

MINUTES OF A MEETING OF THE
COUNCIL HELD IN THE COUNCIL
CHAMBER, WALLFIELDS, HERTFORD ON
THURSDAY 18 JANUARY 2024, AT 7.00 PM

PRESENT: Councillor C Horner (Chairman).
Councillors M Adams, E Buckmaster,
R Buckmaster, P Boylan, C Brittain,
M Butcher, I Devonshire, S Bull, V Burt,
R Carter, N Clements, M Connolly,
S Copley, N Cox, B Crystall, A Daar,
B Deering, T Deffley, J Dumont, J Dunlop,
Y Estop, M Goldspink, C Hart, G Hill,
D Hollebon, A Holt, S Hopewell, T Hoskin,
D Jacobs, S Marlow, S Nicholls, A Parsad-
Wyatt, C Redfern, V Smith, T Stowe,
M Swainston, J Thomas, R Townsend,
S Watson, D Willcocks, G Williams,
G Williamson, C Wilson, F Woolf, J Wyllie
and D Woollcombe.

OFFICERS IN ATTENDANCE:

Richard Cassidy	- Chief Executive
James Ellis	- Head of Legal and Democratic Services and Monitoring Officer
Steven Linnett	- Head of Strategic Finance and Property
Katie Mogan	- Democratic Services Manager

290 CHAIRMAN'S ANNOUNCEMENTS

The Chairman reminded Members to use their microphones when speaking so they could be heard on the webcast.

The Chairman thanked Members for wearing their festive jumpers and contributing to the charity collection at the December meeting and said it raised over £100.

291 LEADER'S ANNOUNCEMENTS

The Leader thanked Members for attending the extraordinary Council meeting in the cold weather. He thanked the officers involved for their efforts in getting the report ready for the meeting.

292 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Andrews, Glover-Ward and McAndrew.

293 DECLARATIONS OF INTEREST

There were no declarations of interest.

294 HERTFORD THEATRE OPTIONS

The Executive Member for Wellbeing presented the report to Members. She said that the development was proposed and agreed in 2018 with work commencing on the Hertford Theatre in 2022. There had been a culmination of factors causing the increase in the

contract price such as energy prices and inflation increases. She said that other projects across the country had faced similar pressures and the recommendation for a further £6 million for the Theatre had not come lightly. It was a significant sum of money and the administration had explored multiple options to reduce costs such as not opening one of the cinemas and not fitting out the studio but although each option made savings, it would also mean a loss of revenue on completion.

The Executive Member for Wellbeing said that alternative funding and longer-term income generation options had also been explored but these would take a number of months to be realised and further delays now would risk further cost increases down the line. She felt that the additional spend on the project represented good value for money as the project was close to completion and when the Theatre opened, it would be able to pay back the money borrowed so far.

Councillor Hopewell proposed that the recommendation in the report be supported. Councillor Daar seconded the proposal and reserved her right to speak.

Councillor Hollebon referred to page 12 of the report which noted that £6million of council assets would be sold to fund the extra spend on the theatre. She asked if these had been identified and felt Members should be given an opportunity to discuss which ones were to be sold.

Councillor Crystall said that a list of assets had been identified which totalled £10 million. He had asked each Group Leader to nominate a Member from their group to get a reference group together to discuss the assets identified and feedback to the Executive.

Councillor Devonshire said that it was a buyers' market currently and was concerned that assets could be sold at rock bottom prices.

Councillor Brittain said that the assets had valuations on paper but did not know yet what they could achieve on the open market. He said the process could be reviewed if the assets did not reach their valuations. He said the whole list was £10 million so did not think it would be an issue to achieve £6 million.

Councillor Deffley asked about the timeline for the sale of the assets. He said if they were not sold before the money was required, it would have to be borrowed therefore increasing costs associated with interest repayments.

Councillor Brittain said it would depend on timing, but the council also had use of short term deposits to fund it if necessary.

Councillor Goldspink said that she would support the recommendation but with a heavy heart. She said she was angry that the previous administration had left the council with financial problems because they were over ambitious for embarking on many capital projects at the same time funded by borrowing. She said that the Liberal Democrat group warned the previous

administration that it was unwise to embark on so many projects at once and said they had been proved right. Councillor Goldspink said she was sad and angry for the residents of Bishop's Stortford whose own arts project had been paused. She said she was a councillor for the whole district, not just Bishop's Stortford so the work had to be completed and the Council had no choice but to approve the additional spend.

