

MINUTES OF A MEETING OF THE  
EXECUTIVE HELD IN THE COUNCIL  
CHAMBER, WALLFIELDS, HERTFORD  
ON TUESDAY 15 FEBRUARY 2005 AT  
4.00 PM

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

ALSO IN ATTENDANCE:

Councillors W Ashley, J Demonti, R L Gilbert,  
Mrs M H Goldspink, Mrs D L E Hollebon,  
Mrs D M Hone, M P A McMullen, D E Mayes,  
D A A Peek, J O Ranger, M J Tindale,  
J P Warren, M Wood.

OFFICERS IN ATTENDANCE:

Miranda Steward	- Executive Director
Mandy Barton	- Principal Accountant
Simon Chancellor	- Head of Accountancy Services
Simon Drinkwater	- Assistant Director (Law and Control)
Neal Hodgson	- Assistant Director (Regulatory Services)
Martin Ibrahim	- Senior Democratic Services Officer
Lorraine Kirk	- Senior Communications Officer
Mary Orton	- Assistant Director (Policy and Performance)
Lois Prior	- Head of Communications
Bryan Thomsett	- Head of Environmental Planning
David Tweedie	- Assistant Director (Financial Services)

ACTION581 APOLOGIES

Apologies for absence were submitted on behalf of Councillors N Burdett and N C Poulton.

582 EXCLUSION OF THE 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 Minutes 602 - 603 on the grounds that they involved the likely disclosure of exempt information as defined in paragraphs 7 - 9 of Part 1 of Schedule 12A of the said Act.

583 LEADER'S ANNOUNCEMENTS

The Leader introduced a new member of staff, Lorraine Kirk, Senior Communications Officer, and welcomed her to East Herts Council.

He also welcomed the press to the meeting.

584 DECLARATIONS OF INTEREST

The Leader advised that given the nature of some of the budget items involving the funding of voluntary and other groups, Members should only make a declaration if any particular group in which a Member was involved with, was the subject of any substantial consideration.

Councillor J P Warren declared a personal interest in the matter referred to at Minute 585 – Outcome of the Market Testing for the Management of the Five Polls and Gyms, in that he was a governor of Ward Freman College.

Councillor M G Carver declared a personal interest in the matter referred to at Minute 593 – Growth Items and Efficiency Savings 2005/06, in so far as it related to Next

ACTION

Step, although the nature of the interest was not disclosed.

RECOMMENDED ITEMSACTION**585 THE OUTCOME OF THE MARKET TESTING OF THE MANAGEMENT FOR THE FIVE POOLS AND GYMS (1)**

The Executive Member for Environment submitted a report detailing the outcome of the further investigations requested by the Executive, at its meeting held on 18 January 2005, and the market testing of the management provision at the five pools and gyms. In his absence, the Executive Member for Finance detailed the proposals and dealt with questions raised.

The Executive recalled that, at its meeting held on 22 June 2004, it had agreed to undertake a market testing exercise for the management of its five pools and gyms. This market testing exercise was the second stage in a three stage strategy agreed in July 2003, aimed at addressing the issues surrounding leisure provision within the district. This second stage identified a number of medium term initiatives including market testing a range of management options.

The Executive Member detailed the criteria for the assessment of the tenders. Evaluation of the tenders received had taken place with the assistance and advice of consultants, Torkilsden Barclay. Details of the outcome of that process were set out in the report now submitted. The Executive noted that of the two tenders received, the first one had not been pursued, as irrespective of how well they had scored on quality issues, the price differential between the two tenderers was too great for them to achieve a higher overall score than the second tenderer. Also, the first tender offered no financial benefits to the Council and would add to the cost of the service. Therefore, the second stage evaluation process was only applied to the second

ACTION

tender received.

The Executive noted that the identity of the tenderers was detailed in a separate exempt report (see Minute 602 below).

The Executive recalled that, at its meeting held on 18 January 2005, it had identified a number of areas, where further information was required. These areas included:

- Reliability on staffing costs.
- Uncertainty of the status of the company as an occupier at the three joint use sites, which could affect its entitlement to the full benefit of NNDR.
- The Joint Management Committee.
- The Company's overall ability to deliver the service the Council had stipulated.
- Central Establishment Charges.
- Pensions.
- Contingency Element.
- Maintenance of the facilities.
- Value Added Elements.
- Deficit/Surplus guarantee.

The Executive Member detailed the outcome of the investigations into these matters by officers. He also outlined the evaluation and financial appraisal of the tenders received. A qualitative assessment had also been undertaken.

ACTION

The Executive Member also referred to a number of other organisational and operational considerations that had been taken into account as part of the evaluation of the second tender. These related to the independence of the tenderer from their client unitary Authorities, the proposed corporate structure for the contract, branding and media management, capital investments and TUPE implications.

The Executive also considered the proposed fees and charges for pools and gyms as detailed at Appendix 'A5' of the report now submitted.

