

NORTH HERTFORDSHIRE DISTRICT COUNCIL

CABINET

Meeting held at Foundation House, Letchworth Garden City Heritage Foundation
Offices, Icknield Way, Letchworth Garden City
on Tuesday, 28 March 2017 at 7.30pm

MINUTES

PRESENT: Councillors Mrs L.A. Needham (Chairman), T.W. Hone (Vice-Chairman), Julian Cunningham, Tony Hunter, David Levett and Bernard Lovewell.

IN ATTENDANCE: Chief Executive, Strategic Director of Finance, Policy & Governance, Head of Finance, Performance & Asset Management, Head of Leisure & Environmental Services, Head of Development & Building Control, Head of Housing and Public Protection, Head of Revenues, Benefits and IT, Information Communication Technology Manager, Strategic Planning & Projects Manager, Environmental Health Manager, Communities Manager, Service Manager – Grounds Maintenance, Corporate Legal Manager, Democratic Services Manager and Committee & Member Services Manager.

ALSO PRESENT: Councillors Cathryn Henry (Chairman of Overview & Scrutiny Committee), Michael Weeks (Chairman of Finance, Audit & Risk Committee) and Frank Radcliffe.
2 members of the public.

107. APOLOGIES FOR ABSENCE

The meeting observed a minute's silence in memory of the late Councillor Peter Burt, who had served on the Cabinet as Executive Member for Waste Management, Recycling and Environment for the past 7 years.

Apologies for absence were submitted on behalf of Councillor Jane Gray.

108. MINUTES – 24 JANUARY 2017

RESOLVED: That the Minutes of the meeting of Cabinet held on 24 January 2017 be approved as a true record of the proceedings and signed by the Chairman.

The Chairman advised that, at the 20 December 2016 Cabinet meeting, it was understood that the Coombes Community Centre was receiving income of the region of £12,500 per month. Following correspondence from the Community Centre, it had been established that the actual levels of income were forecast to be around £4,300 per month in 2016/17 (it was £57,602 per year or around £4,800 per month in 2015/16).

109. NOTIFICATION OF OTHER BUSINESS

There was no notification of other business.

110. CHAIRMAN'S ANNOUNCEMENTS

- (1) The Chairman announced that Members of the public and the press may use their devices to film/photograph, or do a sound recording of the meeting, but she asked them to not use flash and to disable any beeps or other sound notifications that emitted from their devices. In addition, the Chairman had arranged for the sound at this particular meeting to be recorded;

- (2) The Chairman 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;
- (3) The Chairman asked that, for the benefit of any members of the public present at the meeting, Officers announce their name and their designation to the meeting when invited to speak;
- (4) The Chairman announced that she would be amending the order of business on the agenda. Following the exclusion of the press and public, Item 18 - the Part 2 report on the proposed Crematorium, would now take place before Item 16 – the Part 1 report on the same issue. At the conclusion of Item 18, the press and public would be invited back into the meeting to see and hear the Cabinet's consideration of Item 16; and
- (5) The Chairman further announced that she had accepted urgent Part 1 and Part 2 items in respect of the North Hertfordshire Museum and Community Facility at Hitchin Town Hall. These reports had been tabled. She would be taking the Part 2 item first, immediately after the Part 1 report on the Crematorium, and so that would entail the press and public being excluded for a second time. At the conclusion of the Part 2 item, the press and public would be invited back into the meeting to see and hear the Cabinet's consideration of the Part 1 item.

The Chairman explained that the reason for urgency for the decision to acquire 14/15 Brand Street, Hitchin at this point would allow the North Hertfordshire Museum fit out to proceed with a continued presence from the fit out contractor (which would minimise costs). Additionally, there were no Cabinet meetings scheduled until June 2017 and there were difficulties in scheduling an additional Cabinet in the pre-election period.

111. PUBLIC PARTICIPATION

There was no public participation.

112. ITEM REFERRED FROM OVERVIEW AND SCRUTINY COMMITTEE: 21 MARCH 2017 – PROPOSED CREMATORIUM AT WILBURY HILLS CEMETERY – INTERIM REPORT ON BUSINESS CASE

RESOLVED: That consideration of this referral takes place in conjunction with agenda item number 16 (see Minute 126 below).

113. ITEM REFERRED FROM FINANCE, AUDIT AND RISK COMMITTEE: 22 MARCH 2017 – DATA PROTECTION AND FREEDOM OF INFORMATION MATTERS

The Chairman of the Finance, Audit & Risk Committee presented the following referral from that Committee, made at its meeting held on 22 March 2017, in respect of Data protection and Freedom of Information Matters (Minute 75 refers):

“RECOMMENDED TO CABINET: That, in respect of the two High Priority Audit recommendations relating to Data Protection and Freedom of Information:

- (1) The current practice used by some Members of the auto forwarding of e-mails to personal e-mail addresses be discontinued, and be ceased on a date set by the Cabinet;
- (2) All Members of the Council register either themselves, or with assistance from the IT Manager, with the Information Commissioner's Office (ICO) as Data Controllers; and
- (3) All Members be urged to undertake the Data Protection e-learning module on the Council's Learning Management System.”

