

MINUTES of a **MEETING** of the **CABINET** held on 27 August 2024 at 5.15 pm

Present

Councillors S J Clist, J Lock, N Bradshaw,
J Buczkowski, G Duchesne, S Keable,
J Wright and D Wulff

Apology

Councillor L Taylor

Also Present

Councillors D Broom, C Harrower, L Knight and S Robinson

Also Present

Officers

Stephen Walford (Chief Executive), Andrew Jarrett (Deputy Chief Executive (S151)), Richard Marsh (Director of Place & Economy), Maria De Leiburne (Director of Legal, People & Governance (Monitoring Officer)), Matthew Page (Head of People, Performance & Waste), Paul Deal (Head of Finance, Property & Climate Resilience), James Hamblin (Operations Manager for People Services), Darren Beer (Operations Manager for Street Scene) and Luke Howard (Environment and Enforcement Manager) and Sarah Lees (Democratic Services Officer)

Councillors

Online E Buczkowski, G Czapiewski, C Connor and R Roberts

Officers Online Dean Emery, Dr Stephen Carr and Jan Moreland

43. APOLOGIES

Apologies were received from the Leader, Cllr L Taylor.

The meeting was chaired by one of the Deputy Leader's, Cllr J Lock.

44. PUBLIC QUESTION TIME

Paul Elstone

My questions relate to Agenda Item 5 Budget Monitoring Report plus appendices:

Question 1

The Capital Project Program, Appendix G, shows several Housing Development Scheme Projects. Line Item HRA 1009 is shown as Project 15 and a project having a total spend of £4.5 million. What exactly is Project 15?

Question 2.

Can it be explained exactly what each one of the Housing Development Project numbers refer to as shown in Appendix G?

Question 3

Going forward, and in the full interest of openness and transparency - not only for members of the public but perhaps for members of this Council as well, can all Housing Development Schemes be given their correct name such as Sycamore Road, Cheriton Fitzpaine or Fir Close etc. as opposed to just project numbers?

Question 4

The General Fund Variance Analysis, Appendix B shows a major negative full year variance of £180,000. This in respect of a loss in interest payments.

Line GFb2 description says, '*Forecast investment income lower than budget due to reduced cash balances*'.

A loss of interest payments of £180,000 at current investment returns of around 5% is the equivalent to a reduction in the cash balance of over £3.4 million.

Of this reduction in cash balances of £3.4 million, how much is attributed to the 3 Rivers soft closure?

Question 5

If the reduction in cash balance has nothing to do with 3 Rivers, what is it due to ?

Question 6

The HRA Variance Analysis Appendix F similarly shows a major negative full year variance of £148,000

Line HRA1e description says, '*Forecast investment income lower than budget due to reduced cash balances*'.

A loss of interest payments of £148,000 at current investment returns of around 5% is the equivalent to a reduction in the cash balance of over £2.8 million.

Of this reduction in HRA cash balances of £2.8 million, how much is attributed to the 3 Rivers soft closure?

Question 7

If the reduction in cash balance has nothing to do with 3 Rivers, what is it due to?

Question 8

The £3.15 million paid for the five unsold Haddon Heights properties has now shown a loss of over £65,000 in investment interest income so far. Has this in any way been factored into these investment income losses?

Question 9

If these losses of investment incomes relate to the 3 Rivers soft closure, then reasonably they should be accounted for in the true and cumulative 3 Rivers loss. Will they be?

Question 10

If not, why not?

The Deputy Leader stated that Mr Elstone would receive written responses to his questions in the usual way and in a 'timely manner'.

45. **DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT**

No interests were declared under this item.

Members were reminded of the need to make declarations of interest where appropriate.

46. **MINUTES OF THE PREVIOUS MEETING**

The minutes of the previous meeting held on 30 July 2024 were **APPROVED** as a correct record and **SIGNED** by the Deputy Leader.

47. **2024/2025 BUDGET MONITORING REPORT- QUARTER 1 (00:05:00)**

The Cabinet had before it a report * from the Deputy Chief Executive (S151) presenting the forecast Outturn position for the General Fund, Housing Revenue Account and Capital Programme for the financial year 2024/25.

The Cabinet Member for Governance, Finance and Risk outlined the contents of the report with particular reference to the following:

- The report presented the first budget monitoring for the year 2024/25 covering the period April – June 2024, giving an early forecast of the potential year end position.
- Based on quarter 1 data, the projected outturn position for the General Fund was a £350k under spend. This was a significant improvement on budget and the financial position in previous years and continued the positive action taken by this Cabinet to improve the Council's finances.

