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NORTH HERTFORDSHIRE DISTRICT COUNCIL

CABINET

MEETING HELD IN THE COUNCIL CHAMBER, DISTRICT COUNCIL OFFICES, LETCWORTH GARDEN CITY

ON TUESDAY, 21ST DECEMBER, 2021 AT 7.30 PM

MINUTES

Present: *Councillors: Councillor Elizabeth Dennis-Harburg (Chair), Ian Albert, Amy Allen, Judi Billing, Steve Jarvis and Ian Mantle*

In Attendance: *Nigel Smith (Strategic Planning Manager), Ian Fullstone (Service Director - Regulatory), Jeanette Thompson (Service Director - Legal and Community), Ian Couper (Service Director - Resources), Jo Dufficy (Service Director - Customers), James Lovegrove (Committee, Member and Scrutiny Officer), Louis Mutter (Committee, Member and Scrutiny Officer), Louise Randall (Leisure Manager), Reuben Ayavoo (Policy and Community Engagement Manager) and Anne Banner (Benefits Manager)*

Also Present: *At the commencement of the meeting there were no members of the public present.*

48 MINUTES SILENCE IN REMEMBRANCE OF COUNCILLOR PAUL CLARK

The Chair advised Members that, following the death of Councillor Paul Clark who was the Executive Member for Planning, a minute's silence in remembrance would be held.

49 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Sam Collins, Gary Grindal and Ruth Brown.

50 MINUTES OF THE PREVIOUS MEETING

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

RESOLVED: That the Minutes of the Meeting of the Committee held on 21 September 2021 be approved as a true record of the proceedings and be signed by the Chair.

51 NOTIFICATION OF OTHER BUSINESS

There was no other business notified.

52 CHAIR'S ANNOUNCEMENTS

- (1) The Chair advised that, in accordance with Council Policy, the meeting would be 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.

53 PUBLIC PARTICIPATION

There was no public participation at this meeting.

54 ITEMS REFERRED FROM OTHER COMMITTEES

7a. Referral from Finance, Audit and Risk Committee – 15 December 2021 – Draft Budget 2022/23

The Chair advised this referral would be taken with Item 8.

7b. Referral from Finance, Audit and Risk Committee – 15 December 2021 – Quarterly Risk Management Update

The Chair advised this referral would be taken with Item 9.

7c. Referral from Finance, Audit and Risk Committee – 15 December 2021 – Second Quarter Investment Strategy (Capital and Treasury) Review 2021/22

The Chair advised this referral would be taken with Item 10.

7d. Referral from Overview and Scrutiny Committee – 14 December 2021 and Finance, Audit and Risk Committee – 15 December 2021 – Integrated Performance Management

The Service Director – Resources presented report entitled Integrated Performance Management which was referred from the Finance, Audit and Risk and Overview and Scrutiny Committees and highlighted:

- This was a proposal to change the way Performance Indicators, projects and risks are dealt with and reported on, to ensure they are more closely aligned to each other and the Council Plan.
- Section 7 details the processes and reports that are sent to both the Finance, Audit and Risk Committee and the Overview and Scrutiny Committee.
- Section 8 details the proposed changes.

Councillor Ian Albert advised that he was supportive of this move and the idea followed from seminars attended by Members. The move to an Integrated Performance Management report will allow a role for Cabinet within the processes. He noted that there was cross party support for this move and thanked the Officers involved for their work in getting proposals put together.

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

RESOLVED: That the proposals set out in the report were approved which relate to the relation and monitoring of an Integrated Council Delivery Plan.

RECOMMENDED TO COUNCIL: That Council approves the changes to the Constitution as detailed in Section 9.

REASON FOR DECISION: To improve the current processes that are in place which do not seem to be well integrated with each other or the Council Plan.

7e. Referral from Overview and Scrutiny Committee – 14 December 2021 – Q2 Performance Indicators 2021-22

The Chair advised that this item had been included in error and would be referred to the Cabinet meeting in January.

55 DRAFT BUDGET 2022/23

The Executive Member for Finance and IT, Councillor Ian Albert, presented the Draft Budget 2022/23 report and the Local Government Settlement which had been provided as an addendum.

