

MINUTES OF THE MEETING OF THE SOUTH HAMS DISTRICT COUNCIL HELD AT FOLLATON HOUSE, TOTNES ON THURSDAY 7 FEBRUARY 2008

MEMBERS

* Cllr R J Carter – Chairman

* Cllr B F Cane – Vice-Chairman

* Cllr K J Baldry	∅ Cllr M J Howarth
* Cllr N A Barnes	* Cllr C W Jones
* Cllr H D Bastone	* Cllr L P Jones
* Cllr J H Baverstock	* Cllr R M Lawrence
* Cllr J I G Blackler	* Cllr I Longrigg
* Cllr J Brazil	* Cllr D W May
* Cllr B E Carson	* Cllr D M O'Callaghan
* Cllr P H Cook	* Cllr C M Pannell
* Cllr S E Cooper	* Cllr J T Pennington
* Cllr P Coulson	∅ Cllr S L Rankin
* Cllr R F Croad	* Cllr R Rowe
* Cllr G Date	* Cllr M F Saltern
* Cllr G J Fielden	* Cllr J W Squire
* Cllr R D Gilbert	* Cllr R C Steer
∅ Cllr F J Hawke	* Cllr M Stone
∅ Cllr J D Hawkins	* Cllr R J Tucker
∅ Cllr T J Hewitt	* Cllr R J Vint
* Cllr M J Hicks	* Cllr A Ward
* Cllr P W Hitchins	* Cllr J A Westacott

* Denotes attendance

∅ Denotes apology for absence

Officers in attendance:

For all items: Strategic Management Team, Head of Financial Services and Member Support Services Manager.

77/07 MINUTES

The minutes of the special meeting of the Council held on 24 January 2008 were confirmed as a correct record and signed by the Chairman.

78/07 URGENT BUSINESS

The Chairman announced that there was one item of urgent business which required consideration. This item related to the single status project and was considered urgent due to the need for a decision to be taken before the next Council meeting on 27 March 2008 and would be considered as Item 7(a) (Minute 81/07(a) below refers).

In addition, the Chairman also wished to propose that the recommendations of the Executive meeting held on 24 January 2008, which related to ferry and waste charges, be taken prior to the Budget 2008/09 item under Items 7(b) and 7(c) (Minutes 81/07(b) and 81/07(c) below refer).

79/07 **CHAIRMAN'S ANNOUNCEMENTS**

The Council noted a list of civic engagements attended by the Chairman.

80/07 **DECLARATIONS OF INTEREST**

Members were invited to declare any interests in the items of business to be considered during the course of the meeting. These were recorded as follows:-

Cllr G Date declared a prejudicial interest in item 10: 'Budget 2008/2009 – potential budget saving 5 to cease support to the Ring and Ride' (minute 84/07 below refers) by virtue of his business related activities with the Ring and Ride operations;

Cllrs J Brazil and C W Jones declared personal interests in item 10: 'Budget 2008/2009 – potential budget saving 12 to Reduce the Area of Outstanding Natural Beauty (AONB) Project Funding' (minute 84/07 below refers). Cllr Brazil declared his interest by virtue of his membership on the AONB Board. Cllr Jones declared his interest by virtue of his part-time employment for Natural England;

Cllr J A Westacott declared a personal interest in item 10: 'Budget 2008/2009 – potential budget saving 5 to cease support to the Ring and Ride' (minute 84/07 below refers) by virtue of her being the Chairman of the service. For clarity, Cllr Westacott advised that she did not receive any financial reward in her capacity as Chairman;

Cllrs B F Cane and I Longrigg declared interests in item 7(c): 'Review of Waste Charges 2008/2009' (minute 81/07(c) below refers) by virtue of their use of the trade waste collection service for their business related activities and remained in the meeting during the discussion and vote thereon.

81/07 **BUSINESS BROUGHT FORWARD BY THE CHAIRMAN**

(a) Single Status Project

The Council considered a report which requested approval for further project funding to conclude the single status project. It was noted that the report had been prepared as an urgent item (and not included in the main agenda) due to detailed costings being finalised latterly, coupled with the importance of retaining key project staff within Personnel and Payroll beyond 31 March 2008.