- There continued to be areas where the Council was likely to be over budget, which were largely symptomatic of the economic circumstances with Planning and Building Control income lower than forecast due to the stagnation of the housing market. However, these were more than offset by areas that were forecasted to be under budget, either through increased income areas such as Waste and Leisure or through prudent management of costs in services such as Finance, HR or Legal.
- Staff turnover and sickness continued to be quite high requiring more temporary staffing than expected. However, this was forecast to be significantly lower than in previous years. Areas of particular pressure were Waste, Finance and Planning. Given the specialist nature of the roles in finance, these costs were high, but recruitment was underway and would hopefully be complete by Christmas.
- The main service variances were explained in Appendix B, with key income forecast shown within Appendix C and staffing variances within Appendix D.

HRA

- The HRA also showed a healthy under spend of £118k. This was largely due to staff savings, partially offset by a lower than budgeted investment yield and some relatively minor overspends. The overall forecast was shown in Appendix E with the detailed variances explained in Appendix F.

Capital Programme

- There was once again a sizable variance against the 2024/25 Deliverable Budget for a variety of reasons including, movements in the HRA Development Programme, continued uncertainty over the future of major infrastructure projects and greater clarity where some projects were no longer required. Further details were included within Appendix F.
- As highlighted within the covering report, a thorough review of the capital programme would be undertaken with a view to remodelling the 2024/25 Deliverable Programme to ensure it more accurately reflected the planned projects for the remainder of the year.

3Rivers

- The soft closure of 3Rivers had effectively concluded, with the application for the company to be voluntarily struck off submitted to Companies House. This process had seen all outstanding creditors paid and all contracts ended or novated. Final Accounts had been audited and published at Companies House.
- Work was progressing well with the conversion of St George's Court into an over 60's community by the HRA with the first properties expected to be tenanted by the end of September. The unsold units at Bampton continued to be marketed and generated interest, but to date

no offers had been received. This position was being kept under review.

Discussion took place regarding:

- The Cabinet were encouraged by the positive position being reported.
- Difficult economic circumstances were not only affecting local authorities but other sectors such as agriculture and engineering.
- Spend on agency staff was significantly lower than it had been.
- The average returns on investments were encouraging.
- The report illustrated that the Cabinet were planning strategically for the future.

RESOLVED that the following be **NOTED**:

- a) The financial monitoring information for the income and expenditure for the three months to 30 June 2024 and the projected outturn position.
- b) The use of waivers for the Procurement of goods and services as included in Section 8

RECOMMENDED to Full Council that:

- The changes to the treasury and prudential indicators in tables 6.2.2 and 6.2.3 be approved.

(Proposed by Cllr J Buczkowski and seconded by Cllr S Clist)

Note: * Report previously circulated.

48. **CORPORATE PERFORMANCE QUARTER 1 (00:15:00)**

The Cabinet had before it, and **NOTED**, a report * from the Head of People, Performance and Waste and the Corporate Performance and Improvement Manager providing Members with an update on performance against the Corporate Plan 2024-28 and service performance measures for quarter 1 (2024/25).

The Cabinet Member for Housing, Assets and Property and Deputy Leader outlined the contents of the report with particular reference to the following:

- This was the first performance report on the Council's new Corporate Plan which was adopted in July 2024. A graphic designed version of the Corporate Plan was now available on the Council's website and it had been promoted to staff, the public and other stakeholders.
- Performance reporting was now based upon the Performance Dashboards that the Council had been using for the past year. These had been reconfigured to reflect the new PDG structure, and Corporate Plan indicators had been mapped to these.
- The Dashboards contained 98 performance measures, and of these 65 were performance indicators and 33 were finance measures.

- Section 2 of the covering report provided performance analysis on a theme by theme basis, with the focus on Corporate Plan performance indicators.
- The Performance Dashboards would also be reviewed by the relevant PDGs in due course.
- There was good performance highlighted across the report, but particularly pleasing to note was:
 - 117 tonnes of carbon emissions avoided through our corporate solar panels and electric vehicles
 - 44 homes becoming part of Mid Devon Housing in quarter 1;
 - And household waste recycling 59.5% for the year to date.

Consideration was given to:

- The red RAG rating against 'New subscribers to Let's Talk Mid Devon'. This had an annual target of 400 but showed a performance result of 1 for the first quarter. It was explained that this was not unusual as public engagement work would be a key focus going forwards and improvements would be made in this area in the coming months.
- The Annual Tenants Report was also showing excellent results but would take some time to embed.

Note: * Report previously circulated.

