

**MINUTES OF A MEETING OF THE EXECUTIVE
HELD AT FOLLATON HOUSE ON THURSDAY, 4 DECEMBER 2008**

MEMBERS

* Cllr R J Tucker - Chairman

* Cllr P W Hitchins - Vice-Chairman

* Cllr N A Barnes

∅ Cllr H D Bastone

* Cllr B E Carson

* Cllr T J Hewitt

* Cllr M J Hicks

* Cllr M F Saltern

* Denotes attendance

∅ Denotes apologies for absence

Also in attendance at the invitation of the Chairman:

Cllrs K J Baldry, R F Croad, R D Gilbert, M J Howarth, R M Lawrence, D W May,
C M Pannell, J T Pennington, J W Squire and R C Steer

Also in attendance but not participating:

Cllrs J I G Blackler, B F Cane, R J Carter and J D Hawkins

Officers in attendance:

All Agenda Items: Chief Executive, Strategic Director (Community), Strategic
Director (Resources) and Member Support Services Manager;

Items 7 and 8 (Minutes E.79/08 and E.80/08 below refer): Head of Financial
Services;

Item 8 (Minute E.80/08 below refers): Head of Environment Services;

Items 9 and 10 (Minutes E.81/08 and E.82/08 below refer): Head of Landscape and
Leisure and Tourism Manager;

Item 9 (Minute E.81/08 below refers): Head of Property Services; and

Item 14 (Minute E.86/08 below refers): Head of Customer Services.

E.75/08 MINUTES

The minutes of the meeting of the Executive held on 6 November 2008 were confirmed as a correct record and signed by the Chairman.

E.76/08 MEMBERS IN ATTENDANCE

It was noted that the following Members were in attendance and participated during the discussion on the under-mentioned items:-

Items 7, 8 and 9 (Minutes E.79/08, E.80/08 and E.81/08 below refer) –
Cllr Pennington;

Items 7, 9 and 10 (Minutes E.79/08, E.81/08 and E.82/08 below refer)
– Cllr Pannell;

Items 7 and 9 (Minutes E.79/08 and E.81/08 below refer) – Cllr
Howarth;

Items 7 and 10 (Minutes E.79/08 and E.82/08 below refer) – Cllrs Croad and Squire;
Items 7 and 12(a) (Minutes E.79/08 and E.84/08(a) below refer) – Cllr Baldry;
Items 8, 9, 10 and 12(a) (Minutes E.80/08, E.81/08, E.82/08 and E.84/08(a) below refer) – Cllr Lawrence;
Item 8 (Minute E.80/08 below refers) – Cllrs Gilbert and May;
Item 12(a) (Minute E.84/08(a) below refers) – Cllr Steer.

E.77/08 DECLARATIONS OF INTEREST

Members were invited to declare any interests in the items of business to be considered during the course of the meeting but none were made.

E.78/08 PUBLIC QUESTION TIME

It was noted that no public questions had been received.

E.79/08 DRAFT BUDGET PROPOSALS 2009/2010

A report was considered which updated Members on the Council's budget position and provided a framework for consultation with the Scrutiny and Policy Development Groups (PDGs). It was anticipated that the report and consultation process would assist the Executive in identifying priorities, preparing the budget and maximising the use of resources.

The report concluded in stating that each year the preparation of annual budgets became more challenging than before; this year was particularly difficult due to the general economic conditions, uncertainty in financial markets and falling interest rates. Uncertainty existed over the future funding and structure of local government. Members' views were now sought as to how they wished to reconcile the competing demands of additional expenditure, service provision and sound financial management.

The Leader of Council informed those present that it was not the intention of the Executive to fully debate the budget proposals at this meeting. Members were reminded that they would all get the opportunity to debate issues at their respective Scrutiny and PDG meetings and could attend any of these meetings and take part in the debate. All recommendations would then be fed back to the Executive at its 22 January 2009 meeting for a full debate.

In discussion, reference was made to:-

- (a) emerging economic developments. As an update, officers advised that in anticipation of a likely announcement that Interest Rates were to fall further, it was likely that this would add an additional £60,000 budget pressure to the Council;
- (b) the running costs towards a Mechanical Street Sweeper. Whilst not in the presented budget report, the Leader wished to present a bid for £46,000 towards the running costs of a Mechanical Street Sweeper and would welcome the views of Scrutiny and the PDGs in their respective Budget meetings;
- (c) the wish to implement no increase in Council Tax levels for 2009/10. The Leader announced that it was the intention of the Executive to recommend to the Council meeting on 5 February 2009 that there be no increase in Council Tax levels for 2009/10. To bridge the Budget gap, Members had tasked the Strategic Management Team with obtaining additional savings (in addition to the £494,000 as proposed at presented Appendix D to the report). It was felt that such savings would be aided through the Shared Services and Integrated Devon projects. Furthermore, the Leader advised that the Executive also wished to address the Budget gap by reviewing the annual top-up contributions to a number of Council reserves. The Executive believed that this intention was achievable, and in reaching this viewpoint, wished to thank officers for their efforts and co-operation.

