

\*\*\*\*\*

**DACORUM BOROUGH COUNCIL**

**MEETING OF THE COUNCIL**

**29 FEBRUARY 2012**

\*\*\*\*\*

Present -

**MEMBERS:**

Councillor G Chapman (Mayor); Councillors, Adeleke, Adshead, Anderson, Ayling, Mrs Bassadone, H Chapman, Clark, Collins, Conway, Doole, Douris, Fantham, Mrs Green, Griffiths, Mrs Guest, Harden, Harris, Hearn, N Hollinghurst, R Hollinghurst, Holmes, Laws, Lawson, Link, Lloyd, Mahmood, Marshall, McKay, Organ, Peter, Mrs Rance, Reay, Ryan, Sutton, Taylor, Tiley, White, Whitman, Williams, Wixed, C Wyatt-Lowe and W Wyatt-Lowe (43).

**OFFICERS:**

The Chief Executive, The Corporate Director (Finance & Governance), The Corporate Director (Housing & Regeneration), The Corporate Director (Performance, Improvement and Transformation), The Group Manager (Democratic Services), The Group Manager (Legal Governance), L Smith, M Anderson, P Bowles, T Coston, L Dolphin.

The meeting began at 7.30pm.

**48. MINUTES**

The minutes of the meeting held on 11 January 2012 were agreed by the Members present and were then signed by the Mayor subject to the following amendment: Minute 44: Statement by Councillor Holmes as Portfolio Holder for Planning and Regeneration:- Britvic's move from Essex to Maylands will involve the employment of 250 not 2500 as reported in the local press.

**49. DECLARATIONS OF INTEREST**

Councillor G Chapman declared a Personal Interest as she is a Trustee for Druglink and Heather Club.

Councillor Collins declared a Personal Interest as he is a trustee for Dacorum Citizen Advice Bureau.

Councillor Douris declared a Personal Interest as he is a Trustee for Grovehill Neighbourhood Association.

Councillor Guest declared a Personal Interest as she is a Trustee of Boxmoor & Warners End Neighbourhood Association.

Councillor Hearn declared a Personal Interest as she is a Trustee for Community Action Dacorum.

Councillor Marshall declared a Personal Interest as she is a Managing Trustee of Hemel Hempstead Day Centre for the Elderly.

Councillor Taylor declared a Personal Interest as he is a Trustee and Honorary Treasurer for Community Action in Dacorum.

## **50. ANNOUNCEMENTS**

### **1. By the Mayor**

The Mayor announced:

1. The death of Lord Robin Corbett, former MP. The funeral will take place on 2 March 2012 at 10am at St Mary's Church.
2. The funeral of Leading Aircraftsman Ryan Tomlin will take place on 5 March 2012 at St Mary's Church.

A minute's silence was held in memory of Lord Robin Corbett and Leading Aircraftsman Ryan Tomlin.

### **2. By the Group Leaders and members:**

Apologies for absence were submitted on behalf of Councillors Bateman, Bhinder, Elliot, Flint, McLean, Macdonald, Townsend and Wood.

### **3. Members of the Cabinet:**

#### **Councillor Williams, Leader of the Council and Portfolio Holder for Community Leadership**

The Leader reported that an urgent decision had been made by himself and Councillor Tiley with regards to the purchase of 41 Marlowes. This was subject to the Call-in & Urgency Rule 16, which provides for the disapplication of the call-in procedure.

The Leader offered to take questions from Councillors. He referred to the amendments made on agenda Item 7 – Budget amendment proposals 29 February 2012 and the extra papers which had been circulated.

#### **Councillor Tiley, Portfolio Holder for Finance and Resources**

Councillor Tiley did not make a report at this time but offered to take questions.

Councillor R Hollinghurst raised a concern over the release of a local connection covenant for ex-council houses in rural areas. She asked if the process to achieve this concession could be explained to council.

Councillor Tiley said that he was aware that affordable houses had been built in rural areas; however it was not always possible to find someone who met the criteria. Payments were made under S.106 agreements to build affordable housing in the future. He mentioned that he would rather have a property occupied than unoccupied. A written response would be provided to all members after the meeting.

Councillor R Hollinghurst asked the Portfolio Holder whether he would agree the Council had a fair and transparent policy.

Councillor Tiley replied in the affirmative.

Councillor R Hollinghurst referred to the resale of such housing.

The Mayor advised that there was no debate at this point.

### **Councillor Ayling, Portfolio Holder for Service and Performance Improvement**

Councillor Ayling did not make a report at this time but he offered to take questions.

Councillor R Hollinghurst noted the recent advert to recruit a Website Support Officer and welcomed this. She was increasingly frustrated with the use of the Council's website surrounding access to past Council minutes and agendas and asked for additional training to be given in light of this, stating that an officer from Aylesbury Vale had sorted out the problems.

Councillor Ayling said that they had been working hard to achieve results and for the website to prove easy and accessible to use for both residents and staff.

### **Councillor Griffiths, Portfolio Holder for Housing**

#### Property & Place

**Solar PV** – Progress Report Monday 27<sup>th</sup> February – Breyer have completed the PV installations at three out of the seven sheltered scheme sites, which are now generating electricity. William Crook, Cranford, and Oaklawn. Dudley House and Lagley House were finished yesterday and Holly Tree Court and Compass Point today.

There were some initial problems with the supply chain for the panels which was in response to the March 3<sup>rd</sup> deadline for installation and registration for the schemes, which resulted in the scaffolding being on site longer than they had originally anticipated.

Breyer have agreed to run coffee mornings for the residents to explain the benefits of the PV and to apologise for the delay. All have taken place, with the exception of Compass Point, which is due tomorrow, and Holly Tree Court, which is yet to be arranged.

The Supreme Court is yet to determine if the High Court ruling on a challenge from Friends of the Earth is to stand, after which the level of guaranteed FiT (feed in tariff) will be finalised.

The schemes will be registered with Green Energy to reclaim the FiT (feed in tariff) and this will be recovered on a quarterly basis in arrears. The monitoring equipment will enable the Council to determine the best areas to invest further energy efficiency measures such as low energy lighting.