Councillor Albert advised that the short-term position was slightly better than expected and mid to long-term was still uncertain, but there was expected to be a new funding formula due for 2023/24 onwards.

The Service Director – Resources noted:

- The addendum highlighted the main funding streams for the Council and what had come from the Local Government Settlement announcement last week.
- Lower Tier Services grant will be received again.
- It had been assumed that funding would be given to recompense costs of coming out of the National Insurance/Social Care Levy scheme. This is being provided by the Services Grant.
- The New Homes Bonus has been honoured for another year – ending September 2021 – and this is additional to expected.
- No additional funding to cover Covid-19 costs this year and any additional costs will have to be met from existing Council budgets.
- Requested that Members were prudent about only including essential spending, in line with the objectives in the Council Plan.
- There will be some transitional protection when a new funding formula is introduced, which should mitigate some funding reductions and help to reduce the impact as it is introduced over a longer period.

Councillor Ian Albert advised:

- Points 8.1-8.6 have been superseded by the addendum.
- Points 8.7 and 8.8 highlighted the impact that the higher level of inflation was having on the ability to deliver savings and efficiencies in the future.
- No formal comments had been received from Finance, Audit and Risk Committee regarding the budget and Members had voted it be recommended to Cabinet.
- There was general support for the 80p rise in the garden waste charge.
- A question was raised at Finance, Audit and Risk Committee regarding a possible Council Tax freeze and the cost of this to the Council. It will be proposed in the budget that Council Tax should increase by approximately 10p per week, as a freeze would cost £250k per annum on an ongoing basis and this was not deemed affordable.
- There were investments going into key services, such as food standards, environmental health and conservation and it was not simply a case of making efficiencies, but improving services offered across the district.
- There was some scope for funding for small, ad-hoc investments in 2022/23, but these would need to be explored as they became apparent.

The following Member asked a question:

- Councillor Judi Billing

In response to the question the Service Director – Resources advised that Healthy Hub scheme funding from County Council would need to be confirmed as soon as possible and ideally prior to the next Cabinet meeting at which the budget would be discussed. As the funds were proposed for 2023/24, this could be included in next year's budget if required.

Councillor Steve Jarvis noted that the budget had delivered some real benefits, especially regarding environmental policies, and in the face of the lack of clarity from government. He also commented that the Hertfordshire Police and Crime Commissioner had announced a 4.7% rise in Council Tax.

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

RESOLVED:

- (1) That Cabinet noted the latest funding forecasts for 2022/23 and the significant uncertainty around inflation and Central Government funding, and that these estimates provided could be subject to significant change.
- (2) That Cabinet noted the comments made at the budget workshops, and comment on the inclusion of the revenue savings and investments in the budget to be brought back for consideration in January, for referral on to Council in February.
- (3) That Cabinet noted the comments made at the budget workshops, and comment on the inclusion of the capital investments in the Investment Strategy to be brought back for consideration in January, for referral on to Council in February.

REASON FOR DECISION: To ensure that all relevant factors are considered in arriving at a proposed budget, Investment Strategy and Council Tax level for 2022/23, to be considered by Full Council on 10 February 2022.

56 QUARTERLY UPDATE ON RISK MANAGEMENT AND ANNUAL REVIEW OF RISK MANAGEMENT FRAMEWORK

The Executive Member for Finance and IT presented the report entitled Quarterly Update on Risk Management and Annual Review of Risk Management Framework and noted:

- The impact of Anti-Social Behaviour on Council facilities would be changed from a Corporate Risk to a Service Risk, as the reduction in issues demonstrated that action taken has had an impact.
- There were minor changes to the risk management framework as outlined in Appendix C.
- Risks identified regarding leisure facilities were proved correct given the emergence of the new Omicron variant.

The Service Director – Resources requested that the recommendation 2.2 be changed from Cabinet noting the report to Cabinet approval of the report.

