**HEREFORD CITY COUNCIL**

 **MINUTES OF MEETING OF FINANCE AND POLICY COMMITTEE**

**Committee Room, City Council Offices, Town Hall Hereford**

**Tuesday 17th October 2017 at 6.00 pm**

**PRESENT**: Councillors Boulter, Edwards, Hey, Lloyd-Hayes, Nicholls, Rone, Stevens, Tawn, Wilcox and Kenyon.

**IN ATTENDANCE:** Steve Kerry - Town Clerk, Lesley Robinson - Administration, Finance and Information Officer.

**FP2017/18.45 APOLOGIES FOR ABSENCE**

Cllr Dykes

**FP2017/18.46 APPOINTMENT OF SUBSTITUTES**

Cllr Kenyon for Cllr Dykes – Cllr Kenyon was not present.

**FP2017/18.47 DECLARATIONS OF INTEREST**

None

**FP2017/18.48 MINUTES OF THE LAST MEETING**

Under minute 41 it was noted that it was the Clerk who would be seeking a quote for bulk purchase of litter bins with storage until they are needed, and not Councillor Wilcox. With that amendment it was proposed by Councillor Stevens, seconded by Councillor Wilcox and

**RESOLVED:**

**That the minutes as amended of the meeting of 5th September 2017 be accepted as an accurate record and signed accordingly.**

**FP2017/18.49 SCHEDULES OF PAYMENTS**

The Clerk presented schedules of payments made since the last meeting, noting that there had been some doubt about the completeness of the return for July so it was added in full here to ensure all items had been reviewed.

One query had been logged concerning the item for fixing plaques to the Council Chamber walls which seemed extremely expensive. This was because the system only prints the first line of the invoices used to make a payment, which had been for this item. The same cheque had covered a quarterly payment for CCTV and a payment of service charges at the Town Hall.

On the issue of litter bins raised at the last meeting the Clerk reported that he had met with Richard Ball of Herefordshire Council and Laura Lloyd of BBLP and this was being actively reviewed to see if a deal could be done to reduce costs of replacement. Members also identified some queries about missing bins to be followed up with BBLP.

 The schedules were then noted.

**FP2017/18.50 BANK RECONCILIATION**

The Clerk presented the current bank reconciliations, drawing members attention to the confirmation that £200,000 had been invested in units of the Local Authorities Property Fund through CCLA. It was noted that this would be reviewed at the end of the financial year to see if the state of the reserves would allow for a further £100,000 to be invested.

The reconciliations were then noted.

**FP2017/18.51 REVENUE BUDGET MONITORING REPORT UP TO 30TH SEPTEMBER 2017**

The Clerk introduced the report and advised members that the broad position is that with half the year gone the Council is projecting to spend within its budget, with no significant surplus or deficit. As most cost centres were on target he had not added the working papers for each centre as they would not add to the overall picture. He would be reviewing the structure of the budgets for next year to see if it could be made more transparent for members and the public.

In answer to questions it was noted that there is still no progress from HALGS on the allotment lease and the Clerk was asked to remind them of the need to progress this now the Rockfield flooding was being resolved. It was also noted that the pay cap on public sector salaries may be about to be removed, although there was some scepticism about how far the government would allow this to be incorporated into council tax levels and their own funding of local government. At the moment the accountants are working on an assumed 1% increase.

Councillor Wilcox reminded the Clerk that his ward is College not College Hill and asked again for this to be corrected in the ward reports.

**FP2017/18.52 KEY PROJECTS UPDATE**

The Clerk presented a report concerning the city walls and the duck pond, also known as Castle Pool. The attention of the Committee was drawn to the proposals for cleaning the pond and for keeping it freer from algae than this year. The wall restoration was a long-term project with many interests and partners and progress would therefore be slow.

It was noted that a sum of between £3-5,000 is likely to be sufficient to install pumps to oxygenate the water which will help with the algae and general water health. Members discussed the various options for maintaining a healthy pond and the importance of getting appropriate technical advice before committing expenditure. The history of the ownership of the pond was also noted, it is now with Herefordshire Council. It was noted that Castle House Hotel had agreed to pay for the electricity to operate the pumps and that the local vets had put up signs about how to feed ducks properly to avoid excess yeast feeding algae. The ward member had funded the repainting of the railings from his ward budget.