**Stock Condition Survey** – The site work has been concluded and Savills are compiling the data, asbestos and energy performance certificates. The information is being uploaded directly onto the asset management software, which is in the installation phase of the project, with a projected go live date of the 10<sup>th</sup> May.

The stock condition information will be available in advance of this date, in a report format from Savills, so that the programmes of work can be refined for 2012-2013 to enable the additional capital investment to be targeted at the areas most in need.

### Strategic Housing

Currently Housing Solutions are experiencing an increased demand on the homeless service. This has implications for several areas in the team, which include the budget, due to spend on B&B costs and Choice Based Lettings (CBL), as there are increased households being accepted as homeless.

Statistics show there is an increase in homelessness, in September to December 2011 we took **63** homelessness applications. This is an increase on the previous quarter where **19** applications were taken, the quarter previous to this **25** applications were taken. So far, from 1 January 2012 (quarter 1/1/12- 31/3/12), we have taken **40** new homeless applications and seen **163** new clients for housing advice. Our temporary accommodation is fully occupied (17 units) and we have 9 households in B&B accommodation.

We are working with a number of households who are in housing difficulty and of these **19** households are under imminent threat of homelessness (within 28 days) and are likely to require temporary accommodation pending a homeless application.

We have **14** households who have been accepted as homeless and are awaiting housing via CBL.

Councillor Rance referred to Section 106 monies and asked Councillor Griffiths to explain how the money would be used within the Housing budget and if she could give a definition of "affordable housing".

Councillor Griffiths said affordable housing was probably any form of subsidised housing. She added that a report would be going to the next Cabinet meeting about building Council houses and using money for that purpose. It was difficult to define affordable housing as it was different for different organisations.

Councillor Rance asked if Councillor Griffiths agreed it was necessary for Dacorum to have a definition of "Affordable Housing" put in place.

Councillor Griffiths urged caution with this as it would be difficult to have a definition to suit each person's suitability and address different requirements. Having a set definition could also affect DBC's position when seeking external grants.

Councillor Harris noted how Housing application forms were not always easily accessible for customers and asked the Portfolio Holder if it would be possible to give out paper application forms to applicants, rather than having to use the internet, as this was proving difficult for some applicants.

Councillor Griffiths advised that there was no restriction on paper applications and apologised for the fact that some applicants were having difficulty using the internet to complete the application forms. She asked for Councillor Harris to provide the names and addresses of the applicants so that she could personally send them paper applications instead.

Councillor White expressed concern about empty houses and asked for a report to the Housing & Community Overview & Scrutiny Committee regarding the relative success of various affordable housing schemes over the last 6 years. He stated that we should

be looking at promoting shared ownership schemes, co-operative housing etc. and debating on what works best for Dacorum and what funds they would need to seek for the future.

The Portfolio Holder said that she would speak to the relevant Chairman of the Scrutiny Committee regarding the programme.

Councillor R Hollinghurst asked if staff had been trained sufficiently in sending out hard copy forms as there had been complaints.

The Portfolio Holder said that residents were advised by letter that if there were any difficulties in accessing the information on the internet they should contact the Customer Support Unit for advice, as use of the post would delay bids.

Councillor N Hollinghurst asked Councillor Griffiths if she would accept congratulations for moving the Solar Energy Project forward.

The Portfolio Holder replied in the affirmative.

### **Councillor Harden, Portfolio Holder for Residents and Regulatory Services**

#### Environmental Health & Legal

“Can I thank you Madam Mayor for attending our official launch of the nFHRS this morning along with members of the FSA and for giving out certificates to those local businesses who consistently achieve a rating score of 5 on their inspections. If members would like to view how all food outlets in Dacorum have scored they can go onto the FSA website. DBC’s launch is currently on their homepage.

Our legal dept successfully prosecuted a Chinese takeaway for food hygiene breaches following an inspection from our EH team. Also our Environmental Health and Legal teams successfully prosecuted an individual for noise nuisance.

#### Member Development

Thank you to all members as the Council has achieved the Members Training Performance Indicator for 2011/12. The target was for each councillor to attend 5 training sessions and we achieved 5.16 per councillor. This is an excellent result and demonstrates your continuous commitment to Member Development.

Could I ask Councillors who have yet to return their checklist to Derek Lamb as part of the Personal Development Plan work to do so? Last time round we had a 100% response rate, with 88% of those taking part. This year, currently we have only had 50% returned. If councillors need another form or do not wish to take part in the PDP could they please contact Member Support or Derek Lamb.

#### Resident Services

##### ASB team

A project is underway between DBC and maintenance providers Apollo. We are in the process of identifying a building in Dacorum where students on an NVQ level 2 will be given practical work experience under the watchful eye of experienced tradesmen by refurbishing a building that is used by the community. Sites visits are due to be carried out on 10 local buildings nominated by the public, with the course due to start early April. There will be several weeks of classroom training, followed by a week refurbishing the building, and the best achieving pupil on the course will be offered an apprenticeship with Apollo whilst other candidates will obtain valuable work experience and an NVQ level 2 in a variety of trades.

An injunction with the power of arrest was obtained without notice against a perpetrator of ASB who is no longer able to visit the area where they were causing concern.

CCTV operators have been involved in 48 arrests so far this year.

CSP organised a knife crime workshop at the Old Town Hall on 24 January 2012. Chris Preddie OBE was invited to speak on peer pressure & knife crime. Young people representing schools, Youth Connexions and Targeted Support attended. All of the young people interacted with Chris and said they got something from the workshop.

#### Diamond Jubilee and Olympics

Plans are well advanced for the celebration of the Queen's Diamond Jubilee, with an event in Queens Square on 3rd June organised by Adeyfield NA and a carnival and celebration in Gadebridge Park on 4th June. There will be a wide range of events, live entertainment and community celebrations which will end with the lighting of a beacon, one of 2012 across the country, and also a firework display.

The Torch Relay on the 8th July will see a range of events along the Torch route which will include a mini Olympics, a wide range of sporting events throughout Hemel Hempstead and the opportunity for everyone to join in the event.

Finally this Saturday will see the launch of our Street Champions pilot scheme in Adeyfield. This will provide an opportunity for all residents to be involved in the improvements and upkeep of their areas. Yet another example of Big Society in Dacorum".

