

MINUTES of a **MEETING** of the **CABINET** held on 14 November 2023 at 5.15 pm

Present

Councillors

L Taylor (Leader)
N Bradshaw, J Buczkowski, S J Clist,
S Keable, J Lock, D Wulff and J Wright

Also Present

Councillor(s)

D Broom, E Buczkowski, G Duchesne, C Harrower,
B Holdman, L Knight and S Robinson

Also Present

Councillors

Online

Mrs F J Colthorpe, A Glover and G Czapiewski

Also Present

Officers

Stephen Walford (Chief Executive), Andrew Jarrett (Deputy Chief Executive (S151)), Richard Marsh (Director of Place), Maria De Leburne (District Solicitor and Monitoring Officer), Paul Deal (Corporate Manager for Finance, Property and Climate Change), Simon Newcombe (Corporate Manager for Public Health, Regulation and Housing), Matthew Page (Corporate Manager for People, Governance and Waste), Dean Emery (Corporate Manager for Revenues, Benefits and Recovery), Tristan Peat (Forward Planning Team Leader), Haley Walker (Leisure Business Manager), Kelly Lee (Leisure Business Manager), Laura Woon (Democratic Services Manager), Angie Howell (Democratic Services Officer) and Sarah Lees (Democratic Services Officer)

61. APOLOGIES

There were no apologies for absence.

62. PUBLIC QUESTION TIME

The following questions were received from members of the public:

Paul Elstone

My questions relate to Agenda Item 6 2023/24 Quarter 2 Budget Monitoring

Question 1

A 3 Rivers Development estimated write off amount of £3.7 million is shown for 2023/24. Is this in addition to £4.5 million impairment previously stated by the S151 Officer in June 2023?

Answer

£3.7m is the impairment we believe is the figure that will need to be accounted for within the 23/24 year. I would reiterate that this is still an estimate based on a number of future costs and receipts and will be confirmed within the Outturn report.

Question 2

Since the formation of 3 Rivers what is the total amount of 3 Rivers impairment or write-offs that so far needs to be accounted for in Council accounts?

Answer

The value of approved impairments that is accounted for within the Council's accounts as of 31 March 2023 is £5.317m.

Question 3

I understand that the 3 Rivers start-up cost was estimated at £1 million, can this amount be confirmed. If not £1 million, what was the start-up cost?

Answer

I haven't seen the estimation that you refer to and I would be interested to understand the inclusions and calculations and I am very happy if Mr Elstone wishes to share this with me but my understanding is that the start up costs to create 3Rivers were around £200k - £250k.

Question 4

Has the 3 Rivers start-up cost also been impaired, in the Councils accounts, if not why not?

Answer

Yes, loans are impaired, not specific costs or projects. I understand the start-up costs were funded from a loan that had previously been impaired.

Question 5

In March 2022 the Earmarked Reserves were shown as £20.6 million.

In March 2023 the reserves were £18.1 million.

Now in March 2024 reserves are being estimated at £15.9 million therefore being very seriously eroded.

Does the estimated year end figure for Earmarked Reserves fully include the 3Rivers known loss provisions?

Answer

No, the Council holds Earmarked Reserves for a number of legal requirements, for example S106 Planning obligations and ring fenced Government grants for specific schemes. In addition we make prudent provisions for estimated future known costs such as asset replacements and future projects. As we have impaired the forecasted future loan write-off, there is no need to create a reserve.

Question 6

An important financial health indicator is the percentage of reserves held against the Council's annual spend.

When the current known 3Rivers impairments and write-offs are accounted for what will this percentage be?

Answer

Your question is probably based on an incorrect interpretation or misunderstanding. It would be helpful to explain that the Council's General Fund has two types of reserves. Firstly Earmarked Reserves which, as explained in the answer to question 5 includes a number of legal requirements e.g. S106 Planning obligations and ring fenced Government grants for specific schemes and in addition they enable us to make prudent provision for unknown future costs such as asset replacements and future projects. There is no maximum or minimum amount for these reserves as your question suggests but it is essential that the Council is prudent when setting these. Secondly the Council maintains a general reserve, the minimum level of this reserve is set by full Council on the advice of the S151 Officer and adherence to this minimum level is perhaps an indicator of financial health or more likely an indicator of prudent fiscal responsibility.

It is worthy to note that the previous administration approved the budget which drew £600k from the General Reserve balance to an unfunded budget putting the Reserve well below the minimum amount. You may recall I asked the then caretaker Leader in March 2023 to reconsider this, they chose not to. You will note that in the Q2 update report, this administration, in conjunction with officers, has worked hard to reverse this and return to a position of fiscal responsibility and the intention is to maintain a general reserve that is recommended by the Council's S151 Officer which is currently £2m.

Question 7

What exactly are the sinking funds mentioned?

