

MINUTES OF A MEETING OF THE
EXECUTIVE HELD IN THE COUNCIL
CHAMBER, WALLFIELDS, HERTFORD
ON TUESDAY, 17 AUGUST 2004 AT
4.00 PM

PRESENT: Councillor M G Carver (Leader/Chairman).
Councillors H G S Banks, M R Alexander,
D Clark, A P Jackson, R L Parker.

ALSO IN ATTENDANCE:

Councillors W Ashley, S A Bull, A L Burlton,
J Demonti, M P A McMullen, L R Pinnell,
D Richards, M J Tindale and M Wood.

OFFICERS IN ATTENDANCE:

Rachel Stopard	- Executive Director
Miranda Steward	- Executive Director
Alison Brown	- Communications Officer
Simon Chancellor	- Head of Accountancy
Simon Drinkwater	- Assistant Director (Law and Control)
Jeff Hughes	- Head of Democratic Services
Martin Ibrahim	- Senior Democratic Services Officer
Peter Searle	- Head of Internal Audit
Martin Shrosbree	- Head of Property
Bryan Thomsett	- Head of Environmental Planning
David Tweedie	- Assistant Director (Financial Services)

191 APOLOGY

An apology for absence was submitted on behalf of Councillor N C Poulton.

192 DECLARATIONS OF INTEREST

Councillor M R Alexander declared a personal and prejudicial interest in the matter referred to at Minute 194 – Ware Bowling Club, in that he was a trustee of The Priory, Ware, who owned the grounds in which the Bowling Club was located. He left the chamber during consideration of this matter.

193 EXCLUSION OF PRESS AND PUBLIC

The Executive passed a resolution pursuant to Section 100(A)(4) of the Local Government Act 1972 to exclude the press and public during consideration of the business referred to in Minute 196 on the grounds that it involved the likely disclosure of exempt information as defined in paragraphs 8 and 9 of Part 1 of Schedule 12A of the said Act.

RECOMMENDED ITEMS**ACTION**194 **WARE BOWLING CLUB**

The Executive Members for Community and Finance submitted a joint report detailing a request that had been received from Ware Bowls Club, for financial support to refurbish their clubhouse facilities.

The Executive noted that the Council owned the site and buildings used by Ware Bowls Club. The club leased the site and buildings under a full repairing agreement at a peppercorn rent for 50 years. This arrangement began in 1996, when the Council took a policy decision to discontinue the maintenance and operation of bowling facilities at Ware and Wallfields. The Club operated this facility for Club use and for

members of the public. This included running bowling and putting, maintenance of the green, general maintenance and payment of all costs.

The Executive Members referred to the problems of the clubhouse that required attention and was in need of refurbishment or replacement. The club had submitted a bid for Lottery funding to Sport England in 2002 after several years of preparatory work, including securing planning consent. However, this funding route proved unsuccessful, as Sport England had taken the decision to freeze all grant aid for sports projects, in order to undertake a major restructuring exercise.

The club had made an approach to the Council, through Members, to request East Herts to consider supporting their plans, by providing a capital contribution to the scheme. The details of their proposed building scheme involved rebuilding the clubhouse within the footprint of the existing planning permission. The main structure of the existing building was to be retained with a new roof and walls and extensions added at both ends. This would achieve more modern, comfortable and accessible premises, which would not only enhance the playing experience, but would also enable the building to meet the requirements of the Disability Discrimination Act. They would also enable the club to achieve increased revenue income through the operation of a bar, and through holding events for members.

The Executive Member for Finance outlined the costs. The architect estimates for the cost of the building works were £175,000 inclusive of fees and VAT. The scheme favoured by the club could be built in two phases. The first phase would fully refurbish the existing building and extend at one end only, at an approximate cost of £120,000 including VAT. The bowling club had accumulated reserves over the past several years, and was in a position to allocate £60,000 towards the improved facilities. The club could also claim a sum from the Council provided for in the lease, as a transitional payment of £2,000 per annum over

three years commencing April 1996 but not yet claimed. Capitalising this as a single payment in 2004 would produce £8,730, and the Executive Member recommended allocating this sum towards the replacement of the existing building.

