

COUNCIL

29 January 2019

Present: Councillor R Martins (Chairman)
Councillor A Khan (Vice-Chair)
Councillors P Taylor, A Barton, S Bashir, N Bell, S Bolton,
S Cavinder, K Collett, J Connal, J Dhindsa, A Dychton, J Fahmy,
A Grimston, I Hamid, K Hastrick, M Hofman, P Jeffree, J Johnson,
S Johnson, P Kloss, R Laird, B Mauthoor, M Mills, M Parker,
G Saffery, D Scudder, N Shah, I Sharpe, R Smith, I Stotesbury,
M Turmaine, D Walford, M Watkin and T Williams

Officers: Managing Director
Head of Democracy and Governance
Deputy Managing Director and Director of Place Shaping and
Corporate Performance
Shared Director of Finance
Head of Finance
Head of Corporate Strategy and Communications
Democratic Services Manager
Mayor's Political Assistant
Committee and Scrutiny Officer

53 **Apologies for Absence**

Apologies for absence were received from Councillors Crout and Steele.

54 **Disclosure of Interests**

Council was informed that, under the Council's Code of Conduct, all councillors had been given a dispensation by the Monitoring Officer to consider and vote on minute number 61 as all members had a pecuniary interest in that item.

55 **Minutes**

The minutes of the meeting held on 16 October 2018 were submitted and signed.

Official Announcements

Councillors' IT

The Chairman informed Council that as part of updating the council's IT, all staff and members would be moved on to Office 2013. Members were advised that their equipment could be left with the Democratic Services Manager and Committee and Scrutiny Officer and the update would be carried out. Alternatively a different date could be arranged by contacting the Democratic Services Manager.

Chairman's Charity Fund Raising Quiz

The Chairman announced that he would be holding his Charity Fund Raising Quiz and raffle on Tuesday 26 February at the Colosseum. The cost was £12 per person, which included a fish and chip supper. The proceeds would go to his two mental health charities Signpost and Guideposts. He asked councillors to contact the Member Development and Civic Officer if they were interested in registering a team.

Chairman's Reception and Awards Ceremony

The Chairman stated that all councillors should have received a message about his reception and awards ceremony which would be taking place on Friday 8 March 2019 at Watford Football Club. The tickets were £45 and all proceeds would go to his two charities. The evening would include his community awards. He thanked all those councillors who had already made nominations. The deadline for nominations was 11 February 2019. He asked councillors to contact the Member Development and Civic Officer if they wished to purchase tickets.

Kashmir visit

The Chairman advised that Councillor Hamid had arranged a visit by the former Prime Minister from Azad Kashmir. Members should have received notification and were invited to come along. He asked that members contacted Councillor Hamid if they wished to attend. The visit was due to take place on Tuesday 5 February.

Mayor's Report

A report of the Mayor had been circulated with the agenda.

The Chairman invited Members to indicate whether they wished to ask a question of the Mayor. Councillors Bell, Mauthoor, Bashir, Bolton and Turmaine indicated that they wished to ask questions.

- a) Councillor Bell referred to Watford's historic charter market. He noted the market's initial problems and concerns raised by local residents and traders about the increased costs for traders. He asked the Mayor what guarantee residents and traders would be given to show that the Mayor was a strong supporter of the charter market. He also referred to the Mayor's predecessor and the relocation of the market.

The Mayor responded that his predecessor had listened to residents and ensured a market was retained. He said that he had visited the market and met stallholders many times. He felt the report in the Watford Observer was very unfortunate. He advised that 68% of stallholders had actually had their fees cut or stayed the same. He did not consider that all stallholders had had their fees 'hiked'. Previously some stallholders had not signed contracts; there had been different levels of fees not based on the size of their plot. Now the market was being properly managed. There had been big investments in the toilets, signage and lighting. He would continue to meet with stallholders and would ensure the town had a market that was vibrant and had a good future.

- b) Councillor Mauthoor mentioned the new development in Oxhey Park which would have facilities for skateboarding and BMX. She asked whether the scheme would be replicated in North Watford.