The Executive Member for Finance and IT commented that he was content with Recommendations (2) and (3) above. However, in respect of Recommendation (1), he was prepared to accept this recommendation, subject to the resolution of a number of issues, including the need to establish if auto-forwarding applied to all (not just personal) e-mail addresses; the need to ensure Political Group Leaders and their Members were consulted and were content with the proposals; and the need to sort out hardware/software/connectivity issues with Members who chose to use their own e-mail addresses to ensure that they were henceforth able to use the Council's generic e-mail address. If these matters were resolved then the current practice used by some Members of the auto forwarding of e-mails to other e-mail addresses should be discontinued and ceased by the beginning of the 2017/18 Civic Year.

RESOLVED: That, in respect of the two High Priority Audit recommendations relating to Data Protection and Freedom of Information:

- (1) Subject to resolution of the following issues raised by the Executive Member for Finance and IT,

- the need to establish if auto-forwarding applied to all (not just personal) e-mail addresses;
- the need to ensure Political Group Leaders and their Members were consulted and were content with the proposals; and
- the need to sort out hardware/software/connectivity issues with Members who chose to use their own e-mail addresses to ensure that they were henceforth able to use the Council's generic e-mail address,

the current practice used by some Members of the auto forwarding of e-mails to other e-mail addresses be discontinued, and be ceased by the beginning of the 2017/18 Civic Year;

- (2) All Members of the Council register either themselves, or with assistance from the IT Manager, with the Information Commissioner's Office (ICO) as Data Controllers; and
- (3) All Members be urged to undertake the Data Protection e-learning module on the Council's Learning Management System.

114. ITEM REFERRED FROM FINANCE, AUDIT AND RISK COMMITTEE: 22 MARCH 2017 – RISK MANAGEMENT UPDATE

The Chairman of the Finance, Audit & Risk Committee presented the following referral from that Committee, made at its meeting held on 22 March 2017, in respect of Risk Management Update (Minute 78 refers):

"RECOMMENDED TO CABINET: That the increase in the score for the sub-risk of the Shared Procurement Opportunity relating to the overarching risk of the Waste and Street Cleansing Contract Renewal corporate risk, and the addition of a new risk in respect of Cyber risks, be approved."

The Executive Member for Finance and IT commented that he was supportive of the proposed changes to the Top Risks recommended by the Finance, Audit & Risk Committee.

RESOLVED: That the increase in the score for the sub-risk of the Shared Procurement Opportunity relating to the overarching risk of the Waste and Street Cleansing Contract Renewal corporate risk, and the addition of a new risk in respect of Cyber risks, be approved.

115. STRATEGIC PLANNING MATTERS

The Executive Member for Planning and Enterprise presented a report of the Strategic Director of Planning, Housing and Enterprise informing Members of the current position regarding the Duty to Co-operate with neighbouring authorities;

Other Local Plans and Examinations; North Hertfordshire Local Plan; Neighbourhood Plans; and Government announcements. The following appendices were submitted with the report:

Appendix A – Copy of signed Memorandum of Understanding (MoU) with East Hertfordshire District Council, February 2017; and

Appendix B – Hertfordshire Infrastructure and Planning Panel (HIPP) joint response to consultation on London's Strategic Housing Land Availability methodology.

The Executive Member for Planning and Enterprise updated the Cabinet on the following matters:

- Duty to Co-operate with neighbouring authorities – agreement had been reached with East Hertfordshire District Council (MoU attached at Appendix A to the report). Further agreements were currently being drafted, in consultation with officer counterparts at a range of other authorities and organisations;
- Other Local Plans and Examinations - East Hertfordshire and Welwyn Hatfield Councils were progressing their plans to broadly similar timetables to North Hertfordshire. It was anticipated that both authorities would submit their plans for examination by April 2017. The hearing sessions into the examination of Luton's Local Plan had concluded. An interim Inspector's report was awaited. The examination of Stevenage's plan remained ongoing. North Hertfordshire was represented at the 'Stage 2' hearings during February and would again be present at the 'Stage 3' hearings on detailed highways and employment issues. St Albans had been advised that the High Court would hold a 'rolled up hearing' upon their application to judicially review the Inspector's conclusion that their strategic local plan failed to meet the legal requirements under the duty to co-operate on their Strategic Local Plan;
- Consultation on London's proposed approach to assessing housing sites - North Hertfordshire contributed to and signed a joint response by all the Hertfordshire authorities to the consultation (attached at Appendix B to the report);
- North Hertfordshire Local Plan - the Council would be considering the Local Plan at its scheduled meeting on 11 April 2017, where Members would be asked to approve the submission of the plan to Government for examination. The processing of responses to the North Hertfordshire District Council Proposed Submission Draft Local Plan consultation was nearing completion. More than 2,500 responses to the consultation were received. At the time of writing, more than 5,000 individual representations had been identified. These would all be published to coincide with the release of the papers for the above Council meeting on Friday, 31 March 2017. A summary of the responses would be available on the Council's website, but the Executive Member confirmed that the Inspector would see every representation in full;
- Neighbourhood Plans - Consultation on the Pilton Neighbourhood Plan began on 9 February 2017 and closed on 23 March 2017. Approximately 120 responses had been received. These would be collated and then considered by an independent examiner before a referendum on the neighbourhood plan could be held; and
- Government Announcements - The Housing White Paper 'Fixing our Broken Housing Market' was published in February 2017 and sets out a number of proposed changes to the plan-making process and planning system more generally. A response would be prepared under the Executive Member's delegated authority and/or in conjunction with the other Hertfordshire authorities through the relevant joint planning groups.

