

MINUTES of a **MEETING** of the **CABINET** held on 9 January 2024 at 5.15 pm

Present

Councillors

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

Also Present

Councillor(s)

D Broom, E Buczkowski, B Holdman, S Robinson

Councillors

online:

P Colthorpe, G Czapiewski, A Glover, N Woollatt

Present

Officer(s):

Stephen Walford (Chief Executive), Andrew Jarrett (Deputy Chief Executive (S151), 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), Dr Stephen Carr (Corporate Performance and Improvement Manager), Jason Ball (Climate and Sustainability Specialist), Zoe Lentell (Growth and Regeneration Officer) Laura Woon (Democratic Services Manager) and Sarah Lees (Democratic Services Officer)

89. APOLOGIES

There were no apologies for absence.

90. PUBLIC QUESTION TIME

The following questions were received from members of the public:

Mr Barry Warren

Question 1:

Within Willand Parish there are 9 play areas, 6 of which are managed by the Parish Council, either owned or under lease from MDDC. MDDC are contracted to carry out

monthly safety inspections of the play equipment in the 6 areas and the Parish are invoiced twice yearly, 6 months in advance.

The table shows that for 2023/24 we paid £2,293.06 but we actually paid £1,841.26. [A considerable 24.5% difference.] The second invoice was more than the first as it appears the second had an additional site added and there was a rise in other charges of 16.89%.

Why is there a discrepancy between the figure shown in the table and what we actually paid?

Response from the Cabinet Member for Finance:

The bill for the period of April 2023 to September 2023 was £578.94 total amount £694.73 including VAT. The bill for the period of October 2023 to March 2024 was £955.44 total amount £1146.53 including VAT with the Chestnut drive play area added following completion of the lease to the Parish these reflect the sum quoted to the amount paid. The £2293.06 including VAT, the sum quoted in Cabinet report was for October to March over a full year.

Question 2:

The new charges for 2024/25 are set out in the table but it is not clear how the charges will be worked out. Worked out one way we would be charged £2,764.80; a 50.15% rise having already experienced a 16.89% rise for the second half of 2023/24.

There is a potential alternative way to work out the costs and Willand inspections cost would be £3369.60 an 83% rise on the previous year. We are unclear as to which system will be used.

How are the charges to be worked out?

What are MDDC actually expecting Willand Parish Council to pay for safety inspections for play equipment for the whole of 2024/25 for monthly safety inspections of play equipment covering all 6 sites?

Response from the Cabinet Member for Finance:

The revision to the proposed fee structure provides greater equity across the Parishes, the forecast cost £3369.00 as calculation includes the Chestnut drive play area the other partial reason for the increase. Officers of the Council will contact the Parish Clerk to discuss the changes in the fee structure.

Question 3:

It is stated that if approved by Cabinet these charges will be implemented as of 1 April 2024 but we are having to set our precepts now. We are unaware of any communication with the Parishes on this issue.

How does this action fit with the stated intention of this administration to work more closely with Parishes?

If one looks at recommendation 2, what will be put in place for timely discussion with Parishes in order that they may look elsewhere for the service if needs be before having to set their precepts?

Response from the Cabinet Member for Finance:

The Fees were published as soon as practical and three months prior to be implemented, if approved the council will engage with each parish affected

Response from the Leader:

Mid Devon District Council has a State of District debate this month to engage more with Parish Council. This is the first year of administration and have the intention to work closely with Parishes and is part of the corporate plan to engage more.

Mr Nick Quinn

Question 1:

On 19 July 2023, Full Council passed Motion 593, which included a commitment that “this Council should fully review all leisure pricing in an open and transparent way by conducting a review of pricing through the appropriate Policy Development Group before making recommendations to Cabinet in the usual way for implementation from 1st April 2024 (2024-2025) financial year.....”.

The consideration of leisure pricing by the Community Policy Development Group, was not the ‘open and transparent’ review required by the Council. At their October 2023 meeting, after excluding the press and public, the PDG just took the fees and charges that were proposed in an unpublished Officer report and recommended that Cabinet approve them.