Councillor Rance noted that there was now only one disabled parking space at the Chaulden shops, whereas there used to be two. She asked why this was and whether there had been complaints. Councillor Harden responded that he would look into the provision of disabled parking at the shops. (The issue was also considered later in the meeting by Councillor Laws during her Portfolio Holder Q&A).

Councillor Adshead asked if the time of the Member training sessions could be later, as it was increasingly difficult to attend some of them around his work commitments.

Councillor Harden pointed out that unfortunately all of the development sessions had set times; however, as part of the work for Member Charter, alternative methods to provide training would be looked at and a later start time could be considered if the majority wanted it.

Councillor R Hollinghurst brought members' attention to the Appeals form used by the Council and felt that the wording of it was threatening and unnecessarily off-putting and intimidating. She added that it was out of keeping with the Council's policy of encouragement to take up benefits.

Councillor Tiley said he could look into this after the meeting if he had the details. He added he believed the Benefits staff were very understanding.

Councillor N Hollinghurst asked about an answer to a letter written to the Manager of Revenues and Benefits and the Chief Legal Officer regarding the wording of the Appeals form.

Councillor Tiley said he had not seen the letter and had no knowledge of it.

### **Councillor Holmes, Portfolio Holder for Planning and Regeneration**

“I attended the first Dacorum Business Exchange skills event on the 26<sup>th</sup> January. This is a free opportunity for Dacorum’s business community to gain important information on maintaining their competitive edge by investing in their most valuable asset – their employees, through training and development. The last event was held at Shendish Manor on the 22<sup>nd</sup> February and covered Skills Development and the next event is planned for March 29<sup>th</sup> at Pendley Manor and will focus on Carbon Reduction. A future event in May will have experts on Finance and Banking. I am grateful to our new Learning & Skills Officer, Lisa Devayya, for organising this new initiative to support Dacorum’s companies.

The Maylands Business Centre is already proving to be a success story for Dacorum. All but three units are now either let or soon to be occupied. Whilst a number of fledgling businesses there are growing fast, I am happy to report that two of them have already taken on apprentices and one is about to recruit a Business Administration Apprentice. In addition the Centre itself has offered two unemployed women part time work experience covering the reception area. Both will be in post for around 8 weeks. I am hopeful this will set an example to other businesses in Dacorum to help our unemployed gain valuable experience and skills.

We are anticipating that the new Food Court in the Marlowes pedestrian area will be delivered ahead of the Queen’s Diamond Jubilee Celebrations, the first of this summer’s events. We have recently procured all of the various elements such as the kiosks, timber seating and street furniture and will shortly be going out to tender for the contractor who will be undertaking the works. We hope to start work on site in March”.

Councillor Reay referred to the planning applications surrounding Luton Airport and asked if a night noise restriction policy could be put in place.

Councillor Holmes said that the consultation taking place would end in four weeks. The council had until April 2012 to respond. He pointed out that it would be beneficial for all Councillors to look at the website. The Strategic Planning & Environment OSC meeting would also take place on 6/03/12 to discuss any raised issues.

Councillor N Hollinghurst asked the following question:

“With the council going down the route of housing self-financing, and retaining control of its housing stock it is now more desirable that we retain our existing stocks and that, where we have to sell under Right to Buy, we achieve adequate compensation and safeguards towards affordable home provision in the future. One such safeguard is a covenant attached to the ex-council property. Another safeguard is an S 106 agreement. This is particularly relevant to rural housing stock.”

Councillor N Hollinghurst asked the Portfolio Holder for an assurance that there will be no dilution of the DBC policies designed to protect the stock of affordable homes in rural areas by the removal of S 106 agreements without appropriate and adequate compensation **and** without enforceable arrangement to mitigate the long-term loss of such affordable homes?

Councillor Holmes said that this was not within his Portfolio.

Councillor N Hollinghurst asked if the Portfolio Holder agreed that Estate Agents were not using due diligence in advising their clients about this.

Councillor Holmes said it would be a matter on which a person's Conveyancing Solicitor would advise.

Councillor Adshead congratulated the Steering Group on their work on Market Square.

Councillor Holmes said that the £50k budget would produce significant results and they hoped to have all work completed before the Queen's Jubilee.

## **Councillor Mrs Laws, Portfolio Holder for Environmental Services and Sustainability**

### Announcements

"Since the last Full Council Meeting the Environmental Services Team has supported Tring Rural Parish Council in their annual litter pick of Long Marston and Wilstone by providing litter pick equipment. 28 sacks of litter and a gas canister were collected.

It has also implemented a promotional campaign to encourage residents from Tring to join a new group called the "Friends of Tring Memorial Garden" group. The Friends group will provide an important link between the Borough Council, Town Council and local community. They will contribute in sustaining and enhancing the character of the park. So far four people have shown an interest in joining the group.

Successful recruitment has taken place for 3 Driver and 5 Loader refuse posts.

I am very pleased to report that many compliments from the general public on snow clearing and service provision in general have been received. This will not make the team complacent, but this positive feedback is testament that an improved communication system is starting to make a difference.

Finally, a stump grinder has been procured for use by the Clean Safe and Green Team, to enhance the appearance of the Borough. Now the team own this piece of equipment the removal of unsightly stumps can take place in an organised manner".

Councillor Laws responded to the question addressed earlier to Cllr Hardens by Cllr Mrs Rance regarding parking at Chaulden Shops. She stated that as the bay may be the responsibility of the Herts County Council, and as she knew the reasonable County Councillor was present, she would provide a response to her enquiry after the meeting.

Councillor Guest mentioned that there were complaints that there were too many disabled parking spaces at Chaulden shops. She asked the Portfolio Holder if she could ensure that the spaces were being used properly by residents and to ensure parking attendants took control over this.

Councillor Laws said that she would enquire whether there was a parking order in place for the disabled bay and would get back to Councillor Guest.

Councillor Harris said that he welcomed the gritting in his ward earlier on in the year.

Councillor Laws said that she would pass on his thanks to the staff for all their hard work.



Councillor N Hollinghurst noted that there was only one street nameplate in Moor End Road, which you could not see when you turned into it after seeing the warning about bus lane enforcement. He asked that the balance of road signs was addressed.

Councillor Laws said she would look into whether there was any budget for this.