49. **CORPORATE RISK- QUARTER 1(00:20:00)**

The Cabinet had before it, and **NOTED**, a report * from the Corporate Performance and Improvement Manager and the Head of People, Performance and Waste providing Members with a quarterly update on the Corporate Risk Register.

The Cabinet Member for Housing, Assets and Property and Deputy Leader outlined the contents of the report and highlighted the following issues:

- This report presented the Council's current corporate risks with their updated position as of July. These were the risks which had been identified by Council officers that may be most likely to impact the Council meeting its objectives.
- At paragraph 2.1 of the report there was a summary table of the 18 corporate risks that the Council was currently managing. These were now presented with a trend arrow, indicating any change in the risk rating since it was last reviewed by Cabinet.
- Significant changes to the risk register since it was last reported to Cabinet included:
 - The risk rating for the Homes for Ukraine scheme had decreased from 9 to 4 reflecting the excellent mitigation now in place – with ten new properties available to help with any issues, and Government funding schemes being continued.

- Risks around workforce shortage had increased, particularly related to ongoing pay talks. However, this was not an unusual position for the Council to be in, and officers were comfortable managing these risks.
- Since the report was published, there had been announcements regarding Cullompton Station and this would impact all the relevant risks when they were next reviewed by Council officers.

Discussion took place with regard to:

- The recent government announcement regarding the withdrawal of funding for the re-opening of the Cullompton Railway Station. Whilst the Council had expressed its disappointment at this news it had had a strong business case and would continue to work with partners since this was a project with significant local value. The Council remained cautiously optimistic for the future. The withdrawal of funding was part of a national programme but it was hoped the funding could be found from elsewhere. This would be an essential piece of infrastructure needed to support the building and occupation of new homes which was a key objective of the new government.
- The Cabinet were reassured that the Council's Climate Strategy and Action Plan would be developed over the next few months and the Planning Policy Advisory Group, the Net Zero Advisory Group and the Planning, Environment & Sustainability Policy Development Group would play a key part in its development. External engagement would also have an important role to play.

Note: * Report previously circulated.

50. **CARE LEAVER FRIENDLY EMPLOYER CHARTER (00:30:00)**

The Cabinet had before it a report * from the Operations Manager for People Services and the Head of People, Performance and Waste. Following the publication of the 'Keep on Caring' policy document in 2016, the Council had the opportunity to cement its commitment to Care Leavers by signing the Care Leaver Friendly Employer Charter. This commitment would follow examples set elsewhere within the county and emphasise the Council's commitment to supporting care experienced young people in the Mid Devon area.

The Cabinet Member for People, Development and Deputy Leader outlined the contents of the report and commented on the following:

- The report provided an overview of the Care Leaver Friendly Employer Charter. In 2016 the Government's 'Keep on Caring' policy document was published with the aim to support young people from care to independence. As part of this policy, a pledge was made to introduce the national Care Leaver Covenant. In agreeing to the Charter put forward, the Council would be making a commitment in the areas of Recruitment, Training and Development to Care Leavers in the Mid Devon area.
- As a part of this, Care Leavers would be offered the chance of an interview if they applied for a vacancy and even if not successful the experience would be of value to them.

Discussion took place regarding:

- This approach was felt to be a very sensible and pragmatic starting point having signed up to the Care Leaver Covenant.
- This was an exciting opportunity to support Care Leavers, however, it would require long term commitment as sadly there would always be a need.
- The next step would be to look to see what other local authorities were doing, to develop best practice and see if the Council could improve on what it was currently offering.

RESOLVED that:

- a) Mid Devon District Council signs the Care Leaver Friendly Employer Charter as outlined in Appendix 1.
- b) Delegated responsibility be given to the Head of People, Performance and Waste to sign the Charter on behalf of the Council.
- c) Delegated responsibility be given to the Head of People, Performance and Waste to implement policy/guidance to develop our employment offer to Care Leavers.

(Proposed by the Deputy Leader, Cllr J Lock)

Note: * Report previously circulated.

51. **REVIEW OF BIN- IT 123 (00:35:00)**

The Cabinet had before it, and **NOTED**, a report * from the Operations Manager for Street Scene and Open Spaces and the Head of People, Performance and Waste reviewing the effectiveness and progress of the Council's Waste & Recycling Scheme, known as Bin-It 123, as implemented on 10 October 2022.