Councillor E Buckmaster thanked Councillor Hopewell for her fair and objective overview of the situation. He said that the aim for the capital projects was to make a revenue contribution to the council. The leisure centres had previously been subsidised and were largely self-funded in the earlier stage of the programme. He said the cost to demolish and rebuild the theatre was £40 million but with current price increases would be now £60-65 million. He said that many Members had been on a tour of the theatre and the officers had great enthusiasm for the project. There would be flexibility in the use of the building, and he felt that it would become a regional facility. He said that Hertford Theatre represented amazing financial and social value to help improve the cultural and mental wellbeing of residents.

Councillor Redfern said she had always felt the project was very ambitious and it was on record that she had never approved of the project from the start. She said that it was obvious that costs were going to keep increasing. She said that the project now had to be finished to ensure it was a success. She said the council were in this situation due to the poor misjudgement of the previous administration and

understood the difficult position that the current administration were now in. She said she had no choice but to vote for the recommendations.

Councillor Carter said she understood the frustrations around the delay and rising costs but felt that the theatre would be a great benefit to the district to bring people together. She said that the theatre would be an inclusive and welcoming space.

Councillor Burt said that it was great to see how passionate officers were about the project and was pleased to see that it would support vulnerable and disabled people. She acknowledged that the additional money was large but felt the district had to come together and for councillors to have a positive attitude and to champion the theatre.

Councillor Nicholls said that the people of Buntingford had asked its councillors to vote against tonight's recommendation and demand the funds were put towards the Ward Freman pool instead. She said these were two separate issues and felt it was important to agree the additional funding as she had seen first-hand the effect of closing community assets had had. She said that the East Herts Wellbeing action plan had linked arts and cultural to health and improving wellbeing. She said that the theatre would bring people together to enjoy themselves and not agreeing the additional funding would be a missed opportunity to invest in residents' lives.

Councillor Clements said he recognised the work that Councillor Hopewell had done on the project since

taking her position as Executive Member. He referred to paragraph 4.1 of the report which said it was imperative that the theatre should run as a commercial enterprise for profit. He asked for clarification that this would not mean a reduction in spaces available for community groups. Councillor Clements also said he had asked for further detail on the business plan which had not been forthcoming and therefore felt uncomfortable voting for these proposals.

Councillor Hopewell said that a pricing strategy was set out earlier in the year and the theatre must make money and pay its way. She said the offer would be reviewed to ensure it is as fair as it could be. She said that there would be exciting work taking place with community groups, schools, colleges and groups with additional needs.

Councillor Wyllie said that the administration was selling 80% of the Old River Lane site for £2.7 million and asked for assurances that this money would not be used to finance Hertford Theatre.

Councillor Brittain said it did not work like that and said the sale of assets and expenditure on the theatre were separate.

Councillor Marlow asked if there would be any more money required for the theatre after this £6 million had been approved. He also noted that Harlow had just received an investment in a new arts and cultural centre which may attract visitors from Bishop's Stortford and Sawbridgeworth as the public transport

was better to Harlow than Hertford.

Councillor Brittain said that he could not be certain that there would be no more money required for the theatre but said as the project nears completion, the expenditure required would get lower as time progressed. He said that the theatre was due for completion in May which did not leave a lot of time for prices to rise dramatically. He said he was reasonably comfortable after a thorough review by officers that the £6 million would be enough to complete the theatre.

Councillor Copley said she would be voting for the recommendations as it was the least bad option. She said the arts were very important but said the Old River Lane project in Bishop's Stortford had to be paused because of the costs. She said she agreed with Councillor Wyllie about the proceeds of the site sale to fund the theatre and said she was disappointed that the spend was not being spent in Bishop's Stortford any time soon. She said that it was difficult to get to Hertford from Bishop's Stortford on public transport and said the council needed to think about how it was made accessible to the whole of East Herts.

Councillor Woolcombe said that the council were being asked to vote to give the project extra money or face the bankruptcy of the council. He said that an arts centre was a great enhancement to the area, and he hoped that a group or external experts would be brought in to make sure the business plan worked.

Councillor Estop said she agreed that this was an

exciting project and would be an important regional asset with economic and cultural benefits for the area. She felt that the situation remained unresolved at the moment with the uncertainty around the sale of assets. She said she was concerned about the council's loss of rental income from the premature evictions of Charringtons House and there was incomplete work on the fundraising initiatives such as the sponsorship of seats. She said she also shared Councillor Goldspink's dismay about the management of the project.