Councillor Ian Albert proposed, as amended, and Councillor Steve Jarvis seconded and, following a vote, it was:

RESOLVED:

- (1) That Cabinet noted the update on the Corporate Risks for the quarter, namely:
 - The review of the Covid-19 Leisure Management Contract Corporate risk with an unchanged risk score of 9 and a Target risk score of 6.
 - The review of the Novel Coronavirus (Covid-19) Recovery Corporate risk with a current risk score of 9 and a target risk score of 6.

- The review of the Managing the Councils Finances Corporate risk with an unchanged current risk score of 9, and a target risk score of 3
- The proposal to downgrade the Impact of Anti-Social Behaviour on Council Facilities Corporate risk to a service risk.

(2) That Cabinet approved the annual review of the Risk Management Framework.

REASONS FOR DECISIONS:

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

57 SECOND QUARTER INVESTMENT STRATEGY (CAPITAL AND TREASURY) REVIEW 2021/22

The Executive Member for Finance and IT presented the report entitled Second Quarter Investment Strategy (Capital and Treasury) Review 2021-22, along with referral 7c from Finance, Audit and Risk Committee and drew attention to points including:

- Table 3, paragraph 8.5 detailed the capital spend removed from the Capital Programme relating to the property development strategy providing housing at market rents.
- This does not mean no opportunities will be explored in the future, but that none are in the pipeline at this stage.
- Investment returns were still low and there was a high balance of government money held, which would need to be paid back.
- Bank and building societies are generally at capacity and the excess balances are placed with the DMO, sometimes requiring investments at negative interest rates.
- Bank of England base rate has been raised to 0.25% and this may have some positive effect on future investments.

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

RESOLVED:

- (1) That Cabinet noted the forecast expenditure of £3.045million in 2021/22 on the capital programme, paragraph 8.3 refers.
- (2) That Cabinet approved the adjustments to the capital programme for 2021/22 onwards, as a result of the revised timetable of schemes detailed in table 2 and 3, decreasing the estimated spend in 2022/23 by £2.661million.
- (3) That Cabinet noted the position of the availability of capital resources, as detailed in table 4 paragraph 8.6 and the requirement to keep the capital programme under review for affordability.

RECOMMEND TO COUNCIL: That Council note the position of Treasury Management activity as at the end of September 2021.

REASONS FOR DECISIONS:

- (1) Cabinet is required to approve adjustments to the capital programme and ensure the capital programme is fully funded.

- (2) To ensure the Council's continued compliance with CIPFA's code of practice on Treasury Management and the Local Government Act 2003 and that the Council manages its exposure to interest and capital risk.

58 SECOND QUARTER REVENUE MONITORING 2021/22

The Executive Member for Finance and IT presented the report entitled Second Quarter Revenue Monitoring and noted:

- Significant variances were detailed in Table 3 and these generally related to Covid 19, such as Housing Benefit overpayment, leisure support and car park income.
- Forecast reflects the impact of Covid 19 up to the end of year and assumed some recovery by this point. While this seemed a sensible position when the forecasts were compiled, the emergence of the Omicron variant will affect this and it will become clear the full impact as possible further restrictions are announced.
- After inclusion of General Grant and Sales Fees and Charges Compensation, it was expected that around £1million will have to come from reserves to meet needs, despite government promises to support councils.
- The General Fund balances had shown a small increase, as detailed in Table 6.
- Reserves, whether specific or general, can only be spent once.
- Support given to Stevenage Leisure to support the health and wellbeing services at leisure centres in the district had been prudent and the recovery of these facilities showed that this was an important decision to make.

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

RESOLVED:

- (1) That Cabinet noted this report.
- (2) That Cabinet approved the changes to the 2021/22 General Fund budget, as identified in table 3 and paragraph 8.2, a £1.256million decrease in net expenditure.
- (3) That Cabinet noted the changes to the 2022/23 General Fund budget, as identified in table 3 and paragraph 8.2, a total £68k decrease in net expenditure. These will be incorporated in the draft revenue budget for 2022/23.

REASON FOR DECISIONS: Members are able to monitor, make adjustments within the overall budget framework and request appropriate action of Services who do not meet the budget targets set as part of the Corporate Business Planning process.