The Executive recalled that the Council operated a capital grant scheme to local clubs. This paid a maximum grant of £12,000 per organisation, but the Club did not meet the criteria for priority and were unlikely to secure funds through this route. The Council did have a particular interest in this clubhouse, as it was an asset owned by East Herts.

Therefore, the Executive Members recommended that the sum of £120,000 be included in the capital programme, subject to the club making a capital cost contribution of £60,000, and the payment of a rent which would provide a return to the Council on this further capital sum. On the expiry of the club's lease on the facility, it would revert to the Council, which would benefit from the enhancement in the value of its asset.

The Council could further assist the Club by directly managing the project as a capital scheme through the architect already engaged by the Club. The Club was not registered for VAT, and therefore, could not recover this element of the cost. The Council was in a position to recover the VAT and reduce the total cost of the scheme. The saving on a cost of £120,000 would be £17,873.

The Executive supported the recommendations as now detailed.

RECOMMENDED - that the improvement of the Pavilion at Ware Bowling Club at an estimated cost of £120,000 including VAT, be included in the Capital Programme for 2004/5, subject to the agreement of Ware Bowling Club making a capital cost contribution of up to £60,000 on

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commencement of works, and rental payments of £2,500 per annum commencing on practical completion of the works.

195 EAST HERTFORDSHIRE RETAIL AND TOWN CENTRES STUDY – JUNE 2004

The Leader of the Council submitted a report drawing attention to the final Report and accompanying Executive Summary of the Retail and Town Centres Study 2004, and to seek approval and publication of the document as a technical study which would support the Local Plan Second Review process and inform future decisions concerning retailing and town centres in the District.

The draft Executive Summary of the Retail and Town Centres Study was considered by the Local Plan Panel on 2 June 2004. The Panel's recommendations were subsequently endorsed by the Executive on 20 July 2004, and approved by Council on 28 July 2004. The final Executive Summary and Report of the Retail and Town Centres Study 2004 were received in June and the Executive Summary was included as Appendix 'A8' to the report now submitted. It was intended to make the documents publicly available. The main findings were outlined in the report to the Local Plan Panel on 2 June 2004.

The Leader stated that further to the main findings that were reported to the Local Plan Panel on 2 June 2004, additional wording had been added to the Report regarding the evening economy in East Herts, in order to aid future management of this aspect of town centres. This was highlighted at the Local Plan Panel on 2 June 2004 as an issue that required further examination by the consultants.

The consultants also made recommendations regarding the definition of District and Local Centres within the District, and this has been added to Appendix 3 of the Study. An appraisal of these centres

was considered by the Local Plan Panel on 30 June 2004, and it was decided that Hockerill, Bishop's Stortford (which was recommended for deletion as a Local Centre) should be included, due to the use of the facilities by the local community. Much Hadham was recommended for deletion as a Local Centre from the Local Plan on the basis of only containing three facilities.

It had since come to light that there were several facilities within Much Hadham that were overlooked when the initial assessment was undertaken. On reassessment the total number of facilities within the village was six, which meant that Much Hadham should be included as a Local Centre. The consultants had concurred with this view.

Due to the timescales involved with the publication of the Retail Study final report in relation to the Local Plan Panel meetings, the consultants were informed of the new information and included Much Hadham in the summary of District and Local Centres in Appendix 3 of the final Report. However, in error, Appendix 3 stated that the centres detailed were 'all agreed following the 30 June Local Plan Panel'. This was not the case with regards to Much Hadham. The addition of Much Hadham as a Local Centre would constitute a material change, and therefore, it was not possible to make this change under the delegated powers recommended at the Local Plan Panel on 30 June 2004, and subsequently agreed by Council on 28 July 2004. Therefore, the Executive was requested to recommend Much Hadham as a Local Centre in Chapter 7 (Shopping and Town Centres) of the Local Plan Second Review Revised Deposit Version for the reasons outlined in Appendix 3 of the Retail and Town Centres Study. An erratum slip would be included with copies of the Retail and Town Centres Study full report to explain the change.

In response to Councillor L R Pinnell's comments regarding the description of Bishop's Stortford Town Centre at paragraph 1.27 of the final Executive

Summary, the Leader undertook to ensure that these would be taken on board.

The Executive supported the recommendations as now detailed.

