

HEREFORD CITY COUNCIL

POLICY AND RESOURCES COMMITTEE 27th July 2021

MINUTES OF MEETING

Present: The Right Worshipful the Mayor Cllr Paul Stevens (Chair) and Councillors Andrews, Boulter, Hornsey, Oliver, Tillett, Wilcox (part) and Williams

Attending: Steve Kerry Town Clerk and Responsible Financial Officer and Ben Corbet Tourism and Communications Manager (part)

PR2021/22.15 APOLOGIES FOR ABSENCE

Apologies were received from Councillors Hey and Toyne and it was confirmed that Councillor Wilcox had been delayed.

PR2021/22.16 SUBSTITUTIONS

None

PR2021/22.17 DECLARATIONS OF INTEREST

None at the start of the meeting.

PR2021/22.18 MINUTES OF PREVIOUS MEETINGS

The minutes of the meeting of 15th June 2021 were presented. It was noted that it was Councillor Andrews who proposed the Mayor to Chair the Committee and Councillor Tillett who seconded, not vice versa. With that amendment noted it was proposed by Councillor Boulter, seconded by Councillor Hornsey and unanimously

RESOLVED That the minutes of the meeting of 15th June 2021 as amended be agreed as a true record and signed accordingly by the Chair.

PR2021/22.19 SCHEDULES OF PAYMENTS

Schedules of payments for May and June 2021 were presented. There were no questions and the schedules were noted.

PR2021/22.20 BANK RECONCILIATIONS

Bank reconciliations up to 30th June 2021 for all accounts were presented. There were no questions and the schedules were noted.

PR2021/22.21 POINT OF VIEW PROGRAMME SUMMER SHOWCASE

Councillor Hornsey declared a nonpecuniary interest in that her son is due to perform in one of the events that will be part of the showcase, which might give an impression of pre-determination.

The Clerk explained that in a normal year Community Development Committee agree a programme of events with an outline budget and this gives officers sufficient authority to commit various items of spending. There is no events programme this year and so no blanket approval for events to be supported. This event has been put together to bring a lot of online and small scale work together and would normally be something we would support.

Members noted a number of positive elements to this proposal, that Rural Media are not charging for their service and are offering payment in kind, the low overall cost, the wide range of activities and the importance of recognising the difficult year many young people with an interest in performing arts have had and the need to encourage them to do what they can to show their talents.

After discussion it was proposed by Councillor Boulter, seconded by Councillor Andrews and (with Councillor Hornsey abstaining)

RESOLVED That the Council support the Rural Media Point of View youth voice programme with a payment of £1,008 towards the cost of the proposed showcase event and that this be paid from the events budget.

PR2021/22.22 HEREFORD GIFT CARD

Councillor Stevens declared a non-pecuniary interest as Chair of the Hereford BID.

The Tourism and Communications Manager presented the report and responded to questions. It was noted that the fee is based on set up costs and a monthly subscription. The intention is to drive footfall into the TIC which will be one of probably two places that the card can be obtained from. The card can be used in chain stores but only for online purchases if the business is local, it is designed to support the local retail economy. If entertainment or hospitality businesses wish to join the scheme they can, potentially including the night-time economy. Marketing of the card and publicity for the availability at the TIC will be handled by Hereford BID.

Apart from sales flowing from increased footfall into the TIC the benefit from our investment is the support it provides to the local economy, including specialist local traders and artisan businesses which help to broaden the visitor experience by adding variety to the city centre. Despite strong initial scepticism, the Cathedral have signed up to participate in the scheme, so it will be visible at our largest tourist venue.

Although we could sign up for one year it was noted that the rest of this financial year may well be abnormal, especially if Christmas is badly affected by either residual caution regarding Covid or the re-imposition of restrictions if infections soar again. To give the scheme a fair trial it might be better to run it for two years, at least one of which will hopefully be normal. If we want to break even on the cost of registering and hosting the card scheme we would need to raise £700-00 in additional profit at the TIC in a year which appears possible, but the TIC is not necessarily seeking to run at a profit, it is a business and visitor support service.

Noting the point about running for two years to give a fair trial it was proposed by Councillor Tillet, seconded by Councillor Hornsey and, with Councillor Stevens abstaining

RESOLVED

That the Committee agrees that the Council should enter into a contract to stock the Hereford Gift Card within the TIC.

That in order to allow a full and proper review of the impact of stocking the gift card this contract should be for 24 months.

Noted that Councillor Wilcox joined the meeting during this item.

