

Public Document Pack

NORTH HERTFORDSHIRE DISTRICT COUNCIL

CABINET

**MEETING HELD IN THE COUNCIL CHAMBER, DISTRICT COUNCIL OFFICES, GERONON ROAD, LETCHWORTH, HERTS, SG6 3JF
ON TUESDAY, 14TH JANUARY, 2025 AT 7.30 PM**

MINUTES

Present: *Councillors: Daniel Allen (Chair), Val Bryant (Vice-Chair), Ian Albert, Amy Allen, Mick Debenham, Tamsin Thomas and Dave Winstanley.*

In Attendance: *Anne Banner (Benefits Manager), Deborah Coates (Principal Strategic Planning Officer), Ian Couper (Service Director - Resources), Jo Doggett (Service Director - Housing & Environmental Health), Jo Dufficy (Service Director - Customers), Ian Fullstone (Service Director - Regulatory), Geraldine Goodwin (Revenues Manager and Data Protection Officer), Scott Grant (Environmental Health Approver), Frank Harrison (Environmental Health Manager), Sarah Kingsley (Service Director - Place), Susan Le Dain (Committee, Member and Scrutiny Officer), James Lovegrove (Committee, Member and Scrutiny Manager), Anthony Roche (Managing Director) and Jeanette Thompson (Service Director - Legal and Community).*

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

Councillor Sean Nolan was in attendance as Chair of the Finance, Audit and Risk Committee.

Jamie Trowers, Legal Adviser at Trowers and Hamlin was also present.

80 APOLOGIES FOR ABSENCE

Audio recording – 1 minutes 34 seconds

There were no apologies for absence received.

81 MINUTES - 19 NOVEMBER AND 26 NOVEMBER 2024

Audio Recording – 1 minute 40 seconds

Councillor Daniel Allen, as Chair proposed and Councillor Mick Debenham seconded and, following a vote it was:

RESOLVED: That the Minutes of the Meeting of the Committee held on 19 November and 26 November 2024 be approved as a true record of the proceedings and be signed by the Chair.

82 NOTIFICATION OF OTHER BUSINESS

Audio recording – 2 minutes 25 seconds

There was no other business notified.

83 CHAIR'S ANNOUNCEMENTS

Audio recording – 2 minutes 29 seconds

- (1) The Chair advised that, in accordance with Council Policy, the meeting would be recorded.
- (2) The Chair reminded Members that the Council had declared both a Climate Emergency and an Ecological Emergency. These are serious decisions, and mean 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 for the purposes of clarification that 4.8.23(a) of the Constitution did not apply to this meeting.
- (5) The Chair advised of a change in the order of the agenda. Agenda Item 17 would be considered after Agenda Item 21.
- (6) The Chair advised that a supplementary document has been published for Agenda Item 21, 'Decarbonisation of Leisure Centres Update', with a cover report which supersedes the cover report in the main agenda pack.

84 PUBLIC PARTICIPATION

Audio recording – 4 minutes 10 seconds

There was no public participation at the meeting.

85 ITEMS REFERRED FROM OTHER COMMITTEES

Audio recording – 4 minutes 14 seconds

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

86 EXCLUSION OF PRESS AND PUBLIC

Audio recording – 5 minutes 40 seconds

Councillor Daniel Allen proposed and Councillor Val Bryant seconded and, following a vote, it was:

RESOLVED: That under Section 100A(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the said Act (as amended).

87 LEISURE AND ACTIVE COMMUNITIES AGENCY MODEL - PART 2

N.B. This item was considered in restricted session and therefore no recordings were available.

Councillor Mick Debenham, as Executive Member for Environment and Leisure, presented the report entitled 'Leisure and Active Communities Agency Model – Part 2'.