Answer

As alluded to in question 5, the Council's holds a number of funds for essential replacements of assets that wear out e.g. buildings, vehicles and some plant and equipment. This is based on replacement costs and estimated life spans.

Question 8

How much exactly is held in these sinking fund accounts?

Answer

You asked exactly how much is held in these sinking fund accounts? So the balance is, as at 31 March 2023:

£530k in ICT equipment
£1.4m in vehicle fleet
£780k in waste plant and infrastructure
£267k in Phoenix House
£830k in property maintenance
£880k in Leisure Centres and equipment

£270k in parks and open spaces

There are some other smaller reserves but these are for the key EMR sinking funds.

The implication of reallocating these to cover losses are how we fund maintenance going forwards (as maintenance is a revenue cost so we can't borrow).

Question 9 (submitted at the meeting and not in advance)

The minutes of the full Council meeting held on 1 November 2023, and in an answer to a public question state that 3Rivers loan capital has risen to over £27m yet at the meeting we were told it was nearly £23m I believe, what is it, is it £27m or £22.7m?

Answer

I can say that the total loans outstanding as at 30 September 2023 was £22.363m.

Barry Warren

My questions are prompted by the content of Agenda item 6.

I recall being assured by the Cabinet Member for Finance at an earlier meeting that all decisions were made by members but then in answer to another question in relation to commissioning an external report I was advised that the decision was made by officers. An apparent contradiction.

It is noted that the four recommendations in the report the first three are for the Cabinet to note them. a) is self explanatory and I have no query on this.

Presumably decisions under b) were made by the S151 Officer in accord with procedure and the Cabinet are being informed but are Cabinet able to question or overturn any of these decisions?

In the case of recommendation c) the Cabinet are asked to note a write off of £3.7 million and are told where the funding will come from.

Is this a case of Officers making the decisions and Cabinet are asked to note it without any input? Should such a decision be made by elected members on information and advice from officers?

In the case of d) Cabinet are asked to agree the virement of the capital approval from the Hydromills project and to be replaced by investment in solar panels. I cannot find any further reference to this in the body of the report but there is a note in Appendix F against Code CA582 – 'Feasibility works to be undertaken on alternative solar options.'

When and where was the decision made that the Hydromills project was unviable please?

Is it prudent to make a decision as to the use of the monies previously allocated to a different project without knowing the detail of the location(s) of the proposed solar panels and the detail of their cost and use?

Is it prudent to make such an open ended decision?

Answers

The Cabinet Member for Finance responded by stating that... he was not entirely sure when the contradiction took place that Mr Warren was referring to so to aid Mr Warren I shall repeat the answer I gave to a public question at the Cabinet meeting in August this year which was that...it is clear to me that poor decisions have been made by councillors in the past particularly in previous administrations likely due to their commitment bias to a failing and unviable project. These poor decisions and in some cases indecisions has resulted in a most serious situation for this Council with significant financial implications. I want to be really clear about this. Every decision to lend money or support a decision for a project was always made by councillors and in particular the Leader and the Cabinet at the time. Many, if not all, responsible for these poor decisions are no longer part of this Council, perhaps that is telling enough.

While I stand by this answer Members know that officers must make decisions all the time and of course there are also decisions that have been specifically delegated to senior officers. The Council simply would not function effectively, if at all, if every decision needed to come through a Committee.

On to the other questions...

b) In reference to the procurement waivers the Council's S151 Officer has been specifically delegated to make these decisions. Delegated to by Members, Members who made the decision to delegate. All Members have the opportunity to question and scrutinise all decisions of a delegated nature including procurement waivers.

c) Cabinet are asked to note the forecasted position. A full breakdown of this position has been provided to Members and there will likely be questions from Members on this. The decision to formally recommend write-off and approve the virements to fund these will be made by Members with the advice from the Council's S151 Officer when approving the 23/24 Outturn report. This is made very clear within the report and the recommendations.

d) A significant amount of office time has been spent over the years considering this project which has been fed back to a number of Council meetings. Due to the complexity of this potential scheme and the associated permissions that would be required from third parties it is felt not worth pursuing at this stage. The new project will require a detailed business case to be made by the Leadership Team prior to formally allocating a precise budget. These considerations will be fed back to Cabinet for investigation before any investment is made.

Nick Quinn

My first question concerns Agenda Item 4 – Minutes of the previous meeting

Q1 – In the minutes of the previous meeting of Cabinet, the answer shown to my question number 3 is incomplete. Will the Leader, and/or the Cabinet Member for Finance, please correct this by giving a more complete, and accurate, answer to that question – and ask for this to be recorded in the minutes of this meeting?

My next questions relate to Agenda Item 6 – Quarter 2 Budget Monitoring

The first line of Appendix D shows the ‘Annual Budget’ for employee costs in Corporate Management as £331,200 and then uses the P6 Profiled and P6 Actual spend to produce a likely Full Year Variance – giving a calculated Corporate Management overspend of £215,000 (or 64.9%).

