

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **CABINET** held on 13 February 2020 at 6.00 pm

Present

Councillors

R M Deed (Leader)
L D Taylor, G Barnell, S J Clist,
D J Knowles, Ms E J Wainwright, A White
and Mrs N Woollatt

Also Present

Councillor(s)

L J Cruwys, Mrs C P Daw, R J Dolley, R Evans,
B Holdman and F W Letch

Also Present

Officer(s):

Stephen Walford (Chief Executive), Andrew Jarrett (Deputy Chief Executive (S151)), Jill May (Director of Corporate Affairs and Business Transformation), Kathryn Tebbey (Head of Legal (Monitoring Officer)), Jenny Clifford (Head of Planning, Economy and Regeneration), Andrew Busby (Group Manager for Corporate Property and Commercial Assets), Dean Emery (Group Manager for Revenues and Benefits), Claire Fry (Group Manager for Housing), Matthew Page (Group Manager for Human Resources), Catherine Yandle (Group Manager for Performance, Governance and Data Security), Carole Oliphant (Member Services Officer) and Sally Gabriel (Member Services Manager)

131. APOLOGIES

There were no apologies.

132. PUBLIC QUESTION TIME

There were no members of the public present.

133. DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT

Members were reminded of the need to declare any interests when appropriate.

134. MINUTES OF THE PREVIOUS MEETING (00-01-35)

The minutes of the previous meeting were approved as a correct record and signed by the Chairman.

135. MEETING MANAGEMENT

The Chairman indicated that he wished to take Item 22 (Performance and Risk) as the next item of business. This was **AGREED**.

136. PERFORMANCE AND RISK (00-02-10)

The Cabinet had before it and **NOTED** a * report of the Director of Corporate Affairs and Business Transformation providing Members with an update on the performance against the Corporate Plan and local service targets.

The Group Manager for Performance, Governance and Data Security outlined the contents of the report stating that some suggestions for additional measures for performance had been received from the Policy Development Groups.

Note: *Report previously circulated copy attached to minutes.

137. HRA MEDIUM TERM FINANCIAL PLAN (00-04-23)

Arising from a *report of Deputy Chief Executive (S151), the Homes Policy Development Group had recommended the Housing Revenue Account Medium Term Financial Plan be approved.

The Cabinet Member for Finance outlined the contents of the report stating the report had received universal support from the Homes Policy Development Group as there was a need to demonstrate a balanced budget and the need to determine a reasonable forecast of the financial position of the Housing Revenue Account for the coming years.

Consideration was given to the impact of Universal Credit within the district and countrywide with the Deputy Chief Executive suggesting that there did not seem to be much impact at the current time with under a 1% margin on arrears being recorded but that a watching brief continued to take place.

RESOLVED that the recommendations of the Policy Development Group be approved.

(Proposed by Cllr A White and seconded by Cllr S J Clist)

Note: * Report previously circulated, copy attached to minutes.

138. INCOME MANAGEMENT POLICY (00-08-01)

Arising from a *report of the Group Manager for Housing, the Homes Policy Development Group has recommended that the revised Income Management Policy be approved.

The Cabinet Member for Housing and Property Services outlined the contents of the report stating that slight amendments had been made to the original policy with reference to vulnerable clients, payments arrangements, and expectations of new tenants, the rationale for new tenant visits and generally how both parties should act.

RESOLVED that the recommendation of the Policy Development Group be approved.

(Proposed by Cllr S J Clist and seconded by the Leader)

Note: * Report previously circulated, copy attached to minutes.

139. **TENANT COMPENSATION POLICY (00-09-52)**

Arising from a *report of the Group Manager for Building Services, the Homes Policy Development Group had recommended that the revised Tenant Compensation Policy be approved.

The Cabinet Member for Housing and Property Services outlined the contents of the report highlighting the summary of additions and revisions outlined in appendix 1, which took into consideration tenant feedback, comments and complaints and provided greater clarity to tenants seeking compensations or looking to make qualifying improvements

Consideration was given to the involvement of the Tenants Together Group with the Group Manager for Housing agreeing to provide additional feedback to members.

RESOLVED that the recommendation of the Policy Development Group be approved.

(Proposed by Cllr S J Clist and seconded by Cllr L D Taylor)

Note: * Report previously circulated, copy attached to minutes.

