

MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **CABINET** held on 27 October 2016 at 2.15 pm

Present

Councillors C J Eginton (Leader)
R J Chesterton, K Busch, P H D Hare-Scott,
C R Slade and Mrs M E Squires

Apologies

Councillor(s) R L Stanley

Also Present

Councillor(s) R F Radford

Also Present

Officer(s): Stephen Walford (Chief Executive), Andrew Jarrett (Director of Finance, Assets and Resources), John Bodley-Scott (Economic Development & Regeneration Manager), Lee Chester (Leisure Centre Manager) and Sally Gabriel (Member Services Manager)

80. **APOLOGIES**

Apologies were received from Cllr R L Stanley.

81. **PUBLIC QUESTION TIME (00-00-45)**

There were no members of the public present.

82. **MINUTES OF THE PREVIOUS MEETING (00-00-50)**

The minutes of the previous meeting held on 29 September 2016 were approved as a true record and signed by the Chairman.

83. **PUBLIC HEALTH PLAN (00-01-30)**

Arising from a * report from the Public Health and Professional Services Manager, the Community Policy Development Group had recommended that the Public Health Strategy Action Plan for 2016-2019 be approved by Council.

The Cabinet Member for the Working Environment and Support Services outlined the contents of the report stating that the new Public Health Strategy and Action Plan aligned with and directly supported a number of key themes in the Corporate Plan as follows:

- Priority 2 Homes: Aim 2 – Working with Private Landlords to improve housing conditions
- Priority 3: Aim 1 – Work with local communities to encourage them to support themselves

- Priority 3 Community: Aim 3 - Increase physical activity and promote health and wellbeing

Devon County Public Health provided the public health strategic leadership and technical support for public health action across the whole of Devon. They provide strategic oversight and the evidence base for local health priorities. Their consultants provide direct support and advice to the Mid Devon Public Health Officer and Public Health Services Manager. The following 4 priority areas had been developed within the plan as informed via consultation with local stakeholders:

- Prevention of cardiovascular disease and cancer
- Decent high quality housing
- Emotional/mental health and resilience
- Air quality

She highlighted various schemes that were taking place in Mid Devon.

Consideration was given to the main cause of death for under 75's, the health summary for Mid Devon and both local and national trends.

RECOMMENDED that the Public Health Strategy Action Plan for 2016-19 be approved.

(Proposed by Cllr Mrs M E Squires and seconded by Cllr C R Slade).

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

84. **EXE VALLEY LEISURE CENTRE EXTENSION (00-10-03)**

Arising from a * report from the Leisure Services Manager, the Community Policy Development Group had recommended that that the fitness facility development project at Exe Valley Leisure Centre be identified as a leisure priority, and that option 2 be approved as the preferred option.

The Cabinet Member for Community Well-Being outlined the contents of the report identifying the link to the Corporate Plan and explaining that the leisure centre was at full capacity and had the capability to expand; a feasibility study had been completed and 3 options had come forward. The Policy Development Group had recommended Option 2 which would supply 2 multipurpose rooms which would be opened to create 1 large multipurpose room but created a fitness suite split across 2 areas rather than a single space, he therefore requested that the spend to save project be approved.

Consideration was given to:

- The impact the development would have on performance figures
- Completion and operational dates and the impact on users
- Any loss of income whilst the internal works were taking place.

RESOLVED that the recommendation be approved.

(Proposed by Cllr C R Slade and seconded by Cllr Mrs M E Squires)

Note: * Report previously circulated, copy attached to minutes

85. **GRANT PAYMENTS TO EXTERNAL ORGANISATIONS 2016-17 (00-14-53)**

Arising from a * report from the Grants and Funding Officer, the Community Policy Development Group had made the following recommendations:

1. The Museum of Mid Devon Life and Tiverton Tourism Information Service be moved from the grants budget to a separate tourism budget;
2. Option 2, a commissioning approach to future grant allocations, should be adopted; and
3. Grants to be paid on an annual basis for the duration of the 2015-2020 Corporate Plan.

The Cabinet Member for Community Well-Being outlined the contents of the report stating that for many years the same organisations had received grant funding. In previous years cuts had been made in the allocation to groups in receipt of grants but it was felt that this was not the best approach and undertaking the process annually meant that the groups concerned struggled to plan strategically. It was proposed that a commissioning approach take place, this would involve starting afresh, with any organisation being able to put a case to the authority as to why they should be in receipt of funding.

It was further proposed that funding for the Museum of Mid Devon Life and the Tiverton Tourism Service would be moved from the grants budget to a separate tourism budget.

RESOLVED that the recommendations be approved.

(Proposed by Cllr C R Slade and seconded by Cllr R J Chesterton)

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

86. **SPECIAL PURPOSE VEHICLE - PROPERTY (00-17-54)**

The Cabinet had before it a * report of the Director of Finance, Assets and Resources requesting approval to undertake more detailed research into the potential of forming a special purpose vehicle. He outlined the contents of the report stating that since the national public sector austerity programme was implemented back in 2010/11 all Councils had been striving to reduce operating costs or look for new activities to increase income in order to maintain ongoing service provision. In addition to the budget pressures there was a need to increase the number of housing units locally which was identified in the Corporate Plan. A significant number of Councils were now creating a special purpose vehicle in order to deliver a noticeable step change in housing and/or commercial delivery. Planned visits had been organised to consider the work taking place by other Councils in order to inform a further report to Cabinet in January.