But on the first line of Appendix B, this shows there is an actual annual saving on Corporate Management of £85k - but then takes this away from a Cumulative Salary savings target of £300k (across all other services) resulting in a forecast overspend, shown against Corporate Management, of £215k.

This statement is incorrect, “Corporate Management” is not overspending at all. It is a salary savings target, covering the whole Council, that is not being achieved.

Lumping a Council-wide target into an individual service area is confusing and provides inaccurate indications of actual, and projected, service costs.

Q2. Why are Members being given reports that provide confusing and inaccurate indications, such as the overspend figure shown against Corporate Management?

Q3. The £300k, cross Council, salary savings target has only been reduced by the £85k saving in Corporate Management. Have none of the other service area headings had any salary savings, to reduce the total further?

Answer

Q1. At the last Cabinet meeting on 17th October, Mr Quinn asked a number of questions regarding the Agenda Item 8 – Medium Term Financial Update, these questions and answers are shown within the minutes of that meeting.

In particular, he asked:

“Q3: Licensing is shown as a statutory function. How can a budget of £24k be reduced to just £4k and still provide the required Statutory service?”

My answer given at the meeting was “The budget is net of income. The specific savings options are shown in Appendix 2, rows 15 & 17”

It was unfortunate that I could not communicate with Mr Quinn during the meeting and as such Mr Quinn had to wait until after the meeting to query this response and it was identified that I had made a mistake with this answer, in that the specific savings were shown in rows 15, 17, 18 and 19 and not just 15 and 17 as answered at the meeting.

While I have corrected this with Mr Quinn and provided a further explanation and an unreserved apology for my oversight, Mr Quinn has asked that I publicly correct the answer, and I am happy to do so, therefore the revised answer to the third question asked by Mr Quinn on 17th October is:

The savings in appendix 1 attributed to “Licensing” relate to rows 15, 17, 18 and 19 in appendix 2.

For the avoidance of doubt, the savings attributed to “Licencing” are.

15 - Removal of pest control.

17 - Removal of the revenue budget for Air Quality Monitoring (but utilisation of s106 funds is being explored).

18 - Reduction of NOx monitoring.

19 - Removal of the provision of planning advice to public health.

The resulting budget proposal of £4,000 for licencing is net of income and subject to rounding.

Q2, I can't agree with the statement that was made. I certainly haven't had any Members raise any concerns with me, indeed we have regular updates and briefings and these are given to all Members and I am always happy to receive feedback from Members and work with officers to ensure that information provided to them is clear and easy to understand and importantly fulfils the need they have for said information. Likewise I am happy to engage with other residents if they feel that information can be presented to them in an easy to understand way and I will take on board Mr Quinn's feedback. To answer the question of the £400k unidentified salary savings in the 23/24 budget, £300k was assigned to Corporate Management to identify savings and a £100k specific to the service delivery areas.

Q3, The Corporate Salary Saving Target is included within the Corporate Management area – along with other corporate costs. The actual savings are shown where the savings are achieved. This is explained in the report (para 3.4).

Tim Bridger

All public servants whether paid or elected are expected to abide by the Nolan Principles of public life. These seven principles are selflessness, integrity, objectivity, accountability, openness, honesty and leadership. These are important elements of public service, important for outcomes of good governance, ethical culture and legitimacy. Where in those principles does it state that intimidating members of the public arriving at meetings, suppressing debate and legitimate comment, labelling tax payers as 'scurrilous' and using threatening advice of the paid staff to those same members of the public, are acceptable behaviours under those principles?

Secondly, agenda item 12, Leisure Pricing....the public are not satisfied that this discussion should be taking place without public scrutiny. To date there have been three changes of approach to the Leisure Centre refund. Firstly that it will be used to offset bad debt which was back in June time. Secondly following a Motion by Cllr Woollatt that the money would not be used in such a way and thirdly that it will be used like a previously unmentioned annual loss to the tax payer of either £1.8m or £2.1m depending on whether you include missed membership targets. The inconsistencies of this approach have only been highlighted and u-turns forced through public scrutiny. To the public, excluding item 12 from public debate looks very much like a fourth approach in as many months. That will not see value for money to the tax payer. This is precisely the sort of decision being made behind closed doors which so enraged the Lib Dems when they were in opposition but seems to be the go-to mode not only now that they have moved into the Cabinet system but decided to keep it despite the clear decision 6 months ago to move to a Committee structure.

