



West Devon
Borough
Council

West Devon Council

Title:	Agenda																																													
Date:	Tuesday, 5th December, 2017																																													
Time:	4.30 pm																																													
Venue:	Chamber - Kilworthy Park																																													
Full Members:	<p style="text-align: center;">Chairman Cllr Moody Vice Chairman Cllr Davies</p> <p><i>Members:</i></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Cllr Baldwin</td> <td style="width: 33%;">Cllr Musgrave</td> <td style="width: 33%;"></td> </tr> <tr> <td>Cllr Ball</td> <td>Cllr Oxborough</td> <td></td> </tr> <tr> <td>Cllr Cann OBE</td> <td>Cllr Parker</td> <td></td> </tr> <tr> <td>Cllr Cheadle</td> <td>Cllr Pearce</td> <td></td> </tr> <tr> <td>Cllr Cloke</td> <td>Cllr Ridgers</td> <td></td> </tr> <tr> <td>Cllr Edmonds</td> <td>Cllr Roberts</td> <td></td> </tr> <tr> <td>Cllr Evans</td> <td>Cllr Sampson</td> <td></td> </tr> <tr> <td>Cllr Hockridge</td> <td>Cllr Samuel</td> <td></td> </tr> <tr> <td>Cllr Jory</td> <td>Cllr Sanders</td> <td></td> </tr> <tr> <td>Cllr Kimber</td> <td>Cllr Sellis</td> <td></td> </tr> <tr> <td>Cllr Lamb</td> <td>Cllr Sheldon</td> <td></td> </tr> <tr> <td>Cllr Leech</td> <td>Cllr Stephens</td> <td></td> </tr> <tr> <td>Cllr McInnes</td> <td>Cllr Watts</td> <td></td> </tr> <tr> <td>Cllr Mott</td> <td>Cllr Yelland</td> <td></td> </tr> <tr> <td>Cllr Moyse</td> <td></td> <td></td> </tr> </table>	Cllr Baldwin	Cllr Musgrave		Cllr Ball	Cllr Oxborough		Cllr Cann OBE	Cllr Parker		Cllr Cheadle	Cllr Pearce		Cllr Cloke	Cllr Ridgers		Cllr Edmonds	Cllr Roberts		Cllr Evans	Cllr Sampson		Cllr Hockridge	Cllr Samuel		Cllr Jory	Cllr Sanders		Cllr Kimber	Cllr Sellis		Cllr Lamb	Cllr Sheldon		Cllr Leech	Cllr Stephens		Cllr McInnes	Cllr Watts		Cllr Mott	Cllr Yelland		Cllr Moyse		
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Interests – Declaration and Restriction on Participation:	Members are reminded of their responsibility to declare any disclosable pecuniary interest not entered in the Authority's register or local non pecuniary interest which they have in any item of business on the agenda (subject to the exception for sensitive information) and to leave the meeting prior to discussion and voting on an item in which they have a disclosable pecuniary interest.																																													
Committee administrator:	Member.Services@swdevon.gov.uk																																													

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|-----------|--|----------------|
| 5. | Business brought forward by or with the consent of the Mayor -Car Parking Strategy | 1 - 12 |
| 9. | To receive the Minutes of the following Committees, to note the delegated decisions and to consider the adoption of those Unstarred Minutes which require approval: | 13 - 26 |

(iii) Development Management and Licensing Committee

Meeting held on 14 November 2017

(iv) Hub Committee

Unstarred Minute to agree

Members are recommended to agree:

HC 32 Formation of a Community Lottery for West Devon and South Hams

That Council be **RECOMMENDED** to:

1. approve and implement the proposed business case for the establishment of a joint West Devon and South Hams local community lottery scheme (subject to approval from South Hams District Council);
2. appoint Gatherwell Ltd as an External Lottery Manager and Aylesbury Vale District Council to assist with project implementation (subject to a successful Contract Exemption application);
3. delegate to the Head of Paid Service to nominate two officers to be responsible for holding the Council's lottery licence and submit the necessary application to the Gambling Commission; and
4. delegate to the Group Manager (Business Development), in consultation with the lead Hub Committee Member for Assets, to approve the bespoke lottery business model policies required in order to submit a valid application to the Gambling

Commission to obtain a lottery licence.

Meeting held on 28 November 2017

10. Head of Paid Service Replacement	27 - 32
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Agenda Item 5

Report to: **West Devon Borough Council**
Date: **5 December 2017**
Title: **West Devon Parking Strategy**
Portfolio Area: **Environment Services (Cllr Robert Sampson)**
Wards Affected: **All**
Relevant Scrutiny Committee:

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: *(e.g. referral on of recommendation or implementation of substantive decision)*

Author: **Cathy Aubertin** Role: **Operational Manager (Environment Services)**

Contact: Cathy.Aubertin@swdevon.gov.uk

Recommendations:

That Council endorse and adopt the West Devon Parking Strategy as set out in Appendix A.

1. Executive summary

- 1.1 This report requests that Members consider the recommendation to adopt the West Devon Parking Strategy (Appendix A), as considered and agreed by the West Devon Parking Strategy Group.

2. Background

- 2.1 Having recognised that the previous Parking Strategy was so outdated that it was unable to be amended, the Strategy Group considered that a new Strategy was required.

3. Outcomes/outputs

- 3.1 At its meeting on the 1st November 2016, the Strategy Group agreed that the new strategy should be drafted on the following agreed basis:
- 3.2 "Pay and Display car parks are provided in Tavistock, Okehampton, Chagford and Hatherleigh largely for historical reasons. The strategy should recognise that the present car parks are provided for the convenience of local residents and also to provide tourism and economic viability generally. It should also be recognised that car parks are owned by West Devon Borough Council with a view to be of benefit not only the towns where they are located but also the interests of the wider West Devon community. The Borough Council's first obligation is to offer well-maintained, well-managed car park at reasonable charges in the context of the particular circumstances of the various towns.
- 3.3 Any change to parking charges, whether an increase or decrease, should be considered in light of the impact on the entire borough and in terms of how those charges compare against a similar authorities. Charges should be reviewed annually when an increase may be considered in the light of the rate of inflation, maintenance costs etc.
- 3.4 The strategy shall recognise that the particular needs of the four towns are different and the Borough Council will seek to account for that in proposals for changes in charges or charging hours. Views from the respective Town or Parish Councils and business organisations will be actively sought.
- 3.5 Any proposal to create additional car parks or dispose of any existing car parks in whole or part shall be considered by the Borough Council in the light of its obligations both to the economic wellbeing of the particular town and West Devon generally."
- 3.6 At the following meeting, held on 2nd May 2017, the new strategy document (Appendix A) was considered and agreed, albeit now updated with revised permit charges.

4. Options available and consideration of risk

- 4.1 The strategy provides a clear and transparent process for managing and developing the car parking service. This reduces the risk of inconsistency in decision making for the Council and subsequent reputational damage.

5. Proposed Way Forward

- 5.1 That the strategy should be adopted, and that the Parking Strategy Group continue to play a key advisory role in the development of the Borough Council's parking service.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		<p>The Council has power to provide off-street parking under the Road Traffic Regulation Act 1984 (as amended).</p> <p>The Council has the power to deal with the provision, management and control of car parks.</p> <p>The Council has the powers to provide this service under the General Powers of Competence in the Localism Act 2011.</p>
Financial		None at this stage.
Risk		None at this stage.
Comprehensive Impact Assessment Implications		
Equality and Diversity		A comprehensive impact assessment has been completed in respect of this matter which shows that no further action is required.
Safeguarding		No implications.
Community Safety, Crime and Disorder		No potential positive or negative impact on crime and disorder reduction.
Health, Safety and Wellbeing		No implications.
Other implications		None.

Supporting Information

Appendix A – West Devon Borough Council Car Parking Strategy

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West Devon Borough Council

PARKING STRATEGY

2017 - 2021

Table of Contents

1. Introduction
2. Context
3. Overarching objectives
3. Summary of demand
4. Availability
5. Current demand
6. Providing for the future
7. Operational developments

1. Introduction

Pay & Display (P&D) car parks are provided in Tavistock, Okehampton, Chagford and Hatherleigh. Policy should recognise the present car parks are provided for the convenience of local residents and also to support tourism and economic viability generally. It should also be recognised that car parks are owned by West Devon Borough Council for the benefit of not only the towns where they are located but also the interests of the wider West Devon community.

The Borough Council's first obligation is to offer well-maintained, well-managed car parks at reasonable charges in the context of the particular circumstances of the various towns.

Any change to parking charges, whether an increase or decrease, should be considered in light of the impact on the entire Borough. Although there may be a presumption against a general increase in charges, they should be reviewed annually, and an increase may be considered in the light of the rate of inflation, maintenance costs etc.

The policy shall recognise that the particular needs of the four towns are different and the Borough Council will seek to account for that in proposals for changes in charges or charging hours. Views from the respective Town or Parish Councils and business organisations will be actively sought.

Any proposal to create additional car parks or dispose of any existing car parks in whole or part shall be considered by the Borough Council in the light of its obligations both to the economic wellbeing of the particular town and West Devon generally.

The Borough Council provides a parking management and enforcement service for both our own car parks and for other organisations. Our strategic aim is to sell our management and enforcement expertise in order to be able to provide cost-effective services for the Borough.

2. Context

West Devon Borough Council is responsible for off street parking and this document is focused on that with the objective of using parking management to help deliver these aims. On-street parking is the responsibility of Devon County Council.

A number of developments are planned in the West Devon area over the next 5 years and details may be found here:

<https://plymswdevonplan.co.uk/policy?areas=west-devon>

Developments on the outskirts of Tavistock in particular will put pressure on car parking in the town.

There is however evidence that demand is growing and this together with the increased residential and commercial development proposed will lead to increasing problems unless fundamental changes to parking and traffic management are made.

Evidence from in particular 2016 indicates a renewed demand for car parking spaces.

3. Overarching objectives for 2017 – 2021

The overall target is to meet and manage parking demand in a simple and consistent manner in order to support and deliver the following objectives:

- To maintain and enhance the viability and vitality of town centres by providing accessible car park spaces at the right location
- To respond to all customer needs fairly but within the constraint of a finite number of spaces. This will require that we monitor and manage the use of parking appropriately.
- To support the development and enhancement of urban settlements retail core and tourist areas
- Where feasible, to support the reduction in the dependence on the private car and encourage greater use of forms of transport that reduce congestion and pollution
- To generate an appropriate level of revenue over the plan period to cover whole service costs and allow for investment.
- To use flexible pricing and charging policies as a method of delivering the strategy within communities.
- To simplify and standardise the approach to parking across the Borough.

