annual Report of the Standards Committee' and advised of the following, that:

- For most of the 2022-23 Civic Year it was the late Councillor Judi Billing as Chair, who was passionate about standards in public life.

*N.B. Councillor Lisa Nash and Cathy Brownjohn left the Chamber at 21.48 and did not return.*

- There were three Independent and Reserve Independent Persons on the Committee, who were very good and took the role very seriously, and their views were welcomed by the Committee.

- Thanked the Independent Persons, Monitoring Officer and Deputy Monitoring Officers who all played a role in upholding standards at the Council.
- All District Councillor undertook the mandatory Code of Conduct training. This was also made available to Parish Councillors and uploaded to GrowZone for Members to view.
- A large number of complaints had been received but was down on the previous year. Each complaint was very resource intensive, but it was important to have a robust procedure that dealt with complaints fairly and independently.
- Only one meeting of the Committee took place and this focussed on discussing complaints and an update to the Complaints Handling Procedure at the Council.

In response to a question from Councillor David Levett, the Service Director – Legal and Community advised that the Parish Councillor attendance at the Code of Conduct session could have been better, but the slides were provided to clerks to circulate.

Councillor Ruth Brown proposed and Councillor Ralph Muncer seconded and, following a vote, it was:

**RESOLVED:** That Council received and noted the Annual Report.

**REASON FOR DECISION:** In line with recommended good governance practice to report the work of Standards Committee to the full Membership, to promote and maintain high standards of conduct and to demonstrate a strong commitment to ethical values.

**225 AMENDMENTS TO THE HERTFORDSHIRE GROWTH BOARD STANDING ORDERS IN RELATION TO THE APPOINTMENT OF THE CHAIR AND VICE-CHAIR AND PRE-EMPTIVELY SEEKING AUTHORITY TO AMEND SERVICE DIRECTOR: REGULATORY DELEGATIONS**

*Audio recording – 141 minutes 24 seconds*

The Service Director – Legal and Community presented the report entitled ‘Amendments to the Hertfordshire Growth Board Standing Orders in Relation to the Appointment of the Chair and Vice-Chair and Pre-Emptively seeking authority to amend Service Director: Regulatory Delegations’ and advised they had no update to provide.

In response to a question from Councillor Ralph Muncer, the Service Director – Legal and Community advised that it was not for them to go into detail on the appointment process, but the appointment was pending consultation.

Councillor Elizabeth Dennis proposed and Councillor Ruth Brown seconded and, following a vote, it was:

**RESOLVED:**

- (1) That the amendments as set out within this report to Standing Order 4.2 contained within Appendix 1 Annex A of the HGB Standing Orders, in Section 11 of the NHC Constitution were approved.
- (2) That the Council delegated authority to the Monitoring Officer to undertake any necessary amendments to the Constitution, in respect of the Service Director: Regulatory and the Service Director: Housing & Environment (to take effect on successful appointment/commencement).

**REASONS FOR DECISIONS:**

- (1) Section 11 of the Constitution contains the Standing Order 4.2 contained within Appendix 1 Annex A the Hertfordshire Growth Board Standing Orders deals with the re-appointment of the Chair and states:

*“The appointment of the Chair described in 4.1 shall be for a term up to the first meeting of the HGB that follows both the 2021 local elections and the 2021 Annual Meetings of the constituent Councils (the Post-Election Meeting). At the Post Election Meeting, the Board may either re-appoint the same member as Agenda Item 12 Chair or appoint a new Chair for a term of two years. Save in the above case, the Chair shall serve a single consecutive term of two years.”*

- (2) It has been identified that the wording of Standing Order 4.2 is ambiguous and unclear in relation to the term of Chairs and the re-election of Chairs for periods exceeding two years. Therefore, each member council has been consulted on amendments to Standing Order 4.2, which will make it clearer, and which will allow for the re-election of the current Chair. The Hertfordshire County Council’s Monitoring Officer has requested that this be brought to the Council meeting in July.