The Mayor commented that there had been many discussions about improvements in Garston Park and there were plans to provide some facilities there for skaters and cyclists. The work in Oxhey Park had been a long process and there had been consultations with local residents. There would also be a café as well as the new cycle, skateboard and play facilities. The work would begin in the next few weeks. In the north of the town there was the multi-million pound project at Woodside. This would include investment in the cricket and boxing clubs. The council was investing across the town.

- c) Councillor Bashir said that the Mayor had made reference in his report to the Metropolitan Line Extension (MLX) scheme and it had come to a 'dead end'. There had been huge potential for the link. It probably had not been helped by the scathing attacks of the Mayor's administration on Mayor Sadiq Khan. Given the acquisition of Croxley Business Park and how it could be vital for the council's future income, he enquired whether a shorter

proposal from Watford Junction to Croxley Station had been considered. It would increase the potential for that part of Watford and ease congestion.

The Mayor stated that one of his first meetings on becoming Mayor was with Transport for London. They had advised that the scheme was dead and timed out. The project team working on the MLX had been disbanded six months prior to the mayoral election. The Labour Mayoral candidate had said that the scheme was still ongoing; this had not been true. Mayor Khan had decided the MLX scheme would not be delivered. However, at that meeting he had been given a commitment to protect the line, for the council to get its money back and for a feasibility study to be carried out to look at alternatives. The suggestion by Councillor Bashir of a shorter route would be one of the options considered. The report would be produced in the summer. They would try to find a new scheme.

- d) Councillor Bolton advised that he no longer wished to put a question to the Mayor.
- e) Councillor Turmaine noted the Mayor's comments about the MLX and that he was trying to resurrect a scheme. The Watford Labour Group was very supportive of a transport link to the town. The reason for the scheme being cut was the original cut of £750 million grant to Transport for London by the Government which placed it in dire financial circumstances. He asked whether the Mayor had met the Secretary of State, Chris Grayling to put the case for the extension and if not if he would commit to it.

The Mayor replied that the reality was that Mayor Khan had wanted another £72 million to deliver the scheme. This had increased the overall costs to £360 million. The additional funding had been found. Transport for London had developed the costs for the scheme, which had included a 20% contingency built in. However, Transport for London wanted all the benefits and none of the risks. The Labour Mayor had not been prepared to deliver the scheme. Work was being carried out on alternatives and he would do everything he could to deliver that.

58 Questions by Members of the Council under Council Procedure Rule 10.0

No questions had been received.

59 Petitions presented under Council Procedure Rule 12.0

No petitions had been received.

60 **Business especially brought forward by the Chairman or the Head of Paid Service which in the opinion of the Chairman should be considered as a matter of urgency.**

There was no urgent business.

Councillor Bell asked if the council had heard anything about the announcement regarding funding for local authorities in connection with Brexit.

The Director of Finance advised that the council had been informed it would receive £35,000 to spend as it wished.

61 **Financial Planning**

Council received a report of the Director of Finance including

- a report of the Cabinet meeting held on 21 January 2019 and its supporting documents
- Council Tax Resolution 2019/20 report
- Budget Gap, as amended by the decision by Council 23 January 2019
- Medium Term Financial Strategy 2019 – 2022, as amended by the decision of Council 23 January 2019

The Mayor moved the budget report which was seconded by Councillor Watkin.

Councillor Bashir moved an amendment to the budget report, which was seconded by Councillor Khan. The full amendment was circulated at the meeting. (It has been attached to these minutes as Appendix 1.)

The key points were as follows –

- “Cancel on demand transport scheme, making a total saving of £990,000 over the four years of the Medium Term Financial Strategy
- Reduction in the Mayor’s office costs, £100,000 for the next four years
- Reduction in redundancy costs which were still to be determined
- An additional £38,000 each year for four years to Citizen’s Advice
- An additional £31,000 each for four years towards homelessness
- Womens Centre to receive £25,000 each year for four years
- £75,000 each year for four years to fund three PCSOs, to be located in Leggatts, Meriden and Central wards
- Bus Fund £56,000 each year for four years”

Members debated the original motion and the amendment.