In response to Members' questions, the Executive Member made the following comments. He confirmed that the idea for a youth gym at Hartham had originated from the preferred tenderer, as part of their tender bid. He referred to the need for the proposal to be developed and considered further in the report in six months time.

He stated that he was satisfied with the viability of the preferred bidder to meet its commitments, and was reassured by its performance on existing contracts. The Executive Member also clarified the proposed allocation of funds for maintenance within the capital programme.

The Executive supported the recommendations as now detailed.

**RECOMMENDED** – that (A) the report, as requested on 18 January 2005, following the investigations of the areas of risk identified which required further clarification, be received;

(B) the contract be awarded to the second tenderer, and subject to contract and agreement between both parties, the contract be implemented on 4 July 2005;

ACS

ACTION

(C) officers submit a further report to the Executive, no later than 1 June 2005, relating to the Central Establishment Charges, recommending either a reduction in these costs or a redirection of those resources to other identifiable activities;

ACS

(D) officers report back within the next 3 months, on how they will commence work on the long term proposals for the long term future of these facilities;

ACS

(E) officers submit a report on the second tenderer's proposal for the Young Persons Gym at Hartham Pool within 6 months; and

ACS

(F) the fees and charges for pools and gyms, as detailed in the report now submitted, be approved.

ACS/AFS

**586 AFFORDABLE HOUSING SUPPLEMENTARY PLANNING DOCUMENT (FEBRUARY 2005) AND HOUSING NEEDS SURVEY (SEPTEMBER 2004)**

The Executive Member for Community submitted a report seeking approval of the Affordable Housing Supplementary Planning Document (SPD). The SPD would provide guidance to supplement the Adopted Local Plan policies on affordable housing, and would aid the implementation of the Housing Needs Survey (HNS) 2004 recommendations.

The Executive recalled that East Herts Council adopted an Affordable Housing Supplementary Planning Guidance (SPG) in 2002, in order to bring forward the policies in the Deposit Version of the Local Plan Second Review (2000). This SPG had been withdrawn, as it did not comply with advice contained in Planning Policy Guidance note 12: Development Plans (PPG12). A further Affordable Housing Consultation Draft SPG

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was produced in October 2003 and was subject to consultation. However, the SPG had been put on hold due to the commissioning of a new Housing Needs Survey in Spring 2004 and anticipated changes to the planning system. Work on the draft SPG 2003 had now ceased and the Affordable Housing SPD (February 2005) would replace the former draft. The Executive noted that the consultation that was carried out on the draft SPG 2003 had informed the new SPD.

A further consultation was carried out following approval of the draft SPD (October 2004) for a six week period commencing on 4 November and ending on 15 December 2004. The SPD documents were sent to relevant consultees, and made available for public inspection at locations throughout the District and on the East Herts Council website.

The Housing Needs Survey 2004 was commissioned in March 2004 and undertaken on behalf of the Council by David Coultie Associates (DCA). The Survey was finalised in September 2004, and considered by Policy Development Scrutiny Committee on 21 September 2004. The draft SPD was accompanied by a Sustainability Appraisal covering the social, environmental and economic effects of the SPD. The sustainability appraisal process incorporated the requirements of the Strategic Environmental Assessment Directive (SEA). The SPD was based on Government guidance on affordable housing, at the time of publication, which comprised PPG3: Housing (2000) and Circular 6/98: Planning for Affordable Housing.

The Executive Member detailed the proposed SPD and the representations received as part of the consultation. He also referred to the main findings of the Housing Needs Survey, which were summarised in an appendix to the report now submitted.

ACTION

The HNS recommended that Council negotiate with prospective developers towards achieving 40% subsidised affordable homes from the total of all suitable sites coming forward for planning consent. This would be subject to the criteria set out in the Adopted Local Plan policy H5. Also, a general apportionment of 75% Registered Social Landlord (RSL) rented units and 25% subsidised low cost market housing was recommended as the basis for future negotiation in meeting overall targets for affordable housing.

The HNS had also identified a net annual housing need of 537 affordable units per year, excluding an estimated annual supply of 57 new units taking the total required to 594. This had increased from the net annual housing need identified in the HNS 2000 of 497.

In response to a Member's question on the possibility of using a sliding scale for determining the percentage of affordable housing on different sized sites, the Leader queried the viability of such a scheme and stated that this had not been suggested by any consultee.

In response to questions from Councillor D A A Peek on the actual numbers of affordable housing units provided over the previous 10 years, the Leader stated that these figures were not to hand, but could be provided.

The Executive noted that the Policy Development Scrutiny Committee had supported the proposals now submitted.

The Executive supported the recommendations.