In view of this fact, will this Cabinet please refuse to ‘note’; accept; approve; or otherwise allow for implementation, the new leisure fees and charges for 2024/25 as set out in Appendix 2 – and ask the Community Policy Development Group to undertake a totally Open and Transparent review of leisure pricing - as required by Council Motion 593?

Response from the Cabinet Member for Community and Leisure:

Whilst the motion as passed requested an ‘open and transparent approach’ when setting fees and charges for our Leisure service, there is a legal exemption: “Charge Strategies are Commercially Sensitive which are Exempt from publication under paragraph 3, Part 1 of Schedule 12A to the Local Government Act 1972 (as amended) as it contains information relating to the financial or business affairs of any particular person (including the authority holding that information).”

In 2023/24 the Council appointed a specialist Leisure consultancy company to look at the service before any fee changes were considered. The outcome of their extensive report was that our fees could be increased when compared to the market locally and

nationally. The external report formed the basis of the commercially sensitive report presented to the PDG in October 2023 as required by Motion 593 point 2.

That report remains commercially sensitive and therefore exempt from publication. The fees recommended by the PDG also help to reduce the taxpayer subsidy which Motion 593 point 4 required the Council to take into account.

All 42 elected members had visibility of the proposals and the opportunity to speak, comment and challenge at the PDG and previous cabinet meeting when discussed, and thorough scrutiny of the proposals was provided.

The charges were published and open to public scrutiny and comment 3 months before implementation. Our charges remain very competitive in the Leisure sector and the number of Mid Devon Leisure memberships is increasing.

Mr Adam Pilgrim statement

You will have seen my message to you, dated 15th December 2023, drawing your attention to the historical agreement that the Canal would be funded **equally** by Devon County and Mid Devon District Councils.

This had followed the 1971 agreement between Devon County, Tiverton District and Tiverton Borough Councils.

The Canal Manager, Mark Baker, has already clearly outlined the benefits enjoyed by Mid Devon's residents and the consequences of reducing the funding of the Grand Western Canal. Cutting the Canal's funding will downgrade the high standards that have been achieved over a number of years and will be extremely difficult and costly to recover.

You should not follow the PDG's recommendation to cut MDDC's contribution to the Grand Western Canal by a further 15% since it's based on a false premise; that MDDC's contribution to the Canal is a Grant rather than an Obligation. Following this recommendation would be an unsound decision.

1971 was the original Agreement; 50% of the canal's costs to be borne by Devon County Council and 50% to be borne by the two local Authorities; Tiverton District and Tiverton Borough Councils.

In 1974 after the District and Borough Councils combined to form Mid Devon District Council it was confirmed that the new Council would take on the Obligations of its predecessors.

On 29th January 1974 the Amenities and Countryside Committee resolved "that the cost be shared equally between the County Council and Tiverton District Council"

In March 1988 Mid Devon District Council's Environment & Leisure Committee's meeting noted that "The funding of the work, both capital and revenue, to the Grand Western Canal is shared equally between Mid Devon District Council and Devon County Council."

The two authorities' contributions on the same basis was confirmed by the Mid Devon Partnership Committee in 14th March and in April 1998.

There doesn't appear to have been any formal dissolution of this arrangement.

Consequently, to execute the PDG's recommendation would perpetuate and compound MDDC's evasion of its historical obligation to the detriment of MDDC's "Jewel in its Crown".

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

The Leader declared that all members of the Cabinet had been contact prior to the meeting in regards to the Grand Western Canal.

92. **MINUTES OF THE PREVIOUS MEETING ON 12 DECEMBER 2023**

The minutes of the previous meeting held on 12 December 2023 were approved as a correct record and SIGNED by the Leader.

93. **2024/25 – 2028/29 MEDIUM TERM FINANCIAL PLAN REPORT**

Cabinet had before it a report * from the Deputy Chief Executive (S151) Officer on the Medium Term Financial Plan (MTFP) covering the period of 2024/2025 to 2028/2029.