59 COUNCIL TAX REDUCTION SCHEME - YEAR 10

The Executive Member for Finance and IT presented the report entitled Council Tax Reduction Scheme 2022/2023 and highlighted:

- This is the annual report to refer onto Council regarding the Council Tax Reduction Scheme.
- Council Tax reduction changed in 2013 with local schemes introduced, which allowed the Council to establish means tested system with a standard percentage reduction being offered – currently 25%.
- A full review of the Scheme was started in 2019 but this was delayed due to the pandemic, with the administration of Covid related grants taking up a significant portion of Officers time and an increase in claimants had skewed the data required for modelling.
- The pandemic has lasted longer than expected and so it is hoped the review can start again in early 2022.

- It was agreed no changes to the Council Tax Scheme for 2022-23 and a light touch consultation took place on this in November 2021 and no comments were received.
- The number and categories of claimants were detailed within the report.
- The amount of funding proposed to Parish Councils was detailed within the report.

Councillor Ian Albert wished to express his thanks to the staff involved in this scheme and the support they had offered to residents was exemplary. This was agreed with by Councillors Amy Allen and Elizabeth Dennis-Harburg.

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

RECOMMENDED TO COUNCIL:

- (1) That Council notes the CTRS position relating to this and previous financial years.
- (2) That Council notes that a full review of the CTRS had commenced and has been postponed due to the consequences on the scheme of the COVID-19 pandemic.
- (3) That the funding allocated for distribution to Parish, Town & Community Councils in relation to CTRS in 2022/2023 is unchanged from 2021/2022.
- (4) That no changes to the CTRS be made for 2022/2023.

REASON FOR RECOMMENDATIONS: To update Cabinet on how the Scheme is working and to note that the full review planned to take place was postponed due to the impact of the COVID-19 pandemic and this remains the case. However, work is planned to start in January 2022.

60 DE-COMMISSION OF LOCAL STRATEGIC PARTNERSHIP (LSP)

The Executive Member for Community Engagement presented the report entitled Decommission of Local Strategic Partnership (LSP) and noted:

- The Local Strategic Partnership (LSP) had started 20 years ago.
- It became apparent that the LSP was not suited to Community Engagement in North Herts, despite the best efforts of local groups and partners.
- While working groups, hubs and meetings were held, but these were never hugely successful as different people would attend each meeting and would often include representatives who did not have decision making authority.
- Generally the benefits of the LSP were never seen and the Local Enterprise Partnerships came in as a replacement.
- Attempts to rejuvenate the partnerships had been made but there seemed to be little interest in this from involved partners.
- There was now an understanding that more could be achieved by focussing on groups with a common interest and who want to achieve a specific, shared goal.

Councillor Ian Albert advised that he had initially been sceptical about this proposal, but having heard the explanation it was clear the LSPs were not functioning as expected and the reality was that more could be achieved in other ways of partnership working, as had been demonstrated through schemes set up during the course of the pandemic.

Councillor Judi Billing proposed and Councillor Steve Jarvis seconded and, following a vote, it was:

RESOLVED: That Cabinet supported and approved the dissolution of the LSP for the reasons set out in the report.

REASON FOR DECISION: North Hertfordshire Council widely engages with statutory and voluntary and community organisation in numerous ways. Much has changes since the establishment of the LSP in 2001. Due to a range of factors: the emergence of new thematic partnerships and networks, the complete allocation of the Performance Reward Grant (PRG) and the reduced attendance and engagement of external partners at the Partnership meeting, consideration must be made to dissolving the LSP.

61 STRATEGIC PLANNING MATTERS

The Deputy Executive Member for Planning presented the report entitled Strategic Planning Matters and noted:

- Welwyn Hatfield council had been told that there was no option to defer the adoption of a district local plan. The would imply that when the Inspectors report is received it will either need to be adopted, or the district would be left in limbo.
- No comment had been received from the Inspector regarding the Local Plan and there was still no indication of when it would be received.
- No major issues had been raised in the more than 4 years of discussion on the Local Plan.
- Luton Borough Council had increased capacity of the airport from 18million to 19million, but a request had been made to the Secretary of State to call in this decision, which would be supported by North Herts District Council.