- (3) It is therefore recommended that 4.2 is amended to:

*“With effect from the Annual General Meeting 2023 the appointment of the Chair and Vice Chair shall be decided annually as the first substantive item of business at the AGM.”*

- (4) To ensure that effective delegations can be put in place in time for any new (temporary) appointment.

The meeting closed at 9.53 pm

Chair

**COUNCIL  
28 SEPTEMBER 2023**

**PUBLIC DOCUMENT**

## **TITLE OF REPORT: QUESTIONS FROM MEMBERS**

In accordance with Standing Order 4.8.11(b), two questions were submitted by Members by the deadline date for questions set out in the Council's Constitution.

### **(A) Council responsibility to house asylum seeker granted leave to stay**

Councillor David Levett to Councillor Sean Prendergast (Executive Member for Housing and Environmental Health):

"Given the significant number of asylum seekers being accommodated in North Hertfordshire by the Home Office what plans does the Council have to house any of the families should they be granted leave to stay and it becomes the responsibility of North Hertfordshire District Council to find homes for them?"

### **(B) Council financial relationship with Birmingham City Council**

Councillor Ralph Muncer to Councillor Ian Albert (Executive Member for Finance and IT):

"To ask the Executive Member for Finance and IT whether North Hertfordshire District Council has a financial relationship with Birmingham City Council, and if so, to provide detail as to the nature of this relationship?"

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**COUNCIL  
28 SEPTEMBER 2023**

**PUBLIC DOCUMENT**

**TITLE OF REPORT: NOTICE OF MOTIONS UNDER STANDING ORDER 4.8.12**

The following motion has been submitted, due notice of which has been given in accordance with Standing Order 4.8.12.

Council of Sanctuary

North Herts is proud of its diversity and history of welcoming people from across the world to the District.

There is a tradition at the heart of North Herts' communities, those of faith and of none, of working together to welcome, host, feed, clothe and support people seeking sanctuary here.

North Herts is enhanced by the contribution of those from a diverse range of backgrounds.

Over the last few years, the council has, with the support of residents, partners and community groups, co-ordinated the resettlement of refugees and supported asylum seekers. This has included:

- Supporting the resettlement of 55 individuals through the Syrian Vulnerable Persons Resettlement Scheme
- Hosting 289 Ukrainian refugees escaping war (including 106 children)
- Resettling 15 refugees through the Afghanistan Citizens Resettlement Scheme
- Committing to playing our part in tackling modern slavery and trafficking.

We are committed to continuing to work with partners, schools, and the voluntary, community and faith sector to create a welcoming and secure borough for those seeking sanctuary.

The District Council of Sanctuary is awarded by City of Sanctuary to institutions that are welcoming to those fleeing violence and persecution in their own countries, and protecting the rights of all migrants, asylum-seekers and refugees.

**Council believes that:**

- Standing up for those facing persecution, and welcoming refugees, asylum seekers and migrants is a moral responsibility that enriches our district and country.
- North Herts must continue to support its migrant communities and that the journey to become a District Council of Sanctuary will solidify this commitment.
- Refugee & asylum seekers are much more likely to be subject to both criminal and sexual exploitation as well as modern day slavery.
- We owe a moral duty towards children, and vulnerable and trafficked adults in our District, and this should extend, where possible, to refugees and migrants.

**This Council commits to continuing its work:**

- Embedding our organisational principles of equality and inclusion at the heart of our work with refugees and asylum seekers when supporting them in our community and engaging with district council services
- Challenging anti-migrant sentiment wherever we find it and championing the rights and dignity of refugees and asylum seekers.
- Finding opportunities across the Council and the District to celebrate our migrant communities, tell their stories, and promote their voices.
- Developing the Council's formal approach to how we engage with, listen to and support those seeking sanctuary, including the development of a Refugee strategy and accompanying action Plan.
- Working with local community, health, and education partners, including those with lived Experience. This will include working with these partners to shape North Herts' District of Sanctuary ambition and strategy.