Councillor R Hollinghurst asked why a street nameplate was required on a very quiet rural road and not the busy town roads.

Councillor Laws noted that the specific rural street sign Councillor R Hollinghurst was referring to, namely Rossway Lane, was in response to the relevant ward councillor's request.

Councillor Tiley made a point of information. He pointed out there had been forty minutes of acrimonious questions and said that while political point-scoring was fine, if councillors wanted detailed information, they should give notice and copy letters to Portfolio Holders. The Rules required questions should be short and not accompanied by long statements.

## **51. CABINET REFERRALS**

The referrals from Cabinet on 7 February 2012 were submitted. It was moved by Councillor Williams, duly seconded and

Resolved:

That the following be approved:

### **1 MAYLANDS AREA TRAVEL PLAN (CA/008/12)**

**The adoption of the Maylands Area Travel Plan (MATP) as a material planning consideration with new planning applications.**

### **2 ICT RESERVES MONEY (CA/010/12)**

**The release of £55,000 from the technology reserve to support the two projects in the report, when approving the budget report.**

### **3 SENIOR OFFICER PAY POLICY STATEMENT (CA/011/12)**

**The statement of Pay Policy.**

### **4 THE LOCALISM ACT 2011– CHANGES TO THE STANDARDS REGIME CA/012/12)**

**The Changes to the Code of Conduct for Dealing with Misconduct Complaints**

**Approval of the following arrangements for dealing with standards complaints:-**

- a. That the Monitoring Officer be appointed as the Proper Officer to receive complaints of failure to comply with the Code of Conduct;
- b. That the Monitoring Officer be given delegated power, after consultation with the Independent Person, to determine whether a complaint merits formal investigation and to arrange such investigation. He/she be instructed to seek resolution of complaints without formal investigation wherever practicable, and that he/she be given discretion to refer decisions on investigation to the Standards Committee where he/she feels that it would not be appropriate for him/her to take the decision, and to report to Standards Committee on the discharge of this function;
- c. Where the investigation finds no evidence of failure to comply with the Code of Conduct, the Monitoring Officer be instructed to close the matter, providing a copy of the report and findings of the investigation to the complainant and to the member concerned, and to the Independent Person, and reporting the findings to the Standards Committee for information;
- d. Where the investigation finds evidence of a failure to comply with the Code of Conduct, the Monitoring Officer in consultation with the Independent Person be authorised to seek local resolution to the satisfaction of the complainant in appropriate cases, with a summary report for information to the Standards Committee. Where such local resolution is not appropriate or not possible, he/she is to report the investigation findings to the Standards Committee (or a Hearings Sub-Committee) for local hearing;
- e. That Council delegate to the Standards Committee (or a Hearings Sub-Committee) such of its powers as can be delegated to take action in respect of a member who is found following a hearing to have failed to comply with the Code of Conduct, such actions to include –
  - Issuing a reprimand;
  - Reporting its findings to Council [*or to the Parish/Town Council*] for information;
  - Recommending to the member's Group Leader (or in the case of un-grouped members, recommend to Council or to Committees) that he/she be removed from any or all Committees or Sub-Committees of the Council;
  - Recommending to the Leader of the Council that the member be removed from the Cabinet, or removed from particular Portfolio responsibilities;
  - Instructing the Monitoring Officer to [*or recommend that the Parish/Town Council*] arrange training for the member;
  - Removing [*or recommend to the Parish/Town Council that the member be removed*] from all outside appointments to

**which he/she has been appointed or nominated by the authority [or by the Parish/Town Council];**

- **Withdrawing [or recommend to the Parish/Town Council that it withdraws] facilities provided to the member by the Council, such as a computer, website and/or email and Internet access; or**
- **Excluding [or recommend that the Parish/Town Council exclude] the member from the Council's offices or other premises, with the exception of meeting rooms as necessary for attending Council, Committee and Sub-Committee meetings.**

Key points of discussion:

Councillor Rance said that she recalled when Standards had been introduced and had always advocated the Committee should include people other than Councillors. With Mr Pickles' legislation, only members of this Council could have votes on the Committee, as any Parish or Town Council member could not take part in decision-making. This was a huge step backwards. Councillor Rance said she was not opposing the item but asked members to keep in mind independent members. There were three levels of authority in Herts and three hatted Councillors could be in difficulty. An overarching system was wanted in Herts.

Councillor White said he regretted the move from an independent regime and wanted to see equality between Parliament and Local Government. This was a move to a more opaque system, particularly given the overwhelming majority in the Council. He added he felt sorry for the Conservatives given what public perception of the process would be.

Councillor Anderson said it was a moving feast as the guidance was being changed but disagreed with Councillor White on the basis members would be judged by their peers and public perception could work both ways. It was necessary to find a way to engage Parish Councillors, who would be judged by their peers. He noted independent members were not in the majority on the Committee.

Councillor Williams said he had often disagreed with Councillor Rance on Standards. It had been a draconian system and he was delighted to see the end of it. The Leader of the Council added that the Cabinet had not been entirely clear on the matter and had not made any recommendation regarding the constitution of the Committee. Councillor Williams explained there had to be a system in place in relation to Parish Councils, but there were no powers of enforcement. There needed to be clarification and discussion with the County and Parish Councils as a coherent policy was needed across all levels. The Monitoring Officer would draft a Code of Conduct and talk to colleagues in Herts. The Independent Person could serve in other Boroughs, but members wanted local people. It had been agreed at Cabinet that 9 people on the Committee was too high a number and political balance rules should be disapplied.