Fourthly the options for the car parking spaces in Halberton.... the Cabinet's documents state that there are 5 parking spaces out of 6 made for sale by 3 Rivers Developments. Checking today on Right Move there is only one space remaining, however, looking at the sales, it was previously for sale at £10k and then on 6th October that was reduced to £5k which is quite a significant discount and I am sure you want to correct the impression that this is a 'fire sale' of asset. Given that MDDC

revenue is affected, can the S151 Officer and the Cabinet Member for Finance give their approval for this very substantial price cut?

The Leader responded by stating that councillors absolutely complied with the Nolan Principles and if anybody had a complaint about a councillor this could be taken to Standards Committee. As regards discussing the Leisure pricing item in Part II, he hoped Mr Bridger could appreciate the sensitivities involved and the commercial nature around that particular agenda item seeing as the Council wanted to provide good value at the Leisure Centres which obviously faced a lot of competition whereas if the Cabinet were to discuss that in the public domain he was sure Mr Bridger wouldn't want the Council to be losing revenue to it's competition.

Ian Batchelor

3 Rivers developed a site near the eastern boundary of Halberton a number of years ago for residential use. Part of the site was the creation of a car park. This was in addition to parking provision provided for the new residents of the development. This new car park, the parish was led to believe, would help alleviate parking problems in that area and make the road safer for pedestrians and road users both travelling through Halberton and emerging from the new development.

It came to the Parish Council's attention in April 2022 that the car parking spaces were being offered for sale. The concerns we had were that the unregulated sale of the spaces would not help alleviate the problems of parking at that end of the village and the area would continue to be a danger for both pedestrians and motorists. We raised our concerns with our then District councillor and planning enforcement but no satisfactory conclusions have emerged until our new councillor has attempted to look at the situation again.

I am asking on behalf of the residents of Halberton that the council is minded to right a wrong and allow the parking spaces in Mid Devon District Councils control to be offered to be used for the good of all in the area and the most needy have an opportunity to park somewhere less dangerous. We are asking for the council to look at the legality of the current sale of these parking spaces and at what good could be achieved if this space was managed by the community for the community.

(The issue of parking spaces in Halberton was considered as a specific item on the agenda, with a decision being made as indicated in these minutes.)

The Leader stated that any unanswered questions would be responded to in writing in due course.

63. DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT (00:41:00)

No interests were declared under this item. Members were reminded of the need to make declarations of interest where appropriate.

64. MINUTES OF THE PREVIOUS MEETING (00:57:00)

The minutes of the previous meeting held on 17 October 2023 were approved as a correct record and **SIGNED** by the Leader.

65. **GUIDANCE REGARDING CLIMATE AND SUSTAINABILITY STATEMENTS (00:57:40)**

Cabinet had before it a report * providing an update on the Climate Action Plan (CAP) and the wider Climate and Sustainability Programme.

The Cabinet Member for Climate Change stated that the guidance, if adopted, would aid the Council in making well informed decisions and in moving towards its Net Zero targets.

Consideration was given to:

- Officers across the Council needing to be fully aware of the impact of their service areas on the Climate Change agenda.
- The guidance would further embed the need for this awareness and provide vital information to new and existing officers.
- The good work undertaken by the Policy Development Group when making this recommendation.
- The State of the District Debate would provide an important opportunity to work with Town and Parish Councils to strengthen knowledge and working practices in this area.
- Mid Devon already employed a Climate Change Specialist and was one of the leading Councils in the South West regarding this issue.

RESOLVED that:

The report be accepted as an update on the Council's response to the Climate Emergency, documenting progress with the Climate Action Plan (CAP) and the wider Climate and Sustainability Programme.

The guidance for officers and Members regarding climate and sustainability statements be adopted. This guidance relates to business cases and committee reports. Guidance was developed in consultation with the Net Zero Advisory Group and Corporate Managers and should now be used and maintained to help shape decisions and delivery in line with policy and statutory obligations.

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

Reason for the decision

Progress on Performance Indicators (PI) provided separately by Performance and Risk Reports. There are 2 main risks (to the Council): 1) that the Council does not take sufficient actions to enable it to meet its Climate Emergency declaration ambitions; and 2) that the financial implications of Climate Change are not adequately measured and reflected in the Council's decision making.

Note: * Report previously circulated.

66. 2023/2024 QUARTER 2 BUDGET MONITORING (00:49:00)

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 2023/24.

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

- Based on quarter 2 data the Cabinet were asked to note the Outturn position for the General Fund which was a £196k overspend. This needed to be set in context with the Council having set a budget back in March with an in year savings target of £1.025m. Therefore to have delivered all the services to a high standard and on time was a remarkable achievement.
- Many other Council's were facing serious financial difficulties. Under spending by over £800k needed to be recognised and praised.
- Variances were symptomatic of economic circumstances e.g. Planning and Building Control fees were significantly lower than forecast due to the stagnation of the housing market.
- Membership numbers continued to increase in Leisure.
- Staff sickness continues to be quite high requiring more temporary staffing than expected.
- These forecasts were before the final indications of the soft closure of 3Rivers takes place. This would incur further impairment of loans The funding of this impairment would need to be paid out of service underspends, Earmarked Reserves and additional borrowing in the future, all of which would impact future budget decisions.
- The HRA was showing a healthy underspend of £485k, this was largely due to staff savings, partially offset by higher than budgeted materials.
- Regarding the Capital Programme, there was a sizeable variance against the budget given the decision to close 3Rivers. There was also significant slippage regarding the Cullompton Relief Road.