Councillor Mick Debenham proposed and Councillor Dave Winstanley seconded and, following a vote, it was:

RESOLVED: That Cabinet:

- (1) Agreed in principle to entering into an Agency Agreement with SLM (Everyone Active) for the operation of our leisure facilities and varying the Contract in accordance with the external Part 2 Appendix C legal advice and Part 2 legal implications.
- (2) Delegated the final decision on entering into the Agency Agreement to the Service Director – Place, in consultation with the Executive Member for Leisure, Environment and Green Spaces and the Executive Member for Finance and IT and Service Directors – Resources and Legal & Community.

REASON FOR DECISION: To ensure the maximum financial sustainability of our leisure services, in line with our council priorities.

88 LEISURE AND ACTIVE COMMUNITIES AGENCY MODEL - PART 1

Audio recording – 21 minutes 14 seconds

Councillor Mick Debenham, as Executive Member for Environment and Leisure, presented the referral on this item from Overview and Scrutiny Committee and the report entitled 'Leisure and Active Communities Agency Model – Part 1' and advised that:

- There had been a discussion at Overview and Scrutiny around any potential risks involved.
- In March 2023 changes to VAT were announced by HMRC applicable to leisure services delivered by Councils which meant that VAT no longer had to be charged on the sale of leisure services, for example a gym membership.
- That Councils were also able to recover any VAT they incurred in providing leisure services.
- In September 2024 SLM (Everyone Active) sent a proposal to North Herts District Council whereby they would act as the agent of the Council and the Council would be the principal.

Councillor Mick Debenham proposed and Councillor Dave Winstanley seconded and, following a vote, it was:

RESOLVED: That Cabinet:

- (1) Agreed in principle to entering into an Agency Agreement with SLM (Everyone Active) for the operation of our leisure facilities and varying the Contract in accordance with the external Part 2 Appendix C legal advice and Part 2 legal implications.
- (2) Delegated the final decision on entering into the Agency Agreement to the Service Director – Place, in consultation with the Executive Member for Leisure, Environment and Green Spaces and the Executive Member for Finance and IT and Service Directors – Resources and Legal & Community.

REASON FOR DECISION: To ensure the maximum financial sustainability of our leisure services, in line with our council priorities.

89 CORPORATE PEER CHALLENGE REPORT

Audio recording – 25 minutes 12 seconds

Councillor Daniel Allen, as Leader of the Council, advised that the Council had recently undertaken a Corporate Peer Challenge (CPC) between 4 and 7 November 2024 and invited the Managing Director to present the feedback report.

The Managing Director presented the reported entitled 'Corporate Peer Challenge Report' and advised that:

- The Council had been visited by a peer team supported by the Local Government Association (LGA) in November 2024 and produced a feedback report which was attached at Appendix A.
- The feedback report highlighted areas where the Council performed well and areas where there could be improvement.
- It had been useful to receive this outside perspective of the Council.
- This report was required to be published within three months and no later than 7 February 2025.
- A website page would be created with the background document produced for the peer team, the feedback report and the action plan when it had been compiled.
- The Council was required to produce an action plan with recommendations for improvement within 5 months and no later than 4 April 2025.
- Approval for development of this action plan was being requested between the Managing Director, the Leader and the Deputy Leader of the Council, reporting back to Cabinet in March 2025.
- Then the LGA would meet with the Council for a progress review where some of the peer team would come back for a meeting at a date to be confirmed.

The following Members took part in the debate:

- Councillor Ian Albert
- Councillor Daniel Allen

Points raised during the debate included:

- How useful the discussion sessions within departments had been and were a valuable way of exploring thoughts and of ideas.
- There was positive feedback in the report of the services provided by the Council to residents and this reflected a happy and supported workforce.
- The need to ensure the right balance between the Council Delivery Plan and the financial capability of the Council.
- The importance having correct project management in place.
- Appreciation for all the work of the peer team and all staff.

Councillor Daniel Allen proposed and Councillor Val Bryant seconded and, following a vote, it was:

RESOLVED: That Cabinet:

- (1) Noted the content of the Corporate Peer Challenge report and its recommendations.
- (2) Requested that the Managing Director, Leader of the Council and Deputy Leader develop an action plan responding to the recommendations in the Corporate Peer Challenge report, to be reported to Cabinet on 18 March 2025.

