

HEREFORD CITY COUNCIL

MINUTES OF MEETING OF THE FINANCE AND POLICY COMMITTEE

The Committee Room, City Council Offices, Town Hall Hereford

Tuesday 4th September 2018 at 6 pm

PRESENT: Cllrs Butler, Dykes, Edwards, Lloyd-Hayes, Rone, Stevens (Chair), Tawn (Vice Chair) and Wilcox.

IN ATTENDANCE: Steve Kerry (Town Clerk), Lesley Robinson (Administration, Finance & Information Officer).

At the start of the meeting, the Chair reminded all present of the fire evacuation procedure.

FP2018/19.35 APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllr Michael.

FP2018/19.36 APPOINTMENT OF SUBSTITUTES

There were none.

FP2018/19.37 DECLARATIONS OF INTEREST

There were none.

FP2018/19.38 MINUTES

It was proposed by Cllr Edwards, seconded by Cllr Dykes and

RESOLVED:

That the Minutes of the meeting of Finance and Policy Committee, held on 17th July 2018, were agreed as an accurate record and signed accordingly by the Chairman.

FP2018/19.39 SCHEDULE OF PAYMENTS

The Clerk presented schedules of payments made since the last meeting of the committee.

The Clerk explained that the schedules covered everything for May, June and July but we did not have bank statements yet for August.

In answer to members' queries:

- The RBS Procurement Card showed a payment for a TV from Curry's for the civic museum which the Clerk confirmed had now been installed.
- Two payments were shown on 10/05/18 for Herefordshire Council (£108.53) and Radbourne's (£417.60) with both amounts also listed further down as minus entries. This was due to accounting errors, having been wrongly entered in the payment card list rather than the cheque list, therefore, any incorrect transactions needed to be taken out of the system and reversed so they would effectively show up as a refund.
- The payment to Mr Wain on 23/05 of £1,480.00 for allotments work was higher because it had covered some additional work done in respect of hedge cutting and the war memorial however, Mr Wain had continued to provide cheaper rates overall than anyone else.

The Clerk confirmed that the Hereford Allotments and Lawn Growers Society had constituted themselves and he would be meeting tomorrow with them, along with Cllr Bushkes, to determine if they would become a CIC or CIO. Cllr Stevens had also been invited to that meeting but would not be attending as there were some issues to be dealt with first.

During members' discussion there was mention that the lease must be signed by HALGS before the end of this calendar year and the Clerk responded that he would put this forward at the HALGS meeting.

Members felt that work carried out on the allotments by Mr Wain was very good value for money but some of the bigger jobs could pose problems, e.g. hedge cutting required the use of a tractor. The Clerk confirmed that the hedge was on our land and that this issue would be brought back to Committee at some point in the future.

There were no more questions and members noted the payment schedules.

FP2018/19.40 BANK RECONCILIATIONS

Members received bank reconciliations of the Council's bank accounts up to 31/07/18.

The Clerk explained that, having resolved previous issues, the Finance Officer now routinely checks the opening and closing balance and should it not reconcile with any figure on the bank statement, the Finance Officer would change how this was done to ensure the schedules were ready for Cllr Wilcox to sign.

In response to one query on an entry, the Clerk advised that Mr D Mumford was one of the City Council's Liveried men.

Members noted the schedule.

FP2018/19.41 KEY PROJECTS UPDATE

Before presenting his report and recommendation in consideration of facilities management issues from proposed take over of the Town Hall, the Clerk reported a brief oral update on two other key projects, as follows:

- **The New University of Hereford** - There was some uncertainty with this project at the moment. The Clerk had met with developers and the campus Development Officer regarding property to be used for the campus teaching building and for student accommodation. NMITE had not secured any other sites yet or purchased buildings for this use. They had enrolled some students for 2020 and needed somewhere for them to be accommodated. The Clerk also attended a discussion workshop with NMITE which included Officers of Herefordshire Council and the Clerk had asked if it was appropriate for him to attend. There had later been an email leak which stated that the meeting was cancelled, Barry Lucas had resigned and he would not be responding to emails. The Clerk expressed that there would be implications following this and the situation looked a little worrying.
- **City Walls** – The Clerk reported that Hereford City Council had not received a positive response for securing any funding for this project, as one of the unsuccessful applicants in the City of Culture bid. One member mentioned there was a possibility that Highways England may help with some funding for repairs and Herefordshire Council would be meeting with them imminently.