It was then:

RESOLVED

That the sum of up to £123,000, to be met from the Strategic Issues Reserve, be approved.

(b) Review of Ferry Charges 2008/2009 (Minute E.95/07(b) also refers)

A Member expressed the view that for 8 months per calendar year, there was no incentive for a car/van to purchase a return ticket for £6.00, when a single ticket could be obtained for £3.00. The Member felt that a return ticket should be reduced to £5.50 throughout the year, with the cost reduction being offset by increased usage. In acknowledging the point, it was noted that the Prosperity Policy Development Group (PPDG) was intending to keep the ferry charges issue under regular review.

It was then:

RESOLVED

That:-

1. the car/van cash ticket be £3.00 per journey;
2. the car/van cash return ticket be £6.00 for 8 months per calendar year and reduced to £5.50 for the remaining 4 months;
3. the price of a car/van concessionary ticket be increased from £1.00 to £1.20 each, with 20 tickets per booklet; and
4. the concessionary booklets be limited to a six-month time restriction.

(c) Review of Waste Charges 2008/2009 (Minute E.95/07(b) also refers)

In response to a question, the Chairman of the PPDG advised that there were no indications to date that fly-tipping would increase as a consequence of the proposed differential charging. It was confirmed that the Council would review this matter if such a trend became apparent.

In opposition to the proposed recommendation, a Member stated that such differential charging would set an unfortunate precedent. Whilst appreciating that it was small monies involved, the Member felt it unfortunate that rural businesses would be charged more based upon their location when the Council should be supporting such enterprises. In accepting this view, the Chairman of the PPDG stated that there were other companies in this market who would simply choose to collect from businesses located in the more densely populated town centres and the service therefore needed to be competitive in such areas.

It was then:

RESOLVED

That differential charging for the trade waste collection be introduced throughout the district, in line with the charges as identified in the appendix as presented to the Prosperity Policy Development Group meeting held on 8 January 2008.

82/07

QUESTIONS

It was noted that the following questions had been received in accordance with Council Procedure Rule 8:-

From Cllr Brazil to Cllr Bastone, Executive Member for Community Affairs

- (i) *What is the net cost of producing the South Hams District Council Magazine, including staff time, and how many do we produce a year?*

In response, Cllr Bastone advised that the South Hams Magazine cost just £700 per issue to produce. With a print run of 46,000 copies per issue, the production cost was therefore just 1.5p per copy.

It was impossible to calculate the officer time involved as each service wrote and submitted its own articles for publication. Articles were not solely for use in the magazine, but were often used effectively in many different ways, for example, on the website, as scripts for CST operatives, for service leaflets and as press releases.

The Communication Team's work on the magazine was spent editing and coordinating the production. This was included in the Team's general day to day duties and was not accounted for separately.

£700 per issue was not the total cost for the magazine though. The majority of the cost was incurred in the distribution of the magazine. Including distribution, the cost was 7.8p per copy.

The average price per copy of a civic publication for district/borough councils in England was 18p. South Hams Magazine cost just 7.8p per copy. This was the fifth cheapest of all district/borough councils in the country. Colleagues in Teignbridge and Devon County Councils were producing magazines at 17p and 10p per copy respectively, despite their larger economies of scale.

Producing the magazine and distributing it in this way was around 70% cheaper than sending a letter by 2nd class post to every resident and business in the district.

Up until autumn 2004, the Council produced a civic newspaper three times a year, costing 11p per issue. Since moving to the magazine format in autumn 2005 and opening up to external advertising, the cost had been reduced from 11p to 8p per copy. This was a non-cashable efficiency saving which allowed an increase in distribution from 3 per year to quarterly and to move from a newspaper to a higher quality magazine format. This provided incredible value for money for the budget, which had only benefited from inflationary increases.

The Council had proof that the magazine was an effective tool for communicating with residents, one example was a recent article on healthy walks that generated the best response the Landscape and Leisure Team had experienced. Keith Rennells, the Countryside Project Officer for the Council stated that: "the last edition of the magazine had a feature on health walks, and the response from the public was excellent, the best we've had. This is obviously a very useful publication." The magazine was also spotted by a San Diego citizen (involved in local government and community work in the USA) whilst visiting family in the South Hams and copies were taken back to America to demonstrate to San Diego City Council its effectiveness!