Discussion took place regarding:

- The sort of tendering process the Council went through to recruit agency staff.
- There was a process from 'Temporary' to 'Permanent' but the need for this did not often occur as most people chose to work on a temporary basis in the service areas affected most.
- Funds being used to do feasibility works in relation to Hydromills.
- The larger number within the report were in relation to the Cullompton Relief Road, the Waste depot and 3Rivers. The remainder was due to slippage in the HRA development programme.
- The long awaited announcement in relation to Council's being able to increase Planning Application fees had been announced the previous day. This could potentially increase income to the Council by £200k a year.
- There had been a well-attended Member briefing on the Budget.

RESOLVED that:

- a. The financial monitoring information for the income and expenditure for the three months to 30 September 2023 and the projected outturn position be **NOTED**;
- b. The use of Waivers for the Procurement of goods and services as included in Section 9 be **NOTED**;
- c. The estimated 2023/24 3Rivers write off of c£3.7m will be funded through a combination of Earmarked Reserves included New Homes Bonus and various sinking funds be **NOTED**. The precise make up of this will be recommended within the Cabinet Outturn report.
- d. The virement of the capital approval from the Hydromills project (currently deemed unviable) to be replaced by Investment in Solar Panels (once quantified) with the remainder being released be **APPROVED**.

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

Reason for the decision:

Good financial management and administration underpinned the entire document. A surplus or deficit on the Revenue Budget would impact on the Council's General Fund balances. The Council's financial position was constantly reviewed to ensure its continued financial health. Regular financial monitoring information mitigates the risk of over or underspends at year-end and allows the Council to direct its resources to key corporate priorities.

Note: * Report previously circulated.

67. **TREASURY MANAGEMENT STRATEGY MID YEAR REVIEW REPORT 2023/2024 (01:02:00)**

The Cabinet had before it a report * from the Deputy Chief Executive (S151) informing it of the treasury performance during the first six months of 2023/24, to agree the ongoing deposit strategy for the remainder of 2023/24 and a review of compliance with Treasury and Prudential Limits for 2023/24.

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

- Changes in the Regulations required more regular reports to be presented to the decision makers of local authorities.
- Higher returns had been achieved due to an increase in interest rates and a slippage on the Capital Programme.
- No additional borrowing had been required.
- An economic summary had been provided, showing the deposits held at the end of the quarter and the yields being achieved.
- The report confirmed that the lending criteria remained appropriate.

Consideration was given to:

- The security around short term deposits and whether these had reached maturity, it was confirmed that they had.

- Reassurance was provided that the Council only borrowed from organisations with high ethical standards. This could be further strengthened as a requirement within the Treasury Management Policy approved by Council each year in February.
- Funds placed with CCLA (Churches, Charities and Local Authorities) were currently doing well.
- Some funds were only available for a finite amount of time.

RECOMMENDED to Full Council that:

- a) A continuation of the current policy outlined at paragraphs 4.0 – 4.5 be approved; and
- b) The changes to the Capital Financing Requirement, Operational Boundaries and Authorised Limits for the current year at paragraphs 5.4 – 5.5 be approved.

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

Reason for the Decision

Good financial management and administration underpinned the entire strategy. The Council's Treasury Management Strategy should attempt to maximise investment return commensurate with minimum risk to the principal sums invested. The Council was under a statutory duty to "have regard" to the 2011 CIPFA Treasury Management Code of Practice. The Council's own Financial Regulations included requirements as to the reporting of treasury management information. The Council considered deposit security as the paramount function in any treasury dealings or activities. It should be noted that any investment decisions would always be subject to a degree of risk. However, in complying with an agreed Treasury Management Strategy, these risks would be kept to an acceptable level.

Note: * Report previously circulated.

68. **TAX BASE CALCULATION 2024/2025 (01:14:00)**

The Cabinet had before it a report * from the Deputy Chief Executive (S151) detailing the statutory calculations necessary to determine the Tax Base for the Council Tax. The calculations made follow a formula laid down in Regulations.

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

- It was reiterated that each year the Council had to set its Council Tax Base against which all Town and Parish Council's could set their precepts.
- Within the calculation were the actual numbers of properties within the district, the number of properties falling within the Council Tax Reduction Scheme, the forecast growth in properties and the likely level of collection, all of which are converted into an average amount for a Band D property.
- For 2024/25 there was projected to be 30,222.10 Band D properties which was growth of 389 on the current year and the Council expected to collect 97.5% of the precept which was up from 96.5% in 23/24.