The Clerk then presented a brief overview of his requested report and update on the **Town Hall key project** which listed the issues faced by City Council in the event of the asset transfer going ahead. He informed members as follows:

- The preparatory scaffolding compound had been built and there was now a lot of preliminary work to be done before the contractors would know how much of the façade needed to be replaced. The scaffolding would be in place for approximately another six months with the project due to finish at the end of March 2019, and the Clerk would be liaising with the architects, Hook Mason. There had been no response as yet from Herefordshire Council regarding inclusion of the car park in the terms of the asset transfer to City Council.
- Following the recent retirement of Geoff Hughes (Herefordshire Council's Director of Corporate & Community Services), the Clerk had received email notification of a nominated interim officer to fill the role, (who was not the interim Director, Richard Ball), however, the Clerk would be dealing with Andrew Lovegrove, Chief Financial Officer for Herefordshire Council.

Members discussed all the aspects covered in the Clerk's report in some detail and shared several views:

- Car Park - Disappointed that five weeks on, no answer was forthcoming from HC regarding inclusion of car park in the asset transfer.
- Repair Work - The importance of CC's architects being involved with the repair work being done to the front of the building. Also, a key element is life expectancy of the repairs.
- Joint Working - CC needed to be much closer to what was being proposed by HC and must work together with HC to maintain good working arrangements and enable sound decisions on behalf of the public to benefit Hereford's citizens.
- Clean Break Option - Prior to the asset transfer, CC needed to seriously consider a complete separation from HC regarding future day to day management of the Town Hall, to avoid any future arguments between both councils over shared operating costs of the Town Hall and No 8 wing building. Suggested CC determines approximate figures on completely separate running costs for the two buildings, provided the demand on officer time could accommodate.
- Other ideas - Consider CC taking over both buildings and have a commercial tenant in No 8 wing building next door who would pay associated running costs.
- Consider residential development for No 8 - CC would not be in control of the building and could gain financial and social benefits. Otherwise, this could be a missed opportunity.
- CC may need an SLA with HC if retaining any shared facility management arrangements.
- Ultimately, CC should have control of the Town Hall building managed by our own staff - Could consider incorporating some day to day duties into the roles of Mayor's Officer and Mayor's Secretary - Guild of Guides and Liveried staff could also be approached, e.g. to do some front desk reception duties during events.
- Could sell off on-site parking machines and lease off car parking spaces for approx. one year to get over this issue - Huge opportunity to have a fixed income.

Members echoed that they would like to see complete separation from HC, particularly as No 8 building could fall into the hands of a private organisation and would no longer be a public building. However, some systems could not be separated out, e.g. water, therefore a practical view should be taken on what needed to be done initially and the Clerk was asked to obtain fire risk assessments for both buildings to ascertain feasibility.

City Council had originally ruled out taking on the wing buildings following previous advice from local Estate Agents that office space was very difficult to let and substantial work was needed on No 8 wing building. A member suggested that the Clerk make fresh enquiries to that effect to see if anything had changed and check with several parties who are interested in letting office space to find out whether or not that would be a viable option. In response, another member felt it would be a major shift and would not support City Council taking on the wing buildings without knowing exactly how much of a liability that would present. There were also broadband issues to consider and with so many options on the table Committee felt they must not be too hasty as it was too soon to make any decisions.