RESOLVED: That the report on Strategic Planning Matters be noted.

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

116. THIRD QUARTER REVENUE BUDGET MONITORING 2016/17

The Executive Member for Finance and IT presented the report of the Strategic Director of Finance, Policy and Governance in respect of the Third Quarter Revenue Budget Monitoring 2016/17.

The Executive Member for Finance and IT referred to Table 2 of the report, which showed a forecast variance of a £270,000 increase from the working budget in 2016/17, requested to carry forward budget totalling £197,000 to fund specific projects in 2017/18, and an ongoing impact in future years of £3,000. There were several budget areas with significant variances. The two most significant variances related to:

- The lower level of housing benefit overpayments identified in this year and the difficulty in recovering outstanding debt from large benefit overpayment invoices raised in recent years - £330,000; and
- The transfer of the building control service to the new trading company, including compensation for the value of work outstanding at the time of the transfer - £159,000.

In respect of housing benefit overpayments variance, the Executive Member for Finance and IT explained that where overpayments had been identified in previous years it was often difficult to recover the amounts owed. In a number of cases repayment plans were put in place. This meant that some of the remaining amounts owed were quite old. It was prudent to make a bad debt provision to reflect that these amounts may not be received. The percentage allowance for bad debt increased with the age of the original debt.

The Executive Member for Finance IT further explained that the level of benefits overpayments identified, and therefore that could be recovered, was lower than budgeted. The budgeted level was based on experience in recent years. The introduction of bulk data matching between HMRC and the DWP was introduced in October 2014 and initially lead to large benefit overpayments being identified. This year was the third year of the initiative and the number of large overpayments identified had reduced.

RESOLVED:

- (1) That the report be noted;
- (2) That the changes to the 2016/17 General Fund budget identified in Table 2 and Paragraph 7.3 of the report, totalling a £270,000 increase in net expenditure, be approved; and
- (3) That the changes to the 2017/18 General Fund budget identified in Table 2 and Paragraph 7.3 of the report, totalling a £200,000 increase in net expenditure, be approved.

REASON FOR DECISION: To monitor and request appropriate action of Directorates who do not meet the budget targets set as part of the Corporate Business Planning process; and to ensure that changes to the Council's balances are monitored and approved.

117. THIRD QUARTER TREASURY MANAGEMENT MONITORING 2016/17

The Executive Member for Finance and IT presented a report of the Strategic Director of Finance, Policy and Governance in respect of the Third Quarter Treasury Management Monitoring 2016/17. The following appendix was submitted with the report:

Appendix A – Treasury Management Third Quarter Monitoring – December 2016.

The Executive Member for Finance and IT advised that the amount of investment interest expected to be generated throughout the year was £450,000. It was anticipated that interest rates would increase in 2017/18.

The Executive Member for Finance and IT stated that the average interest rate on all of the Council's outstanding investments as at 31 December 2016 was 1.12%. Just over 50% of these investments were with Building Societies, 40% were with banks, and the remainder with Money Market funds.

The Executive Member for Finance and IT commented that the Council did repay just under £1Million to the Public Works Loan Board in November 2016.

RESOLVED: That the position of Treasury Management activity as at the end of December 2016, as set out in the report, be noted.

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 to ensure the Council manages its exposure to interest and capital risk.

118. THIRD QUARTER CAPITAL PROGRAMME MONITORING 2016/17

The Executive Member for Finance and IT presented a report of the Strategic Director of Finance, Policy and Governance in respect of the Third Quarter Capital Programme Monitoring 2016/17. The following appendices were submitted with the report:

Appendix A – Capital Programme Summary 2016/17 onwards; and
Appendix B – Capital Programme Detail 2016/17 onwards.

The Executive Member for Finance and IT advised that the current estimate showed a decrease in net capital expenditure of nearly £9Million for 2016/17, which would be carried forward into 2017/18. He referred Members to table 2 of the report, which detailed the items which had been re-profiled into 2017/18. The most significant of those included Council property improvements following condition surveys (£400,000); refurbishment of the District Council Offices (£4.918Million); enhancements to Multi-Storey car parks (£624,000); and North Herts Leisure Centre development (£1.897Million).

The Executive Member for Finance and IT stated that, at the start of 2016/17, the Council's capital reserves stood at £24.3Million. Total capital spend at the end of the Third Quarter was £3.2Million. It was forecast that during the Fourth Quarter the capital reserves could fall below £20Million. However, he stressed that the Council would be investing over £34Million of capital monies in projects across the District over the duration of its five year Capital Programme.

