



*Alison Stuart
Head of Legal and
Democratic Services*

MEETING : JOINT MEETING OF OVERVIEW AND PERFORMANCE,
AUDIT AND GOVERNANCE SCRUTINY COMMITTEES
VENUE : COUNCIL CHAMBER, WALLFIELDS, HERTFORD
DATE : TUESDAY 20 NOVEMBER 2018
TIME : 7.00 PM

PERFORMANCE, AUDIT AND GOVERNANCE SCRUTINY COMMITTEE

Councillors: M Pope, A Alder, P Ballam, P Boylan, S Cousins, K Crofton, D Oldridge, T Page, L Radford, S Reed, P Ruffles, S Stainsby, T Stowe, J Wyllie

Substitutes: Councillors R Brunton, R Henson, W Mortimer and C Woodward

OVERVIEW AND SCRUTINY COMMITTEE

M Allen, D Abbott, S Bull, M Casey, G Cutting, B Deering, I Devonshire, H Drake, Mrs D Hollebon, J Jones, P Moore, M McMullen, M Stevenson and N Symonds

Substitutes: Councillors D Andrews, P Kenealy, C Snowdon and K Warnell

(Note: Substitution arrangements must be notified by the absent Member to Democratic Services 24 hours before the meeting)

CONTACT OFFICER:
Lorraine.Blackburn@eastherts.gov.uk
01279 502172

This agenda has been printed using 100% recycled paper

DISCLOSABLE PECUNIARY INTERESTS

1. A Member, present at a meeting of the Authority, or any committee, sub-committee, joint committee or joint sub-committee of the Authority, with a Disclosable Pecuniary Interest (DPI) in any matter to be considered or being considered at a meeting:
 - must not participate in any discussion of the matter at the meeting;
 - must not participate in any vote taken on the matter at the meeting;
 - must disclose the interest to the meeting, whether registered or not, subject to the provisions of section 32 of the Localism Act 2011;
 - if the interest is not registered and is not the subject of a pending notification, must notify the Monitoring Officer of the interest within 28 days;
 - must leave the room while any discussion or voting takes place.
2. A DPI is an interest of a Member or their partner (which means spouse or civil partner, a person with whom they are living as husband or wife, or a person with whom they are living as if they were civil partners) within the descriptions as defined in the Localism Act 2011.
3. The Authority may grant a Member dispensation, but only in limited circumstances, to enable him/her to participate and vote on a matter in which they have a DPI.
4. It is a criminal offence to:
 - fail to disclose a disclosable pecuniary interest at a meeting if it is not on the register;
 - fail to notify the Monitoring Officer, within 28 days, of a DPI that is not on the register that a Member disclosed to a meeting;
 - participate in any discussion or vote on a matter in which a Member has a DPI;
 - knowingly or recklessly provide information that is false or misleading in notifying the Monitoring Officer of a DPI or in disclosing such interest to a meeting.

(Note: The criminal penalties available to a court are to impose a fine not exceeding level 5 on the standard scale and disqualification from being a councillor for up to 5 years.)

Public Attendance

East Herts Council welcomes public attendance at its meetings and will provide a reasonable number of agendas for viewing at the meeting. Please note that there is seating for 27 members of the public and space for a further 30 standing in the Council Chamber on a “first come first served” basis. When the Council anticipates a large attendance, an additional 30 members of the public can be accommodated in Room 27 (standing room only), again on a “first come, first served” basis, to view the meeting via webcast.

If you think a meeting you plan to attend could be very busy, you can check if the extra space will be available by emailing democraticservices@eastherts.gov.uk or calling the Council on 01279 655261 and asking to speak to Democratic Services.

Audio/Visual Recording of meetings

Everyone is welcome to record meetings of the Council and its Committees using whatever, non-disruptive, methods you think are suitable, which may include social media of any kind, such as tweeting, blogging or Facebook. However, oral reporting or commentary is prohibited. If you have any questions about this please contact Democratic Services (members of the press should contact the Press Office). Please note that the Chairman of the meeting has the discretion to halt any recording for a number of reasons, including disruption caused by the filming or the nature of the business being conducted. Anyone filming a meeting should focus only on those actively participating and be sensitive to the rights of minors, vulnerable adults and those members of the public who have not consented to being filmed.

AGENDA

1. Appointment of Chairman

To appoint a Chairman for the meeting.

2. Apologies

To receive apologies for absence.

3. Minutes (Pages 7 - 18)

To approve as a correct record, the Minutes of the Joint meeting of Scrutiny Committees held on 14 February 2017

4. Chairman's Announcements

5. Declarations of Interest

To receive any Members' Declarations of Interest and Party Whip arrangements

6. Medium Term Financial Plan, Budget Report and Service Plans 2019/20
(Pages 19 - 54)

7. Exclusion of the press and public

To move that under Section 100 (A)(4) of the Local Government Act 1972 the press and public be excluded from the meeting during the discussion of item 8 on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Par 1 of Schedule 12A of the Said Act of the following description.

Information relating to the financial or business affairs of any particular person (including the authority holding that information)

8. Old River Lane, Bishop's Stortford - Update (Pages 55 - 78)

Note – Essential Reference Papers, C and D are enclosed for Members only as they contain exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972. In considering these matters, the meeting may exclude the press and public as detailed at item 7.

9. Urgent Items

To consider such other business as, in the opinion of the Chairman of the meeting, is of sufficient urgency to warrant consideration and is not likely to involve the disclosure of exempt information.

This page is intentionally left blank

MINUTES OF A MEETING OF THE
JOINT MEETING OF SCRUTINY
COMMITTEES HELD IN THE COUNCIL
CHAMBER, WALLFIELDS, HERTFORD ON
TUESDAY 14 FEBRUARY 2017, AT 7.00
PM

PRESENT: Councillor Mike Allen (Chairman)
Councillors A Alder, P Ballam, P Boylan,
R Brunton, M Casey, Mrs R Cheswright,
K Crofton, G Cutting, B Deering, M Freeman,
J Goodeve, R Henson, M McMullen,
D Oldridge, P Phillips, M Pope, S Reed,
P Ruffles, C Snowdon, C Woodward and
J Wyllie.

OFFICERS IN ATTENDANCE:

Lorraine Blackburn	- Democratic Services Officer
Fiona Corcoran	- Scrutiny Officer
Jonathan Geall	- Head of Housing and Health
Philip Gregory	- Head of Strategic Finance and Property
Tamara Jarvis	- Improvement and Insight Manager
Jess Khanom	- Head of Operations
Adrian Neighbour	- Corporate Policy Officer
Helen Standen	- Director
Kevin Steptoe	- Head of Planning and Building Control Services
Su Tarran	- Head of Revenues and Benefits Shared Service
Adele Taylor	- Director
Liz Watts	- Chief Executive
Kevin Williams	- Governance Consultant
Ben Wood	- Head of Communications, Strategy and Policy

570 APPOINTMENT OF CHAIRMAN

It was proposed by Councillor P Ruffles and seconded by Councillor B Deering that Councillor M Allen be appointed Chairman for the joint meeting.

RESOLVED – that Councillor M Allen be appointed Chairman for the joint meeting.

571 APOLOGIES

Apologies for absence were submitted on behalf of Councillors D Abbott, S Bull, S Cousins, I Devonshire, H Drake, Mrs D Hollebon, J Jones, J Kaye, P Moore, R Standley and M Stevenson. It was noted that Councillor C Woodward was substituting for Councillor Mrs D Hollebon.

572 MINUTES – 17 JANUARY 2017

Councillor K Crofton referred to Minutes 527 (Budget Report and Medium Term Financial Plan 2017/18 and 2020/2021) paragraph six. He stated that the Minutes needed to reflect the fact that Members were concerned about whether service heads were adhering to their departmental budgets. The Chairman thanked the Member for the clarification.

RESOLVED – that the Minutes of the joint meeting held on 17 January 2017 be confirmed as a correct record and signed by the Chairman.

573 2017/18 CORPORATE SERVICE PLANS

The Executive Member for Finance and Support Services submitted a report that presented a draft of the Council's service plans which outlined priorities for the next year (2017/18) and going forward, those key outcomes it looked to achieve. The Corporate Policy Officer provided a summary of the report, drawing Members' attention to its new format. He stated that strategic actions would be reported to scrutiny at quarters 2 and 4 in the financial

year. The Corporate Policy Officer explained that Key Actions 29, 35, 38, 146 and 147 had been deleted and that KA 24 had been changed.

Members were provided with clarification on the following Key Actions and asked that their comments detailed below be referred to the Executive:

- 5 – (Outcome: support for vulnerable families and individuals): Whether this aimed high enough in terms of its agenda and whether the Council was being sufficiently ambitious in terms of working with its partners to enlarge its scope;
- 4 - (With partner agencies; review and monitor the air quality action plan): That the Council's report should be published online and made available to the public;
- 13 – (Hertford Theatre, develop business models for expansion): The fact that there were five towns within the District and within those towns, only two theatres received all of the arts and leisure monies and the need to be equitable:
- 19 – (Work with local community groups to develop community energy schemes): Ensure that the Council was working with independent groups to generate interest including with schools and Hertford energy;
- 24 – (Work with Ware Society to take on full ownership of the Grotto): Whether the society was sufficiently confident to take on full ownership;
- 32 – (Review of Licensing policies and procedures): That Licensing Committee should be involved in the review process;
- 44 – (Appropriate control in relation to unauthorised development in the District) with regard to customer service targets: Whether these targets reflected an

improvement following their last consideration or whether these were aspirational ;

- 50 – (Working with owners to return long term empty properties back into use): That the deadline needed to be achievable and that there should be more publicity disseminated to show what the Council was doing on this issue. Additionally, concerns were expressed that the figure of 27 (empty properties) was low, the lack of focus in addressing poor landlords and living in sub-standard conditions. The Chairman suggested that Members had a role to play in this in reporting such properties;
- 57 – (Strengthen networks with local businesses); 59 - Liaise with LEP (Growth Hub to ensure East Herts Businesses Benefit) and 60 – (Ensure successful delivery of the Rural Development Programme) – Whether the priorities in these collective Key Actions addressed the values the challenges in East Herts;
- 61 – (Support Visit Herts with delivery of a destination management programme): The deadline of March 2018 and the need to ensure liaison with Bishop’s Stortford’s town plan;
- 66 – (Optimisation of on-street parking for all user groups within existing Resident Permit Zones): Whether the deadline date could be bought forward given the impact this would have in terms of displacing 300 cars; the need for more action regarding schemes in Bishop’s Stortford and the issue of commuter “misery”;
- 124 – (Continue engagement with local schools): The need to continue to encourage good dietary health to address obesity.

Members supported the recommendations now detailed and that their comments detailed above, be referred to the Executive.

RESOLVED – that (A) the report be received;

(B) the comments made by the joint meeting as now detailed, be referred to the Executive for consideration; and

(C) the Executive be advised that the joint meeting of Scrutiny Committees supports the approval of the draft 2017/18 Service Plans as detailed in Essential Reference Paper 'B' of the report submitted.

574 PROPOSED CHANGES TO SCRUTINY

The Chief Executive submitted a report that recommended changes to the way in which East Herts Council undertook scrutiny, in order to deliver high-quality and value for money scrutiny. The Chief Executive provided the background to the report and a summary of the proposals.

It was noted that the proposals would include a new Overview and Scrutiny Committee (forward looking and shaping new policies at an early stage) and a Performance, Audit and Governance Scrutiny Committee (reviewing progress on delivery of the corporate strategic plan). Key to the process was for each Committee to have clear forward looking work programmes. Proposals also included the establishment of a Community Wellbeing Forum comprising Member "champions" who wished to become more involved in the health and wellbeing agenda within their areas. Members welcomed the report.

In response to a query regarding a recommendation to pay Chairmen and Vice Chairmen an allowance, the Chief Executive explained that this would be an issue for the Independent Remuneration Panel to consider.

Councillor K Crofton commented on the need for Executive Members to attend meetings of scrutiny, how meetings were minuted and that training on scrutiny

should be given to Members. Councillor M Freeman suggested that the Minutes needed to reflect the reasons for Members' views and the Executive to be made aware of Members' "challenges".

Councillor M Pope referred to the fact that training was normally a part of the Audit and Governance agenda and queried the size of the work programme of the two proposed new committees. The Chief Executive explained that the work programme would cover a period of two years. She reminded Members of the role of scrutiny which was to hold the Executive to account and explained that it was not always possible for the Minutes of a meeting to include the detail Members might want.