4. Availability

There are 1,260 parking spaces in the main towns and villages in West Devon.

A summary of spaces is provided below:

Location	WDBC bays	Other bays
TAVISTOCK		
Abbey	58	
Bank Square	10	
Bedford	229	

Brook Street	104	
Chapel Street	14	
Riverside	85	
Russell Street	28	
Wharf	57	
Guildhall (TTC owned)		38
OKEHAMPTON		
Market Street	169	
Mill Road	83	
Simmons Park (OTC owned)		81 (+ 43 part-time bays)
Acorns (PPS operated)		28
RURAL		
Chagford	73	
Hatherleigh	73	
Bere Alston	37	
Lydford	25	
Brentor	25	

5. Current demand

Tavistock

Since the implementation of the £2 all-day tariff there has been increased pressure on town centre car parks and a decreased usage in Riverside car park, which, although on the periphery, has the same tariff.

Statistics on car parking highlight the fact that demand, which remained stagnant or shrank during the economic downturn, has now increased to the extent that there is over demand at some locations. This could have a negative impact on the economy of the town if it is not addressed. If visitors and residents are unable to access a car parking space when limited no alternatives are available, they will shop elsewhere or on line.

The situation will only worsen in the future without active management as the number of large scale residential developments will ultimately result in an increase in population.

The town centre offers a far wider retail and cultural experience than edge and out of town retail but, unless in town parking is actively managed to ensure availability, the health of Tavistock as the main retail area in West Devon will be compromised.

Okehampton

The majority of parking activity is in Market Street car park, and this is probably because of its proximity to Waitrose.

Chagford

Chagford has a large rural hinterland which supports local businesses and facilities. It is characterised by local independent businesses

The town is served by one car park currently. A second one is due to be built with the new housing development in 2018/ 19.

Hatherleigh

Hatherleigh has the only P&D car park in West Devon that has an operating cost for the Council. The car park is little used, although the Town Council is keen to run a pilot scheme, allowing free parking, to see if this encourages more use of the car park and less parking on-street, due to the congestion currently created by on-street parking. Discussions with the Town Council in this respect are on-going.

Other Car Parks

We provide free parking at three village car parks in:

- Bere Alston (37 bays)
- Brentor (25 bays)
- Lydford (25 bays)

We also have a large car park at Kilworthy Park (112 Bays), which is free, although use is limited to staff, tenants and visitors to Kilworthy Park from Monday to Friday. At weekends the facility is little-used despite offering free parking.

Permits

The Council has a number of permits on offer and, following the success of the £2 tariff in Okehampton and Tavistock, is about to undertake a public consultation in respect of amendments to permits. Currently the following permits are available:

Type	Applicable car parks	12 months	6 months
Tavistock Town Centre	Abbey Bedford Brook Street upper levels Riverside	£280.00	£150.00
Tavistock Peripheral	Riverside	£150.00	£80.00
Okehampton Peripheral	Mill Road	£150.00	£80.00
Chagford Rural	Chagford	£150.00	£80.00
Hatherleigh Rural	Hatherleigh	£150.00	£80.00
Annual West Devon	All car parks	£650.00	N/ A
School permits – St Rumons Tavistock Primary	Abbey, Tavistock Brook Street, Tavistock Riverside, Tavistock	Free of charge Limited time slots to facilitate carers taking	

Okehampton Primary Hatherleigh Primary	Market Street, Okehampton Hatherleigh	children to, or collecting from, school
Dolvin Road	Abbey, Tavistock Off Dolvin Road, Tavistock	Free of charge to those residents who don't have off-street parking. Proof of residence in Dolvin Road must be provided

6. Providing for the Future

Growth is encouraged within the Borough as this not only helps to deliver our housing needs but increases footfall to our thriving towns and villages.

The overarching objectives for the strategy are:

- To maintain and enhance the viability and vitality of town centres by providing accessible car park spaces at the right location at the right price
- To respond to all customer needs fairly but within the constraint of a finite number of spaces
- To support the development and enhancement of urban settlements, retail core and tourist areas
- To support the reduction in the dependence on the private car and encourage greater use of forms of transport that reduce congestion and pollution
- To generate an appropriate level of revenue over the plan period to cover running costs and ongoing preventative maintenance, and allow for investment and to use pricing and charging policies to as a method of delivering the strategy.
- To continue with the current policy of 'community-led' tariffs, which allows Town/ Parish Councils, business groups and other stakeholders to be involved in setting tariffs appropriate to the town/ village to encourage use in accordance with the shopping or amenity offer in the area.

The Council proposes to deliver these objectives in the following way:

- In town centres the Council will seek to retain overall parking numbers at the current level subject to on-going assessment of demand.
- Where appropriate, the Borough Council will work in partnership with other organisations to increase parking where necessary.

- The Council will assess the impact of any development and work with communities in proactively managing parking to ensure towns/ villages remain vibrant and accessible.
- The Council will continue to support the tourism industry by providing parking in appropriate locations at a price and charging structure which reflects demand and seeks to ensure wide access.
- Although the Council accepts that there are constraints on alternatives to private ownership of vehicles in a rural area and with a growing population it supports a reduction in the dependence of the private car. The Borough Council will work with Devon County Council in assessing the requirement for, and considering the provision of, park and ride services where considered necessary by communities.
- The Council will monitor income against cost and need to enable investment in parking areas and the Councils will use pricing and charging policies, together with demand management, as the key method of delivering the strategy in the urban and tourist areas.
- The Council is faced with a significant reduction in Government funding, therefore any funding of new parking areas must come from either Section 106 monies achieved through the planning process, working in partnership with other organisations, or through the deployment of the Council's adopted Asset Management Strategy.

7. Operational developments

We keep a watching eye on technological and operational developments that may improve the service we provide to customers, and the Strategy Group considers any viable solutions.

New software was rolled out in 2017, which will allowed customers to have paperless permits. This is a self-serve service and customers 'receive' their permits immediately, rather than waiting for their application to be processed by officers. Customers have the ability to update their permit details on our website as often as required.

In respect of PCNs, customers are able to easily view the details of any PCN they have received, together with photographs taken at the time of issue. This allows customers to make an informed decision on whether or not to appeal a PCN, in addition to being able to view the progress of their PCN on-line.

The information held on our website for customers to view is live and, as soon as a PCN has been issued, details will be available in almost every case (this is 3G reliant).

Private operators are able to take advantage of ANPR (Automatic Number Plate Recognition) parking solutions. As a local authority, legislation doesn't allow us to operate in this way. However, the British Parking Association is lobbying government about this and, should legislation change, we will consider taking advantage of this solution.

We have RingGo as our Pay by Phone provider currently. However, cashless payment systems have advanced since our contract with RingGo was procured and we will consider alternatives in preparation for the expiration of our current contract (2018).

At a Meeting of the **DEVELOPMENT MANAGEMENT & LICENSING COMMITTEE** held at the Council Chamber, Council Offices, Kilworthy Park, Drake Road, **TAVISTOCK** on **TUESDAY** the **14th** day of **NOVEMBER 2017** at **10.00am**

Present: Cllr P R Sanders – Chairman
Cllr A Roberts – Vice-Chairman

Cllr R E Baldwin	Cllr W G Cann OBE
Cllr L J G Hockridge	Cllr C Mott
Cllr D E Moyse	Cllr G Parker
Cllr T G Pearce	Cllr J Yelland

COP Lead Development Management (PW)
Planning Specialist (CS)
Solicitor (SN)
Specialist Assets (RJ)
Highways Officer (PT)
Specialist Democratic Services (KT)

In attendance: Cllrs B Lamb and T Leech

***DM&L 31 DECLARATION OF INTEREST**

Members were invited to declare any interests in the items of business to be considered and the following were made:

Cllr T G Pearce declared a personal interest in all applications, by virtue of being a Member of the Devon Building Control Partnership. He remained in the meeting and took part in the debate and vote on each item;

Cllr D E Moyse declared a personal interest in application 4161/16/OPA: Outline planning application with all matters reserved for construction of 4 dwellings – Land at SX516892, opposite Springfield Park, Bridestowe, by virtue of the applicants being known to her and being related to one of the speakers. She remained in the meeting and took part in the debate and vote;

Cllr A Roberts declared a personal interest in application 4161/16/OPA; Outline planning application with all matters reserved for construction of 4 dwellings – Land at SX516892, opposite Springfield Park, Bridestowe, by virtue of knowing the applicants. She remained in the meeting and took part in the debate and vote;

Cllr C Mott declared a personal interest in application 4161/16/OPA: Outline planning application with all matters reserved for construction of 4 dwellings – Land at SX516892, opposite Springfield Park, Bridestowe, by virtue of being a member of Bridestowe Parish Council. She remained in the meeting and took part in the debate and vote;

Cllr P R Sanders declared a personal interest in application 3080/17/FUL: Erection of rear extension to provide gymnasium and fitness studio, together with other alterations, to allow the upgrade and refurbishment of the Leisure Centre facilities – Meadowlands Leisure Pool, The Wharf, Tavistock, by virtue of being a member of Tavistock Town Council. He had taken no part in the vote at the Town Council and therefore remained in the meeting and took part in the debate and vote.

***DM&L 32 URGENT BUSINESS**

The Chairman advised that application **1987/17/FUL**: Erection of a 2 storey 3 bedroomed house, a separate single garage and parking for 2 vehicles – Hayfield House, Hayfield Road, Exbourne, was deferred from this meeting for further information and would be presented to the Committee on a later date.

***DM&L 33 CONFIRMATION OF MINUTES**

The Minutes of the Development Management and Licensing Committee Meeting held on 17 October 2017 were confirmed and signed by the Chairman as a correct record.

***DM&L 34 PLANNING PERFORMANCE INDICATORS**

The COP Lead Development Management presented the latest set of Performance Indicators and outlined the key information for Members consideration. He advised Members that a Specialist had been appointed to the planning enforcement team.