A number of Members wished to applaud and commend the Executive for this proposal, but did wish to highlight that the Council was not the sole precepting authority for Council Tax. Members hoped that other authorities would follow the lead of the Council to ensure that Council Taxpayers did not incur any increases in Council Tax for 2009/10;

- (d) the derisory Revenue Support Grant (RSG) allocated to the Council. A number of Members expressed their dismay at the minimal increase in RSG allocated, which was underlined further when looking at the comparative awards to other local authorities in Devon. Moreover, a non-Executive Member stated that continually finding annual savings was becoming increasingly difficult and questioned for how much longer this working practice was sustainable;

- (e) the Concessionary Bus Fares scheme. In light of the anticipated budget saving of £250,000 for the Concessionary Bus Fares scheme in 2009/10, a non-Executive Member questioned whether this could be used to commence the scheme at the earlier start time of 9.00am. In reply, those present were reminded that the Council was part of the Devonwide scheme and therefore could not change the start time in isolation. Furthermore, whilst there would be significant budgetary implications arising from an earlier start time, if this suggestion was supported by Scrutiny and the PDGs, the Council could make such a recommendation to the representatives of the Devonwide scheme;
- (f) the budgetary impact of the free swimming initiatives for the over 60's and under 16's. It was anticipated that the Government grant towards the over 60's initiative would virtually cover the costs of running the scheme. In respect of the under 16's scheme, Members were advised that the Council had yet to commit to signing up to the proposal;
- (g) the budget consultation process. A number of Members welcomed the feedback from the Business Forum and the town and parish councils. Particular emphasis was made by non-Executive Members to the findings of the town and parish councils in respect of the wish to increase expenditure for street cleaning and reduce expenditure on the Council's carbon footprint.

RESOLVED

1. That the report be accepted and initial views concerning the Executive proposal for no increase in Council Tax for 2009/10 and a bid towards the running costs of a mechanical sweeper be noted;
2. That the view of the Scrutiny and Policy Development Groups on the budget issues contained within this report be obtained;
3. That the Concessionary Car Parking for Residents one year trial be financed from the Economic Initiatives Reserve. Should the reserve have insufficient monies during next year, money be transferred into it from the General Reserve as part of the budget monitoring process;
4. That in view of Government guidance, and identified future pressures, it be recommended that the Housing Planning Delivery Grant of £1m be invested in the Local Planning Reserve;

5. That the unspent Regional Housing Pot of £411,000 be added to the approved Private Sector Renewal and Disabled Facility Grant budgets as detailed in section 6 of the presented report, with delegated authority being granted to the Head of Environmental Health and Head of Financial Services to transfer funds between the budgets as demand required;
6. That the vehicle replacement programme to be funded from the Vehicles and Plant Renewals Reserve and capital, as set out in Appendix F of the presented report be approved. That the Head of Environment Services and Head of Financial Services be granted authority to vary the programme (in terms of year of replacement/vehicle type/purchase cost) according to the demands of the service, but within the overall approved capital budget over the period of the programme.

E.80/08 REVIEW OF CAR PARK CHARGES 2009/10

A report was considered which set out the potential options for Car Park charges for 2009/2010. An analysis of Car Parking trends over the previous five years had indicated that in the last two years, the shortfall in income had largely occurred during the summer season. It was noted that this situation may be related to the relatively poor summer weather experienced in these two years. If the summer season activity returned to more normal levels, then the Council expected to see a recovery in income levels to those which were anticipated. If this were to be the case, then it would eliminate the need to raise charges above 4% to recover the reduction in income levels.

In discussion, reference was made to:-

- (a) support for Option A (to keep the charges at the 2008/09 levels). In proposing this option, the lead Executive Member for a Clean Environment felt that this demonstrated that the Council was sympathetic to the current economic pressures and had listened to both the community and local business representatives. Members also acknowledged that there was a limit on the prices which could be levied upon car park charges before a saturation point was reached;
- (b) overwhelming support from non-Executive Members. In congratulating the Executive, a number of Members welcomed this proposal, which would provide a much needed boost to both local businesses and communities;

- (c) income generated from car parks. A non-Executive Member expressed his belief that it was possible for the income generated from car parks to in fact increase through adopting Option A. This view was stated in light of the falling pound causing fewer tourists to travel overseas and on the proviso that the weather during the next summer season improved.