REASON FOR DECISIONS: To ensure that the Council responds to the matters identified within the CPC report, ensuring that the benefits of the CPC process are realised.

90 LOCAL GOVERNMENT AND SOCIAL CARE OMBUDSMAN'S REPORT OF FAILINGS IN THE INVESTIGATION OF STATUTORY NOISE NUISANCE BY NORTH HERTFORDSHIRE DISTRICT COUNCIL (REF NO: 23 014 065)

Audio recording 32 minutes 26 seconds

The Monitoring Officer presented the report entitled 'Local Government and Social Care Ombudsman's Report of Failings in the Investigation of Statutory Noise Nuisance by North Hertfordshire District Council (Ref No: 23 014 065)' and advised that:

- The Monitoring Officer was required to present this report as detailed in the legal implications section of the report.
- The full LGO report was included at Appendix A.
- The recommendations made by the LGO were set out in paragraphs 7.2 and 7.3 of the report.
- The compliance information was detailed in paragraph 7.3.
- A review of the Comments, Compliments and Complaints policy of the Council would commence in March or April this year and would then be presented at the Overview and Scrutiny Committee and/or Cabinet in June or July depending on the schedule of meetings.

The following Members took part in the debate:

- Councillor Dave Winstanley
- Councillor Mick Debenham

Points raised during the debate included:

- Members accepted the findings in the report.
- Lessons had been learnt and this would be of benefit to the Council in the future.

Councillor Val Bryant proposed and Councillor Dave Winstanley seconded and, following a vote, it was:

RESOLVED: That Cabinet:

- (1) Considered the LGO report.
- (2) Noted the LGO recommended action compliance information as in para 7.2 – 7.3 below.
- (3) Considered the measures that the Environmental Health Service has put / will put in place to prevent the recurrence of the failings.
- (4) Noted that the Council's Comments, Compliments and Complaints Policy and Procedure will be reviewed in 2025, to potentially include remedies, and supporting guidance will be issued for Officers.

RECOMMENDED TO COUNCIL: The revisions to section 14 of the Constitution relating to LGO decisions and payments, as detailed under section 8.5 of this report [extract as follows deletion/amendment underlined]

8.5 In terms of recommendation 2.5, the proposed wording to amend section 14.6.5/ 14.6.13 of the Constitution, would assist with ensuring that this matter is discussed between the three statutory officers (Head of Paid Service, Section 151 and Monitoring Officers), with

the removal of the settlement limit to reflect the increasing awards now being made by the LGO. It should be noted that at the time the compensation payment of £3,000 was made, this was not in line with the original delegation (albeit under the Managing Director's general delegation to make such a payment above £2,000, on urgency grounds, under section 14.6.5(a)(iv)). **The proposed amended wording would be:**

14.6.5(a)(xiii) Managing Director's delegation, to be amended (as underlined):
"(xiii) To consider any report of the Local Government Ombudsman and to settle any compensation payments up to £2000 (in conjunction with the section 151 Officer and Monitoring Officer)"

14.6.13 Proper Officers Schedule to be amended as (as underlined):
"Local Government Act 1974 S.30(5) To give notice and that copies of an Ombudsman's report, in draft and final are available to the Managing Director, and Monitoring Officer (where maladministration identified)"

REASONS FOR RECOMMENDATION:

- (1) Recommendations 2.1-2.4 are to cover the issues that have arisen / linked to the LGO in its report dated 19 September 2024, titled 'Investigation into a complaint about North Hertfordshire District Council (reference number: 23 014 065)', appended at A, and in the opinion of the Monitoring Officer, are necessary steps for the Council in this matter.
- (2) Recommendation 2.5 is to recognise the wider involvement of the statutory officers in such matters and specifically in relation to the issue of compensation, to increase notification and flexibility.