- Although they did not affect the materiality of the report, some amendments needed to be highlighted within the report: The effective date in paragraph 3.7.1 should have been 2025 not 2024 and conversely in paragraph 3.8.2 it should have been 2024 not 2025.

Discussion took place regarding:

- The effective commencement date of an empty property in terms of collecting Council Tax.
- Discretionary relief was available via the Exceptional Hardship Fund.
- The threshold figure used to discount savings was £16k.
- The amount of Council Tax that could be applied for second homes. By law, residents needed to be given 1 years notice before Council Tax doubled to 200%.
- In Mid Devon, a lot of the properties were Band D or below.
- Some elements of the Council Tax regime were unfair.
- Only 9.8% of the Council Tax collected by MDDC actually came back to the authority for use on service provision.
- The difficulties involved in identifying second homes, although it was confirmed inspections took place.
- Concerns amongst the parishes regarding second homes which could be further discussed at the State of the District Debate.
- The rules regarding the use of second homes as holiday lets and the number of days properties could be let out for each year.

RECOMMENDED to Full Council that:

- a) That the calculation of the Council's Tax Base for 2024/25 be approved in accordance with The Local Authorities (Calculation of Tax Base) (England) Regulations 2012 at 30,222.1 an increase of circa 389.12 Band D equivalent properties from the previous financial year.
- b) That the current collection rate of 96.5% be increased to 97.5% detailed in Section 2.

(Proposed by Cllr J Buczkowski and seconded by Cllr J Lock)

Reason for the decision

Mid Devon District Council was a Statutory Billing Authority and must set its Council Tax each year. If it were not to set a Council Tax then the Authority and all Precepting Authorities would be unable to raise money to pay for all the services they provide. This was a statutory function and was a legal requirement. The Council must now set its budget annually using Council Tax information each year in accordance with The Local Authorities(Calculation of Council Tax Base)(England) Regulations 2012 calculating the relevant amount by applying the formula set out in the above regulations. If the Council fails to carry this duty out then the Council Tax cannot legally be set. In accordance with the LGF Act 2012 above and SI 2914 of 2012 The Local Authorities (Calculation of Council Tax Base)(England) Regulations 2012.

Note: * Report previously circulated.

69. **MEETING HOUSING NEEDS SUPPLEMENTARY PLANNING DOCUMENT (ADOPTION) (01:40:00)**

The Cabinet had before it a report * from the Director of Place informing it of the outcomes of the public consultation on the Meeting Housing Needs Supplementary Planning Document, the amendments that had been made in response to comments received and to formally adopt the Meeting Housing Needs Supplementary Planning Document (SPD).

The Cabinet Member for Planning and Economic Regeneration outlined the contents of the report and made reference to the following:

- The existing Meeting Housing Needs SPD was adopted in June 2012 and was now out of date. The SPD had therefore been updated to reflect the policies of the current adopted Local Plan ensuring that the guidance was consistent with the latest national planning policy and practice guidance. Additionally, the update sought to reflect on, and positively respond to, the Council's Corporate Plan and Housing Strategy.
- The scope and content of the new Meeting Housing Needs SPD was broader than the current version. It set out a series of positive measures to support housing diversification in Mid Devon including through community led housing, custom and self-build and modern methods of construction. The SPD also provided comprehensive guidance on affordable housing matters including tenure mix, dwelling size and design considerations, housing for older people and those with disabilities as well as planning to meet the needs of gypsies, travellers and travelling show people.
- A six week public consultation on the draft SPD took place between 17th July and 25 August 2023 where a total of 11 responses were received. Officers had provided a summary of the main comments received along with a response and where appropriate an explanation of how these comments had been addressed in the final version presented for adoption.
- Once adopted, the Meeting Housing Needs SPD would be capable of being a material consideration in the determination of planning applications.

Discussion took place with regard to:

- Why the consultation had taken place when it had? It was confirmed that there had been no specific reason, it had just been the earliest opportunity mindful of the timescales of the new Local Plan.
- The allocation to key workers and how they were defined.
- Community Land Trusts, how many existed and was the fact that funding was available widely advertised? It was confirmed that all Town and parish Council's had been written to with an offer of officer support for those interested in submitting an application. Again, this could be an issue to be followed up through the State of the District Debate. It was confirmed that Government funding had been secured from the LGA.
- The benefits of self builds in terms of meeting Net Zero targets, however, self builds were costly due to material costs having gone up.

