

MINUTES

CABINET

13 FEBRUARY 2018

Present:

Members:

Councillors: Williams (Leader)
Griffiths (Deputy Leader)
Elliot
Harden
Marshall
G Sutton

Also attended: Cllrs Hicks, Douris, and Howard

Officers: S Marshall Chief Executive
J Deane Corporate Director (Finance & Operations)
M Brookes Solicitor to the Council and Monitoring Officer
R Smyth Assistant Director (Performance, People & Innovation)
J Doyle Group Manager (Democratic Services)
C O'Neil Corporate Support Team Leader
K Soley Communication & Consultation Team Leader

The meeting began at 7.30 pm

CA/19/18 MINUTES

There were no minutes for consideration, minutes of the meeting held 30 January 2018 will be considered at March Cabinet.

CA/20/18 APOLOGIES FOR ABSENCE

Mark Gaynor – Corporate Director (Housing & Regeneration)

Cllr Sutton asked that best wishes be sent to M Gaynor following his injury.

CA/21/18 DECLARATIONS OF INTEREST

There were no declarations of interest.

CA/22/18 PUBLIC PARTICIPATION

There was no public participation.

CA/23/18 REFERRALS TO CABINET

There were no referrals to Cabinet.

CA/24/18 CABINET FORWARD PLAN

That the Cabinet Forward Plan be noted with the following items to be brought forward to March 2018;

- Hemel Hempstead Town Centre Parking Access and Movement Strategy
- South West Herts Memorandum of Understanding

CA/25/18 BUDGET REPORT

That Cabinet **RESOLVED TO RECOMMEND** the Council:

(details of the following are set out in Appendices A-M of the report to the Cabinet)

General Fund Revenue Estimate

- a) set a Dacorum Borough Council General Fund Council Tax requirement of £11.094m, and of £11.872m for the combined Borough Council and Parish Councils' requirement for 2018/19;
- b) approve an increase of 2.99% in Council Tax for Dacorum Borough Council, taking Band D Council Tax to £195.51 for 2018/19;
- c) approve the base estimates for 2018/19, as shown in Appendix A1, and the indicative budget forecasts for 2018/19 – 2021/22, as shown in Appendix A2;
- d) approve the forecast balances of Revenue Reserves as shown in Appendix J, and approve section 10 of this report as the updated Reserves Strategy;
- e) approve increases in Fees and Charges for 2018/19 as set out in Appendices C3, D3, and E3;
- f) approve and adopt the Treasury Management Strategy for 2018/19, attached at Appendix K (to follow);
- g) approve and adopt the Treasury Management Principles and Practices for 2018/19, attached at Appendix L (to follow);
- h) note that this budget paper, when approved by Council, will form part of the Medium Term Financial Strategy.

Capital Programme

- a) approve the revised Capital Programme for 2017/18, and for 2018/19 to 2022/23, as detailed in Appendix I;
- b) approve the financing proposals in Appendix I subject to an annual review of the financing options by the Corporate Director (Finance &

Operations), in consultation with the Portfolio Holder for Finance and Resources, during the preparation of the Statement of Accounts.

Housing Revenue Account (HRA)

- c) **reduce dwelling rents by 1% in accordance with government legislation, resulting in an average rent of £101.22 per week (based on 52 weeks);**
- d) **approve the HRA estimate for 2018/19 as shown in Appendix F.**

Terms & Conditions

- a) **approve the continued application of a living wage supplement for all affected employees, in accordance with the rates of the Living Wage Foundation, for 2018/19 (to be reviewed annually thereafter).**

Statement by Chief Finance Officer

- a) **approve the statement by the Chief Finance Officer regarding the robustness of the budget estimates and level of reserves as set out in Appendix M.**

Reason for decision

To present to Cabinet budget proposals for recommendation to Council in relation to:

- Revenue and Capital Expenditure together with the potential use of reserves
- The setting of the Council Tax for 2018/19
- The Treasury Management Strategy 2018/19
- The level of fees and charges for 2018/19
- Advice to Councillors on the robustness of the Budget proposals and adequacy of balances and reserves as required by the Local Government Act 2003

Corporate objectives

All of the Council's corporate objectives are reflected in the Budget proposals.