***DM&L 35 PLANNING, LISTED BUILDING, TREE PRESERVATION ORDER AND ENFORCEMENT REPORTS**

The Committee considered the applications prepared by the Development Management Specialists and considered also the comments of Town and Parish Councils together with other representations received, which were listed within the presented agenda reports and summarised below, and **RESOLVED**:

(a) Application No: 4161/16/OPA Ward: Bridestowe

Site Address: Land at SX516892, opposite Springfield Park, Bridestowe

Planning application with all matters reserved for construction of 4 dwellings

Case Officer Update: 6 further letters of objection received since the agenda was published but no new issues raised

Speakers included: Objector – Ms Rachel Colenutt: Supporter – Mr Ed Perse: Parish Council representative – Cllr John Leonard: Ward Members – Cllrs Mott and Hockridge

RECOMMENDATION: That delegated authority be given to the CoP Lead in consultation with the Chairman of the Committee to approve the application subject to the conditions listed below and the prior satisfactory completion of a Section 106 Agreement.

However, in the event that the Section 106 legal agreement remains unsigned six months after this resolution, that the application is reviewed by the CoP Lead, in consultation with the Chairman of the Committee, and if no progress is being made delegated authority is given to the CoP Lead to refuse the application in the absence of an agreed s106 Agreement.

During discussion, one of the local Ward Members requested that additional conditions be applied to the permission, being a requirement for a Construction Management Plan (to regulate delivery times and hours of work) and removal of PD rights. The additional conditions were **PROPOSED, SECONDED** and on being put to the vote declared **CARRIED**.

COMMITTEE DECISION: That delegated authority be given to the CoP Lead in consultation with the Chairman of the Committee to approve the application subject to the conditions listed below and the prior satisfactory completion of a Section 106 Agreement

However, in the event that the Section 106 legal agreement remains unsigned six months after this resolution, that the application is reviewed by the CoP Lead, in consultation with the Chairman of the Committee, and if no progress is being made delegated authority is given to the CoP Lead to refuse the application in the absence of an agreed s106 Agreement.

Conditions:

1. Standard time limit for outline permission
2. Reserved matters details
3. Adherence to plans
4. Percolation testing/results and subsequent SuDS detail prior to commencement
5. Fould disposal details prior to commencement
6. Landscape and Ecological Management Plan prior to commencement
7. Unsuspected contamination
8. Completion of highways infrastructure works prior to first use
9. Construction Management Plan to be agreed
10. Removal of PD rights

(b) Application: 3080/17/FUL Ward: Tavistock North

Site Address: Meadowlands Leisure Pool, The Wharf, Tavistock

Erection of rear extension to provide gymnasium and fitness studio, together with other alterations, to allow the upgrade and refurbishment of the Leisure Centre facilities

Case Officer Update: update to recommendation to refer any further conditions deemed necessary by DCC Archaeology

RECOMMENDATION: That delegated authority be given to the CoP Lead in consultation with the Chairman of the Committee to approve the application subject to the addition of any condition deemed necessary following receipt of comments from DCC Archaeologist

During discussion, Members raised concerns over the impact of the construction of the proposal on surrounding car parking facilities. Members felt that a Construction Management Plan would assist and therefore a condition was added to that effect.

COMMITTEE DECISION: That delegated authority be given to the CoP Lead in consultation with the Chairman of the Committee to approve the application subject to the addition of any condition deemed necessary following receipt of comments from DCC Archaeologist

Conditions:

1. Time Limit
2. Accord with plans
3. Landscape scheme
4. Recommendations of ecology report
5. Construction Management Plan to be agreed
6. Any condition deemed necessary by DCC Archaeologist

(c) Application: 2691/17/HHO Ward: Buckland Monachorum

Site Address: Covert House, Yelverton

Extension to dwelling and erection of machinery store

Case Officer Update: None

Speakers included: Supporter – Mr Kim Greeno

RECOMMENDATION: Conditional Approval

During discussion, Members commented on the high quality design of the proposal. One Member asked that an additional condition be included that a Landscaping Plan be agreed.

COMMITTEE DECISION: Conditional Approval

Conditions:

1. Time limit
2. Accordance to plans
3. Materials samples to be submitted and agreed
4. To be used ancillary to the main house, no commercial or business use
5. Landscaping plan to be agreed

***DM&L 36 PLANNING APPEALS UPDATE**

The Committee received and noted the updated list of Planning Appeals including enforcement appeals.

(The Meeting terminated at 12.15pm)

Dated this

Chairman

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At a Meeting of the **HUB COMMITTEE** held at the Council Chamber, Council Offices, Kilworthy Park, Drake Road, **TAVISTOCK** on **TUESDAY** the **28th** day of **NOVEMBER, 2017** at **2.00pm**

Present: Cllr P R Sanders – Chairman

Cllr C Edmonds	Cllr N Jory
Cllr J B Moody	Cllr C Mott
Cllr R Oxborough	Cllr G Parker
Cllr R F D Sampson	Cllr L Samuel

In attendance: Executive Director (Strategy and Commissioning)
Executive Director (Service Delivery and Commercial Development)
Section 151 Officer
Deputy Section 151 Officer
Group Manager Business Development
CoP Lead Assets
CoP Lead Environmental Health
Senior Specialist Place and Strategy
Specialist (Revenues)
Specialist, Housing Benefits
Specialist Housing
Senior Specialist, Environmental Health
Specialist Democratic Services

Other Members in attendance:

Cllrs Cheadle, Evans, Kimber, Lamb, Leech, Moyse, Musgrave, Pearce, Sheldon and Yelland

***HC 38 APOLOGIES FOR ABSENCE**

There were no apologies for absence received for this meeting.

***HC 39 DECLARATIONS OF INTEREST**

Members were invited to declare any interests in the items of business to be discussed and the following were made:

Cllr N Jory declared a Disclosable Pecuniary Interest in Item 7: Medium Term Financial Position 2018/19 by virtue of the report mentioning the Business Information Point and him being in receipt of part time employment from this organisation. He left the meeting for the duration of this item.

Cllrs C Edmonds, C Mott, J Moody, G Parker and P R Sanders abstained from the vote on Item 17: Residential Property Purchase, by virtue of being Members or Substitute Members of the Development Management and Licensing Committee and not wishing to fetter their ability to take part in the decision on any planning application that may arise as a result of the proposal.

***HC 40 MINUTES**

The Minutes of the Hub Committee meeting held on 31 October 2017 were confirmed and signed by the Chairman as a correct record.

HC 41**QUARTER 2 REVENUE BUDGET MONITORING 2017/18**

Members were presented with a report that enabled them to monitor income and expenditure variations against the approved budget for 2017/18, and provided a forecast for the year end position. The report also included a recommendation relating to the transfer of underspend on Homelessness Prevention into the Homelessness Earmarked Reserve at the end of the 2017/18 financial year.

The Lead Member for Resources and Performance introduced the report.

It was then **RESOLVED** that:

- 1) The forecast income and expenditure variations for the 2017/18 financial year and the overall projected underspend of £25,000 be noted; and
- 2) That Council be **RECOMMENDED** to transfer the underspend on Homelessness Prevention into the Homelessness Earmarked Reserve at the end of the 2017/18 financial year (this is expected to be £65,000).

HC 42*CAPITAL BUDGET MONITORING 2017/18**

Members were presented with a report that advised of the financial position as at 31 October 2017 for the purposes of budget monitoring. All capital projects were within the individual capital budgets approved by Members and therefore capital schemes were within budget.

The Lead Member for Resources and Performance introduced the report.

It was then **RESOLVED** that the report be noted.

HC 43*MEDIUM TERM FINANCIAL POSITION 2018/19 ONWARDS**

Members were presented with a comprehensive report that set out the latest financial position for West Devon Borough Council including the savings realised through shared services with South Hams District Council, the revised projected budget gap following the work undertaken in the Members' Budget Workshop, and the formation of a cross party Member Group to look at options for securing financial stability in the longer term.

The Leader introduced the report and responded to questions arising on matters within the report.

It was then **RESOLVED** that:

1. progress and the content of the latest Budget Proposals for 2018/19 to date be noted; and
2. it be noted that the Partnership Task & Finish Group will make recommendations to the January Overview and Scrutiny Committee meeting regarding recommended future funding levels for the Council's various Partnerships (as outlined in presented Appendix F).

HEART OF THE SOUTH WEST – JOINT COMMITTEE

Members were presented with a report that sought approval of the recommendations arising from the Heart of the South West (HotSW) Leaders to form a Joint Committee. The key role of the Joint Committee would be to develop, agree and ensure the implementation of the Productivity Strategy which could only be achieved by working, where appropriate, in collaboration with the individual constituent authorities and the LEP.

The Leader introduced the report. During discussion, the following points were raised:

- the merits of Cornwall being included within the Heart of the South West area were recognised;
- whether or not the resource put into the Joint Committee would result in action; and
- in terms of assessing the performance of the Productivity Plan, the Executive Director (Strategy and Commissioning) advised that performance would be measured through a delivery plan but, at this stage, the Committee was looking at the overall Strategy.

It was then **RESOLVED** that Council be **RECOMMENDED** to:

- a) Approve the recommendation of the HotSW Leaders (meeting as a shadow Joint Committee) to form a Joint Committee for the Heart of the South West;
- b) Approve the Arrangements and Inter-Authority Agreement documents set out in appendices A and B for the establishment of the Joint Committee with the commencement date of Monday 22 January 2018;
- d) Appoint the Leader and the Deputy Leader as the Council’s named representative and substitute named representative on the Joint Committee;
- c) Appoint Somerset County Council as the Administering Authority for the Joint Committee for a 2 year period commencing 22 January 2018;
- e) Approve the transfer of the remaining joint devolution budget to meet the support costs of the Joint Committee for the remainder of 2017/18 financial year subject to approval of any expenditure by the Administering Authority;
- f) Approve an initial contribution of £1,400 for 2018/19 to fund the administration and the work programme of the Joint Committee, noting that any expenditure will be subject to the approval of the Administering Authority;
- g) Agree that the key function of the Joint Committee is to approve the Productivity Strategy (it is intended to bring the Strategy to the Joint Committee for approval by February 2018);
- h) Authorise the initial work programme of the Joint Committee aimed at the successful delivery of the Productivity Strategy; and
- i) Agree the proposed meeting arrangements for the Joint Committee including the timetable of meetings for the Joint Committee as proposed in paragraph 2.14 of the presented agenda report.

HC 45

LOW COST SELF AND CUSTOM BUILD INITIATIVE FOR LOCAL PEOPLE

Members were presented with a report that sought approval to implement the custom self-build initiative through the current policy (H37) and the emerging policy TTV31. It was expected that the initiative would increase the supply of accessible affordable homes for local people within the Borough.

