

## HEREFORD CITY COUNCIL

### POLICY AND RESOURCES COMMITTEE 11 October 2022

#### MINUTES OF MEETING

**Present:** Councillor Paul Stevens (Chair) and Councillors Cat Hornsey, Sue Boulter, Kevin Tillett, Aubrey Oliver and Jim Kenyon (part)

**Attending:** Steve Kerry - Town Clerk and Responsible Financial Officer

#### **PR2022/23.16 APOLOGIES FOR ABSENCE**

Apologies were noted from Councillors Andrews, Toynbee, Wilcox and Williams.

#### **PR2022/23.17 SUBSTITUTIONS**

The Clerk reported that Councillor Wilcox had nominated Councillor Kenyon as his substitute. It was noted that Councillor Kenyon was expected around 6.30pm.

#### **PR2022/23.18 DECLARATIONS OF INTEREST**

None.

#### **PR2022/23.19 MINUTES OF PREVIOUS MEETING**

After correction of a typing error, it was proposed by Councillor Stevens, seconded by Councillor Tillett and unanimously

**RESOLVED That the minutes of the meeting of 14 June 2022, as corrected, be accepted as an accurate record and signed accordingly by the Chair.**

It was noted that minutes of the confidential section of this meeting would be submitted for approval to the next meeting.

#### **PR2022/23.20 SCHEDULES OF PAYMENTS**

Schedules of payments since the last meeting were circulated. It was noted that the BACS payments as reported needed more details to be fully informative, possibly with an accompanying additional spreadsheet of items.

In answer to questions, it was confirmed that David Ogilvie is the contractor supplying the jubilee benches and that Neil Wain is retained for pruning the outside face of the Holmer hedge to avoid obstructing the footway and for the annual mowing of the Bartonsham permissive path.

The schedule was noted.

#### **PR2022/23.21 BANK RECONCILIATIONS**

Bank reconciliations for completed months since the last meeting were presented. It was noted that the use of BACS had reduced the number of delayed cheque presentations and the reconciliations were noted with no further comment or question.

## **PR2022/23.22 EXTERNAL AUDIT LETTER**

The Clerk presented the external auditor's letter regarding the Annual Governance and Accountability Return (AGAR) and confirmed that there were no qualifications or adverse comments.

Members accepted the letter and asked for the staff responsible for the completion of the accounts and successful audit to be thanked for their efforts.

## **PR2022/23.23 MAJOR PROJECTS UPDATE**

The Clerk reported that with confirmation of funding, the Hereford Zipper project was now definitely underway. Contact had been made with potential suppliers of the buses and firm quotes, including delivery times and details of specification, were being sought. Information would be required on cost, warranty and servicing obligations, on board equipment and facilities and disability access, among other criteria. Likewise, potential providers of the service would be asked to provide information on cost, sustainability of service including staff cover arrangements and their capacity to charge the vehicles. The plan is to run two buses every working day with one in reserve for high season passenger loads and occasional additional services such as a shuttle from the station to the racecourse. Buses are not inflating in price, indeed the advent of mass production of smaller vehicles means prices may actually come down.

It was proposed by Councillor Tillett, seconded by Councillor Oliver and unanimously

**RESOLVED That the Committee noted the decision of the government to progress the Hereford Zipper project as part of the overall Stronger Towns Fund package for Hereford.**

**That the Committee delegates to the Clerk authority to work with the advisory group supporting this project to produce a draft contract to be released for tendering the provision of the Hereford Zipper and to run the tendering process. A final decision will be made by Council.**

**That the Committee delegates to the Clerk authority to prepare the cost and delivery information on the acquisition of the buses for a proposal to be brought to the Committee.**

**That both pieces of work listed above be undertaken in consultation with the advisory group including external consultants and the two members who have been on it since the start of the project, Councillors Hey and Stevens.**

**That the Committee authorises the Clerk to call special meetings outside the committee schedules if necessary to take key decisions.**

On the Town Hall, the Chair updated members on the recent cabinet decision regarding Herefordshire Council's position. The original cabinet report had inaccurately claimed that the City Council had agreed in principle to an asset transfer, this had been corrected at the meeting, and the resolution partly amended. The press release had been similarly inaccurate and the cabinet member, and the Leader had apologised and agreed that in future all press releases would be joint statements of both councils. Two city councillors in cabinet had been advised to withdraw from the debate on grounds which the Clerk had written to challenge as it appeared to be an over-zealous interpretation of the concept of predetermination. If a matter needed to be resolved at a council meeting it would be invidious for all the twin hatted councillors to be excluded from that.

