

MINUTES OF A MEETING OF THE
EXECUTIVE HELD IN THE COUNCIL
CHAMBER, WALLFIELDS, HERTFORD ON
TUESDAY 9 FEBRUARY 2010, AT 7.00 PM

PRESENT: Councillor A P Jackson (Chairman/Leader)
Councillors M R Alexander, M G Carver,
L O Haysey, T Milner and M J Tindale.

ALSO PRESENT:

Councillors D Andrews, W Ashley,
K A Barnes, S A Bull, D Clark, N P Clark,
R N Copping, J Demonti, R Gilbert, J Mayes,
M P A McMullen, M Pope, J O Ranger,
V Shaw and M Wood.

OFFICERS IN ATTENDANCE:

Anne Freimanis	- Chief Executive
Simon Drinkwater	- Director of Neighbourhood Services
Martin Ibrahim	- Senior Democratic Services Officer
Alan Madin	- Director of Internal Services
George A Robertson	- Director of Customer and Community Services
Gavin Rogers	- Communications and Reputation Coordinator

532 APOLOGY

An apology for absence was submitted on behalf of Councillor
R L Parker.

533 LEADER'S ANNOUNCEMENT

The Leader invited the Executive Member for Community Development, Leisure and Culture to make a statement.

The Executive Member referred to the refurbished facilities at Grange Paddocks and Hartham leisure centres. She invited Members who had not yet visited either centre to do so, where they could view state of the art gym equipment and changing facilities which were comparable to any private operator in the District. The Executive Member believed that both facilities demonstrated how local government could make a difference to the local community. Finally, she expressed her thanks to all the Officers involved in the process for delivering capital projects within the timescale and the budget.

534 DECLARATIONS OF INTEREST

Councillor N Clark declared a personal interest in the matter referred to at Minutes 540 and 544 relating to the Local Development Framework Executive Panel Minutes of the meeting held on 28 January 2010, in that he was Secretary of the Stop Harlow North Campaign.

Councillor M J Tindale declared a personal interest in the matter referred to at Minute 536 – Treasury Management Strategy Statement 2010/11 and Minimum Revenue Provision Policy Statement, in that Scottish Widows Investment Partnership were one of his clients.

RECOMMENDED ITEMS

535 CAPITAL PROGRAMME 2009/10 (REVISED) TO 2012/13

The Executive Member for Resources and Internal Support submitted proposals for the Capital Programme for 2009/10 – 2012/13.

Since approval of the current programme in February 2009, a number of further amendments have since been approved, including funding arrangements in respect of

the Council's C3W Project and investment in leisure facilities. A complete review of the current programme had been undertaken and proposals for new schemes had been included. Investment requirements linked to invest to save schemes had also been identified through the Medium Term Financial Planning process.

The Executive Member detailed the proposed programme in the report now submitted. He drew attention to some projects which would be subject to separate decisions, such as Castle Hall. He referred to the comments of the Joint Scrutiny Committees, at their meeting held on 19 January 2010. In supporting the proposed programme, some concern had been expressed at the lack of opportunity for effective scrutiny of capital projects.

The Executive Member responded to this comment by suggesting that perhaps it might be more manageable in next year's budget process to differentiate between capital projects which were concerned with refurbishing and maintaining existing assets, from those projects requiring new investment.

In response to a question by Councillor J Mayes on the costs of replacement filters at Grange Paddocks and Leventhorpe pools, the Executive Member for Community Development, Leisure and Culture undertook to provide a written response.

In response to concern expressed by Councillor M Wood on Crown Terrace car park, the Executive Member for Planning Policy and Transport commented that there was still an opportunity for Officers to consider a suitable planting scheme in phase 2 of the project.

Councillor M Wood queried the various projects relating to Grange Paddocks, such as overspill refurbishment, the new pedestrian bridge and the new pedestrian route to The Causeway. He asked whether consideration had been given to combining the pedestrian route with a new cycle way.

In response, the Executive Member for Planning Policy and Transport stated that the overspill refurbishment demonstrated forward planning on potential future parking needs. He reminded Members of the work that was ongoing on developing a new Transport and Parking Strategy in parallel with the County Council. He acknowledged the comment on a cycle way as valid and undertook to refer this to Officers to examine. He also undertook to provide Councillor Wood with details of the proposed pedestrian route.