Importantly, homes built through the initiative would be affordable by virtue of the caveats that applicants and subsequent owners would need to adhere to.

The Lead Member for Strategic Planning and Housing introduced the report and responded to questions.

It was then **RESOLVED** that Council be **RECOMMENDED**:

1. To implement the custom self-build initiative through the current policy (H37) and the emerging policy TTV31;
2. That the initiative is included in the emerging SPD;
3. That the New Burdens funding is committed to additional staff resource; and
4. That Hub Committee **RESOLVES** to review the supply and progress of the custom self-build initiative periodically.

HC 46

BUSINESS RATES – SECTION 47 DISCRETIONARY BUSINESS RATE RELIEF POLICY

Members were presented with a report that sought consideration and recommendation of the Business Rate Relief Policy covering the decision made by the Rate Relief Panel under Section 47 of the Local Government Finance Act.

The Lead Member for Economy introduced the report.

It was then **RESOLVED** that Council be **RECOMMENDED** that a Business Rate Relief Policy for the discretionary relief awarded by the Rate Relief Panel be adopted.

HC 47

COUNCIL TAX REDUCTION SCHEME 2018/19

Members were presented with a report that set out how it was an annual requirement for Councils to revisit their existing council tax support scheme and make a decision as to whether to replace or revise it.

The Lead Member for Health and Wellbeing introduced the report. During discussion, Members expressed the view that the proposal set out in the report was worthwhile.

It was then **RESOLVED** that Council be **RECOMMENDED** to continue with the existing Council Tax Reduction scheme for 2018/19 with the uprate of Personal Allowances, Premiums and Non Dependent deductions in line with national welfare benefits.

HC 48**DIRECT LETS SCHEME**

Members were presented with a report that asked to consider the introduction of a private sector letting scheme in West Devon. The purpose of a private sector letting scheme was to recruit private sector landlords to let their properties via the Local Authority letting scheme with the Local Authority acting as a managing agent. Such schemes were designed to increase the availability of affordable quality housing to address housing need in the West Devon area. The proposed scheme was a key action in the five year homeless strategy.

The Lead Member for Health and Wellbeing introduced the report and responded to questions. During debate, Members expressed their support for the scheme.

It was then **RESOLVED** to **RECOMMEND** to Council:

1. The introduction of a Local Authority Lettings Scheme for private rented accommodation managed by local authority staff; and
2. Approval for the appointment of one 0.6 FTE L7 Case Manager for the delivery of the scheme.

HC 49**PURCHASE OF 18 NORTH ROAD, OKEHAMPTON**

Members were presented with a report that sought authority to purchase the residential property 18 North Road, Okehampton.

The Lead Member for Assets introduced the report. During discussion Members were keen to support the proposal.

It was then **RESOLVED** that Council be **RECOMMENDED** to:

1. purchase the residential property 18 North Road, Okehampton to support future development ambitions for Wonnacotts Meadow and to provide short term emergency accommodation for families in this area;
2. fund the purchase set out in Appendix A, along with legal and associated costs, from the Innovation Fund (Invest to Earn) Earmarked Reserve; and
3. authorise the CoP Lead Assets in consultation with the s151 Officer and Lead member for Assets to conclude the purchase on the terms agreed as referred to in Appendix A of the presented agenda report.

HC 50*ICT PROCUREMENT OPTIONS**

Members were presented with a report that set out how the Council was seeking to procure a modern cloud hostable system or systems capable of realising further efficiencies and financial savings while delivery improved customer facing services, workflow and back office systems with seamless integration. The report set out the progress made so far.

The Lead Member for Resources and Performance introduced the report. The Group Manager set out the two parts of the process as being evaluation and procurement, and confirmed that Members would be involved in both parts of the process.

It was then **RESOLVED** that officers be supported in their investigation and evaluation of computer systems capable of replacing the current solution acquired under T18 (as set out in paragraph 4 of the presented report)..

***HC 51 FOOD SAFETY AUDIT REPORT**

Members were presented with a report that outlined the Action Plan that had been developed to implement the recommendations contained within the Food Standards Agency's Audit Report arising from the Food Standards Agency Audit carried out in July 2017. The report also introduced the Food Safety Service Plan 2017/18.

The Lead Member for Health and Wellbeing introduced the report. He and the CoP Lead Environmental Health responded to questions. During discussion, the CoP Lead confirmed that the actions included within the service plan could be undertaken within budget. One Member asked if food safety advice should be charged for and, in response, the CoP Lead stated that it may be prudent to explore charging but this should be balanced against the regulatory work that was carried out.

It was then **RESOLVED** that:

1. The Committee had been given the opportunity to comment upon the content of the Food Standards Agency Audit and the Action Plan being implemented to maintain and improve performance within the Food Safety function be endorsed; and
2. The content of the Food Safety Service Plan 2017/18 be agreed and endorsed.

HC 52 ANNUAL REVIEW OF HEALTH AND SAFETY POLICY

Members were presented with a report that set out how the Council was required to prepare a written health and safety policy statement and that the policy should be agreed and signed off by the Head of Paid Service and the Leader of Council. The policy was required to be reviewed annually and where appropriate, revised to reflect any significant change within the organisation. The updated policy was attached at Appendix A.

The Leader introduced the report and it was noted that the Overview and Scrutiny Committee had also considered the draft Policy at its meeting on and had recommended that it be approved (Minute O&S 34 refers)

It was then **RESOLVED** that Council be **RECOMMENDED** that the revised Health and Safety Policy be adopted and that it is signed by the Head of Paid Service and Leader of the Council.

HC 53 RESIDENTIAL PROPERTY PURCHASE

(Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information))

Members were presented with an exempt report that sought approval for the acquisition of 18 new build residential units.

It was then **RESOLVED** that Council be **RECOMMENDED**:

1. That subject to specialist external legal and treasury management advice, Council should formally agree to acquire up to 18 residential units as outlined in appendix 3 of this report.
2. To borrow up to £2.55 million from the Public Works Loan Board (PWLB) to fund the acquisition costs
3. To increase the borrowing limits of the Council by £2.55 million in the Council's Treasury Management Strategy. (NB. A revised treasury management strategy will be presented to Council on 5 December 2017);
4. Subject to approval of points 1 to 3 above, that the Head of Paid Service, in consultation with the Deputy Leader, Lead Member for Assets and the s151 officer, is given delegated authority to agree (without further recourse to the Council):
 - a) Any minor deviations from the draft terms detailed in Appendix 3. A major deviation (overall spend) will be returned to Council for consideration.
 - b) the structure of the borrowing to cover the acquisition (up to a maximum of £2.55m)
 - c) Which properties will be sold or which will be retained to let
 - d) The terms applicable to any sale or property let.
5. That the Business Development Group Manager, in consultation with the Head of Paid Service, the s151 officer and the Lead Member for Assets, identify the most appropriate structure to hold any properties retained to let. If a new company structure is required, this will be brought back to this committee and Council for approval in due course.

(The meeting terminated at 4.50 pm)

Chairman

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Report to: **Full Council**
Date: **5 December 2017**
Title: **Head of Paid Service Replacement**
Portfolio Area: **Cllr Philip Sanders – Leader of the Council**

Wards Affected: **All**

Relevant Scrutiny Committee:

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: A version of this report will also be considered by the SHDC Council at its meeting on 14 December 2017

Author: **Steve Jorden** Role: **Executive Director, Strategy and Commissioning & HoPS**

Contact: **Telephone/email: steve.jorden@swdevon.gov.uk**

Recommendations:

1. That the Council designates the Executive Director for Service Delivery and Commercial Development to be the Head of Paid Service for an interim period until the end of the current administration (May 2019) with an option to extend for a further period if required.
2. That a report be brought back to the Council towards the end of the interim period to consider the permanent strategic leadership and senior management arrangements.
3. That the Executive Director for Service Delivery and Commercial Development receives an uplift of £3,000 in recognition of the Head of Paid Service responsibilities.
4. That Members approve a further salary uplift of £10,000 for the Executive Director in recognition of the extra duties that will need to be undertaken as a result of there being only one Executive Director during the interim period.

5. That the Executive Director for Service Delivery and Commercial Development maintains strategic leadership and senior management capacity by allocating additional responsibilities to members of the senior and extended leadership team, in consultation with the Leader and Deputy Leader.
6. That a review of the arrangements takes place after 6 months to ensure that all responsibilities are being satisfactorily covered.

1. **Executive summary**

- 1.1 The Council has a statutory duty to designate a Head of Paid Service to replace the incumbent officer who has tendered his resignation.
- 1.2 The report proposes that the Council adopts an interim arrangement to secure a period of stability and continuity and designates the current Executive Director for Service Delivery and Commercial Development the Head of Paid Service for the remainder of this administration (until May 2019).
- 1.3 If Members agree the recommendations the new Head of Paid Service will need to ensure that enough capacity is maintained within the Senior Leadership team to undertake all the functions necessary to continue moving the organisation forward.
- 1.4 This will necessitate asking a number of existing Senior and Extended Leadership Team to 'act up', the details of which will be agreed by the HoPS, in consultation with the Leader and Deputy Leader.
- 1.5 In recognition of the extra duties that will be incurred as a result of having only one Executive Director, Members may wish to enhance the salary of the Executive Director for Service Delivery and Commercial Development by £10,000 per annum, for the duration of the interim period.

2. **Background**

- 2.1. On 16th November 2017, the Executive Director for Strategy and Commissioning and Head of Paid Service tendered his resignation. His last day of employment with the Councils will be 18th February 2018.
- 2.2. Under the provisions of section 4 of the Local Government and Housing Act 1989, the Council must designate a Head of Paid Service. This duty currently attracts a salary supplement of £3,000 per annum.
- 2.3. The current structure consists of two Executive Directors, and 4 Level 2 officers making up the Senior Leadership Team.

3. **Outcomes/outputs**

- 3.1. Over the next 18 months, the Council will be facing a number of significant challenges and opportunities. Alongside business as usual and completing the T18 programme, it needs to address a budget deficit, undergo a procurement exercise to find our next ICT partner and consider (and commission) the future delivery of waste and recycling services.

- 3.2. Given the scale of the challenges, it is important that the Council retains stability and continuity in its strategic leadership and senior management capacity.

