

**MINUTES OF A MEETING OF THE EXECUTIVE
HELD AT FOLLATON HOUSE ON THURSDAY, 21 JANUARY 2010**

MEMBERS

* Cllr R J Tucker - Chairman

* Cllr P W Hitchins - Vice-Chairman

* Cllr H D Bastone

* Cllr M J Hicks

* Cllr B E Carson

* Cllr M J Howarth

∅ Cllr J D Hawkins

* Cllr M F Saltern

* Denotes attendance

∅ Denotes apology for absence

Also in attendance and participating:

Cllrs K J Baldry, J Brazil, P Coulson, G J Fielden, R M Lawrence, C M Pannell, J T Pennington, R Rowe, R C Steer and J W Squire

Also in attendance but not participating:

Cllrs R J Carter, P H Cook, G J Fielden, M Hannaford, D W May and M Stone

Officers in attendance:

All Agenda Items: Chief Executive, Strategic Director (Community), Strategic Director (Resources), Head of Financial Services and Senior Member Support Officer;

Item 7 (minute E.92/09 below refers): Head of Property Services.

E.87/09 MINUTES

The minutes of the meeting of the Executive held on 7 January 2010 were confirmed as a correct record and signed by the Chairman.

E.88/09 MEMBERS IN ATTENDANCE

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

Item 7 (minute E.92/09 below refers) – Cllrs Baldry, Brazil, Coulson, Fielden, Pannell and Squire;

Item 8 (minute E.93/09 below refers) – Cllrs Brazil and Pennington;

Item 9 (minute E.94/09 below refers) – Cllrs Baldry, Pannell, Pennington, Rowe and Steer;

Item 10 (minute E.95/09 below refers) – Cllrs Baldry, Brazil, Coulson, Fielden, Lawrence, Pannell, Pennington, Rowe and Squire.

E.89/09 **URGENT BUSINESS**

The Chairman advised that he had agreed for three items of urgent business to be raised at this meeting. These were tabled as Item 3(a), Item 3(b), and Item 3(c) (as below). These items were considered to be urgent as they required determination as part of the overall budget setting process. The three items related to reports sent to the Prosperity Policy Development Group meeting of 21 October 2009 (minutes PPDG.11/09, PPDG.13/09 and PPDG.14/09 refer). To accompany these reports, the minutes arising from this meeting, which were duly noted at the Executive meeting of 19 November 2009 (minute E.67/09 refers), pending further deliberation as part of the budget setting process were also tabled.

RESOLVED

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

Item 3(a): Review of Ferry Charges 2010/11**RECOMMENDED**

1. That the charges for the Lower Ferry have been debated and Council be **RECOMMENDED** the following pricing structure:
 - a) That Cash Sales be priced as per Option 2, with the exception of Motor Car/Van return tickets which should remain unchanged at £6.00;
 - b) That Concessionary fares be priced as per Option 1 with the exception of Foot passengers 40 tickets to be set at a new price of £22.00; and
2. That the option of a new book of ten concessionary car and van tickets be made available and priced at £15.00.

Item 3(b): Review of Waste Charges 2010/11**RECOMMENDED**

That the Executive RECOMMEND to Council that:

1. That the charges for Trade Waste services 2010/11 as set out in Appendix A of the presented report be adopted; and

2. That the charges for Household Waste services 2010/11 as set out in Appendix B of the presented report be adopted.

Item 3(c): Review of Charges and Income – Community Parks, Open Spaces, Outdoor Sports and Recreation

RECOMMENDED

That the Executive RECOMMEND to Council that:

1. Outdoor Recreation charges be maintained and Boat Park charges increased as set out in Appendix A of the presented report;
2. An events, memorials and sponsorship charging structure be introduced as set out in Appendices B, C and D of the presented report;
3. a lease or licence arrangements be secured which deliver best value to the Council in relation to the facilities identified at paragraph 28 and 29 of the presented report;
4. existing leases and licences be reviewed as they come up for review, with a view to achieving best value for the Council as detailed at Appendix F;
5. opportunities to increase boat park facilities as detailed at paragraph 32 of the presented report be investigated; and
6. further scoping work be undertaken on opportunities for additional concessions, franchises or further facilities within parks and gardens and recreation areas.