**RECOMMENDED** – that (A) the representations submitted in respect of the draft Affordable Housing Supplementary Planning Document

**APP**



ACTION

**(October 2004), as detailed at Appendix 'A6' to the report now submitted, be received and considered;**

**(B) the proposed responses to the representations referred to in (A) above, as detailed in Appendix 'A6' to the report now submitted, be agreed and published as the 'Statement of Issues', in accordance with Regulation 18 (4)(b) of the Town and Country Planning (Local Development) (England) Regulations 2004;**

APP

**(C) only minor amendments be made to the draft SPD following consultation, relating to: updating references to the consultation and Council's decision making process; and paragraph 7.25, replacing the words 'in perpetuity' with 'in the long term';**

APP

**(D) the draft Sustainability Appraisal be updated and amended, as detailed in Appendix 'B6' to the report now submitted, and published to accompany the SPD;**

APP

**(E) the Affordable Housing SPD contained at Appendix 'C6' to the report now submitted, be adopted; and**

APP

**(F) the Housing Needs Survey 2004 carried out on behalf of the Council by David Couttie Associates (DCA), be approved and published as: a valid basis for the implementation of Policies H5 and H6 of the Adopted Local Plan (1999) and the accompanying Affordable Housing SPD; and a technical study for the purpose of informing the Local Plan Second Review process.**

APP

ACTION**587 REVIEW OF PRIVATE SECTOR HOUSING ASSISTANCE POLICY**

**The Executive Member for Community submitted a report on the key findings of the recent private sector house condition survey and energy efficiency survey, and subsequent proposed amendments to the Private Sector Housing Assistance Policy.**

**The Executive Member summarised the key survey findings. 3% of dwellings in East Herts were estimated to be unfit. This was the same as the estimate for the East, and lower than the national estimate. A further 9% of the stock was estimated to be fit but defective. Private rented, vacant and older properties were more likely to be unfit, non-decent, defective or in disrepair. Most expenditure on repairs was needed to walls, fences, paved areas and outbuildings, external doors, windows and roofs.**

**Estimated overall energy efficiency was comparable with that for the East and nationally. Improved heating systems and insulation across the stock would cost £71 million and achieve an improvement of 27.7%. All measures would achieve an improvement of 29.6% and cost £128.4 million. As was the case nationally, thermal comfort was the main reason dwellings failed the Decent Home Standard.**

**The Executive Member detailed an analysis of the key findings in the following areas:**

- Disrepair**
- Unfitness**
- Housing Health and Safety Rating System**
- Decent Home Standard**

ACTION

- **Energy Efficiency**

He also referred to their policy implications and the proposed amendments to the policy. The Executive considered the issue of loans and equity release schemes, and whether safe play areas for children should be included in the policy.

The Executive noted that the Policy Development Scrutiny Committee had considered the report, at its meeting held on 18 January 2005, and supported the recommendations, with some minor amendments to wording, which had now been incorporated. The Committee Chairman was present to clarify these issues. He also referred to recommendations (A) and (I), where different options were available.

The Executive considered these options and recommended option (2) in respect of the age priority for Decent Home Grant assistance. In respect of safe play areas for children being added to the criteria for discretionary Disabled Facilities Grant, the Executive recommended no amendment to the policy, as set out in option (i).

The Executive supported the recommendations as now submitted.

**RECOMMENDED** – that the following amendments to the private sector housing assistance policy be approved:

**ARS**

(A) Decent Home Grant assistance be limited to £1000 for works within the curtilage, but not part of the dwellinghouse itself, increasing to £3000 where the household contains a vulnerable person, i.e., in receipt of a qualifying benefit as defined for the Decent Home Standard and aged over 65 or under 5. Where this does not cover the full cost, priority will be given to works to

ACTION

remove hazards;

**(B) paragraph 8.3.2.e of the assistance policy be amended to remove the age restriction on vulnerable households eligible for installing or extending central heating;**

**(C) paragraph 8.3.2.a of the assistance policy be amended to clarify that seriously defective boilers and sanitary facilities can be dealt with under the heading of disrepair;**

**(D) the £1000 limit be increased to £2000 for energy efficiency works in hard to heat homes, i.e., those where the construction may preclude the installation of standard cost-effective insulation measures;**

**(E) paragraph 8.3.2.d be amended to allow the full cost of renewing old inefficient boilers, for vulnerable households (i.e., remove the £1000 cash limit for this group);**

**(F) to criterion 8.3.2.c of the eligible works “providing a satisfactory internal arrangement, as part of a larger grant” be added the words “or as required to remove an unacceptable risk as assessed by the Housing Health and Safety Rating System”;**

**(G) the Decent Home Grant condition period following completion of works, relating to the repayment of grant, be extended from 8 to 10 years. The amount to be repaid on demand to continue to reduce with time, with 100% repayable within 0-3 years after completion, 75% within 4-5 years, and 50% within 6-10 years;**

**(H) applicants who have secured employment within the district as a Priority One Key Worker, may be offered an interest free loan of up to**

ACTION

**£10,000 towards their means tested contribution for renovation works to a property which has been empty for more than six months prior to purchase, for use as their home. This grant is to be repayable to the Council on the sale of the property;**