For most Council's, its civic publication (typically a newspaper or magazine) was the principal method of communication with residents. MORI research behind the Government's Connecting with Communities campaign identified council publications as residents' preferred way of obtaining local authority information. This was backed up by the LGA's Reputation Campaign which stated that a civic publication was essential to effective communications and at least four issues a year were necessary to maintain a positive relationship with residents. The General Satisfaction Survey 2007 also supported the need for a civic magazine with more residents showing a preference for direct communication from the Council (through the magazine and other publications) than through the local media.

The function of the South Hams Magazine was the ideal channel by which the Council could:

- establish an effective two way dialogue with those who lived and worked in the area;
- communicate a sense of vision and direction for the Council and its partners and to keep residents and other key stakeholders up to date with the Council's priorities, achievements, policies and news;

- reflect and reinforce a positive reputation of the Council by highlighting achievements, seeking views on services provided and publicising remedial action to deal with shortcomings;
- play a vital role in public consultation and research, by presenting information, issues and proposals and ensuring South Hams Magazine itself was a key route for feeding the results of public research and consultation to residents;
- give residents a better understanding of the work of the Council and encourage them to participate in the democratic process;
- enable Council departments to promote their work and the services for which they were responsible;
- provide in-depth coverage of key issues/plans, especially where they were not covered in sufficient depth by the local media;
- demonstrate how the Council was responding to customer needs and listening and reacting to people's concerns;
- improve the quality of life of residents by carrying news, advice and information about, and promoting, the Council and other appropriate services;
- South Hams Magazine was also the ideal forum, and cost effective way, to publish the increasing amount of performance data required by the government, for example, details of Performance Indicators and Best Value Performance Plan. In fact the Council was already looking at ways of including performance information which would negate the need for a separate performance plan, saving the council money. The annual statement of accounts was also published in the magazine; therefore a separate document need not be designed, printed and distributed.

In summary, 8p per copy was exceptional value for money for a good quality council magazine, which had proved its effectiveness as a communication tool.

In asking a supplementary question, Cllr Brazil questioned whether Cllr Bastone agreed that in light of feedback obtained during the budget consultation exercise, the magazine should be either abolished or reduced in its editions. In reply, Cllr Bastone advised that he did not agree with this viewpoint.

From Cllr Brazil to Cllr Tucker, Leader of Council

(ii) What is the percentage employer's contribution to the pension fund for SHDC and what has been the rate for the past 5 years?

In response, Cllr Tucker advised that the percentage of employer's contribution was 9.6% for the past 5 years.

In the event of the Local Government Review, Cllr Brazil asked a supplementary question regarding the potential for South Hams Council Taxpayers to potentially be subsidising neighbouring authorities through increased employer's contributions, should any re-organisation take place. Cllr Tucker responded by stating that should the Council become one part of a new authority, it could be a disadvantage in this respect.

However, neighbouring authorities tended to receive higher amounts of Government Grant which would be an advantage to South Hams Council Taxpayers.

From Cllr Baldry to Cllr Tucker, Leader of Council

(iii) During the pre Budget consultation period the three Policy Development Groups and the Scrutiny Committee are given the opportunity to comment on the Budget. Why is the Audit Committee not included in the process?

In response, Cllr Tucker advised that the five Members of the Audit Committee were also Members of other groups which had already been consulted upon and had an input into the budget setting process.

From Cllr Baldry to Cllr Hitchins, Deputy Leader of Council

(iv) What is the cost of repair and maintenance of the grounds of Follaton House?

In response, Cllr Hitchins advised that in 2007/08, the grounds maintenance revenue budget was £18,500. In 2007/08 the revenue budget was £10,000 for maintenance to external areas including general repairs and sweeping of hard areas. During 2006/07, there was a substantial area of the car park resurfaced at a capital cost of £15,000. The Council, as the owner of a listed building, had an obligation to maintain its setting, and to ensure that the grounds and car park were maintained to an appropriate standard for visitors to Follaton House.

It was also noted that parts of Follaton House were sub-let to tenants or hired to the public. The combined rental and hire income at Follaton House was approximately £46,000 per annum.