4. Options available and consideration of risk

- 4.1. There are three principal options available to the Council, each of which would involve some interim arrangements being in place until the option is implemented.
- 4.2. First, the Council could seek to replace the incumbent post holder and retain the existing senior leadership structure.
- 4.3. Second, it could move to a different structure to replace the current Executive Director arrangements.
- 4.4. Third, it could agree a longer, interim approach (until the end of the current administration in 2019) and designate the Head of Paid Service and the Strategy and Commissioning responsibilities to the existing Executive Director for Service Delivery and Commercial Development with appropriate support from the Senior and Extended Leadership Team.
- 4.5. The first option would involve a costly recruitment campaign to identify and attract a suitable candidate and a short period of interim arrangements would be necessary.
- 4.6. The second option would involve making both Executive Director roles redundant and recruiting to a new structure; this would also involve a short period of interim arrangements and may incur redundancy costs.
- 4.7. By adopting the third option, the Council would secure stability and continuity. Other members of the senior and extended leadership team can be given additional responsibilities (including the role of deputising for the remaining Executive Director) to ensure the Council maintains sufficient strategic leadership and senior management capacity. It would also achieve a temporary saving by holding one of the Executive Director roles vacant. However, it is proposed that approximately 40% of that saving be set aside to cover any special responsibility allowances that are put in place for the interim period.
- 4.8. The third proposal would be intended to give continuity until the end of this political administration. After the interim period, the Council can determine the best long term solution. It is anticipated that there will be more clarity about key financial issues (such as Business Rates retention and the fair funding formula by 2019 which would inform the future structure).
- 4.9. It is proposed that, should the 3rd option be agreed, then a review of the interim arrangements is carried out after 6 months to make sure that responsibilities are being covered satisfactorily.
- 4.10. The options have been discussed by the Leader and Deputy Leader, in consultation with the Leader and Deputy Leader of South Hams District Council.

5. Proposed Way Forward

- 5.1. It is proposed that the Council adopts an interim arrangement to replace the current Executive Director and Head of Paid Service until the end of this administration in May 2019 by designating the existing Executive Director for

Service Delivery and Commercial Development as Head of Paid Service. There should be an option to extend this for a short period should Members of the new administration wish to do so.

- 5.2. It is further proposed that the Executive Director for Service Delivery and Commercial Development, in consultation with the Leader and Deputy Leader of both Councils, allocates strategic leadership and senior management responsibilities to other members of the current senior and extended leadership team to maintain sufficient capacity. It is recommended to set aside £40,000 for special responsibility allowances (£20,000 each Council). This is further explained in the Financial Implications in Section 6.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	The Council has a statutory duty under section 4 of the Local Government and Housing Act 1989 to designate a Head of Paid Service.
Financial		<p>If the proposal (the third option) is approved, there is an interim saving of £108,000 per annum by not appointing to the vacant Executive Director role and also modelling in a salary increase of £13,000 in recognition of the extra duties that will be incurred as a result of having only one Executive Director, this includes the salary supplement for the Head of Paid Service role.</p> <p>It is recommended to set aside £40,000 for special responsibility allowances as detailed in 5.2 (£20,000 each Council), producing a net saving position of £68,000 (shared 50%/50% across both Councils).</p> <p>It is for each Council to decide whether to make a temporary saving of £34,000 (this is only an interim arrangement) or whether to use this amount to improve services/increase capacity (again only temporary).</p> <p>It should be noted that if the second option is selected then the cost of redundancy for the remaining Executive Director may be incurred.</p>
Risk		The report needs to clearly set out all the significant risks associated with the decision. Significant risk can be defined as the chances of something going wrong that has a material impact on the Council.

		<p>Risks may fall under any of the following categories: performance/customer satisfaction, legal/legislative compliance, finance, project management/management of significant change, procurement, staffing, partnerships/relationships with other bodies, information technology, property, equipment and infrastructure and fraud and corruption.</p> <p>Where the risk information is an integral part of the main body of the report reference to the relevant sections should be made.</p> <p>Guidance: Where the risks associated with the decision are significant input into their assessment and if required, the wording of this section would be appropriate from the Council's SLT Rep, S151 Officer and Legal CoP</p>
Comprehensive Impact Assessment Implications		
Equality and Diversity		There are no Equality and Diversity implications.
Safeguarding		There are no Safeguarding implications.
Community Safety, Crime and Disorder		There is no potential positive or negative impact on crime and disorder reduction
Health, Safety and Wellbeing		
Other implications		

Supporting Information

None

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Report to: **Council**

Date: **5 December 2017**

Title: **2017/18 Treasury Management Strategy**

Portfolio Area: **Resources and Performance – Cllr C Edmonds**

Wards Affected: **All**

Relevant Scrutiny Committee:

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: Immediately

Authors: Lisa Buckle Role: **Strategic Finance Lead (S151 Officer)**

Contact: **Email Lisa.buckle@swdevon.gov.uk 01803 861413**

Recommendations:

That the Council approves the following:

1. The prudential indicators and limits for 2017/18 to 2019/20 contained within Appendix A of the report.
2. The Minimum Revenue Provision (MRP) statement contained within Appendix A which sets out the Council's policy on MRP
3. The revised Treasury Management Strategy for 2017/18 and the treasury prudential indicators 2017/18 to 2019/20 contained within Appendix B.
4. The Investment Strategy 2017/18 Appendix C and the detailed criteria included in Appendix D.

1. Executive summary

This report seeks approval of a revised Treasury Management and Investment Strategies together with their associated prudential indicators. Good financial management and administration underpins the entire strategy.

Also on this Council agenda is a recommendation for a Commercial Property Acquisition Strategy Amendment, which would enable the Council to borrow up to £37.45 million (for a £35 million portfolio).

The Treasury Management Strategy for 2017/18 has been revised to include the proposals within the Commercial Property Acquisition Strategy Amendment and the Council's Borrowing Limits have been increased to £37.45 million for this aspect.

If the Commercial Property Acquisition Strategy is approved by Council on 5th December, the Council will also need to approve this revised Treasury Management Strategy for 2017/18.

The budget for investment income for 2017/18 has been set at £70,321. This is £25,000 higher than for 2016/17, due to predicted income from the investment in CCLA in 2017/18 (see below).

At Council in February 2017, it was approved (Minute CM54 and HC50) that a sum of £500,000 be used to invest in CCLA's (CCLA Investment Management Limited) Local Authorities Property Fund, with the investment being placed in 2017/18.

There is also a recommendation on the Council agenda to borrow a further £2.55 million to fund a Residential Property Purchase (Minute HC53 refers). This borrowing would not take place until 2019/20 at the earliest.

2. Background

The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's risk appetite on investments, providing adequate liquidity initially before considering investment return.

The second main function of the treasury management service is the funding of the Council's capital plans.

These capital plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses.

CIPFA defines treasury management as:

“The management of the local authority’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

2.1 Reporting requirements

The Council is required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals.

Prudential and treasury indicators and treasury strategy (this report) -

The first, and most important report covers:

- The capital plans (including prudential indicators);
- A minimum revenue provision (MRP) policy
- The treasury management strategy (how the investments and borrowings are to be organised) including treasury indicators; and
- An investment strategy (the parameters on how investments are to be managed).

A mid year treasury management report – This will update members with the progress of the capital position, amending prudential indicators as necessary, and whether any policies require revision.

An annual treasury report – This provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

Scrutiny - The above reports are required to be adequately scrutinised before being recommended to the Council. The three reports above are presented to the Audit Committee at the relevant times in the calendar year.

2.2 Treasury Management Strategy for 2017/18

The strategy for 2017/18 covers two main areas:

Capital issues

- The capital plans and the prudential indicators;
- The minimum revenue provision (MRP) policy.

Treasury management issues

- The current treasury position;
- Treasury indicators which limit the treasury risk and activities of the Council;
- Prospects for interest rates;
- The borrowing strategy;
- Policy on borrowing in advance of need;
- The investment strategy;
- Creditworthiness policy; and
- Policy on use of external service providers.

These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, CLG MRP Guidance, the CIPFA Treasury Management Code and CLG Investment Guidance.

2.3 Training

The CIPFA Code requires the responsible officer to ensure that Members with responsibility for treasury management receive adequate training in treasury management. Treasury management training will be organised for Members during the 2017-18 financial year.

2.4 Treasury management advisors

The Council uses Capita Asset Services, Treasury solutions as its external Treasury Management advisors.

The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

3. Outcomes/outputs

The budget for investment income for 2017/18 has been set at £70,321. This is £25,000 higher than for 2016/17, due to predicted income from the investment in CCLA in 2017/18 (see Section 1).

4. Options available and consideration of risk

In order to maximise investment returns the Council needs to be able to either increase our investment portfolio which could potentially mean increasing the risk factor or maintain the current list of Counterparties but further increase the limit we can invest in each to avoid using those with the lowest rate of return.

5. Proposed Way Forward

If the Commercial Property Acquisition Strategy is approved by Council on 5th December and the Residential Property Purchase is approved, the Council will also need to approve this revised Treasury Management Strategy for 2017/18, to increase the Council's Borrowing limits respectively.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	The elements set out in paragraph 2.2 cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, the CIPFA Treasury Management Code, the Department for Communities and Local Government (DCLG) Investment Guidance and the DCLG MRP Guidance.
Financial	Y	Good financial management and administration underpins the entire strategy. The budget for investment income for 2017/18 is £70,321. As at 31/3/17 (Balance Sheet position), the Council had £8,450,000 in investments. On 5 th December 2017 the Council will consider an amended commercial property acquisition strategy. The recommendations are:-

		<p>APPROVE & IMPLEMENT the amended commercial property acquisition strategy as detailed in Appendix A</p> <p>BORROW funds on fixed rate terms from the appropriate source in order to pursue this strategy. To complete tranche 1 this would require total borrowing of up to £37.45m (£35m plus acquisition costs of 7%)</p> <p>If the Commercial Property Acquisition Strategy is approved by Council on 5th December, the Council will also need to approve this revised Treasury Management Strategy for 2017/18.</p> <p>There is also a recommendation on the Council agenda to borrow a further £2.55 million to fund a Residential Property Purchase (Minute HC53 refers). This borrowing would not take place until 2019/20 at the earliest.</p>
Risk	Y	<p>The security risk is the risk of failure of a counterparty. The liquidity risk is that there are liquidity constraints that affect the interest rate performance. The yield risk is regarding the volatility of interest rates/inflation.</p> <p>The Council has adopted the CIPFA Code Of Practice for Treasury Management and produces an Annual Treasury Management Strategy and Investment Strategy in accordance with CIPFA guidelines.</p> <p>The Council engages a Treasury Management advisor and a prudent view is always taken regarding future interest rate movements. Investment interest income is reported quarterly to SLT and the Hub Committee as part of the budget reports.</p>
Comprehensive Impact Assessment Implications		
Equality and Diversity	N	N/a

Safeguarding	N	N/a
Community Safety, Crime and Disorder	N	N/a
Health, Safety and Wellbeing	N	N/a
Other implications	N	none

Supporting Information

Appendices:

- Appendix A - The Capital Prudential indicators 2017/18 to 2019/20.
- Appendix B - The Treasury Management Strategy 2017/18
- Appendix C - The Investment Strategy
- Appendix D - Treasury Management Practice (TMP 1) – Credit and Counterparty Risk Management
- Appendix E - Treasury Management Scheme of delegation
- Appendix F - Glossary of Terms Appendix

Background Papers:

- Audit Committee: 15/03/16 - TMS & Annual Investment Strategy 2016-17
- Audit Committee: 27/09/16 - Annual TM Report 2015-16
- Audit Committee: 10/01/17 - TMS (Mid Year Update)
- Audit Committee: 21/03/17 -TMS and Annual Investment Strategy for 2017-18
- Council: 11/04/2017 – TMS and Annual Investment Strategy

APPENDIX A

THE CAPITAL PRUDENTIAL INDICATORS 2017/18 – 2019/20

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist Members' overview and confirm capital expenditure plans.

