
POLICY AND RESOURCES COMMITTEE**Draft MINUTES**

Of a meeting held in the Penn Chamber, Three Rivers House, Rickmansworth, on Monday 19 March 2018 between 7pm and 8.55pm.

Councillors present:

Sara Bedford (Chairman)

Rupert Barnes

Matthew Bedford (Resources and Shared Services)

Phil Brading (Public Services)

Stephen Cox

Andrew Scarth (for Cllr Stephen Giles-Medhurst)

Angela Killick

Chris Lloyd (Vice-Chairman)(Leisure, Wellbeing and Health)

Alex Hayward

Paula Hiscocks

Reena Ranger

David Sansom

Alison Scarth (Health)

Roger Seabourne (Community Safety)

Martin Trevett (Housing, Planning and Strategic Schemes)

Officers Present:

Steven Halls, Chief Executive

Geof Muggerridge, Director of Community and Environmental Services

Martin Henwood, Interim Head of Finance

Andy Stovold, Head of Community Partnerships

Anne Morgan, Solicitor to the Council

Claire May, Head of Planning Policy and Projects

Ray Figg, Head of Community Services

Malcolm Clarke, Waste and Environment Manager

Debra Sandling, Animal Control Enforcement Officer

Phil King, Emergency Planning and Risk Manager

Jane Walker, Head of Revenue and Benefits

Sarah Haythorpe, Principal Committee Manager

PR80/17 APOLOGIES FOR ABSENCE

An apology was received from Councillor Stephen Giles-Medhurst with Councillor Andrew Scarth as the substitute member.

PR81/17 MINUTES

The minutes of the Policy and Resources Committee meeting held on 29 January 2018 were confirmed as a correct record and were signed by the Chairman.

PR82/17 DECLARATION OF INTERESTS

None received.

PR83/17 NOTICE OF OTHER BUSINESS

None received.

PR84/17 PUBLIC SPACES PROTECTION ORDER – VARIATION TO ORDER REQUIRING DOGS TO BE KEPT ON A LEAD

This report sought authorisation to go out for formal consultation on making a variation to the existing Public Spaces Protection Order (PSPO) relating to dogs in accordance with the Anti-Social Behaviour, Crime and Policing Act 2014 (“the Act”). The variation would be to include the public rights of way that run through land owned by The Grove, Watford in the ‘dogs must be kept on a lead’ restriction already in place for the area directly surrounding the café at The Aquadrome.

In response to a question on whether there was a minimum response rate on the consultation, the Animal Control Enforcement Officer advised that there was no minimum response requirement. Details on the responses received would be included as part of the Committee report following the consultation. It was noted that Officers would be meeting with The Grove shortly to discuss a pet policy for guests and visitors.

Councillor Chris Lloyd moved, duly seconded, the recommendations in the report. On being put to the Committee the Chairman declared the motion CARRIED the voting being unanimous.

RESOLVED:

- 1 To agree to go out to formal consultation on making a variation to the existing Public Spaces Protection Order;
- 2 To agree that the variation will include the footpaths running through land owned by The Grove to be included in the ‘dogs must be kept on a lead’ restriction; and
- 3 To consider the results of the consultation at a future meeting of this Committee. Any final decision on making the variation would need to be referred to Council.

PR85/17 SW HERTS JOINT STRATEGIC PLAN

The purpose of this report is to advise the Policy & Resources Committee on the joint strategic planning work being undertaken across South West Hertfordshire including a Memorandum of Understanding to be agreed by the participating local authorities. This work would ultimately lead to the preparation of a Joint Strategic Plan covering five local authorities, including Three Rivers, providing a framework within which Local Plans can be progressed and reflecting the strengthening of the Duty to Co-operate requirements by the Government. Three of the five Councils in South West Herts had all agreed the proposals for the joint working.

In response to Member questions on having a fair distribution of sites and the protection of the Green Belt, the Head of Planning Policy and Projects advised that the Green Belt (GB) and Areas of Outstanding Natural Beauty were protected but GB designation could be removed. The Council had a requirement to meet its targets and at this current time no strategic sites had been identified. The infrastructure required would be planned across the whole area not just within the Three Rivers District. That development should go where it was most sustainable.

Councillor Martin Trevett moved, duly seconded, the recommendations in the report.

On being put to the Committee the motion was declared CARRIED by the Chairman the voting being unanimous.

RESOLVED:

- 1) Agreed that work is undertaken with the other South West Herts Authorities (Dacorum, Hertsmere, St Albans, Three Rivers and Watford local authority areas) to prepare a Joint Strategic Plan.
- 2) Noted that details of the timetable, working arrangements, governance structures and the relationship with individual local plans will be set out in a Statement of Common Ground, to be agreed by all partners.
- 3) Agreed to progress the Memorandum of Understanding (Appendix 2) as the framework for governing future joint working arrangements and for the final terms of the Memorandum of Understanding and the Statement of Common Ground to be delegated to the Head of Planning Policy & Projects for agreement.
- 4) Agreed to Officers progressing work on the future joint plan.
- 5) Noted the support of Hertfordshire County Council and the Hertfordshire LEP for this process.