RECOMMENDED – that (A) the final version of the Retail and Town Centres Study June 2004, carried out on behalf of the Council by Donaldsons, be approved and published, as a technical study for the purpose of informing the Local Plan Second Review process and future decisions concerning retailing and town centres in the District, **APP**

(B) Much Hadham be approved for inclusion in the Local Plan Second Review Revised Deposit Version as a Local Centre, following a reassessment of facilities, and **APP**

(C) an erratum slip be included with copies of the Retail and Town Centres Study June 2004, in order to correct the reference to Much Hadham being agreed as a Local Centre by the Executive on 17 August 2004, rather than at the Local Plan Panel on 30 June 2004. **APP**

**196 REDEVELOPMENT OF JACKSON SQUARE
MULTISTOREY AND RIVERSIDE CAR PARKS,
BISHOP'S STORTFORD – LAND TRANSACTIONS**

The Executive Members for Community and Finance submitted a joint report on the proposed redevelopment of the Jackson Square area in Bishop's Stortford. The report considered the land transactions that would be necessary for the scheme to proceed, and the subsequent car parking arrangements.

The Executive recalled that outline planning permission, subject to a S106 Agreement, had been approved in April 2004, for the redevelopment of the Jackson Square Multistorey Car Park, Jacksons Wharf

and the Riverside Car Park to provide a new car park, additional retail units and a major foodstore, a public square and residential development including 30% affordable units. The Council had extensive land ownership in the redevelopment area, and agreement was required for the reconfiguration of that ownership to enable the redevelopment to proceed.

The Council held the freehold interest in the Jackson Square Shopping Centre subject to a 150 year lease to Wilson Bowden from 1989. The Council also owned the Jackson Square Multistorey Car Park and most of the Riverside Car Park. Wilson Bowden were the leaseholders of the Jackson Square Shopping Centre and owned the Jacksons Wharf complex, the former Library and were acquiring land from British Waterways. The redevelopment extended the Jackson Square Shopping Centre over the current Adderley Road to include a two deck car park, a major foodstore and further retail units. A new road would be provided closer to the River Stort with a public square and further retail units and residential development on Riverside.

The Executive noted that Wilson Bowden had submitted a planning application for approval of reserved matters and expected to be in a position to start the development in early January 2005.

Negotiations between the Council as a landowner, represented by agents Knight Frank, and Wilson Bowden had been progressing over the past year. The objective had been to secure an agreement, whereby the Council retained an ownership interest in the Shopping Centre and Car Park with an income stream from the Shopping Centre, and control over the operation of the Car Park to protect revenue and maintain control over town centre car parking as the District assumed responsibility for on street car parking.

In April 2003, Knight Frank provided an assessment of the development proposals, an estimate of the value of

the Council's current land interests and an appraisal of the viability of the new development. They also provided an assessment of the initial financial offer by the developer. The main body of that report was appended in the report now submitted. It concluded that the proposed scheme would give a much needed boost to the shopping provision, car parking facilities and perception of Bishop's Stortford as a shopping destination. However, the financial appraisal showed a deficiency in viability and the initial financial offer did not match the current value of the Council's landholdings.

Negotiations over the past year had improved the financial offer to the extent that the requirements of S123 of the Local Government Act 1973, were satisfied and the proposed heads of terms constituted the best offer reasonably obtainable. The Executive Members detailed the main elements of the proposed deal in the report now submitted.

The Executive Members referred to the obligations of Wilson Bowden to provide 400 car parking spaces to replace those lost during the development period. These replacement spaces would be provided as a Park and Ride operation at Woodside off Dunmow Road. Terms had been agreed for M&D Developments to provide a full Park and Ride operation for a period of two years based on the Head of Terms detailed in the report now submitted. The premium payment would be provided by Wilson Bowden. In order to allow for proper control of the park and ride site, a Parking Places Order would be issued to prevent overnight parking, to permit parking only with the display of an appropriate ticket and parking only in designated areas, and to detail charges. The Parking Places Order would be drafted in accordance with any current planning conditions.

The Executive supported the recommendations as now detailed.