140. **IMPROVEMENTS TO COUNCIL PROPERTY POLICY (00-13-20)**

Arising from a *report of the Group Manager for Building Services, the Homes Policy Development Group had recommended that the Review of Improvements to Council Properties Policy be approved.

The Cabinet Member for Housing and Property Services outlined the contents of the report stating that there had been minor changes to the policy which would be for officer use and tenant reference, this policy would be aligned with the latest tenancy agreements and also the tenant compensation policy.

Consideration was given to the involvement of the Tenants Together Group with the Group Manager for Housing agreeing to provide additional feedback to members.

RESOLVED that the recommendation of the Policy Development Group be approved.

(Proposed by Cllr S J Clist and seconded by Cllr D J Knowles)

Note: * Report previously circulated, copy attached to minutes.

141. MOTION 561 (COUNCILLOR R B EVANS – 17 DECEMBER 2019) (00-15-27)

The following motion had been passed to the Cabinet from Council for consideration and report:

Development Management Policy

That this council commits to proactively seeking out and exploring that every opportunity is taken to install a carbon neutral power supply option within all new build development from 01/01/2021 but specifically when residential development is being planned.

The Chairman invited Cllr Evans to address the Cabinet.

Cllr Evans made reference to a management note which suggested that any change to planning policy would be constrained until 2023, he therefore wished to withdraw the motion.

Therefore no further discussion took place with regard to this item.

142. MOTION 562 (COUNCILLOR R B EVANS – 17 DECEMBER 2019) (00-16-26)

The following Motion had been passed to the Cabinet from Council for consideration and report:

That MDDC commits to proactively seeking out and exploring development of a long term partnership with a company / companies that can supply innovative power generation that offers carbon neutral power and where possible seeks to give an income stream back to the authority when operational.

That officers are instructed to seek out and explore such opportunities with available companies with immediate effect in order that MDDC can ensure we are actively addressing our own policy to seeking to be carbon neutral by 2030.

The Chairman invited Cllr Evans to address the Cabinet.

Cllr Evans spoke, stating that he understood that much of the contents of his motion was already taking place or was proposed but that he would like the Council to commit to such actions.

Consideration was given to the contents of the draft Corporate Plan and the items identified within it.

It was therefore:

RECOMMENDED to Council that Motion 562 be supported

(Proposed by Cllr Mrs N Woollatt and seconded by Cllr D J Knowles)

143. NATIONAL NON-DOMESTIC RATES (00-18-15)

The Cabinet had before it a *report from the Group Manager for Revenues and Benefits providing Members with an update of the income generation and financial implications of the number of Business Rate properties in Mid Devon and to approve the NNDR1 (estimated income to be generated in 2020/21 from business rates). The report also included the introduction of the refreshed Business Rates Discretionary Relief Policy.

The Cabinet Member for Finance outlined the contents of the report informing the meeting of the statutory collection process for business rates, the estimated net yield from business rates for 2020/21 and how this was redistributed. There would be no grant from the DCLG towards collecting the business rates but that the authority would continue to retain the income from qualifying renewable energy schemes.

Consideration was given to:

- What qualified as renewable energy schemes
- The business rates reserve
- The Devonwide business rates pool
- Discretionary relief

RESOLVED :

- a) That the calculation of the NNDR1 net yield of £15.600m from 3206 Business Rated properties be noted and approved for 2020/21;
- b) That the proportions distributed to the respective authorities and Central Government be allocated as per the statutory regulations; and
- c) That Members note that Central Government will reimburse the Council through a Section 31 grant to compensate it for the reduction in collectable business rates as a result of introducing reliefs;
- d) That the revised Business Rates Discretionary Relief Policy be approved.

(Proposed by Cllr A White and seconded Cllr G Barnell)

Note: *Report previously circulated, copy attached to minutes.

144. FINANCIAL MONITORING (00-26-35)

The Cabinet had before it and **NOTED** a * report of the Deputy Chief Executive (S151) presenting a financial update in respect of the income and expenditure so far in the year.