The Chairman referred to a question submitted by Councillor P Moore regarding Members being able to meet outside formal committee meetings to research issues to help the scrutiny process. Councillor P Phillips reminded Members that Officers attended informal meetings to ensure transparency of process. The issue as to whether Members of the Executive held informal meetings themselves was discussed.

The Acting Head of Legal and Democratic Services stated that it was not unusual for briefing meetings to take place which were not formal meetings, in order that the decision makers could be better informed, adding that transparency was based on the decision making process. The Acting Head explained that meetings of scrutiny were open meetings and that to treat the Executive differently, could be viewed as perverse and could reduce the effectiveness of the Executive which was essentially a procedural partnership.

Members debated at length the sample scrutiny proposal form set out at Essential Reference Paper "B" of the report. In particular, Members considered the inclusion of the first three questions. The Chief Executive explained the rationale for the inclusion of these in terms of bringing forward items for the work programme. A number of suggestions were put forward regarding the approach to

be taken in respect of the sample form.

Councillor G Cutting proposed and Councillor C Woodward seconded a motion that the sample form be amended by the removal of the first three questions (on the second page) and simplifying the depth of information requested. After being put to the meeting and a vote taken, this motion was declared CARRIED.

The joint meeting supported the recommendations, as now amended.

RESOLVED – that (A) the report be received;

(B) the two key proposals in respect of work programmes and the number of scrutiny committees, as detailed in the report submitted, be supported;

(C) further proposals for ways to improve scrutiny, as detailed in paragraph 3.17 of the report submitted, be supported;

(D) plans to set up a Community Wellbeing Forum, as detailed in paragraph 3.19 of the report submitted, be noted; and

(E) the sample scrutiny proposal form as detailed at Essential Reference Paper “B” of the report submitted, be amended by the removal of the first three questions (on the second page) and simplifying the depth of information requested.

575 QUARTERLY CORPORATE HEALTHCHECK – QUARTER 3
DECEMBER 2016

The Head of Strategic Finance and Property and the Head of Communications, Strategy and Policy submitted a joint report on finance and performance monitoring for East Herts Council for 2016/17 as at December 2016. The report covered the forecasted 2016/17 revenue budget position and the revised capital budget for

2016/17. The Head of Strategic Finance and Property provided a summary of the report. The Insight and Improvement Manager explained that all indicators with the exception of three, were on target.

Councillor K Crofton referred to overspends and suggested that these should have been included in the budget as these would now impact on residents' Council Tax. The Head of Strategic Finance and Property stated that the overspend represented 0.6% of the budget and that the Council was using resources for which they were intended. He explained how resources were carefully managed to make sure services were delivered within the budget across the range of service plans. The Head explained how the budget was prepared with contingencies being stripped out so that services were delivered in a lean and efficient way, although a single corporate contingency budget was included for in-year use if necessary.

In response to a query from Councillor M Pope, the Head of Housing and Health explained the position around the underspend which, he said was attributable to appropriate use of Section 106 monies and other monies made available to the Council.

Councillor B Deering queried the ongoing hydro- electric project and was advised by the Head of Service that she was liaising with the Environment Agency to see if the project was still viable given changes to tariffs.

Councillor A Alder asked that every effort be made to speed up the scheme to modernise the public conveniences at Bell Street, Sawbridgeworth and hoped that this could be completed within the next six months.

In response to a query from Councillor C Woodward (MEHPI 11.6 Town Centre Footfall), the Head of Communications, Strategy and Policy, explained that this referred to the market and its success. He further stated that this issue would be reviewed in the context of the Bishop's Stortford Emerging Plan.

Members received the report and supported the recommendations, now detailed.

RESOLVED – that (A) the report be received;

(B) the revenue budget forecast overspend of £89k in 2016/17 be noted;

(C) the capital budget forecast underspend of £1.122m be noted; and

(D) the reported performance for the period October 2016 to December 2016 be noted.

576 DIVERSIFICATION OF INVESTMENTS: ESTABLISHMENT OF A PROPERTY INVESTMENT COMPANY

The Head of Housing and Health and the Head of Strategic Finance and Property submitted a joint report that set out the case for diversifying East Herts Council's investment portfolio by establishing a property investment company, wholly owned by East Herts Council. The Head of Housing and Health provided a summary of the report and outlined key elements and revisions requested by Members at the previous joint meeting in January 2017. The Chairman drew Members' attention to the recommendation as now detailed.

Councillor K Crofton referred to the previous report considered when Members had not been happy with the model proposed and when alternative viable schemes to be submitted for consideration had been requested. He felt that the report before Members was virtually the same as the previous one. He did not believe that the Council would make money on 20 houses and that what was being proposed would generate a loss. Councillor G Cutting supported this view adding that alternative business proposals which had been asked for at the January 2017 meeting had not been explored.

The Chief Executive referred Members to the Service

Plans agreed earlier on the agenda this evening and cited by example, a number of business opportunities and proposals which the Council would be proceeding with such as:

- KA8 (Leisure strategy to determine future direction) in terms of a large investment to reduce a subsidy;
- a £500K investment in the Old River Lane - a joint venture project with partners;
- KA48 (Undertaking feasibility on a project to build new homes);
- KA135 (Accommodation review ensuring health and safety compliance) and the possibility of letting out office space in the Hertford building and the commercial opportunities which could generate approximately £600K.

The Chief Executive explained that the Council needed to take a first step in the process and referred to the Council's general power of competence. She explained that the Council did not have the capacity to produce a lot of business cases for Members' consideration and hoped that the Service Plans, agreed earlier, showed the significant amount of new ideas Officers were working on.

Councillor G Cutting commented that service plan ideas already were part of the process. The Chief Executive explained that it was simply a matter of capacity which was limited.

Councillor D Oldridge expressed his disappointment with the report which he felt was basically the same at that presented three weeks ago. He sought assurances that the investments proposed would give good value for money and sought further information on alternative ideas.

Councillor M Freeman was of the view that the report was clearer and more focussed. In response to a query from

Councillor J Wyllie, the Acting Head of Legal and Democratic Services explained the legal position in relation to Directors of the proposed company who would also be employees of the Council. The Chief Executive cited, by example, the CCTV partnership and Building Control which worked in partnership with seven other authorities in Hertfordshire.

The Head of Housing and Health explained that approval of the report was to enable detailed discussion to proceed and to see how the business plan might look.

The Acting Head of Legal and Democratic Services explained that what was being proposed was not new, in that 14 other authorities were taking on such a role and that Members were being asked to comment on the case for establishing a property investment company. He stated that this was part 1 of the process and that the Executive would decide whether or not to set it up and that it would fall to scrutiny to make comments on the proposal. He reminded Members that only Council could agree any financial resource commitment outside of its agreed budget. The Acting Head of Legal and Democratic Services further explained that the Executive would establish the company, sign the articles of association and then ask Council to appoint Directors.

Councillor M Casey suggested that a company be set up with £100 share capital, that the five properties referred to be transferred to the company and that the business case be developed at a later date. The Chief Executive explained that the Council did not yet own the five properties.

The use of Section 106 monies was discussed. The Acting Head of Legal and Democratic Services explained the Council's legal position on the establishment of a housing company and the restrictions on using Section 106 monies. He assured Members that the establishment of a property investment company was a well-trodden path by councils.

Councillor A Alder proposed and Councillor R Brunton seconded a motion to remove from the recommendation all the words after the word “Executive”. After being put to the meeting and a vote taken, this motion was declared LOST.

Councillor M Freeman proposed and Councillor P Phillips seconded a motion to amend the recommendation by the removal of the word “establishing” and replacing this with “developing”. After being put to the meeting and a vote taken, this motion was declared CARRIED.

The joint meeting of Scrutiny Committees supported the recommendations, as now amended .

RESOLVED – that (A) the report be received; and

(B) the Executive be advised that the joint meeting supports the case for developing a property investment company and that their detailed comments above, be taken into account when the Executive considers the proposal to set up a company.

The meeting closed at 9.50 pm

Chairman
Date

EAST HERTS COUNCIL

JOINT MEETING OF PERFORMANCE, AUDIT & GOVERNANCE
COMMITTEE AND OVERVIEW & SCRUTINY COMMITTEES
20 NOVEMBER 2018

REPORT BY HEAD OF STRATEGIC FINANCE AND PROPERTY

MEDIUM TERM FINANCIAL PLAN, BUDGET REPORT AND SERVICE
PLANS 2019/20 – 2022/23

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

This report updates and sets out proposals for Joint Committee (Performance, Audit & Governance Committee and Overview & Scrutiny Committee) recommendations on the following:

- Draft Service Plans for 2019/20;
- The The Medium Term Financial Plan 2019/20 – 2022/23;
- The 2019/20 to 2022/23 Capital Programme; and
- A 2.5% uplift to the 2019/20 Schedule of Charges.

All the recommendations should be considered within the national context of continued financial uncertainty and risk for local government.

RECOMMENDATIONS FOR JOINT COMMITTEE: to endorse that the Executive recommends the following for approval by Council:

(A)	The draft service plans for 2019/20. ERP C
(B)	That the East Herts share of Council Tax be increased by £5 for 2019/20 (Section 2.6)
(C)	The updated position on the Medium Term Financial Plan and Budget for 2019/20 including the budget pressures and risks;

(D)	The new savings in 2019/20 as shown in Table 9;
(E)	Implementation of the Capital Programme as set out in Essential Reference Paper 'B'; and
(F)	A 2.5% uplift to the the schedule of charges for2019/20. The full Schedule of charges will be presented to the executive .

1.0 Background

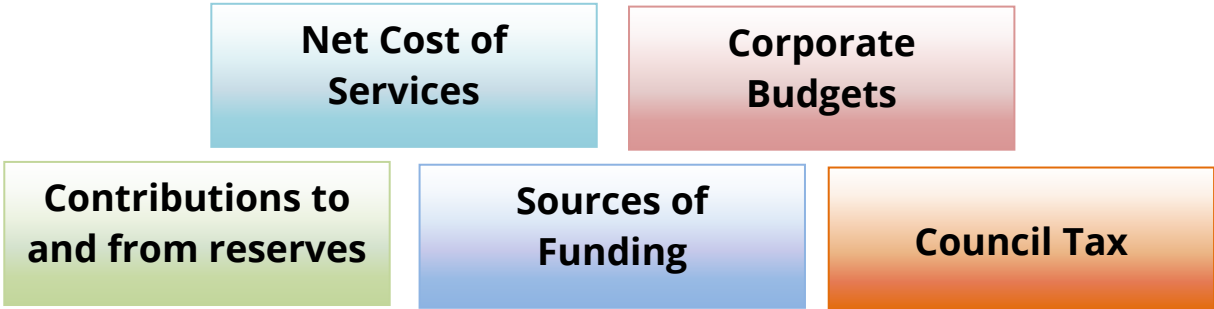
- 1.1 This report sets out the Council's approach to setting the budget for 2019/20 and the revenue and capital budget proposals for the four years commencing 2019/20.
- 1.2 Throughout the past few months Finance has met with members and senior officers to discuss the issues and opportunities that this year's budget setting process will present.
- 1.3 The principal objective of the process was to consider previous and current budget decisions the Council has made and then ensure that they were both robust and able to deliver a sustainable Medium Term Financial Plan.
- 1.4 Some of the key issues discussed throughout this time included the long term national financial outlook and the impact this will have on local budgets and the ability to produce income streams for a future balanced budget.
- 1.5 The report sets out the proposals and outcomes that officers have arrived at to ensure that East Herts Council maintains a sustainable budget position for the future.
- 1.6 The Council's strategic aims and priorities drive the medium term financial planning process, with changes in resource allocation determined in accordance with policies and priorities. The Medium Term Financial Plan (MTFP) provides the framework for the development of annual budgets in line with the aims of the Council's Corporate Strategy.

- 1.7 As part of last year's budget process it was noted that grant funding cuts since 2010 has meant that the Council has delivered net savings of £2.6m.
- 1.8 Additional budget efficiencies required over the next four years could be in excess of £3m dependant on the outcomes of a number of government initiatives including the Business Rate Retention Policy, Fairer Funding Regime and reliance on grants. This will present a significant challenge for the Council and where possible, the Council has looked to minimise the impact on front line services.
- 1.9 The report contains the following sections and Essential Reference Papers:

Report Sections	
2	Budget Components
3	Budget Pressures and Risks
4	2018/19 Budget Preparation and Engagement
5	Service Plans
6	Reserves
7	Capital
8	Schedule of fees & charges
9	Advice from the S151 officer
10	Implications/ Consultations
Essential Reference Papers	
A	Implications/Consultation
B	Capital
C	Service Plans
	The following 2 additional Essential Reference Papers will be published at a later date
	Reserves
	Schedule of charges

2.0 Budget Components

2.1 The council’s revenue budget comprises of five major ‘building blocks’ as follows:



2.1.1 **Net Cost of Services:** these are the direct costs incurred by the council in delivering services, less any specific income generated. Included in the Net Cost of Services is use of the Councils reserves to fund these services.