**(I) no amendment be made to the policy to add the provision for safe play areas to the criteria for discretionary Disabled Facilities Grants;**

**(J) Pension Credit be added to the income related benefits listed in paragraph 8.3.3 of the policy. Receipt of a specified benefit entitles the applicant to pay no contribution towards the cost of eligible works;**

**(K) to clarify when one quotation may be acceptable for grant works, to terms and conditions clause 10.25 be added the words “or for works of less than £5000, where the Environmental Health Manager is satisfied that best value is achieved and obtaining more quotations is not necessary or practical in the circumstances”;**

**(L) to add to the outcomes, listed at paragraph 8.2 of the private sector housing assistance policy, which will be considered for discretionary disabled facilities grants: “To pay the calculated means tested contribution towards a mandatory Disabled Facilities Grant, where the applicant has made a previous contribution to a Decent Home Grant, within the same timescales and with the same provisions as would apply for successive mandatory Disabled Facilities Grants”;**

**(M) the final sentence of paragraph 8.4 of the assistance policy, for those not eligible for Decent Home Grant, be amended to state the**

ACTION

eligible measures for Energy Grant as “Eligible works are energy efficiency works, such as loft, tank, pipe and cavity wall insulation, and improved heating systems and controls, but not replacement boilers”; and

(N) assistance to meet the Decent Home Standard criterion of providing “reasonably modern facilities” be available only to those falling within the government’s target definition of vulnerable household.

**588 LOCAL GOVERNMENT ACT 2003  
AND PRUDENTIAL CODE**

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The Executive Member for Finance submitted a report seeking approval for the proposed prudential indicators for the Council.

The Executive Member stated that the objective of the Prudential Code was to provide a framework for Local Authority Capital Finance that would ensure for individual local authorities that:

- capital expenditure plans were affordable;
- all external borrowing and other long term liabilities were within prudent and sustainable levels;
- treasury management decisions were taken in accordance with professional good practice; and
- in taking decisions in relation to the above, the local authority was accountable by providing a clear and transparent framework.

The Executive Member stated that the Assistant Director (Financial Services) was required to establish procedures to monitor both performance against all

ACTION

forward-looking prudential indicators and a reporting process that highlighted significant deviation from expectations. The indicators were reported currently to the Executive on a half-yearly basis.

The Executive Member outlined the prudential indicators, which were key indicators of affordability. These incorporated Treasury Management Indicators, which appeared within the Treasury Management Strategy referred to elsewhere within these Minutes.

The Executive Member described the indicators as follows:

- capital expenditure;
- ratio of financing costs to net revenue stream;
- capital financing requirement;
- operational and authorised boundary for external debt;
- upper limit on fixed and variable interest rate exposures; and
- estimated incremental effects of capital investment plans on Council Tax.

Details of these were set out in the appendices to the report now submitted.

The Executive recommended the prudential indicators and the monitoring arrangements as now detailed.

**RECOMMENDED** – that (A) the Prudential Indicators included within the report now submitted at Appendices ‘A8’ to ‘F8’ be approved, and

**AFS**

ACTION

(B) half yearly monitoring by the Executive be continued.

AFS

**589 TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY 2005/06**

The Executive Member for Finance submitted a report seeking approval of the Treasury Management Strategy Statement and Annual Investment Strategy for 2005/06.

The Local Government Act 2003 required the Council to have regard to the Prudential Code and to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans were affordable, prudent and sustainable. The Act therefore required the Council to set out its treasury strategy for borrowing and to prepare an Annual Investment Strategy, setting out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.

The suggested strategy for 2005/06 in respect of the following aspects of the treasury management function was based on the Treasury Officers' views on interest rates, supplemented with leading market forecasts provided by the Council's treasury advisor. The strategy covered:

- treasury limits in force which will limit the treasury risk and activities of the Council;
- Prudential Indicators;
- the current treasury position;
- the borrowing requirement;
- prospects for interest rates;



ACTION

- the borrowing strategy;
- debt rescheduling; and
- the investment strategy.

The Executive Member referred to the statutory duty to determine the 'Affordable Borrowing Limit', which had to have regard to the Prudential Code. He outlined the relevant prudential indicators for 2005/06 – 2007/08 for the purposes of setting an integrated treasury management strategy.

The Executive Member outlined the prospects for interest rates, based on advice received from the Council's treasury advisers, Sector Treasury Services, and current City forecasts.

The Executive Member did not anticipate any capital borrowing requirement during 2005/06.

Due to high rates of interest payable on the outstanding £1.89 million PWLB loans and the expected low level of the corresponding discount rates for maturities, any potential restructuring or premature repayment of the loans would be very expensive as their repayment would attract heavy premiums (in excess of £1M). The Executive noted that if market conditions did change, any opportunities would be investigated with Sector, to pursue any potential advantages to the Council.

The Executive Member detailed the proposed Investment Strategy and the Council's investment priorities as the security of capital, and the liquidity of its investments.