**That the Council also resolves to:**

1. **Launch the journey to become an awarded District Council of Sanctuary by joining City of Sanctuary's local authority network.**
2. **Embody the City of Sanctuary values of Inclusive, Openness, Participation, Inspire, and Integrity in all we do.**

**In addition to taking local action, we will call on the Government to:**

3. **Guarantee the safety of all children under their care.**
4. **Create a proper plan for resettlement.**

**Proposed: Cllr Alistair Willoughby**

**Seconded: Cllr Sean Prendergast**

**COUNCIL**  
**28 September 2023**

**\*PART 1 – PUBLIC DOCUMENT**

**TITLE OF REPORT: FINANCIAL SYSTEM BUDGET**

REPORT OF: *SERVICE DIRECTOR*: RESOURCES

EXECUTIVE MEMBER FOR FINANCE AND IT: COUNCILLOR IAN ALBERT

COUNCIL PRIORITY: PEOPLE FIRST / SUSTAINABILITY

**1. EXECUTIVE SUMMARY**

The Council has specialist software to enable it to record and manage payments, income and other financial transactions. This includes meeting statutory duties to ensure proper administration of financial affairs and making payments to suppliers within required timescales. The main elements of this are currently covered by two sets of software. Over Spring/ Summer this year, the Council has sought tenders for a more integrated solution. The most economically advantageous tender costs more than the currently available budget, and this report seeks approval for capital spend and the additional revenue budget. It is expected that the new software system will allow increased automation that will enable savings that will more than off-set the additional cost.

**2. RECOMMENDATIONS**

- 2.1. That Council approve a capital budget allocation in 2023/24 of £200k for the initial work to develop and implement the new finance software system.

**3. REASONS FOR RECOMMENDATIONS**

- 3.1. A new finance system is expected to lead to more efficient processes and a better customer experience. A new finance system will incur up-front installation and development costs. These costs can be charged to capital but require a capital budget. Additions to the capital programme above £50k require approval by Full Council.

**4. ALTERNATIVE OPTIONS CONSIDERED**

- 4.1. We could have looked to extend contracts for the current software that we have. However, it had become clear that they were not offering the levels of automation that we were after, even after carrying out upgrades to their latest versions. It had also become clear that there would be significant cost increases from continuing with one of the current pieces of software, as the current contract was let 10 years ago and did not have any inflationary increases over that time.

## **5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS**

- 5.1. The Executive Member for Finance and IT has been consulted on this decision.

## **6. FORWARD PLAN**

- 6.1 The award of the contract (due to the overall value of the contract) is a key executive decision (although it is delegated to Officers) and this was first notified to the public in the Forward Plan on the 26/05/2023.

## **7. BACKGROUND**

- 7.1. The Council has two main pieces of software that make up the overall system that enables it to record and manage payments, income and other financial transactions. These are:

- Integra Financials (Centros)- a financial management system that records transactions to enable payments, budget-setting, budget management and financial reporting.
- Civica Pay- for the collection and management of payments. This includes enabling customers to make payments on our website and over the phone.

- 7.2. The Council has had various iterations of the Integra software since 1998 and Civica since 2013. All of the transactions within Civica need to be integrated into Integra. There are currently a number of processes in place to enable this. This provided a driver to look for a solution that was either one piece of software or separate software that had complete integration. Market research had also identified that alternative options would offer other advantages in relation to user experience, customer experience, other process automation and improved reporting (see section 8 for more details).

- 7.3. Integra is hosted on-site and has its own on-site server. This comes with infrastructure and IT staff time costs. The IT strategy states that we should be aiming to move to cloud hosted software.

## **8. RELEVANT CONSIDERATIONS**

- 8.1. As a result of the drivers for change identified in section 7, we started a procurement project in April 2023. At that time the expected costs were unknown (especially the split between revenue and capital costs), so were not incorporated in to the 2023/24 budget.

- 8.2. The tendering process resulted in bids from 3 suppliers, and all 3 suppliers were invited to provide full demonstrations of their products. The scoring of the contract was based on 60% quality (including 10% for the demonstrations), 30% price and 10% social value. There was a requirement for all suppliers to meet a minimum threshold score across all of the various sub-components of the software.