2.1.2 **Corporate Budgets:** these are the costs incurred and income received by the council that are not service specific e.g. Pension Fund deficit contributions, interest income and payments. Also included in this heading are the Contingency and New Homes Bonus Priority Spend budgets which are not allocated to specific services at the beginning of the financial year.

2.1.3 **Contributions to/from Reserves:** this represents funding within the revenue Budget from Earmarked Reserves, which have been allocated to fund specific purposes. The impact of the use of Reserves is a reduction in the total income demand on Council Taxpayers. Reserves are, however, a finite source of funding and their use should represent value for money.

2.1.4 **Sources of External Funding:** these income budgets are general and non-service specific income sources. They include funding from Central Government and Non-Domestic Rates income (also known as Business Rates).

2.1.5 Council Tax: this income is also a general and non-service specific source of income. Only once budgets for the other 'building blocks' have been established can the amount required from Council Tax be calculated, known as the 'Demand on the Collection Fund'.

2.2 The Budget recommendations for each of the building blocks are provided below.

Net Cost of Services

2.2.1 The total cost of services for 2019/20 will be capped at £14.3m as part of the cash limit budget process. This is comparable to last year's budget of £13.8m. This decision allows Heads of Service to work within their own service delivery requirements and service plans to make the best use of the resources available. This revised budget includes pay and contract inflation assumptions as detailed in section 3 of this report. The breakdown of these costs for the Medium Term Financial Plan is set out in the table on the following page:

Table 1: Net Cost of Services

	2019/20	2020/21	2021/22	2022/23
	£000	£000	£000	£000
Chief Executive Dept	389	396	403	410
Communications, Strategy & Policy	1,131	1,151	1,171	1,191
Human Resources	495	503	510	518
Strategic Finance & Property	1,727	1,966	2,005	2,045
Democratic & Legal	1,266	1,281	1,297	1,313
Housing & Health	2,271	2,308	2,346	2,383
Planning	725	759	794	829
Operations	3,757	3,956	4,159	4,366
Revenues & Benefits	906	934	963	992
Business & Technology	1,636	1,643	1,652	1,659
Net Cost of Services	14,303	14,897	15,300	15,706

Corporate Budgets

2.2.2 A breakdown of these proposed income streams/costs for 2019/20 onwards is set out below in Table 2:

Table 2: Corporate Budgets

	2019/20	2020/21	2021/22	2022/23
	£000	£000	£000	£000
Fees & Charges	(51)	(191)	(243)	(283)
NHB to Parish and Towns	697	696	775	943
Interest Payments	669	207	133	133
Investment Income	(990)	(640)	(440)	(390)
Pension Fund deficit contribution	696	796	796	796
Total	1,021	868	1,021	1,199

Contributions to and from reserves

2.2.3 The budget invariably includes items that are not annually re-occurring and that require financing from the council's reserves. An example of this is the Elections Reserve which is only used to fund election costs in election year, although a contribution is made to it every year. The proposed Earmarked Reserve contributions for 2019/20 onwards (except those included in the Net Cost of Services) are summarised in Table 3.

Table 3: Earmarked Reserves Contributions

	2019/20	2020/21	2021/22	2022/23
	£000	£000	£000	£000
Contributions to Reserves	739	1,435	2,366	2,871
Contributions from Reserves	(181)	(182)	(182)	(182)
Net Reserves Movement	558	1,253	2,184	2,689

Sources of Funding

2.2.4 Table 4 shows the external sources of funding available to East Herts Council over the last 4 years and the projected available for 2019/20. As revealed below, over the 5 years from 2014/15 to 2019/20 the cumulative reduction in annual funding available to East Herts is £2.4m. This has had a direct impact on the resources available to deliver services.

Table 4: External Sources of Funding

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	£m	£m	£m	£m	£m	£m
Revenue Support Grant	2.816	2.057	1.145	0.351	0	0
Non Domestic Rates	2.864	2.385	2.116	2.497	2.680	2.675
New Homes Bonus	2.199	2.798	3.608	3.559	2.645	2.788
Total	7.879	7.240	6.869	6.407	5.325	5.463
Cumulative Reduction		0.639	1.010	1.472	2.554	2.416

2.2.5 The key information presented in the table includes the Revenue Support Grant removal over the 5 year period and that the New Homes Bonus has in part replaced the RSG that funding in the latter years.

2.2.6 Previous decisions to freeze or reduce Council Tax for East Herts residents has meant that Council Tax income has **not** kept in line with inflation. This has had the effect of eroding the council's tax base over the last 5 years.

2.2.7 The New Homes Bonus was introduced in 2011 with the aim of encouraging housing growth with a local authority payment.

2.2.8 *"The New Homes Bonus is designed to create an effective fiscal incentive to encourage local authorities to facilitate housing growth. It will ensure the economic benefits of growth are more*

visible within the local area, by matching the council tax raised on increases in effective stock. This will redress the imbalance in the local government finance system, whereby resources for growth areas did not keep pace with growth."

DCLG February 2011

2.2.9 East Herts Council has used the NHB Bonus funding to support the General Fund budget for the last 6 years (50%) and to support both Parish and Town Councils (25%). The remaining 25% has been contributed to reserves to fund investment and one off schemes.

Council Tax

2.2.10 E Herts collects the Council Tax on behalf of Hertfordshire County Council, Hertfordshire Police and also Town and Parish Councils. The split of this collection for 2018/19 is set out in the table below:

Table 5: Council Tax Split

Partner	2018/19 split
HCC	76.98%
EHC	9.57%
Police	9.56%
Town & Parish	3.89%

2.2.11 East Herts increased Council Tax by £5 in 2017/18, only the second increase in 6 years. It is proposed that for 2019/20 onwards East Herts will increase its share of the Council Tax by £5 per year, the maximum increase allowed in any year. This level of increase will be built into the Medium Term Financial Plan on an ongoing basis to mitigate the effect of the frozen rates in previous years.

2.3 Consolidating the 5 Building Blocks of the budget

2.3.1 These five blocks make up the overall budget summary for 2019/20 as set out below:

Table 6: Budget Summary

	Revised Budget 2019/20
	£000
Net Cost of Services	14,303
Corporate Budgets	1,021
Contributions to Reserves	558
Total Expenditure	15,882
Sources of Funding	(5,463)
Council Tax	(10,298)
Revised Budget Gap	(121)

3.0 Budget Pressures and Risks

3.1 The Council’s Medium Term Financial Plan is a complex model subject to many factors and the forecasts which are by necessity subject to continuous review and refinement to reflect the latest information as it emerges.

3.2 Specific service issues are monitored by the Heads of Service who are responsible for identifying pressures and opportunities that will impact on service delivery and have financial implications.

3.3 The following issues have been reviewed and items included as a provision in the Medium Term Financial Plan only where the financial impact is assessed as being quantifiable and unavoidable. Where the financial impact is unclear or subject to significant uncertainty, specific provision may not be made but be included as financial risks that if costs materialise in year will be met from the available reserves or balances.

3.4 Pay Awards / NJC Pay review

- 3.4.1 In recent years the Government's public sector pay cap has been followed when negotiating local government pay awards. This has been necessary as the government has assumed the same pay restraint will be followed by local government when determining annual local government spending limits and finance settlements.
- 3.4.2 Last year's announcement of a two year 2% + 2% pay offer to local government unions has meant an additional pressure on the previous reported funding gap.
- 3.4.3 Coupled with this announcement was the necessity for Local Authorities to consider and implement a new spinal point option that would eradicate the outstanding National Living Wage (NLW) issues. The implications are that nationally this will require a 2.5-4.0% increase in the national pay bill for 2019/20, the impact for East Herts is has thus been considered within the context of the Medium Term Financial Plan.
- 3.4.4 Although salary increase of 1% is generally included within the Medium Term Financial Plan budget planning process, and previous information had led to additional provision being included in the MTFP the proposed changes will cost EHDC an additional £318k in 2019/20. An independent advisor is currently working with our finance team to verify these figures and ensure the budget requirements are robust. It is possible that these figures may change prior to Council in December 2018.

3.5 Inflation and Growth

- 3.5.1 Provision for inflation has been made in the MTFP for all contractual uplift costs based on terms and conditions set out in contractual agreements and for inflation on business rates in respect of Council owned properties.

4.0 2019/20 Budget Preparation and Engagement

- 4.1 During November and December 2018, Members and Officers will be encouraged to participate in a number of "Have your Say Part 2" budget workshops to look at the authority's Medium Term Financial Plan and to explore both money saving and money making opportunities to bridge the funding gaps in future years. These workshops will look at prioritising spend in the future and exploring alternative income streams. The results will feed into the 2020/21 Medium Term Financial Plan budget setting process.

4.2 The Budget Gap and Savings Proposals

An initial review of the Medium Term Financial Plan set out a funding gap of £2.8m across the 4 years with £121k attributable to 2019/20. The work carried out by officers has changed a number of these figures and has found solutions to some of the early year budget gap especially in 2019/20

- 4.3 Following on from this work the officers have reviewed and revised their own budgets and are agreeable to a Cash Limit budget for 2019/20. This gives Heads of Service the opportunity to manage their own budget within the constraints of the Medium Term Financial Planning framework.
- 4.4 A summary of the budget gap and the required budget savings is shown below in Table 7
- 4.5 The budget paper for 2018/19 presented at Council on the 2nd March 2018 detailed a number of potential savings projects

(ERP C) that were investigated throughout 2018/19. In addition to this work an updated business plan for the council's wholly owned company Millstream has proposed an additional income stream. The report to agree this is also included in the December Council agenda.

Table 7: Budget Gap

	2019/20	2020/21	2021/22	2022/23
	£000	£000	£000	£000
Budget gap @30.10.18	544	722	629	500
Additional Salary pressure 0.5%	318	73	80	80
Movement in Net Cost of Services	(631)	0	0	0
Revised Budget gap	<u>231</u>	<u>721</u>	<u>722</u>	<u>629</u>
Council tax increase by £5	(110)	(115)	(120)	(125)
"Project 2018" savings proposals	(121)	(0)	0	0
Revised Budget Gap	<u>(0)</u>	<u>538</u>	<u>607</u>	<u>509</u>

4.6 The result of these pieces of work is that £121k of savings/additional income has been identified and these are detailed in Table 8 below. Agreement of these savings will ensure a balanced budget for 2019/20.

Table 8: Savings proposals

2019/20 Project saving proposal	2019/20 Saving value
	£000
Millstream additional income	50
Efficiency savings	71
Total	121

5.0 Service Delivery Priorities

5.1 Alongside the budget setting process, heads of service in conjunction with portfolio holders have identified service delivery priorities for 2019/20. These can be found at **Essential Reference Paper 'C'**. The service plans outline in detail the key actions that are to be delivered over the next year and the means by which they will be monitored. These are proposed in the context of both the 2019/20 budget and the key priorities within the Council's Corporate Strategic Plan which was agreed by Members in February 2016:

- Priority 1: improve the health and wellbeing of our communities (changed to "people")
 - Residents living active and healthy lives
 - Support for our vulnerable families and individuals
 - Communities engaged in local issues
- Priority 2: enhance the quality of people's lives (changed to "places")
 - Attractive places
 - Future development best meets the needs of the district and its residents (changed to "future places")
- Priority 3: Enable a flourishing economy (changed to "businesses")
 - Support for our businesses and the local economy
 - Vibrant town centres
 - Working with others, to have achieved the right infrastructure for our businesses and communities

5.2 Members are asked to recommend to Executive that the service plans be adopted alongside the budget.

6 Reserves

6.1 The reserves are an important part of the budget setting process, there are minimum requirements set out for General

Fund Reserves, however authorities are also expected to maintain a level of Earmarked Reserves to fund one off projects and initiatives. The emphasis for this Medium Term Financial Plan is to ensure the longevity of the Council's funding and provide investment funding for future income generating initiatives.

- 6.2 The table below set out the proposed contributions to and from reserves over the next four years including the increasing contribution from New Homes Bonus, including reserve usage to fund items within the net cost of services.
- 6.3 It is essential for the Medium Term planning that reliance on reserves for ongoing costs is removed and that the funding is used for more appropriate investment purposes. Re-occurring items that have previously been funded through reserves in the MTFP have now been included in the revenue budget on an ongoing basis.

