

# NORTH HERTFORDSHIRE DISTRICT COUNCIL

## CABINET

Meeting held at Council Offices, Gernon Road, Letchworth Garden City  
on Tuesday, 27 January 2009 at 7.30pm

### Minutes

**PRESENT:** Councillors F.J. Smith (Chairman), T.W. Hone (Vice-Chairman), Tricia Gibbs, I.J. Knighton, Bernard Lovewell, Mrs L.A. Needham, Mrs C.P.A. Strong and R.A.C. Thake.

**IN ATTENDANCE:** Chief Executive, Strategic Director of Financial & Regulatory Services, Strategic Director of Customer Services, Head of Financial Services, Head of Planning & Building Control, Strategic Housing Manager, Cultural Services Manager, Corporate Legal Manager, Democratic Services Manager and Senior Committee & Member Services Officer.

**ALSO PRESENT:** Councillors L.W. Oliver (Chairman of Scrutiny Committee), Mrs A.G. Ashley, Judi Billing, John Booth, Tom Brindley, J.M. Cunningham, Melissa Davey, Fiona Hill, A.F. Hunter, S.K. Jarvis, David Kearns, David Levett, Alan Millard, Elliot Needham, Michael Paterson and Martin Stears-Handscomb. Approximately 45 members of the public.

#### 93. APOLOGIES FOR ABSENCE

There were no apologies for absence.

#### 94. MINUTES

**RESOLVED:** That the Minutes of the meeting of Cabinet held on 16 December 2008 be approved as a true record of the proceedings and signed by the Chairman.

#### 95. NOTIFICATION OF OTHER BUSINESS

The Chairman referred to one additional item of business and one amended report, both of which had been dispatched the day prior to the meeting, as follows:

- (i) Item 13 – Future of Museums Services - the Chairman commented that this item would be moved forward to immediately follow Item 7 – Car Park Charges/Tariffs;
- (ii) Item 10A – Budget Proposals 2009/10 – amended report.

#### 96. CHAIRMAN'S ANNOUNCEMENTS

- (i) The Chairman reminded Members that, in line with the Code of Conduct, any Declarations of Interest now need to be declared immediately prior to the item in question.
- (ii) The Chairman referred to the difficult financial circumstances faced by the Council, in common with most other local authorities, due to the recent reductions in interest rates and the national economic downturn. As a consequence, the Council's Budget Proposals for 2009/10 had been affected drastically by these events, which meant that the Council had a number of challenging budgetary decisions to make in the next few weeks.

#### 97. PUBLIC PARTICIPATION

Letchworth Town Councillor Philip Ross and Mr Chris Hobbs (Norton Archaeology Group) had both registered to speak in respect of Item 10 – Budget Proposals 2009/10, regarding Letchworth Museum. As there was now a report on the Future of Museums Services on the agenda (Item 13), the Chairman would be inviting both speakers to address Cabinet at the commencement of this item.

The Chairman also referred to a letter he had received from Mr Brian Foreman (Chairman of North Herts Arts Council) in respect of Letchworth Museum, which he would be reading out when Cabinet reached Item 13 on the agenda.

The Chairman further advised that Councillor David Levett had requested to speak regarding Item 13.

**98. REFERRAL FROM SCRUTINY COMMITTEE – 9 DECEMBER 2008 – LOCAL ECONOMIC DEVELOPMENT TASK AND FINISH GROUP – FINAL REPORT**

The Chairman of the Local Economic Task and Finish Group (Councillor Martin Stears-Handscorn) was invited to present the recommendations of the Scrutiny Committee, made at its meeting held on 9 December 2008, in respect of the final report of that Task & Finish Group (Minute 54 refers), which were as follows:

- “5.1 That the Council appoint a dedicated Economic Development Officer to enable it to fully participate in and take advantage of forthcoming economic development challenges and opportunities for North Hertfordshire. The Council should aim to make the post self funding over the medium term.
- 5.2 That this Council considers whether the supply and range of employment land is adequate for the needs of the local economy, and takes steps to address any shortcomings. In particular, there should be appropriate access, for vehicles and public transport, to employment land and this should form part of the preparation and consultation on the Local Development Framework.
- 5.3 That existing partnerships and networks such as HEDOG and/or related bodies continue to be used to monitor and seek to address issues raised in the conclusions through the appropriate officer input.
- 5.4 That the Council’s Town Centre Strategy is revisited to ensure that the Town Centre Partnerships have ongoing sustainable funding.
- 5.5 That this Council seeks to influence Hertfordshire County Council and other agencies and forums (e.g. Transport FSR, local transport plans) about the infrastructure issues raised in the conclusions
- 5.6 That the Cabinet receive a report of the development proposals of Enterprise Hertfordshire; seek to make a firm commitment of support at this stage; and further seeks to encourage a vision of economic development focused on North Herts towns and rural areas as distinct from Stevenage.
- 5.7 That the Council publicises funding opportunities provided by the Office of the Third Sector for those planning community businesses and other social enterprises.
- 5.8 That the Council updates its website to provide better links to the help and information already available to businesses.
- 5.9 That the Council should seek to maximise income from tourism through better information for visitors and better signposting for businesses, eg. by inserting links to the providers of tourist information.
- 5.10 As part of its Green agenda, the Council should seek opportunities to develop carbon neutral and green technologies when developing its strategies.
- 5.11 That the Council should investigate new initiatives to support local small businesses.”