RESOLVED:

- (1) That the report be noted;
- (2) That the adjustments to the 2016/17 Capital Programme identified in Table 2 and Paragraph 7.4 of the report, in respect of a £8.727million reduction in the 2016/17 working budget, be approved: and
- (3) That the forecast changes to the 2017/18 Capital Programme identified in Table 2 and Paragraph 7.4 of the report, in respect of a £8.541million increase in spend, be approved.

REASON FOR DECISION: To approve revisions to the Capital Programme, and to ensure that the Capital Programme is fully funded.

119. PERFORMANCE MANAGEMENT MEASURES FOR 2017/18

The Executive Member for Policy, Transport and Green Issues presented a report of the Strategic Director of Finance, Policy and Governance in respect of the proposed Performance Indicators and associated targets for 2017/18.

The Executive Member for Policy, Transport and Green Issues advised that the Performance Indicator set out in the report were part of a large range of measures that were collected by the Council and monitored to ensure that performance was maintained at a satisfactory level throughout the year. They were owned by the relevant Service Area Managers and would be discussed and agreed with the relevant Executive Members, who would be accountable to Cabinet for the measures. All of these indicators could be tracked by all Members through the Covalent System used by the Council.

The Executive Member for Policy, Transport and Green Issues commented that the report identified the most important measures that the Overview and Scrutiny Committee had chosen to monitor throughout the year. Their importance was down to their overall impact on service or because they had been identified as a reliable measure of corporate health. Each year the Overview and Scrutiny Committee was presented with the report, which highlighted recommended changes and any new items that were felt to be worthy of inclusion or had reduced in importance and could be considered for removal from the monitoring list. The Performance Indicators shown in the report were discussed briefly by the Overview and Scrutiny Committee at its meeting held on 21 March 2017 and were approved without comment.

The Executive Member for Policy, Transport and Green Issues stated that this year there were no additions or removals from the list, but that there were two recommended changes, as set out in paragraph 8.1 of the report. The first of those related to the time taken to agree new major planning applications. Historically the Council had performed very well against the existing target, and it was felt appropriate to increase the measure from 75% to 80%. This would be a stretching target as, whilst the number of applications that fell into this category were small, they may well increase significantly as the new Local Plan progressed through its various stages. The target for visits to leisure centres had been increased to reflect both increased usage in 2016/17, but also to take into account the opening of the new facilities at the North Herts Leisure Centre later in 2017.

RESOLVED: That the Performance Indicators and any associated targets that will be monitored throughout 2017/18 by the Overview and Scrutiny Committee, as set out in the report, be approved.

REASON FOR DECISION: To provide Cabinet with an assurance that service delivery in a number of key services will be monitored throughout 2017/18.

120. PROPOSED OFF-STREET CAR PARKING TARIFFS

The Executive Member for Policy, Transport and Green Issues presented a report of the Head of Development and Building Control in respect of proposed Off-Street Car Parking Tariffs for 2017/18. The following appendices were submitted with the report:

Appendix A – Executive Summary Extract from Consultant's Report: North Hertfordshire District Council Parking Strategy Review: Phase 1 Report: Markides Associates February 2017; and
Appendix B – Proposed 2017/18 Tariff Increases for Hitchin and Royston Off-Street Car Parks.

The Executive Member for Policy, Transport and Green Issues advised that this was a report that came to Cabinet annually following the agreement of the Council's Budget. The Medium Term Financial Strategy indicated that the Council would seek to increase its charges in line with CPI + 2% annually. So far as parking was concerned for the current year, this implied an overall increase of 3.2% in income

receipt, in monetary terms just short of £50,000 for ticket sales and a further £8,000 in respect of season ticket sales.

The Executive Member for Policy, Transport and Green Issues stated that the report was exclusively concerned with changes to the existing levels of charges and no account had been taken of any structural changes that the Council may seek to apply, such as charges for evening or Sunday parking in its car parks. These would be the subject of more detailed analysis that would emerge from the second part of the parking strategy review, which was currently underway and which was due for detailed consideration in the summer. He confirmed that if the Council was minded to implement changes of this nature then, in line with published policy, any such changes would be subject to consultation with Area Committees and relevant Town Centre Managers.

The Executive Member for Policy, Transport and Green Issues explained that, in the light of the detailed information available, Section 8 of the report amended the Council's approach to implementation of the required increases, whilst continuing to support Town Centres and wherever possible residential amenity (ie. trying to protect residential areas from the effects of increased commuter parking). In the light of observed changes in parking patterns, the recommendations had been designed to achieve the objectives set out in Paragraph 8.8 of the report. In general, these changes, apart from raising the required income target, would try to even out parking across the District and ensure a better utilisation of this important asset of the Council. One of the more important changes in this respect was the significant reductions in tariffs in Hitchin after 3.00pm to encourage greater use of the town centre. Taking into account that the Council still did not apply on-street parking charging in any of its towns, he believed that this represented a substantial level of support for the District's Town Centres.

The Executive Member for Policy, Transport and Green Issues commented that the above recommendation followed on from the apparent success of the "free after 3" initiative in Royston over the past several years, where there had been a demonstrable increase in usage after 3pm. He pointed out that, following discussions with the various organisations in Royston who financially supported this initiative and who would be doing so again in 2017/18, then it was intended to implement the Option 2 proposals for Royston set out in Table 2 of Appendix A to the report. He confirmed that the Council was willing to discuss with other organisations any support that they may wish to offer for their town centres.