The Executive recommended the Capital Programme 2009/10 (Revised) – 2012/13 as now submitted.

RECOMMENDED – that (A) the comments of the Joint Scrutiny Committees be received; and

(B) the new Capital Programme 2009/10 (Revised) – 2012/13, as now submitted, be approved.

536 **TREASURY MANAGEMENT STRATEGY STATEMENT
2010/11 AND MINIMUM REVENUE PROVISION POLICY
STATEMENT**

The Executive Member for Resources and Internal Support submitted a report setting out the 2010/11 Treasury Management Statement and Annual Investment Strategy together with the setting of Prudential Indicators.

The Local Government Act 2003 (the Act) 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.

In accordance with the Act's provisions, Council must set out its treasury strategy for borrowing and to prepare an Annual Investment Strategy, setting out its policies for managing its investments and for giving priority to the security and liquidity of those investments.

The Joint meeting of Scrutiny Committees, at their meeting on 19 January 2010, commented on whether the greater Member involvement in treasury management issues was sufficient. Assurance had been given that any changes in the brief for fund managers would be considered carefully.

In response to a comment by Councillor J O Ranger on the potential for investments in property, the Director of Internal Services commented that such policies were set by Members. The Executive Member stated that this could be raised with the Fund Managers.

Councillor D Clark referred to the Sector view on interest rates set out in the report and asked whether a more up to date forecast could be obtained in time for the Council meeting on 24 February 2010. The Leader stated that Sector would be asked.

In response to a question from Councillor D Clark on the estimated investment returns and whether targets had been set, the Executive Member stated that the projected returns were consistent with current performance. They were not targets but an expectation of what could reasonably be achieved. He reminded Members that some contingency in the Interest Equalisation Reserve remained, if the estimate was not reached.

The Executive recommended the proposals as now detailed.

RECOMMENDED – that (A) the comments of the Joint Scrutiny Committees be received;

(B) the 2010/11 Treasury Management Statement and Annual Investment Strategy and Prudential Indicators for East Herts Council be approved; and

(C) the policy on Minimum Revenue Provision (MRP) be approved.

537 **FEES AND CHARGES 2010/11**

The Executive Member for Resources and Internal Support submitted a report on proposed fees and charges for 2010/11. He reminded Members of the key principles of the new Fees and Charges Strategy adopted in 2008/09.

The Joint Scrutiny Committees, at their meeting held on 19 January 2010, had supported the proposed charges, subject to a number of comments that were detailed in the separate report on Issues arising from Scrutiny (Minute 542 refers).

The Executive Member commented that the proposed taxi licensing increases were in line with the agreed Strategy in that services should be self-funding and that any subsidy from the council taxpayer should be a deliberate choice.

In respect of the comments relating to Castle Hall charges, the Executive Member for Community Development undertook to ensure that all charges relating to different periods were shown.

The Executive recommended the proposals as now detailed.

RECOMMENDED - that (A) the comments of the Joint Scrutiny Committees be received; and

(B) the increases in fees and charges as detailed at Essential Reference Paper 'B' of the report submitted, be approved.

538 **SERVICE ESTIMATES - REVENUE BUDGET
- PROBABLE 2009/10 - ESTIMATE 2010/11**

The Executive Member for Resources and Internal Support submitted a report on the Probable Revenue

Estimates 2009/10 and the draft Revenue Estimates for 2010/11.

Overall, the Probable Estimates for services (excluding use of reserves), showed an £464k adverse variance from the Original 2009/10 Estimate. The 2010/11 Estimate showed an increase of £301k over the 2009/10 Estimate. However, after allowing appropriations to and from reserves, there was an underlying increase of £619k.

The Joint Scrutiny Committees, at their meeting held on 19 January 2010, had commented on the figures for the loss of the Causeway car park, staff pension costs, multiple occupation properties and Planning Delivery Grant. The Director of Internal Services advised that information on staff pension costs would be circulated to Members shortly. Enquiries on Planning Delivery Grant would be made and Members would be advised of the response when received.

The Executive recommended the proposals as now detailed.