Cabinet received the comments of the Corporate Management Team regarding the resource and financial implications of the above recommendations, as set out in Appendix B to the referral from the Scrutiny Committee.

The Chairman of the Task and Finish Group outlined a number of concerns he had with some of the comments made by the Corporate Management Team, which were noted by Cabinet.

Cabinet considered each of the Task and Finish Group's recommendations, in tandem with the respective Corporate Management Team comment. At the conclusion of this exercise, the Chairman thanked the Chairman and Members of the Local Economic Development Task and Finish Group for the report.

**RESOLVED:**

- (1) That, in relation to Recommendation 5.1 of the Local Economic Development Task and Finish Group, the Corporate Management Team be requested to keep the matter of a dedicated Economic Development Officer under review, and report back to Cabinet in due course;
- (2) That Recommendation 5.2 of the Task and Finish Group be accepted;
- (3) That Recommendation 5.3 of the Task and Finish Group for part of the review referred to in Resolution (1) above;
- (4) That, in relation to Recommendation 5.4 of the Task and Finish Group, it be noted that the Council had no plans to reduce the existing funding arrangements for Town Centre Partnerships;
- (5) That Recommendation 5.5 of the Task and Finish Group be accepted;
- (6) That Recommendation 5.6 of the Task and Finish Group be accepted in principle, subject to further work on costings;
- (7) That, in relation to Recommendation 5.7 of the Task and Finish Group, the Corporate Management Team be requested to re-consider this matter;
- (8) That Recommendations 5.8 to 5.11 of the Task and Finish Group be accepted.

**REASON FOR DECISION:** To respond to the recommendations received from the Scrutiny Committee, in accordance with the agreed Scrutiny Referrals Protocol.

**99. REFERRAL FROM SCRUTINY COMMITTEE – 20 JANUARY 2009 – SCRUTINY FINANCE SUB-GROUP RECOMMENDATIONS**

The Chairman informed Cabinet that consideration of this referral would take place in conjunction with agenda item number 10 (see Minute 105 below).

**100. REFERRAL FROM SCRUTINY COMMITTEE – 20 JANUARY 2009 – THE INTRODUCTION OF A COMMON HOUSING ALLOCATION SCHEME IN ORDER TO DELIVER CHOICE BASED LETTINGS**

The Chairman informed Cabinet that consideration of this referral would take place in conjunction with agenda item number 9 (see Minute 104 below).

**101. CAR PARKING CHARGES / TARIFFS**

The Portfolio Holder for Planning and Transport presented a report of the Head of Planning and Building Control seeking Cabinet approval of Car Parking Tariffs for 2009/10. The following appendices were submitted with the report:

Appendix 1 – MVA Consultancy report;

Appendix 2 – Existing, inflationary and differential parking tariffs table.

Members were reminded that, at its October 2008 meeting, Cabinet had considered the Council's Car Parking Strategy, in light of the recent Transport Fundamental Service Review's (FSR) recommendation that it be reviewed (Minute 63 refers). A key part of any review would be the future policy on tariffs for the Council's off-street car parks. Since tariffs for 2009/10 were being considered as part of the budget setting process and the FSR had concluded that differential parking charges could

possibly be considered in the District's towns, it was agreed that survey work should be undertaken at the end of 2008 in order to inform the tariff setting discussion, as well as providing baseline data for informing the wider Parking Strategy work planned for 2009/10.

Cabinet was informed that Transport Planning consultants MVA Consultancy had been appointed in November 2008 to carry out survey work and advise on tariffs for 2009/10 and policy for setting tariffs in future years.

The report produced by MVA, set out at Appendix 1 to the report, summarised:

- Existing car parking activity in Hitchin, Letchworth and Royston town centres;
- Attitudes of car parking users to parking provision and tariffs;
- The views of town centre managers and businesses;
- Comparison with other town centres parking charges elsewhere;
- NHDC owned car park ticket sales trends;
- Differential parking charges;
- Public transport fares compared to car park tariffs.

The Council's Budget Strategy allowed for inflationary tariff increases, following a three year period of no tariff increases. As such, the budget setting process for 2009/10 assumed an inflationary increase 'across the board'. MVA's advice considered three additional tariff scenarios, reflecting the need to balance inflation only increases against revenue maximisation and sustainable transport policy. In considering the information available, the recommendation from MVA was that the Council implemented a 'hybrid' tariff solution, balanced between the three scenarios, conclusions being summarised as follows (and set out in the tariff comparison table at Appendix 2 to the report):

In Hitchin and Letchworth

- Tariffs in short stay car parks on the edges of town centres be increased by inflation only;
- Tariffs in the busiest short stay car parks closest to the retail core of Hitchin and Letchworth town centres be increased to a level slightly higher than inflation, reflecting (but still being cheaper than) similar privately owned and operated car parks nearby;
- Tariffs for long stay car parks on the edges of town centres be increased by inflation.