**That, subject to further updates, authority be delegated to the Corporate Director (Finance and Governance), in consultation with the Leader of the Council, to structure a loan portfolio for the purpose of Self Financing based on the following principles:**

- a) To use the Public Works Loan Board (PWLB) as the principal source of financing;**
- b) To use internal borrowing where appropriate;**
- c) To develop a portfolio of fixed, mixed maturity loans;**
- d) To fund on the Capital Financing Requirement (CFR) curve;**
- e) Retention of the negative Housing Revenue Account CFR for future purchase or appropriation of land or other issues.**

## **6 BUDGET 2012/13 (CA/013/12)**

That Council be recommended to approve:

### **General Fund Revenue Estimate**

- a) set a Dacorum Borough Council General Fund council tax requirement of £9.995m which equates to £10.613m for the combined Borough Council and Parish Councils' requirement for 2012/13 (inclusive of parish precepts of £618k);
- b) set a Dacorum Borough Council, nil Council Tax increase for 2012/13;
- c) set a garage rent increase of £0.10 per week based on a chargeable 48 week year;
- d) approve the revised revenue estimate for 2011/12; original base estimate for 2012/13: and indicative budget forecasts for 2013/14 to 2015/16 as shown in Appendix A of the report, as amended;
- e) approve and adopt the Treasury Management Strategy and Annual Investment Strategy for 2012/13 provided at Appendix D of the report, including the approval of the:
  - Prudential Indicators in section 2
  - Authorised Limits for external debt in section 3.2
  - The borrowing strategy, indicators and limits contained in section 3.4
  - The annual investment strategy, indicators and limits set out in section 3.7
  - The use of the Investment Instruments listed in Appendix 4 of Appendix D of the report.
- f) approve increases in Fees and Charges for 2012/13 (in accordance with the Council's Fees and Charges Strategy) and as set out in Appendix E of the report;
- g) approve the forecast balances of Revenue Reserves as shown in Appendix Aiii of the report;
- h) approve the use of the "Wellbeing powers" to provide transitional Taxi Voucher arrangements for a second year for existing scheme recipients, to continue to mitigate the impact of the withdrawal of the Council's existing discretionary scheme, upon the transfer of the administration of Concessionary Travel to Hertfordshire County Council;
- i) note that this budget paper, when approved by Council, will form part of the Medium Term Financial Strategy.

### **Capital Programme**

- j) approve the revised Capital Programme for 2011/12 and Programme for 2012/13 to 2016/17 detailed in Appendix B of the report;

- k) authorise the funding proposals subject to an annual review of the financing options by the Corporate Director of Finance and Governance, in consultation with the Portfolio Holder for Finance and Resources, during the preparation of the Statement of Accounts to optimise the use of Council resources.

**Note:**

The following amendment of Capital Programme adjustments was tabled at the meeting following an urgent Portfolio Holder Decision.

**Budget amendment proposals 29 February 2012**

To amend the revised capital estimate 2011/12 and revenue and capital estimates for 2012/13 -2016/17 agreed by Cabinet on 7<sup>th</sup> February 2012 to take account of the acquisition and capital repairs of 41 The Marlowes, Hemel Hempstead on 28<sup>th</sup> February 2012.

**Capital programme adjustments**

1. The following lines to be deleted under Finance & Governance schemes

	Financial year	2011/12 £	2012/13 £	2013/14 £	2014/15 £	2015/16 £	2016/17 £
Acquisition of investment property		800,000					
Strategic acquisitions			500,000				

2. The following lines to be added under Finance & Governance New Schemes

	Financial year	2011/12 £	2012/13 £	2013/14 £	2014/15 £	2015/16 £	2016/17 £
Strategic acquisitions	Proposed revised Programme	1,110,000	700,000				
Works to Strategic acquisitions	Proposed additions		65,000	330,000	25,000	120,000	60,000

Impact on total capital spend per year (to be funded from capital receipts)		310,000	265,000	330,000	25,000	120,000	60,000
-----------------------------------------------------------------------------	--	---------	---------	---------	--------	---------	--------

**Revenue implications**

3. Revenue repair costs of £20,000 have been identified for 2012/13. These costs should be contained within existing property revenue budgets.

### Housing Revenue Account (HRA)

- l) **set dwelling rent increases in accordance with Government guideline rent increase and rent convergence principles, resulting in an average increase of 7.92% (a maximum increase of 9.27%), providing an average rent of £91.77 per week (based on 52 weeks);**
- m) **approve the HRA revised estimate for 2011/12 and base estimate for 2012/13 as shown in Appendix C of the report.**
- n) **approve the HRA investment proposals set out in this report together with the financial assumptions incorporated into the HRA 30 year Business Plan, to enable these to be utilised by the Corporate Director (Finance and Governance) to determine the borrowing portfolio to finance the HRA Self Financing settlement.**

### Council Tax Declaration 2012/13

- 1) It was noted that the Cabinet at its meeting on 13 December 2011, as amended at the meeting of 7 February 2012, calculated the following amounts for the year 2012/13 in accordance with regulations made under Section 31B (3) of the Local Government Finance Act 1992, as inserted by Section 74 of the Localism Act 2011:-
  - (a) 58,664.3 being the figure calculated by the Council in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 as its Council Tax base for the year;
  - (b) the amounts in Table 1 of this report (Tax Base for each part of the Council's area to which one or more special items relate) being the amounts calculated by the Cabinet in accordance with regulation 6 of the Regulations as the amounts of its Council Tax base for the year for dwellings in such parts.
- 2) the following amounts be now calculated by the Council for the year 2012/13 in accordance with Sections 31A and 31B and Sections 34 and 36 of the Local Government Finance Act 1992 (as amended) (referred to as "the Act"):-
  - (a) £148,189,103.86 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) of the Act, taking account of all precepts, and including the amount which the Council estimates as Council Tax deficit which will be transferred in the year from its General Fund to its Collection Fund;
  - (b) £137,576,110.00 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the Act, including the aggregate of the sums which the Council estimates will be payable for the year into its General Fund in respect of redistributed Non-Domestic Rates and Revenue Support Grant ;
  - (c) £ 10,612,993.86 being the amount by which the aggregate at 2)(a) above exceeds the aggregate at 2)(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its **Council Tax requirement** for the year;

- (d) £180.91 being the amount at 2)(c) above, divided by 1)(a) above, calculated by the Council in accordance with Section 31B (1) of the Act as the basic amount of its Council Tax for the year;
- (e) £618,465.00 being the aggregate amount of all special items referred to in Section 34(1) of the Act;
- (f) £170.37 being the amount at 2)(d) above, less the result given by dividing the amount at 2)(e) above by the amount at 1)(a) above, calculated by the Council, in accordance with Section 34(2) of the Act as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates;