E.90/09

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 Bastone declared a personal and prejudicial interest in Item 10 – 'Draft Budget Proposals 2010/11' (Minute E.95/09 refers), by virtue of him managing a number of reserved car park spaces and when this subject came up he proceeded to leave the meeting room.

Cllrs Bastone and Saltern both declared a personal interest in Item 7 – Capital Programme (Minute E.92/09 refers), by virtue of their being local Ward Members for a number of projects outlined in the current programme and took part in the discussion and vote thereon.

E.91/09 PUBLIC QUESTION TIME

It was noted that no public questions had been received.

E.92/09 CAPITAL PROGRAMME

Members considered a report which advised of the existing capital commitments for 2009/10 and sought approval for the proposed capital programme for 2010/11 and 2011/12 taking into account the priorities approved in the current Asset Strategy. The Lead Executive Member introduced the report and advised that a lot of hard work and research had been undertaken by the Asset Management Group. Progress with the capital programme would be reported to the Executive on a regular basis and there were a number of projects that could not be undertaken unless funding was attracted.

During the discussion, the following points were raised:

- A Member stated that this was an exciting programme and the Council was fortunate in that, as a result of sound financial management in the past, funds were available to enable a programme of capital works to be undertaken;
- A Member highlighted how valuable disabled facility grants were, and cited an example whereby such funding had recently allowed a bungalow to be purchased and adapted for a young paraplegic;
- A Member raised concerns that no indication was given of the projects that would not be undertaken, and he felt that wider circulation of copies of the minutes of the Asset Management Group would be helpful so that all Members had sight of the decision making process;
- Some Members raised concerns that it was proposed to close the toilets at East Portlemouth, as it was felt this would have a detrimental affect on visitors to Salcombe. In response, officers advised that the Asset Management Strategy allowed potential projects to be assessed against the principles of the Strategy and within financial constraints. A Member also responded that to keep the toilets open would require the rebuilding of the sewerage system and it was felt that the cost was too high, when weighed against the benefits, and the difficult current budgetary climate;
- A local Ward Member was also concerned that Jubilee Pier, Salcombe was not programmed for restoration, only reconstruction. The Member emphasised the importance of this historical asset which belonged to the Council and it was

therefore its responsibility. Another Member added that the decision could be short sighted as Jubilee Pier had provided protection to both Normandy and Whitestrand pontoons, and they may now require more frequent maintenance. In response, the Lead Executive Member advised that this was one of the projects where external funding may be available and this was being investigated;

- A number of Members were pleased that of the £2 million required, £1million had been set aside towards a new swimming pool in Ivybridge, although one Member raised concerns about the lack of timescale for the project as the report also included a recommendation that the outdoor pool be closed. A Ward Member confirmed that consultation had taken place with the various community groups and it was accepted that the outdoor pool was no longer viable. A new pool had significant support from the community and whilst there was no timescale, Tone Leisure were keen to progress this project using a partnership approach;
- A Member raised concerns that the majority of projects were in towns and the rural areas were excluded. In response, the Head of Property Services advised that there was also a maintenance reserve and some of the smaller rural projects could be funded from this fund instead;
- A Member asked if the money previously allocated to Kingsbridge and Dartmouth for community projects could be reallocated if it were not used within a certain timeframe. In response, the Strategic Director (Community) advised that review dates had been built in to the process but the projects were complex and promoters would need to know that the funds would still be available if their project was still making progress.

To conclude the discussion the Leader advised that he felt this was the best programme within the current priorities and funding available.

RECOMMENDED:

That the Executive **RECOMMENDS** to Council that :

1. the Capital Programme be approved, subject to satisfactory completion of appraisals for each project to demonstrate value for money;
2. delegated authority be given to the Council's Strategic Management Team to deliver the Capital Programme, including the procurement of appropriately skilled resources and expenditure of the contingency budget, to support delivery within the required timeframe, in consultation with the Leader and the appropriate Executive Member;

3. the Strategic Management Team report progress of the Programme to the Executive at least four times per annum; and
4. the outdoor pool at Ivybridge remain closed.