The Executive Member for Policy, Transport and Green Issues advised that there was always a degree of risk in this form of exercise, in that until the charges were implemented it was impossible to predict accurately the public's reaction. Past experience indicated that there would be resistance to the changes with a drop off in usage for the first few weeks, but thereafter usage increasing back to previously observed levels. There was also the possibility that the changes in afternoon tariffs would promote some switching between morning and afternoon use. However, the usage figures would be kept under observation to ensure that the Council had early warning of variance from the projected patterns.

The Executive Member for Policy, Transport and Green Issues explained that the Council's consultants had analysed charges at other towns in close proximity to North Hertfordshire and were satisfied that the charges were set at a level which did not impact on the usage of the District's town centres. Furthermore, they had analysed various reports about the effect that parking charges had on the vitality of town centres, the general consensus being that parking charges was one of a whole host of factors taken into account by town centre users, with the clear most influential factor being the quality of the town centre offer.

The Executive Member for Policy, Transport and Green Issues stated that Section 9 of the report detailed the changes that were intended for season tickets. No changes were proposed to the charges for permits in the various Controlled Parking Zones (CPZs), as these were self-financing. However, there had been a significant

increase in the number of CPZ spaces in the last year or two and this would have contributed to the associated income stream. This would be kept under review.

The Executive Member for Policy, Transport and Green Issues concluded by stating that the Council had experienced a year on year increase in the number of tickets sold in its car parks, but that the proposals before Members took no account of these changes, and the increases were designed to raise the target income without any change in usage levels (except as noted in the risks he had referred to earlier in his presentation of the report).

In response to a Member's question, the Executive Member for Policy, Transport and Green Issues confirmed that he would be liaising with the Council's Communications Team regarding publicity and advertising relating to the proposed new "free after 3" scheme in Hitchin.

RESOLVED:

- (1) That the proposed off-street car park tariffs for 2017/18, as set out in Table 1 for Hitchin and Table 2 (Option 2) for Royston at Appendix B to the report, be agreed and adopted;
- (2) That the proposed increase in season tickets prices of 3.2% for 2017/18, as set out in Table 3 at Paragraph 9.2 of the report, for each of its long stay car parks in Hitchin, Letchworth Garden City and Royston, be agreed;
- (3) That it be agreed not to increase the charges for resident permits, visitor permits, business permits or visitor tickets for resident permit zones for 2017/18, and the prices remain as set out in Table 4 at Paragraph 9.3 of the report; and
- (4) That the proposed tariff changes, as recommended in resolutions (1) and (2) above, be implemented as soon as practicable, and that officers, in consultation with the Executive Member for Policy, Transport and Green Issues, proceed with the implementation as required.

REASON FOR DECISION: To implement an increase in car parking tariffs and season ticket prices in accordance with the Council's fees and charges policy as set out in its Medium Term Financial Strategy (MTFS).

121. REVIEW OF NHDC MEMORANDUM OF UNDERSTANDINGS (ANNUAL GRANT AWARDS) - CITIZENS ADVICE NORTH HERTS, NORTH HERTS CENTRE FOR VOLUNTARY SERVICES & NORTH HERTS MINORITY ETHNIC FORUM

The Executive Member for Policy, Transport and Green Issues presented a report of the Strategic Director of Finance, Policy and Governance in respect of the review of NHDC Memorandum of Understandings (Annual Grant Awards) for Citizens Advice North Herts, North Herts Centre for Voluntary Services and North Herts Minority Ethnic Forum. The following appendices were submitted with the report:

Appendix 1 – Citizens Advice North Herts – Summary of Services Report October 2016;
Appendix 2 – North Herts Centre for Voluntary Services – Monitoring and Impact reports October 2016;
Appendix 3 – North Herts Minority Ethnic Forum – Summary of Services and Activities October 2016; and
Appendix 4 – Template of contractual Grant Agreement.

The Executive Member for Policy, Transport and Green Issues advised that, about a year ago, the Council had taken a view that it wished to financially support the three above organisations at more or less previous levels of funding, but to review how that funding was provided and used and how it benefitted the Council.

The Executive Member for Policy, Transport and Green Issues considered that if the three organisations did not exist then the Council would need to find ways of replacing the services they provided, almost certainly at considerable greater cost, particularly as the organisations worked primarily through the use of volunteers.

The Executive Member for Policy, Transport and Green Issues commented that the previous time that this matter had been before Cabinet, the outcome had been that the Communities Team had been requested to consult the organisations with a view to formulating detailed proposals for the new changes.

The Executive Member for Policy, Transport and Green Issues stated that the organisations had been aware for some time that the Council would be moving towards commissioning of services from them for a three year period. However, he felt that a number of issues still need to be resolved with the organisations, and hence he proposed a revised Recommendation 2.2 in the report as follows:

“That the responsibility for finalising the terms of the revised contractual arrangements with Citizen’s Advice North Herts, North Herts Centre for Voluntary Services and the North Herts Minority Ethnic Forum, be delegated to the Communities Manager, in conjunction with the Executive Member for Community Engagement and Rural Affairs and the Executive Member for Policy, Transport and Green Issues.”