Table 9: Reserves

	2019/20	2020/21	2021/22	2022/23
	£000	£000	£000	£000
Contributions to Reserves				
NHB Priority Spend	697	1,393	2,324	2,829
District Election	28	28	28	28
House Condition Survey	14	14	14	14
Sub-total	<u>739</u>	<u>1,435</u>	<u>2,366</u>	<u>2,871</u>
Contributions from Reserves				
Revenue Budget	(85)	(86)	(86)	(86)
Pension Deficit	(96)	(96)	(96)	(96)
Sub- total	<u>(181)</u>	<u>(182)</u>	<u>(182)</u>	<u>(182)</u>
Total Reserves movement	558	1,253	2,184	2,689

7 Capital Programme

- 7.1 The Capital Programme for 2019/20 to 2022/23 is included in this report in ERP A.
- 7.2 The forecast outturn for the 2018/19 capital programme is £5.8m.
- 7.3 The details on the movement expenditure for the Capital Programme are monitored and reported quarterly to Executive within the Healthcheck report.
- 7.4 Any slippage on significant capital projects during 2018/19 will be considered at the end of the financial year
- 7.5 The capital programme for 2019/20 onwards contains a number of newly agreed capital schemes and also the rolling schemes agreed in previous years.
- 7.6 Currently the review of the Capital programme is undertaken as part of the quarterly health-check report. Any additions to the programme require a funding request to be made through the appropriate governance process. This process is defined by the value of the capital bid.
- 7.7 The council is likely to undertake a number significant capital schemes within the medium term including Old River Lane, Bishop's Stortford. The scope and funding arrangements of such schemes are still in the early stages of project planning. However it should be noted that East Herts may need to give careful consideration to its reserves provision in the forthcoming years and will potentially require a borrowing facility within this medium term financial period.
- 7.8 As any of these schemes are agreed and the funding requirements become more definite these schemes will be included in the capital programme presented within the quarterly health-check report.

7.9 The complete proposed capital programme can be found in **Essential Reference Paper B** including schemes already approved in previous years.

7.10 Prudential Code Implications

7.10.1 The council is required under the Local Government Act 2003 to 'have regard' to the requirements of the CIPFA Prudential Code which requires that certain performance indicators and limits known as Prudential Indicators are calculated.

7.10.2 The Prudential Indicators must be approved by Council before the beginning of each financial year. Their purpose is to help the council ensure that its capital investment plans are affordable, prudent and sustainable.

7.10.3 It is recommended that the capital programme being proposed in this budget report is affordable, prudent and sustainable. The Treasury Management Strategy for 2019/20 will address any funding requirements for future years.

8. 2019/20 Revenue Schedule of Fees & Charges

8.1 The proposed schedule of charges will be made available at the Executive meeting.

8.2 The fees and charges budgets (excluding charges for pay and display car parking) included in the 2018/19 Net Cost of Services totalled £2.028m.

8.3 Table 10 shows the impact of the changes proposed in the schedule of charges to the 2019/20 budget.

8.4 The fees and charges have increased by an average of 2.5%, the estimated impact of this increase is additional income of £50.7k in 2019/20.

8.5 Pay and Display charges have not been increased for 2019/20, this is in line with the budget policy agreed at a previous Council, and will be reviewed in 2020/21.

Table 10: Fees & Charges

	2018/19 budget	Impact of proposed 2.5% charges increase	2019/20 budget
	£	£	£
Hertford Theatre	192,500	4800	197,300
Clinical Waste	74,000	1,850	75,850
Domestic Waste	80,600	2,000	82,600
Commercial Waste	750,500	18,750	769,250
Env Health Promotions	2,000		2,050
		50	
Env Health Licences	24,350	600	24,950
Taxi Licensing	148,500	3,700	152,200
Development Management	126,000	3,150	129,150
Legal Fees	31,500	800	32,300
Land Charges	260,000	6,500	266,500
Markets	56,000	1,400	57,400
Hostels	120,000	3,000	123,000
Bed & Breakfast	16,100	400	16,500
Residents' Parking	115,100	2,900	118,000
Parking - Season Tickets	31,200	800	32,000
Total	2,028,350	50,700	2,079,050

9. Advice from the Section 151 Officer

9.1 Section 25 of the Local Government Act 2003 requires the Statutory Section 151 Officer (Head of Strategic Finance & Property) to give advice to the Council on the levels of reserves held and the robustness of the budgets at the time Council makes its decision on the budget proposals.

9.2 It is the advice of the Head of Strategic Finance and Property that these budget proposals are prudent, sensible and robust. In determining the budget proposals:

- Funding sources have been extensively modelled;
- A zero-based salary budget has been produced;
- The MTFP model and assumptions have been considered and refreshed;
- The council's Earmarked and General Reserves have been reviewed;
- The revenue impact of the capital programme has been considered;
- The key financial risks facing the council have been identified and assessed; and
- The budget proposals meet the requirements of the Local Government Finance Act 1997 for a balanced revenue position

9.3 Throughout this report attention has been drawn to the uncertainty of the local government funding regime and the potential impact on East Herts. The assumptions made in the preparation of this report and the MTFP are based on the best information available at the time.

10. Implications / Consultations

10.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper A**.

Background Papers

None

Contact Member: Councillor Geoff Williamson
geoffrey.williamson@eastherts.gov.uk

Contact Officers: Isabel Brittain – Head of Strategic Finance and Property
Ext. 2050
isabel.brittain@eastherts.gov.uk

Ben Wood – Head of Communications, Strategy and Policy Ext. 1699
Benjamin.wood@eastherts.gov.uk

Report Author: Alison Street – Finance Business Partner
alison.street@eastherts.gov.uk

This page is intentionally left blank

IMPLICATIONS/CONSULTATIONS

<p>Contribution to the Council's Corporate Priorities/ Objectives <i>(delete as appropriate):</i></p>	<p>Priority 1 – Improve the health and wellbeing of our communities</p> <p>Priority 2 – Enhance the quality of people’s lives</p> <p>Priority 3 – Enable a flourishing local economy</p> <p>The report proposes the budget and service plans for the Council in 2019/20 and the medium term financial plan which contributes to all the Corporate Priorities.</p>
<p>Consultation:</p>	<p>Member training and briefings have been undertaken</p>
<p>Legal:</p>	<p>There are no legal implications.</p>
<p>Financial:</p>	<p>There are no direct financial implications arising from the report.</p>
<p>Human Resource:</p>	<p>No specific implications arise from this report</p>
<p>Risk Management:</p>	<p>The Budget report considers emerging risks to the funding the Council receives and sets out the mitigation of those risks.</p>
<p>Health and wellbeing – issues and impacts:</p>	<p>No specific implications arise from this report.</p>

This page is intentionally left blank

ESSENTIAL REFERENCE PAPER B

CAPITAL PROGRAMME 2019/20 TO 2022/23

APPROVED SCHEMES	2019/20 Original Budget £000	2020/21 Original Budget £000	2021/22 Original Budget £000	2022/23 Original Budget £000
------------------	---------------------------------------	---------------------------------------	---------------------------------------	---------------------------------------

Head of Strategic Finance & Property				
Investment in operational assets	250	250	250	250
Total Strategic Finance & Property	250	250	250	250
Head of Shared Business & Technology Services				
Rolling programme to be utilised on ICT projects subject to ITSG review	450	450	450	450
Total Head of Shared Business & Technology Services	450	450	450	450
Head of Operations				
Leisure Facilities Strategy				
Grange Paddocks Leisure Centre	11,000	10,000	648	0
Hartham Leisure Centre	4,000	2,863	0	0
Ward Freman	0	881	0	0
Hertford Theatre	5,000	8,190	0	0
Open Space Improvements at the Wash, Hertford	50	0	0	0

Folly View Open Space Improvements, Hertford	15	0	0	0
Cannons Mill Lane Open Space improvements, Bishops Stortford	30	0	0	0
Replacement play equipment across the district (in response to the Condition Audit to be reviewed in 2018/19)	50	50	50	50
Play Area and other projects, Hartham Common, Hertford	300	0	0	0
Energy Grants	20	20	20	20

Total Head of Operations	20,465	22,004	718	70
Head of Housing & Health				
Improve, maintain & renew structures along rivers and watercourses	48	48	48	48
Land Management Asset Register & Associated Works	50	50	50	50
Disabled Facilities - Discretionary	60	60	60	60
Decent Home Grants	120	120	120	120
Colebrook Court (Network Housing)	32	0	0	0
Community Capital Grants	80	80	80	80
Total Health & Housing	390	358	358	358
Head of Planning & Building Control				
Historic Building Grants	55	55	55	55
Total Head of Planning & Building Control	55	55	55	55

TOTAL	40,643	23,117	1,831	1,183
--------------	---------------	---------------	--------------	--------------

Strategic Finance & Property	250	250	250	250
Shared Business & Technology Services	450	450	450	450
Operations	20,465	22,004	718	70
Housing & Health	390	358	358	358
Planning & Building Control	55	55	55	55

TOTAL	21,610	23,117	1,831	1,183
--------------	---------------	---------------	--------------	--------------

NEW SCHEMES (submitted for approval to this committee)

Corporate Funding				
Millstream Property Company				
Capital Loan (6 Water Lane, Hertford)	347	0	0	0
Capital Loan (5 x properties per annum)	1,491	1,522	1,535	0
Capital Loan (replace 1,2,3 Old River Lane)			921	0
Capital Loan (new development and retention of 11 residential units)	764	2,290		0
Capital Loan (Northgate End)	0	0	3,337	0
Capital Loan (Watton-at Stone)	0	0	608	0
Corporate Funding	764	2,290	3,945	0

ORL Development				
Northgate End, MSCP, Residential and Commercial	19,033	0	0	0
ORL Development	19,033	0	0	0

TOTAL (inc new schemes)

41,407	25,407	5,776	1,183
---------------	---------------	--------------	--------------

ERP C
DRAFT SERVICE PLANS 2019/ 2020

Please note: red text refers to performance indicators which will be used to monitor progress against the key actions. In some cases this will be done through the use of specific targets in other cases it will be done through monitoring trends and trajectories. Normal text refers to specific milestones or outputs that need to be achieved in order for the action to be achieved. When the service plans are adopted all indicators and milestones will be uploaded to the council's performance management portal which Members have access to.

In addition to the above there are a number of key actions to be delivered over the 2019/20 year which do not fit neatly within the Corporate Strategic Plan objectives. These tend to be 'back office' related actions which are not directly of interest to stakeholders but are critical to ensuring the council is able to deliver its objectives. Those actions are listed below and will form part of the information which Members can access on the performance management portal

Corporate Priority: People			
Outcome: Communities engaged in local issues			

Action:	Performance measures or project milestones:	Deadline:	Lead Officer:
	<ul style="list-style-type: none"> • 		
Implement East Herts Community Lottery	<ul style="list-style-type: none"> • £19,000 raised for good causes operating in East Herts 	31 March 2020	Head of Strategic Finance and Property
Implement crowd funding initiatives	<ul style="list-style-type: none"> • £30,000 raised in supplementary budget for expanded works at Hartham common • £50,000 raised in supplementary budget for expanded works at Hartham common (stretch goal if first target achieved) 	31 March 2020	Head of Strategic Finance and Property
Continue to grow social media channels and increase digital footprint	<ul style="list-style-type: none"> • No. of Twitter followers • No. of Facebook likes • No. of Instagram followers • No. of LinkedIn connections • No. of subscribers to email marketing 	31 March 2020	Communications and Digital Media Manager

Corporate Priority: People			
Outcome: Support for our vulnerable families and individuals			

Action:	Performance measures or project milestones:	Deadline:	Lead Officer:
Ensure the council fulfils its Safeguarding responsibilities	<ul style="list-style-type: none"> • Deliver the actions arising from the Safeguarding Adults Self-Assessment • Deliver the annual programme of safeguarding training 	31 March 2020 31 December 2020	Service Manager – Community Wellbeing and Partnerships
Minimise time elapsed to process new claims and changes in circumstances.	<ul style="list-style-type: none"> • Time taken to process Housing Benefit new claims and change events achieved (target 10 days) 	31 March 2020	Head of Revenues and Benefits
Work with partners to provide support to customers in difficulty.	<ul style="list-style-type: none"> • Utilise discretionary Housing Payments to alleviate transitional difficulties • Proactively work to avoid fraud and to ensure suspected cases are 	31 March 2020	Head of Revenues and Benefits

	investigated		
Work with partners to assist customers through the transition into universal credit	<ul style="list-style-type: none"> Customers assisted and signposted appropriately when transitioned into universal credit. 	31 March 2020	Head of Revenues and Benefits