E.93/09

TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY 2010/11

Consideration was given to a report which advised Members of the Council's Treasury Management Strategy and considered the prudential indicators and limits set out in the attached report, in accordance with the Prudential Framework.

The Lead Executive Member explained that this was a long and detailed report which contained a lot of information, much of which had been reviewed at the previous meeting held on 7 January 2010 (minute E.85/09 refers).

During discussion, the following points were made:

- A Member was pleased that credit ratings now only form the starting point in assessing risk as it was important not to have a mechanistic view;
- A Member indicated that he understood one Counterparty, mainly the Chelsea Building Society, was to be merged with another Building Society. In response, the Strategic Director (Resources) advised that this was a further indication of the uncertain economic times.

RECOMMENDED:

That the Executive **RECOMMEND** to Council to:

- (i) approve the Treasury Management Strategy Statement and Annual Investment Strategy for 2010/11; and
- (ii) adopt the revised CIPFA Treasury Management Code of Practice 2009.

E.94/09

REPORTS OF OTHER BODIES

RESOLVED

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

- a) **Environment Policy Development Group – 15 December 2009**

b) Community Policy Development Group – 5 January 2010

CPDG.26/09: Empty Homes Strategy

RECOMMENDED

That the Council be **RECOMMENDED** that the Empty Homes Strategy (as detailed in Appendix 1 of the report presented to the Group) be adopted.

c) Prosperity Policy Development Group – 7 January 2010

PPDG.25/09: Review of Car Park and Pannier Markets – Mayor's Avenue

NOTED

That in relation to the Budget Setting Process for 2010/11, the previous recommendation regarding Mayor's Avenue Car Park (Minute PPDG.18/09 recommendation 1 refers), be reversed and therefore the Car Park should not be split between pay and display users and permit holders.

PPDG.27/09: Oral Update on the Lower Ferry

RECOMMENDED

That the Council be **RECOMMENDED** that authority be delegated to the Head of Environment Services, in consultation with the Lead Executive Member for a Clean Environment, to be able to vary all pricing charges on the Lower Ferry as and when deemed necessary.

PPDG.29/09: Amendments to the Off Street Parking Order

RECOMMENDED

That the Council be **RECOMMENDED** that the amendments as identified in the report as presented to the Group be advertised for inclusion in the Off Street Parking Order 2010.

d) Scrutiny Group – 14 January 2010

SC.48/09: Draft Budget Proposals 2010/11

RECOMMENDED

That the Council be **RECOMMENDED** that a letter be sent to local MPs to:

1. Express concern about the shortfall in the level of funding received to meet the Housing and Council Tax benefit administration costs: and
2. Urge Central Government to reduce the administration burden upon local authorities.

E.95/09 **DRAFT BUDGET PROPOSALS 2010/11**

A report was considered which set out the Council's financial position over the medium term and to act as a framework for developing final budget proposals. These would include the appropriate level of council tax and service provision. The recommendations from the Executive would be considered by full Council on 4 February 2010, when Government grants should be known with certainty.

The Leader introduced the report and highlighted that despite a number of uncertainties, the Council still had to balance the budget. One major issue was the Revenue Support Grant which this year amounted to an increase of £69,000. South Hams District Council received the second lowest grant amount in Devon per head of population. He advised that the Council had a Medium Term Financial Strategy, which would be carefully reviewed in terms of the next 2 – 3 years. He also mentioned the savings arising from the work with West Devon Borough Council on shared services.

A number of Members thanked officers for their hard work in identifying savings of £664,500. In addition, the Executive had identified further savings which had additional impacts for some services. Another area where money could be saved was inspection regimes, and the Leader reminded Members that at the full Council meeting held on 17 December 2009, a motion was passed to support the LGA to this effect.

The Executive then moved on to discuss the various bids and savings proposals.