RECOMMENDED – that (A) the comments of the Joint Scrutiny Committees be received; and

(B) the probable Revenue Estimates for 2009/10 and the draft Revenue Estimates for 2010/11 be approved.

539

**CONSOLIDATED BUDGET REPORT: PROBABLE
OUTTURN 2009/10 - REVENUE BUDGET 2010/11-
MEDIUM TERM FINANCIAL PLAN 2010/11 - 2013/14**

The Executive Member for Resources and Internal Support submitted a report detailing the Probable Outturn for 2009/10 and the proposed Revenue Budget for 2010/11.

He set the context for the formulation of the proposed budget and Medium Term Financial Plan. He also referred

to the comments of the Joint Scrutiny Committees and requests for further consideration of some proposed savings made by the Liberal Democrats Group. This had taken place and each of the comments were dealt with in turn.

In respect of the proposal for the future of the Animal Warden service, the Executive Member for Environment and Conservation commented that a better service would be provided by combining this with the environmental crime enforcement role. The Executive recommended that this saving proposal be supported.

In respect of the deletion of the Youth, Sport and Community Development post, the Executive Member for Community Development, Leisure and Culture commented that the sport role had been assumed by the Leisure Services Manager and the Community aspects had been subsumed within by the Community Partnerships team. She further commented that youth development was being reviewed and that discussions with the County Council, Town Councils and other partners were ongoing with a view to developing more meaningful communications for young people, such as blogging, texts, etc. It was felt that the old Youth Council had not worked very well and she confirmed that this had been disbanded. Finally, she acknowledged the need to include young people in rural areas in any future arrangements. The Executive recommended that this saving proposal be supported.

In relation to the proposed reduction in Building Control posts, the Executive Member for Community Safety and Protection referred to the need to address the declining income position. He believed that with smarter ways of working under C3W, the service would not be affected. In response to a question from Councillor N Clark, the Executive Member expressed his confidence that service targets would be met. The Executive recommended that this saving proposal be supported.

In respect of the proposed saving on Museum funding, the Leader referred to the strong representations received and suggested deferring this saving for 2010/11, but that the position be reviewed for 2011/12. The Executive recommended that this saving of £5k be deferred.

In respect of the proposed saving of £10k on funding arts development, the Executive Member for Community Development, Leisure and Culture proposed reducing the saving for 2010/11 to £5k and deferring £5k until 2011/12. The Executive supported this proposal.

In relation to the proposed reduction of contribution to PCSOs, the Executive Member for Community Safety and Protection referred to the various partnership opportunities Hertfordshire Constabulary could explore. In response to Members' questions, the Executive Member commented on the loss of Government funding and stated that it would be for the police to determine the deployment of PCSOs. He also stated that monitoring reports on PCSO activities were included in the Members' Information Bulletin. The Executive recommended that this saving proposal be supported.

In respect of the proposal to cease payments to Herts Young Homeless Group, the Executive Member for Resources and Internal Support suggested that this saving of £5k be deferred to 2011/12. The Executive supported this proposal.

The Executive Member for Resources and Internal Support referred to the proposed saving on swathe cutting of £9,690 and suggested that this be deferred to 2011/12. The Executive supported this proposal.

In respect of proposals on leaf clearance and weed control, the Executive Member for Environment and Conservation commented that further discussions with partners would be held but that these items should be retained. The Executive recommended that these savings

proposals be supported.

The Executive Member for Resources and Internal Support referred to the proposal to reduce inspection targets for low risk premises and health and safety premises and suggested that the saving of £37k be reduced to £20k in 2010/11 with the remaining sum deferred until 2011/12. This proposal had arisen following some concerns expressed by Officers. The Executive supported this proposal.

The Executive Member for Resources and Internal Support advised that the proposed changes supported by the Executive totalled £43k.

The Leader referred to the Government's funding arrangements for Local Area Agreements via the Performance Reward Grant, which at this stage, was unclear as to how much would be allocated. Therefore he proposed reducing the figure shown for the grant from £250k to £190k in both the next two years. The Executive supported this proposal.