Monitoring Officer/S.151 Officer comments

Monitoring Officer:

Under the Council's Constitution it is the responsibility of Cabinet to draw up firm proposals for the Budget, having regard to the responses to the consultation, and to present those proposals to full Council for approval. Once full Council has approved the Budget it is the responsibility of Cabinet to implement it.

S.151 Officer:

Comments contained in body of report. Chief Finance Officer Statement contained in Appendix M of the report.

Advice

Cllr Elliott introduced the Budget Report and advised that the proposed budget for 2018/19 is the culmination of several months' hard work from both Members and Officers across all of the Council's services.

The scale of the challenge facing the Council was laid out in the MTFS approved by Council in September 2017, which set the savings requirement for 2018/19 at £1.6m, an amount *equivalent to 9% of the Council's Net Cost of Services*.

The Council's previous implementation of a multi-year savings programme meant that we were well placed to face the challenge with around £1.3m of savings initiatives having already been identified by the start of the budget setting round.

Despite additional challenges arising since September, the gap has been closed and I am able to propose a balanced budget today. This has been achieved through a combination of efficiency savings; increased commercialism; and improved contract terms with private sector partners.

All of these improvements have enabled us to once again protect the Council's front line services, and continue delivering a first class service for our residents, all for a Band D Council Tax of £3.75 per week.

Once again the Council has reduced its housing rents by 1% in line with statutory requirements, but has managed to maintain a new build programme with 170 units currently planned .

The Council continues to invest in the borough, with £190m of expenditure planned over the next 5 years.

Cllr Griffiths noted that the background info is very detailed and thanked officers. Noted this has been through Scrutiny twice and on that basis she was happy to second going forward to Council next week.

Cllr Marshall asked, is there any difference between the papers tonight and those last week to scrutiny. JDeane confirmed this is the same report/content.

Voting

None.

CA/26/18 MANAGEMENT OF TRING SWIMMING POOL

Decision

That Cabinet approved;

1. The proposal to transfer responsibility for Tring Sports Centre to Tring School in line with the conditions and requirements outlined in this report to enable significant investment in Tring leisure facilities.
2. Recommendation 1 above is conditional on the successful completion of due diligence and following formal approval from Tring School.

3. For DBC to mutually agree to terminate the existing Dual Use Agreement and enter into a new Funding Agreement to reflect the terms as set out in the Cabinet report. This will be undertaken in consultation with the Section 151 Officer and the Monitoring Officer.

Reason for decision

For Cabinet to review and approve the proposal to transfer responsibility for Tring Sports Centre to Tring School in line with the conditions and requirements outlined in report

Corporate objectives

These reliefs will support the corporate objectives of:

- **Clean, Safe and Enjoyable Environment**
and;
- **Modern and Efficient Council**

Monitoring Officer/S.151 Officer comments

Monitoring Officer:

No comments to add to the report

S.151 Officer

This investment is within the budget previously approved by Council for the improvements at Tring Pool.

In order to ensure the required returns from the investment, the new Funding Agreement with Tring School must adequately capture the appropriate guarantees over continued public use of the facility. The Service will need to work closely with Finance throughout the drafting of the Agreement.

Advice

RSmyth provided a verbal update further to discussions with Tring School that had taken place today (13/02/18); and was comfortable with everything outlined in report. Tring School have some concern about timings as dependent on the Government signing off on a contract for 1st April (EFSA will sign off). We have developed a backup position, still involving Tring school taking over from the 1st April, but allowing us more time to develop the contract should the EFSA take longer than the 4-6 weeks they suggest. All parties happy we will be able to take this forward in the timescales proposed.

RSmyth added, construction work to be delivered by Kier, expecting final design and schedule of works in next couple of weeks but all progressing well. Once received, will share this with the school to put a definitive timeline in place to start works (expected May 2018)

Cllr Marshall asked, what is the extent of the community use, will the School provide 'X' amount of hours over the duration of the contract? RSmyth advised they will have to mirror the arrangements and hours that are already in place.