PR86/17 PROPERTY INVESTMENT STRATEGY

The Council, via the Property Investment Board (PIB), was required to set down and approve the selection parameters for the acquisition of property for investment purposes.

Following substantial experience arising from a period of active bidding for on-market investment opportunities at the end of 2017 and early 2018, the most appropriate process of identification, evaluation and approval had been established. This now requires that some of the original parameters be amended. In addition, a new opportunity, not encompassed in the original Property Investment Strategy (the Strategy) has been identified and should properly be incorporated in the approval process. The latter relates to loaning funds at a commercial rate to local Registered Social Landlords, namely Thrive Homes and Watford Community Housing, to pursue their development plans.

A Member stated that they did not favour lending money to the social housing organisations and to organisations outside the District. Any investments should be kept within the District. The return on these investments would be very good in this area. Checks and balances needed to be in place and the Group Leaders should continue to be involved.

A Member replied that a geographical spread was the primary goal to enable the Council to gain a good return on its investments. The low interest rates being achieved on our investments did not help anyone and there was a need to improve our financial return by supporting investment both locally and outside the District. Members would be aware that there was a lack of available development space in the District as a large part of the District was Green Belt land. The existing strategy already allowed for investment outside the District.

The Director of Community and Environmental Services advised that £20m had been allocated for property investment. At present the money was invested in different accounts achieving very low rates of return between 0.3% and 0.4%.

The money invested was currently being moved to different accounts by a Finance officer. The revised Strategy would give the Council more control and enable the Council to provide a loan to an RSL. Officers currently had to consult with the Group Leaders and the Lead Member for Resources and Shared Services on any investment up to £5m. This proposal requested that for an investment of up to £5m the consultation be with the Chair and Lead Member for Resources and Shared Services. It was noted that often Officers only had a few days to make a bid.

The Lead Member for Resources said it was a valid concern with regard to the consultation on an acquisition of land or a loan of up to £5m and moved an amendment that it should be in consultation with the Lead Member and the Group Leaders.

A Member understood the need to get a better rate of return and the need to act quickly but this was public money and the risks were greater. The Director of Community and Environmental Services stated that Officers were not attending auctions and 'live' bidding on properties. The Council had contact with property agents and were able to be advised on any sites for development/properties often before going to the market.

Members stated that they did not wish to see a repeat of the BCCI situation happening to this Council. The Committee noted that the property investment board included in its membership the Director of Finance. Members would recall that briefings were provided to all Members and these briefings could be revisited to refresh Members on these points and to offer reassurance.

It was stated that the Council may only have a few days to consider a property acquisition and it needed to make a quick response as there was often limited time to make a bid before the site/property went onto the market or bids closed.

A Member stated that there would always be risk versus the reward but moving from one AAA investment to another AAA investment was a secure approach to take. The scrutiny panel should continue as originally set up as this proposal removed all levels of safety. The Director of Community and Environmental Services reminded Members that most of our finances were not in fact in AAA investments and this information was in the Members' Information Bulletin.

Councillor Roger Seabourne moved, seconded by Councillor Matthew Bedford the recommendations subject to the amendment that the Acquisition/loan value of up to £5m – be approved by the PIB Chair in consultation with the Lead Member for Resources and Shared Services and Group Leaders, the same as for those between £5m and £10m.

The motion on being put to the Committee was declared CARRIED by the Chairman the voting being unanimous.

RESOLVED:

1. That the Committee approves the recommendation to revise the approval process to be as follows:-
Acquisition/loan value up to £10m – to be approved by the PIB Chair in consultation with the Lead Member for Resources and Shared Services and the Group Leaders
Acquisition/loan value over £10m – to be approved at Policy and Resources Committee.

2. That the Committee approves the recommendation to revise the selection criteria as follows:-
 - Lowering of the priority of the location “distance from TRDC” criterion
 - Remove the portfolio 50/50 split between residential and commercial
 - Remove the ‘no single property asset should be worth at acquisition more than 25% of the total property portfolio’ criterion

PR87/17 BUSINESS RATES – LOCAL DISCRETIONARY RATE RELIEF (SPRING 2017)

The 2017 revaluation of all non-domestic rate properties came into force on 1 April 2017. The rateable values of the properties in the rating list are based on rental levels from 1 April 2015. The previous revaluation which came into force on 1 April 2010 was based on rental levels from 1 April 2008. This report requested that the Committee use the same criteria for 2018/19 to come into force from 1 April. The funding received from the Government had been reduced for the 2nd year to £69k. Officers had letters ready to send to local businesses who would be eligible to rate relief under the scheme and following the sending out of the letters this would be followed up with reminders, telephone calls, officer visit and website advertising.

On being put to the Committee the recommendation to continue with the current scheme was declared CARRIED by the Chairman the voting being unanimous.

RESOLVED:

Agreed that the same criteria be used for the 2018/19 scheme as was used for the 2017/18 scheme and that Officers be delegated to make any small amendments to the scheme up to the maximum limit of the Government grant if felt appropriate.