Councillor Elizabeth Dennis-Harburg highlighted that the local MP, Bim Afolami, had written to the Department for Levelling Up, Housing and Communities to request clarification on the Local Plan, but this had again been pushed back onto the Inspector.

Councillor Ian Albert noted that some colleagues had held meetings with Bim Afolami MP regarding the station access in Hitchin and how this could be developed alongside a sustainable travel town plan. He suggested that this could possibly link with the work done on the Letchworth Travel Plan to improve sustainable connectivity between the two towns.

In response, the Deputy Executive Member for Planning advised that the Sustainable Travel Plans included had not been developed by NHDC, but were the work of Royston Town Council and the Letchworth Garden City Heritage Foundation in their respective towns. If organisations could be found in Baldock and Hitchin to conduct this work, then the Council could offer what support they could. A new Transport Officer had been hired this week.

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

RESOLVED:

- (1) That the report on strategic planning matters was noted.
- (2) That the correspondence and information in Appendices A to C was noted and endorsed by Cabinet.

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

62 ASHWELL NEIGHBOURHOOD PLAN

The Deputy Executive Member for Planning presented the report on Ashwell Neighbourhood Plan and noted:

- Ashwell Parish residents had produced a Neighbourhood Plan, which had received positive comments from the examiner.
- The Plan now required Cabinet's endorsement to move this to a referendum.

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

RESOLVED:

- (1) That the Examiner's report for the Ashwell Neighbourhood Plan was noted.
- (2) That following the inclusion of the Examiner's proposed modifications to the Ashwell Neighbourhood Plan, as set out in Appendix B, it is approved to proceed to a referendum.
- (3) That the Counting Officer be instructed to conduct a referendum on the Ashwell Parish Neighbourhood Plan.
- (4) That the decision to "make" the Ashwell Neighbourhood Plan was delegated to the Service Director – Regulatory in consultation with the Executive Member for Planning, as previously agreed by Cabinet in July 2018 (Minute 21).

REASON FOR DECISIONS: To progress the Ashwell Neighbourhood Plan, enable a referendum to take place and, if more than 50% of those voting in favour of the Ashwell Neighbourhood Plan, to "make" the Ashwell Neighbourhood Plan.

63 LEISURE COVID RECOVERY UPDATE

The Executive Member for Environment and Leisure presented the report entitled Leisure Covid Recovery Update and noted:

- Recover Plan had been pursued throughout the year and the report detailed what had been achieved within the plan.
- There had been an increase in use of leisure centres and swimming lessons had seen an increase on pre-pandemic levels.
- Outdoor pools in the district had performed better than expected.
- It was expected that leisure centres would require less support given the recovery which had taken place, but this may change with the emergence of the new Omicron variance.
- There had been no abnormal drop off in usage so far, December is usually a quiet month, with January becoming a busier month for fitness activities, so attendance levels in January would give a good indication of recovery and the impact Omicron was having on leisure.

Councillor Ian Albert noted that it was good to see the reports of the recovery taking place at leisure centres and the increased numbers attending swimming lessons. This highlighted the importance of the partnership working with Stevenage Leisure and proved opposition comments wrong when this proposal was made.

The following Member asked a question:

- Councillor Elizabeth Dennis-Harburg

In response to the question, the Service Director – Resources advised that it was not yet known what level of support would be given to leisure facilities following the Chancellors announcement of £1 billion in funding support. He would report back to Members on this as soon as it became clearer.

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Councillor Ian Albert advised that given Stevenage Leisure had previously been supported financially by grants from government, it would be assumed they would receive some support this time, but this would need to be clarified as details became available.

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

RESOLVED: That Cabinet noted the recovery progress of our leisure facilities across the district.

REASON FOR DECISION: To ensure the Council continues to deliver leisure services that support the health and wellbeing of our residents throughout the Coronavirus pandemic.

The meeting closed at 8.39 pm

Chair