91 LOCAL DEVELOPMENT SCHEME

Audio recording – 37 minutes 4 seconds

Councillor Daniel Allen, as the Interim Executive Member for Planning and Transport, presented the report entitled 'Local Plan – Local Development Scheme' and advised that:

- The Council agreed to proceed with a full review and update of the North Herts Local Plan (NHLP) in January 2024.
- The Local Development Scheme (LDS) was a statutory document detailing the timetable set by the Council for Preparing the Local Plan in accordance with Section 15 of the Planning and Compulsory Purchase Act 2004 as amended.
- The Strategic Planning Project Board were consulted and endorsed the LDS in November 2024.
- The proposed reforms to the plan-making system have not yet been published or therefore implemented following a change in the government.
- In the meantime, the Strategic Planning Team have begun to undertake updates to evidence and policy documents which will support and inform the Local Plan.
- The Sustainability SPD was adopted by the Council in September 2024.

The following Members took part in the debate:

- Councillor Daniel Allen
- Councillor Ian Albert

Points raised in the debate included:

- The Sustainability SPD was an excellent document and had received positive feedback from developers and other stakeholders.
- A need to understand next steps and how to communicate the benefits to the residents.

In response to points raised in the debate, the Principal Strategic Planning Officer advised that:

- The strategic sites would progress as expected under the current Local Plan.
- Discussions were taking place of the best way to communicate with the community and the Council was working with neighbouring local authorities on joint evidence bases.
- The Council was working to a timeline and were still waiting for regulations to be published.
- Cabinet would be kept updated of progress.

Councillor Daniel Allen proposed and Councillor Mick Debenham seconded and, following a vote, it was:

RESOLVED: That Cabinet approved the Local Development Scheme, attached at Appendix A.

REASONS FOR RECOMMENDATION: To provide an up-to-date timetable on the production of an updated Local Plan in accordance with the requirements of national legislation and policy.

92 STRATEGIC PLANNING MATTERS

Audio recording – 43 minutes 0 seconds

Councillor Daniel Allen, as the Interim Executive Member for Planning and Transport, presented the report entitled 'Strategic Planning Matters' and advised that:

- This report identified the latest position on key planning and transport issues.
- Cabinet was last updated in September 2024.
- Government issued a new version of the National Planning Policy Framework (NPPF) in December 2024.
- The Council could no longer demonstrate a five-year land supply under the new rules and would have to consider all relevant planning applications.
- The new government definition of 'grey belt' (land in the Green Belt meeting certain criteria) could affect more land the North Herts District Council than original thought.
- A decision on Luton Airport had been delayed to April 2025.
- Neighbouring authorities were consulting on updating their Local Plans and details could be found in the Appendix.

The following Members asked questions:

- Councillor Amy Allen
- Councillor Ian Albert

In response to questions, the Service Director – Regulatory, advised that:

- Detailed works for the Town Centre Strategies was presented to the Project Board before Christmas.
- It was now planned to complete the strategies on all the Town Centres at the same time as opposed to the original timetable of stepped approach, unfortunately this had slowed down progress.
- Public consultations would be carried out and discussions would be held with the relevant Area Forums.

In response to questions, the Principal Strategic Planning Officer advised that:

- Reg 18 referred to public consultation issues and options that Luton were considering as detailed in paragraph 8.18 of the report.
- Reg 19 was a more formal consultation and would be a final submission document.

Councillor Daniel Allen advised that what Luton considered did not affect the Local Plan.

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

RESOLVED: That Cabinet:

(1) Noted the report on strategic planning matters.

(2) Endorsed the documents at Appendices A – D.

REASON FOR RECOMMENDATIONS: To keep Cabinet informed of recent developments on strategic planning matters.