The Cabinet Member for Finance outlined the contents of the report stating that the December variance on budget had been £270k, the main factors being:

	£k
Waste Services – Shared savings scheme and vacancies	(151)
Trade Waste and recycling - Increase in customers and reduced discounts etc.	(64)
New vehicle contract – Funded by EMR (Not an overspend on the contract)	67
Public Health – Air Quality S106 (covered by EMR) and legal costs	92
Planning – Downturn in Planning income less salary savings	154
Garden Village project – funded by EMR	23
Garden Village – Capacity funding	(150)
S106 spend re Public Open Space – funded by EMR	178
Cullompton Master Plan – funded by EMR	56
Local Plan – Funded by EMR	32
Tiverton Town Centre Regen – abortive capital costs	87
Bank charges – Additional charges	10
Cemeteries – Income below anticipated in budget	25
Car Parking – Shortfall Premier Inn; extra security and electricity usage	33
Private Sector Housing – legal costs of prosecution	19
General Fund Housing - Grant funding – to be earmarked	(127)
Property – Loss of income; etc. partly offset by salary savings	61
Customer services – Vacancy and overtime savings	(48)
HR – Review of service needs - restructuring	24
Legal – Various including consultancy budget saving	(53)
Democratic Services – District Elections shortfall	25
Electoral Registration – Increase in IER funding and delayed boundary review	(69)
Member Services – Vacancy saving	(7)
Leisure – Vacant posts, growth in membership etc. offset by utilities overspend and reduction in casual swim	47
Revs and Bens – Various including reduced overpayment recovery and software costs	65
3 Rivers Impairment – Partly offset by a statutory reversal of £757k	883
Statutory Adjustments – Reversal of Capital impairment 3 Rivers	(757)
Statutory Adjustments – Reduction in Minimum Revenue Provision (less borrowing than anticipated)	(50)
Interest income – additional income	(100)
Interest Payable – reduction in charge	(60)
Earmarked Reserves transfers	(120)
Net Business Rates retention – more levy due to growth (benefit in future year)	88

Major variances, current incomes from major funding streams and current employee costs were all shown within the appendices to the report.

The Housing Revenue Account continued to have a healthy underspend.

He outlined the Capital Programme position and discussion took place with regard to the impairments to the 3 Rivers loan (identified within the Riverside project) and the financial accounting that had to take place.

Further discussion took place with regard to:

- Whether the monitoring of the loans to 3 Rivers could be listed separately within the General Fund financial monitoring
- The ring-fenced '1:4:1' receipts and the need for those to be spent within 3 years of receipt otherwise the funding needed to be returned to the MHCLG, details of previous monies returned would be sent to the member
- Increased electricity costs within the MSCP
- Legal costs within the public health remit.

Note: *Report previously circulated, copy attached to minutes.

145. **HOMES POLICY DEVELOPMENT GROUP - RECOMMENDATION - BUDGET**

Arising from a report of the Deputy Chief Executive (S151), the Homes Policy Development Group had made the following recommendation with regard to the budget: that the proposed savings identified in relation to the weed team be removed and that the budget in this area be retained.

It was also noted that the other 3 PDGs had also agreed with the above recommendation.

The Cabinet Member for the Environment informed the meeting that the Weed Team project was added very late in the 2019/20 budget with no cost appraisal and without an idea of how effective it would be. The 2 man team had focussed on Tiverton, there had been little evaluation of the work that had taken place and that a number of parishes already precepted for such work to take place within their own areas. It was felt that this was a discretionary service and that the statutory responsibility lay with the County Council.

Discussion took place with regard to:

- The volunteers who picked up litter and disposed of weeds
- Whether the weed team could be funded by the parishes through their precepts
- The need to consider savings within the budget
- The possible requirement for a policy to consider what we would expect the town and parish councils to precept for.

It was therefore

RESOLVED that the recommendation of the Policy Development Group not be supported and that the proposed savings identified in relation to the weed team remain.

(Proposed by the Chairman)

146. **BUDGET (1-10-39)**

The Cabinet had before it a * a report of the Deputy Chief Executive (S151) providing the proposals for the General Fund and the Housing Revenue Account for the year 2020/21.

The Cabinet Member for Finance outlined the contents of the report stating that a temporary transfer of £284k would be required from the New Homes Bonus to balance the budget.