The Executive supported the proposed Treasury Management Strategy Statement and Annual Investment Strategy, as set out in the report now

ACTION

submitted.

**RECOMMENDED** - that the 2005/06 Treasury Management Strategy Statement and Annual Investment Strategy for East Herts Council be approved.

**AFS**

**590 CAPITAL PROGRAMME 2004/05 (REVISED) TO 2007/08**

The Executive Member for Finance submitted a report setting out proposals for the Council's Capital Programme for the period 2004/05 (Revised) to 2007/08.

The Executive recalled that it had amended the Council's Capital Programme in June 2004 taking into account slippage and other rephasings following the 2003/04 Capital Out-turn position. A number of further amendments to the Programme had since been approved, principally in respect of Social Housing Grant schemes and other projects in line with the Council's corporate priorities. A complete review of the current programme had been undertaken and a new draft programme prepared for the period 2004/05 (Revised) to 2007/08. Lead officers had also been invited to submit proposals for new schemes to be included within the Programme.

In order to co-ordinate this review and to give greater focus to the Council's overall capital planning arrangements, the Capital Strategy Group had considered the draft Programme in detail. In particular, it had assessed the proposed new schemes against the Council's vision and corporate priorities. Project appraisal documents had again been used by project control officers to provide information in support of new bids, and these had been scrutinised by the Strategy Group. The project appraisal documents, as well as setting out details and resource requirements for each scheme, also aimed to identify links with the Council's corporate objectives, service plans and key

ACTION

processes.

The Executive Member set out the Draft Programme as now submitted. Also included, was an additional summary, which illustrated how the Programme linked to the Council's corporate objectives. The Executive noted that the revised budget for the current year of £8.99m was broadly in line with the current approved position £8.92m.

Given the consistent underspending against approved programmes in recent years, the Capital Strategy Group had endeavoured to ensure that the draft Programme now reflected the real difficulties that often arose in implementing projects, and that officers' proposals were realistic.

The Draft Programme included proposals for a number of new schemes, which had been endorsed by the Capital Strategy Group.

The Executive Member stated that it was intended that the proposed Programme would be funded substantially from available Capital Receipts. Specific Government Grants in respect of Private Sector Grants and Implementing Electronic Government would be utilised together with significant funding that had been secured from Department of the Environment, Food and Rural Affairs (DEFRA) in support of the Council's recycling arrangements.

The Executive noted that Policy Development Scrutiny Committee, at its meeting held on 10 February 2005, had considered and supported the proposals. Furthermore, an additional item relating to the provision of CCTV had been proposed. The Executive Member stated that this item would require an increase of capital expenditure of £540,000. There would also be revenue implications, the details of which were dealt with on a later report (see Minute 593 below). The Executive supported the inclusion of this additional

ACTION

item.

The Executive recommended the proposals, as now amended.

**RECOMMENDED** - that the Draft Programme for the period 2004/05 (Revised) to 2007/08, as now amended, be approved.

**AFS**

**591 ALL DIVISIONS REVENUE ESTIMATES PROBABLE 2004/05; ESTIMATE 2005/06**

The Executive Member for Finance submitted a report dealing with the second stage of the estimate process.

The Executive Member detailed the estimates in respect of all General Fund Services at Appendix 'A12' to the report now submitted. The Estimates were reported in line with the Council's operational management arrangements. The costs of office accommodation together with the Divisional Establishments (including Support Services) costs (as recommended for approval by the Executive on 7 December 2004) had now been fully recharged to the service budgets now being submitted.

The Probable Estimates for 2004/05 were based on the actual payments to date, plus anticipated expenditure to the end of the financial year. The Estimates for 2005/06 were based on current (November 2004) prices except where existing contracts or Service Level Agreements allowed for indexation. Price increases due in 2005/06 had been anticipated in such cases. The Estimates for 2005/06 included the full effect of the 2004 pay award and a 2.95% pay award for 2005.

The Executive noted that Policy Development Scrutiny Committee, at its meeting held on 10 February 2005, had considered and supported the proposals.

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The Executive recommended the proposals as now detailed.

**RECOMMENDED** – that (A) the probable Revenue Estimates for 2004/05 and the draft Revenue Estimates for 2005/06 be approved; and

**AFS**

(B) the comments of the Policy Development Scrutiny Committee be received.

**592 FEES AND CHARGES 2005/06**

The Executive Member for Finance submitted a report seeking approval for proposed fees and charges for 2005/06.

The Executive recalled that the budget strategy for 2005/06 had been set out at the Executive meeting in September 2004, and approved by Council. As part of the strategy, officers were asked for suggestions for fees and charges that reflected increases of at least 2.5%.

Officers had prepared proposals for increasing fees and charges, the details of which were set out in Appendix 'A13' of the report now submitted. The report did not include any proposals in respect of hackney carriage, private hire vehicles, private hire operator's licences and ancillary charges which were subject of a separate report (see Minute 596 below).