(g) Part of the Council's Area	Band D Equivalent Combined £
Aldbury	181.06
Berkhamsted	189.55
Bovingdon	195.28
Chipperfield	199.61
Flamstead	212.52
Flaunden	197.70
Great Gaddesden	188.21
Hemel Hempstead	170.37
Kings Langley	208.29
Little Gaddesden	195.12
Markyate	201.62
Nash Mills	194.17
Nettleden	192.38
Northchurch	181.16
Tring Rural	188.48
Tring Town	193.56
Wigginton	183.30

(Band D charge for Parish and District combined), being the amounts given by adding to the amount at 2)(f) above, the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 1)(b) above, calculated by the Council in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in parts of its area to which special items relate;

- 3) it be noted that for the year 2012/13 Hertfordshire County Council have stated the amounts in precepts issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each of the categories of dwellings as set out below

Valuation Band

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
745.89	870.20	994.52	1,118.83	1,367.46	1,616.09	1,864.72	2,237.66



- 4) That it be noted that for the year 2012/13 Hertfordshire Police Authority have stated the amounts in precepts issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each of the categories of dwellings as set out below

Valuation Band

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
98.55	114.97	131.40	147.82	180.67	213.52	246.37	295.64

- 5) That having calculated the aggregate in each case of the amounts at 2)(g), 3) and 4) above the Council in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby set the amounts set out in Table 3 of the report as the amounts of Council Tax for the year 2012/13 for each part of the area and for each of the categories of dwellings shown;
- 6) It be noted that in setting the Council Tax for 2012/13 the Council is required to have taken account of the report of the Chief Financial Officer on the robustness of the budget.

Key points of discussion:

Councillor Williams introduced the budget recommendations. He drew attention to the three supplementary papers:

- Amendment to the revised capital estimate – see Capital Programme above.
- Amended General Fund Budget Summary and Forecast 2011/12 – 2015/16 (Appendix Ai) with small amendments to the Original Budget 2012/13.
- Amended Council Tax Declaration 2012/13 to include HPA precept announced on 23 February as set out above.

The Mayor drew attention to an error in table 3 (Council Tax for each Valuation Band) of the Council Tax Declaration that should read 2012/13.

**LIBERAL DEMOCRAT AMENDMENT**

The following amendment to the Cabinet recommendations relating to the General Fund Revenue Estimate was proposed by Councillor Harris and seconded by Councillor Hollinghurst:

Substantive Cabinet Recommendation: Paragraph (d) (General Fund Revenue Estimate) “approve the revised revenue estimate for 2011/12; original base estimate for 2012/13; and indicative budget forecasts for 2013/14 to 2015/16 as shown in Appendix A of the report, as amended;”

Insert after paragraph (d) the following amendment moved by Councillor Harris:

That from within the car park budget for 2012/13, the cabinet consider purchasing software which would allow car park pay & display machines to record, and report, all transactions and their status condition to a central computer. In addition commence a pay & display machine replacement program to include new machines compatible with the software and to contain a chip & pin terminal. The estimated cost, in the region of £50,000, to be found within the financial year 2012/13 as a virement from Car Parks

Supplies & Services figure and to be considered at a future cabinet meeting. Any additional Capital that is required to be included within the 2013/14 Budget.

Councillor Harris introduced his amendments. He said the amendment seeks to start a programme of replacing car park Pay and Display machines to provide more detail. The estimate for the 2012/13 would be £50,000 and further budgeting would need to be considered by Cabinet. The amendment suggests that the costs could be found as a virement from Car Parks Supplies & Services but Councillor Harris said that alternative funding might be sourced from any budget underspend.

Councillor Laws said she was surprised to see this amendment put forward when Councillor Harris had already raised this topic at an Overview and Scrutiny Committee meeting and had received a response by email from the Assistant Director of Finance and Resources. Councillor Laws read out the relevant section from that email as set out below.

“Cabinet accepted a report in the autumn to make some changes to parking prices in 2012/13 but otherwise agreed not to review parking charges again until 2014/15. We are taking advantage of this opportunity to look at other aspects of car parking. Accordingly, as part of service planning for this coming year I have asked Mike Evans to build in some time to look at alternative approaches (such as mobile phone parking and alternative uses). Once we have got some thoughts together on what work that might involve I will bring forward a paper for scrutiny”.

Councillor Laws added that there is already a commitment of officer time. She said her view is that we should always work from an informed base to ensure best value, when spending any taxpayer’s money, not the adhoc manner suggested in the amendment and would therefore not be supporting this amendment.

Councillor Williams commented that this amendment seeks to endorse a policy that is already in motion and invited the proposer to withdraw it.

Councillor White said he failed to see the purpose of the amendment when the discussion should be centred on debating the budget. He said some of the detail built into this budget need to be considered for the implications rather than worrying about chip and pin machines to pay for parking. He added that he had refused to take part in the Joint OSC budget meetings when the papers were only presented on his arrival at the meeting. He said he would expect the proposed amendment to be debated at Scrutiny before coming to the budget because it is operational management. He said he would want to see an evaluation of the machines and their cost effectiveness, together with plans for preventing non payment of charges and plans to reduce the cost of parking attendants which he said is a huge overhead for the Council. In the present economic climate there are two concerns with regards to car parking charges. They can be a deterrent to people coming into town and the temptation is for local authorities to continually raise charges as a means of generating income as other authorities within Herts have done. He said he was pleased that this administration has so far resisted this temptation. He concluded that he would wholeheartedly support Councillor Harris and Councillor Hollinghurst if they asked for this item to be remitted to the appropriate OSC to be part of forming the terms of reference in line with the work Councillor Laws has outlined.

Councillor Rance said that her party was seeking a commitment to put money into the budget so that this scheme can be moved forward. She said that what was being proposed by Councillor Laws was referred to as a policy-in-force, but it was no more than a request for information so that a discussion can take place at a future meeting.

At the moment there is no way of knowing if the £638,000 being spent on car park management in one year is money well spent. Improved equipment would provide information on where the money is being made and if money is being wasted. With regards to the item being considered at an OSC, she felt that the scrutiny process was a waste of time.

Councillor Williams said that the motion was so irrelevant to the budget process and under Standing Order 13:11 called for the 'motion to be put'. Seconded by Councillor Griffiths.