RECOMMENDED

That Council be **RECOMMENDED** that the Pay and Display charges for 2009/10 be maintained as at 2008/09 levels.

E.81/08 **CAPITAL PROGRAMME – ‘INVESTMENT IN THE COMMUNITY’ INITIATIVE GRANT AWARD PROCESS**

Consideration was given to a report which sought approval for a process to formulate the grant award arrangements for significant community based projects in the district through the ‘Investment in the Community’ Initiative, including the establishment of a Member Task and Finish Group.

During discussion, reference was made to:-

- (a) the likelihood that the programme would be over subscribed. In light of the belief that the programme would be very popular, a Member made reference to the need for applications to meet at least one Council Corporate Priority in order to be advanced. In reply, it was noted that such details would be a matter for the Task and Finish Group to consider. However, it was likely that the greater the number of applications submitted, the greater the number of Corporate Priorities which were likely to need to be met to secure funding;
- (b) the need for partnership working. In support of this initiative, a non-Executive Member emphasised the potential to work in partnership with Devon County Council (DCC), particularly when considering that DCC Members had access to funding streams (e.g. through their locality budgets), which could be used in conjunction towards financing community projects. It was therefore agreed that this issue would be scheduled as an agenda item at the next joint meeting between the Members of DCC and the Council;
- (c) the timescales associated with the initiative. In light of the £1 million being identified for a two year period (as part of the two year Capital Programme), it was anticipated that the Working Group would meet for the first time in early 2009 and would ultimately report its findings back to a future Executive meeting.

RESOLVED

1. That the purpose of the Investment in the Community Initiative be approved;
2. That a Member Task and Finish Group, comprising of three Members (to be appointed by the Group Leaders), to formulate the grant award arrangements for significant community based projects in the district, taking account of the issues outlined in the presented report, be established.

E.82/08 TOURISM STRATEGY 2007-2012 – AREA PARTNERSHIP PROPOSAL

A report was considered which outlined proposals to establish an Area Tourism Partnership arrangement with Teignbridge District Council and the tourism industry from April 2009, as outlined in the Tourism Strategy 2007-2012. Establishing the South Devon Area Tourism Partnership (SDATP) had been a key objective within the South Hams Tourism Strategy. The current successful partnership with Teignbridge District Council could be extended to offer a natural next step by forming a new partnership involving industry stakeholders to establish the SDATP. This required the recruitment of business membership and establishment of the Company Board from 1 April 2009, with a Service Level Agreement and partnership working arrangements in place for staffing during 2009/10.

In discussion, the following points were raised:-

- (a) The lead Executive Member for Distinct Environment advised that the matter of Council representation upon the Visit South Devon Company Board was currently being investigated by the legal officers of both Councils. Therefore, the Member wished to recommend deferral from making any decision in relation to this matter until a later date;
- (b) Officers advised that the Executive at Teignbridge District Council had considered a similar report at its meeting on 1 December 2008 and had supported this proposal;
- (c) In terms of monitoring performance and evaluating its success, a Member highlighted the need to establish some specific performance indicators, which outlined achievements and successes, against the prescribed objectives of the Partnership. In response, officers confirmed that such measures would be included in the written agreement;

- (d) A non-Executive Member felt that the involvement of the private sector in the Partnership was not clearly evident in the presented officer report. Officers replied by advising of a number of elements for which the private sector was involved. It was agreed that a paper summarising this matter would be included in a future edition of the Members' Bulletin publication;
- (e) Officers confirmed that the Business Plan had been developed by a specialist advisor and whilst absolute certainty could not be given in respect of the budgets, they were satisfied that the estimates were appropriate;
- (f) With regard to Tourist Information Centres (TICs), a non-Executive Member made reference to the importance of keeping them engaged in the Partnership. In response, officers acknowledged the role of TICs and highlighted that the Steering Group did include a representative who was also the Chairman of a local TIC.

RESOLVED

- (i) That a Tourism Partnership working arrangement with Teignbridge District Council and the industry be entered into by the Council; and
- (ii) That the Council agree to make the financial contribution for the next 5 years (as outlined in the Business Plan).

E.83/08 EXEMPTION TO STANDING ORDERS RELATING TO CONTRACTS AND FINANCIAL

Members considered a report which advised on the exemptions to the Standing Orders Relating to Contracts and Financial Instructions carried out since the previous Executive meeting, in accordance with the procedure approved by Council (minutes 70/07 and 49/07 refer).

The report concluded by stating that the process for providing officers with approval for exemptions to the Standing Orders Relating to Contracts and Financial Instructions, in certain circumstances, provided more flexibility and the ability to react promptly to situations that arose.

RESOLVED

That the exemptions to the Standing Orders Relating to Contracts and Financial Instructions (attached at Appendices A and B of the presented report) be noted.