He outlined further movements in the budget calculation since the last meeting:

Reconciliation of further movements

Movements	Amount £k
20/21 Budget Shortfall (Cabinet Report 16/01/20)	177
Amendment to Car Parking increase	57
Business Rates Retention forecast post NNDR1	21
Contribution to Local Nature Partnership (LNP)	2
Essential car users – reduction in allowance	-9
New Cabinet Member allowance	7
Reduction in interest from GP Hub due to timing of drawdown	29
Draft budget gap for 2020/21	284

He outlined the main proposals for the HRA 2020/21 budget:

- Following new legislation an increase of CPI plus 1% (2.7%) was proposed to social housing rents
- Affordable rents to increase subject to the market rent cap (to an average of £113.59 per week (over 52 weeks)
- Garage rents from £11.10 to £11.60 per week
- Increase garage plot ground rents by £25 to £275 per annum.

Consideration was given to:

- Benchmarking of Band D Council Tax across Devon and whether there was a national scheme for benchmarking
- The contribution to the Local Nature Partnership
- The reduction in interest from the GP Hub loan
- The certain loss of the New Homes Bonus in future years and the Government's Fair Funding Review
- The collection of garage rents over 52 weeks
- With the underspend being highlighted within the HRA whether the increase in rents was necessary

RECOMMENDED to Council that:

- a) Council Tax is increased by £5 (2.46%) on a Band D property to £208.84.
- b) General Fund budget for 2020/21 is approved.
- c) The 2020/21 budget requires no transfer from the General Fund Balance.
- d) The General Fund Budget requires a temporary transfer of £284k from the New Homes Bonus EMR.
- e) HRA budget for 2020/21 be approved – Appendix 5.

- f) HRA fees/charges are approved based on the attached schedule shown as Appendix 5a and 5b.
- g) Work on strategic planning for delivering balanced budgets in the future is commenced in the spring.

(Proposed by the Chairman)

Notes:

- i) It was noted that Cllr Miss E Wainwright arrived at the meeting at this point;
- ii) *Report previously circulated, copy attached to minutes.

147. CAPITAL PROGRAMME (1-32-59)

The Cabinet had before it * a report of the Deputy Chief Executive (S151) seeking approval for the 2020/21 Capital Programme and requesting it to note the draft 2021/22, 2022/23 and 2023/24 programmes.

The Cabinet Member for Finance outlined the contents of the report highlighting and explaining the proposed recommendations and stating that due to austerity the council continued to explore as many commercial opportunities as possible.

Consideration was given to:

- Funding for projects highlighted in the proposed Corporate Plan
- Amounts that would be rolled over from one financial year to the next
- The proposal for an in-year review of the Capital Programme, Capital Strategy and Treasury Management Strategy to take account of the emerging Corporate Plan and the delivery of projects for Cullompton and Tiverton.

It was therefore:

RESOLVED that an in-year review of the Capital Programme, Capital Strategy and Treasury Management Strategy take place to take account of the emerging Corporate Plan and the delivery of projects for Cullompton and Tiverton.

(Proposed by Cllr G Barnell and seconded by Cllr Mrs N Woollatt)

and

RECOMMENDED to Council that:

- a) The detailed Capital Programme for 2020/21 be approved (including an additional £75k for the loan for the Crediton GP Hub) and that the estimated amounts for 2021/22, 2022/23 and 2023/24 be noted.
- b) Earmark New Homes Bonus (NHB) monies of £1.068m to support the 2020/21 Capital Programme (see para 2.3) be agreed

(Proposed by the Chairman)

Note: *Report previously circulated, copy attached to minutes

148. **CAPITAL STRATEGY (1-47-37)**

The Cabinet had before it * a report of the Deputy Chief Executive (S151) seeking agreement of the proposed Capital Strategy for 2020/21

The Cabinet Member for Finance outlined the contents of the report stating that the strategy had a high level overview of how capital expenditure, capital financing and treasury management activity contributed to the provision of local public services with an overview of how associated risk was managed and the implications for future financial sustainability.

Consideration was given to the climate change agenda and the need to incorporate it within the Medium Term Financial Plan

RECOMMENDED to Council that: the proposed Capital Strategy for 2020/21 be approved.

(Proposed by the Chairman)

Note: *Report previously circulated, copy attached to minutes.

149. **TREASURY MANAGEMENT STRATEGY AND ANNUAL INVESTMENT STRATEGY (1-51-30)**

The Cabinet had before it * a report of the Deputy Chief Executive (S151) seeking agreement of the proposed Treasury Management Strategy and Annual Investment Strategy for 2020/21

The Cabinet Member for Finance outlined the contents of the report stating that the refreshed strategy highlighted the level of investment and borrowing and provided a detailed view of the economic climate.