- 8.3. The winning bidder achieved a score of 87.25 (out of 100). The other two bidders achieved scores of 70.17 and 61.47.

- 8.4. The chosen solution is expected to offer the following benefits (over the current software):

- Better integration across the various elements of the overall software reducing the number of integrations required and ensuring that data has reconciled correctly.
- All cloud hosted which will reduce the server space required and there is expected to be no dependency on IT to support the system.
- Upgrades included within the package reducing the cost and effort involved in carrying out those upgrades.
- Asset management module included which will allow the move away from using spreadsheets.
- Supplier self service module allows suppliers to submit invoices online and see when they will be paid.
- Improved reports for budget management and reporting.

8.5. The winning solution will have a small increase in the current revenue (annual) cost. This can be covered with staff savings that have already been identified. As it is a new system it will require up-front development work. It is estimated that this will be around £200k, but will depend on the number of hours work required. This cost can be capitalised. The initial contract period is 10 years, so even writing off over that period would equate to an equivalent annual cost of £20k. It is fully expected that further cashable savings will be delivered which will off-set this amount (e.g., in IT infrastructure costs and staff time when vacancies occur). There will also be non-cashable savings from other process efficiencies that reduce the time spent on current tasks. It also avoids increases in the cost of the current software.

8.6. As a result, Council is asked to approve the allocation of a capital budget of £200k.

## **9. LEGAL IMPLICATIONS**

9.1. Paragraph 5.7 of the Council's Financial Regulations provides a delegation to the Executive Member for Finance and IT to agree new capital programme items up to £50k. It further allows urgency provisions to be used, but that is not the case here. For non-urgent new capital items, these should initially be agreed by Cabinet and then referred to Council.

9.2. If approved by Cabinet, once the contract is awarded, legal will assist in preparing a contract and a Delegated Decision Notice will be published detailing the award of the Contract under the Officers Scheme of Delegation.

## **10. FINANCIAL IMPLICATIONS**

10.1. As detailed in the report the revenue (annual) cost of the new software contract is slightly higher than the current software contract costs and budget. However, it is likely that there would have been a cost increase from extending the contracts with the existing suppliers. The increase can be covered by already identified savings that arise from process efficiencies.

10.2. There is an implementation cost that is estimated at £200k. This cost can be capitalised, and permission is sought from Council to add this to the capital programme. The short-term cost of adding this to the capital programme, is the lost interest from investment returns of around 5% (i.e. £10k per year). The longer-term cost would be an increase in the Council's overall borrowing requirement. At the point where this requires external borrowing then cost will be external borrowing costs and a requirement to charge a Minimum Revenue Provision (MRP). The MRP will be calculated across all Council

borrowing and is likely to use an overall asset life of 40 years, which equates to a 2.5% per year charge. Assuming interest rates of 5% (likely to be lower by the time there is a need to borrow) would give an overall cost of capital of 7.5%. That would therefore be a revenue cost (based on £200k) of £15k. As set out in section 8, it is expected that further savings will be implemented that will off-set that cost.

## **11. RISK IMPLICATIONS**

11.1. The implementation of a new finance system is a significant piece of work. The provider will be required to carry out all the technical work, but it will still require significant input from relevant officers. There is a risk that there will be complications with the implementation, but these are mitigated by the positive references that we have received. The implementation of the new software will be over a period of 12 months up to Autumn 2024.

## **12. EQUALITIES IMPLICATIONS**

12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

12.2. There are no known equalities implications relating to this decision.

## **13. SOCIAL VALUE IMPLICATIONS**

13.1. The recommendations in the report are linked to a contract above £50,000. Social Value was incorporated into the contract with an assessment weighting of 10%. The winning provider has agreed to provide the following Social Value:

- 10 hours per annum of free IT/ Financial advice provided to the voluntary sector and small businesses, with a focus on supported disadvantaged young people.
- Donated equipment up to the value of 5% of the Annual SaaS Fee per annum. utilising their purchasing power to buy and donate equipment to the voluntary sector within North Herts.