Corporate Priority: People

Outcome: residents living active and healthy lives

Action:	Performance measures or project milestones:	Deadline:	Lead Officer:
Promote use of E-taxis within the district	<ul style="list-style-type: none"> Measure to be developed 	31 March 2020	Service Manager – Licensing and Enforcement
O2.1 Invest in our parks and open spaces to encourage health and fitness including improvements to parks.	<ul style="list-style-type: none"> Subject to funding deliver agreed actions identified in management plan for Hertford Castle Grounds in partnership with the Town Council. (draft plan completed, public consultation in 2018/19). Deliver a new destination play area at Hartham Common. Play area improvements to Trinity Close, Bishops Stortford funded through Redrow Homes Section 106 contributions Further access improvements at Buryfields, Ware (following on from County cycle path funded from Asda development) funded through McCarthy and Stone Baldock Street section 106) Introduce revised programme to continue investment in the Council's play areas ensuring they are fit for use, providing good levels of play value with equipment in an acceptable condition. 	<p>March 2020</p> <p>March 2020</p> <p>March 2020</p> <p>March 2020</p>	Leisure and Parks Development Manager
Develop Hartham Development of two leisure centres? £30m investment??	<ul style="list-style-type: none"> Delivery of procurement of an leisure operator contract for East Herts leisure facilities by October 2019. 	Oct 2019	Leisure and Parks Development Manager

Corporate Priority: Places

Outcome: Attractive Places

Action:	Performance measures or project milestones:	Deadline:	Lead Officer:
Implementation of Master Planning process for all significant development sites	<ul style="list-style-type: none"> Number of Master Plans successfully completed and endorsed by the Council Achievement of policy objectives identified in District Plan 	31 March 2020	Service Manager (DM) Quality Places
Harlow and Gilston Garden Town Development	<ul style="list-style-type: none"> Successful engagement with Garden Town Successful outcome of Gilston Concept Framework and Master Planning processes Continuing community engagement Commencement and implementation of development 	31 March 2020	Service Manager (DM) Quality Places

Effective planning enforcement	<ul style="list-style-type: none"> • % visits undertaken in relation to urgent cases within 2 workings days of 'start date' • Quantitative and qualitative customer feedback 	31 March 2020	Planning Enforcement Manager
Proactive Conservation and Urban Design service	<ul style="list-style-type: none"> • Completion of remaining Conservation Area Assessment work 	31 March 2020	Head of Planning and Building Control
Reduce fly tipping	<ul style="list-style-type: none"> • Fly tipping action plan in place. • Target for removal of fly tips? 2 days I think? 	31 March 2020 and ongoing	Enforcement and Inspection Team Manager
Explore the implementation of tackling littering from vehicles	<ul style="list-style-type: none"> • NI 195 local environment quality inspections of litter by roads undertaken by joint waste client team. • Consideration of adoption of new enforcement activities in line with the new legislation. • Council officers trained in new legalisation 	March 2020	Enforcement and Inspection Team Manager
Review of Public Space Protection Orders	<ul style="list-style-type: none"> • Council agreement on orders which are to : <ul style="list-style-type: none"> ○ Continue ○ Amend ○ Cease 	May 2019	Enforcement and Inspection Team Manager
Co-ordination and promotion of the arts and cultural offer in East Herts.	<ul style="list-style-type: none"> • Engage with developments for the Year of Culture 2020 	Sept 2019 – Dec 2020	Theatre Director with Marketing Manager
Hertford Theatre – Develop business models for expansion	<ul style="list-style-type: none"> • Commission works for pre-construction stage of the expansion of Hertford Theatre 	31 March 2020	Theatre Director with Project Team
Deliver successful Heritage Lottery Fund (HLF) Stage 2 bid for Castle Park, Bishop's Stortford.	<ul style="list-style-type: none"> • Deliver works of £1.2m+ (subject to successful application), as agreed with HLF to develop the site to a 'destination' status. Provide improved facilities for the community of Bishop's Stortford in partnership with the Town Council. Improve the attractiveness of the town as a place to visit. • Install new tennis courts in Castle Park in partnership with the Town Council to offset loss of old courts and improve the quality of provision (subject to HLF stage 2 approval and planning approval) 	Apr 2019 – Sept 2020 March 2020	Leisure and Parks Development Manager
Re-tendering of Grounds Maintenance Contract	<ul style="list-style-type: none"> • Contract Start 	1 Jan 2020	Leisure and Parks Development Manager
Fitness and Play Audit (Deliver 10 year re-audit of play areas across district with addition of open space fitness provision to measure success of improvements and to determine future projects.	<ul style="list-style-type: none"> • Audit complete and options identified 	31 March 2019	Leisure and Parks Development Manager
Deliver effective waste collection services	<ul style="list-style-type: none"> • Less than 30 missed bins per 100,000 	31 March 2020	Joint Waste service Manager
Maintain recycling rates above 50%	<ul style="list-style-type: none"> • Residual household waste per household • Recycling rates at end of year above 50% 	31 March 2020	Joint Waste service Manager

Promote trade waste recycling	<ul style="list-style-type: none"> Trade waste recycling introduction reviewed and expanded into other towns/Business areas 	31 March 2020	Joint Waste service Manager
Review of waste collection and cleansing services at events	<ul style="list-style-type: none"> Potential saving to Council as a result of not subsidising private events. 	October 2019	Joint Waste service Manager
Review requests for new bins at developments and replacement bins	<ul style="list-style-type: none"> Potential saving to Council 	October 2019	Joint Waste service Manager
Review of management of excess waste and contamination at flats	<ul style="list-style-type: none"> Potential saving to Council, through greater engagement from residents and managing agents 	October 2019	Joint Waste service Manager
Review of provision of public conveniences	<ul style="list-style-type: none"> Potential saving to the Council by the introduction of the community toilet scheme or transfer of service in Buntingford and Sawbridgeworth 	October 2019	Joint Waste service Manager
Seek alternative ways to maintain service.	<ul style="list-style-type: none"> Income generation ideas submitted to chief finance officer 	September 2019	Joint Waste service Manager
Parks and Open Parks Strategy	<ul style="list-style-type: none"> Updated Parks and Open Spaces Strategy 	March 2020	Leisure and Environment Service Manager

Corporate Priority: Places

Outcome: Future places

Action:	Performance measures or project milestones:	Deadline:	Lead Officer:
Support and develop future input into strategic planning role	<ul style="list-style-type: none"> Strategy to consider development post 2031 across Hertfordshire through HIPP Continued engagement through Co-op for Sustainable Development Board (with Harlow, Uttlesford and Epping Forest). 	31 March 2020	Head of Planning and Building Control
Programme of Planning Policy work	<ul style="list-style-type: none"> Formulation of work programme Delivery of agreed work programme 	31 March 2020	Service Manager, Planning Policy
Effective Development Management service	<ul style="list-style-type: none"> % Processing of planning applications dealt with in timely manner- Other applications (target under 8 weeks). % Processing of planning applications dealt with in timely manner - Minor applications (target under 13 weeks) % Processing of planning applications dealt with in timely manner - Major applications (target under 13 weeks) Engagement through pre-application and PPA processes in accordance with PIs 	31 March 2020	Service Manager (DM) Quality and performance
Deliver the Millstream business plan	<ul style="list-style-type: none"> Properties purchased/developed Income received 	31 March 2020	Head of Housing and Health
Provide affordable housing (review options for maximising affordable housing and community-led housing delivery, revise the Affordable Housing Supplementary Planning Document in line with the District Plan timetable)	<ul style="list-style-type: none"> % of Affordable homes delivered on section 106 developments in Towns against a 40% cumulative Planning Policy target % of Affordable homes delivered on section 106 developments in 	31 March 2020	Housing Development and Strategy Manager

	Villages		
Neighbourhood Planning	<ul style="list-style-type: none"> Continuing support and advice to Neighbourhood Plan Groups Successful examination and referendum of Neighbourhood Plans Neighbourhood Plans 'made' and policy objectives achieved 	Throughout year to April 2020	Service Manager, Planning Policy

Corporate Priority: Businesses

Outcome: Support for our businesses and the local economy

Action:	Performance measures or project milestones:	Deadline	Lead Officer
Continue to run the Launchpad facility in Bishop's Stortford and expand into Hertford/ Ware	<ul style="list-style-type: none"> Number of businesses using the facility for more than 3 months Total income generated from Launchpad users 	31 March 2020	Business Engagement Manager
Manage SLA with Visit Herts to promote East Herts as a visitor destination	<ul style="list-style-type: none"> Total value of visitor economy to East Herts (annual) Total number of day trips and overnight trips to district (annual) Total number of jobs in district attributed to visitor economy (annual) Vacancy rates in town centres 	31 March 2020	Business Engagement Manager
Deliver grants: <ul style="list-style-type: none"> Ensure residual EU Rural Development Programme monies are allocated Undertake evaluation of the business rates discretionary grants programm Investigate opportunities in the UK Prosperity Fund	<ul style="list-style-type: none"> No. of East Herts businesses successful in applying to RDP (annual) Amount of £ invested in East Herts through the RDP (annual) No. of new jobs in East Herts created through the RDP (annual) 	31 March 2020	Business Engagement Manager
Sponsor the CVS "dragons apprentice" event for entrepreneurs in schools	<ul style="list-style-type: none"> Amount (£) raised for local charities 	31 March 2020	Head of Communications, Strategy and Policy
Cross-boundary working taxi enforcement	<ul style="list-style-type: none"> Carry out cross-boundary taxi enforcement work Promote more consistent taxi licensing convictions policies across the region through the Herts and Beds Licensing Group Promote higher taxi standards from companies operating out of Stansted airport through joint work with Uttlesford District Council the Stansted Airport Consultative Group 	31 March 2020	Service Manager – Licensing and Enforcement
Review of Residential Parking Zones policy	<ul style="list-style-type: none"> review completed, funding opportunities investigated, outcomes reported 	31 March 2020	Acting Parking Services Manager
Maintenance and consolidation of on-street Traffic Regulation Order	<ul style="list-style-type: none"> Biennial consolidation of Traffic Regulation Orders undertaken by the County Council 	April 2019	Acting Parking Services Manager
Assist and support with the procurement of car park management system for new Northgate End MSCP	<ul style="list-style-type: none"> Installation of an appropriate car park management system to meet all requirements of ORL delivery board 	June 2019	Acting Parking Services Manager
Review of parking enforcement policy	<ul style="list-style-type: none"> Embed new enforcement contract Launch ANPR vehicle in East Herts for school zig zag enforcement 	April 2019 September 2019	Acting Parking Services Manager

	<ul style="list-style-type: none">• Advertise and offer out of hours telephone parking enforcement request service	April 2019	
Play an active role in emerging Hertfordshire Growth Board	<ul style="list-style-type: none">• Growth projects supported in the district	31 March 2020	Head of Communications, Strategy and Policy

Corporate Priority: Businesses**Outcome: Vibrant town centres**

Action:	Performance measures or project milestones:	Deadline:	Lead Officer:
Develop Old River Lane site: Old River Lane mixed use development scheme (masterplanning, viability assessment, consultations, design, planning, procurement, construction) and Multi-Storey Car Park (land negotiations, design, planning, procurement, construction) Work in partnership with Rhodes Trust and Town Council to develop detailed business case and operating model for ` new Art Centre	<ul style="list-style-type: none"> Development Agreement signed with preferred with developer for ORL site Contractor appointed for Northgate End and on site delivering scheme 	31 March 2020	Chief Executive
Undertake feasibility study for a Hertford and Ware Business Improvement District	N/A	30 September 2019	Business Engagement Manager
Support the proposed Markets service change to ensure the seamless continuation of the offer in Hertford & Ware	<ul style="list-style-type: none"> Existing traders supported in applying for street trading consents at Hertford and Ware. Service change achieved smoothly and on target. 	30 September 2019	Enforcement and Inspection Team Manager
Implement business rates' relief scheme for retailers (as outlined in Chancellor's Autumn Budget Statement)	<ul style="list-style-type: none"> Number of businesses supported 	31 March 2020	Head of Revenues and Benefits
Shaping Stortford to promote and facilitate the delivery of projects and developments in the Town Centre Planning Framework.	<ul style="list-style-type: none"> Bishop's Stortford Parking Strategy Bishop's Stortford Transport Strategy 	31 March 2020	Deputy Chief Executive

Corporate Priority: Businesses**Outcome: Working with others, to have achieved the right infrastructure for our businesses and communities**