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

- This reports covers the fourth update of the Medium Term Financial Plan covering the five years 2024/25 to 2028/29. This report encompasses all elements including the General Fund, Housing Revenue Account and the Capital Programme.
- The initial results of the budget element within the resident's survey has been included within Section 3 of the report. The results are similar to previous years and the allocation of the Council's resources reflect the public's priorities as far as possible within the Council's financial constraints and statutory requirements.
- Since the December Cabinet, further work had been undertaken to reduce the shortfall further. £103k of further savings has been identified, the majority of which (£78k) results from changes to the Building Control Partnership where the council pick up a lower percentage of the costs. Crucially, the staff savings has reduced by more than half and no resulting redundancies.
- In December the local government finance settlement was announced. Although very much a like for like settlement compared to 2023/24, this did announce £85k of additional grant funding above the forecast and additional Council Tax income following the announcement of 3% cap not 2%.
- Due to the scale of the services that report into the Economy and Homes PDG, and the Council will not look at those PDG's to identify any further savings for 2024/25 – although of course any ideas are always welcomed.
- Given the scale of the budgets the following PDGs are responsible for, the Council will still seek further savings from the Community and Environment PDG's, and I will be proposing that any remaining shortfall to the general fund after this round is met from reserves.
- Appendix 2 details the Housing Revenue Account and proposes a balanced budget for the HRA. Since the December update, clarification has been given by government on the Social Rent Cap which allows the Council to increase by September CPI +1% (7.7%). Therefore the proposed Rent Charges now reflect this as per Appendix 3. The additional income generated enables

increased investment in both the maintenance and further carbon reduction of our existing stock. It also enables greater investment in new stock through the housing development programme. There are also financial adjustments to update the bad debt provision and the recharges to the General Fund.

The proposed capital programme was presented for review. It remained largely the same as that presented to Cabinet in December, with the General Fund showing a small £1.5m reduction and the HRA showing no change in the 2024/25 deliverable budget. Changes in the assumed funding of the programme see forecast borrowing increase by just over £0.5m. Within the General Fund, the significant investment is the Cullompton Relief Road with a sufficient funding source still being sought. The HRA has significant investment included to deliver the Housing Development Programme that will increase the Council's existing stock by c.500 units.

Discussions took place regarding:

- A full report to Cabinet in March 2024 not 2023.
- Savings from reserves and would this leave the reserves vulnerable?

RESOLVED that:

- The initial results from the 2023 Residents Survey in relation to the Budget (section 3) be noted;
- Cabinet agree revisions as detailed in section 4 and recommend the use of reserves to mitigate the remaining budget deficit, delegate precise makeup of the recommendation to S151 in consultation with Cabinet member for finance.
- The update on the Local Government Finance Settlement included within Section 5 be noted;
- To consider and agree the revisions to the 2024/25 Housing Revenue Account Budget as outlined within Section 6;
- To consider and agree the proposed increase in HRA Rents and Fees as outlined in Appendix 3;
- To consider and agree the updated 2024/25 to 2028/29 Capital Programme explained in Section 7 and Appendix 4.
- The updated MTFP's for the General Fund, Housing Revenue Account and Capital Programme covering the years 2025/26 to 2028/29 and agree that work on strategic planning for delivering a balanced budget for 2025/26 and beyond is commenced immediately.

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

Reason for Decision:

In order to comply with the requirement to set a balanced budget, management must ensure that the proposed savings are robust and achievable. The Council must also ensure that the assumptions it has used are realistic and prudent. Failure to set a robust deliverable budget puts the Council at risk of not being able to meet its commitments and casts doubt on its "going concern" and "Value for Money" status.

Note * Report previously circulated.

94. **2024/2025 FEES AND CHARGES REPORT**

Cabinet had before it a report * from the Deputy Chief Executive (S151) Officer on the 2024/2025 Fees and Charges.

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

- Charges for Council services formed a key income stream for the Council totalling over £11m and enabled many discretionary services to continue to be provided and helped address the financial challenge the Council faced.
- The Council charges fees for different reasons such as:
They are set by statute such as planning.
They recover costs (the Council adopts a full cost recovery policy)
They support the provision of discretionary services.
- The setting of fees also helped to drive efficiency and customer behaviour and also ensured general taxation isn't being used to subsidise certain services that are only used by a small proportion of people. All fees needed to be set within any overarching legal requirements and must consider equalities.
- Following a full review, the majority of fees were proposed to be increased in line with September's CPI inflation (6.7%). The September figure represented the mid-point for the year and was also the latest CPI available at the time of drafting the proposals for the various PDG's to consider. It was also central Governments measure used when calculating national schemes such as pensions, business rates and grant increases. Where a service wished to vary from this, it had set out the justification to the relevant PDG.

