

MINUTES OF A MEETING OF THE
EXECUTIVE HELD IN THE COUNCIL
CHAMBER, WALLFIELDS, HERTFORD ON
TUESDAY 5 SEPTEMBER 2017, AT 7.00
PM

PRESENT: Councillor L Haysey (Chairman/Leader)
Councillors E Buckmaster, G Jones,
G McAndrew, S Rutland-Barsby and
G Williamson.

ALSO PRESENT:

Councillors A Alder, M Allen, P Ballam,
P Boylan, S Bull, M Casey, M Freeman,
J Goodeve, M McMullen, T Page, M Pope,
L Radford, P Ruffles and T Stowe.

OFFICERS IN ATTENDANCE:

Sandra Huntingford	- Assistant Revenue Manager
Martin Ibrahim	- Democratic Services Team Leader
Graeme Reid	- Revenues Manager
Helen Standen	- Director
Alison Stuart	- Head of Legal and Democratic Services
Adele Taylor	- Director
Liz Watts	- Chief Executive

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**BUSINESS RATES REVALUATION SUPPORT SCHEME
2017/18 – 2020/21**

**The Executive Member for Finance and Support Services
submitted a report seeking approval for the Business
Rates Revaluation Support Scheme for 2017/18 - 2020/21.**

Following the Government's national revaluation on all commercial premises in England and Wales, all such premises in the District had been assigned a new 'rateable value' by the Valuation office agency. With effect from 1 April 2017, many businesses in the District had a higher business rates bill and so the Government had announced £300m of extra funding for local authorities to provide discretionary relief to those businesses facing increases in their business rate bills following the revaluation. The Executive Member proposed a scheme for determining how this extra funding would be allocated.

The Executive recommended the proposed scheme as now detailed.

RECOMMENDED – that the Business Rates Revaluation Support Scheme as now submitted, be approved.

138 LEADER'S ANNOUNCEMENTS

The Leader welcomed Members and the public to the meeting and reminded everyone that the meeting was being webcast.

The Leader referred to the recent sad news that Honorary Alderman Clive Hodson-Smith had passed away as a number of Members had attended his funeral earlier in the day. A formal tribute would be paid at the next Council meeting.

She also advised that the running order of the agenda would be amended to accommodate visiting Officers and to allow for the exclusion of the public from Minute 142 – Approval of Property Investment Company Business Plan and Case for Incorporation of the Company, should the need arise.

139 MINUTES

RESOLVED – that the Minutes of the Executive meeting held on 27 June 2017, be approved as a

correct record and signed by the Leader.

140 DECLARATIONS OF INTEREST

In respect of Minute 141 – Investing in Culture in Hertford, the Leader advised that she was a Director of the Hertford Arts Hub and would not participate in the Executive’s consideration of this matter. Although not a disclosable pecuniary interest, she would leave the chamber for this item.

141 INVESTING IN CULTURE IN HERTFORD

The Leader of the Council left the chamber for this item and the Deputy Leader assumed the chair.

The Executive Member for Health and Wellbeing submitted a report detailing various schemes that were being considered by both the Council and other partners relating to the cultural offer within Hertford. These fell into three main projects, which if considered individually might not stack up on purely financial terms. However, by wrapping the projects together they could deliver much greater benefits for Hertford and the wider area overall. Given the proximity of the projects to each other there was a potential of establishing a “Cultural Quarter”, an area within the town that could have a positive benefit on each other and beyond.

The Executive Member proposed that the opportunity to invest in two of those projects through the use of New Homes Bonus reserve, be utilised. He detailed the schemes relating to the Arts Hub and Courtyard Arts.

In response to various comments, the Executive noted the development of an over-arching Cultural Strategy for the District.

The Executive approved the proposals now detailed.

RESOLVED - that (A) the use of New Homes Bonus reserve funding to provide seed funding of up to £20k to the Arts Hub to enable more detailed scope and

design work to be undertaken, be approved; and

(B) the use of New Homes Bonus reserve funding to provide a contribution of up to £100k towards the cost of building works to expand Courtyard Arts as per the planning permission already granted, be approved, subject to the rest of the project funding being raised to allow the full project, as outlined, to go ahead.

At the conclusion of the Executive's consideration of this matter, the Leader returned to the chamber and assumed the chair.

142 APPROVAL OF PROPERTY INVESTMENT COMPANY
BUSINESS PLAN AND CASE FOR INCORPORATION OF
THE COMPANY

The Leader advised that should it be necessary, the press and public could be excluded from the meeting, if Members wished to make any detailed reference to the exempt information in Essential Reference Papers 'B' – 'D'.