The terms for supporting a voluntary body to adopt and care for the pond were also discussed, the City Council would not at this stage be willing to take full responsibility for maintaining it, it would be far better to work with either the Friends of Castle Green if they expand their operations or a new group specifically concerned to maintain the pond.

It was then proposed by Councillor Edwards, seconded by Councillor Stevens and unanimously

**RESOLVED:**

**That the Committee** **authorises the Clerk to spend up to £5,000 from the open spaces budget to purchase and install pumps to oxygenate the water, and other measures to achieve the same end, having taken appropriate technical advice as to what measures will be most effective and how many pumps would be needed.**

**That the Committee acknowledges the offer from the Castle House Hotel to supply the electricity and the support of the local veterinary practice in paying for signs and includes them in any publicity about improvements to the pool.**

On the city walls, members noted the spike in social media comment about the poor state of the walls especially at Gunners Lane where one section seems in imminent danger as a result of weeds penetrating deeply into the structure. It was also noted that Historic England had been contacted through Herefordshire’s Conservation Officer who was aware of the Council’s interest in progressing some urgent works to safeguard and then enhance the asset. In time work would be done to stabilise structures, clear undergrowth to make more of the walls visible, organise lighting to show the walls at night, and develop both signage to assist tourists and a walking guide using a phone application for visitors. Cllr Tawn welcomed the enthusiasm for doing something about this major part of the city’s heritage which lies within his ward but also noted that previous efforts had been piecemeal in their effects due to the complex ownership issues, the lack of interest in some owners in the asset they hold and some remarkably poor planning decisions in the past which had allowed inappropriate building near, and even on, the walls.

The section of the report referring to the walls was noted and further reports will be brought to Committee as the initiative develops. Contacts would be made (or developed if made already) with former County Archaeologists and members were recommended to read the copious reports available on Herefordshire Council’s website.

**FP2017/18.53 BUDGET FOR 2018/19 – POLICY DIRECTION**

The Clerk introduced the report and explained that this was the first stage in budget preparation, to gauge members’ views about what level of increase they might wish to see and what activities the Council might undertake in future. He reminded members that the Council carries substantial reserves which enable it to take on an initiative part way through the financial year and then to fund ongoing work through a revised budget after the first year of operations. The tax based had increased year on year for some time now and in increase of around 1.5% was likely but this would not be known until Herefordshire declare it, and that is likely to be mid-December at the earliest. The Clerk confirmed he would not present a final report to Council to set the precept until the tax base was known so members would have the full information on the effects of their decision before making it.

In discussion, members noted that we have no clarity yet on Herefordshire’s spending on non-highway footpaths which we have suggested we could take responsibility for. It was also noted that many parishes arrange for an additional early season grass cutting to supplement the BBLP programme funded by Herefordshire. Finally, members noted that inflation is now at 3% and may rise further depending which economic projections turn out to be right. They also noted that work on the Town Hall frontage is very unlikely before March 2018 and we have already agreed not to consider taking over the building until that is certified as complete by our professional advisers. Any handover would therefore be mid 2018/19 at the earliest, more likely with effect from 2019/20.

Members noted that past increases of around 5% have caused very little adverse comment because the cash value is so low and it tends to get hidden in the much larger figure from Herefordshire Council even if that only goes up by 1.9% as last year. Incremental increases are easier to cope with than a sudden major hike to account for services taken on from Herefordshire and demand for this will not abate as government cuts affect the County with every increasing severity.

It was proposed by Councillor Stevens, seconded by Councillor Wilcox and

**RESOLVED:**

**That a budget be prepared for a precept increase of 3%, with the tax figures to be adjusted when the tax base change is known, to enable the Council to keep pace with inflation.**

**FP2017/18.54 ITEMS FOR FUTURE MEETINGS**

 **Key Projects Update** - Noted that the key projects update is now a rolling item.

**Budget process for 2018/19** - A draft budget for next meeting on 21st November with a view to a report to Council for 5th December, with a decision postponed if the tax base is not ready.

**FP2017/18.55 DATE OF NEXT MEETING**

Tuesday 21st November 2017 at 6 pm

The Chairman closed the meeting at 7.19pm.

Signed ……………………………………………………………………………

Dated ……………………………………………………………………………