The Executive Member for Community Engagement and Rural Affairs supported the Executive Member for Executive Member for Policy, Transport and Green Issues, and added that he felt that three years security was the right way forward for the three organisations concerned and that he was certain that the commissioning approach was the best method for securing provision of their services.

RESOLVED:

- (1) That the information provided by Citizen’s Advice North Herts, North Herts Centre for Voluntary Services and the North Herts Minority Ethnic Forum, in line with the monitoring arrangements under their current Memorandum of Understandings with the Authority, be noted; and
- (2) That the responsibility for finalising the terms of the revised contractual arrangements with Citizen’s Advice North Herts, North Herts Centre for Voluntary Services and the North Herts Minority Ethnic Forum, be delegated to the Communities Manager, in conjunction with the Executive Member for Community Engagement and Rural Affairs and the Executive Member for Policy, Transport and Green Issues.

REASON FOR DECISION: To accord with the Cabinet resolutions made as part of the review on the Grants Policy and financial assistance to community groups and organisations on 14 June 2016 and the further review of NHDC Memorandum of Understandings considered by Cabinet on 20 December 2016.

122. PROPOSAL TO SET UP A COUNTY WIDE HOME IMPROVEMENT AGENCY IN HERTFORDSHIRE

[Prior to the consideration of this item, Councillors T.W. Hone and Tony Hunter made Declarable Interests as they were both Members of Hertfordshire County Council, who were part of the proposed county wide Home Improvement Agency. They both chose to remain in the meeting and participate in the debate and vote upon the matter.]

The Executive Member for Housing and Environmental Health presented a report of the Head of Housing and Public Protection and Head of Finance, Performance and Asset Management in respect of the proposal to set up a County wide Home Improvement Agency in Hertfordshire. The following appendix was submitted with the report:

Appendix 1 – Business Case.

The Executive Member for Housing and Environmental Health reminded Members that Cabinet had discussed the concept of a county wide Home Improvement Agency at its meeting held on 27 September 2016. It had been agreed that officers should proceed in working with other interested Hertfordshire Authorities to work up a Partnership Agreement. This work had been completed, and the report recommended that NHDC entered into such an Agreement.

The Executive Member for Housing and Environmental Health explained that the driver for these proposals was a clear directive from Central Government that Councils must work together to make better use of Disabled Facilities Grants to keep more people out of residential care and hence reduce pressure on the National Health Service.

The Executive Member for Housing and Environmental Health stated that Central Government was still prepared to provide grant funding for Disabled Facilities Grants. For NHDC, the grant had risen from £286,000 in 2014/15 to £653,000 in 2015/16. In addition, for the past three years NHDC had topped up the Government grant funding to an available amount of £745,000 per annum.

The Executive Member for Housing and Environmental Health commented on the benefits of the new county wide service. It should reduce the time period between assessment and installation. It should also reduce overall administration costs once the scheme had bedded in, with a knowledgeable and skilled workforce. By working together, a great opportunity arose to procure contracts at a much lower price. There was also an opportunity to widen the service into the private sector to increase income.

The Executive Member for Housing and Environmental Health concluded by stating that it was important that the financial aspects of the Business Plan was explored, but he felt that the overriding consideration would be the opportunity to provide residents with a much better and more cost effective service to meet their needs.

The Cabinet considered that any proposal to improve and speed up Disabled Facilities Grants should be welcomed. However, Members noticed a number of errors in the financial information presented in the various tables in the Business Plan, and asked that they be corrected.

The Cabinet noted that publicity for the new scheme would be ramped up once all parties had signed the Partnership Agreement.

In respect of governance, the Cabinet was informed that the Head of Housing and Public Protection would represent the Council on the Partnership Board and report back to Members, possibly via the Members' Information Service (MIS). These governance arrangements were similar to those operated by the Shared Internal Audit Service (SIAS) and Shared Anti-Fraud Service (SAFS).

The Strategic Director of Finance, Policy and Governance stated that the Hertfordshire Chief Financial Officers Group had recognised that proper accounting arrangements should be in place and had requested that a Statement of Accounts was prepared on a quarterly basis setting out how grant was being allocated and spent per District, in order to measure and assure Partners that grant funding which had been allocated to each District was being spent on services for their residents. This, in turn, would feature in the Cabinet's Quarterly Budget reports.

RESOLVED:

- (1) That the Council be authorised to enter into a Partnership Agreement to establish a shared Hertfordshire Home Improvement Agency Service (HHIA), such HHIA Partnership Agreement to be in a form agreed by the Corporate Legal Manager/Monitoring Officer or his deputy;

- (2) That authority be delegated to Hertfordshire County Council (HCC) to discharge other functions relating to the implementation of the HHIA Partnership Agreement; and
- (3) That the Head of Housing and Public Protection, or his nominated deputy, be delegated the power to represent the Council on the HHIA Governance Board.

REASON FOR DECISION: To enable the Council to participate in the Hertfordshire Home Improvement Agency shared service, with the delegation in resolution (2) being required so that HCC can exercise an executive function on NHDC's behalf.