Consideration was given to:

- The current portfolio position
- The limits to borrowing activity
- The annual investment strategy

RECOMMENDED to Council that: the proposed Treasury Management Strategy and Annual Investment Strategy for 2020/21, including the prudential indicators for the next 3 years and the Minimum Revenue Provision Statement (Appendix 1), be approved.

(Proposed by the Chairman)

Note: * Report previously circulated copy attached to minutes.

150. **POLICY FRAMEWORK (1-54-19)**

The Cabinet had before it a * report of the Chief Executive regarding the Policy Framework.

| **RECOMMENDED** to Council that the Policy Framework be adopted.

(Proposed by the Chairman)

Note: * Report previously circulated, copy attached to minutes.

151. **THE ESTABLISHMENT (1-54-55)**

The Cabinet had before it a *report of the Group Manager for Human Resources informing Members of the overall structure of the Council showing the management and deployment of officers.

Consideration was given to:

- The increase in employment costs outlined in the financial monitoring report
- A request for a year on year comparison of staff costs to be made available
- The increase in stress related sickness and how staff were supported
- The new sickness policy that had been adopted
- The employee assistance programme and counselling that was available to staff and members
- The number of staff with 100% attendance

| **RECOMMENDED** to Council that the Establishment be approved.

(Proposed by the Chairman)

Note: * Report previously circulated, copy attached to minutes.

152. **PAY POLICY (2-06-02)**

The Cabinet had before it a *report of the Group Manager for Human Resources relating to senior pay in particular the role of the Chief Executive, Directors and other senior officers.

| **RECOMMENDED** to Council that the Pay Policy be approved.

(Proposed by the Chairman)

Note: * Report previously circulated, copy attached to minutes.

153. PAINTING AND REPAIRS BEFORE PAINTING OF COUNCIL HOMES 2020 - 2025

The Cabinet had before it a * report of the Director of Corporate Affairs and Business Transformation advising Members of the results for the tendering of the External Painting and Repairs of the Council homes for the next 5 years (2020-2025).

The Cabinet Member for Housing and Property Services outlined the contents of the report stating that the contract was for 3 years with the option to extend it for a further two individual years subject to performance and informed the meeting of the number of houses repaired and painted per annum.

RESOLVED that: the contract for works required to decorate the Council's homes for 2020-2025 be awarded to Contractor 3 with a forecast annual cost £300,000.00 be approved. This is a three year contract with the option to extend for a further two individual years subject to acceptable performance. The contract has been awarded to the contractor with the highest combined price/quality score with 60% of the total score based on price and 40% quality.

(Proposed by Cllr S J Clist and seconded by Cllr G Barnell)

Note: *Report previously circulated, copy attached to minutes.

154. NOTIFICATION OF KEY DECISIONS (2-10-04)

The Cabinet had before it and **NOTED** its * rolling plan for March 2020 containing future key decisions.

Note: *Plan previously circulated, copy attached to minutes

155. ACCESS TO INFORMATION - EXCLUSION OF THE PRESS AND PUBLIC (2-12-37)

Prior to considering the following item on the agenda, discussion took place as to whether it was necessary to pass the following resolution to exclude the press and public having reflected on Article 15 15.02(d) (a presumption in favour of openness) of the Constitution. The Cabinet decided that in all the circumstances of the case, the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

It was therefore:

RESOLVED that under Section 100A(4) of the Local Government Act 1972 the public be excluded from the next item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 respectively of Part 1 of Schedule 12A of the Act, namely information relating to the financial or business affairs of any particular person (including the authority holding that information)

(Proposed by the Chairman)

156. **DISPOSAL OF SAMPFORD PEVERELL PUBLIC CONVENIENCE**

The Cabinet had before it a report * of the Group Manager for Corporate Property and Commercial Assets with regard to the disposal of an asset.

The Cabinet Member for Housing and Property Services outlined the contents of the report and a full discussion took place.

Returning to open session, the Cabinet:

RESOLVED that the surrender of the lease of land upon which the public convenience at Lower Town, Sampford Peverell is situated be approved.

(Proposed by the Chairman)

Note: *Report previously circulated.

(The meeting ended at 8.22 pm)

CHAIRMAN