RESOLVED that The Mid Devon Housing Needs Supplementary Planning Document (Appendix 1 of this report) be adopted and is published on the Council's website together with the Strategic Environmental Assessment Screening Report (Appendix

2), the Habitats Regulations Assessment Screening Report (Appendix 3), the Statement of Consultation (Appendix 4), and its Adoption Statement (Appendix 5).

(Proposed by Cllr S Keable and seconded by Cllr S Clist)

Reason for the decision

The Meeting Housing Needs SPD provides guidance on the Mid Devon Local Plan 2013 – 2033 policies on housing. The document will reduce the risk of costs being awarded against the Council where decisions are based on its content.

Note: * Report previously circulated.

70. **ANNUAL INFRASTRUCTURE FUNDING STATEMENT: THE INFRASTRUCTURE LIST (02:00:00)**

The Cabinet had before it a report * from the Director of Place regarding the Annual Infrastructure Funding Statement; The Infrastructure List which the Council was required to maintain for the purposes of identifying those items of infrastructure that it intended to fund, either wholly or partly, through development (developer contributions, also known as Section 106 (S106) agreements).

The Cabinet Member for Planning and Economic Regeneration outlined the contents of the report and provided the following summary:

- The report related to infrastructure that could be funded partly or wholly by developer contributions.
- The report identified several types of infrastructure that were necessary to support the delivery of adopted Local Plan. These had been recorded in a list (the infrastructure list) and divided into three categories of priority; high importance, importance and desirable; based on a combination of strategic importance and a requirement to spend existing funding within a legally specified timescale. Under each infrastructure type are further details of the required infrastructure item.
- The list was not exhaustive, it was a live document that continued to evolve.
- In addition to compulsory reporting the list was a key document in informing future S106 agreements.
- The Planning Policy Advisory Group had been asked to consider this list. No changes had been suggested.

Consideration was given to:

- A possible need to have consulted with the Town and Parish Council's.
- The List needing to align with the Local Plan.
- The List was only ever a 'snapshot' at one particular time and was therefore out of date quite quickly.
- There was still a lot of work to do in terms of linking up with the Local Plan and ensuring that all available funds were accessed and used within relevant timescales.

RESOLVED that:

- a) The list of infrastructure (Appendix 1; the Mid Devon Infrastructure List) that the Council intends to fund, either wholly or partly, by developer contributions is approved.
- b) The Infrastructure List will be included within the annual Infrastructure Funding Statement (IFS) to be published on the Council's website by 31st December 2023.

(Proposed by Cllr S Keable and seconded by Cllr J Lock)

Reason for the decision

The Infrastructure List plays an important role in identifying when developer contributions can be used to assist in the delivery of infrastructure. It is an easily accessible document that sets out the Council's priorities for income from development and expenditure. Risk is multi-faceted, but publication of a clear IFS mitigates these by allowing transparency on the utilisation of S106 funds, allows monitoring of measures to be implemented to support planned development and also safeguards against the loss of S106 receipts through the passage of time.

Note: * Report previously circulated.

71. ACCESS TO INFORMATION - EXCLUSION OF THE PRESS AND PUBLIC (02:17:00)

The Leader indicated that discussion with regard to the following items, required the Cabinet to pass the following resolution to exclude the press and public having reflected on Article 12 12.02 (d) (a presumption in favour of openness) of the Constitution. This decision was required because consideration of this matter in public would disclose information falling within one of the descriptions of exempt information in Schedule 12A to the Local Government Act 1972. The Cabinet decided, in all circumstances of the case, the public interest in maintaining the exemption interest in disclosing the information, outweighed the public interest in disclosing the information.

RESOLVED: That, in accordance with Part I of Schedule 12A to the Local Government Act 1972, the press and public be excluded from the meeting for item's 12 and 13, for the reason set out below:

Information under paragraph 3 (contains information relating to the financial or business affairs of any particular person including the authority holding that information).

(Proposed by the Leader).

72. OPTIONS REPORT FOR 5 CAR PARKING SPACES IN HALBERTON (02:42:00)

The Cabinet had before it a report * from the Deputy Chief Executive (S151) considering options relating to a number of car parking spaces in Halberton, currently being marketed by the Council's development company.

The Cabinet Member for Finance outlined the options available. Following discussion and having returned to open session, the Cabinet:

RESOLVED that:

- a) 3Rivers is instructed to release the 5 car parking spaces to MDDC ownership in part consideration of outstanding liabilities, valued at the current price being marketed.
- b) Once the spaces are within the Council's ownership, delegated authority be given to the S151 Officer to explore how they can be made available to Halberton Parish Council to manage on a Full Repairing and Insuring Lease and a further report be brought back to cabinet.

(Proposed by Cllr J Buczkowski and seconded by Cllr J Lock)

Reason for the decision

Value For Money / best value should be achieved on all asset disposals.

Note: * Report previously circulated.