There were currently several routes for approving the fees within the constitution, including; Cabinet or Cabinet Member decision, delegated decision by an officer, or by committees other than Cabinet. Therefore the fees had been split into 2 appendices – with Appendix 1 requiring Cabinet approval. Appendix 2 provided the fees approved elsewhere and so was just for noting. Some minor technical amendments and clarifications had been made within the supplementary update.

Discussions took place regarding:

- The inflation uplift of 6.7%.
- Venue hire and the meeting rooms in Phoenix House and Crediton Town Square facilities and guidance around this.
- Political party using the facilities and how this would be dealt with.
- The figures on Leisure were not the fees that were agreed at the Policy Development Groups.
- Discrepancies in the charge of leisure for yoga fees that had been agreed at the Policy Development group and in the published minutes.
- The proposal exceeded inflation and the justification for this had been presented to and supported by the relevant Policy Development Group in part 2.
- Queries regarding the leisure price increases.
- The public were unable to see anything in part 2 and Members were not able to disclosure this information.
- Motion 593, as agreed at Full Council, stated that the leisure fees would be reviewed in an open and transparent way.
- The issues that arose last year in regards of fee increases.

- Fees and Charges needed to be more open and transparent at the Policy Development groups when discussed.

RESOLVED that:

- The proposed Fees and Charges from 1 April 2024 set out in Appendix 1 be agreed;
- Delegated approval be given to the Deputy Chief Executive (S151) for discretionary fees to increase annually in the future in line with September CPI inflation, or potentially above annual inflation where the market will bear it following a review by the relevant Policy Development Group.
- The proposed / agreed Fees and Charges in Appendix 2 which have / will be approved through alternative routes as outlined in Para 1.4 be noted.

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

Reason for Decision:

The Localism Act 2011 also provides local authorities with a general power of competence that confers on them the power to charge for services unless there is a statutory duty to provide the service or if there is a specific power to charge for it or if there is a prohibition on charging. Paragraph 1.6 outlines the three key principles for setting discretionary charges. The proposed fee uplifts are mainly inflationary. Therefore it is assumed that this will not have a material impact on the usage of that service. Any proposed uplift above inflation has been assessed by the service manager to again not materially alter the usage of the service.

Note * Report previously circulated.

95. CORPORATE PERFORMANCE REPORT

Cabinet had before it a report * from the Corporate Manager for People, Governance & Waste on the Corporate Performance Report.

The Corporate Performance and Improvement Manager outlined the contents of the report with particular reference to the following:

- Appendices 1-5 provided Members with details of performance against the Corporate Plan and local service targets for quarter 2, financial year 2023/24. This spanned the period July 2023 to September 2023.
- The Corporate Plan had four themes: Homes, Environment, Economy, and Community. Climate Change was a cross cutting theme of the Plan. Alongside the performance reporting of the Corporate Plan, the Council presented performance information on a wide range of corporate performance indicators, these were detailed in Appendix 5.

Discussion took place regarding:

- Bin collection being below target and the CRM (Customer Relationship Management) system, can the CRM track other services or support calls across the Council?

RESOLVED that:

- Members reviewed and scrutinise the Performance Indicators and information detailed in this report.

(Proposed by the Leader)

Reason for Decision:

There were no direct legal implications arising from this report. However, if the performance of some indicators is not at required levels, there is a risk of legal challenge. Performance management helped the Council meet its duties in relation to Value for Money.

Note * Report previously circulated.

96. CORPORATE PERFORMANCE DASHBOARD

Cabinet had before it, and NOTED, a verbal update * from the Corporate Manager for People, Governance & Waste on the Corporate Performance Dashboard.

The Corporate Performance and Improvement Manager outlined the contents of the report with particular reference to the following:

- The performance dashboard gave an overview of Performance, Finance and risk. Each Policy Development Group and Planning Committee had a dashboard.
- Dashboards were available on the Council website for public performance reporting.
- The dashboard states the rag rating to show the performance.