Encore are still very keen to use the Town Hall as a venue especially since the search for a permanent home with support from Herefordshire's Property Service had proved unsuccessful. They were also potential partners in a future trust.

*Councillor Kenyon arrived at this point in the meeting.*

In discussion it was noted that Herefordshire have not, so far, made any offer towards the cost of repairs and restoration to listed status as indicated in the Hook Mason survey of several years ago. This was a serious obstacle to reaching an agreement on heads of terms. Their approach to a local community centre, where it was known that the roof needed replacing at a cost of £100k, was to offer patch repairs at £14k, which would not be acceptable here. A business case had been developed for running the Town Hall by the City Council some years ago, and another more recently by Encore. A fusion and updating of these two documents would provide a good basis for a business case now, including maximising income generation and community use.

It was proposed by Councillor Boulter, seconded by Councillor Hornsey and with Councillor Kenyon abstaining as he had not heard all the debate

**RESOLVED That the Working Group of the Mayor, Councillors Stevens, Wilcox and Milln and the Clerk continue to represent the Council in discussions with Herefordshire Council's nominated lead officer and others that they may wish to involve.**

**That the City Council starts the negotiations on the points listed in the paper presented.**

**That the External Funding and Community Support officer acts as the lead reporting to the Clerk on discussion with potential trustees and in the formation of a Trust.**

**That the Council negotiates on behalf of a putative trust but under no circumstances indicates at any time that the Council will consider taking over the Town Hall pending the formation of a trust without a specific resolution of full Council to that effect, supported by a risk analysis and full cost projections and funding/borrowing plan to inform such a decision.**

#### **PR2022/23.24 BUDGET AND PRECEPT DIRECTION FOR 2023-2024**

The Clerk introduced the report and explained that a detailed analysis of pressures and opportunities to make savings indicated that most of the adjustments required to cover new salaries and working hours, inflation, etc. could be accommodated within a budget predicated on the assumption of a net zero tax increase. Part of this was an expectation of a likely tax base increase as occurred every year, except where there was an adjustment to the calculation method. This however did not account for one very significant budget pressure which was the growing demand for community grants.

It was very apparent that several locally available funders had suffered a severe contraction of their income during COVID-19 and many were refusing new grants at all, barely able to continue to support projects they had already committed to. Pressure on public spending was also intense and rising costs of living were affecting both the number and nature of grant claims.

Grant applications were now being received for basic projects like school holiday feeding programmes or mental health projects rather than "icing on the cake" schemes for arts or sports, and all groups applying were referring to increased need in their areas of operation. In

response, it was suggested that a draw down from the general reserve be used to increase next year's grants budget by £50,000, without this impacting the council tax rate. It was possible that a one off virement might be needed this year as the demand for grants was already well ahead of this time last year.

In discussion it was noted that whereas the Scottish government had pledged to provide free period products for all girls in secondary schools, there was no such plan for England and no data on how this need of lower income families might be met. While this might lead to a grant application there was no firm figure that could be built into budgeting at this stage. If interest rates rise this will increase the yield on the investment in the Local Authority Property Fund and the Deposit Fund with CCLA. Although this was not known yet, but it should be by January and some reasonable assumptions about increased interest might be made. They would not cover the expected pressure on grants, but will help with the balancing of the other lesser items noted. If there is a surplus in the grants budget, the Council could support a Herefordshire Council or government initiative around warmer places.

At the start of the year, there had been a debate about putting the tax up for this year when it had been deemed necessary to do this even though the economic circumstances for many people had been as difficult as they are now. Councillor Tillett asked what had changed. The Clerk replied that the main concern he had had as Responsible Financial Officer was making sure the Hereford Zipper bid was adequately funded for revenue to support the capital bid. Since then, after a period of intense pressure on schemes to get below the reduced funding ceiling offered by the government (£22.4m against bids for £24m) there had been a considerably more relaxed statement about revenue as part of Stronger Towns Fund packages. The pessimism of the consultants about going over 5% as a revenue element had been offset by the fact that many schemes had no revenue element, which had meant the Council could take the Zipper scheme back up to the full 10%. This substantially reduced pressure on the City's budget and allowed time to build a reserve to cover energy and operational costs in addition to the rolling budget of £118,000 pa.