In Royston

- Retain current parking tariffs in all car parks.

In terms of financial implications, and using the Council's financial model, it was estimated that the tariff resulting from the above approach would yield an increase in income of approximately £180,000. The Budget Strategy for 2008/09 assumed an increase for car parking income in 2009/10 of £141,000 to reflect the fact that there had been no increase in the 3 previous years. The Budget report at item 10 on the agenda (see Minute 105 below) detailed the significant efficiencies that were proposed for 2009/10 to enable a balanced budget to be set. Those proposals included an allowance for an increase in parking income of £141,000 and, if there was not to be such an increase, then additional efficiencies would have to be found to offset this. The projected increase of approximately £180,000 was an estimated increase based on past parking trends and reflecting changes to demands from increased charges.

The Head of Planning and Building Control responded to a number of questions raised by Members regarding covering report and the report produced by MVA Consultancy.

In debating the report, Members considered that the differential tariffs should be reviewed for 2010/11 and that, included as part of the revised Parking Strategy, the tariffs for Royston should be reviewed, and consideration given to the introduction of car park charges in Baldock.

**RESOLVED:**

- (1) That the differential car parking tariffs, as recommended by MVA Consultancy and set out in Appendix 2 to the report, be introduced with effect from 1 April 2009, and that these differential tariffs be reviewed for 2010/11;
- (2) That a revised Parking Strategy be produced in 2009/10, having regard to items contained within Paragraphs 4.9 to 4.11 of the report, including charges in Baldock and Royston, and that parking tariffs be reviewed annually to assess performance of tariffs against the Council's priorities for Green Issues and Town Centres;
- (3) That the proposals for investment in new ticket machines be noted, and that this be considered as part of its budget setting process for 2009/10 and beyond, with strong support for capital funding being used for "on foot/barrier" investment rather than replacing the existing machines.

**REASON FOR DECISION:** To more accurately reflect parking demand than by imposing blanket inflationary tariff increases across all car parks in North Hertfordshire.

**102. FUTURE OF MUSEUMS SERVICES**

Prior to the consideration of this item, the following presentations were made to Cabinet under Public Participation:

(i) Letchworth Town Councillor Philip Ross

Letchworth Town Councillor Philip Ross acknowledged the difficulties faced by the District Council in setting its budget for 2009/10. However, he expressed concern at the proposed closure of Letchworth Museum, which he considered to be an important civic asset to the town. It provided an invaluable resource for young children, in particular, and its displays played a vital role in presenting the art and history of Letchworth.

Town Councillor Ross referred to the Royston Museum, which had been operated for a number of years through a partnership approach between the Royston Town Council and North Herts District Council. He hoped that a similar approach could be adopted in respect of Letchworth Museum and, to this end, he had called an emergency meeting of the Letchworth Town Council, with a view to identifying funding assistance to keep the Museum open. He therefore urged Cabinet to instruct officers to work with the Town Clerk to achieve this end.

The Chairman thanked Town Councillor Ross for his presentation.

(ii) Mr Chris Hobbs (Norton Community Archaeology Group)

Mr Hobbs thanked the Chairman for the opportunity to address Cabinet on this important matter. He advised that, as well as his own views, he would be presenting the concerns of a number of other groups with an interest in the Letchworth Museum, namely North Herts Archaeology Society, the Letchworth Naturalists Society and the Norton Community Archaeology Group.

Mr Hobbs stated that the possible closure of the Museum on 31 March 2009 had shocked and horrified many local residents, to the extent that a rapidly organised local petition had already gained over 700 signatures, and at a meeting held on 26 January 2009 there was very strong opposition to any move that could deny residents this century-old local institution.

Mr Hobbs considered that every community had a fascination with its heritage, and that he saw the Museum as the place where residents went to see what went before them. It was an insight into a community's culture and origins, and fostered a sense of identity and heritage.

Mr Hobbs explained that, as a youngster, he had visited Letchworth Museum on school trips, and had belonged to the popular and enthusiastic "museum club". It had

started his lifelong interest in the subject. He was now Chairman of the over 100 strong Norton Community Archaeology Group, whose finds were entrusted to the Museum for display, with inspirational support and expert direction from the Museum Service.

Mr Hobbs stated that heritage was public property, which was entrusted to the Museum. Letchworth Museum held collections on behalf of the District and not just the town. He considered that denial of access was a breach of the trust owed to the community, particularly when the tax payer was still required to pay virtually all of the costs to maintain the valuable and fragile collections in situ (but without public access). He felt that closure meant a loss of understanding of local heritage; denial of access was a breach of trust; closure meant a loss of the community's cultural focal point; and closure would deprive younger members of the community.