Discussion took place regarding:

- The management system for staff sickness to reduce and improve the sickness levels.
- The amber and red rag rating to have an explanation and actions to improve these ratings.
- The Council Tax collection to date, how did this track to where the Council needs to be?
- National bench marking comparator data with the dashboard.
- The challenges against targets that had been set.
- To publicise the dashboard on the achievements made.

Note * Dashboard previously circulated.

97. CORPORATE RISK REPORT

Cabinet had before it a report, and NOTED, * from the Corporate Manager for People, Governance & Waste on the Corporate Risk Report.

The Corporate Performance and Improvement Manager outlined the contents of the report with particular reference to the following:

- The Corporate Risk Register contained the strategic risks which were most likely to impact the corporate priorities of Mid Devon District Council. It was reviewed at least quarterly by Corporate Managers and the Leadership Team and updated as required. It was then presented to the Audit committee and to Cabinet. Risks were managed on the Council's corporate performance and risk management system, SPAR.
- The corporate risks were presented on a risk matrix (heat map), Appendix 1. Information on each risk was presented in a standard template, Appendix 2. These risks have been determined by the Council's Leadership Team in consultation with Corporate Managers and other Council officers.

Discussions took place regarding:

- Narrative around the risk and how do the council define severity as 1 to 5 to understand the levels of severity.

Reason for Decision:

There were no direct financial implications arising from this report. However, risks which were not mitigated may have financial implications for the Council. Equally, the treatment of risk may require resources to be (re)allocated. Having a robust approach to risk management will continue to help the Council minimise future financial risks and implications. A number of the Corporate Risks being managed contain financial risk, such as CR7 Financial Sustainability.

Note * Report previously circulated.

98. BIODIVERSITY DUTY

Cabinet had before it a report * from the Climate and Sustainability Specialist on the statutory duty to conserve and enhance biodiversity.

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

- The first consideration to implement the biodiversity duty that came into law at the end of 2023.
- A requirement for public authorities to assess how they can take action to conserve and enhance biodiversity, and then take these actions (beyond simply discharging its duties as the Local Planning Authority(LPA).
- The aim was to provide for the enhancement or improvement of biodiversity, not just its maintenance in its current state.
- To comply, a public authority must periodically consider the opportunities available across the full range of its functions. This represented a proactive, strategic assessment of a public authority's functions, rather than considering each function in isolation.
- The Climate sustainability specialist had coordinated preliminary consultants across the council about actions and policy areas where benefits could be delivered.

- The Council shall establish district targets considered to be aligned with (i.e. will contribute positively towards) the requisite goals set out by government legislation and guidance. Targets should be achievable or surpassable, assuming a favourable strategic environment (with appropriate government funding, etc.).
- The Council, as a local authority, must:
 - a) Consider what it can do to conserve and enhance biodiversity.
 - b) Agree policies and specific objectives based on its consideration.
 - c) Act to deliver its policies and achieve its objectives.
 - d) Report on its biodiversity duty actions. (Defra has guidance on this.)
- The Climate sustainability specialist had coordinated across the Council regarding actions and policy areas

The Climate Sustainability Specialist highlighted that the first consideration had been completed and the report sets out the next steps.

Discussion took place regarding:

- The Planning policy and how much control the district council had for enforcing and introducing change for biodiversity.

RESOLVED that:

1. To note that the Cabinet Member for Climate Change has submitted comment on this matter (to the Climate and Sustainability Specialist preliminary briefings) as the first consideration of what action to take with regard to this duty.
2. To note that action and policy development will be split into two separate streams: either matters within the Council's statutory Planning Policy making process and the statutory powers as a Local Planning Authority (largely governed and prescribed by national policy and through the work of the Forward Planning and Development Management teams); or items outside those functions, such as land and built asset management and its wider corporate operations.
3. To note that the responsibility to deliver on the general biodiversity duty is shared across all Council operations. As such, this matter will be raised on agendas for all Policy Development Groups (PDGs) and, where within the jurisdiction of the LPA, the Planning and Policy Advisory Group (PPAG) to request input to the policy framework and action plan.
4. That Cabinet delegates authority to the Cabinet Member for Climate Change, the Director of Place and the Climate and Sustainability Specialist to develop a policy framework and action plan in consultation with staff and Council bodies as above, then recommendations brought to Cabinet.

