

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **ECONOMY POLICY DEVELOPMENT GROUP** held on 8 November 2018 at 5.30 pm

Present

Councillors

Mrs B M Hull (Chairman)
Mrs C P Daw, A Bush, Mrs C Collis, J M Downes,
S G Flaws, Mrs S Griggs and F J Rosamond

Apologies

Councillors

Mrs A R Berry and Mrs N Woollatt

Also Present

Councillors

R J Chesterton and R Evans

Present

Officers

Stephen Walford (Chief Executive), Catherine Yandle (Group Manager for Performance, Governance and Data Security), Joanne Nacey (Group Manager for Finance), John Bodley-Scott (Economic Development Team Leader), Chris Shears (Economic Development Officer) and Sarah Lees (Member Services Officer)

38 **Apologies and Substitute Members**

Apologies were received from Cllr Mrs A R Berry, who was substituted by Cllr Mrs C P Daw. Apologies were also received from Cllr Mrs N Woollatt.

39 **Declaration of Interests under the Code of Conduct**

There were no declarations of interest given.

40 **Public Question Time**

There were no members of the public present.

41 **Minutes**

The Minutes of the meeting held on 6 September 2018 were confirmed as a true and accurate record and **SIGNED** by the Chairman.

42 **Chairman's Announcements**

The Chairman informed the Group that the Council had been shortlisted for a national award by the Local Government Chronicle (LGC) as an example of a council pushing forward economic growth. The final judging process will be held in London in January to choose the overall winners, and officers from Mid Devon would be attending to make the best possible case for the council.

43 **Performance & Risk for 2018/19**

The Group had before it, and **NOTED**, a report * from the Director of Growth and Chief Executive providing Members with an update on performance against the Corporate Plan and local service targets for 2018/19 as well as providing an update on the key business risks.

The following was highlighted within the report:

- The number of businesses assisted was above target. Businesses had to have been assisted for a minimum of an hour to be included in this figure.
- The Council had also been instrumental in two successful bids for LEADER funding for Mid Devon businesses.
- The number of empty shops in Tiverton was above target. The question was asked as to why this might be the case. It was explained that these figures only ever represented a snapshot in time. If a premises was not trading on the day the data was collected then it was recorded as being empty even though it might be being refurbished or due to open shortly. It was stated that the figures had been taken in July but were improving quarter by quarter.
- It was explained that the trend seemed to be that shops were moving away from the periphery of towns towards the centre although this was not entirely the case for Tiverton.

Note: * Report previously circulated; copy attached to the signed minutes.

44 **Financial update for the six months to 30 September 2018**

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

The following was highlighted within the report:

- The forecasted end of year position was currently predicted to be an overall deficit of £305k. For the Economy area a small fraction of this related to car parking. Overall Planning income was down but this was reflected nationally. This left the Council in a difficult position as it was a demand led service. However, the Council was working with a consortium of developers to bring forward the most strategic sites. It had a known list of developers and a known list of sites and was proactively working to bring the two together where it could. The Council had also set up its own property company with the profits from any sales coming back to the General Fund. Nationally councils may receive further powers in the future to encourage developers to build out previously approved planning applications. The Cabinet Member of Planning and Economic Regeneration also assured the Group that it was likely that once the Local Plan had been adopted many more consented planning applications would be built out.
- It was confirmed that officers were looking at the infrastructure regarding major applications from the outset and working proactively with the necessary parties.
- The Council had seen some growth in Business rates.

- The Housing Revenue Account was showing a small deficit of £10k.
- Figures for October were looking similar to those presented to the Group for this meeting.

Note: * Report previously circulated; copy attached to the signed minutes.

45 **Draft 2019/20 General Fund and Capital Budgets**

The Group had before it, and **NOTED**, a report * from the Deputy Chief Executive (S151) considering the initial draft 2019/20 budget and options available in order for the Council to set a balanced budget and agree a future strategy for further budget reductions for 2020/21 onwards.

The following overview was provided:

- The initial aggregation of all service budgets currently indicated a General Fund budget gap of £661k.
- 2019/20 would be the fourth and final year of a four year fixed funding settlement which would see a further reduction of £179k bringing Revenue Support Grant to nil for 2019/20.
- The provisional settlement for 2019/20 would be due on 5th December.
- Pay estimates had increased nationally and locally having a negative impact on the budget position for next year.
- A prudent assumption had been made with regard to Business Rate retention.
- Other assumptions had included a slight increase in waste and cemetery fees.
- One of the main risks included a change in the calculation of New Homes Bonus (NHB) which was deemed to be more complicated than it had been previously. Although the Council limited the use of New Homes Bonus to support its revenue budget it did use it extensively to fund its capital programme.

Discussion took place regarding:

- The opportunities Members have had, and continue to have, regarding their input into the budget setting process.
- Members were encouraged to come forward as soon as they could with ideas which may have a positive effect upon the budget, for example, doing things in a different way or following the example of other authorities who may be running a service at a lower cost but providing the same level of service to the customer.
- By 2020/21 the Council would need to be financially self-sufficient. Whilst this presented a difficult financial situation, the Council was still finding ways to do things better and still considering partnership working where it could, for example the Devon Audit Partnership and the Joint Building Control Partnership with North Devon. The Chief Executive confirmed that officers would continue to do some research in this regard, bringing any tentative suggestions to the Cabinet. If these initial ideas were well received then further investigations and research would be undertaken and a detailed proposal brought back to the Cabinet via the Policy Development Group. At all stages Members would be involved in the decisions taken.