In accordance with the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 the votes were recorded as follows –

The amendment was put to the vote

Those members voting in favour of the amendment

Councillors Bashir, Bell, Connal, Dhindsa, Khan, Mauthoor, Mills, Shah, Smith and Turmaine

Those members voting against the amendment

The Chairman, Councillor Martins, Mayor Taylor, Councillors Barton, Bolton, Cavinder, Collett, Dychton, Fahmy, Grimston, Hamid, Hastrick, Hofman, Jeffree, J Johnson, S Johnson, Kloss, Laird, Parker, Saffery, Scudder, Sharpe, Stotesbury, Walford, Watkin and Williams

The amendment was **LOST** by 25 votes to 10. There were no abstentions.

The original motion was then put to Council.

Those Members voting in favour of the original motion:

The Chairman, Councillor Martins, Mayor Taylor, Councillors Barton, Bolton, Cavinder, Collett, Dychton, Fahmy, Grimston, Hamid, Hastrick, Hofman, Jeffree, J Johnson, S Johnson, Kloss, Laird, Parker, Saffery, Scudder, Sharpe, Stotesbury, Walford, Watkin and Williams

Those Members voting against the original motion:

None

Those Members abstaining

Councillors Bashir, Bell, Connal, Dhindsa, Khan, Mauthoor, Mills, Shah, Smith and Turmaine

The original motion was **CARRIED** by 25 votes to 0. There were 10 abstentions.

RESOLVED –

1. that the proposals recommended by Cabinet on 21 January 2019, as amended by the decision taken at Council on 23 January 2019, be agreed:

- a) that in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, the amount calculated by Watford Borough Council as its Council Tax Base for the year 2019/20 is 32,840.6 as outlined in the report.
- b) that the continuation of the Local Council Tax Reduction Scheme for 2019/20 be approved.
- c) that the budget (Attachment 1) as laid out in the report, as amended by the decision taken at Council on 23 January 2019, be approved, including:
 - the base budget for 2019/20
 - the growth and savings
 - the Capital Investment Programme 2018-22
- d) that the schedule of fees and charges and incoming charging policy (Attachment 2) be approved.
- e) that the Capital Strategy for 2019/20, as amended by the decision taken at Council on 23 January 2019, be approved
 - that the council's operational boundary be £194M
 - that the council's authorised limit be £209M
 - that the Director of Finance be authorised to make appropriate investment of the Croxley Park top up fund of £88m in accordance with the financial model, providing the right balance between security, liquidity and yield, based on advice from the council's investment manager

and delegates to the Director of Finance and Portfolio Holder Resources responsibility for agreeing and maintaining the Treasury Management policy. (Attachment 3)
- f) that the annual Council Tax for a Band D property be increased in 2019/20 by 2.2%. This will apply to all other bands.
- g) that the key risks be noted and their proposed mitigations be approved.
- h) that the advice provided by the Director of Finance on the robustness of estimates and the adequacy of reserves be noted.

- i) that the indicative budgets for 2020/21 and 2021/22 and the need for further work to close the budget gap be noted.

Setting the amount of Council Tax for Watford Borough Council

2. that the council's net General Fund expenditure for 2019/20 shall be £12.696 million.
3. that the 2019/20 band D precept is set at £268.23 and other bands and amounts are set in accordance with the table at paragraph 5 (E).
4. that Watford Borough Council's Council Tax Base for 2019/20 has been calculated at 32,840.6 in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 made under Section 31B (1) of the Local Government Finance Act 1992, as amended.
5. that the following amounts be now calculated by the council for the year 2019/20 in accordance with Sections 31A to 36 of the Local Government Finance Act 1992:

- (A) *Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) of the Act. (Effectively the gross expenditure and transfers to reserves)* **£74,281,2088**
- (B) *Being the aggregate of the amounts which the council estimates for the items set out in Section 31A (3) of the Act. (Effectively the gross income and transfers from reserves)* **£65,472,374**
- (C) *Being the amount by which the aggregate at (A) above exceeds the aggregate at (B) above calculated by the council in accordance with Section 31A (4) of the Act as its Council Tax Requirement for the year* **£8,808,834**
- (D)) *Being the amount at (C)divided by amount at 2 above, calculated by the council, in accordance with Section 33 (1) of the Act as the basic amount of its Council Tax for the year (at Band D)* **£268.23**