Mr Hobbs concluded by urging Cabinet to reject the proposal to close Letchworth Museum now; maintain access; and pursue the imaginative strategy for the Museum service in the future, all with appropriate consultation.

The Chairman thanked Mr Hobbs for his presentation.

The Chairman read out a letter sent by Mr Brian Foreman, Chairman of the North Hertfordshire Arts Council, objecting to the proposed closure of Letchworth Museum and urging Cabinet not to close it.

The Chairman then invited Councillor David Levett to address Cabinet in respect of this matter.

Councillor Levett advised that he was representing the view of the majority of Letchworth Conservative Members on the District Council, who were unable to support the immediate closure of the Letchworth Museum. Following the Museums FSR, a Project Board (involving input from the Museum Service and Letchworth Garden City Heritage Foundation) had been established to take forward the agreed FSR recommendations. This Project Board had been meeting for 3 years, and Councillor Levett considered that to proceed with the closure of the Letchworth Museum now would seriously undermine the work carried out by the Board.

Councillor Levett referred to the financial implications of the proposed closure. He considered that it would be inappropriate if the proposed 2009/10 efficiency saving of £50,000 for the closure of a frontline service was approved, when an alternative source of funding had been identified to close the Council's budget deficit, namely the £59,000 which would not now be required to extend the organic waste collection service to multiple occupancy properties.

The Portfolio Holder for Community Engagement and Rural Affairs presented a joint report of the Heads of Community Development & Cultural Services and Financial Services which provided Cabinet with relevant information on a proposal to change the timescale for the closure of a museum, as envisaged in the Museums Fundamental Service Review (FSR), in order to provide additional potential efficiencies to help produce a balanced budget for 2009/10.

Members were asked to note that, whilst a proposal to close the budget gap has been made in the Budget Proposals report elsewhere on the agenda (see Minute 105 below), which assumed the closure of Letchworth Museum, this would be subject to Cabinet's decision on that matter.

The joint report has been prepared for the 'Project Executive', to provide Cabinet with sufficient information to inform any decision on the timing of closure. It was stressed, however, that whilst care had been taken in compiling the report, the short time available to produce it had meant that consultation with stakeholders and a very detailed operational and financial analysis had not been carried out.

The full background to the project was detailed in the report, as was the timescale for progressing the actions set out in the FSR Action Plan. This timescale had been designed to allow for a Collection Centre to receive the collections from both Burymead and any items from either Hitchin or Letchworth Museums, following the establishment of a new/refurbishment museum for North Hertfordshire. Work had

since progressed on the development of a Business Case for a new Collections Centre, though in recent months this had been somewhat slowed down in view of the need to review the necessary levels of investment of resources to carry out the works.

As a result of the recent and significant impact of the reductions in interest rates and the consequent loss of income to the Council, a number of additional proposals were quickly produced, including a major reassessment of the timing to bring forward the closure of a museum, as envisaged within the Museums FSR implementation plan, as an efficiency to help bridge the budget gap.

The report detailed fully the key issues in relation to the closure of Letchworth Museum; the development of a new Collections Centre in Letchworth; and the possible establishment of a North Hertfordshire Museum. The proposal to close the Letchworth Museum for the financial year 2009/10 would change the original project plan timeline for the Museums FSR. As a result, two options could be considered for the further implementation of the improvements to the museums service:

### **Option 1**

Develop the Collections Centre, then complete the refurbishment of the Hitchin Town Hall to be the North Herts Museum. This reflected the present Project Plan, which indicated that the Collections Centre should be completed prior to a new/refurbished museum for North Herts. For both these schemes, external funding would need to be secured for the capital works.

### **Option 2**

Develop the Hitchin Town Hall to be the North Herts Museum, then complete a smaller Collections Centre. This alternative approach was driven very much by cost differentials and also the potential for generating the necessary inward investment. There was also a public perception that a front line museum provision would be of greater benefit than a resource or collections centre.

If the Letchworth Museum was closed, then it would lose its Accredited Status and any application to the Heritage Lottery fund (HLF) for grant funding by North Herts District Council would be seriously compromised. To continue with the Collections Centre as originally proposed may therefore require a greater call on Council capital resources.

However, given that the Hitchin Museum would retain its Accredited Status, then any HLF application for a new/refurbished museum in Hitchin would probably have a better chance of success, though this would be very much dependent upon the quality of the application, rival bids and the amount of funds available.

If Cabinet decided to proceed with the closure of Letchworth Museum, Option 2 suggested that the priority should be the development of a new district-wide museum to be located in Hitchin. A new Collections Centre, most likely to be in Letchworth, would still be considered, but this would probably be on a smaller scale as it would be less likely to secure the higher levels of external funding. This option would also require the Council to consider its collection policies and in a structured way work towards rationalising this to make future maintenance of the collection more cost effective.