The Executive Member for Finance and Support Services submitted a report presenting the strategic and financial business case for establishing a Property Investment Company, wholly owned by East Herts Council, for the purpose of generating revenue and capital income. He reminded the Executive of previous deliberations by Scrutiny and the Executive which had helped refine the proposals and focused on transferring the Council's five residential properties before considering further acquisitions.

The Executive Member also detailed the proposed governance arrangements for the company and asked the Executive to note that a report on the finalised business plan and the allocation of funding would be submitted to Council in due course.

In response to Members' comments and questions, Officers clarified the proposed governance arrangements and the ability to call on external skills when needed. The Council's

Constitution set out the circumstances in which the Leader's responsibilities could be exercised by the Deputy Leader. Officers also advised that the initial structure could be adapted over time as the company developed and emphasised that Council would still have overall control.

The Executive approved the proposals now detailed at recommendations (A) – (M) and supported the recommendations detailed at (N) – (Q) to Council.

RESOLVED - that (A) the strategic and financial business case (presented in paragraphs 1.10 – 1.21 of the report submitted) for the proposed Property Investment Company be approved;

(B) the Memorandum and Articles of Association, appended in draft form to the report submitted, be approved in principle with final approval delegated to the Executive Member for Finance and Support Services acting in consultation with the Head of Housing and Health and Head of Legal and Democratic Services;

(C) the Shareholder Agreement, appended in draft form to the report submitted, be approved in principle with final approval delegated to the Executive Member for Finance and Support Service acting in consultation with the Head of Housing and Health and Head of Legal and Democratic Services;

(D) the Property Investment Company, to be called Millstream Property Investments Limited, be incorporated as a company limited by shares wholly owned by East Herts Council;

(E) authority to complete and submit the necessary documentation for incorporation be delegated to the Head of Legal and Democratic Services;

(F) East Herts Council's full Council assumes the role of Shareholder of the company;

- (G) authority to determine a Shareholder representative to attend general meetings or enter into communication with the company in place of such meetings be delegated to the Leader of East Herts Council;
- (H) a Shareholder Advisory Group of three elected Members of East Herts Council be established with the purpose of advising the Council when exercising its role as Shareholder, with advice provided by senior officers of the Council;
- (I) the identification of members of the Shareholder Advisory Group be delegated to the Leader of East Herts Council;
- (J) the composition of the company's Board of Directors to be, in the first instance, three Core Directors who shall be officers of East Herts Council, with up to an additional three directors appointed at any time in the future as Independent Directors selected for their relevant expertise and experience;
- (K) authority to nominate the Core Directors be delegated to the Leader of East Herts Council acting in consultation with the Chief Executive;
- (L) authority to nominate the Independent Directors be reserved by full Council acting in its role as Shareholder; and
- (M) the key outputs of latest draft initial 30 year business plan, covering the purchase and management of the Council's existing five residential properties, included in Essential Reference Paper 'D' of the report submitted, be noted.
- (N) the initial 30 year business plan be finalised for presentation to full Council in due course in support of the allocation of capital resources;

(O) the Executive recommends to full Council that the Council provides the company with a State Aid compliant loan and equity investment in line with East Herts Council's existing financial policies, subject to Council's approval of the company's 30 year business plan;

(P) the Executive recommends to full Council that the four council-owned properties in Bishop's Stortford known as 1 Old River Lane, 2 Old River Lane, 3 Old River Lane and Castle Bungalow, Castle Gardens and the council-owned property in Hertford known as 6 Water Lane are disposed of to the company, subject to full Council's approval to release capital for equity and loan funding; and

(Q) once the company's initial 30 year business plan has been submitted to and approved by the Council, and subject to full Council's approval of funding, the company may start trading.

143 REQUEST FOR AREA DESIGNATION FOR
NEIGHBOURHOOD PLANNING: THUNDRIDGE,
THUNDRIDGE PARISH COUNCIL

The Leader of the Council submitted a report seeking approval for the designation of a neighbourhood area for Thundridge, as detailed on the plan attached to the report submitted.

The Executive considered the application made by Thundridge Parish Council and the consultation undertaken. The report submitted detailed the main areas of consideration in determining the application in accordance with Schedule 9 of the Localism Act 2011.

The Executive approved the recommendations now detailed.

RESOLVED – that the application for the designation of a Thundridge Neighbourhood Area, submitted by

Thundridge Parish Council, be supported.

The meeting closed at 7.34 pm

Chairman
Date