Cllr Marshall asked, will the contract allow the Council and the School to amend those hours in the future if needs arise? RSmyth clarified that the school must, as a minimum, honour the existing hours.

Cllr Williams confirmed, for clarity, that we will be ending the existing dual use agreement and starting a new dual use agreement, protections will be in place for those facilities covered by the agreement.

Cllr Harden asked, under Item 3.3 in the report around the potential of the facility not being financially viable in the future, is there a scenario where the school could say it is not financially viable but we disagree with them? MBrookes advised that we would go through a process of testing the information to ensure we are satisfied with the position before any decision would be made.

Cllr Marshall suggested the school could decide it is not viable to keep the facility open outside of school hours and may decide to close it to the community, what would be the position should that happen? MBrookes advised there is a penalty clause built into the contract to cover that.

Cllr Hicks asked if the proposal is yet at the stage where the information can be shared, he would like to see the specification. RSmyth advised that as soon as the works are signed off and the information is available it can be shared.

Cllr Hicks referred to the disabled facilities at the pool, stating that they require upgrade. RSmyth advised that the upgrade of the pool lift equipment has been included in the specification.

Cllr Hicks referred to the 10 year contract period and asked, are there any plans for what will happen in terms of refurb of equipment after the 10 years? RSmyth responded that it would be a policy decision for Members at that time to look at what the next options will be for the facility.

Cllr Douris referred to the 10 year duration of the contract and asked what the break notice is within that 10 years, is there any scope for Tring School to devolve the running of the facility to a 3rd party company, and what would happen if the 3rd party then decided it was not financially viable for them? RSmyth responded that the breakage notice is 2 years, with financial penalties built in.

Cllr Douris referred to Item 3.12 in the report, noting that it would imply that the 2 years notice period is in reference to after the 10 years of operation, not before.

RSmyth confirmed it is the same notice period prior to the 10 years. MBrookes confirmed that within that 10 years there would be significant financial penalty.

RSmyth confirmed that Tring School can appoint a 3rd party to run the facility for them. Tring have advised that in the long term they want to run the facility themselves but may need to bring an operator in while they get up and running. It would remain the responsibility of Tring School to maintain any operator, who would have to continue to work within the confines of our specification.

Cllr Douris asked if we as the Council would have oversight of any contract with a 3rd party to ensure that the community is not being overlooked. RSmyth confirmed it would be for Tring School to run, but one of the things we are very clear about is that this is a partnership, the School wants the same thing as us so we would fully expect they would talk to us, however it would remain their decision.

Cllr Williams added that should Tring School appoint an operator that does not operate within our specification they then the school would be in breach of the contract.

Voting

None.

CA/27/18 COMMITTEE TIMETABLE 2018/19

Decision

Cabinet approved the Meeting Timetable for 2018/19, on condition of an additional generic stand-by scrutiny date to be programmed in April 2019.

NB – the date has been proposed as Tuesday 2nd April 2019.

Reason for decision

To approve the Meeting Timetable for 2018/19 as set out in Annex A to this report.

Corporate objectives

The various meetings of the Council, Cabinet and Committees support the achievement of the Council's Corporate Objectives.

Monitoring Officer/S.151 Officer comments

Monitoring Officer:

No comments to add to the report.

Deputy S.151 Officer:

There are no direct financial implications arising from the content of this report.

Advice

Cllr Sutton thanked officers for re-working the timetable to accommodate the 3 weekly DMC cycle.

Cllr Marshall noted there is no scrutiny committee's during the months of April and May 2019, whilst appreciating there will be an Election, noted it would be beneficial to have at least 1 date in on stand-by should it be needed, or a call-in date.

Cllr Griffiths noted that this appears to happen annually, where no scrutiny meetings take place until after Annual Council and noted it can add pressure to the agendas of subsequent meetings.

Cllr Williams confirmed that should an emergency meeting be required, there is adequate time in the timetable to accommodate. Cllr Marshall requested a generic OSC be put in the diary and cancelled if not needed, this was agreed.

Voting

None.

The Meeting ended at 8.00 pm