In terms of the financial implications of the proposals, the Portfolio Holder for Community Engagement and Rural Affairs commented that, following the reduction of interest rates on 8 January 2009, the Council's budget gap had increased by a further £200,000 to £620,000. The revenue efficiency following the closure of the Letchworth Museum was estimated to be £50,000 in 2009/10. Given the expected delay before a new collection centre or museum was ready, it was not expected that any further revenue efficiencies could be made until approximately 2011/12. An allowance for the risk that the full year's saving in 2009/10 may not be achieved had been incorporated into the estimated general fund balance as part of the financial risk analysis. A provisional sum of £3.5million had been proposed for the Capital Programme, beginning 2009/10, in anticipation of a decision on the rescheduling options presented in the report.

Cabinet debated the report, and the following comments were made by Members:

- The efficiency saving of £50,000 appeared small, but represented 0.6% of Council Tax;
- The outcome of the Museums FSR was clear, in that it envisaged the creation of a North Herts Museum, a Collections Centre, and the potential use of shared resources with the Letchworth Garden City Heritage Foundation;
- The Council's existing Museums were not fit for purpose (not Disability Discrimination Act compliant; had poor storage; limited display areas, etc.);
- Whilst the Museums were well used by primary schools, a number of the secondary schools rarely used them, due to their limitations.

The Portfolio Holder for Community Engagement and Rural Affairs had carefully considered the report and acknowledged the comments made by her Cabinet colleagues. She stated that the rationalisation of the Museums Service to provide a modern, accessible and high quality visitor experience had been an agreed objective of the Council for several years. In current economic circumstances she felt that it was quite correct that the Council considered the timing of its development plans so that its planned capital investment could help to support town centres, in this case Hitchin. As outlined in Option 2 of the report, investment here could see a positive future for Hitchin Town Hall and a higher level of revenue savings in the long-term. Such a conversion would also maintain an element of public use for the Town Hall, and for that reason she proposed that option 2 was pursued. However, she was conscious that it could be possible to close the gap in the proposed budget without recourse to the immediate closure of Letchworth Museum (see Minute 105 below). For that reason, she further proposed that the implementation of Option 2 was delayed until 31 March 2011 to allow for the detailed work to commence on the decommissioning of the museum, but nonetheless retained the prospect of significant revenue savings in the Financial Year 2011/12 and greater saving in future years once the District Museum was completed.

**RESOLVED:**

- (1) That Option 2, as outlined in the report, be adopted and the necessary changes in the implementation plan be made;
- (2) That, as part of this strategy, plans for closing Letchworth Museum by 31 March 2011 be agreed;
- (3) That this be accompanied by a change in the Capital Programme to accommodate the Museum Service, including the construction of a museum in a refurbished Hitchin Town Hall;
- (4) That, in view of the short time available in considering this matter, the Scrutiny Committee be offered the opportunity to scrutinise this decision prior to implementation.

**REASON FOR DECISION:** To provide a potential efficiency to contribute towards savings required within the Corporate Business Planning process.

**103. CORPORATE BUSINESS AND VALUE FOR MONEY STRATEGIES**

The Strategic Director of Customer Services presented a report in respect of the Corporate Business and Value for Money Strategies arising out of the Efficiency Fundamental Service Review (FSR), and as endorsed by the Performance, Audit and Review Committee. The following appendices were submitted with the report:

Appendix 1 – Value for Money Strategy;  
Appendix 2 – Corporate Business Strategy.

In respect of the Value for Money Strategy, Members were advised that the FSR had considered ways in which the Council could demonstrate it achieved value for money, in view of Audit Commission Guidance and the general expectations of residents and business ratepayers. As a starting point, it was necessary to agree a clear definition of value for money as a combination of price, performance and perception. The Value for Money Policy, attached as Appendix 1 to the report, considered these matters in detail and included a strategy for achieving value for money by:



- Ensuring that the Council's limited resources were allocated to its priorities through a vigorous service and financial planning process;
- Achieving service and budgetary targets through tight budgetary control and good project management;
- Systematically reviewing services for value for money by a process of benchmarking with the Council's 'near' neighbours;
- Maintaining the policy of competitive tendering and adopting best procurement practices;
- Minimising waste and achieving efficiency savings year on year;
- Measuring service quality against external objective quality standards;
- Working with the Local Strategic Partnership and other partners;
- Listening to the views of residents, service users and businesses, and by dealing efficiently with complaints so that problems could be corrected quickly; and
- Promoting equality of opportunity.

In respect of the Corporate Business Strategy, it was noted that the final strand of the FSR's work involved consideration of the overall business strategy of the Council and in particular:

- External financial, technical and legislative considerations;
- The delivery of the Value for Money Strategy ;
- The delivery of the strategy at corporate and service levels; and
- Business review and procurement arrangements.

Members of the FSR had acknowledged that substantial changes to the structure and functions of the Council had taken place in recent years, and that further significant challenges lay ahead to meet the Government's efficiency and reform agendas. The proposed Corporate Business Strategy, attached as Appendix 2 to the report, had been developed in order to address these issues and, the FSR had considered that it should form a component part of the Council's Corporate Business Planning process.