93 COUNCIL TAX REDUCTION SCHEME 2025/2026

Audio recording 54 minutes 32 seconds

Councillor Ian Albert, as Executive Member for Finance and IT, presented the report entitled 'Council Tax Reduction Scheme 2025/26' and advised that:

- The Council was required to review its Council Tax Reduction Scheme (CTRS) every financial year.
- The introduction of a banded scheme in 2023/24 was now in its second year.
- The CTRS scheme had been reviewed and no significant changes were required.
- A small adjustment had been made to reflect the Consumer Price Index (CPI), to ensure the scheme continued to support those residents in most need.
- There was a recommendation for increase in bands in the coming financial year to align with the CPI for 2025/26. This increase would be 2.7% for three bands and 1.7% for all others.
- The CTRS was divided into two schemes, one for pension age applicants and one for working age applicants.
- The CTRS cost of 9.18 million was shared between Hertfordshire County Council, North Herts District Council and the Police and Crime Commissioner.
- The Discretionary Hardship Scheme was used to support cases of exceptional need when required.

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

RESOLVED: That Cabinet:

(1) Noted the cost of the scheme was currently £9.18m noting that this is not an actual cost but a reduction of the amount of council tax collected.

(2) Noted that the Discretionary Exceptional Hardship Scheme, previously agreed to provide additional transitional support would continue to be used to support cases of exceptional hardship.

RECOMMENDED TO COUNCIL: That the continuation of the banded scheme for working age applicants which remains largely unchanged for 2025/2026, a small adjustment to the

income bands to reflect CPI has been incorporated to ensure the scheme continues to support those most in need.

REASON FOR RECOMMENDATION: To ensure that the Council has a Council Tax Reduction Scheme that continues to:

- Provide the greatest support to the lowest income households.
- Reduce the administrative burden that has been placed on the Council since the introduction of Universal Credit (UC).
- Be simple to understand, meaning that customers will be able to calculate entitlement and assess the impact of potential changes in circumstances.

94 **REPORT ON RISK MANAGEMENT GOVERNANCE (MID-YEAR UPDATE)**

Audio recording 59 minutes 13 seconds

The Chair invited Councillor Sean Nolan, as Chair of the Finance, Audit and Risk Committee, to present the referral on this item. Councillor Nolan advised that there had been discussion around:

- The key corporate risks that affected multiple area of the Council.
- Points on emergency planning and the key risks to Members.
- Ensuring there was the correct risk management training for Officers and Members.

Councillor Ian Albert, as the Executive Member for Finance and IT, presented the report entitled 'Report on Risk Management Governance (Mid-Year Update)' and advised that:

- This report provided more detail in the executive summary and detailed the tracking of actions against any red corporate risks.
- It was important to ensure Risk Management reviews were regularly taking place.

In response to a question from Councillor Daniel Allen, the Service Director – Resources advised that the new risk concerning local government reorganisation would be included in the next quarterly update to Cabinet.

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

RESOLVED: That Cabinet:

- (1) Noted the mid-year Risk Management governance update.
- (2) Approved the changes to the Risk Management Framework.

REASONS FOR DECISIONS:

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

95 **SECOND QUARTER REVENUE BUDGET MONITORING 2024/25**

Audio recording 1 hour 5 minutes 17 seconds

The Chair invited Councillor Sean Nolan, as Chair of the Finance, Audit and Risk Committee, to present the referral on this item. Councillor Nolan advised that there had been discussion around understanding how the risks affected resourcing of the Council and a decrease in spending at this point had been noticed.

Councillor Ian Albert, as the Executive Member for Finance and IT, presented the report entitled 'Second Quarter Revenue Budget Monitoring 2024/25' and advised that:

- There were some timing issues of reports being presented to committees which needed to be addressed for the future.
- This report detailed the variances against the revenue budget that had been identified.
- There was a £550k decrease in net spend with a request for £317k to be carried forward as detailed in Table 3 of the report.
- The 2025/26 budget setting process would include a further review of spend in the current year to identify any ongoing impacts.

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

RESOLVED: That Cabinet:

- (1) Noted this report.
- (2) Approved the changes to the 2024/25 General Fund budget, as identified in table 3 and paragraph 8.2, a £550k decrease in net expenditure.
- (3) Noted the changes to the 2025/26 General Fund budget, as identified in table 3 and paragraph 8.2, a total £306k increase in net expenditure. These will be incorporated in the draft revenue budget for 2025/26.
- (4) Approved the debt write-offs detailed in paragraphs 8.16 and 8.17.