The Executive Member for Resources and Internal Support detailed the impact of this proposal, which taken together with the proposed £43k reduction in savings nullified the Planning Contingency (80k) and left a balancing figure of 23k to be identified. He proposed including a line, "Management of Vacancies", which Officers were confident of achieving. The revised MTFP (see Essential Reference Paper 'A' attached) would be submitted to Council for approval.

In response to a question from Councillor D Clark, the Director of Internal Services confirmed that the MTFP had been amended since the meeting of the Joint Scrutiny Committees.

In response to queries from Members, the Director of Internal Services confirmed that the investment return assumption was 2.5% and the Pay assumption was 0%.

Councillor N Clark asked if there were any other proposed savings that Officers were uncomfortable with, such as the cessation of the word processing function. The Leader commented that he was not aware of any other representations that had been made.

The Executive supported the proposals as now detailed.

RECOMMENDED – that (A) the comments of the Joint Scrutiny Committees be received;

(B) the probable outturn for 2009/10 be approved;

(C) the Revenue budget for 2010/11, as now amended, be approved;

(D) the Medium Term Financial Plan to 2013/14, as detailed at the attached Essential Reference Paper 'A', be approved; and

(E) the Council Tax be increased by 2.4% from 1 April 2010.

540 **STRATEGIC HOUSING MARKET ASSESSMENT FINAL REPORT - JANUARY 2010 AND VIABILITY STUDY UPDATE**

The Executive considered and supported the recommendations of the Local Development Framework Executive Panel, made at its meeting held on 28 January 2010, in respect of the Strategic Housing Market Assessment Final Report – January 2010 and Viability Study Update.

RECOMMENDED - that (A) the Strategic Housing Market Assessment January 2010 be agreed and published as a technical study, forming part of the evidence base to inform the Local Development Framework (LDF), and for planning policy and housing strategy purposes; and

(B) the award of the Strategic Housing Market Assessment Viability Assessment contract for the London Commuter Belt (East)/M11 Sub-Region to Level, be noted.

(see also Minute 544 below)

RESOLVED ITEMS

541 MINUTES

RESOLVED – that the Minutes of the meeting held on 12 January 2010 be approved as a correct record and signed by the Leader.

542 ISSUES ARISING FROM SCRUTINY

The Executive received a report detailing those issues referred to the Executive by the Scrutiny Committees. Issues relating to specific reports for the Executive were considered and detailed at the relevant report of the Executive Member.

RESOLVED – that the report be received.

543 COUNCIL RESPONSE TO ORGANISATIONAL ASSESSMENT

The Leader of the Council submitted a report setting out the Council's proposed response to the Organisational Assessment that had been undertaken by the Audit Commission for the period 2008/09.

The Organisational Assessment was the first assessment under the new Comprehensive Area Assessment framework that had been introduced on 1 April 2009. It assessed how well the Council was providing services to its local community and whether it was providing value for money. The Organisational Assessment score was made up of two sub scores relating to Managing Performance and Use of Resources.

The Audit Commission had concluded that East Herts Council performed well overall and had awarded an overall rating of 3 out of 4 for its Organisational Assessment.

The Audit Committee, at its meeting held on 25 November 2009, had endorsed an updated version of the Council's Improvement Plan for 2009/10 and had agreed to receive progress monitoring reports on a six monthly basis.

The Executive approved the Plan as now submitted.

RESOLVED – that the 2009/10 Improvement Plan for the Council, be approved.

544 LOCAL DEVELOPMENT FRAMEWORK EXECUTIVE PANEL - MINUTES OF THE MEETING HELD ON 28 JANUARY 2010

RESOLVED – that the Minutes of the Local Development Framework Executive Panel meeting held on 28 January 2010, be received and where necessary the recommendations contained therein, be approved.

(see Minute 540 above)

545 MONTHLY CORPORATE HEALTHCHECK - DECEMBER 2010

The Leader of the Council submitted an exception report on the finance, performance and risk monitoring for the month of December 2009.

RESOLVED - that (A) the Corporate Risk Register for Quarter 3 be approved;

(B) the budgetary variances set out in paragraph 2.2 of the report, be noted; and

(C) the supplementary capital estimate of £35k in respect of bin replacement, be approved.

The meeting closed at 8.46 pm

Chairman
Date