The Cabinet Member for Service Delivery and Continuous Improvement outlined the contents of the report with particular reference to the following:

- This report provided an update on the Council's Bin-It 123 scheme which was introduced in October 2022 to increase the recycling rate and reduce the Council's residual tonnage, to reduce the Council's carbon footprint and help the District meet its carbon net zero commitment.
- Since the introduction of the scheme the Council had seen a 5% positive swing in its recycling rate and a substantial reduction in its residual tonnage, this putting the Council in the top 10% nationally for both our recycling performance and for the lowest volume of residual waste collected from households, which received national recognition from OFLOG (Office for Local Government) for being one of the most improved Councils in the Country.
- The report also included the recent statistics regarding the elimination of additional side waste put out for collection and the very significant reduction seen in side waste instances. There had also been a significant amount of education and support offered through recently conducted site tours with

parish and town clerk representatives but also drop in surgeries that were being currently carried out to address particular challenges that were occurring in certain areas of the District.

Consideration was given to:

- How working together could achieve positive results.
- Clarity was awaited from the government regarding its views on future waste collections. The Council would be lobbying to retain its autonomy with regard to its remit with Bin-It 123.
- The importance of the involvement of young people.
- There had been an increase in the number of requests for black bins but there were criteria which needed to be met before additional bins were provided. Reviews were currently carried out on a two yearly basis.

Note: * Report previously circulated.

52. **FUTURE WASTE AND RECYCLING OPTIONS REPORT (00:50:00)**

The Cabinet had before it a report * from the Operations Manager for Street Scene and Open Spaces and the Head of People, Performance and Waste setting out future options regarding the provision of the Waste and Recycling service to the residents of Mid Devon.

The Cabinet Member for Service Delivery and Continuous Improvement outlined the contents of the report with particular reference to the following:

- This report examined some of the potential options regarding future recycling activity that could be offered to residents above and on top of what the service already offered. This had been a key area of interest for Members and the report should be read alongside the Review of Bin-It 123 and would build upon what the scheme had already established.
- The Council was keen to get feedback and views on the different options put forward. Any options that the administration wanted the service to seriously consider in terms of taking forwards would need to be both properly costed and have the full practical implications of the collection considered in terms of its potential implementation. The Service Delivery and Continuous Improvement PDG had recommended that the Council prioritise looking at the options regarding collecting pots and pans as well as disposable nappies.

Discussion took place regarding:

- Any investigations would be reported back through the Service Delivery and Continuous Improvement PDG in the first instance.
- Local authorities were able to charge, through a S106 Agreement, for the cost of receptacles to protect their services, however, this could have the effect of reducing funding for other projects. This was an inevitable risk.
- As this was a key public facing service, consideration needed to be given to more publicity and public engagement. It was noted that recent public engagement events had been very positively received and more was planned for the future. This was a key priority moving forwards.

- A possible trial for the recycling of pots and pans was being considered in the near future.
- The importance of recycling nappies as well as adult sanitary products was accepted.

RESOLVED that:

Further investigation be undertaken regarding the financial and practical feasibility of introducing the following practices in the District:

- a. Soft plastic (flexibles) collections
- b. Nappy waste collections
- c. Collecting used coffee pods
- d. Collecting unwanted metal pots and pans
- e. A chargeable scheme to allow residents the ability to place extra waste out for collection
- f. Charging new house builders for new bins and containers to each property
- g. Increased publicity
- h. Enhanced education in schools and with the residents of Mid Devon

(Proposed by Cllr J Wright and seconded by Cllr N Bradshaw)

Note: * Report previously circulated.

53. **ANNUAL ENVIRONMENTAL ENFORCEMENT REPORT (01:05:00)**

The Cabinet had before it, and **NOTED**, a report * from the Environment and Enforcement Manager and the Head of People, Performance and Waste providing an overview and review of the Environment and Enforcement service for the 2023/24 financial year and the improvements that have been made during this period.

The Cabinet Member for Service Delivery and Continuous Improvement outlined the contents of the report and highlighted the following areas:

- This end of year report highlighted key statistics relating to the Environment and Enforcement service. Issues relating to Fly Tipping, Littering, Abandoned Vehicles and the Public Space Protection Order were key areas that affected all residents of Mid Devon.
- The report highlighted the work the service had undertaken over the financial year 2023/24 to tackle these issues and provide confidence to communities that appropriate action would and had been taken against those committing such offences. Most pertinent was the decline in reported Fly Tipping activity in the district, which reflected on the work the service had performed along with working with other services to highlight the positive impact of the Bin-It 123 scheme.

Consideration was given to:

- The importance of information being provided by members of the public and councillors to enable enforcement action to take place.