Capital expenditure

This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts:

Capital expenditure	2015/16 Actual £000	2016/17 Estimate £000	2017/18 Estimate £000	2018/19 Estimate £000	2019/20 Estimate £000
Total	300	651	41,970	901	3,151

The capital expenditure estimates have been increased by £37.45 million in 2017/18 for the recommendations set out within the commercial property acquisition strategy. Similarly estimates for 2019/20 have been increased by £2.55 million for the Residential Property Purchase (HC 53).

This is explained in the Executive Summary of this report. The table below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

The Capital Programme for 2017/18 will be financed as below:

Capital expenditure	2015/16 Actual £000	2016/17 Estimate £000	2017/18 Estimate £000	2018/19 Estimate £000	2019/20 Estimate £000
Total	300	651	41,970	901	3,151
Financed by:					
Capital receipts	32	0	0	0	0
Capital grants	244	239	402	402	402
Earmarked Revenue Reserves	24	0	80	0	0
New Homes Bonus	0	412	88	199	199
Net financing need for the year (This is the prudential borrowing required for the capital investment in leisure, the waste fleet, commercial property and residential property purchase)	Nil	Nil	41,400	300	2,550

The Council's borrowing need (the Capital Financing Requirement)

The second prudential indicator is the Council's Capital Financing Requirement (CFR). It is essentially a measure of the Council's underlying need to borrow.

In 2016/17 the Council has agreed to undertake prudential borrowing for the new leisure contract. The Council has also agreed borrowing for the waste fleet vehicles.

The Capital Financing Requirement has been increased by £37.45 million in 2017/18 to reflect the recommendations within the commercial property acquisition strategy. This is further explained within the Executive Summary of this report.

	2015/16	2016/17	2017/18	2018/19	2019/20
	Actual £000	Actual £000	Estimate £000	Estimate £000	Estimate £000
Capital Financing Requirement (CFR)					
Total CFR	1,757	1,715	43,073	42,610	44,375
Movement in CFR	-42	-42	41,358	-463	1,765
Net Financing need for the year	0	0	41,400	300	2,550
Less MRP and other financing movements	-42	-42	-42	-763	-785
Net borrowing requirement	-42	-42	41,358	-463	1,765

Minimum revenue provision (MRP) policy statement

Regulation 28 of the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2003 states that 'A local authority shall determine for the current financial year an amount of minimum revenue provision which it considers to be prudent'. The provision is made from revenue in respect of capital expenditure financed by borrowing or credit arrangements.

With all options MRP should normally commence in the financial year following the one in which expenditure was incurred. Regulation 28 does not define 'prudent'. However MRP guidance has been issued, which makes recommendations to authorities on the interpretation of that term. Authorities are legally obliged to 'have regard' to the guidance.

The first recommendation given by the guidance is to prepare, before the start of each financial year, an annual statement of the policy on making MRP in respect of that financial year and submit this to Full Council for approval.

The guidance aims to ensure that the provision for the repayment of borrowing which financed the acquisition of an asset should be made over a period bearing some relation to that over which the asset continues to provide a service.

The MRP policy to be adopted is as below:-

Borrowing	MRP Methodology
Commercial Property acquisition (Borrowing of up to £37.45 million) Residential Property Purchase	<p>Annuity Method (over the 50 years)</p> <p>Under this calculation, the revenue budget bears an equal annual charge (for principal and interest) over the life of the asset by taking into account the time value of money. Since MRP only relates to the 'principal' element, the amount of provision made annually gradually increases during the life of the asset. The interest rate used in annuity calculations will be referenced to prevailing average PWLB rates. Under this example, the MRP charge in Year 1 on a £37.45 million borrowing would be £367,000, this rises to £377,000 in Year 2 etc.</p>
Waste Fleet, Leisure Investment and Kilworthy Park	<p>Asset Life Method</p> <p>MRP is charged using the Asset Life method – based on the estimated life of the asset.</p> <p>This option provides for a reduction in the borrowing need over approximately the asset's life.</p>

Affordability prudential indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans.

These provide an indication of the impact of the capital investment plans on the Council's overall finances. The Council is asked to approve the following indicators:

Ratio of financing costs to net revenue stream

This indicator identifies the trend in the receipt of net investment income against the net revenue stream. It is calculated by dividing investment income and interest received by the Council's Net Budget Requirement.

The financing costs have been increased to reflect the proposals within the commercial property acquisition strategy. These proposals have increased this indicator in 2018/19 and 2019/20.

	2015/16	2016/17	2017/18	2018/19	2019/20
	Actual	Estimate	Estimate	Estimate	Estimate
Ratio of net financing cost to net revenue stream. This is a net cost.	1.1%	1.1%	3.4%	26.7%	27.9%

Estimates of the incremental impact of capital investment decisions on council tax

This indicator calculates the notional cost of the impact of lost investment income on the Council Tax, from spending capital resources.

The estimates of the impact on council tax (this is a notional indicator) have been revised for the proposals set out in the commercial property acquisition strategy.

The commercial property acquisition strategy has the potential to contribute to the forecast budget gap by £520,000 as set out in the report. If the borrowing for the Waste Fleet and for Leisure are excluded, the expected benefit from the commercial property acquisition strategy would equate to a benefit of (£3.70) in 2017/18, rising to (£25.80) in 2018/19 and (£23.17) in 2019/20.

These figures are the incremental impact of capital investments decisions on a Band D council tax (surplus). These figures are included within the 'future incremental impact of capital investment decisions on the Band D Council Tax' shown below.

The cost shown in 2017/18 of £1.96 and in 2019/20 of £0.36 are due to the fact that the financing costs and MRP costs of the waste fleet, leisure investment and residential property purchase are also included.

	2015/16	2016/17	2017/18	2018/19	2019/20
	Actual	Estimate	Estimate	Estimate	Estimate
	£	£	£	£	£
Future incremental impact of capital investment decisions on the band D Council tax (Notional cost/(surplus))	0.01	0.06	1.96	(2.61)	0.36

TREASURY MANAGEMENT STRATEGY (BORROWING)

Introduction

The capital expenditure plans set out in Appendix A provide details of the service activity of the Council. The treasury management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.

Current Portfolio Position

The Council's treasury portfolio position at 31 March 2017, with forward projections are summarised below. The table shows the actual external debt (the treasury management operations), against the underlying capital borrowing need (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

	2015/16	2016/17	2017/18	2018/19	2019/20
	Actual	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000
External Debt					
Debt at 1 April	2,100	2,100	2,100	43,500	46,350
Expected change in debt					
Debt at 31 March	2,100	2,100	43,073	42,610	44,375
CFR	1,757	1,715	43,073	42,610	44,375
Under/(over) borrowing	-343	-385	-	-	-
Investments					
Total Investments at 31 March	7,875	8,450	8,000	8,000	8,000
Net (Investment)/Debt	-5,775	-6,350	35,073	34,610	36,375

Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2017/18 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes.

The Capital Financing Requirement has been increased by £37.45 million in 2017/18 to reflect the recommendations within the commercial property acquisition strategy. This is further explained within the Executive Summary of this report.

The S151 Officer reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.

Treasury Indicators: Limits to borrowing activity

The Operational Boundary – This is the limit beyond which external debt is not normally expected to exceed. This is the maximum level of external debt for cash flow purposes.

Operational Boundary	2015/16 Estimate £	2016/17 Estimate £	2017/18 Estimate £	2018/19 Estimate £
Borrowing	3,000,000	3,000,000	45,000,000	47,500,000
Other long term liabilities	-	-	-	-
Total	3,000,000	3,000,000	45,000,000	47,500,000

The Authorised Limit for External Debt – A further key prudential indicator represents a control on the overall level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by Full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. This provides headroom over and above the operational boundary for unusual cash movements. This is the maximum amount of money that the Council could afford to borrow.

1. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although no control has yet been exercised.

The figures in 2017/18 have increased to reflect the proposed borrowing for the new leisure contract and potential additional borrowing for the waste fleet.

The Operational Boundary has been increased by £37.45 million in 2017/18 to reflect the recommendations within the commercial property acquisition strategy. This is further explained within the Executive Summary of this report. Similarly the limits in 2019/20 have been increased by £2.55 million for the residential property purchase (HC 53).

2. The Council is asked to approve the following Authorised Limit:

Authorised limit	2015/16 Estimate £	2016/17 Estimate £	2017/18 Estimate £	2018/19 Estimate £
Borrowing	6,000,000	6,000,000	48,000,000	50,500,000
Other long term liabilities	-	-	-	-
Total	6,000,000	6,000,000	48,000,000	50,500,000

The figures in 2017/18 have increased to reflect the proposed borrowing for the new leisure contract and potential additional borrowing for the waste fleet.

The Authorised Limit has been increased by £37.45 million in 2017/18 to reflect the recommendations within the commercial property acquisition strategy. This is further explained within the Executive Summary of this report. Similarly the limits in 2019/20 have been increased by £2.55 million for the residential property purchase (HC 53).