- It was stated that whilst these were challenging financial times, they did also present the Council with opportunities to look at doing things differently. It was not necessary to always look upon the financial future negatively.

The following information was requested to be provided to the Group:

- An explanation as to why there was nothing in the budget, under the budget code for PR420, entitled 'Tiverton Town Centre Regeneration Project'. However, it was explained that the reason for this may be due to the fact that the budget for this might be placed under property and assets and the upgrade of property, that is, the budget for this was under a different heading.

46 Mid Devon Economic Profile

The Group had before it, and **NOTED**, a report * from the Head of Planning and Regeneration providing Members with an updated profile of the Economy of the District.

The following was highlighted with the report:

- Mid Devon had seen an increase of 11% in the population in the last ten years and this was set to increase by a further 18% to 93,500 by the year 2033.
- There was a continuing trend of people moving out of the district for work.
- Mid Devon had very high employment rates compared to the rest of the country which represented both a strength and a weakness since whilst fewer people were claiming benefits, there were fewer people available to staff new businesses. There were also high levels of self-employment.
- Low productivity continued to be a problem and there was a predominance of low wage, low skilled jobs.
- The proportion of students achieving English Baccalaureate level was higher than the national average. However, this did not necessarily translate to young people accessing higher education.
- Devon had the lowest broadband connectivity and 4G coverage in the South West and Mid Devon had the lowest broadband speeds amongst EHOD authorities.

Discussion took place regarding:

- How to ensure that that new residents coming into Mid Devon, as a result of proposed major housing developments, were of the right demographic to ensure new Mid Devon businesses could be staffed. The masterplanning process and working with developers was crucial in addressing this issue.
- A balance needed to be struck between having high aspirations for the area and what could realistically be achieved.
- The provision of 'A' level education in Tiverton. This issue had been raised by the Scrutiny Committee previously, and the Chief Executive had recently met with the Principal of Petroc to discuss what the possibilities were. The Chief Executive and Scrutiny Chairman had been invited by the Principal to go and speak to students to gain an understanding of what was currently offered and the quality of provision.

- The point was made that retired people or those with children, who did not claim job seekers allowance, were not included in these figures but were often very capable and had the required skills to undertake working employment.

More information was requested in relation to the following:

- The population of working age within Mid Devon compared to the total resident population.
- The finances that would be required for a school to provide 'A' levels as well as how many 16-18 year olds travelled out of the district to attend 'A' level courses elsewhere.

Note: * Report previously circulated; copy attached to the signed minutes.

47 **Economic Development Service Update**

The Group had before it, and **NOTED**, a report * from the Head of Planning, Regeneration and Growth updating Members on progress with key Economic Development Service Priorities.

The following was highlighted within the report:

Devon Hydro and Smart Grid Project ('Mills Project')

The funding bid to the Heritage Enterprise was unsuccessful but feedback had been received that consideration could be given to submitting a project purely focused on Thorverton Mill as this had the strongest links to the heritage element of the funding programme. It also had business units inside the premises which would be looked upon favourably.

The team were still looking at tapping into other funds to support the Tiverton Weir Project. Discussions were continuing with the Environment Agency with the aim of getting a scheme registered before the end of March 2019 so that it qualified for the feed-in tariff.

Enquiries and Investments

Discussions were ongoing with landowners to bring employment sites forward that were of a high calibre and strategically significant to enable future growth.

LEADER Programme

The EU funded LEADER programme was fast drawing to a close. The deadline for full applications was 15th November. The fund was currently over 70% committed with further large applications in the pipeline. However, there was a reasonable expectation that the fund would be able to be fully committed within the timescales.

Tiverton Market Events

A brief discussion took place regarding whether people who attended the Electric Night events returned to the town on other occasions and what was being done to ensure that happened. It was confirmed that these events did bring in a different type

of clientele to the town and that whilst the events in themselves did not generate income they certainly 'washed their face'. It was suggested that if Members had any concerns or questions regarding these events then they should speak directly to the Town Centre and Market Manager so that a productive discussion could take place regarding increasing footfall to the town. Those discussions and suggestions could then be reflected back to the Group.

It was stated that market traders were working together much better and that footfall on particular days was going up. A difference had been noticed within the last 6 weeks. Shops had not been willing to open on Electric Nights. The Market Manager had a hard job in trying to change the mindset of some traders. However, the Council had a responsibility in trying to help the town help itself. It was the facilitator to try and ensure that this happened.

The removal or relocation of the benches in Phoenix Lane would not get rid of anti-social behaviour (ASB) within the town. This needed to be tackled by working with the Police. Members were encouraged to report all ASB to the Police.

Note: * Report previously circulated; copy attached to the signed minutes.

48 Identification of items for the next meeting

No further items were identified to be on the agenda for the next meeting other than those already listed.

(The meeting ended at 7.10 pm)

CHAIRMAN