RECOMMENDED - that (A) the reconfiguration of interests in land as outlined in the report now submitted, to enable the redevelopment of Jackson Square and the Riverside Car Park to proceed, be approved;

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(B) in order for the developers of Jackson Square to discharge their obligations to provide alternative parking during the redevelopment, Officers be authorised to enter into an agreement with M&D Developments to provide a Park and Ride facility during the redevelopment period on the terms proposed in the report, in accordance with the requirements of the planning authority; and

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(C) Officers be authorised to make the necessary arrangements to advertise a Parking Places Order to allow control of the park and ride site, to include preventing overnight parking, parking only with the display of an appropriate ticket, parking only in designated areas and details on charges.

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RESOLVED ITEMS

197 MINUTES

RESOLVED - that the Minutes of the Executive meeting held on 20 July 2004 be confirmed as a correct record and signed by the Chairman.

198 STATEMENT OF INTERNAL CONTROL

The Executive Member for Corporate Facilities submitted a report presenting the 2003/04 Statement of Internal Control.

The Accounts and Audit Regulations (England) 2003 came into force on 1 April 2003. This included within Regulation 4, a requirement to publish a Statement of Internal Control

with the financial statements. Regulation 4 also required the Council to conduct a review, at least once a year, of the effectiveness of its system of internal control, and to prepare a statement on its systems of internal control and risk management.

The Statement of Internal Control was a corporate document and was not restricted to an opinion on financial control. CIPFA guidance, which had now been underlined by the External Auditor, stated that internal control was being interpreted in its broadest sense covering both financial and managerial controls that ensured that the implementation of East Herts Council's objectives was being properly managed. Therefore, systems of internal control would cover controls such as the setting and review of the Council's priorities, divisional strategic targets and service plans, performance management systems, risk management, financial and management controls, compliance with laws and regulations, accuracy and reliability of financial statements and other published information, human, financial and other resources were managed effectively and efficiently and high quality services were delivered efficiently and effectively. Compilation of the Statement of Internal Control required the Council to review the adequacy of its governance arrangements, develop an action plan to improve its arrangements and to communicate to stakeholders how better governance led to better quality public services.

The Executive noted that, at the time of providing initial comments, PKF had not had the opportunity to consider the validity of the evidence to support the Statement of Internal Control. Consideration of the evidence would form part of their forthcoming audit of the finalised Statement of Accounts, and if the evidence did not support the Statement of Internal Control, then the External Auditor would be required to make further comment.

The Executive approved the Statement of Internal Control, as detailed in the report now submitted.

RESOLVED - that on behalf of the Members and Chief Officers of East Herts Council, the Leader of

the Council and Head of Paid Service, sign the 2003/04 Statement of Internal Control as being a true statement.

199 STATEMENT OF ACCOUNTS 2003/04

The Executive Member for Finance submitted a report seeking approval for the Council's Statement of Accounts 2003/04.

The Executive noted that the Accounts and Audit Regulations 2003 set out the requirements for the production and publication of a Council's annual Statement of Accounts. One requirement of these regulations was that the person presiding at the meeting at which approval was given, be authorised to sign the Accounts at the end of the meeting.

The Executive Member referred to the Statement of Accounts as detailed at Appendix 'A6' of the report now submitted. In respect of paragraph 21, Trust Funds, he asked the Executive to accept the insertion of the following:

'The Council manages funds for the Edward Kemp Will Trust. Funds held total £858,000, of which £780,000 is an investment with the balance in cash.'

The Executive agreed this addition.

The Executive Member stated that the External Audit of the Accounts was well advanced, and that no significant changes were anticipated that would affect the overall out-turn position of the Council as presented within the Accounting Statements.

The Statement of Accounts for 2003/04 were approved by the Executive.

RESOLVED - that the Statement of Accounts (as amended) for the financial year ended 31 March 2004 be approved and certified by the Leader of the Council.

200 DETERMINATIONS MADE UNDER PART IV OF THE LOCAL GOVERNMENT AND HOUSING ACT 1989

The Executive Member for Finance submitted a report setting out various determinations that were required under Part IV of the Local Government and Housing Act 1989. These were in instances where:

- capital expenditure is to be reimbursed, or met out of funds, provided by any other person than the Council;
- a credit approval is to be used as authorisation to capitalise expenditure, or enter into or vary a credit arrangement;
- a credit approval is to be transferred, in whole or in part, to another authority; and
- usable receipts were to be applied to capital expenditure, or as voluntary provision for credit liabilities;

Authorities were also required to determine what amount, being not less than the required Minimum Revenue Provision (M.R.P.) for the year, was to be set aside from revenue as provision for credit liabilities, and where such provision was made to provide credit cover for the entering into or varying of, a credit arrangement.