It was proposed by Councillor Tillett, seconded by Councillor Hornsey and unanimously

**RESOLVED That the Committee supports in principle the proposal that the Council should plan for a zero increase in the council tax level for the City Council for 2023-2024, taking advantage of any positive movement in the tax base, and to draw on reserves for up to £50,000 to fund a commensurate increase in the Community Grants budget to meet anticipated pressures.**

#### **PR2022/23.25 PROCESS FOR POLICY REVIEWS**

The Clerk introduced the report and explained that if the Committee stick to the policy of reviewing every policy there would have been seven additional items on this agenda, none of which would have proposed any change. This seemed an onerous burden on members and the exception reporting suggesting in the report would remove that.

It was proposed by Councillor Hornsey, seconded by Councillor Boulter and unanimously

**RESOLVED That the process for policy reviews as set out in the report is agreed.**

### **PR2022/23.26 CHIEF STEWARD**

The Clerk introduced the report and suggested it was of no great importance which title was used, Chief or High Steward and there was evidence of both having been used in the past at Hereford. High Steward was marginally more common among councils to describe the historic office of the "City's friend at court" which was the role, representing the City to the monarch in the days before universal suffrage and the growth of the power of the House of Commons.

Members considered that if the current incumbent preferred High Steward there was no reason to not make the change.

It was proposed by Councillor Kenyon, seconded by Councillor Oliver and unanimously

**RESOLVED That the title of High Steward shall be used in social media and publications in future and applied to any future appointments.**

### **PR2022/23.27 APPRENTICESHIP**

The Clerk introduced the report and explained that the thrust of it was to expand the apprenticeship offer to broaden the appeal to possible applicants and to offer a wider career training package, taking advantage of the broad range of work now available at the Council, including events management and organisation, core administration, finance, tourism support, marketing, social media and face to face reception and advising.

In discussion it was noted that the apprenticeship could provide a basis of access to further or higher education, including foundation degree courses. If we do this, it is important that we do it well. The continued commitment to contact Herefordshire Council and positively encourage applications from care leavers was supported. There are good apprenticeship providers in the City we can work with to deliver this.

It was proposed by Councillor Kenyon, seconded by Councillor Hornsey and unanimously

**RESOLVED That the previously agreed tourism and leisure apprenticeship be widened to include an administrative apprenticeship with elements of public facing and tourism information work included, to offer the broadest range of work experience possible.**

**That officers be authorised to contact providers of apprenticeships to progress this matter now as sufficient opportunity across the Council's work appears to be in place and to make a further report when full details are known.**

### **PR2022/23.28 EXCLUSION OF THE PRESS AND PUBLIC**

It was proposed by Councillor Stevens, seconded by Councillor Boulter and unanimously

**RESOLVED That pursuant to the Public Bodies (Admission to Meetings) Act 1960 s 1(2) the press and public should be excluded from the meeting as the following items would involve the disclosure of confidential information about individuals who could be identified in the reports.**

**PR2022/23.29 FINANCE OFFICER**

After confidential discussion the hours allocated to the above post were resolved.

**PR2022/23.30 AWARD OF FREEDOM OF THE CITY**

After confidential discussion the proposal was resolved to be taken to full Council for approval.

**PR2022/23.31 READMISSION OF THE PRESS AND PUBLIC**

Confidential business having been concluded it was proposed by Councillor Stevens, seconded by Councillor Boulter and unanimously

**RESOLVED That the press and public be readmitted to the meeting.**

**PR2022/23.32 ITEMS FOR FUTURE MEETINGS**

Due January 2023:

- Interim internal audit report
- Budget and precept
- Risk analysis annual report
- Investment strategy

**PR2022/23.33 DATE OF NEXT MEETING**

Tuesday 10 January 2022 at 6pm

There being no further business the Chair closed the meeting

Signed .....

Date .....