Action:	Performance measures or project milestones:	Deadline:	Lead Officer:
Implement Green Travel Plan	<ul style="list-style-type: none"> Modal shift of East Herts staff commuting patterns (% of journeys by car, bike, train, foot etc) 	31 March 2020	Head of Communications, Strategy and Policy
Work with key partners such as the Local Enterprise Partnership, County Council and London Stansted Cambridge Consortium on identifying infrastructure requirements and bring them to fruition	<ul style="list-style-type: none"> Number of transport and infrastructure schemes delivered in the district 	31 March 2019	Head of Communications, Strategy and Policy
Support economic planning objectives of the Innovation Corridor, Digital Innovation Zone, Strategic Alliance, Better Business for All, Harlow and Gilston Garden Town	<ul style="list-style-type: none"> N/A 	31 March 2020	Business Engagement Manager

Corporate Priority: All

Action	Performance measures or project milestones:	Deadline	Lead Officer
Deliver Single Customer Services Team Project: <ul style="list-style-type: none"> Planning Housing and Health Revenues and Benefits 	<ul style="list-style-type: none"> Reduction in cost 	31 March 2020	Head of Communications, Strategy and Policy

Action	Performance measures or project milestones:	Deadline	Lead Officer
Ensure consistent quality of response at first points of contact across all channels	<ul style="list-style-type: none"> Satisfaction with council services (web, telephony, face to face) measured via govmetric (monthly) % complaints responded to within 10 working days (monthly) % complaints upheld at stage 1 (monthly) 	31 March 2020	Customer Services Manager
Implement Digital East Herts Programme	Volume and proportion of customer contacts by: <ul style="list-style-type: none"> Email (monthly) Face to face (monthly) Calls (monthly) Web based/ web forms (monthly) 	31 March 2020	Head of Communications, Strategy and Policy
Implement new council website	<ul style="list-style-type: none"> SOCITM rating 	30 September 2019	Communication and Digital Media Manager
Provide policy support and analysis for the Council's Executive and Leadership Team	<ul style="list-style-type: none"> Qualitative feedback 	31 March 2020	Head of Communications Strategy and Policy
Ensure all impact of all council decisions on protected characteristics are fully understood	<ul style="list-style-type: none"> No. of EIAs undertaken 	31 March 2020	Head of Communications Strategy and Policy
Sustaining a skilled, flexible and motivated workforce -to deliver quality services which meet current and anticipated service needs	<ul style="list-style-type: none"> Implement reward and benefit packages that give choice to our workforce and support work life balance. Delivery of additional HR modules within new system 	31 March 2020	Head of Human Resources and Organisational Development
Review current terms and conditions.	<ul style="list-style-type: none"> Implementation of new terms 	31 March 2020	Head of Human Resources and Organisational Development
Planning for the workforce – develop and implement workforce planning; addressing recruitment and retention issues	<ul style="list-style-type: none"> Deliver workforce planning (focusing on hard to fill, retention, career paths, skills, learning and development) Develop innovative recruitment and retention initiatives 	31 March 2020	Head of Human Resources and Organisational Development
Deliver the OurWorkspace programme (formerly 'Accommodation Review')	<ul style="list-style-type: none"> complete phase 2: re-provision of ground floor and reception area 	31 March 2020	Deputy Chief Executive
Maximisation of in-year council tax collection.	<ul style="list-style-type: none"> Council tax collection, % of current year liability collected achieved. 	31 March 2020	Head of Revenues and Benefits
Maximisation of in-year Business rates collection.	<ul style="list-style-type: none"> Business rates collection% of current year liability collected achieved. 	31 March 2020	Head of Revenues and Benefits
Maximisation of collection of prior year arrears.	<ul style="list-style-type: none"> Level of outstanding arrears reduced. 	31 March 2020	Head of Revenues and Benefits
Provision of support and advice to customers experiencing difficulty in paying their liability.	<ul style="list-style-type: none"> Customers sustain repayment arrangements thus avoiding enforcement action. 	31 March 2020	Head of Revenues and Benefits
Proactive anti-fraud and avoidance activity to minimise loss of liability.	<ul style="list-style-type: none"> Reliefs and discounts are reviewed and monitored using data matching etc. where appropriate. 	31 March 2020	Head of Revenues and Benefits
Maximisation of new liability.	<ul style="list-style-type: none"> Regular monitoring of all localities to identify and verify the timely inclusion of new builds and other developments into the rating list is carried out throughout the year. 	31 March 2020	Head of Revenues and Benefits
Provision of a professional and appropriate service to all customers needing to engage with the service.	<ul style="list-style-type: none"> Customer satisfaction levels. 	31 March 2020	Head of Revenues and Benefits
Idox Optimisation Programme for DM service	<ul style="list-style-type: none"> Speed of delivery of DM service Printing/ paper consumption 	31 September 2019	Deputy Chief Executive

Action	Performance measures or project milestones:	Deadline	Lead Officer
	<ul style="list-style-type: none"> Costs identification and management for DM service Cost reduction 		
Develop the role of legal services to deliver advice and guidance in a timely and cost effective manner and reducing the council spend on external legal advice	<ul style="list-style-type: none"> Increase in staff and decrease in external reliance for legal support 	31 March 2020	Head of Legal and Democratic Services
Publication of Register of Electors	<ul style="list-style-type: none"> Successful publication 	01 December 2019	Head of Democratic and Legal Services
Support the Digital East Herts programme by increasing the range of online services available in ModGov	<ul style="list-style-type: none"> Number of forms properly web enabled 	31 May 2019	Head of Democratic and Legal Services
Respond to FOIs in a timely manner	<ul style="list-style-type: none"> % FOIs dealt with within 20 days 	31 March 2020	Head of Democratic and Legal Services

This page is intentionally left blank

EAST HERTS COUNCIL

JOINT OVERVIEW & SCRUTINY AND PERFORMANCE, AUDIT & GOVERNANCE SCRUTINY COMMITTEE - 20 NOVEMBER 2018

REPORT BY CHIEF EXECUTIVE

OLD RIVER LANE

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

To update the Joint Overview & Scrutiny and Performance, Audit & Governance Scrutiny Committee on progress made with respect to Old River Lane (ORL) and Northgate End development sites in Bishop's Stortford, including the key milestones reached or required with respect to:

- A draft Heads of Terms to be signed with the development partner for ORL and an update on the process of selection (through the competitive dialogue route);
- A final brief and estimated budget for the Arts and Entertainment Centre;
- The estimated budget and final business cases for the Multi Storey Car Park and attached residential and commercial units at Northgate End and an update on the procurement of the design team, surveys and investigations; and
- The land required that is currently in the ownership of Hertfordshire County Council and Bishop's Stortford Town Council.

**RECOMMENDATIONS FOR JOINT OVERVIEW & SCRUTINY AND PERFORMANCE, AUDIT & GOVERNANCE SCRUTINY COMMITTEE:
That the Committee:**

A	Notes the update on the competitive dialogue procurement which is currently underway for a development partner at Old River Lane (Section 2.0)
B	Scrutinises the latest brief for the Arts and Entertainment Centre (ERP B), the estimated budget for the centre and the likely funding partners, and forwards any comments to the Executive (Section 3.0)
C	Scrutinises the draft Heads of Terms for the Development Agreement on the ORL main site (Exempt ERP C) and forwards and comments to the Executive (Section 4.0)
D	Scrutinises the final business case for the Multi Storey Car Park and adjoining residential/commercial units at Northgate End (Exempt ERP D), known as the 'Northgate End Developments', the estimated capital allocation for the build costs of these developments and the proposal to procure a contractor, and forwards any comments to the Executive (Section 5.0)
E	Notes that the commencement of construction of the Northgate End Developments is conditional upon the following: <ul style="list-style-type: none"> i. Removal of the challenge to the planning permission granted in July 2018 or a new permission being granted (currently subject to judicial review); ii. Capital funding being allocated by Council on 19 December 2018; and iii. The final Heads of Terms for the main ORL site being approved by Council on 5 March 2019 and subsequently signed by the Council and Developer
F	Notes the land assembly requirements relating to land owned by Hertfordshire County Council and Bishop's Stortford Town Council. (Section 6.0)

1.0 Background

1.1 Old River Lane (ORL) is an ambitious town centre scheme

which replaces a dated office building and sizeable surface car park in the middle of Bishop's Stortford with a vibrant new quarter for the town, featuring a modern multi-purpose arts and entertainment venue, commercial/retail space, enhanced public realm including a new town square, and residential units.

- 1.2 Members will recall that decisions were taken by Council to:
 - a. Approve the land use for ORL (on 13th December 2017); and
 - b. Approve the delivery models for the developments at Northgate End and the main ORL site, and to proceed with procurement (on 25th July 2018).
- 1.3 This report presents the next phase of the project, and will be followed in March 2019 by a report recommending that Council confirm the selection of a development partner and proceed to sign a legal agreement committing both parties to the ORL scheme – in other words, the final approval stage for Council.

2.0 Procurement process on the main site (ORL)

- 2.1 Following approval to proceed by Council on 25th July 2018, an EU (European Union) procurement process was launched. The process is undertaken in two stages, the first stage (complete) was a written exercise to demonstrate suitability in a number of areas and the second stage (currently underway) is a 'competitive dialogue' which takes place over a series of meetings with those bidders who were shortlisted from stage one.
- 2.2 Interest in the tender was very strong and the council is currently in the middle of the competitive dialogue (two rounds of dialogue meetings have occurred, with two rounds

remaining). Competitive Dialogue enables the developers and the council to work collaboratively on three key areas:

- i. A draft masterplan for ORL;
- ii. a viability assessment; and
- iii. a Heads of Terms setting out key legal issues that both parties will eventually sign up by way of a Development Agreement.

2.3 The competitive dialogue phase will be completed in December 2018, after which bidders have until 28th January 2019 to submit their final bids, which will include draft masterplans and financial submissions. A single developer will be selected on the basis of these submissions in February, and a report will be presented to Council on March 5th 2019 recommending the council enters into a legal agreement with this developer to proceed.

3.0 Arts and Entertainment Centre Brief, Budget and Funding

3.1 Members will recall the extensive consultation process undertaken with local interested arts groups and the public to develop a design brief for the arts and entertainment centre. The Arts Centre Steering Group (consisting of two members/trustees each from East Herts, Bishop's Stortford TC, and Rhodes Trust, and three recently appointed independent members) has led the process of the brief's development. The latest draft of the brief is attached at ERP B and members of the joint committee are asked to provide feedback to the Executive.

3.2 The new venue has the potential to be a game-changer for the centre of Bishop's Stortford, creating a public space which will bring new life and vibrancy to the town centre. Open 14 hours a day, seven days a week, high footfall is expected throughout the day by visitors of the library, cinemas and café, while the theatre, studio and cinemas will also create a night time

destination that will bring added value and diversity to the town's night time economy. The professional artistic programme will be mixed, appealing to a wide and varied audience, and the new centre will also offer the opportunity for young people and amateur groups to perform in state of the art facilities, whether in the main or studio theatres. Incorporating the library into the Arts and Entertainment Centre is an exciting opportunity to create potential new audiences for both the arts centre and the library, and the concept is fully supported by Hertfordshire County Council (represented on the Arts Centre Steering Group by a senior library service officer).

- 3.3 At this stage the council's cost consultants estimate that the cost of the Arts and Entertainment Centre will be £28m (excluding professional fees but including everything as set out in the brief at ERP B).
- 3.4 Members will recall that Heads of Terms have been signed with Bishop's Stortford Town Council and the Rhodes Birthplace Trust which commits East Herts Council and BSTC to elements of capital and revenue funding of the Arts and Entertainment Centre (subject to various conditions). The Heads of Terms can be found on the council's website here: <https://www.eastherts.gov.uk/oldriverlane>
- 3.5 This report only deals with the capital allocation for the Arts and Entertainment Centre. A detailed revenue business case will be brought to members in early 2019, although at this stage members are reminded that East Herts has committed to provide £250k annually to fund the revenue costs of the arts centre, and that Bishop's Stortford Town Council has committed similarly, subject to a number of conditions (set out the in the Heads of Terms referenced at 3.4 above).
- 3.6 An initial approach has been made to the town council to request a capital contribution of £5m. This request was noted at a meeting of the town council's Finance and General Purposes Committee on 5th November 2018, and a number of

questions were raised which officers are now in the process of responding to. Any capital contribution by the town council would entitle it to a proportionate share of the ownership of the Arts and Entertainment Centre (as per the Heads of Terms agreement referred to previously). Funding from Hertfordshire County Council could either come as a one off capital contribution (with a peppercorn rent for the library for a defined period of time) or a revenue stream by way of an annual rental charge for the library's use of space in the Centre. Since this has yet to be agreed with HCC, for the purposes of this report the latter has been assumed (revenue rather than capital contribution). This does not preclude the capital option for HCC but simply does not rely on it currently.