Bid 1 – Joint funding with West Devon BC for an anti-social behaviour post for one year to be covered from Reserves:

A number of Members had concerns regarding this bid as many felt that anti social behaviour was a Police responsibility and the Council should not be involved. Following a difficult discussion the Chief Executive advised that in fact anti social behaviour was a partnership responsibility and this bid was to retain for a further year a very experienced officer who was working on a wide range of cases to try to bring them to a satisfactory conclusion without the need for court action. If Members rejected this bid, then the Council could potentially be the only district council in the country without a level of support for ASB work.

Bid 2 – Street Sweeping:

This bid for vacuum sweepers was generally accepted by all Members.

Cllr Lawrence proposals in relation to resident's concessionary parking:

Cllr Lawrence introduced his proposals to the Executive and advised that the intention was to support the market towns. He felt that a free pass for use by residents between 4pm and 6pm and 8am and 10am could cost as little as £30,000. In response, the Leader advised that the views of Scrutiny and the Policy Development Groups had been taken into consideration and they had all rejected Cllr Lawrence's proposals. Many Members did however see merit in the scheme, and a Member advised that the existing scheme should be given time to establish before considering further change.

PPDG recommendation in relation to car parking charges:

The Executive accepted the recommendations of the PPDG (Minutes PPDG.12/09 and PPDG.18/09 refer) with the following amendments:
Reserved spaces increase to £1,350 per annum
Concessionary Resident's parking permits reduce to £20 per annum

During the discussion, a number of Members raised concerns over increasing car parking charges. However the budget had to be balanced and a Member stated that it would be better to increase car park charges than council tax.

Savings proposed by the Executive:

In general, all savings proposed by the Executive were accepted.

Review of Contributions to Reserves:

The Leader advised that Scrutiny and Community Policy Development Groups were the only Groups to discuss suggestions in relation to changes to contributions to Reserves. The Executive had considered the contribution levels and the Groups suggestions and proposed the following changes to contribution levels:

Community Wellbeing – contribution to be reduced by £12,000;
Single Status – contribution to be reduced by £100,000;
Vehicle and Plant Maintenance – contribution to be reduced by £30,000.

Once these figures were all computed, the result equated to a Council Tax increase of 2.95% on last year, which was equivalent to £3.86 per annum for a Band D property.

Whilst many Members would prefer that no increase be made, it was accepted that with the financial constraints an increase was inevitable.

RECOMMENDED

That the Executive **RECOMMEND** to Council that:

- a) Savings of £664,500 as identified by the Corporate Management Team that are already achieved or can be implemented by managers be approved;
- b) The Executive determined that the amount for other savings be £160,000 and the level of contributions to reserves to be included within the Authority's budget £1,017,900;
- c) The Executive determined the amounts for bid items to be included within the Authority's budget was £20,000 to be funded from council tax and £17,000 to be funded from reserves;
- d) The following sums should be included in the overall budget:
 - Provision for inflation £120,000
 - External Interest receivable £375,000
 - Reversal of capital charges and Pension charges (FRS17) £1,928,000
 - Collection Fund surplus £30,000
- e) Car Parking:
 - That the proposed increase in pay and display charges for 2010/11 should be as set out in Appendix J, with the exception of the half hour charge for Standard 1 and 2 car parks remaining at 30p, with Day charge (e.g. parking for over six hours) for all car parks being increased by a further 10p (making a 20p increase overall); and
 - That the charges for the concessionary resident car parking permit should be set at £20 (including VAT) for 2010/11; and
 - Authorise officers to give due notice of the variation of the relevant Off-Street Parking Places Orders to accommodate the new charges in accordance with statutory requirements.
- f) The minimum level of the General Reserve Balance be maintained to at least £1.5million;
- g) The level of reserves as set out within Appendix F of this report and the assessment of their adequacy and the robustness of budget estimates be noted. (Section 6) This is a requirement of Part 2 of the Local Government Act 2003;
- h) The Council should set its total net expenditure for 2010/11 at £10,690,500, subject to final confirmation of Government Grant. If the Government changes the Grant, delegated authority be given to the Strategic Director (Resources) to make a corresponding amendment to the contributions to Reserves to bring the total net expenditure back to that agreed by the Executive.

(Meeting commenced at 10.00am and concluded at 12.45pm).

Chairman