Increases proposed for car parking charges were in line with the parking policy to encourage short stay parking within the towns. Details of prescribed fees for Development Control and Building Control fees were not included as they were not yet known. Proposals for increases in swimming pool fees and charges were the subject of a separate report (see Minute 585 above).

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In total, the increases being proposed by Officers would generate an additional £339,000 as detailed in the report now submitted.

The Executive noted that Policy Development Scrutiny Committee, at its meeting held on 10 February 2005, had considered and supported the proposals.

In response to Members' questions, the Executive Member confirmed that fees and charges associated with Park and Ride and Freedom of Information would be included in next year's schedule. He also stated that details of the consultation undertaken with business representatives, were set out in a separate report elsewhere on the agenda (see Minute 594 below).

In respect of car parking charges, the Executive Member for Community reiterated the Council's policy agreed in 2004, that incremental increases be made each year.

The Executive recommended the proposals as now detailed.

**RECOMMENDED** - that the increases in fees and charges for 2005/06, as set out in Appendix 'A13' of the report now submitted, be approved.

AFS

**593 GROWTH ITEMS AND EFFICIENCY SAVINGS 2005/06**

The Executive Member for Finance submitted a report seeking approval for growth items and efficiency savings to be included within the budget for 2005/2006. He also referred to updated information set out on a supplementary agenda, which had arisen from comments by Policy Development Scrutiny Committee.

The Executive considered a list of growth items, which had been carefully scrutinised by the Directors Board

ACTION

to ensure that they supported the Council's corporate priorities. The Executive noted that some were special items requiring one-off expenditure, whilst others were growth items, which were permanent additions to the base budgets. Details of the schemes were set out at Appendix 'A14' of the report now submitted. The items totalled £1,157,170, of which £258,230 had already been built into the 2005/06 base budgets. Details of those schemes rejected by Directors Board were also detailed in the report now submitted.

The Executive Member detailed the proposed efficiency savings at Appendix 'B14' to the report now submitted. As a result of the Base Budget Review undertaken, the total identified savings were £928,310 and comprised £365,230, which had already been included within the budget for 2005/06. These savings had been reviewed by the Directors Board and had been put forward as proposed savings.

The Executive noted that Policy Development Scrutiny Committee, at its meeting held on 10 February 2005, had considered the proposals. A list of proposed additional items was considered and supported by the Executive, subject to a reduction in the amount for a Scrutiny Support Officer from £45,000 (£35,000 plus £10,000 operational costs) to £30,000 (£25,000 plus £5,000 operational costs), on the basis that due to the recruitment timescales involved, full year funding was not required. The Executive supported the additional items as follows:

- Recycling (Plastics and Mixed Cans/Glass) - £80,000 (£35,000 net)
- Next Step continued funding - £40,000
- Scrutiny Support Officer - £30,000 (£25,000 plus £5,000 operational costs)

ACTION

- Footpath cleansing - £5,000
- Arts Award increased funding - £5,000
- CCTV in town centres - £27,500 (revenue only – additional capital costs of £540,000 referred to in Minute 590 above)

The Executive Member also referred to further additional items. In respect of Planning Delivery grant, the Government's announcement was still to be made. However, an additional £75,000 should be included, over and above the £250,000 assumed currently. Also, a 'saving' of £170,000 in respect of the leisure market testing was also projected (see Minute 585 above).

He also referred to the proposed efficiency saving of £86,000 on community grants and proposed that this reduction be reduced to £71,000.

The Executive Member proposed that the growth items and efficiency savings, as now amended, be supported.

The Executive recommended the proposals as now detailed.

**RECOMMENDED** - that (A) the growth items, as now detailed, be approved for inclusion in the 2005/06 revenue estimates, and **AFS**

(B) the efficiency savings, as now detailed, be approved for inclusion in the 2005/06 revenue estimates. **AFS**

**594 COUNCIL REVENUE ESTIMATES**  
**PROBABLE 2004/05: ESTIMATES 2005/06**

The Executive Member for Finance submitted a report, which provided the Executive with the detailed



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**Probable Estimates for 2004/05, and the Estimates for 2005/06 in order to set the Council Tax and budget for the year 2005/06. He also referred to updated information set out on a supplementary agenda, which had arisen from comments by Policy Development Scrutiny Committee.**

**The Executive Member referred to the Probable Estimates for 2004/05 and revealed that the overall position showed a potential overspend of some £295,000 compared to the original Estimate. The main contributory factors to this position were detailed in the report now submitted.**

**The Executive Member outlined the position on Balances and how these would be utilised over the next three years. He also referred to a capital receipt of £5m being paid to the County Council Superannuation Fund, and explained the ongoing negotiations over the employer's contribution rates from 1 April 2005.**

**The Executive Member further outlined the basis for the 2005/06 Estimates, and highlighted the effects of the service planning process for future levels of Council Tax. The Executive's attention was drawn to the medium term financial model at Appendix 'A15' of the report now submitted. The Executive Member emphasised that the model contained many variables and assumptions, and as such, future projections of Council Tax levels of 3.8%, 4.7%, 4.1 % and 3.7% were only indicative.**

**The Executive Member stated that, under the Prudential Code of Accounting, the Council needed to be satisfied that the revenue budget it set, along with the future Capital programme, could be met and was sustainable. Further to the Gershon review it was part of the service planning process that 2.5% efficiency savings were delivered over each of the next three years. The Council was well placed regarding work**

ACTION

required to deliver these target savings, as the recent comprehensive Base Budget Review had proved to be a very useful process in identifying savings for 2005/06, as well as actions for the future. The proposed budget for 2005/06 and the projected future budgets were set at a sustainable level.