73. **LEISURE POLICY AND PRICING STRATEGY (03:37:00)**

The Cabinet had before it a report * from the Corporate Manager for Council Tax, Business Rate, Benefits, Corporate Recovery, Planning & Leisure informing it of proposals to change the Leisure fees and charges strategy.

The Community Policy Development Group had **RECOMMENDED** that the fees and charges proposed within the report be approved.

The contents of the report were outlined by the Cabinet Member for Community & Leisure. Following discussion and having returned to open session, the Cabinet:

RESOLVED that the strategy to change fees and charges as proposed in the report at sections 2.8.1 and 2.8.2 be approved.

(Proposed by Cllr D Wulff and seconded by Cllr S Keable)

Reason for the decision

There is a legal obligation to notify customers with direct debits of any changes to their payments with at least 10 day notice. As we are increasing these, for some customers, we will aim to give at least 2 weeks' notice. The commercial nature of the industry and the cost of living crisis means that Mid Devon Leisure can be vulnerable to threats from; competition, substitutions and price sensitivity. It could also exclude certain priority groups the service is trying to encourage to use the facilities and get active, however the pricing strategy is trying to minimise the impact on these groups as much as possible. The service plans to ensure the marketing message around any price increases showcases the value attached to the service with the service's unique selling points to ensure we continue to grow, and maintain, participation levels at mid Devon Leisure.

Following the decision made by the Cabinet, the Cabinet Member for Community & Leisure made the following statement:

“In looking at the leisure pricing, both the Community Policy Development Group and the Cabinet gave consideration to how we can encourage greater participation, and increased activity, amongst young people by giving access to the full facilities at an affordable rate. This is particularly important given the life-long health benefits early access to health, fitness and sports can provide. This is something that Mid Devon Leisure is uniquely positioned to deliver due to the high quality of its pools and courts, fitness equipment and instructors amongst its peers.

Inflation affects us all. Whilst funding the service to ensure it continues to deliver that high quality, we need to be confident we do not put barriers up that prevent low-income users from accessing these services, and we must ensure we don't pass on the increasing costs of the service to those least able to afford it.

Mid Devon Leisure will continue to support those members of the community accessing means tested benefits via Concessionary discounting to pay and play fees and charges, in addition to discounted membership opportunities. And staff have already identified new services to offer that cater to younger people and help increase access to physical activity in fun and collaborative ways.

Additionally, we have also committed to making it easier for care leavers to access our leisure services by agreeing to offer care experienced young people (up to the age of 25) a leisure membership at an effective 100% discount rate.

We were the first district council in Devon to exempt care leavers from paying Council Tax, and this is the latest part of a wider package of support intended to provide care leavers with the best possible start in their adult lives.

It can feel like a cliché to say this, but our Mid Devon Leisure staff are our biggest asset. This is evidenced by the growth and market-leading quality of the services they design and deliver. For example, their outstanding learn-to-swim programmes and aquatics training reached second place in the Swimming Teacher Association awards just a few weeks ago. Our swimming pools are operating more effectively than our peers in both the public and private sector. I have no doubt this is largely down to the quality of our aquatic staff – and their passion to deliver for Mid Devon residents, as I have heard feedback to that effect.

But it is not just the aquatic services. Our fitness instructors, business managers, front-of-house, and support staff are all (without exception) passionate about Mid Devon Leisure and seeing our facilities thrive. Those are not my words – those are quoted from an independent report that recently evaluated every part of our leisure services.

By supporting the leisure pricing strategy, we can create stability that allows staff to innovate services further while remaining competitive and reflecting the cost-of-living

challenges our community faces. The change in national VAT treatment for Council-run leisure services will allow us to absorb inflationary increases for general memberships, and hold down increases for Concessionary users. That is a significant reinvestment in our service users. Our proposed pricing is highly competitive and protects our ability to deliver new and innovative improvements to the way people across the district are able to access fitness, leisure and community sports.

This Council will this week start to work on an ambitious plan to develop these improvements, and I welcome any feedback or suggestions from anyone who is as passionate about increasing access to fitness and leisure as I am.”

Note: * Report previously circulated

74. **SCHEDULE OF MEETINGS (04:07:00)**

The Cabinet had before it the * Schedule of Meetings for 2024/2025.

RECOMMENDED to Council that the Schedule of meetings for 2024/2025 be approved.

(Proposed by the Leader)

Note: * Schedule previously circulated.

75. **NOTIFICATION OF KEY DECISIONS (04:08:00)**

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

A number of additions had been made to this since the publication of the document with the agenda for this meeting:

- Strategic Grants Review
- Purchase offer for land at Post Hill, Tiverton
- Completion Notice Policy
- Council Tax Empty Premises Policy
- NDR DRR policy amendment
- Pets and Animals Policy

Note: * Notification of Key Decisions previously circulated.

(The meeting ended at 9.24 pm)

CHAIRMAN