123. THE COUNCIL'S APPROACH TO COMMERCIALISATION OF SERVICES

The Chief Executive presented a report in respect of the Council's approach to the commercialisation of services. The following appendices were submitted with the report:

Appendix A – Recommendation of Commercialisation task and Finish Group; and
Appendix B – Extract from Cabinet Minutes – 15.11.15.

The Chief Executive advised that the Commercialisation Project Board had been established following the work of the Scrutiny Task and Finish Group on the Commercialisation of Services. He informed the Cabinet that the Project Board had met on a number of occasions throughout 2016, the main driver being potential financial returns for the Council and sustaining priority outcomes for local communities. The Medium Term Financial Strategy sets out the financial imperative to start to look at service provision in a different way.

The Chief Executive explained that the report identified some parameters for that future approach. The Project Board had looked at the approach taken by other Authorities, some of which the Council would not be interested in taking forward.

The Chief Executive commented that key issues that had arisen since the formation of the Project Board included the work centred around the formation of a housing company (in association with other Hertfordshire Districts), as set out in the report. The proposed housing company would look at the provision of housing at market rent and possible joint venture opportunities.

The Chief Executive stated that work had continued on joint working with 6 other Hertfordshire Authorities on the joint Building Control service. Other areas included Legal (selling services to other Authorities); developing Careline; and in the procurement of the new Waste Contract.

The Chief Executive advised that the recommendations in the report focussed on the upcoming work for the Council in respect of the proposed housing company and the proposed new Crematorium.

The Chief Executive referred to one typographical error in the report. The recommendations had been changed throughout the gestation period of the report, and hence Recommendation 2.5 should be deleted, as it was now incorporated into the latter part of Recommendation 2.4.

The Cabinet considered that all commercialisation projects should align to and fulfil at least one of the Council's objectives. Each project should have a clear direction and mechanisms for the effective monitoring of outcomes. It was stressed that speed of decision-making was essential and that consideration should be given to appropriate processes for commercial activities which may differ from some of the Council's normal decision making arrangements.

The Chief Executive stated that, should the Cabinet be minded to support the report, then a further change should be made to recommendation 2.1(ii), in that the progression of proposals to create a new North Hertfordshire Crematorium should be subject to the consideration of the report on this matter later in the meeting.

RESOLVED:

- (1) That the contents of the report be noted and the progression of commercial activities in the following areas be endorsed:
 - (i) The establishment of a Housing company; and
 - (ii) The progression of proposals to create a new North Hertfordshire Crematorium, subject to the consideration of the later report at this meeting;
- (2) That the approach of the establishment of a specific sub-committee of Cabinet which will deal with shareholder functions which relate both to emerging commercial activities set out in resolution (1) above and also commercial activities undertaken in the following areas be endorsed:
 - (i) Building Control;
 - (ii) CCTV; and
 - (iii) North Hertfordshire Homes;
- (3) That the establishment of the sub-committee of Cabinet referred to in resolution (2) above to deal with the shareholder functions be considered as part of the next review of the Council's Constitution, which is anticipated to be reported to Council in April 2017; and
- (4) That the development of commercial activities where they contribute to the financial sustainability of the Authority and provide services to the residents of North Hertfordshire be supported; and the principles embodied in this report and in the emerging areas of work, which support the Council's overall aims and activities within the District, be further supported.

REASON FOR DECISION: To ensure that the Council is able to optimise its income generation opportunities for the benefit of Council Tax payers; and to ensure that appropriate governance arrangements are in place for a wholly or partially owned company and other commercial activities.

124. EXCLUSION OF PRESS AND PUBLIC

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 Paragraphs 3 and 5 of Part 1 of Schedule 12A of the said Act (as amended).

125. PROPOSED CREMATORIUM AT WILBURY HILLS CEMETERY – INTERIM REPORT ON BUSINESS CASE

The Leader of the Council presented a Part 2 interim report of the Head of Leisure and Environmental Services in respect of a Business Case for a proposed Crematorium at Wilbury Hills Cemetery, Letchworth Garden City. The following appendix was submitted with the report:

Appendix 1 – responses received from the Potential Operator.

The Leader of the Council outlined the results of the selection process carried out by officers in respect of potential operators of any future crematorium at Wilbury Hills Cemetery.

RESOLVED: That the details of the proposed approach for a Crematorium at Wilbury Hills Cemetery, as set out in the report, be noted.

REASON FOR DECISION: To progress the proposal for a Crematorium at Wilbury Hills Cemetery.

[At this point in the proceeding, the press and public were invited back into the meeting.]

126. PROPOSED CREMATORIUM AT WILBURY HILLS CEMETERY – INTERIM REPORT ON BUSINESS CASE

The Leader of the Council presented a Part 1 interim report of the Head of Leisure and Environmental Services in respect of a Business Case for a proposed Crematorium at Wilbury Hills Cemetery, Letchworth Garden City.