The Executive Member referred to previous agenda items relating to growth items and efficiency savings, and stated that, based on their approval, the Council Tax at Band D for the District in 2005/06 would be £131.22. This compared to £126.36 in 2004/05 and represented an increase of 3.8%.

The Executive Member concluded by outlining the range of consultation initiatives that had been pursued, including the statutory duty to consult the business community. Details of the outcome of the consultation were set out in the report now submitted.

The Executive noted that Policy Development Scrutiny Committee, at its meeting held on 10 February 2005, had considered the proposals. A number of changes had been proposed, as detailed in the additional report circulated on the supplementary agenda. The updated financial summary had also been amended to reflect the impact of the leisure market testing exercise.

The Executive Member suggested that the additional items proposed, be met by reducing the use of General Reserve Balances. Therefore, the proposed increase in Council Tax would remain at 3.85%.

As a result of the recommendations set out in Minutes 590 - 593 above, a District expenditure of £14,257,750 excluding Parish Precepts, Revenue Support Grant and the Council's share of the National Non-Domestic Rating Pool, was proposed.

ACTION

The Executive recommended the proposals as now detailed.

**RECOMMENDED - that (A) representations received under Section 65 of the Local Government Act 1992 be considered formally,** AFS

**(B) the adjustments to the General Fund Revenue Estimates for 2004/05 (Revised) and 2005/06 be approved,** AFS

**(C) the comments of the Policy Development Scrutiny Committee be received, and**

**(C) subject to any adjustments being made, District expenditure of £14, 257,750 be set for 2005/06, excluding Parish Precepts, Revenue Support Grant and the Council's share of the National Non-Domestic Rating Pool.** AFS

**595 ADOPTION OF BYELAWS FOR THE REGULATION OF ACUPUNCTURE, ELECTROLYSIS, TATTOING, COSMETIC PIERCING AND SEMI-PERMANENT SKIN COLOURING BUSINESSES**

The Executive Member for Corporate Facilities submitted a report informing Members of the introduction of new legislation governing the activities of cosmetic piercing and semi-permanent skin colouring. He sought approval for the adoption of byelaws regulating the activities of acupuncture, electrolysis, tattooing, cosmetic piercing and semi-permanent skin colouring businesses.

The Council had previously adopted Part VIII of the Local Government (Miscellaneous Provisions) Act 1982, which required persons undertaking acupuncture, tattooing, ear piercing and electrolysis to be registered with the Council. On the 10 July 1984, byelaws under section 15 of the 1982 Act were adopted

ACTION

by East Hertfordshire District Council to regulate these separate activities, the primary purpose of which was to ensure the cleanliness and hygiene of premises, practitioners and equipment.

Since the making of these byelaws, there had been an increase in the popularity of cosmetic body piercing and semi-permanent skin-colouring. Techniques involving piercing of regions of the body other than the ears, and activities such as temporary tattooing might be performed routinely at permanent premises. These activities carried a potential risk of blood borne virus transmission such as HIV, hepatitis B, hepatitis C and other infections if infection control procedures were not observed, (e.g. the use of sterile equipment for each client).

The Local Government Act 2003 amended the 1982 Act to include cosmetic piercing businesses (piercing of the body including the ear) and semi-permanent skin colouring (including micropigmentation, semi-permanent make-up and temporary tattooing) businesses in the list of those which local authorities had powers to regulate.

The Department of Health had issued new model byelaws for cosmetic piercing and semi-permanent skin colouring, which were substantially the same as those currently in force in relation to acupuncture, tattooing, ear-piercing and electrolysis. The byelaws appended to the report now submitted followed the model, but had been expanded to cover the activities of acupuncture, tattooing and electrolysis, in addition to cosmetic piercing (which by definition included ear-piercing) and semi-permanent skin colouring. The current byelaws regulating acupuncture, electrolysis, tattooing and ear-piercing would be repealed when the new byelaws were adopted. Minor amendments had been made to the model byelaws to reflect best practice.

ACTION

The Executive supported the proposals as now submitted.

**RECOMMENDED** - that (A) the byelaws in respect of acupuncture, electrolysis, tattooing, cosmetic piercing and semi-permanent skin colouring businesses, as detailed in the Appendix to the report now submitted, be approved; and

ARS

(B) the Assistant Director (Law and Control) be authorised to take all necessary steps in connection with the making of these byelaws, and applying to the Secretary of State for Health for their confirmation.