**RESOLVED:** That the Value for Money and Corporate Business Strategies, as attached at Appendices 1 and 2 to the report, respectively, be supported.

**RECOMMENDED TO COUNCIL:** That the Value for Money and Corporate Business Strategies, as attached at Appendices 1 and 2 to the report, respectively, be adopted.

**REASON FOR DECISION:** To ensure the authority secures efficiencies and economies through effective business planning.

#### **104. THE INTRODUCTION OF A COMMON HOUSING ALLOCATION SCHEME IN ORDER TO DELIVER CHOICE BASED LETTINGS**

The Portfolio Holder for Housing and Environmental Health presented a report of the Head of Housing and Environmental Health in respect of the proposed implementation of a Common Housing Allocation Scheme, in order to deliver the Choice Based Lettings (CBL) mechanism for the allocation of social housing. The following appendices were submitted with the report:

- Appendix 1 – What is Choice Based Lettings?;
- Appendix 2 – Draft Vulnerability Strategy;
- Appendix 3 – Stevenage Homes "Home 4U – Scheme User Guide";
- Appendix 4 – Common Housing Allocation Policy (or Scheme).

Cabinet was reminded that, in September 2008, it had approved the Common Housing Allocation Policy (CHAP), which would come into operation in March/April 2009. The Policy would be implemented by the North Herts Housing Partnership (which comprised the Council, North Herts Homes and the Howard Cottage Housing Association). Cabinet had previously agreed the Council's participation in the CBL Scheme operated by Stevenage Homes Limited.

The proposed CBL scheme, which it was proposed would operate from 1 July 2009, would feature the following key stages:-

- An applicant would apply to join the Common Housing Register;
- The application would be assessed in terms of housing need (in accordance with the prevailing CHAP) and registered with appropriate priority;
- The applicant would be informed of the awarded level of priority and the size and type of property for which they could bid;
- Vacancies would be advertised via a variety of media, labelled with information on location, size, type, rent, council tax band, and any special criteria;
- Applicants would register a bid for their desired property via a range of communication mechanisms;
- All bids would be shortlisted;
- Bidders with highest priority would be invited to a viewing of the property;
- The property would be offered to the bidder with the highest priority (subject to a satisfactory viewing);
- An offer would be accepted and tenancy subsequently commenced; and
- Anonymised lettings outcomes would be published regularly to give feedback and also to help applicants gain an idea of their chances of being offered accommodation.

Cabinet was informed that Stevenage Homes Limited had developed a brand for their CBL scheme called 'Home4U'. This was explained in Paragraphs 4.1 to 4.6 of the report. It was proposed that the North Herts Housing Partnership would operate under the same brand and would initially share the associated website and publicity under this identity.

The Chairman of the Scrutiny Committee advised that, at its meeting held on 20 January 2009 (Minute 74 refers), the Committee had considered a report on the introduction of a Common Housing Allocation Scheme in order to deliver Choice Based Lettings, and had made the following recommendation to Cabinet:

"That the Scrutiny Committee supports the introduction of a Common Housing Allocation Scheme in order to deliver Choice Based Lettings."

The Strategic Housing Manager answered a number of Members' questions regarding the new Scheme.

**RESOLVED:**

- (1) That, as part of the North Herts Housing Partnership, the introduction of the "Home 4U" Choice Based Lettings Scheme, as outlined in Paragraphs 4.1 to 4.6 of the report, be agreed, and that the revised Common Housing Allocation Policy or Scheme, attached as Appendix 4 to the report, be approved;
- (2) That any minor amendments to the adopted Common Housing Allocation Policy or Scheme required to implement Choice Based Lettings be delegated to the Head of Housing and Environmental Health, in conjunction with the Cabinet Portfolio Holder for Housing and Environmental Health.

**REASON FOR DECISION:** To comply with a mandatory requirement for all Local Housing Authorities and Registered Social Landlords that a CBL scheme is in place by no later than 2010.

**105. BUDGET PROPOSALS 2009/10**

The Portfolio Holder for Finance presented the report of the Strategic Director of Financial and Regulatory Services that apprised Cabinet of the factors which contributed to the determination of the District Council Tax level and asked Cabinet to recommend the appropriate level to Council on 5 February 2009. The following documents were appended to the report:

- Appendix 1 – Collection Fund forecast 2008/09;
- Appendix 2 – List of Efficiency items;
- Appendix 3 – List of Income increases;
- Appendix 4 – List of additional Efficiency items;
- Appendix 5 – List of Revenue Investment Items;
- Appendix 6 – General Fund Estimates 2009/10 and onwards;

The Portfolio Holder for Finance reminded Members that, at its December 2008 meeting, Cabinet was informed that to set a balanced budget and provide sufficient reserves to meet 2009/10's risks, further efficiencies of £240,000 would need to be identified from next year's forecast net expenditure. However, now that the total budget for 2009/10 had been calculated, this budget gap has increased from £240,000 to £620,000, largely as a result of the further fall in interest rates announced on 8 January 2009.