Prospects for interest rates

The Council's treasury advisor, Capita Asset Services, has provided the following forecast:

	NOW	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20
BANK RATE	0.50	0.50	0.50	0.50	0.50	0.75	0.75	0.75	0.75	1.00	1.00
5 yr PWLB	1.50	1.50	1.60	1.60	1.70	1.80	1.80	1.90	1.90	2.00	2.10
10 yr PWLB	2.10	2.10	2.20	2.30	2.40	2.40	2.50	2.60	2.60	2.70	2.70
25 yr PWLB	2.70	2.80	2.90	3.00	3.00	3.10	3.10	3.20	3.20	3.30	3.40
50 yr PWLB	2.40	2.50	2.60	2.70	2.80	2.90	2.90	3.00	3.00	3.10	3.20

The predicted interest rate forecast from our treasury management advisors, Capita, is that interest rates will remain at 0.5% up to September 2018 and then in December 2018 the base rate is predicted to rise to 0.75%. By December 2019 the bank base rate is predicted to increase to 1%.

Borrowing Strategy

In July 2016 (Minute CM28) the Council agreed to undertake prudential borrowing for the new leisure contract. There is predicted to be £1.2 million of Leisure investment in 2017/18 (this is shown in the movement in CFR). The remaining leisure investment occurs in 18/19.

Also at Council on 26 July 2016 (Minute CM27), Council agreed that the Council enters into an external Waste Management arrangement; for a 2 year period and that the Council proceeds to acquire the fleet required to satisfy the West Devon Waste specification as set out in Appendix D of the July 2016 agenda report. If the cost of the fleet is to be financed through prudential borrowing.

There is also a report on this agenda for a commercial property acquisition strategy. There is a recommendation as part of that report to borrow funding of £37.45 million. The Revised Treasury Management Strategy reflects the increase in borrowing of £37.45 million.

Treasury management limits on activity

There are two related treasury activity limits. The purpose of these are to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of an adverse movement in interest rates. However if these are set to be too restrictive they will impair the opportunities to reduce costs/improve performance. The indicators are:

- Upper limits on fixed interest rate exposure – This covers a maximum limit on fixed interest rates.
- Upper limits on variable interest rate exposure – This covers a maximum limit for variable interest rates.

The Council is asked to approve the following treasury indicators and limits:

Interest rate Exposures	2017/18	2018/19	2019/20
	Upper	Upper	Upper
Limits on fixed interest rates based on net debt	100%	100%	100%
Limits on variable interest rates based on net debt	50%	50%	50%
Limits on fixed interest rates: Debt only	45,000,000	45,000,000	45,000,000
Limits on variable interest rates: Debt only	3,500,000	3,500,000	3,500,000
Maturity Structure of fixed interest rate borrowing 2017/18			
	Lower	Upper	
Under 12 months	0%	10%	
12 months to 2 years	0%	10%	
2 years to 5 years	0%	30%	
5 years to 10 years	0%	50%	
10 years and above	0%	100%	

These are limits that apply to the total portfolio for in house investments.

Policy On Borrowing In Advance Of Need

The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds. Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

Risks associated with any advance borrowing activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

If the Council had to borrow temporarily for cash flow purposes only in an emergency, then the S151 Officer, under delegated powers, will take the most appropriate form of borrowing depending on the prevailing interest rates at the time, taking into account the risks. A report will subsequently be reported to Council. In all other circumstances, approval to borrow money will always be a decision that can only be made by Full Council and a full report will be brought to Members.

Debt Rescheduling

As short term borrowing rates will be considerably cheaper than longer term fixed rates, opportunities to generate savings by switching from long term debt to short term debt are regularly evaluated. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).

The reasons for any rescheduling to take place will include:

- The generation of cash savings and/or discounted cash flow savings
- Helping to fulfil the treasury strategy
- Enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

Consideration will also be given to identify if there is any residual potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt. In light of current interest rates and penalties incurred in repaying debt it is unlikely that debt rescheduling will be undertaken in the near future.

The Council has enquired as to whether there is any opportunity to reschedule the PWLB loan of £2.1 million but the associated early repayment charge and premium that would be charged makes this uneconomic at this stage. All rescheduling will be reported to the Council, at the earliest meeting following its action.

The Investment Strategy**Investment policy**

The Council's investment policy has regard to the CLG's Guidance on Local Government Investments ("the Guidance") and the revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectorial Guidance Notes ("the CIPFA TM Code"). The Council's investment priorities will be security first, liquidity second, then return.

In accordance with the above guidance from the CLG and CIPFA, and in order to minimise the risk to investments, the Council applies minimum acceptable credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the Short Term and Long Term ratings.

Ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To this end the Council will engage with its advisors to maintain a monitor on market pricing such as "credit default swaps" and overlay that information on top of the credit ratings.

Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

Investment instruments identified for use in the financial year are listed in appendix D under the 'specified' and 'non-specified' investments categories. Counterparty limits will be as set through the Council's treasury management practices – schedules.

Creditworthiness policy

This Council applies the creditworthiness service provided by Capita Asset Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard and Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies;
- CDS spreads to give early warning of likely changes in credit ratings;
- sovereign ratings to select counterparties from only the most creditworthy countries.

This modelling approach combines credit ratings, credit Watches and credit Outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the suggested duration for investments. The Council will therefore use counterparties within the following durational bands:

- Yellow 5 years *
- Dark pink 5 years for Enhanced money market funds (EMMFs) with a credit score of 1.25
- Light pink 5 years for Enhanced money market funds (EMMFs) with a credit score of 1.5
- Purple 2 years
- Blue 1 year (only applies to nationalised or semi nationalised UK Banks)
- Orange 1 year
- Red 6 months
- Green 100 days
- No colour not to be used

** Please note: the yellow colour category is for UK Government debt, or its equivalent, money market funds and collateralised deposits where the collateral is UK Government debt –see appendix D.*

The Capita Asset Services' creditworthiness service uses a wider array of information than just primary ratings. Furthermore, by using a risk weighted scoring system, it does not give undue preponderance to just one agency's ratings. Typically the minimum credit ratings criteria the Council use will be a Short Term rating (Fitch or equivalents) of F1 and a Long Term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will be given to the whole range of ratings available, or other information, to support their use.

All credit ratings will be monitored weekly. The Council is alerted to changes to ratings of all three agencies through its use of the Capita Asset Services' creditworthiness service.

- if a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
- in addition to the use of credit ratings the Council will be advised of information in movements in credit default swap spreads against the iTraxx benchmark and other market data on a daily basis via its Passport website, provided exclusively to it by Capita Asset Services. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.

Sole reliance will not be placed on the use of this external service. In addition this Council will also use market data and market information, information on any external support for banks to help support its decision making process.

Country and sector limits

The Council has determined that it will only use UK registered banks and Building Societies.

Investment strategy

In-house funds. Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months).

The predicted interest rate forecast from our treasury management advisors, Capita, is that interest rates will remain at 0.5% up to September 2018 and then in December 2018 the base rate is predicted to rise to 0.75%. By December 2019 the bank base rate is predicted to increase to 1%.

Investment treasury indicator and limit - total principal funds invested for greater than 364 days. These limits are set with regard to the Council's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end. The Council is asked to approve the treasury indicator and limit: -

Maximum principal sums invested > 364 days			
£m	2017/18	2018/19	2019/20
Principal sums invested > 364 days	£2 million	£2 million	£2 million

End of year investment report

At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

Treasury Management Practice (TMP1) – Credit and Counterparty Risk Management

Specified investments – These investments are sterling investments of not more than one-year maturity, or those which could be for a longer period but where the Council has the right to be repaid within 12 months if it wishes. These are considered low risk assets where the possibility of loss of principal or investment income is small. These would include sterling investments which would not be defined as capital expenditure with:

1. The UK Government (such as the Debt Management Account deposit facility, UK treasury bills or a gilt with less than one year to maturity).
2. Supranational bonds of less than one year’s duration.
3. A local authority.
4. Pooled investment vehicles (such as money market funds) that have been awarded a high credit rating by a credit rating agency.
5. A body that is considered of a high credit quality (such as a bank or building society)

Non-specified investments: These are any investments which do not meet the Specified Investment criteria.

CCLA Property Fund investment will be the Council’s only Non-Specified Investment and there is a limit of £0.5 million for this asset class.

A variety of investment instruments will be used, subject to the credit quality of the institution, and depending on the type of investment made it will fall into one of the above categories. The criteria, time limits and monetary limits applying to institutions or investment vehicles are:

	Minimum credit criteria / colour band	Max % of total investments / £ limit per institution	Max. maturity period
DMADF – UK Government	N/A	100%	6 months
Money market funds	AAA	£3 million	Liquid
Enhanced Cash Funds	AAA	£6 million	T + 2
Local authorities	N/A	£3 million	5 years

	Minimum credit criteria / colour band	Max % of total investments / £ limit per institution	Max. maturity period
Property Investment Funds – CCLA	N/A	£500,000	No fixed maturity date but will generally be up to 7 years
Term deposits with banks and building societies	Yellow	£3 million (£4 million for Lloyds – the Council’s Bank)	Up to 5 years
	Purple		Up to 2 years
	Blue		Up to 1 Year
	Orange		Up to 1 Year
	Red		Up to 6 months
	Green		Up to 100 days
	No Colour		Not for use
The Council is not recommending using the following investment vehicles and this is reflected by showing 0% against the limit per institution.			
UK Government gilts	AAA	0%	Yellow (5 years)
UK Government Treasury bills	AAA	0%	6 months
Bonds issued by multilateral development banks	AAA	0%	Yellow (5 years)
CDs or corporate bonds with banks and building societies	Yellow	0%	Up to 5 years
	Purple		Up to 2 years
	Blue		Up to 1 year

	Minimum credit criteria / colour band	Max % of total investments / £ limit per institution	Max. maturity period
	Orange		Up to 1 year
	Red		Up to 6 months
	Green		Up to 100 days
	No colour		Not for use

SPECIFIED INVESTMENTS:

All such investments will be sterling denominated, with maturities up to maximum of 1 year, meeting the minimum 'high' rating criteria where applicable.