The Chairman of the Overview and Scrutiny Committee presented the following referral from that Committee, made at its meeting held on 21 March 2017, in respect of the Proposed Crematorium at Wilbury Hills Cemetery – Interim Report on Business Case (Minute 113 refers):

“RECOMMENDED TO CABINET:

- (1) That, subject to (2) and (3) below, the recommendations contained in the report entitled Proposed Crematorium at Wilbury Hills Cemetery – Interim Report on Business Case be supported;
- (2) That the cost of Officer time spent on this project both to date and moving forward be included in the Business Case;
- (3) That Cabinet be requested to seriously consider and review the latest Business Case and financial information, including (2) above before deciding whether to proceed with this project.”

The Leader of the Council accepted the recommendations of the Overview and Scrutiny Committee, subject to the cost of officer time referred to in Recommendation (2) solely relating to the cost of officer time going forward.

In view of a comparison of the costs incurred on similar crematorium ventures carried out by local authorities elsewhere in the country, the Cabinet agreed that the budget to cover external consultants and other costs associated with the planning application should be increased from £30,000 to £50,000.

The Cabinet further agreed that the Head of Leisure and Environmental Services be requested to report back to Cabinet once the outcome of the outline planning application was known.

RESOLVED:

- (1) That officers be authorised to progress and submit an outline planning application for the development of a crematorium at Wilbury Hills, such authorisation to include taking all steps required for a successful grant of permission;
- (2) That the project be allocated a budget of up to £50,000 to cover external consultants and other costs associated with the planning application;
- (3) That the Head of Leisure and Environmental Services, in consultation with the Leader of the Council, be authorised to carry out further negotiations to finalise the structure and detail of any potential agreement with the Proposed Operator, subject to Cabinet providing final approval in due course. In any event, the Head of Leisure and Environmental Services is requested to report back to Cabinet once the outcome of the outline planning application is known; and
- (4) That the cost of Officer time spent on this project moving forward be included in the Business Case, and that the latest Business Case and financial information be reviewed before deciding whether to proceed with this project.

REASON FOR DECISION: To progress the proposal for a Crematorium at Wilbury Hills Cemetery.

127. EXCLUSION OF PRESS AND PUBLIC

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 Paragraphs 3 and 5 of Part 1 of Schedule 12A of the said Act (as amended).

128. NORTH HERTFORDSHIRE MUSEUM AND HITCHIN TOWN HALL – ACQUISITION OF 14/15 BRAND STREET

[Prior to the consideration of this item and that at Minute 129 below, Councillors Bernard Lovewell and Julian Cunningham declared that they would be leaving their seats, as they were Members of the Cabinet Sub-Committee (Council Charities), which was responsible for making decisions on the North Hertfordshire Museum and Community Facility on behalf of the Hitchin Town Hall: Gymnasium and Workmans Hall Trust. They both sat in the public seating area to listen to the debate, but did not take part in the discussion nor the voting on either item.]

The Chief Executive presented a tabled Part 2 report in respect of North Hertfordshire Museum and Hitchin Town Hall – Acquisition of 14/15 Brand Street. The following appendix was submitted with the report:

Appendix A – Reported Project Expenditure and funding.

The Chief Executive advised Cabinet of the proposed sum for acquisition of 14/15 Brand Street, as set out in Paragraph 8.8 of the report. He summarised the outcome of discussions and negotiations to date between the Council and representatives of Hitchin Town Hall Limited and Hitchin Town Hall Finance Limited in respect of this proposed acquisition.

RESOLVED: That the contents of the report be noted.

REASON FOR DECISION: To enable the Council to complete the development of the North Hertfordshire Museum/Hitchin Town Hall project as intended by Council and operate the facility for the benefit of the local community and to protect the Council's interests and obtain best return from the Council's existing investment and to secure projected income from the facility to offset operational and fixed costs.

[At this point in the proceeding, the press and public were invited back into the meeting.]

129. NORTH HERTFORDSHIRE MUSEUM AND HITCHIN TOWN HALL – ACQUISITION OF 14/15 BRAND STREET

The Chief Executive presented a tabled Part 1 report in respect of North Hertfordshire Museum and Hitchin Town Hall – Acquisition of 14/15 Brand Street. The following appendix was submitted with the report:

Appendix A – Reported Project Expenditure and funding.

The Chief Executive advised that, in order to be specific, Recommendation 2.1 in the report should be amended to clarify that the sum offered for the acquisition of 14/15 Brand Street should be as set out in Paragraph 8.8 of the Part 2 report.

RESOLVED:

- (1) That the sum offered for the acquisition of 14/15 Brand Street, as set out in Paragraph 8.8 of the Part 2 report, be endorsed;

- (2) That approval of the agreements required to formalise the arrangement with Hitchin Town Hall Limited and HTH Finance Ltd be delegated to the Chief Executive, in consultation with the Leader of the Council, Executive Member for Finance and IT and the Executive Member for Community Engagement and Rural Affairs; and
- (3) That it be noted that approval of some elements of the agreement may be required from the Cabinet Sub-Committee (Council Charities).

REASON FOR DECISION: To enable the Council to complete the development of the North Hertfordshire Museum/Hitchin Town Hall project as intended by Council and operate the facility for the benefit of the local community and to protect the Council's interests and obtain best return from the Council's existing investment and to secure projected income from the facility to offset operational and fixed costs.

The meeting closed at 11.06pm.

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Chairman