(Note: Cllr M F Saltern abstained from the vote on this item by virtue of him being the local Ward Member for the Swimming Pool site at Ivybridge.)

E.84/08 REPORTS OF OTHER BODIES**RESOLVED**

That the following be received and that any recommendations contained therein be approved:

(a) Community Policy Development Group – 27 November 2008**CPDG.23/08: Impact of Current Economic Conditions on the Delivery of Affordable Housing**

In response to a non-Executive Member seeking assurance, the lead Executive Member for Housing confirmed that the Small Scale Rural Departure Sites Initiative would only be considered in areas for which a Housing Needs Survey had been undertaken and for such sites, a Local Lettings Policy would apply.

RESOLVED

1. That the difficulties facing the Council in delivering affordable housing in the current housing and financial market downturn be noted;
2. That the Small Scale Rural Departure Sites Initiative be approved for a period of one year;
3. That the phased approach to affordable housing delivery be approved.

CPDG.24/08: Affordable Housing Capital Programme Report

With regard to the Group recommendation in relation to Bishops Court, Newton Ferrers, the lead Executive Member for Housing stated that this issue had arisen due to technical reasons in relation to the classification of second homes monies by the Housing Corporation (now known as the 'Homes and Communities Agency'). Such monies were classified as 'Other Public Subsidy', as opposed to S106 commuted sum receipts, which were not classified in this manner.

For similar technical reasons, the lead Executive Member wished to move an amendment regarding the Library site in Ivybridge. The amendment sought flexibility to utilise expenditure towards the site in the most appropriate means possible, without breaching the public subsidy limit and was subsequently seconded.

A number of Members expressed their disquiet over this matter and it was confirmed that the Council would continue to make representations in respect of this principle.

RESOLVED

- 1) That the following items of housing capital expenditure be approved:
 - £100,000 (One Hundred Thousand Pounds) for the South Hams Intermediate Rent Enterprise (SHIRE) Scheme;
 - £190,000 (One Hundred and Ninety Thousand Pounds) for the purchase of Redworth Court;
 - up to £1,000,000 (One Million Pounds) for a Market Acquisition Programme; and
 - £80,000 (Eighty Thousand Pounds) be allocated from the most appropriate funds (either solely through S106 commuted sum receipts or a combination of these receipts and Second Homes Council Tax monies) to support the development of the former Library site in Ivybridge for affordable housing;
- 2) That individual purchases under the Market Acquisition Programme be delegated to the Strategic Director (Community) and the Head of Financial Services, in consultation with the lead Executive Member for Housing;
- 3) That where expenditure under the Market Acquisition Programme exceeds the target investment of £33,000 per property, authority to extend the investment limit to no more than £50,000 be delegated to the Strategic Director (Community) and the Head of Financial Services, in conjunction with the lead Executive Member for Housing and the Leader of Council; and
- 4) That the payment of £145,000 (One Hundred and Forty Five Thousand Pounds) for Bishops Court, Newton Ferrers be paid from S106 commuted sum receipts, rather than Second Homes Council Tax monies as per the previous Executive approval of 29 May 2008 (Minute E.7/08 refers).

E.85/08 **EXCLUSION OF PUBLIC AND PRESS**

RESOLVED

That in accordance with Section 100(A)(4) of the Local Government Act 1972, the public and press be excluded from the meeting during consideration of the following items of business as the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A to the Act is involved.

E.86/08 **SHARED SERVICES – REVENUE / BENEFITS**

Consideration was given to an exempt report which provided an update so far on the Revenue and Benefit Shared Services project.

RECOMMENDED

That Council be **RECOMMENDED** that:-

1. should West Devon Borough Council terminate their contract with CAPITA Managed Services, a shared service solution for the administration of Housing and Council Tax Benefits and the collection of Council Tax, Business Rates and associated exchequer and cashier services be created between the two councils;
2. the Strategic Director (Resources), in consultation with the Leader, be delegated authority to take the appropriate actions to progress this project and to further develop the business case as outlined within the presented exempt report, to include the arrangements for the sharing of costs and savings;
3. the governance arrangements for the delivery of the shared Revenue and Benefits Service, as provided at appendix C to the presented exempt report, be adopted.

(NOTE: THESE DECISIONS WILL BECOME EFFECTIVE FROM 5.00PM ON 15 DECEMBER 2008, WITH THE EXCEPTION OF E.80/08 and E.86/08) WHICH ARE RECOMMENDATIONS TO THE FULL COUNCIL MEETING ON 18 DECEMBER 2008, UNLESS CALLED IN, IN ACCORDANCE WITH SCRUTINY PROCEDURE RULE 18).

(Meeting commenced at 10.00 am and concluded at 11.40 am).

Chairman