- Sharing knowledge and good practice with Planning Enforcement colleagues and other service areas would prove beneficial. Pooling knowledge and resources was encouraged.
- It was noted that April and November 2023 had been key months for increased fly tipping. If this occurred again in 2024 an investigation could be undertaken to ascertain why this was.
- There had been a significant shift in users opting to pay for their parking via the Ringo cashless option, suggesting trends for easier cashless payment options were increasing.

Note: * Report previously circulated.

54. **SFS (SPECIAL FLEET SERVICES) TRANSPORT CONTRACT 01:14:00)**

The Cabinet had before it a report * from the Operations Manager for Street Scene and Open Spaces and the Head of People, Performance and Waste considering and recommending the extension of the existing contract of the Council's fleet provision with SFS (Specialist Fleet Services Limited) by a further seven years for the reason set out within the report.

The Cabinet Member for Service Delivery and Continuous Improvement outlined the contents of the reports with particular reference to the following:

- This report sets out the reasons to extend the existing fleet contract with Specialist Fleet Services for a further seven years from 2026 to 2033. It followed on from a decision taken by a previous administration in March 2019 to agree to a seven year contract with SFS which runs until 2026. As part of this agreement the Council had the option to extend this contractual agreement by a further seven years between 2026 to 2033. An extension of this contract would ensure that the Council continued to utilise the SFS expertise, experience, influence and buying power which had made the current fleet reliable and roadworthy with support readily available.

Discussion took place with regard to:

- The fleet contract was critical, if the option recommended was not approved the Council would need to conduct a full 9 month tender exercise.
- The Council currently had a specialised and nuanced contract with SFS.
- SFS had already pledged to assist the Council in three ways:
 - Build a new depot in Wellington
 - Assist with a future Apprenticeship Programme
 - Put money aside to provide a social action fund to support future projects for the next generation.
- An elongated tender process would put all this at risk.
- Managers would work with SFS to ensure the Council's ambitions regarding carbon emissions were met.
- The interface between officers and fleet manufacturers was of vital importance in terms of driving home the need for the reduction of carbon emissions. It was confirmed that officers were already engaging in constant dialogue on this issue.

RESOLVED that:

- a) The decision to extend the contract with SFS (Specialist Fleet Services Limited) for a further seven year period to cover 2026-2033 at the earliest possible opportunity be approved.
- b) To include lease borrowing in the Capital Programme.
- c) Authorisation be given for the negotiation of the removal of the indexation rate from the master contract for all new vehicles as soon as possible and replace it with a fixed rate for the term of the individual contract.

(Proposed by Cllr J Wright and seconded by Cllr N Bradshaw)

Note: * Report previously circulated.

55. **A VERBAL UPDATE FROM THE DIRECTOR OF PLACE AND ECONOMY (01:30:00)**

The Director of Place and Economy provided the Cabinet with a brief verbal update regarding the Cullompton Town Centre Relief Road. This included the following information:

- Mobilisation of the Cricket Club works had occurred. The contractors were now on site with physical works underway. This was excellent news and marked a significant step forward and supported the Council's commitment to deliver the Relief Road. It also helped to keep the project live and broadly on timetable.
- He hoped to be able to provide a more detailed and formal update on the Homes England Cullompton Town Centre Relief Road bid in the near future.

56. **NOTIFICATION OF KEY DECISIONS (01:31:00)**

The Cabinet had before it, and **NOTED**, the Notification of Key Decisions *.

The Clerk listed the changes that had been made to the list since it was published with the agenda. This included the following:

- The Tenancy Management Policy had moved from the 15th October Cabinet meeting to 10th December.
- The Right to Buy Policy had been deferred until March 2025 and would come before Cabinet in April 2025.
- The Tenure Reform & Tenancy Agreement Project Plan would now be a verbal update to the Homes PDG and will need to be removed from the Forward Plan as no decision will be required.
- The HRA Asset Management Strategy would move from the 15th October Cabinet meeting to 10th December.
- The MDH Asbestos Management Plan would now come to the Cabinet meeting in October and not December.
- The Infrastructure Funding Statement would come to the Cabinet at its December meeting.

- Blackdown Hills National Landscape Partnership which was coming to the September Cabinet meeting would now come in October instead.

The Clerk confirmed that these changes would be reflected in the revised Forward Plan when it was next published and would appear on the website.

Note: * Notification of Key Decisions previously circulated.

57. **THE NEXT SCHEDULED MEETING DATE (01:32:00)**

The Cabinet **NOTED** that the next scheduled meeting would take place on 17 September 2024 at Phoenix House, Tiverton.

(The meeting ended at 6.47 pm)

LEADER

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