Table 1: Current indicative funding sources for the Arts and Entertainment Centre

Funding source	£m
East Herts DC S106	1.4
East Herts DC (see note 1)	21.3
Herts CC S106	0.2
Bishop's Stortford Town Council	5.0
National Lottery	0.1
TOTAL	28

- 3.7 A funding bid for £3m was submitted to the Arts Council in September 2018, but unfortunately was unsuccessful. This bid was submitted because the Arts Council announced a short window of opportunity for a 'Cultural Development Fund' in towns. Further funding bids will be submitted to other bodies (including the town centre funding pots recently announced as part of the Chancellor's budget) once a more defined scheme is in place, but these should be viewed as reducing the overall cost to the Council, rather than as a precursor to the scheme going ahead (given the uncertainty of success).

4 ORL Main Site Draft Heads of Terms with Developer

- 4.1 As referred to in 2.2 above, the process of competitive dialogue with the developers entails, amongst other things, agreeing a Heads of Terms document which will eventually form the basis of the Development Agreement between the selected developer and the council. The draft Heads of Terms document is attached at Exempt ERP C and the committee is invited to scrutinise and comment on this document.

5 Multi Storey Car Park (MSCP) & Residential/Commercial Building, Northgate End – the ‘Northgate End Developments’

- 5.1 Members will recall that the delivery model for the Northgate End Development (MSCP & Residential/Commercial units) is for the council to contract directly and separately from the main ORL site. This will allow the council to be delivering the MSCP & Residential/Commercial Units whilst the Development Agreement for the main ORL site is being worked up (April – June 2019) and the final masterplan and other associated issues are being developed by the selected developer in collaboration with the council (July – December 2019).
- 5.2 The funding strategy for the car park is entirely different from that for the ORL site, since it is a stand-alone asset which will effectively fund itself over the period of its lifetime (40 years), with a small residual surplus.
- 5.3 The funding strategy for the residential and commercial units is similar – this part of the scheme will fund itself, with a small return to the council and the potential for the council to own and manage some or all of the units (residential and commercial) through Millstream, the council’s wholly owned housing company.

- 5.4 The indicative net cost of the Northgate End Developments (MSCP & Residential/Commercial Building) is £19.03m and the business cases which demonstrate how this cost will be funded is set out at Exempt ERP D.
- 5.5 The proposed procurement strategy for the main contractor of the MSCP & the Residential/Commercial Building is to use Multi-Disciplinary frameworks on a design and build contract, ensuring an OJEU compliant solution which offers good value by reducing the time and ultimately resources needed. The plan is to commence in mid- January 2019 when the Design team would have completed RIBA stage 3 with a main contractor appointed latest by March/April 2019. It has yet to be decided whether the Northgate End Developments will be procured as a single contract, or whether two separate contracts would be preferable. Either of these options is feasible and that decision can be made by officers once a capital allocation is made by Council.
- 5.6 It should be stressed that no major construction works will start on the Northgate End Developments until the following conditions have been achieved:
- i. The challenge to the planning permission granted in July 2018 is removed or a new planning permission granted (currently subject to judicial review);
 - ii. The pre-development & pre-commencement planning conditions have been discharged;
 - iii. The preferred developer for the main ORL site is approved by Council on 5 March 2019; and
 - iv. Capital funding is allocated by Council on 19 December.

6.0 Final Land Assembly

6.1 Members will recall the reports that referenced the land assembly required for the delivery of the wider Old River Lane scheme:

- i. Land use, Essential Reference Paper B - approved by Council on 13th December 2017;
- ii. Delivery method, Essential Reference Paper D – approved by Council on 25th July 2018; and
- iii. Exempt Report on Old River Lane Land assembly – approved by Council on 23rd October 2018.

6.2 The remaining land assembly required for the delivery of the wider scheme consists of:

- i. Hertfordshire County Council's land behind the Northgate Centre; and
- ii. Bishop's Stortford Town Council's land to the east of the existing Northgate End car park.

6.3 The green triangle to the north of the Causeway Car Park; whilst ownership of this land is not necessarily required, there is potential to enhance this landscape as part of the development.

6.4 Valuations will be undertaken for each area of land prior to any offers to the respective councils.

6.5 The LEP grant covers the costs associated with the final land assembly, as per legal agreement signed between the council and the LEP.

7.0 Implications/Consultations

7.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

Council December 2017

<http://democracy.eastherts.gov.uk/documents/s42341/Old%20River%20Lane%20Land%20Use.pdf?j=5>

Council July 2018

<http://democracy.eastherts.gov.uk/documents/s45373/ORL.pdf?j=3>

Contact Member: Cllr Linda Haysey
01992 531650
linda.haysey@eastherts.gov.uk

Contact Officers: Liz Watts – Chief Executive
01992 531650
liz.watts@eastherts.gov.uk

Anjeza Saliaj – ORL Project Manager
01992 531684
Anjeza.saliaj@eastherts.gov.uk

Christine Ogunkanmi – Northgate End
Developments Project Manager
01992 531688
Christine.ogunkanmi@eastherts.gov.uk

ESSENTIAL REFERENCE PAPER 'A'

IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives <i>(delete as appropriate):</i>	Priority 1 – Improve the health and wellbeing of our communities Priority 2 – Enhance the quality of people's lives Priority 3 – Enable a flourishing local economy
Consultation:	Consultation on the Bishop's Stortford Town Centre Planning Framework was completed in March 2017; Further consultation was undertaken specifically with respect to the Arts and Entertainment Centre brief. Further consultation will be carried out on the detailed masterplan for ORL during 2019, following the appointment of a developer.
Legal:	Legal advice has been provided by our in house team to date. Draft Heads of Terms set out at Exempt ERP C.
Financial:	Set out in the report and Exempt ERP D.
Human Resource:	n/a
Risk Management:	A full risk log is kept by the Old River Lane Delivery Board and monitored on a regular basis
Health and wellbeing – issues and impacts:	Bringing a new arts and entertainment centre to Bishop's Stortford will increase the opportunity to improve people's health and wellbeing through a range of cultural and community activities.
Equality Impact Assessment required:	Not required at this stage.

This page is intentionally left blank

SOUND
SPACE
VISION

Arts & Entertainment Building
Old River Lane, Bishops Stortford
East Herts District Council

01 November 2018

Studio 2, Tay House
23 Enterprise Way
London SW18 1FZ

+44 (0)208 877 5860/68
info@soundspacevision.com

www.soundspacevision.com

ARCHITECTURAL/DESIGN BRIEF FOR A NEW ARTS CENTRE ON OLD RIVER LANE

1. Background information

This document has been written for inclusion in the Old River Lane site prospectus which will be launched to the market later in 2018. It is intended to provide a high level indication of the partners' requirements for the arts and entertainment centre. At this stage it is still a working document.

The building must house a new theatre and studio space, 5 screen niche cinema, meeting/rehearsal/class rooms, the town's library, a café/bar, backstage performers' and office spaces.

2. Design rationale (objectives)

Old River Lane is a key town centre site, and the partners want to see a mixed use development that creates a lively destination throughout the day and evening. The arts centre complex must be an attractive and well detailed building, which draws and welcomes people in. The inside of the building will be a quality architectural space which considers carefully the function of the space and provides significant 'wow factor' (considering how any wow factor would date) to inspire and create public space (social capital). The scale and massing of the building must be in keeping with guidance set out in the Bishop's Stortford Town Centre Planning Framework (adopted by EH Council in 2017).

It should be clear from the outside what goes on inside.

- Needs to be suitable and fit for purpose, able to adapt to changing public and service needs.

3. Acoustics

All parts of the arts and entertainment centre must be well planned and acoustically treated to ensure no sound spill, so that simultaneous events can be held in each space. Using other accommodation as buffers between spaces with loud activities is one technique. Sound and light locks and well specified door seals is another to be used in combination.

4. Access

The building will be open 7 days a week, from approximately 9am until 11pm (or later if there is an event). It will attract significant throughput of people and must be designed to withstand this type of usage.

All parts of the building must be fully accessible, DDA compliant, and the needs of disabled users must be thought through carefully to ensure that their visitor experience is positive.

As the design evolves it should be tested for people flow, lift and toilet provision and location against a programme of events. Within the flexibility of use will be the need for storage of tables, chairs and platforms.

5. Public Square

The outside of the arts centre should lead onto a public square of at least 20m x 30m which can be used for live outdoor performances/events.

There should be cycle parking close to the entrance and taxi drop off/pick up points for those with limited mobility.

6. Entrance, Café/Bar and public spaces

General

The open space within the complex will interconnect the closed spaces (such as the main theatre, studio theatre, cinemas, rehearsal/meeting rooms, toilets and office/backstage facilities, and act as the central hub for the building.

It will be a vibrant, inviting and practical space in its own right as well as performing this interconnection function. It is envisaged that it is a lively daytime hub to which people gravitate from the outside. The public space may not be solely on the ground floor, but it should feel connected. The entrance should be protected from the elements.

A roof top bar/outdoor space at first floor or above that can be used in a variety of different ways.

General requirements

The open space should perform the following functions:

- act as an inviting and impressive introduction to visitors which draw visitors into the building from outside
- draw visitors through the building to the various facilities by stimulating their curiosity as to what lies beyond
- create an ambience encouraging dwell and investigation (comfy seats are a must)
- contain a cafe/bar/restaurant (with a fully functioning kitchen) of 100 covers, possibly the main or only café/bar/restaurant, which should be inviting both to those who visit the site for one of its other offerings and casual visitors; there should be space and functionality for a proportionate further number covers to extend outside during good weather. The space should be functional for 'hot deskers' who wish to work from a public café.
- have sufficient space to accommodate the audience during a full show, taking into account suitable space (including other bar area(s) elsewhere in the building and without creating a cavernous environment
- be flexible ie., be usable (and attractive) for the following (and more):
- Informal meetings
- Informal stage/music/comedy performances attracting audiences of up to 100
- More formal consultation/conference events involving presentations/posters, working groups etc
- Events such as beer/food/wine festivals
- Receptions for events in the auditorium
- Enough public toilets (and an appropriate mix) to accommodate 500 people in a 15 minute interval without excessive queueing (taking into account potential demand from users of the other spaces such as the cinema as well).

Consideration should be given to designing out all 'counters' which might otherwise be expected for reception/box office or other functions, and instead having a single multi-function bar/cafe counter from which multi-skilled staff serve customers whatever their needs. Electronic self-service terminals should be considered to supplement counter service, but should not create an 'airport' feel.

The layout should be clearly legible however that does not mean that it must of necessity be immediately obvious, if some degree of investigation is merited. Areas to where public access is restricted should be fully secured from the public space, without feeling as though 'restrictions' are in place.

In addition to the above, the space may be required to accommodate part or all of the Library (TBC) – see below..

Technical and other requirements

PA for announcements and broadcast/relayed speech and music

Small semi-permanent stage area with appropriate lighting and sound system

Baby grand acoustic or electric piano

Acoustics which allows multiple activities to coexist

Lighting appropriately adjustable for the variety of activities set out

Easy to maintain and clean.

Buggy storage

7. Exhibition space

It is envisaged there may be both permanent and changing art and that the walls of the arts centre will function as a gallery.

- 15 – 30m of wall space (not necessarily continuous) with 2.5m height
- a secure track and hanging system will be required or the walls will need to be lined with ply so that fittings can easily be repositioned as exhibitions change
- Wall mounted screen for showing video work
- Either natural light from above or movable spot lights on a tracking system to light all walls displaying art
- wall mounted display cabinets for small craft items

8. Library

The vision for the library is that it should be fully integrated into the building – not a separate entity within a building. This vision will be reflected in the management structure for the centre; there will not be separate organisations operating in the building as far as the day-to-day management arrangements are concerned.

There should be 800 sq m of space within the building for use by the library, but some of this space will be shared with other uses (eg the café). The space should:

- be welcoming, inspiring, light, vibrant, open, accessible and visible with good sight lines.
- have clear distinct areas that enable different uses and flexibility.
- be customer focused – easy to navigate, considers the customer journey and customer preferences and accommodates the needs of different groups (families, students, teens).
- reduce barriers between staff and customers. Maximise staff visibility.
- create opportunities to show case Library Service's prime objectives; such as literacy, information, digital inclusion and being at the heart of the

community. Could be through design, art and exhibition.