(Proposed by Cllr Natasha Bradshaw and seconded by Cllr S Keable)

Reason for Decision:

The general duty to conserve and enhance biodiversity is set out in the Environment Act 2021 and the Natural Environment and Rural Communities Act 2006 (NERC Act) as amended. Mid Devon as LPA has set duties to discharge in line with national

policy and this is separate and distinct from anything which the authority chooses to do as a corporate land/property owner.

Note * Report previously circulated.

99. **THE DEVON SERIOUS VIOLENCE STRATEGY**

Cabinet had before it a report * from the Corporate Manager for Public Health, Regulation and Housing on the Serious Violence Duty Strategy.

The Cabinet Member for Community and Leisure outlined the contents of the report with particular reference to the following:

- The Serious Violence Duty was a new legal responsibility introduced in 2023. It required specified authorities to work together to prevent and reduce serious violence in the area.
- The core elements of this new duty Devon-wide are to:
Prepare a local serious violence Strategic Needs Assessment.
Prepare and publish a local strategy to prevent and reduce serious Violence informed by that needs assessment.
- Local authorities at District and County level and their Community Safety Partnerships are specifically named as specified authorities in the duty. Other such authorities are the Police, Probation and Youth Offending Teams, Fire authorities and the NHS Clinical Commissioning Groups. No one authority had a lead role.
- There is a legal requirement to have completed the Strategic Needs Assessment in 2023, which was work completed by the Safer Devon Partnership (as the County upper-tier Community Safety Partnership). This was undertaken in collaboration with all the district Community Safety Partnerships including our East and Mid Devon Community Safety Partnership.
- The duty governance arrangements build on existing peninsula wide partnership working between all Community Safety Partnerships and the Police and Crime Commissioner where the Council's local Community Safety Partnership is represented through its membership and engagement with the Safer Devon Partnership.
- The Safer Devon Partnership had been working hard to finalise the public-facing publication version of the strategy, which would be ready in the next week or so. In the meantime, all Safer Devon Partnership partners including Mid Devon had agreed and finalised the core strategy components as set out in Section 3 of the report. In particular, this included the six key priorities set out in Section 3.7 which formed the overall statement of intent of the strategy.
- These priorities reflected the legal duty requirement to take a public health, preventative and trauma-informed approach. As defined focus areas, they are also in keeping with the duty by encompassing public space youth violence, including weapons-related violence and drug related criminal activities with a strong emphasis on young people. They were of course also reflective of the findings around serious violence identified in the Devon Strategic Needs Assessment.

Discussion took place regarding:

- The formula funding and how it had been split into areas and the populations within these.
- Concerns about overall reasonability of the Serious Violence Duty Strategy.
- The language used in the strategy impact assessment provided by Devon County Council regarding care experience or involved in children social care.
- Devon wide Strategy and would this work with 9 Local authorities and would the strategy be shared before adopting?
- The Strategy to go to Community Policy Development Group (PDG) before coming to Cabinet for adopting.
- Dismantling of Youth services and facilities for young people.
- When adopting the strategy would Mid Devon interpret the overarching strategy priorities into a local context as part of wider set of priorities in its Community Safety Partnership Action Plan.
- Request to consider further information on the formula for calculating the core and labour funding at upper tier level and how this may be challenged
- Clarification on whether the final Serious Violence Strategy will go to Community Policy Development Group.

RESOLVED that:

1. That Cabinet approve the overarching statements of intent (Priorities 1-6) within the Devon Preventing Serious Violence Strategy 2024-29 and Impact Assessment set out in Section 3.7 and Annex A of this report respectively to enable publication of the strategy as required by 31 January 2024.
2. That the Devon Preventing Serious Violence Strategy 2024-29 and wider governance arrangements is brought back to the Community Policy Development Group and Cabinet in due course to embed the strategy within the Council policy framework to enable delivery.

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

Reason for Decision:

There is a risk that if the Devon strategy and in particular the overarching statements of intent (Priorities 1-6) are not agreed by CSPs then a collaborative strategy for Devon cannot be published by the deadline of the 31 January 2024. Consequently, all specified authorities including the Council would not be complying with the legal SV duty and funding may not be provided by the Home Office.