PR2021/22.23 STRONGER TOWNS

The Clerk reported that there had been an assessment of the vulnerability, ie the risk that they might not take place, of the various schemes. 2 was considered a good score under the system used by the consultants supporting the Board, and the electric bus scheme had rated 1.8, before any decisions had been made about revenue funding for ongoing activity. This was very encouraging and indicated that it was rated as a sound scheme. Several of Herefordshire Council's own schemes were rated above 4, which indicates a serious issue to be resolved to make them viable.

On Thursday, the Clerk and the Mayor are meeting with the consultants and the Chair of the sub-group doing the project assessments and on Friday with the volunteers supporting the scheme and with Alan Lewis who we hope to engage as a technical consultant for more work on the finer details of the business plan. The Mayor added that the previous week the Board had agreed to release £750-00 to contribute to the cost of a technical consultant. The Mayor also reported that our partner city Jaworzno has 80% of its bus fleet run on electricity and had offered any advice or support we ask for in developing our plans here.

In discussion it was clarified that Mr Lewis is being suggested as someone with technical knowledge of bus providers, route planning and funding to fill gaps in the knowledge we have within the current group of the Clerk and two volunteers from the Herefordshire Rail and Bus Forum. We have done very well so far to progress the scheme without technical support but the need for some detailed work on the economics of the scheme and to build liaison with potential providers is becoming pressing. Herefordshire Council are not in a position to offer this; their last specialist officer to leave was in fact Mr Lewis. £300-00 per day is not an extortionate sum for technical consultancy, and it was envisaged that up to eight days might be required.

Members were reminded of the route which had been walked by the volunteers and checked out, and the incidental costs apart from acquiring the buses, such as automatic bollards for Widemarsh to permit access and areas for standing and pick up points along the route. The Bishop has been spoken to when he met the Mayor and was in favour of this scheme, especially as it would deliver visitors to the coach stop by the cathedral and could reduce the need for large diesel powered coaches to try and move through narrow streets.

It was noted that the revenue cost of £150,000 pa was higher than the £90,000 originally thought of and it was confirmed that this is a worse case figure on current information. It was not suggested that the whole burden falls upon the city's tax payers although preserving the viability of the project might require that an undertaking to underwrite be given. Commercial sponsorship, advertising on the buses, savings in other areas of our budget and using the revenue element allowed for with the STF rules would all reduce the call on the tax payers. The Clerk suggested that if members wanted to progress with the scheme it would be helpful to have a resolution to allow him to develop a funding plan, which would include the elements listed above and the use of planned drawings from our reserves, at least in the early years. It was also noted that after a few years it might be possible to introduce a basic one off charge, hop on and off as many times as you like, for 50p which would not deter use, but would still be a useful income.

There is no prospect of the Council becoming a public service vehicle operator, the legal and technical demands are onerous. The most likely route would be to find an established PSV operator to lease the vehicles and provide staff.

Noting that this was an information update further discussion was held over until the item on the future business plan.

PR2021/22.24 USE OF RESERVES

The Clerk introduced the report and reminded members that the items listed had been previously agreed, this was a technical report enabling him to authorise the Finance Officer to vire funds from reserves to the appropriate budget headings for the expenditure to take place.

The actuarial strain payment was part of the costs consequential from the voluntary redundancy of the Deputy Town Clerk and had been reviewed by Governance and Procedures Committee and, on their recommendation, agreed by Council. It was a staffing cost so funds would be vired to the staffing budget.

The office responsible for dealing with the Community Protection Officer proposals had accepted the concerns raised by the Community Development Committee and the Clerk and Chair of that committee had agreed that the service level agreement was now satisfactory. Initially this would be a call on the reserves, but as part of reviewing budgets for next year it was possible that the under-used street scene budget might be renamed "Environmental Services" or something of that sort and provide a source of funds for this work if it is to be ongoing.

The third element carried over from the previous discussion and was to have sufficient funds for eight days of technical consultancy and had been written before it was known that there would be any contribution from the STF Board. Nothing their £750-00 contribution the Clerk suggested it would be prudent to continue to budget at the level specified in case more time was needed given the high value and technical complexity of the scheme.

Members had raised the issues of parking on verges which is not something the Police will deal with as it does not usually obstruct the highway. It is doubtful if it is a statutory offence but the owners of the verges or kerbs (Herefordshire Council in most cases) are entitled to seek recovery of costs for repairs and the CPO could be used to take dated and timed photographs to establish a case for invoicing offenders, often for sums well above the level of a parking fine.