ALC

**596 FEES FOR HACKNEY CARRIAGE VEHICLE AND DRIVERS; PRIVATE HIRE VEHICLE AND DRIVERS AND PRIVATE HIRE OPERATORS LICENCES AND ANCILLARY CHARGES 2005/06**

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The Executive Member for Finance submitted a report proposing increases to fees charged to recover the costs of issuing and administering licences relating to hackney carriage and private hire vehicles.

The Executive noted that the provisions of the Local Government (Miscellaneous Provisions) Act 1976 allowed for fees to be levied for Hackney Carriage and Private Hire licensing functions, but required that the cost of a licence or associated charges were reasonable and related to the cost of the licensing scheme itself. Furthermore, any increase in fees above that set out in relevant legislation could only be introduced after the prescribed procedures had been followed. As these fee increases were subject to specific legislative requirements, the proposals were being reported to the Executive separately from the corporate annual fees and charges report.

ACTION

The Executive Member detailed the existing and proposed fees for the period 1 April 2005 to 31 March 2006, as set out in Appendix 'A17' of the report now submitted.

The proposed fees were duly advertised in local newspapers on 14 January 2005 and the final date for objections was 11 February 2005. The Executive Member reported that no objections had been received.

The Executive supported the recommendations as now detailed.

**RECOMMENDED** - that the fees for the period 1 April 2005 to 31 March 2006, as now submitted, be determined.

ARS

**597 BISHOP'S STORTFORD STAFF CAR PARKING**

The Executive considered the recommendations of the Local Joint Panel meeting held on 20 January 2005, in respect of staff car parking arrangements. The Panel had recommended that the Council provide Bishop's Stortford staff with town centre parking close to the Council offices, to ensure the health, safety and welfare of all staff.

The Executive recalled the town centre parking policies approved by Council, which favoured the use of town centre spaces for short stay use.

The Executive did not support the Panel's recommendation, and noted the management action taken in allocating Grange Paddocks for staff car parking.

**RECOMMENDED** – that the provision of town centre car parking for Bishop's Stortford staff, not be supported.

AHR

ACTION598 CALENDAR OF MEETINGS 2005/06

The Executive Member for Corporate Facilities submitted a report seeking approval for the Calendar of Meetings for 2005/06.

The Executive noted that meetings had been scheduled on the same basis as for 2004/05.

The Executive Member referred to various amendments he was proposing, as detailed on the updated information circulated at the meeting. These changes had been proposed, following the receipt of further comments from consultees, such as Town Councils.

The Executive recommended the Calendar of Meetings for 2005/06, as now amended, be approved.

**RECOMMENDED** – that the Calendar of Meetings for 2005/06, as now amended, be approved.

ALC

RESOLVED ITEMS599 MINUTES

**RESOLVED** – that the Minutes of the Executive meeting held on 1 February 2005 be confirmed as a correct record and signed by the Chairman.

600 REVENUE SUPPORT GRANT SETTLEMENT 2005/06

The Executive Member for Finance submitted a report providing the final details on the Revenue Support Grant (RSG) settlement for 2005/06.

The Executive noted that the final settlement was:

Formulae Spending Share	£17.348m
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ACTION

External Support £7.062m

The Executive agreed that the report be received.

RESOLVED – that the report be received.

601 LOCAL JOINT PANEL – NOTES OF THE MEETING HELD ON 20 JANUARY 2005

The Executive received the Notes of the Local Joint Panel meeting held on 20 January 2005.

RESOLVED – that the Notes of the Local Joint Panel meeting held on 20 January 2005, be received.

ED(RO)

(see also Minute 597 above).

602 OUTCOME OF THE MARKET TESTING OF THE MANAGEMENT FOR THE FIVE POOLS AND GYMS (2)

The Executive Member for Environment submitted a report detailing the identity of the tenderers involved in the market testing of the management of the five pools and gyms.

The Executive noted that details and the outcome of the tender process were set out in a separate report (see Minute 585 above).

The Executive agreed that the report be received.

RESOLVED – that the report be received.

603 BUSINESS RATES/COUNCIL TAX IRRECOVERABLE

The Executive Member for Finance submitted a report seeking approval for the write-off arrears totalling £11,038.91, in respect of Council Tax and Business Rates.



ACTION

The Executive Member referred to a schedule of cases attached to the report now submitted, which were considered to be irrecoverable, following extensive enquiries through bailiffs, public utilities, specialist tracing agents and other authorities.

The Executive supported the recommendations as now submitted.

RESOLVED – that the write-off of arrears of Business Rates/Council Tax and costs totalling £11,038.91, as detailed in the schedule now submitted, as irrecoverable, be approved.

AFS

The meeting closed at 6.20 pm

Chairman	.....
Date	.....