The Executive Member detailed the various determinations as set out in the report now submitted.

The Executive agreed the determinations as now submitted.

RESOLVED - that the determinations set out within the report now submitted, be approved.

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201 GENERAL FUND OUT-TURN 2003/04

The Executive Member for Finance submitted a report advising the Executive of the General Fund Revenue Out-turn for 2003/04. He provided explanations for the significant variances against the approved estimates, and reported the level of balances held as at 31 March 2004.

The Executive noted that when the Council's General Fund estimates for 2003/04 were approved, it was anticipated that the total net expenditure, prior to use of balances, would amount to some £14.492 million. The final out-turn for the year, which was still subject to audit, resulted in net expenditure of nearly £14.923m representing an adverse position of some £0.431m. This net overspend represented less than 1% of the gross annual General Fund revenue budget and around 3% of the net budget prior to use of balances. This was in line with the target set following the Best Value Review of Strategic Financial Management. The main variances giving rise to this position were summarised in the report now submitted.

The Executive noted that the variances shown excluded capital and deferred charges, as these related to the Capital Expenditure Out-turn, which had already been reported via the Capital Strategy Group to the Executive. The Executive recalled that these charges had no direct impact upon either the level of Council Tax or use of balances. The variances shown also excluded any changes in Divisional and Support Service allocations against individual service headings as these had a neutral effect overall.

The Executive Member stated that, compared with the Council's probable estimate, the overall out-turn represented a favourable position (net underspend) of some £95,000. This meant that a lower contribution would be required to be made from the Council's General Reserve. It was the intention to ensure that any ongoing

impact of last year's variances, were taken into account in future financial planning processes. Further scrutiny of the areas identified would take place as part of the "Base Budget Review".

In respect of Reserves/Balances, the Council was generally well placed with regard to establishing appropriate earmarked Reserves and Balances. The Executive noted the balances available to the Council at 31 March 2004.

The Executive agreed that the report be received.

RESOLVED - that the General Fund Revenue Out-turn for 2003/04 together with the Fund balances held at 31 March 2004 be received.

202 LOCAL TRANSPORT PLAN: ANNUAL PROGRESS REPORT

The Executive Member for Environment submitted a report seeking approval for an Annual Statement on progress made to deliver the Local Transport Plan during 2003/04.

The Council had been requested by Hertfordshire County Council to submit a Statement on the progress being made to deliver the Local Transport Plan (LTP) during 2003/04 for inclusion in the LTP Annual Progress Report 2004. Officers had prepared the Annual Statement, in the format requested by the County Council, under the selected headings of Scheme Delivery, Parking, Disabled Access, Air Quality Review, Community Strategies and Consultation and Local Plan.

The Executive approved the Annual Statement, as now detailed.

RESOLVED – that the statement attached as Appendix 'A11' of the report now submitted, be submitted to Hertfordshire County Council as East Herts Council's statement to be included in the

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Local Transport Plan Annual Progress Report 2004.

203 FORWARD PLAN – OCTOBER 2004

The Executive Member for Corporate Facilities submitted a report seeking approval for the publication of the Forward Plan for the period October 2004 - January 2005.

The Executive agreed that the Forward Plan, as now detailed, should be approved.

RESOLVED - that the Forward Plan for October 2004 - January 2005, as set out at Appendix 'A' to these Minutes, be approved for publication.

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204 HIGHWAYS JOINT MEMBER PANEL – NOTES OF A MEETING HELD ON 19 JULY 2004

The Executive received the Notes of the Highways Joint Member Panel meeting held on 19 July 2004.

RESOLVED – that the Minutes of the Highways Joint Member Panel meeting held on 19 July 2004, be received.

The meeting closed at 4.50 pm.

Nps\Executive\17 August 2004\Minutes 17 August 2004

Chairman
Date