It was then proposed by Councillor Williams, seconded by Councillor Hornsey and with one abstention

RESOLVED That in order to meet the liability for an actuarial strain payment from staffing budgets it is agreed to vire £83,000 from reserves to the staffing salaries budget.

It was then proposed by Councillor Wilcox, seconded by Councillor Tillet and unanimously

RESOLVED That in order to meet the cost of the agreement to have Herefordshire Council employ an additional Community Protection Officer to provide services as prioritised by the City Council across a arrange of environmental enforcement issues it is agreed to vire £40,000 from the general reserves to the Street Scene budget.

It was then proposed by Councillor Hornsey, seconded by Councillor Williams and unanimously

RESOLVED That in order to meet the anticipated cost of consultancy support for the Stronger Towns Fund bid for electric buses, it is agreed to vire the sum of £2,400 from the general reserve to the Street Scene budget.

It was then formally noted that this reduces the reserves stated at the closure of accounts on 31st March 2021 by £124,000, leaving a figure, all other things being equal, of £705,897.

PR2021/22.25 DISCUSSION OF BUSINESS PLAN

The Clerk introduced the report. He explained that using reserves for one year for the Community Protection Officer was a reasonable thing to do, but if we enter into an ongoing service level agreement then this should be reflected in the revenue budget. It was to identify issues like this within a medium long term budget plan that the Committee had been asked to reflect on the business plan. The two spending committees (Climate and Bio diversity and Community Development) would be having special sessions in August devoted to forward planning and their deliberations would be fed into the meeting of this Committee in October when preliminary budgets would be drawn up and a medium term financial strategy worked out. A major element of that would be funding for the running costs of the electric buses, and at this point the Committee continued the discussion of the Stronger Towns Fund feedback item.

There was also a proposal to consider alternatives to filling the post of Grants and External Partnerships Manager which had been created instead of the post of Deputy Town Clerk, in line with the usual practice of reviewing a post when it becomes vacant, rather than simply filling on a like for like basis without considering alternatives.

In discussion it became clear that there was a broad consensus around the outline plans in the report for three roles, community development based at Hinton Centre, external funding (both in terms of the Council seeking it for the town hall and possibly the buses) and administration to fill the gap created when the events programme picks up, noting that this will also make the Mayor's office a busier place and reduce, if not preclude, support from that source for committee and related administration.

It was noted that the street scene budget is historically underspent and it may be that this could provide the funds for ongoing Community Protection Officer work. At this point it was suggested that something based loosely on the lengthsman scheme (although noting that that particular model isn't right for the city in its entirety) could be developed to address the ongoing concerns about weeds and blocked gullies. The Clerk would give further thought to recosting the street scene and possibly the parks and open spaces budgets into an environmental improvement budget to fund ongoing work as opposed to one-off projects which had been the only items of spending in these budgets for some years.

Members discussed the assumptions around revenue funding for the buses, and noted that the figure of £150,000 pa is an anticipated worst case. There are several sources of revenue, some from the Stronger Towns Fund itself (potentially £180,000 but more likely around £125,000), some from savings in other City revenue budgets being redeployed, some from advertising and sponsorship (possibly substantial but as yet untested) and some from the

planned use of reserves. At some point that use of reserves would tail off and progressive but manageable increases in local tax could be considered, provided a robust connection between higher local tax and much improved appearance of the streets through weed control and active enforcement and the provision of a decent electric bus service could be demonstrated.

The Clerk added that he was not, at this stage, looking for specific figures on any putative tax increase in future years. There was much work to do to develop facts to base a case on for that to be resolved at a future meeting. Nonetheless, a statement of commitment to underwrite the bus project would be immensely valuable in keeping it in the highest level of viability as assessed by the Board and therefore securing the project as part of the bid for government funding going forward. At present the project had a solid rating, a commitment to underwrite revenue would considerably enhance that.

After discussing various elements of forward planning members decided it would be useful to make two declarations of principle to authorise ongoing work in specific areas. Accordingly, it was proposed by Councillor Wilcox, seconded by Councillor Williams and unanimously

RESOLVED

That members agree in principle to the revised plan for the workload of the Grants and External Partnerships Manager as outlined in the report.

That members are minded to agree to the Clerk developing a funding package for the revenue costs of the Stronger Towns Fund electric bus bid as part of the Council's medium term financial planning.

PR2021/22.26 ITEMS FOR FUTURE MEETINGS

Half year financial report (to 30th September 2021)

Budget and business plan, including proposals from service committees

Report from the Social Media Working Group including a possible peer review

PR2021/22.27 DATE OF NEXT MEETING

Tuesday 12th October 2021 at 6 pm

Signed

Dated