Note * Report previously circulated.

100. STRATEGIC GRANTS REVIEW

Cabinet had before it a report * from the Director of Place.

The Cabinet Member for Community and Leisure outlined the contents of the report with particular reference to the following:

- The purpose of today's report is to approve the funding decisions recommended by the Community Policy Development Group (PDG) to be awarded to organisations as part of the Council's strategic grants programme. Secondly, to agree a recommended funding period of two years.

- This Cabinet requested for 2024/25 that, in light of the financial pressures on the Council, the total Strategic Grants budget is capped at £120,000. The Community Policy Development Group (PDG) met on 28 November 2023 to review the grants with current recipients attending the meeting to give presentations on their services, how the funding is used and the potential implications of any reductions in grant funding on their service delivery. Written submissions and accounts were also provided to that committee.
- That despite the significant budget challenges as a Council, this Cabinet and the Community Policy Development Group (PDG) have both expressed their steadfast dedication to keep awarding these discretionary grants. We have no obligation to award these grants. In these very difficult times as we seek to balance our future budget, the choice to continue to award them is a statement of how highly we value these organisations and the benefit they bring to our communities.
- As part of the review, Members considered:
 - a) The criteria for the prioritisation of the agencies that should be funded;
 - b) The level of funding for each agency, taking into account the proposed budget by Cabinet and the impact of any proposed reductions on the organisation and on vulnerable residents that access support through that organisation.
 - c) The term of the funding period, taking into account the Council's budgetary position and the need to provide certainty to strategic partners for the purposes of financial planning.

Consistent with previous reviews, Community Policy Development Group (PDG) Members prioritised funding decisions against categories of eligible potential strategic partners, where group 1 was the highest priority, group 2 the next highest, group 3 the least:

Group 1: defined as providing essential services to residents that represent a strong strategic alignment with the Council's objectives

Group 2: defined as providing important services to residents that represent some strategic alignment with the Council's objectives

Group 3: recognised as providing valued but non-essential services to residents that represent a weak alignment with the Council's objectives.

The Community PDG determined the following recommendations:

- To assist with financial forecasting and planning for funding recipients, that the strategic grant offers are made for a two-year period (April 2024 to March 2026).
- To ensure a balanced budget, organisations in group 1 to receive a 90% funding allocation compared to current award (10% reduction) and organisations in group 2 to receive an 85% funding allocation compared to current award (15% reduction). None of the organisations were classed as group 3.
- The Community Policy Development Group (PDG) also recommended that the next review to take place in 2025/26 be added to their forward plan.
- It is essential to acknowledge that we are not alone in facing budgetary constraints, rising costs, and inflationary pressures. We would all prefer to allocate more grants from a larger funding pool. However, our current circumstances require us to address a reduction in funding. This is not the

ideal scenario, but it provides an opportunity to recognise and celebrate the invaluable contributions of these organisations to our communities.

- That recognition is why Mid Devon has awarded strategic grants since 2004/2005 to voluntary and community organisations that provide key services to Mid Devon residents and visitors. The last strategic grant review was undertaken in 2020/2021 with grant awards offered from April 2021 for a period of 3 years (ending March 2024).
- The Strategic Grants are revenue grants. The purpose is to support the organisations' running costs such as Director/Chief Officer salaries, rent and other running costs with the intention of allowing those organisations to apply for capital funding for growth, of which capital schemes tend to be more available than revenue schemes such as this one.
- When considering grant decisions, we should highlight that despite the ongoing financial pressures for some years now, Mid Devon has continued to offer strategic grants to the same level since 2017. We should be proud of this. As we should be of our commitment to keep supporting them with a fund of £120k despite the even greater pressures we face today, and in the years ahead.

The Council have reviewed our records and can see that, since at least 2011, the Grand Western Canal's grant was paid from the Council's Strategic Grants budget and not via a separate contribution. The Canal's contribution was reviewed (along with the other grant awards) as part of the grants review at that time. All of the grant offer letters that we have on file for the Canal refer to the grant being approved as part of a Strategic Grants Review.