REASON FOR DECISIONS: 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.

96 **SECOND QUARTER INVESTMENT STRATEGY (CAPITAL AND TREASURY) REVIEW 2024/25**

Audio recording 2 hours 2 minutes 8 seconds

The Chair invited Councillor Sean Nolan, as Chair of the Finance, Audit and Risk Committee, to present the referral on this item. Councillor Nolan advised that there had been discussion around:

- Linking the moving of funding for the upgrade to the North Herts Leisure Centre to take part at the same time as the Decarbonisation of the Leisure Centre works.
- The importance of the museum storage item as this was a major facility that the Council required not only for its own items, but to be able to assist other areas and Councils with storage of their items.
- Looking at funds in the future and the risks around ensuring resources were in the right place.

Councillor Ian Albert, as Executive Member for Finance and IT, presented the report entitled 'Second Quarter Investment Strategy (Capital and Treasury) Review 2024/25' and advised that:

- The focus of the capital review at Quarter 2 had been challenging what was expected to be spent this year.
- This review provided the Council with more certainty over balances available for investment at the end of the financial year.
- There had been a slippage and changes to the capital programme of £14 million.
- Details of further budgets had changes required or could be removed from the capital programme were set out in Table 3.
- An alternative site had been identified for the museum storage option and was being investigated. A reduction in the slippage to £650K from the budget was recommended to allow funds to be available to purchase this property before the end of March if required.
- The approval of funds was required from the capital budget to enable works at the North Herts Leisure Centre to happen at the same time as the decarbonisation works.
- The previous estimate for the refurbishment of the changing rooms at North Herts Leisure Centre of £250k was too low and the recommendation needed be changed to £330K.

The following Members asked questions:

- Councillor Daniel Allen
- Councillor Mick Debenham

In response to questions, the Service Director – Place advised a timescale for works to commence at the Norton Common Bowls Pavilion was not yet possible, but now that staffing was at fully capacity, it would be attempted to move this project forward in the next financial year.

In response to questions, the Service Director – Resources advised that slippage referred to when a capital scheme was not delivered in the current year and the funds were deferred to another year.

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

RESOLVED: That Cabinet:

- (1) Noted the forecast expenditure of £16.999M in 2024/25 on the capital programme, paragraph 8.3 refers as amended by the decision to reduce the slippage on museum storage.
- (2) 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.

RECOMMENDED TO COUNCIL: That it:

- (1) Notes the position of Treasury Management activity as at the end of September 2024.
- (2) Approves capital budget in 2025/26 for a new flume (£300k) and a refurbishment of the pool changing rooms (£330k) at North Herts Leisure Centre, subject to the revised assessments following the decision by Cabinet regarding Public Sector Decarbonisation Scheme on 14 January 2025.

REASONS FOR RECOMMENDATION:

- (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.
- (3) The proposal to approve the 2025/26 capital budgets at North Herts Leisure Centre in January (rather than in the usual budget report at the end of February) means that the works can take place at the same time as the decarbonisation works, and therefore not require two periods where the pool cannot be used. It also provides a more obvious benefit to users of the facility.

97 REVENUE AND CAPITAL BUDGETS FOR 2025/26 ONWARDS

Audio recording 1 hour 11 minutes 19 seconds

The Chair invited Councillor Sean Nolan, as Chair of the Finance, Audit and Risk Committee, to present the referral on this item. Councillor Nolan advised that there had been discussion around:

- The future mid-term financial health of the Council.
- The risk emerging from the local government reform and what this could mean for the Council.
- Meeting a balanced budget presently achieved by interest rates on savings and general fund reserves.
- The effect on the income stream from interest rates on investments which could end.
- The forthcoming budget for 2025/26, the proposals and the budget workshops.