Councillor Williamson said he understood from the report that there was a maximum guaranteed price on contract meaning there was a cap on any other increases in the budget.

Councillor Brittain said that maximum guaranteed price related to the GPF Lewis contract costs. He said there were potential non-construction costs that could increase.

Councillor Brittain said that it made financial sense to finish Hertford Theatre. He said that the business case was an estimate, and the council would have to wait and see what income was generated and react and deal with situations as they arose. He said there was disquiet in the community about the project but felt the wider picture needed to be considered. The project would bring a brand-new facility to the district which would enhance lives locally and bring financial benefits to the council.

Councillor Dumont said that paragraph 4.4 warned

Members that not approving the recommendations would put the council at risk of going bankrupt. He said the Liberal Democrats had made the point over the last administration that the capital programme was hugely ambitious and would have potentially negative consequences. He said when the administration presented their budget at the next meeting, there would be huge savings to be made and cuts to services which had been caused by the ambition of the last council.

Councillor E Buckmaster responded to Councillor Dumont's comments. He said that paragraph 4.4 related to a breach of contract and said the previous administration was not responsible for inflation. He said the council needed to make the best decision based on the current circumstances.

Councillor Wilson said he wanted an arts centre in Bishop's Stortford and the Old River Lane project was not sorted. He said that he had to do what was best for the council and the whole district. He stated that the contract was agreed with the risks of inflation on the council not the developer meaning extra borrowing costs. He said the council would make the theatre work and there was no alternative.

Councillor Horner proposed and Councillor Watson seconded, a motion that pursuant to Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the business referred to in Appendix 1-3 on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 3 of

Part 1 of Schedule 12A of the said Act.

After being put to the meeting and a vote taken, the motion was declared CARRIED.

RESOLVED – that pursuant to Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the business referred to in Appendix 1-3 on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the said Act.

Full details in the restricted minutes.

The meeting returned to Part 1 discussion.

Councillor Deering said that there had been a good debate on the item but said it was a shame that an extraordinary meeting had to be called. He said it was peculiar to sell £6 million of assets without knowing what they were although acknowledged the request sent to the Group Leaders. He said his group were broadly supportive of the proposal, this was a project that the previous Conservative administration initiated. He thanked Councillor Hopewell for her balanced comments and agreed with other comments about the value of the arts and benefit to East Herts and the economy.

Councillor Deering said that he disassociated his group from the comments made by Councillor Goldspink about financing the projects through borrowing, he

said that was not true and the budgets were balanced every year and signed off by the Section 151 Officer. He said if the only criticism was being over ambitious, he was happy to take that on board. He said that his group would be voting in favour of the proposals to support the completion of the project.

Councillor Crystall recognised the concerns of Members but said it was important to look ahead to the incredible benefits the theatre would bring. He said the council would try hard to pull in people from round the district and beyond and push the County Council to get better transport links. He said this project was about investing in towns which was so important and many businesses in Hertford were looking forward to the additional footfall the theatre would bring. He said the council should come together to support the recommendations.

Councillor Parsad-Wyatt said that councillors not only represented residents but should also lead the communities. He said that the public watching or reading comments from some councillors projected a negative opinion of the theatre. He said that the council had to move forward, and residents needed to hear more about how great the facility would be, instead of calling it over ambitious. He said all parties should celebrate the opening of a great facility.

Councillor Butcher said his family had a long history in the arts and was a strong supporter of the subsidised arts. He said he would not be able to vote for these recommendations because of the representations he had received from people involved in the arts in Ware.

He asked if it was absolutely essential that the council had to vote on it at this meeting and felt councillors should be given more information before making a decision.

Councillor Daar said this was a serious decision for the council. She said as a resident of Hertford, she had always found it difficult to get tickets so was optimistic that it would be successful when it opened. She felt there had been a good debate on the topic and said she supported the recommendations and said it was the right decision for all the residents of East Herts.

The motion to support the recommendation having been proposed and seconded was put to the meeting and upon a vote being taken, was declared CARRIED.

RESOLVED – That (A) the potential scenarios for the completion of Hertford Theatre be reviewed and the recommended scenario be approved and;

(B) any associated additional funding be authorised (£6,095,000 to enable the completion of the Theatre development, as originally intended.)

The meeting closed at 8.30 pm

Chairman
Date