83/07

NOTICE OF MOTIONS

The Chairman advised that no motions had been received in accordance with Council Procedure Rule 10.1.

84/07

BUDGET 2008/09

A report was considered which set out the Executive's formal proposals for the budget 2008/09, as had been agreed at its meeting on 24 January 2008 (E.96/07 refers).

The 7 recommendations, as set out on yellow page 3 of the report (as presented to the meeting), were **PROPOSED** and **SECONDED**. The Leader of Council was invited to introduce the item and respond to questions.

In his introduction, the Leader made particular reference to:-

- (a) the numerous tough challenges and pressures facing the Council in the next year. In particular, the Leader highlighted the need to improve key service provision to the public, the creation of a new community at Sherford, the need to introduce the nationwide concessionary bus fare scheme and single status. Such challenges and issues also had to be addressed against a backcloth of reduced Government funding (averaging 0.9% over the next 3 years). In light of this, the Leader was seeking a meeting with the relevant Minister to point out the impact that this was likely to have on the Council;
- (b) the process for setting the draft budget, which involved early discussions with managers, consultation with town and parish councils and the public and business communities, and the involvement of all Members through discussions at the Policy Development Groups and Scrutiny;
- (c) the recommended increase of 4.49% being well within the limit set by the Government which was substantially less than 5%. The proposed increase was to add £5.62 per annum to a Band D property, or approximately 11p per week to the Council's portion of the council tax bill;
- (d) balancing the budget through achieving savings of almost £500,000, without significant impact on service delivery. These savings included shared service arrangements with West Devon Borough Council and Teignbridge District Council which had resulted in budgeted savings of over £100,000. It was noted that further savings would be identified in the forthcoming year, as shared service business plans were approved;
- (e) the continuation of the policy of recent years to reallocate resources to facilitate continuous improvement in the provision of our key services to the public. In total, it was recommended that additional resources for key Council services amounting to over £200,000 be allocated;
- (f) the role played by all Members throughout this year's budget setting process. The Leader wished to extend his thanks to all Members for their input and was particularly grateful for the comments expressed by Minority Group Members at the conclusion of the Executive meeting.

Members were then invited to ask the Leader of the Council questions on yellow pages 2 to 5 and the draft budget proposals.

In discussion, the following points were raised:-

- (i) In response to a query, the Leader confirmed that he would provide an interested Member with the breakdown figures for the expenditure at Totnes Pavilions (as referred to in the presented Summary of Revenue Expenditure);

- (ii) Members were informed that the public consultation exercise on car parking charges was still taking place and the presented figures were based on an income estimate. It was noted that a report would be presented to the next Council meeting on 27 March 2008, by when the consultation period would have expired;
- (iii) With regard to the Concessionary Bus Fares scheme, officers advised that the appeal against the reimbursement rate by the bus operators had recently been determined. Whilst the exact figures were still unknown, officers advised that the bus companies were not going to receive as high a reimbursement rate as they had requested;
- (iv) In supporting the presented Budget, a number of Members highlighted the level of Member engagement during this Budget setting process, which had been reflected in the proposals;
- (v) Several Members expressed their disquiet with regard to the poor grant settlement and it was stressed that the Council Taxpayer needed to be made fully aware of the pressures facing the Council. In light of such a poor settlement, Members felt it to be an achievement to be recommending only a 4.49% increase in Council Tax;
- (vi) A Member stated his strong opposition to the proposal to add an additional £100,000 into a Contingency Reserve. The Member felt that there was already £2.2 million in this reserve and it was difficult to justify the luxury of an additional financial safety net to residents who were already facing spiralling bills and costs. In contrast, the Leader felt it financially prudent and good business practice to have such a reserve fund, particularly when considering the number of unknown factors which he had highlighted during his presentation;
- (vii) With regard to the proposal to cease the Community Grant Fund (CGF) and, subject to officers investigating its feasibility, replace it with a Locality Budget, it became apparent that a number of Members had differing views on this matter. In support of establishing a Locality Budget, some Members felt that the CGF had not worked and was overly restrictive. In addition, a number of parishes had received nothing from the CGF and a Locality Budget would provide Members with discretion to apportion monies to certain projects and was also in accordance with the Local Government White Paper. In contrast, other Members felt that the CGF was the only such source available to town and parish councils and community groups. Furthermore, the CGF had enabled a number of deserving projects (particularly in rural parishes) to receive monies and to allocate £500 to each Member would provide real dilemmas to Members faced with a number of different proposals or with a number of parishes within their local Ward.

