NORTH HERTFORDSHIRE DISTRICT COUNCIL

CABINET SUB-COMMITTEE (LOCAL AUTHORITY TRADING COMPANIES' SHAREHOLDER)

MEETING HELD IN THE ROOM 2, COUNCIL OFFICES, GERNON ROAD, LETCHWORTH GARDEN CITY, SG6 3JF
ON THURSDAY, 28TH NOVEMBER, 2024 AT 5.30 PM

MINUTES

Present:	*Councillors: Daniel Allen (Chair), Ian Albert and Val Bryant.*
In Attendance:	*Isabelle Alajooz (Legal Manager and Deputy Monitoring Officer), Ian Couper (Service Director - Resources), Steve Crowley (Service Director - Enterprise), Ian Fullstone (Service Director - Regulatory), Susan Le Dain (Committee, Member and Scrutiny Officer) and Callum Reeve (Electoral Services Assistant).*
Also Present:	*At the commencement of the meeting there were no members of the public present.*

51 ELECTION OF A CHAIR

Audio recording – 30 seconds

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

RESOLVED: That Councillor Daniel Allen be elected as Chair for the Civic Year 2024/25.

52 APOLOGIES FOR ABSENCE

Audio recording – 1 minute 22 seconds

Apologies for absence were received from Councillor Tamsin Thomas.

Having given due notice, and at the discretion of the Leader under standing order 5.12.1, Councillor Daniel Allen substituted for Councillor Thomas.

53 MINUTES - 19 MARCH 2024

Audio Recording – 1 minute 30 seconds

The Chair advised that the Minutes of the previous meeting could be moved and seconded by members who were not present at that meeting, although it is preferable that those who were not present should abstain from voting and commenting on the motion.

Councillor Daniel Allen, as Chair, proposed and Councillor Ian Albert seconded and, it was:

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

54 NOTIFICATION OF OTHER BUSINESS

Audio recording – 2 minutes 13 seconds

There was no other business notified.

55 CHAIR'S ANNOUNCEMENTS

Audio recording – 2 minutes 16 seconds

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

(2) 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.

56 PUBLIC PARTICIPATION

Audio recording – 2 minutes 36 seconds

There was no public participation.

57 ANNUAL REVIEW OF NORTH HERTS TRADING COMPANIES - BUILDING CONTROL

Audio recording – 2 minutes 40 seconds

The Service Director – Regulatory presented the report entitled 'Annual Review of North Herts Trading Companies – Building Control' and advised that:

- This was the oldest Local Authority Trading Company that North Herts owned.
- There was a projected saving from being part of the Building Control company to 2025/26 (since its inception) in avoided costs of £2.76m as detailed in paragraph 10.4 of the report.
- The AGM was held last week which he had attended with the Service Director – Enterprise who was a director of the Local Authority Trading Companies.
- At the Local Authority Building Control Awards, Herts Building Control (HBC) had put forward a number of schemes that had won awards.
- Following changes to the regulatory field, the position of Building Control and Building Inspector were now protected professions and nearly all staff had achieved the required competency level or were working towards it.
- The Local Authority Trading Companies had employed external advisers to help with commercial growth and development.

In response to a question from Councillor Ian Albert, the Service Director – Regulatory advised that a new CEO had been appointed who had significant public and private sector experience in Building Control.

The following Members took part in the debate:

- Councillor Ian Albert
- Councillor Daniel Allen

Points raised during the debate included:

- Thought there was a need in relation to the timing of meetings and annual reviews with regard to AGMs to ensure Members had time to provide comments and feedback.
- It would be useful to have interim reports, possibly 6 monthly, to enable Members to be kept up to date with information ahead of the yearly meeting.
- There should be a recommendation added to the next meeting to carry out an audit on an annual or bi-annual basis.

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

RESOLVED:

(1) That the Cabinet Sub-Committee noted the report.

(2) That the Cabinet Sub-Committee made recommendations on the content of future reports and annual reviews.