- All grants from the 2020 financial year onwards have been paid from one grants budget (although New Homes Bonus has continued to support that budget).
- There has been consideration of whether the Canal could be moved from group 2 (important services) to group 1 (essential services). When we talk about the terms important and essential this is how these groups are aligned to our Corporate Plan, and our core objectives of Homes, Environment, Economy, and Community.
- A new Corporate Plan will be created this year, and this provides the opportunity for this Council to set out new objectives and priorities in advance of the next Strategic Grants review.

In conclusion, this report underscores the importance of our continued support for voluntary and community organisations in Mid Devon through our discretionary Strategic Grants funding. While we face budgetary challenges, our commitment to these organisations remains steadfast, emphasising the vital role they play in our communities.

The Leader of the Council highlighted the difficulty for charities, groups and organisation to take a cut in funding. Every year Central Government reduces the amount of funding year on year. The Grand Western Canal is a vital service to Mid Devon District Council and still receives a third of the total grant fund which shows how important is it to Mid Devon District Council.

The Cabinet Member for Planning and Economic Regeneration commended the work undertaken by all the voluntary groups, community groups, committees, supporters and volunteers. He continued to highlight the following:

Any reduction in funding from Mid Devon is regretted but with an effective halving of Government Grant funding to Mid Devon in the last 10-years, plus per annum capping Council Tax increases to 3%, plus rapid inflation that has exceeded 10% in the last year, does put us and all other Council's into an impossible position. Given these conditions Mid Devon has done well to maintain the Canal grant at 85% together with a pledge to maintain with no further reduction in the next 2 financial years. Suffolk have just announced 100% deletion of their entire budget to Arts & Culture and with immediate effect in April. The financial position of Somerset Council facing bankruptcy through funding starvation and Government policy has been covered widely in the press.

Last May, this Administration, made a commitment to fiscal responsibility. The 15% reduction in grant could have been much higher. Through my own life-long commitment to voluntary organisations, and the worthwhile work undertaken, I know the adverse impact any larger grant reduction would have made. Indeed, much of my professional career was dedicated in working with the voluntary sector and helping raise funds. Given the pressure on public finances, this 15% reduction, maintained at this level until 2025/26, was providing a clear positional 'green light' indication that local organisations needed to seek alternative funding. Until there is a change in Central Government policy this approach is the direction of travel for discretionary non grant funding. The Canal have faced in the recent past the situation that Suffolk arts and culture group face a total loss of funding.

November 2012 Councillor Slade produced a report titled 'Grant payments to external organisation 2016/17'. The report states "Grand Western Canal a Devon County Council facility which the District Council makes a contribution towards, given the challenges faced by the District Council in 2015 to meet the legal obligation of setting a balance budget it is recommended MDDC investment in the Canal is removed by 2017/18.

The Cabinet Member for Planning and Economic Regeneration would encourage the organisations linked to Great Western Canal to have a strategic and co-ordinated fundraising strategy.

Discussion took place regarding:

- The disappointment with the reduction to the Grand Western Canal.
- Seeking engagement with Parishes around the Canal to raise their precept to cover the shortfall.
- Since the grants have been reviewed by Community Policy Development Group (PDG), the Council was now subject to the Biodiversity Duty.
- The others that had also received a reduction in the grant funding had they come forward?
- The prioritised funding decisions against categories.
- The organisations had time to make plans in the two year time frame.

RESOLVED that:

1. That Cabinet sets a grant funding period of two years (2024/25 and 2025/26).
2. That Cabinet approves recommended strategic grant funding awards for 2024/25 and 2025/26 as outlined in the report.

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

Reason for Decision:

The budget allocated for the combined grants during 2023/24 was £138,500. The funding available for 2024/25 was set at £120,000, of which any grant award to the Canal will be funded from New Homes Bonus and the rest from General Fund. This funding recommendation is £225 over the budget for 2024/25, which will need to be sourced from the General Fund.

Note * Report previously circulated.

101. NOTIFICATION OF KEY DECISIONS

The Cabinet had before it and noted the notification of Key Decisions.

One addition had been made to this since the publication of the document with the agenda for this meeting:

- Review of the Safeguarding Policy.

Note: * Notification of Key Decisions previously circulated.

(The meeting ended at Time Not Specified)

CHAIRMAN