- have some connection with the outside world – for example glazed frontage
- Public space would ideally be situated in totality on the ground floor. Lift access to any provision on other floors.
- be adjacent to the main public entrance.
- provide some access to stock and services through supported self-service, “Library Express” (quick pick and bestsellers) and/or out of hours “Open+”
- Layout of the library to reflect the customer journey. Customers who only have a short period of time (approx. 15 minutes) and wish to quickly access services such as quick pick stock and bestsellers or quick use of PCs - should find these services easy to access at the front of the library. Those customers who are intending to spend more time within the library, browsing, accessing services and activities would be encouraged to move through into the heart of the library.
- Space for CreatorSpace, (an area/room with additional public ICT) within the library and ideally adjacent to the meeting space to maximise flexibility of use.
- Noise level to decrease as you move further into the library.
- Acoustic consideration between areas that are noisier (Children’s & Teen) and quiet (IT or study).
- Children’s area to be away from key public entrances.
- Unobtrusive CCTV needed (may be provided as part of Open+ installation)
- Secure external ‘post box’ to enable the return of items out of hours.
- Approx. 1,140 linear metres of shelving to house approx. 40,000 items. This excludes specialist shelving e.g. kinder boxes for picture books, shelving for local studies material (to accommodate periodicals, maps, etc).
- Need to accommodate up to 25 public PCs split into several groups of PCs for different uses, to allow for booking out PCs for IT learning activities.
- Relevant seating areas to support functionality of library e.g.: individual seats and sofas for newspapers & magazines, scattered seating between shelves in fiction and non-fiction, appropriate furniture for children and parents in children areas and study areas.

9. Main Theatre

The main theatre will be used for a wide range of performance and non-performance events, and should be designed for maximum flexibility. As far as possible, it should accommodate all art forms and not favour one over another. The acoustic requirements for this range of art forms should be carefully designed.

Auditorium

- 500+ seat theatre to accommodate a range of performances including (but not limited to) touring theatre, pantomime, live music including choir orchestra and rock bands, dance with recorded music, chamber opera with small orchestra, spoken word, amateur and professional.
- Flexible seating options to allow for standing (or other uses such as functions) in the ‘stalls’, with greater than 100 seats available in balcony. Consider options for seating wagons stored under the auditorium via a forestage extension lift
- Comfortable, durable seats, which feel permanent, even if they are flexible, with plenty of leg room
- Options for adjustable seating configurations for thrust and in the round
- The ability to light the auditorium to feel comfortable for smaller audiences
- Aim to have no restricted view seats whilst creating an intimate feel to the space with the audience surrounding and as close to the stage as possible by the use of at least one balcony
- Permanent FOH mixing position not behind glass which doesn’t require

removal of seats

- Configurable acoustics to cater for amplified and unamplified performances
- Permanent accessible seating positions at rear of auditorium and on balcony if design allows
- Handrails on stairs leading to seats
- Sensitive positioning of wheelchair spaces
- Overall room height 10m

Stage

- 12x7m adjustable down to 10x7m proscenium opening
- 12x10m performance area with 1m crossover
- 22x11m total useable stage area, additional allowance made for counterweight frames and other installation fittings
- Total 20m2 multiple storage spaces on stage level unless other space requirements aren’t met
- Modular stage design constructed with 8x4’ removable sections with 2.5m height clearance under stage to allow for various stage configurations. This would allow trapdoors, set lifts and orchestra pit configurations to be achieved. Therefore the stage space has flexibility as opposed to a permanent stage space.
- Step free access
- Single forestage extension lift 10m wide creating a 3m stage apron extension. Also to be used for seating at auditorium level. Further adjustability to auditorium seating using limited travel (<1m) manual or drill driven motorised platforms.

Auditorium technical

- 7.1 high level, rider-friendly sound system
- Lighting system to be decided based on the outcome of the impending EU energy regulations
- Cinema projection setup for DCPs and live screenings
- Fully equipped Audio Visual setup for multiple cameras, projectors and screens
- Technical gallery at rear of stalls to house sound, lighting, projection, storage and other potential future requirements

Auditorium rigging

- 40 x 16m ladder bars, full single purchase counterweight or automated motorized flying system unless a convincing case can be made that the functionality can be provided in another way
- 2 x motorised up/down bars per side
- 2 x motorised advanced trusses
- Flying and lighting galleries either side of stage at 7m above stage
- Grid specification to allow motors to be rigged in any location on top of grid.
- A grid of 2 or 3 lighting catwalks with adjustable rigging positions to cater for different performance configurations
- Bars on the front of the circle
- Multiple lighting positions along side walls of theatre
- Adjustable rigging points throughout stage and auditorium to allow full adjustability
- Accessible FOH lighting positions
- Grid at 16.5m, therefore main beams onstage approx. 19-20m from stage level
- Stage infrastructure capable of supporting approx. 50 tonnes

Backstage

- 12x10m Fully equipped workshop for building sets. Double height.

- 11x6m Scene dock directly behind or at side of stage for set storage, stage crossover and use before and during shows. 3x7m roller shutters at either end to access stage
- 7m height clearance throughout scene dock and access to stage
- Multiple dressing rooms to cater for a minimum 100
- 3 x 4 person en suite dressing rooms on stage level, 20m2 each
- 2 x 12 person dressing rooms on other levels, 40m2 each with shared toilets and showers
- 1 x 100m2 rehearsal/meeting space within easy access of backstage to cater for another 40 performers
- 1 x 80m2 open plan green room with sofas, table and chairs and kitchen area for use by all cast and crew
- 20m2 Laundry room with 2 x washing machine and 1 x tumble dryer and hot box
- 30m2 Costume room
- Shared use accessible toilets on all levels to facilitate any dressing rooms that aren’t en suite, green room, rehearsal space and stage
- Video and audio show relay to all dressing rooms, green room and backstage areas
- Easy access between all backstage spaces with a lift to all levels

Possible second theatre bar / area

- To be available when required, but not open permanently (although ideally the main café/bar would be able to service the needs of the theatre. Studio and cinemas during an interval - without excessive queuing)

10. Studio theatre

- 100-150 seat black box studio theatre
- At least 15x12m available when seating is stored to allow rehearsals for the main auditorium to take place
- Assuming retractable seating, overall dimensions approx. 12x18m not including 6x3m technical area behind the top level of seating
- Catwalks or Tension wire grid at 6m with 3m clearance above. Therefore a total height of 9m
- Sprung floor throughout
- Depending on venue configuration dedicated or shared dressing rooms with main auditorium
- Flexible seating configurations including end on and in the round, possible use of retractable seating. Wheelchair positions at back on balcony as well as at front of stalls.
- Depending upon seating decisions a store room of at least 6x3m is required to store additional chairs and equipment when the room needs to be cleared
- If the studio theatre is located on a different floor, a goods lift is required to load equipment/set from the loading dock. Minimum dimensions 4x2.5x2.5m. Intention to keep theatres on same floor
- Tension wire grid to allow easy access to the lighting rig, including for wheelchairs users
- 5.1 high level, rider friendly flexible sound system
- Adjustable lighting bars on rolling beams
- Appropriate dedicated lighting stock without the necessity to share with main auditorium
- AV infrastructure and multi projection options including an ultra-short throw onto a semi-permanent cyclorama
- 2 x motorised bars below tension wire grid at rear of end of performance area

- Curtain track with black wool serge drapes around perimeter of room that can be drawn in front of seating when not in use

11. Cinema

- At this stage there are number of issues to be resolved that would affect the design of the cinema:
- The use of open space and cafe bar. It is quite likely these will be central and serving all offers. To that end a brief for the F&B element of the cinema will need to come once the overall scheme is laid out. Ideally the F&B space will be shared, to optimise space utilisation. This will need still need the usual elements of F&B offer for a more niche/premium cinema (than mainstream) such as
 - Bar space – including beers on tap/wine range
 - Coffee
 - Chillers
 - Minimal prep area for food
 - Soft drink pythons
- We would not envisage this would need space for such traditional items as popcorn poppers etc
- Ability to sell tickets - a cinema this size would need 3 sales points, which should be combined with the sales points for the other areas
- Automated ticket collection points should be considered too
- The cinema will need an F&B and ticketing system which may be part of the overall scheme system
- Consideration will be needed for customer flow of cinema goers – up to 4 times a day and theatre goers – twice a day

The cinema

It is envisaged that the cinema will be 4 screens and auditoria of approximately 120/80/80/50 seats total 330.

The overall scheme will be open 7 days a week, 9am-11pm and the cinema will be similar to this, with typically 4 shows a day. The Arts Centre trust will operate the cinemas within its remit.

As programming will be a mix of key mainstream titles and more niche/ arts/events product, it is anticipated that the cinema will have a more even spread of custom than a more mainstream cinema (typically 70/30 weekend weekday).

Whilst the potential traffic numbers are quite low consideration still needs to be given to customer flow.

Given the opportunity to use the cinema for event cinema (theatre opera etc) and B2B (local businesses/community group) consideration needs to be given to the following:

- Largest auditoria to have a lighting rig, potential stage and audio equipment
- Wi-fi throughout
- Charging points for laptops etc
- Easy connectivity to projection
- Use of under crofts for break out space, multi-function room and/or catering space

Seating

- a stepping of 1.2m and seat width for “standard seating of at least 60 cm
- the rear two rows to be set aside for settees (standard size)
- all seats should be fixed not tip up
- detail and style to be finalised but consideration need to be given to:
 - durability
- stepping height ensuring all seats have an unrestricted view of the screen (top to bottom)
- there should be no centre access aisles
- Disabled location again dependant on the above but ideally 2-3 rows back, central cross aisle or front row (but not solely) with companion seating adjacent
- The UKCA (UK Cinema Association) guidelines on changing places should be adhered to.

Auditorium/screen/projection

- all auditoria should strive for “4th wall” screens i.e. the screen fills the wall
- all projectors should be housed within the auditorium – there is no need for a projection room – sound proofed/ventilated and cooled
- for reference we do not envisage using any technical offers ATMOS, IMAX, 4DX etc
- Detail on seat number and lighting to be advised once the overall concept is approved
- Fire escape doors to be at the sides (not behind or aside the screens)
- All auditoria need to be designed acousticallyAutomated screen masking
- Comfortable seating with generous leg room, accessible seating spaces in all screens at front and rear
- Shared projection gallery
- Acoustic treatment to ensure:
 - Right room acoustics for cinema projection
 - No noise in or out
 - No structure transmission
- 2K Projection (unless 4K process reduce the price further)
- 7.1 sound
- Depending on screen location access should be ground floor rear i.e. not byby the screenscreen
- Recommended horizontal and vertical viewing angles should be met
- Ideally all cinema auditoria will have a lighting rig, potential stage and audio equipment to ensure versatility.

Corridor space

Considering the points already highlighted on undercrofts the common space needs to allow space for:

- film quad and information posters
- directional signage
- escapes etc.

12. Load in and service areas

Designed to allow a 16.m artic lorry and 7m extra long wheelbase van to load simultaneously and stay in situ for a week if required
Adjustable height load in dock designed to allow direct access to stage without requirements for steps, lifts or ramps, ideally under cover or internal
Entrance designed to allow an artic to reverse from the main road if space isn't available to turn in the yard

Separate theatre load in to general building and bar deliveries (including cellar access), with space for daily library van deliveries through the service area
Parking for 4 cars/small vans in the service area

13. Rehearsal spaces/meeting rooms

It is anticipated that a number of [NEED NUMBER] versatile rooms will be provided. These should:

- be as flexible as possible to enable a range of different uses without significant set up/change over requirements
- have natural light in some of them
- suit a range of capacities (ie., not all the same size)
- be able to be easily serviced from the kitchen for provision of catering
- provision for storage

14. Office space

Office space 60m2 will be required for approx. 15-20 people, throughout the day. Flexible work space is preferred (ie., hot desking) but there should be 2 small meeting rooms (15m2 each) for private/quiet work/meetings. The office space should have considerable storage space for marketing materials, etc.

Staff kitchen

Staff toilets

15. Other technical requirements

- Controllable, flexible lighting throughout
- PA system throughout all public areas
- Digital advertising throughout the building
- Energy efficient heating and cooling which is zoned to allow all areas to be controlled independently of each other. The system should be responsive and easy to operate. There is an aspiration for the building to be energy neutral.
- Power and data throughout public areas, that will accommodate changing use of the building over time e.g.: accommodate the current increasing demand for power for personal mobile devices
- WiFi and high functioning IT throughout
- IT server room located near main office space

16. Building Information Management

The design process is required to meet BIM standards.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank