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MID DEVON DISTRICT COUNCIL

MINUTES of a **MEETING** of the **ECONOMY POLICY DEVELOPMENT GROUP** held on 17 November 2016 at 5.00 pm

Present

Councillors

Mrs B M Hull (Chairman)
Mrs A R Berry, J M Downes, R Evans,
S G Flaws, T G Hughes and F J Rosamond

Apologies

Councillors

Mrs J B Binks and Mrs N Woollatt

Also Present

Councillors

K Busch, R J Chesterton and C J Eginton

Also Present

Officers

Jenny Clifford (Head of Planning and Regeneration), John Bodley-Scott (Economic Development & Regeneration Manager), Catherine Yandle (Internal Audit Team Leader), Chris Shears (Economic Development Officer), Andrew Cawdron (Finance Manager) and Sarah Lees (Member Services Officer)

34 **ELECTION OF VICE CHAIRMAN**

RESOLVED that Cllr R Evans be elected Vice Chairman of the Group for the remainder of the municipal year 2016/17.

35 **APOLOGIES AND SUBSTITUTE MEMBERS**

Apologies were received from Cllr Mrs J B Binks and Cllr Mrs N Woollatt.

36 **PUBLIC QUESTION TIME**

Mrs Rosemary Bennett stated that she was attending the meeting today as a local representative and as a volunteer from the Portas Team. She referred to the report that was presented to the previous meeting regarding an update on the activities happening across the region. She informed the Group that she had played an active role over a period of two years to bring the Tiverton Coach Park to fruition as had a number of other volunteers. Also Portas had donated £10k to this project but the report had not recognised any of this, why? Other projects had been omitted from the report such as the successful Feast of St James which market traders said had led to a 40% increase in footfall in the town on that day. Also omitted was a successful literary festival which was now in its second year. She referred to a letter in the Gazette that had acknowledged the work of the Portas Team and what they had done for the town.

The Chairman stated that a written reply would be sent to Mrs Bennett as soon as possible.

37 MINUTES

The minutes of the previous meeting were confirmed as a true and accurate record and **SIGNED** by the Chairman.

38 CHAIRMAN'S ANNOUNCEMENTS

The Chairman had the following announcements to make:

- The meeting this evening would be followed by an event for the new Director of Operations, all Members were invited to attend.
- She welcomed two new Members to the Group, Cllr Mrs J B Binks (in her absence) and Cllr S G Flaws.
- She also welcomed the following guests to the meeting who would be making presentations:

Andrew Butler – NFU Devon County Advisor
Martin Smith – Cullompton Town Team
Michael Speirs – Culm Valley in Business

39 PLEDGE TO SUPPORT BRITISH FARMING (00:09:16)

At a meeting on 4 August 2016 the Cabinet had voted unanimously to support the NFU pledge to back British Farming. The NFU's County Advisor had been invited to attend the meeting today so that discussion could take place as to how the Council could better support this important sector within Mid Devon.

Mr Andrew Butler presented the Group with a presentation outlining the relevant facts and figures for the agricultural sector at the current time. This included the following:

- These were challenging times and the sector was under pressure.
- Since Brexit there had been a significant currency bounce, prices for milk and wheat were now up by 25% compared to the summer.
- Food was the biggest manufacturing sector by a long way.
- Nationally half a million people worked on farms.
- There was a declining trend in 'food self-sufficiency' at a UK level, this was worrying given a rising population.
- Farming was not only important for the economy but the landscape was important for tourism and energy production.
- Other challenging factors included market volatility, Bovine TB, Brexit, and labour, for example, 80% of the people employed in abattoirs were non British. However, there was a growing demand for British produce and there was an increase in the purchase of red tractor line products.

Discussion took place regarding:

- Brexit – the NFU had just completed a consultation with all of its members developing a domestic agricultural policy was going to be important as was the level of subsidy which could be eliminated some risk. What was more important in the short term was the trade deals that the government was able to secure,

this would define the economic environment in which farming was going to have to trade. Until the Union knew what deals they could secure it was difficult to know what the sector needed.

- As an industry, farmers were united at a high level but there were some disagreements when it came to the detail.
- Although there had been a growth in young people studying agriculture there were difficulties in keeping them within the industry. The current perception was that it was a negative industry where it was difficult to make any money.
- The tax system was not helpful, however the systems of contract farming and share farming were explained. It was possible to have a 5% ownership option for example.
- Meat was produced at a cheaper cost in other countries but welfare standards were lower.

The Group asked the NFU representative what the Council could do in a practical way to help the sector? Raising awareness was the first step. A lot of focus had been on the town centres but agriculture is what shaped Mid Devon. Future development at J27 could help significantly. The NFU representative further stated that it was important for District Councillors to lobby local MP's and Ministers. The sector needed to be heard and large groups of organisations needed to join together otherwise there was a danger that even more farmers would leave the industry.

The NFU were very happy to offer both Members and officers the opportunity to attend training days on farms within the district.

The Group requested that the NFU representative be invited to attend the meeting again in 12 months time to provide an update especially once more was known about the effects of Brexit.

40 **AGRICULTURE IN MID DEVON (00:38:00)**

The Group had before it, and **NOTED**, a briefing paper * from the Economic Development & Regeneration Manager providing background information as to how agriculture had played a significant role in shaping and defining the character of the District. It also made reference to the fact that although farming had undergone major difficulties in recent years it still remained an important driver for the local economy, not only through direct employment in farming, but also through food processing and manufacturing.

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

41 **CULM VALLEY IN BUSINESS AND CULLOMPTON TOWN TEAM PRESENTATION (00:39:35)**

Representatives from both Culm Valley in Business and the Cullompton Town Team attended the meeting to describe the type of organisations they were and the projects they had been working on both on their own and in collaboration with the District Council. Both organisations provided the Group with a presentation which included the following themes:

- A desire to help make Cullompton an excellent place to live.
- An inclusive attitude to both residents and local businesses.

- Empty shops were attracting new businesses.
- There was representation from most sectors on the CViB group.
- There was a move towards shops within the town that could provide the things that could not be purchased on the internet, for example, hairdressers and coffee shops.
- Constant struggles with the road infrastructure in and around Cullompton.

The representatives present requested that they be invited to attend the meeting when the Crediton Town Team were present so that they could gain an understanding of the projects they were involved in and to share best practice.

It was requested that thanks be relayed to the Regeneration and Growth Officer from Mid Devon District Council who worked closely with both teams. They stated that she had been hugely helpful and they had appreciated her input greatly.

42 **JOINT EXETER AND THE HEART OF DEVON (EHOD) ECONOMIC DEVELOPMENT STRATEGY (01:10:43)**

The Group had before it a report * from the Economic Development Officer providing Members with an update on the development of the Joint Economic Strategy for Exeter and the Heart of Devon (EHOD). The Economic Development Officer explained that the strategy had been developing for some months now and was very much focussed on the operational side of economic development. They were not looking at the Governance structures but the most effective ways to ensure economic development across the region whilst ensuring it was fair for all the authorities involved.

RECOMMENDED to the Cabinet that the Joint Economic Strategy be adopted.

(Proposed by Cllr J M Downes and seconded by Cllr Mrs A R Berry)

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

43 **PERFORMANCE AND RISK FOR THE SECOND QUARTER OF 2016-17 (01:12:39)**

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 2016/17 as well as providing an update on the key business risks.

Brief discussion took place regarding:

- Up to date figures for quarter three which showed that there were 10 empty shops out of a total of 86 in Cullompton. Many of the issues relating to Cullompton centred around the absence of an effective relief road.
- As a new Policy Development Group there was still some uncertainty about what performance indicators would be helpful to the Group. This would become evident as time progressed.
- An update was provided in relation to the risks associated with the Pannier Market – a structural survey had been undertaken and whilst the cause of the

bow in some of the glass doors needed to be identified, they were not load bearing and were made of toughened glass which beaded when shattered.

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

44 **FINANCIAL UPDATE FOR THE 6 MONTHS TO SEPTEMBER 2016 (01:16:22)**

The Group had before it, and **NOTED**, a report * from the Director of Finance, Assets & Resources presenting a financial update in respect of the income and expenditure so far in the year. A figure of £134k over budget was showing for the first six months of the year. The Group were referred to the variances showing for this Policy Development Group in particular, the most significant one related to market income which was down against the targeted budget by £30k.

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

45 **DRAFT 2017/18 GENERAL FUND AND CAPITAL BUDGETS (01:18:43)**

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

The draft budget was very much a work in progress. The Formula Grant settlement would be known just before Christmas and the Autumn Statement from the new Chancellor would be issued next week. At the moment there was a shortfall of £419k therefore further savings would need to be found in order to balance the budget. The Group were asked to consider the effects of 10% and 20% savings when the draft budget was brought back to them at the next meeting.

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

46 **ECONOMIC BRIEFING FOR MID DEVON (01:23:40)**

The Group had before it, and **NOTED**, a briefing paper * from the Economic Development and Regeneration Manager providing some statistical information in relation to the employment, business, industry and tourism figures for Mid Devon.

It was hoped that this sort of information could be provided on a regular basis however some of the figures were only released annually.

Discussion took place regarding:

- Some of the figures were sample driven but were within an acceptable level of confidence.
- Other figures were misleading, for example, with the employment rates which indicated the number of Mid Devon residents in work but not necessarily working within Mid Devon itself. Also the figure indicated for the employees within the agriculture, forestry and fishing industries was only showing as 0.8% of the population, however, many of the people within the farming industry were self-employed therefore they would not be included in this figure.

In conclusion the Group were content with the presentation of the report though they were cognisant of the fact that statistical information always needed to be interpreted.

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

47 **IDENTIFICATION OF ITEMS FOR THE NEXT MEETING (01:32:37)**

In addition to the items already listed in the work programme, the following was requested to be on the agenda for the next meeting:

- The effect of Brexit on Mid Devon's economy – response to the LGA

(The meeting ended at 6.40 pm)

CHAIRMAN