Councillor Ian Albert, as Executive Member for Finance and IT, presented the report entitled 'Revenue and Capital Budgets for 2025/26 Onwards' and advised that:

- This was an important stage of the budget setting process.
- There would be difficult challenges ahead with devolution and the local government reorganisation.
- Hertfordshire County Council were proposing a Council Tax increase by 4.99% an increase of around £85.
- North Herts District proposed to increase Council Tax by 2.99% an increase of £7.77, which was the maximum amount allowed without a local referendum.
- Following a period of grant reductions, inflation and the pandemic implications, there had been a rise in demand for services, for example homelessness, which had added extra financial pressure.
- The Council needed to review what was discussed at the budget workshops and decide what to incorporate into the proposals for the 2025/26 budget.
- There would be a public consultation for the Sunday and evening car parking charge and the general car parking structure. Noting the introduction of new technology 'pay on exit' machines from next month.
- It was recommended from the workshops that the proposed Civic Secretary post in R14 of the Revenue Budget Appendix should be removed.
- The Service Director post in R18 of the Revenue Budget Appendix was an investment proposal that should be progressed and there was currently £58K savings available in the budget for this.
- The funds allocated in the capital proposal for the Walsworth Common Pavilion Changing Room refurbishment should not be changed.

- The interactive water feature proposal would be removed.
- There was uncertainty over the funding from Government for National Insurance increases.
- The Council should increase Council Tax by the maximum allowed to ensure continuation of delivering as many services as possible.

The Managing Director advised that increasing the leadership team capacity was a recommendation in the Corporate Peer Challenge Report and the leadership team proposal request was for one additional Service Director.

The following Members took part in the debate:

- Councillor Daniel Allen
- Councillor Ian Albert
- Councillor Amy Allen
- Councillor Tamsin Thomas

Points raised during the debate included:

- Funding for the Housing and Environmental Health Team as detailed in R4-R13 of the Appendix was important to bring the Directorate to where it needed to be and should go with the original proposal rather than the scaled back version.
- It was good to see the Museum Storage Option ECP29 and the Walsworth Common Pavilion Changing Room ECP6 projects in the Capital Budget programme.
- There would be a public consultation on changes to car parking charges and no decisions had yet been reached.

Councillor Ian Albert proposed as amended and Councillor Daniel Allen seconded and, following a vote, it was:

RESOLVED: That Cabinet:

- (1) Noted the Council's expected funding for 2025/26.
- (2) Confirmed (in line with the Medium-Term Financial Strategy) that budget forecasts should be based on increasing Council Tax by 2.99% (the maximum amount allowable without a local referendum). Noting that Government have assumed Council Tax will increase by the maximum allowed in calculating Core Spending Power.
- (3) Noted that the Council may see real-term reductions in its funding in future years.
- (4) Agreed. in context of the above, which proposals (revenue and capital) should be taken forward as part of the budget-setting process for 2025/26.

REASON FOR DECISIONS: To ensure that all relevant factors are considered in arriving at a proposed budget, Investment Strategy and Council Tax level for 2025/26, to be considered by Full Council on 27 February 2025.

N.B. Following the conclusion of this item there was a short break in proceedings, and the meeting reconvened at 21.13.

98 **COUNCIL DELIVERY PLAN 2024-25 (QUARTER 2 UPDATE)**

Audio recording – 1 hour 43 minutes 1 second

Councillor Ian Albert, as the Executive Member for Finance and IT, presented the referral from Overview and Scrutiny Committee on this item and the report entitled 'Council Delivery Plan 2024-25 (Quarter 2 Update)', and advised that:

- Discussion by the Overview and Scrutiny Committee was mainly in relation to the Decarbonisation of the Leisure Centre.
- The Council Delivery Plan (CDP) was a key document for Cabinet and the Overview and Scrutiny Committee.
- The report provided an update on key projects lists and performance indicators for the Council.
- There were two amber indicators and one red indicator this quarter and actions in place were outlined in the report.
- There were 19 delayed milestones across 8 projects.
- Details of individual projects were set out in Appendix A.