Consideration was given to the benefits of setting up such a scheme, meeting the corporate priorities and unlocking stalled development sites.

It was therefore

RESOLVED that the formation of a property development special purpose vehicle be approved and that delegated authority be given to the Director of Finance, Assets & Resources in consultation with the Cabinet Member for Housing to explore the precise terms of reference, objectives and governance that will be required in order to facilitate an increased level of housing and commercial delivery within the District.

(Proposed by Cllr P H D Hare-Scott and seconded by Cllr R J Chesterton)

Note: *Report previously circulated, copy attached to minutes

87. **HALF YEAR INVESTMENT PERFORMANCE & REVIEW OF TREASURY MANAGEMENT STRATEGY 2016/17 (00-20-49)**

The Cabinet had before it a * report of the Director of Finance, Assets and Resources informing it of the treasury performance during the first six months of 2016/17 and requesting agreement on the ongoing deposit strategy for the remainder of 2016/17.

The Cabinet Member for Finance outlined the contents of the report stating that UK bank interest rates continued at historically low levels, however the investment in the CCLA (Churches, Charities and Local Authorities) had proved beneficial with a return of 4.54% in the first quarter and 4.33% in the second quarter.

Consideration was given to the need for continued investment and whether to increase the deposit level with the CCLA.

RESOLVED that the current policy as outlined in the report be approved.

(Proposed by Cllr P H D Hare-Scott and seconded by Cllr C R Slade)

Notes:

- (i) Cllr C J Eginton declared a personal interest as a member of the Lloyds Banking Group pension scheme;
- (ii) *Report previously circulated, copy attached to minutes.

88. **FINANCIAL MONITORING (00-24-00)**

The Cabinet had before it and **NOTED** a * report of the Director of Finance, Assets and Resources presenting financial monitoring information for the income and expenditure for the financial year 2016/17.

The Cabinet Member outlined the contents of the report stating that the General Fund showed a proposed deficit of £162k and he highlighted the most significant movements within the month:

- £220k savings as a result of the Shared Waste Agreement

- £83k deterioration in Leisure Services forecast, made up of both costs and income

Consideration was given to reduced planning income and the excellent rent collection rates.

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

89. MEDIUM TERM FINANCIAL STRATEGY (00-26-04)

The Cabinet had before it a * report of the Director of Finance, Assets and Resources producing an updated Medium Term Financial Plan (MTFP) which took into account the Council's key strategies (i.e. The Corporate Plan, Service Plans, Treasury Management Plan, Asset Management Plan, Work Force Plan and Capital Strategy) and demonstrated that it has the financial resources to deliver the Corporate Plan.

The Cabinet Member for Finance outlined the contents of the report stating that the main purpose of the MTFP was to show how the Council would strategically manage its finances over the next five years in order to support the delivery of the objectives detailed in the Corporate Plan. The plan also identified any gaps so strategic decisions could be made of levels of future funding. He highlighted the uncertainties identified in the report and voiced his concerns regarding the growth in inflation post Brexit.

RESOLVED that the updated Medium Term Financial Plan be approved and that the proposals for managing costs and revenues be endorsed.

(Proposed by Cllr P H D Hare-Scott and seconded by Cllr C R Slade)

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

90. DRAFT 17/18 - GENERAL FUND AND CAPITAL PROGRAMME

The Cabinet had before it and **NOTED** a * report of the Director of Finance, Assets and Resources considering options available in order for the Council to set a balanced budget for 2017/18 and to agree a future strategy for further budget reductions for 2018/19.

The Cabinet Member for Finance outlined the contents of the report stating that the initial aggregation of all service budgets currently indicated a General Fund budget gap of £419k. In order to balance the budget all departments will need to identify further savings.

Consideration was given to the contents of the following table.

Reconciliation of Major 2017/18 Budget Variances

Variances	Amount £k
<i>External items outside of our control</i>	
Reduced formula grant settlement	609
Decrease in Housing Benefit Grant	25

Pay award	100
Pension provision	35
Price inflation	50
New Apprenticeship Levy	40
Subtotal	859
Other changes	
New apprentices	20
DCC sharing of waste	(200)
Market Walk income	(20)
Increased income from CCLA investments	(38)
Increase in Collection Fund surplus	(45)
Contributions from town and parish councils	(8)
Increase Council tax income (£5 rise + new 200 properties)	(176)
Department of Work and Pensions rent	(45)
Additional election monies	(29)
Various additional fee income	(60)
Other net cost pressures (including reflection on 16/17 budget pressures)	161
Draft budget gap for 2017/18	419

Discussion took place regarding possible inflationary pressures.

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

91. **CABINET MEMBER DECISION**

The Cabinet **NOTED** that the following decision had been made by the Cabinet Member for Environment:

- 1) To increase charges to our trade waste and recycling customers by 3% to accommodate the increased costs of labour, fuel and consumables and landfill gate fees. The charges will be rounded up to the nearest appropriate amount.
- 2) To increase the sales price of the 240 litre Garden Waste Collection Annual permit from £47 to £48.
- 3) To increase the sales price of the 140 litre Garden Waste Collection Annual permit from £35 to £36.

92. **NOTIFICATION OF KEY DECISIONS**

The Cabinet had before it, and **NOTED**, its rolling plan for November 2016.

Note: Plan previously circulated, copy attached to minutes.

(The meeting ended at 2.56 pm)

CHAIRMAN