REASON FOR DECISIONS: To enable the Cabinet Sub-Committee to fulfil its role and responsibilities as shareholder in the local authority trading companies for building control.

58 ANNUAL REVIEW OF NORTH HERTS TRADING COMPANIES - BROADWATER HUNDRED

Audio recording – 12 minutes 44 seconds

The Service Director – Enterprise presented the report entitled ‘Annual Review of North Herts Trading Companies – Broadwater Hundred’ and advised that:

- The key points were set out in Section 7 of the report.
- Broadwater Hundred Limited had two directors who were Officers at the Council.
- Broadwater Hundred Property Management Limited had three directors who were also Officers at the Council.
- The Council owned Harkness Court in Hitchin which had been let on to companies and resulted in the four flats in that property having been let since September 2024.
- As this was only the first year of trading there was not yet much financial information available.
- The Council would still receive an income from the property management company even if the flats were vacant.
- The Council provided a loan to the property management company to enable trading and this was all part of the business case.

In response to a question from Councillor Daniel Allen, the Service Director – Enterprise advised that the flats had been rented at a higher rent than forecast in the business case due to supply and demand.

The following Members took part in the debate:

- Councillor Ian Albert
- Councillor Daniel Allen

Points raised during the debate included:

- An interim report should be provided after the company accounts were carried out in March 2025.
- The need for overarching when setting dates for meeting, so that the timing of meetings coincided with the other Local Authority Trading Company reports.

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

RESOLVED:

(1) That the Cabinet Sub-Committee noted the report.

(2) That the Cabinet Sub-Committee made recommendations on the content of future reports and annual reviews.

REASON FOR DECISIONS: To enable the Cabinet Sub-Committee to fulfil its role and responsibilities as shareholder in the local authority trading companies for property management.

59 ANNUAL REVIEW OF NORTH HERTS TRADING COMPANIES - CCTV

Audio recording – 18 minutes 4 seconds

The Service Director – Resources presented the report entitled ‘Annual Review of North Herts Trading Companies – CCTV’ and advised that:

- This report detailed the history of the company.
- Income had increased initially and then fallen as some of the major corporate clients had left.
- The company had appointed a new Business Development Manager and had a stable position in the current market.
- The company contributed around a third of the monitoring costs of the CCTV control room.
- There had recently been a joint shareholder and directors meeting held which had looked at commissioning work on the future of the company and whether it could extend its clients further. As well as existing contracts needed to be delivered via a company.
- The company was making a profit and was therefore a sustainable company.

The following Members asked questions:

- Councillor Daniel Allen
- Councillor Ian Albert

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

- The CCTV company contributed towards the capital costs for the control room and the cost to the Council was net of the company contribution.
- The CCTV company was separate to the CCTV Partnership Joint Executive and it was therefore required for these to be looked at from two different perspectives.
- This committee was looking at the company from a shareholder perspective.
- He was a representative on the Management Board of the CCTV Partnership Joint Executive and an Officer shareholder representative of the CCTV company.

The following Members took part in the debate:

- Councillor Ian Albert
- Councillor Daniel Allen

Points raised during the debate included:

- Thought was needed in relation to the timing of meetings and annual reviews to ensure Members had time to provide comments and feedback.
- It would be useful to have interim reports, possibly 6 monthly, to enable Members to be kept up to date with information ahead of the yearly meeting.
- Officers to provide an email update after the initial review meeting of the CCTV company to enable Members to decide if an interim meeting would be required before the next planned committee meeting.

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

RESOLVED:

(1) That the Cabinet Sub-Committee noted the report.

(2) That the Cabinet Sub-Committee made recommendations on the content of future reports and annual reviews.

REASON FOR DECISIONS: To enable the Cabinet Sub-Committee to fulfil its role and responsibilities as shareholder in the local authority trading companies for CCTV.

The meeting closed at 6.13 pm

Chair