Councillor N Hollinghurst said that some of the car parking equipment is getting old and the purpose behind this motion is to steer the Portfolio Holder in the direction of reducing costs for the Council. The present equipment does not supply enough detailed information to manage the Vinci contract effectively. He concluded by asking for support for the amendment because the outlay will pay for itself in terms of reduced costs on the contract.

The Mayor put the amendment to the meeting and declared it to be lost:

36 against, 5 for and 2 abstentions.

## **SUBSTANTIVE MOTION**

Councillor White said it was a dull budget with not a lot of change, but hidden within the budget are a few little spins. He congratulated the administration on the limited impact on frontline services and pointed out that the cuts had already been made some time ago such as the Arts Education Service in the Old Town Hall. The cuts imposed by the Coalition Government on Local Government are still rippling through and this authority is just about keeping its head above water. There is a bigger cut built into this budget. The acceptance of the Government's offer for a Council Tax freeze in return for a additional grant funding next year will mean our saving requirement is already £250,000 plus inflation higher than today. This is why a number of authorities have turned down the Government's offer of a Council Tax freeze this year because they know what the likely impact a freeze will have on their services. We have just come to the end of a two-year grant settlement and we do not yet know what the grant settlement will be over the next two years, but we can be sure it will be less than what we are getting now. We do know that this Government plans to phase out the Revenue Support Grant and we will be dependent upon business rates. This budget keeps us where we are and is a good managerial budget, but it stacks up problems for the future. The wriggle room has gone with the restructuring programme and there are still cuts to face over the next two years

Councillor Anderson said he disagreed with Councillor White and said it was indefensible to refuse Government funding to freeze Council Tax and in terms of the suggestion he made that we are storing up problems for the future, Councillor Anderson said that the Finance and Resources OSC have discussed the amendment and considered a programme of savings over a long period of time. He concluded by saying that he supported the main motion.

Councillor Griffiths said she was surprised at Councillor White's comment about the budget papers being presented on the night of the Joint OSC meeting. The budget papers first went out on 5 December prior to the first Joint OSC meeting on 12 December; there were only minor changes made at the subsequent Joint OSC meeting and these were centred around the capital side rather than revenue.

Councillor Griffiths said she wanted to concentrate on housing because in April 2012 the HRA (Housing Revenue Account) will switch from the current national subsidy system to 'Self Financing'. Instead of rents being pooled nationally and local Councils either paying in or receiving, dependent on the needs of the stock, Councils will keep all of their rents in return for taking on a share of the National Housing debt.

Dacorum will take on a considerable debt of £354 million. However, at current rates this equates to annual repayments of £16 million against our current subsidy payment of £20 million. This £4million difference will automatically mean we can increase our improvement programme for tenants' homes next year and going forward.

We need to have a 30 year business plan in place which covers projected income, the needs of the stock, servicing and repaying the debt, tenant involvement, the environment and the sustainability of our housing stock. The main aim of the business plan is to ensure that the housing stock remains fit for purpose as our tenants' homes.

The Cabinet have agreed that the initial 10 years of our Business Plan should focus on improvements to tenants' homes and catching up in areas which have slipped over the past few years due to lack of resources such as external decorations. The needs of the stock are high during these years but a new 'Dacorum Standard' has been partly developed with tenants which involves more work and to a higher standard than currently possible.

During years 10-20 of the Business Plan, resources will far exceed the investment requirements of the housing stock and there will be exciting opportunities available for Dacorum Council and the tenants and leaseholders. We will have the ability to transform estates and their appearance, significantly improve our sheltered schemes, react quickly to environmental and technological innovations as well as enter into a significant new build programme. This will enable the stock to remain at current levels if 'Right to Buy' increases as expected due to pending changes in eligibility and discount caps.

The Cabinet have ensured that the Business Plan achieves total repayment of the debt by the end of the 30 year period.

Councillor Hollinghurst thanked the Portfolio Holder for Housing for her statement and said that he found it very encouraging. He said in view of Self Financing and all that is available to us for future improvement, we should not fritter away our stock, especially in rural areas, by not following our policies, especially Policy 6.

Councillor Harden said "I do endorse this budget, but as I recall since the Liberals have been the official opposition on this council they have endorsed 99.9% of our yearly budgets apart from a few anomalies. In light of what has been said I make that 100% endorsement of our Conservative budget. Now the question we should be thinking is how they will vote; will they back up their endorsement of a strong and sensible conservative budget and vote with us, or will they be classic yellow Liberals and vote against what they know to be a fundamentally good and beneficial budget for our residents".

Councillor Lloyd said that the whole point of the budget debate was that if there is anything that the opposition do not like in terms of the policy which is being explored over the coming year, then this is the opportunity to ask for changes. He said that the opposition are inferring that everything is right, that nothing should be changed or tweaked and therefore the expectation is for a unanimous vote in favour of this budget.

He said he would be supporting the budget because it is good for the locality and, in hard economic times, it ensures that the hard working residents of Dacorum won't have to be put their hands into their pockets to find more money for Council Tax. Councillor Lloyd added that people know that the services they will be getting are as good as they were last year and that frontline services have been protected. He asked the Labour Member to remember why these cuts are necessary, which is because of the last Government, who almost bankrupted this country. He concluded by congratulating the Cabinet who have found a way forward so that we do not have a cliff edge next year.

Councillor Harris referred to the Scrutiny process. He said that again this year Members have received lots of paperwork with lots of figures, but the detail that is needed in order to scrutinise the budget has not been forthcoming. He gave the example of a query he had about an amount of £40,000 included in Appendix F to the budget report for car parking survey under 'one-off growth items' which has only been correctly answered today. He said it had been pretty much impossible to come up with detailed amendments or an alternative budget because the level of information required is not available. He asked that in future years the accounts system is made available to all Councillors so that they can retrieve as much information as they need to.

Councillor Tiley acknowledged that the final papers for the Joint OSCs on 2 February arrived late and agreed with Councillor Griffiths that these papers were very much identical to the ones in December but in acknowledging the lateness of the final papers he and the Corporate Director of Finance & Governance made themselves available to all members of the Council to answer questions. 11 or 12 Councillors attended the open session, but this did not include the two Members complaining about the lack of information. The Corporate Director of Finance & Governance has quite properly not told him which members have contacted her and assured him that she and her finance staff are reminding the opposition leaders that they are there to serve them every bit as much as to serve the administration. He said that it was misleading and disingenuous and dishonest of the opposition to suggest that the information was not available.