Members also noted that a minimum Council Tax increase of 4.5% would be necessary to produce a balanced budget, although it was unclear at what level the capping regime would come into force. The Minister for Local Government had informed Councils that the Government was expecting Council Tax rises 'substantially below' 5%. In order to minimise the risk of capping, officers considered it prudent not to exceed a 4.5% Council Tax rise.

The report now presented included the revisions to the base budget and sought approval for a number of matters which had been built in to the estimates, namely:

- The Budget was based on financing activity that supported the Council's strategic objectives;
- In-built contractual inflation of 5.61% and pay award of 2.0%;
- Standstill budget for all other items;
- Inflation of 4.2% on fees and charges income;
- Government support totalling £7.9 million (an increase in cash terms of £144k, 1.86%);
- Challenge Board efficiencies totalling £300.9k;
- Efficiency proposals totalling £139.6k;
- Income proposals totalling £371k;
- Budget gap efficiency proposals totalling £430k;
- Statutory and Strategic Investment proposals totalling £225.4k;

The Portfolio Holder for Finance referred to Agenda Item 10A, which included a revision to the base budget of £59,000, thereby reducing the budget gap to £561,000. The £59,000 related to the full revenue consequences of the request in the Capital report on the agenda which sought approval to re-allocate the funds for the scheme in 2008/09 to extend the organic waste collection service to multiple occupancy properties to a dry recycling service instead. Further analysis of the contract costs had revealed that a revenue provision in 2009/10 relating to the original capital scheme would not be required.

The Portfolio Holder for Finance advised Members of the major changes that had been made to the Efficiency and Investment items contained in the Budget Proposals 2009/10 since Cabinet's consideration of the Draft Budget in December 2008, and in the light of the current economic climate, proposed the following:

- the total value of Investment items be reduced from £454,230 to £225,400 (comprising RI/1 – Change of landfill site from land at Ickleford to site at Ware; RI/10 – Support to the BIDS process; and a new RI/13 – Support for CAB Hitchin County Court Helpdesk worker), with all other items being deferred for consideration in 2010/11;
- the additional Efficiency items RE9 to RE12, as detailed in the report, and totalling £360,000, be agreed;
- additional Efficiency item RE13 – reduction in Area Committee budgets on highway matters (£20,000) – be not supported, and be re-instated in the budget;
- additional Efficiency item RE14 – Close Letchworth Museum (£50,000) – be not supported, in the light of the revision to the base budget of £59,000 referred to above, and the efficiency be deferred to 2011/12 in line with the previous decision on Agenda Item 13 (see Minute 102 above);
- Income increase IE/1 – Second hand folding and collating equipment for Document Centre (£6,000) – remain, but officers find means to make it possible despite the deferral of Investment item RI/5.

The Portfolio Holder for Finance drew attention to a revised Appendix 6, submitted with Agenda Item 10A, which summarised the General Fund Estimates, taking into account the revisions to the base budget outlined above.

Cabinet supported the recommendations made by the Portfolio Holder for Finance.

The Chairman of the Scrutiny Committee advised that the Scrutiny Finance Sub-Group, at its meeting held on 19 January 2009, had considered reports on the Budget Proposals 2009/10 and Capital Programme – 2009/10 Onwards. In respect of the Budget Proposals 2009/10, the Sub-Group had made the following recommendations to Cabinet, which had been endorsed by the Scrutiny Committee at its meeting held on 20 January 2009 (Minute 73 refers):

- “(1) That the Museum service re-provision be properly planned ensuring that staff, Councillors and the Heritage Foundation are properly engaged and the positive aspects of the new improved facility be highlighted;
- (2) That control of staff costs are managed to maximise savings from vacancy controls and staff efficiencies;
- (3) That objectives remain joined up by giving consideration as to whether ceasing relatively small investments may decrease income and economic activity.”

The Portfolio Holder for Finance proposed to Cabinet that the recommendations of the Scrutiny Committee be supported.

***RECOMMENDED TO COUNCIL:***

- (1) That the disappointing level of Government support for 2009/10 of £7.886m be noted;
- (2) That the position on the Council Tax Collection Fund and the surplus of £6,000 projected at 31 March 2009 be noted, the North Hertfordshire share being a surplus of £55,000;
- (3) That the position relating to the Council's balances be noted and that it be further noted that a General Fund balance of £1,583,000 has been used in the precept calculations;
- (4) That the position of the other Reserves and Balances, as detailed in Section 4.5 of the report, be noted;
- (5) That the Efficiency Options referred to in Paragraph 4.6.2 of the report, and as detailed in Appendices 3 and 4, as amended, be approved for inclusion in the budget estimates for 2009/10;
- (6) That the Investment Items be limited to a total of £225,400, as referred to in Paragraph 4.6.5 of the report, and that this figure be included in the budget estimates for 2009/10;
- (7) That the additional Efficiency Options RE/9 to RE/12, as referred to in paragraphs 4.6.7 to 4.6.12 of the report, and as detailed in Appendix 5, be approved for inclusion in the budget estimates for 2009/10;
- (8) That it be noted that all Efficiencies and Investment proposals are in accordance with strategic objectives;
- (9) That the revised estimated net expenditure for 2009/10 be noted;
- (10) That the recommendations of the Scrutiny Committee be supported;
- (11) That a 4.5% increase on the Council Tax (average band D) be levied upon the Collection Fund for 2009/10, a precept of £9,634,696.