It was then:

RESOLVED

That:-

1. the following sums be included in the overall budget:

	£
Provision for inflation	620, 000
External interest receivable	1, 150, 000
Reversal of Capital and Pension (FRS17) Charges	2, 241, 900
Collection Fund Surplus	70, 000
Net contributions to Reserves (Appropriations)	1, 141, 450

Bids:

- Provision for recurring items financed from the council tax	117, 500
- Provision for items financed from Planning Delivery Grant	94, 500
- Existing bids approved in previous years	62, 550

Options to close the budget gap: 489, 900
Efficiency saving and benefits of partnership working that can be achieved without a significant impact on service delivery

2. the level of reserves as set out within Section 4 of the Executive report and the assessment of their adequacy and the robustness of budget estimates, be noted (Section 8). This is a requirement of Part 2 of the Local Government Act 2003;
3. the future Pension Fund employer contribution rates be set at 10.1% in 2008/09; 10.5% in 2009/10 and 11.0% in 2010/11 at a cost of £50,000 in 2008/09;
4. under Part 1 of the Local Government Act 2003, the Prudential Indicators and the limits set out within Appendix J of the report be noted and approved;
5. the Treasury Management Strategy Statement and Annual Investment Strategy for 2008/09 set out in Appendix K of the report be adopted;
6. the Council sets its total net expenditure for 2008/2009 at £10,389,400;

7. the minimum level of the General Reserve balance be maintained at least to the equivalent of 20% of the net revenue budget.

(NOTE: In accordance with Council Procedure Rule 15.6, Cllr K J Baldry requested that his vote against part 7 of the recommendation be recorded).

85/07

REPORTS OF BODIES

RESOLVED

That the minutes and recommendations of the undermentioned bodies be received and approved subject to any amendments listed below:-

- | | | |
|-----|--------------------------------------|------------------|
| (a) | Development Control Committee | 12 December 2007 |
| (b) | Development Control Committee | 16 January 2008 |
| (c) | Environment Policy Development Group | 13 December 2007 |
| (d) | Prosperity Policy Development Group | 8 January 2008 |
| (e) | Community Policy Development Group | 10 January 2008 |
| (f) | Scrutiny | 19 December 2007 |

SC. 31/07: Dr David Radford, Chairman of Devon PCT, Ms Jenny McNeill, Director of Strategic Commissioning and Colin Pincombe, Non-Executive Director of the Devon PCT

A Member made reference to the assurances given at the meeting with regard to the minor injuries unit at Kingsbridge. At Scrutiny, Members were assured that upon completion of refurbishment works, the opening hours of the injuries unit would return to normal. However, the Member had read in the press that this was not to be the case.

In response, the Chairman of Scrutiny advised that she would send a letter to the non-Executive Director raising this concern and seeking clarification.

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|-----|------------------------|-----------------|
| (g) | Scrutiny | 17 January 2008 |
| (h) | Salcombe Harbour Board | 14 January 2008 |
| (i) | Executive | 3 January 2008 |

E.87/07: Update on the Development Control Process Review

A Member made reference to concerns expressed at a recent Staverton Parish Council meeting with regard to the discontinuation of the Members' Letters Bundles for Development Control Committee meetings. The Member highlighted the high proportion of elderly residents who did not have access to the Internet. In addition, the belief was expressed, that the net result could be less democratic, as reduced emphasis was likely to be given to the letters of representation submitted. In light of these concerns, the Member felt that there should be provision to review the effectiveness of this discontinuation after a set period.

In response, the Leader stated that any interested parties could still access the letters of representation from the planning file and members of the public could now view all correspondence on the website, which was therefore providing an improved service. The Leader did not support the view that this resulted in a less democratic approach but was creating a more efficient service. Evidence had also suggested that the Council was the only local authority in the country producing such a Bundle.

(j) Executive

24 January 2008

(Meeting commenced at 2.00 pm and concluded at 3.40 pm).

Chairman