It was proposed by Cllr Lloyd-Hayes and seconded by Cllr Tawn that the Clerk explores the option for taking on the wing building No 8, obtains surveys to establish the cost of putting the building right and brings the information back to the next committee meeting for members to consider.

The Clerk advised members that this proposal would need to be referred to full Council. Wing buildings increased the risk and the scale of the site we needed to survey so would make a lot of difference and profoundly affect what City Council had originally said we wanted to take on, i.e. the Town Hall building only. It also depended on how major the works needed on No 8 would be and this would need to be taken very carefully through our legal and financial processes.

Insurance would greatly increase and the Clerk wanted to make sure we had an absolutely clear and robust system around the fire alarms. We needed good working arrangements to ensure there were fire wardens to cover Hereford Council's areas and that they would work together with us.

The Town Hall building could not be managed by remote control and required an on-site person to look after maintenance etc. It would be a Governance and Procedures Committee decision to appoint and create the appropriate job specification for the post. It was not feasible to open up the Town Hall building to hire out rooms without a custodian on site and committee must seriously think about how to deal with those issues. Room hire was a simple matter of a straight forward administration procedure using a computer package however, a management arrangement would be needed with people we could call upon to be on duty for out of hours events and to close down the building afterwards.

In addition, we would need to develop an emergency plan for a major incident occurring at the Town Hall building.

The Clerk responded to points put forward by members, as follows:

- **No 8 Wing Building** - A residential aspect would be the worst reason to take on this building, there being other ways to deal with those issues – The Clerk would need to check the legal constraints of a parish council taking over a building for residential purposes.
- **Clean separations from Herefordshire Council** - This could also be explored e.g. fire tests, water/legionella testing etc, which may be very expensive and even technically impossible but, we would not know the facts until we enquired.
- **Parking** - In the event of complete separation from HC and taking on parking, CC would own the barriers, coin machine and operate our own car park - Would need to build in the cost of maintaining the car park.

- Although leasing off car parking spaces generates income, it removes all flexibility, e.g. Part time staff who work in the Town Hall and people coming to the building for civic museum visits, meetings, etc.
- **Overage** - This was explained in paragraph 7.5 of the Clerk's report - The same condition would apply if there was an overage agreement for the Town Hall, the trigger for this always being on completion of the sale and not before.

The Clerk stressed that, provided HC agreed to the inclusion of the car park and, should we proceed with the asset transfer, it was a very complicated matter and he reiterated to members some of the issues, the work involved and the points to note, as covered in his full report.

He added that he would be very reticent about declaring any deadline or timeframe as he would firstly need to check out the option for inclusion of No 8 wing building in the asset transfer. Members recognised that the timeframe would change substantially and that the Clerk may be able to provide an idea of timescales when he brings updated information back to the next committee meeting.

The Chairman asked members to move to the recommendations and the Clerk suggested that the following wording be added to 13.1, '**...noting the preference for a clean break where feasible.**

He then suggested a second recommendation be added to cover the earlier proposal, i.e. for the Clerk to review market options and to investigate taking on No 8 wing building.

It was then proposed by Cllr Dykes, seconded by Cllr Rone and unanimously

RESOLVED:

13.1 - That Committee notes the report and receives further reports on progressing these issues as part of the ongoing key projects' reports once agreement has been reached to enable this project to move forward, noting Councillors preference for a clean break between Herefordshire Council and Hereford City Council rather than joint working wherever cost effective to do so.

13.2 - That the Town Clerk reviews the market options regarding No 8 St Owen Street and whether it appears viable to investigate the possibility of including the No 8 wing building in the asset transfer of the Town Hall.

The Chair thanked all members for their input on this.

FP2018/19.42 ITEMS FOR FUTURE MEETINGS

- Half yearly report (up to 30th September 2018)
- Budget setting programme

FP2018/19.43 DATE OF NEXT MEETING

Tuesday 16th October 2018

There was no further business and the Chairman closed the meeting at 7.28pm.

Signed

Dated