Councillor White raised a point of order. He said it was unfair of the Portfolio Holder in his "rant" to describe him or Councillor Harris as dishonest in this debate and said he hoped Councillor Tiley would withdraw his remarks. He said it was not appropriate to bring officers into the debate. He said that he did have a briefing on the budget but it would be ridiculous for him, in a council with 40 plus Conservative members and only 2 Labour members to ask officers to spend their time producing a completely separate set of information for a completely different financial strategy for this authority, which is the only way he would want to oppose this budget.

Councillor Tiley said that if the opposition wished to challenge the budget in a serious way, they are entitled to do that. The fact that there are only two Members is not the issue.

Councillor Tiley refused the Mayor's request to withdraw his comment.

Councillor White queried if Councillor Tiley should remain in the chamber because it was completely unfair to be described as dishonest.

The Mayor asked for a moment's calm before proceeding.

After a pause, the Mayor addressed Councillor Tiley and explained that there was no proof of dishonesty, unless it was proven.

Councillor Williams confirmed he had evidence in the form of an email, answering the question that Councillor Harris referred to, which was sent to members of that Committee on 13 February. The email sent today amended the wording and in his opinion it was dishonest of Councillor Harris to imply that the question was only answered today. Councillor Harris may or may not have read the email but he was not telling the truth.

Councillor Tiley said that in respect to the Mayor he would withdraw his comment.

The Mayor thanked Councillor Tiley.

Under a point of order, Councillor Harris said that an accusation of dishonesty was made by the Leader of this Council who said he was deliberately dishonest in mentioning the email. He said that what he did say was that correct information was provided today. The incorrect information was provided on 13 February; it was subsequently corrected and given out today.

Under a point of order, Councillor Hollinghurst pointed out that there was a difference between making a mistake and being dishonest. He said that there had been two accusations of dishonesty but only one of them been withdrawn. He said this was unacceptable and that they must both be withdrawn.

The Mayor declared "the matter is closed".

Councillor Hollinghurst repeated his request that the second accusation be withdrawn.

The Mayor said that Councillor Tiley had withdrawn his remark and she was satisfied.

Several of the opposition members said "Councillor Williams".

There was a further pause before the Mayor said that a line must be drawn under the issue and asked Councillor Williams to sum up.

Councillor Williams concluded the debate. He said that the lack of any substantive alterations by the opposition to the Cabinet's budget over the last few years is taken as a compliment, because it must be the view of the opposition members that the Conservative budget is a good budget for the Borough. Despite difficult times, this budget does not seek to stand still; it seeks to build upon the achievements of the administration over the last few years.

At this point the Liberal Democrat Members all left the meeting at 9.23pm.

Councillor Williams said he would pause as the "children" leave the chamber. When asked by Councillor Rance to repeat what he had said, he replied that the Liberal Democrat Members seem to be acting like children.

Then as Councillor R Hollinghurst was walking out with her Group, she said "We are the children?; we are leaving!".

The Mayor asked for language to be tempered.

Councillor Williams continued. He said this budget seeks to protect Council Taxpayers by accepting the Government's freeze. It continues to provide frontline services with almost no change. There have been reductions in services in the past, but these were incurred under funding mechanisms of the previous Government. We find ourselves in a very difficult financial situation nationally. Funding has been reduced, but the work that has been done to protect services is a credit to the Portfolio Holder and to the Finance Team. It is not true that the bad news is held back for future years. The same accusation was made last year and, one year on, there is still no reduction in services and the recognition is of the need not only to protect services but to invest in areas that are crucial to the Borough. In addition to the £150,000 invested in promoting Maylands for economic development purposes, another £150,000 is invested in our Tourism and Reputation Policy; it puts some initial funding into the Public Service Quarter; it puts funding into the Diamond Jubilee celebrations and Olympic events. We will continue to pursue policies that do benefit the Borough in terms of the Government's agenda for delivering growth. We have benefitted significantly from the New Homes Bonus and will continue to pursue that. There are, as Councillor White pointed out, issues around how the Business Rates will develop in the future, but there is ability to keep growth within the Borough and we will make sure that we maximise our ability to raise revenue through this mechanism. As mentioned, the HRA budget and Business Plan is in place to take advantage of Self Financing and for the first time in 20 years we will be able to build new Council housing in the Borough. This will address some of the difficulties in the shortage of affordable housing within the Borough. The ability to spend all the money that we raise within the Borough on the Borough housing stock will be a significant improvement on the situation where rents have risen and risen to the benefit of other Boroughs around the country. Councillor Williams concluded by recommending the budget to Council.

The Mayor put the substantive motion to the meeting. It was agreed and the Mayor declared it to be carried.

### **Council Tax Declaration 2012/13**

The Mayor put the motion to the meeting. It was carried by a majority (Councillor White dissenting) and the Mayor declared it to be carried.

### **51. CHANGES TO COMMITTEE DATES 2012/13**

The report was moved by Councillor Williams, duly seconded and

Resolved:

That the following changes be approved:

1. Finance & Resources OSC meeting rescheduled for 23 February 2012 is now cancelled. **The original meeting date of 20 March 2012 will now take place.** The reason for this change is that the Equalities Consultation report will not be ready until March and this will be in line with all the other OSC meetings.
2. A number of scheduled Audit Committee meeting dates are not required and the Audit Committee agreed at its meeting on 8 February that the following three meetings **will not** be required:
  - 18 June 2012
  - 16 July 2012
  - 28 November 2012

The amended list for Audit Committee meetings are as follows:

- **30 May 2012**
- **28 June 2012**
- **\*27 September 2012**
- **12 December 2012**
- **6 February 2013**
- **24 April 2013**

\*The meeting on 27 September 2012 was originally scheduled for 17 September

- 3. Additional Housing & Community OSC meeting on Wednesday 9 May 2012**

## **52. CHANGES IN MEMBERSHIP**

It was moved by Councillor Williams, duly seconded and

Resolved:

That Councillor Whitman be appointed to the Health in Dacorum Committee in place of Councillor Macdonald.

The meeting ended at 9.29 pm.