(E)

Council Tax Valuation Bands	Conversion Factor to Band D	Watford's Share (£)
A	6 / 9	178.82
B	7 / 9 ⁸	208.62
C	8 / 9	238.43
D	1	268.23
F	11 / 9	327.84

6. that a report including precepts of both the Police and Crime Commissioner for Hertfordshire and Hertfordshire County Council be presented to the Council Functions Committee on 27 February 2019 to set the total Council Tax.

62 **Motions submitted under Council Procedure Rule 13.0**

Council was informed that no motions had been received.

Chair

The Meeting started at 7.30 pm
and finished at 9.00 pm

Revenue Account	Current	MTFS			Forecast	Total 2019/20 to 2022/23 £000
	2018/19	2019/20	2020/21	2021/22	2022/23	
	£000	£000	£000	£000	£000	
Gap in MTFS at 1 April (approved in January 2018)	1,358	1,612	(116)	(116)	(116)	1,264
In year changes through budget monitoring	(506)	70	70	70	70	280
Changes by Service						
Corporate Strategy & Communications	0	135	134	148	148	563
Strategic Finance	0	941	540	412	412	2,304
Place Shaping & Performance	0	65	65	65	65	260
Service Transformation	0	296	201	285	285	1,067
Community & Environmental	0	24	20	29	29	102
Democracy & Governance	0	12	1	6	6	24
HR Shared Service	0	0	0	0	0	0
Other Changes						
Waste Contract (Extension based on current service levels)	0	0	300	300	300	900
Changes to Business Rates on Council Property	0	30	35	50	50	165
Changes from Shared Services	0	(96)	(18)	(37)	(37)	(189)
Watford 2020	550	330	0	0	0	330
Watford 2020 Met from Reserves	(550)	(330)	0	0	0	(330)
Town Hall reduced rent	0	130	666	666	666	2,129
Additional income from Hart Homes	0	(128)	(803)	(1,750)	(2,323)	(5,004)
Croxley Park	0	(1,500)	(1,500)	(1,500)	(1,500)	(6,000)
Borrowing costs	0	800	1,600	2,100	2,400	6,900
Revenue impact of Capital bids	0	(3)	(3)	(3)	(3)	(12)
Net changes	(506)	806	1,253	815	542	3,416
Revised gap	852	2,418	1,137	699	426	4,680
Proposed Labour Group Amendments						
Cancel On Demand Transport Scheme		(550)	(250)	(95)	(95)	(990)
Reduction in Mayors Office Costs		(100)	(100)	(100)	(100)	(400)
Redundancy Costs		tbd				0
Reductions		(650)	(350)	(195)	(195)	(1,390)
Citizen's Advice		38	38	38	38	150
Homelessness		31	31	31	31	125
Womens Centre		25	25	25	25	100
Additional PCSOs		75	75	75	75	300
Bus Fund		56	56	56	56	225
Increases		225	225	225	225	900
Net changes		(425)	(125)	30	30	(490)
Revised gap	0	1,993	1,012	729	456	4,190
Funding Changes						
New Homes Bonus	0	(62)	(62)	0	0	(124)
Business rates	0	(550)	(150)	(150)	(150)	(1,000)
Council tax	0	(222)	(224)	(313)	(403)	(1,162)
Additional Government Funding	0	(400)	0	0	0	(400)
Sub Total	0	(1,233)	(436)	(463)	(553)	(2,685)
Revised gap	852	760	576	266	(97)	1,504

RESERVE BALANCES

Description	Council Report £000	Labour Proposals £000
Economic Impact at 31 March 2019 (per Cabinet Report)	(2,395)	(2,395)
Watford 2020	330	330
Sub-total	(2,065)	(2,065)
Budget Gap (inc. Croxley Park)	1,994	1,504
Balance	(71)	(561)
Balance to be funded from other reserves for Street Improvement Programme		439