## **14. ENVIRONMENTAL IMPLICATIONS**

14.1. There are no known Environmental impacts or requirements that apply to this report.

## **15. HUMAN RESOURCE IMPLICATIONS**

15.1 There will be some staffing efficiencies that will be enabled following the full implementation Some of the efficiencies that will be delivered as part of this decision are expected to be a reduction in staff hours. These are generally expected to be managed through not filling vacancies when they arise, but, if necessary, the Council's reorganisation policy will be applied. There are also expected to be small time savings for other Officers that then give more time to complete other tasks.

## **16. APPENDICES**

16.1 *None*

**17. CONTACT OFFICERS**

17.1 Ian Couper, Service Director: Resources [ian.couper@north-herts.gov.uk](mailto:ian.couper@north-herts.gov.uk); ext. 4243

17.2 Rachel Cooper, Controls, Risk and Performance Manager, [Rachel.cooper@north-herts.gov.uk](mailto:Rachel.cooper@north-herts.gov.uk), ext. 4606

17.3 Tim Everitt, Performance and Risk Officer, [tim.everitt@north-herts.gov.uk](mailto:tim.everitt@north-herts.gov.uk), ext. 4646

17.4 Jo Keshishian, HR Operations Manager, [jo.keshishian@north-herts.gov.uk](mailto:jo.keshishian@north-herts.gov.uk), ext. 4314

17.6 Reuben Ayavoo, Policy and Communities Manager, [Reuben.ayavoo@north-herts.gov.uk](mailto:Reuben.ayavoo@north-herts.gov.uk), ext. 4212

17.7 Isabelle Alajooz, Legal Commercial Team Manager, [Isabelle.alajooz@north-herts.gov.uk](mailto:Isabelle.alajooz@north-herts.gov.uk), ext. 4346

**18. BACKGROUND PAPERS**

18.1 *None*

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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**COUNCIL  
28 SEPTEMBER 2023**

**\*PART 1 – PUBLIC DOCUMENT**

**TITLE OF REPORT: NEW PENSION ADMISSION AGREEMENT FOR SETTLE GROUP**

REPORT OF: *Service Director: Resources*

EXECUTIVE MEMBER: *Non-Executive*

COUNCIL PRIORITY: SUSTAINABILITY / A BRIGHTER FUTURE TOGETHER

**1. EXECUTIVE SUMMARY**

See part 2 report.

**2. RECOMMENDATIONS**

2.1. That Council approves the decision in the part 2 report.

**3. REASONS FOR RECOMMENDATIONS**

3.1. See part 2 report.

**4. ALTERNATIVE OPTIONS CONSIDERED**

4.1. See part 2 report.

**5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS**

5.1. See part 2 report.

**6. FORWARD PLAN**

6.1 This report does not contain a recommendation on a key Executive decision and has therefore not been referred to in the Forward Plan.

**7. BACKGROUND**

7.1 See part 2 report.

**8. RELEVANT CONSIDERATIONS**

8.1. See part 2 report.

**9. LEGAL IMPLICATIONS**

9.1 See part 2 report.

**10. FINANCIAL IMPLICATIONS**

10.1 See part 2 report.

**11. RISK IMPLICATIONS**

11.1 See part 2 report.

**12. EQUALITIES IMPLICATIONS**

12.1. See part 2 report.

**13. SOCIAL VALUE IMPLICATIONS**

13.1. See part 2 report.

**14. ENVIRONMENTAL IMPLICATIONS**

14.1. See part 2 report.

**15. HUMAN RESOURCE IMPLICATIONS**

15.1 See part 2 report.

**16. APPENDICES**

16.1 *See part 2 report.*

**17. CONTACT OFFICERS**

17.1 *Ian Couper, Service Director: Resources, [ian.couper@north-herts.gov.uk](mailto:ian.couper@north-herts.gov.uk), ext: 4243*

17.2 Jeanette Thompson, Service Director: Legal and Community, [jeanette.thompson@north-herts.gov.uk](mailto:jeanette.thompson@north-herts.gov.uk), ext: 4370

**18. BACKGROUND PAPERS**

18.1 None