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

RESOLVED: That Cabinet:

- (1) Noted the progress against Council projects as set out in the Council Delivery Plan and approves the changes to the milestones (Appendix A).
- (2) Noted the performance against the performance indicators and confirms the actions detailed in paragraph 8.4.

REASON FOR DECISIONS: The Council Delivery Plan (CDP) monitoring reports provide Overview and Scrutiny Committee, and Cabinet, with an opportunity to monitor progress against the key Council projects, and understand any new issues, risks, or opportunities.

99 **GARDEN WASTE CHARGE**

Audio recording – 1 hour 48 minutes 2 seconds

Councillor Amy Allen, as the Executive Member for Recycling and Waste Management, presented the referral from Overview and Scrutiny Committee on this item and the report entitled 'Garden Waste Charge', and advised that:

- The new garden waste charge would be effective from 1 April 2025.
- Cabinet were being asked to agree to increase the charge to £55 per year.
- The 50% discount for households eligible for Council Tax reduction would continue.
- Under the new waste contract, the cost of garden waste collection would rise by 42%, with a further increase being applied at the start of the contract in May 2025.
- North Herts District Council had one of the lowest garden waste charges in Hertfordshire.

In response to a question from Councillor Val Byrant, Councillor Amy Allen advised that the garden waste collection would remain a fortnightly collection.

Councillor Amy Allen proposed and Councillor Tamsin Thomas seconded and, following a vote, it was:

RESOLVED: That Cabinet approve the garden waste subscription charge for the period 1 April 2025 – 31 March 2026, at £55.

REASON FOR DECISION: To ensure the Council's garden waste service is financially sustainable, in line with the priorities of the Council and of the Shared waste service.

100 DECARBONISATION OF LEISURE CENTRES UPDATE

Audio recording 1 hour 53 minutes and 26 seconds

Councillor Mick Debenham, as the Executive Member for Environment, Leisure and Green Spaces, presented the report entitled 'Decarbonisation of Leisure Centres Update' and advised that:

- Due to additional information becoming available a new cover report had been published as a supplementary document.
- The Council was at the detailed design stage of the project to significantly decarbonise the three leisure centres of the Council.
- This project had become possible due to a £7.74 million grant from the government alongside a capital contribution from the Council.
- Issues had been identified with the running costs and efficiency of the heat pumps originally specified to replace the boilers.
- There were larger, more efficient heat pumps available which were bespoke and on a longer lead time.
- The Council had received confirmation from Salix that the larger heat pumps could be paid for in advance of the 31 March 2025 budget deadline.
- There was a financial implication of both increased running costs and the capital costs involved with larger heat pumps.
- An M&E consultant had been employed to work alongside the quantity surveyor, to review the design of the heat pumps to ensure they were specified correctly.

In response to a question from Councillor Daniel Allen, Councillor Mick Debenham advised that the figures in the budget would cover all the decarbonisation works required.

The following Members took part in the debate:

- Councillor Amy Allen
- Councillor Ian Albert
- Councillor Dave Winstanley
- Councillor Mick Debenham

Points raised during the debate included:

- This was an excellent opportunity to decarbonise the leisure centres and the opportunity of a government grant may not always be available.
- Members agreed with proceeding with Option 4a to instruct Willmott Dixon to design and order larger, bespoke heat pumps.

Councillor Mick Debenham proposed and Councillor Tamsin Thomas seconded and, following a vote, it was:

RESOLVED: That Cabinet agreed in principle to proceed with Option 4a as detailed in paragraph 8.9.

Tuesday, 14th January, 2025

RECOMMENDED TO COUNCIL: To proceed with Option 4a and approve the additional forecast capital and ongoing revenue costs (including revenue costs of capital) and note the ongoing project risks.

REASON FOR RECOMMENDATION: To identify the most appropriate way forward for the leisure centre decarbonisation project, taking into account both the environmental benefits of the project and the impact on the Council's wider financial position.

The meeting closed at 9.49 pm

Chair