**REASON FOR DECISION:**

- (1) To ensure that Members have considered all relevant factors when arriving at the proposed Council Tax precept for 2009/2010;

- (2) To ensure that the Cabinet recommended a prudent and balanced budget to Council on 5 February 2009.

**106. PROVISIONAL CAPITAL PROGRAMME – 2009/10 TO 2012/13**

The Portfolio Holder for Finance presented the report of the Strategic Director of Financial and Regulatory Services, seeking approval of the Provisional Capital Programme for 2009/10 to 2012/13. The following appendices were included with the report:

Appendix A – Capital Programme Strategic Summary;  
Appendix B – Capital Programme Detailed Summary;  
Appendix C – Capital Investment items.

The Portfolio Holder for Finance drew attention to Appendix B to the report, which detailed the estimated capital spend in 2009/10 of £8.895 million, which included all proposed investment schemes. The total estimated capital spend over the period 2009/10 to 2012/13 was £29.023 million

The report now presented sought approval for a number of matters which had been built in to the Programme, namely:

- Statutory and Strategic Investment proposals totalling £0.630million;
- A revaluation of the cost of provision of new office accommodation;
- Reduction of £1.5million in partnership scheme funding of Housing;
- Proposed closure of Letchworth Museum and the subsequent re-provision of museum services;
- Investment in two play area developments following the successful application for Play Pathfinder Status;
- Investment in Baldock Road Play Area for which Section 106 monies had been secured;
- A revised timetable for the disposal of those assets identified for disposal.

***RECOMMENDED TO COUNCIL:***

- (1) That the provisional Capital Programme for 2009/10 to 2012/13, which includes the projects listed in Appendix C to the report, be approved;
- (2) That the 2009/10 Capital Investment Proposals, listed in Appendix C to the report, and totalling £0.630million, be approved;
- (3) That the reduction in the Capital Programme of £1.5million per annum for Housing Association grants, as set out in Paragraph 4.4 of the report, be approved;
- (4) That the changes to the Capital Programme to reflect the development of museum services, involving an investment of £3.5million, as set out in Paragraph 4.3 of the report, be approved;
- (5) That the investment in two play areas of £100,000 following the successful application for Play Pathfinder status, as set out in Paragraph 4.3 of the report, be approved;
- (6) That the investment in Baldock Road play area of £75,000 to be funded by Section 106 monies, as set out in Paragraph 4.3 of the report, be approved;
- (7) That the change to the 2008/09 Capital scheme to extend dry recycling to multiple occupancy properties, as set out in Paragraph 3.7 of the report, be approved;
- (8) That the application for the capitalisation of a pension fund contribution, as set out in Paragraph 4.9 of the report, be approved.

**REASON FOR DECISION:** To ensure that the Capital Programme meets the Council's objectives and officers can plan the implementation of the approved schemes.

## 107. REGIONAL AND STRATEGIC PLANNING ISSUES

The Head of Planning and Building Control presented a report informing Members of the current positions regarding:

- The East of England Plan;
- The Stevenage growth agenda, including west of the A1(M) at Stevenage Planning Applications and Stevenage / North Herts Action Plan (SNAP);
- The growth agenda for the Luton conurbation, including the proposed Luton and Dunstable Northern Bypasses;
- London Luton Airport and Stansted Airport.

The Head of Planning and Building Control update Cabinet with the following information regarding the recent receipt of three consultation papers in respect of the following matters:

- (i) Luton Bypass Options – officers' initial concerns were in respect of some of the outer routes proposed and their potential impact on the rural areas through which they passed, together with their potential impact on Hitchin;
- (ii) Luton Airport Surface Access Strategy – officers' initial thoughts were that the Strategy focussed on access to the airport from M1 and said little about access from the east. A major statistic was that the airport had experienced a 500% increase in throughput since 2002;
- (iii) East-West Rail Improvements – a meeting of the Consortium Steering Group was scheduled for 28 January 2009, and a number of options had been presented as part of the consultation exercise.

The Head of Planning Control requested that he be authorised to respond to these consultation documents on behalf of the Council, in conjunction with the Portfolio Holder for Planning and Transport.

### **RESOLVED:**

- (1) That the contents of the report be noted;
- (2) That the Head of Planning and Building Control, in conjunction with the Portfolio Holder for Planning and Transport, be authorised to respond to the consultation documents received in respect of Luton Bypass options, Luton Airport Surface Access Strategy, and East-West Rail Improvements.

**REASON FOR DECISION:** To ensure that Members are made aware of current developments regarding regional and strategic planning issues.

The meeting closed at 10.50pm.

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Chairman