PR88/17 LEISURE FACILITIES MANAGEMENT CONTRACT AND REDEVELOPMENT OF THE CENTRE, SOUTH OXHEY

The purpose of this report was to update the Committee on the evaluation of the Invitation to Submit Final Tender (ISFT) outcome for the procurement of the new Leisure Facilities Management Contract (LMFC). The Head of Community Services advised the Committee that having been in discussion with Sport and Leisure Management (SLM) (at the Chairman’s request) it had been agreed that the Part II report could now be considered as Part I business and both reports dealt with in public.

Members noted that Fusion had decided to pull out of the contract, and who would now be concentrating on their existing contracts. Details on the new preferred bidder, SLM, were provided to the Committee. It was noted they currently had 49 contracts, 158 leisure facilities, had recently been awarded the leisure contract in Dacorum and re-awarded the contract in Watford. The Head of Community Services stated that no 100% guarantees could be given on any contract. However, a Dun and Bradstreet Financial standing report had very recently been undertaken by both SLM and their parent company Castle View Holdings. Both reports stated that there was a very low probability of risk of failure. The Head of Community Services also confirmed that Castle View Holdings would be providing a parent company guarantee.

A Member said that the Dun and Bradstreet system was not fool proof but was probably one of the best financial reports on a company. If the construction of the swimming pool did cause problems, as construction projects could, this would have a big impact on the project and suggested both the contracts should be split.

The evaluation of the bids had been completed in 3 areas, and Fusion had scored higher on the financial aspects regarding the commercial side whereas SLM had scored higher on both the services and technical aspects. All the bids had been thoroughly evaluated throughout each stage of the procurement process.

On being put to the Committee the recommendations were declared CARRIED by the Chairman the voting being 9 For, 0 Against and 6 Abstentions.

RESOLVED:

to appoint SLM as the Preferred Bidder of the Leisure Facilities Management Contract from 1 July 2018;

to award the Leisure Facilities Management Contract from 1 July 2018 to the Preferred Bidder, subject to final documentation being concluded with them;

RECOMMEND:

to recommend to Council on 19 March 2018 to increase the capital programme funding from £8.600 million to £10.073 million. This consists of £9.073 million being the capital required by the Preferred Bidder, SLM, for the South Oxhey Leisure facility Design, Build, Operate and Maintain (DBOM) project and £1.000 million required for the refurbishment of William Penn Leisure Centre and Rickmansworth Golf Course/Fairway Inn. Details of the associated revenue implications were shown in Appendix 1 of what was the part II report (now in the public domain) and will be included in the Council's Medium Term Financial Plan.

PR89/17 BUDGET MONITORING – MONTH 10 (JANUARY)

The budget monitoring report is a key tool in scrutinising the Council's financial performance. It is designed to provide an overview to all relevant stakeholders. It is essential that the council monitors its budgets throughout the year to ensure that it is meeting its strategic objectives and that corrective action is taken where necessary.

This report seeks approval to a change in the Council's medium-term revenue financial plan. The report shows the Council's overall consolidated medium term financial plan for both revenue and capital.

On being put to the Committee the recommendations were declared CARRIED the voting being 9 For, 0 Against and 6 Abstentions.

RECOMMENDED:

That the Policy & Resources Committee notes the projected forecast outturn variances below to the budget approved at Council on 20 February 2018.

Variance	2017/18 £	2018/19 £	2019/2 0 £	2020/2 1 £
Revenue - (Favourable)/ Unfavourable	(182,180)	0	0	0
Capital - Increase / (Decrease)	(749,560)	749,560	0	0

PR90/17 STRATEGIC PLAN

This report enabled the Committee to comment on the Strategic Plan for the three years commencing on 1 April 2018.

The strategic plan had been reviewed for this period to include new Strategic Themes and a set of underpinning values.

On being put to the Committee the recommendation was declared CARRIED by the Chairman the voting being unanimous.

RECOMMEND:

The final Strategic Plan attached as Appendix 1 to Council.

PR91/17 SERVICE PLANNING 2018/21

The Committee were asked to consider the service plans for Legal, Committee, Property and Major Projects, Revenue and Benefits, Finance, Corporate Services, Customer Service Centre, Community Partnerships, Economic Development and Sustainability and recommends their contents to Council at its meeting on 22 May 2018.

In response to Members questions on the service plans Officers advised that:

The Legal team had been successful in achieving the Lexcel Accreditation Paper copies of the agenda papers could be provided to members of the public if they were unable to view the papers online.

The resources for the team had been reduced but the team were still continuing to provide the same level of service and should be commended.

Officers working in the Customer Service Centre had been successful in progressing to other roles in the Council.

On being put to the Committee the recommendation was declared CARRIED by the Chairman the voting being unanimous.

RECOMMEND:

That the Service Plans for 2018-2021 be recommended to Council.

PR92/17 WORK PROGRAMME

Members noted the current work programme for the Committee.

RESOLVED:

That the work programme be noted.

CHAIRMAN