	Minimum 'High' Credit Criteria	Use
Debt Management Agency Deposit Facility	-	In-house
Term deposits – local authorities	-	In-house
Term deposits – banks and building societies	Green	In-house

Term deposits with nationalised banks and banks and building societies

	Minimum Credit Criteria	Use	Max total investment	Max. maturity period
UK part nationalised banks	Blue	In-house	£3 million	Up to 1 year

Collective Investment Schemes structured as Open Ended Investment Companies (OEICs): -		
1. Government Liquidity Funds	MMF Rating	In-house
2. Money Market Funds	MMF Rating	In-house
3. Enhanced Cash Funds	EMMF	In-house

Accounting treatment of investments. The accounting treatment may differ from the underlying cash transactions arising from investment decisions made by this Council. To ensure that the Council is protected from any adverse revenue impact, which may arise from these differences, we will review the accounting implications of new transactions before they are undertaken.

A Guide to Money Market Funds	
Definition	A pool of cash managed by an independent fund management company. Frequently these are well known banks or investment houses.
Investment	Investors purchase units (shares) of the fund which are held on their behalf in a custody account.
Returns	Returns in line with either 7-day or 1-month LIBID are targeted by most funds.
Liquidity	The funds are very liquid. Shares can be purchased and sold on the same day if necessary and without penalty. Deals are subject to a cut-off time which varies from manager to manager but can be as late as 2pm.
Variety	Two types of classes exist – <ol style="list-style-type: none"> 1) Stable Net Asset Value (SNAV) – the most common variety. Prices are fixed and interest is credited to investors in the form of a dividend. 2) Accumulating Net Asset Value (ANAV) – interest is credited to the shares and the price rises to reflect the return achieved.
Accounting	Purchases of MMF shares do not score as capital expenditure. Sales do not score as capital receipts.
Legality	Local authorities are permitted to invest in sterling denominated funds with an AAA credit rating and domiciled in the EU.
Regulation	UK-based Funds are regulated by the Financial Services Authority. Those domiciled in other EU zones (the majority) are regulated via the Undertakings for Collective Investment in Transferable Securities (UCITS) Code. The Code lays down strict common standards of investment and management.

<p>Portfolio holdings</p>	<p>Cash is invested in a selection of high quality, high liquidity securities including: time deposits, certificates of deposit, short-dated gilts, corporate bonds and notes, commercial paper etc.</p>
<p>Credit rating</p>	<p>Local authorities are empowered to place funds in investment schemes with a high credit rating. Money Market Funds fall into this category and are all rated by one or more of the three rating agencies. Credit Quality – measures the financial strength of the fund (not the manager) and the probability of it defaulting.</p>
<p>Risk management</p>	<p>The funds eligible for local authority investment score highly on credit quality and low volatility. All have an AAA rating which means that the chances of default are considered minimal.</p> <ol style="list-style-type: none"> 1) Rating requirements – in order to maintain an AAA rating fund managers must adhere to requirements specified by the rating agencies. These include: <ul style="list-style-type: none"> • A maximum exposure to any one counterparty (concentration ratio) between 5% & 10% • A maximum weighted average maturity (WAM) for the entire fund – typically 60 days • A minimum level of overnight investments to ensure high liquidity • A lower limit on quality of investment counterparty 2) Ring fencing – monies received from share purchases are invested in financial instruments by the managing organisation. Deposits/security investments are held in custody by a non-related company that specialises in custody services. Counterparty exposure of the fund (and of the investor) is to the underlying securities and not to the management company.
<p>Exposure limits</p>	<p>In view of the funds’ low concentration ratios; quality of asset holdings; maximum WAM and ring-fencing arrangements, counterparty risk is spread widely. MMFs possess the same status as external fund managers operating cash/gilt funds for local authorities. They should have their own counterparty limit which can be considerably greater than that accorded to individual investment counterparties.</p>

Treasury Management Scheme Of Delegation

Full Council:

- Receiving and reviewing reports on treasury management policies, practices and activities
- Approval of annual strategy
- Approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices
- Budget consideration and approval
- Approval of the division of responsibilities
- Receiving and reviewing regular monitoring reports and acting on the recommendations
- Approving the selection of external service providers and agreeing terms of appointment

The treasury management role of the Section 151 Officer:

- Recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance
- Submitting regular treasury management policy reports
- Submitting budgets and budget variations
- Receiving and reviewing management information reports
- Reviewing the performance of the treasury management function
- Ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function
- Ensuring the adequacy of internal audit, and liaising with external audit
- Recommending the appointment of external service providers
- To ensure that members with responsibility for treasury management receive adequate training in treasury management.
- To review the training needs of treasury management officers periodically

GLOSSARY OF TERMS

Basis Point

1/100th of 1%, i.e., 0.01%

Base Rate

Minimum lending rate of a bank or financial institution in the UK

Benchmark

A measure against which the investment policy or performance of a fund manager can be compared

Bill of Exchange

A financial instrument financing trade

Callable Deposit

A deposit placed with a bank or building society at a set rate for a set amount of time. However, the borrower has the right to repay the funds on pre-agreed dates, before maturity. This decision is based on how market rates have moved since the deal was agreed. If rates have fallen, the likelihood of the deposit being repaid rises, as cheaper money can be found by the borrower

Cash Fund Management

Fund management is the management of an investment portfolio of cash on behalf of a private client or an institution, the receipts and distribution of dividends and interest, and all other administrative work in connection with the portfolio

Certificate of Deposit (CD)

Evidence of a deposit with a specified bank or building society repayable on a fixed date. They are negotiable instruments and have a secondary market; therefore the holder of a CD is able to sell it to a third party before the maturity of the CD

Commercial Paper

Short-term obligations with maturities ranging from 2 to 270 days issued by banks, corporations and other borrowers. Such instruments are unsecured and usually discounted, although some may be interest bearing

Corporate Bond

Strictly speaking, corporate bonds are those issued by companies. However, the term is used to cover all bonds other than those issued by governments in their own currencies and includes issues by companies, supranational organisations and government agencies

Counterparty

Another (or the other) party to an agreement or other market contract (e.g., lender/ borrower/writer of a swap, etc)

CPI

Consumer Price Index – calculated by collecting and comparing prices of a set basket of goods and services as bought by a typical consumer, at regular intervals over time.

CDS

Credit Default Swap – a swap designed to transfer the credit exposure of fixed income products between parties. The buyer of a credit swap receives credit protection, whereas the seller of the swap guarantees the credit worthiness of the product. By doing this, the risk of default is transferred from the holder of the fixed income security to the seller of the swap

Derivative

A contract whose value is based on the performance of an underlying financial asset, index or other investment, e.g., an option is a derivative because its value changes in relation to the performance of an underlying stock.

DMADF

Deposit Account offered by the Debt Management office, guaranteed by the UK government

ECB

European Central Bank – sets the central interest rates in the EMU area. The ECB determines the targets itself for its interest rate setting policy; this is to keep inflation within a band of 0 to 2%. It does not accept that monetary policy is to be used to manage fluctuations in unemployment and growth caused by the business cycle

EMU

European Monetary Union

Equity

A share in a company with a limited liability. It generally enables the holder to share in the profitability of the company through dividend payments and capital gain

Fed.

Federal Reserve Bank of America – sets the central rates in the USA

Floating Rate Notes

Bonds on which the rate of interest is established periodically with reference to short-term interest rates

Forward Deal

The act of agreeing today to deposit funds with an institution for an agreed time limit, on an agreed future date, at an agreed date

Forward Deposits

Same as forward dealing (above)

Fiscal Policy

The Government policy on taxation and welfare payments

Gilt

Registered British Government securities giving the investor an absolute commitment from the government to honour the debt that those securities represent

Gilt Funds

Pooled fund investing in bonds guaranteed by the UK government

Money Market Fund (MMF)

A well rated, highly diversified pooled investment vehicle whose assets mainly comprise of short term instruments. It is very similar to a unit trust, however in a MMF

Monetary Policy Committee (MPC)

Government body that sets the bank rate (commonly referred to as being base rate). Their primary target is to keep inflation within plus or minus 1% of a central target of 2.5% in two year's time from the date of the monthly meeting of the Committee. Their secondary target is to support the Government in maintaining high and stable levels of growth and employment

Open Ended Investment Companies

A well diversified pooled investment vehicle, with a single purchase price, rather than a bid/offer spread

Other Bond Funds

Pooled funds investing in a wide range of bonds

Reverse Gilt Repo

This is a transaction as seen from the point of view of the party which is buying the gifts. In this case, one party buys gifts from the other and, at the same time and as part of the same transaction, commits to resell equivalent gifts on a specified future date, or at call, at a specified price

Retail Price Index (RPI)

Measurement of the monthly change in the average level of prices at the retail level weighted by the average expenditure pattern of the average person

Sovereign Issues (Ex UK Gilts)

Bonds issued or guaranteed by nation states, but excluding UK government bonds

Supranational Bonds

Bonds issued by supranational bodies, e.g., European investment bank. These bonds – also known as Multilateral Development Bank bonds – are generally AAA rated and behave similarly to gilts, but pay a higher yield (“spread”) given their relative illiquidity when compared with gilts

Term Deposit

A deposit held in a financial institution for a fixed term at a fixed rate

Treasury Bill

Treasury bills are short term debt instruments issued by the UK or other governments. They provide a return to the investor by virtue of being issued at a discount to their final redemption value

WARoR

Weighted Average Rate of Return is the average annualised rate of return weighted by the principal amount in each rate

WAM

Weighted Average Time to Maturity is the average time, in days, till the portfolio matures, weighted by principal amount

WATT

Weighted Average Total Time is the average time, in days, that deposits are lent out for, weighted by principal amount

Report to: **Council**

Date: **5 December 2017**

Title: **COMMUNITY GOVERNANCE REVIEW –
INITIAL SUBMISSIONS**

Portfolio Area: **Strategy & Commissioning**

Wards Affected: **Okehampton South and Okehampton North**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken:
(e.g. referral on of recommendation or
implementation of substantive decision)

**Consultation on
the published
draft proposals is
currently due to
commence on
Monday, 11
December 2017.**

Author: **Darryl White (on
behalf of the
Political
Structures
Working Group)**

Contacts: Cllr.mcinnnes@westdevon.gov.uk and
darryl.white@swdevon.gov.uk

RECOMMENDATIONS:

That the Council RESOLVES that:

- 1. the main points arising from the initial submissions
(paragraph 2.6 below refers) be noted;**

In light of the initial submissions received:-

- 2. an additional consultation stage be built into the Review
timetable to provide an opportunity for those who have made
initial representations to produce definitive proposal(s) for
potential changes to the Okehampton Town-Okehampton
Hamlets Parish boundary before Friday, 2 February 2018;
and**

<p>3. the Terms of Reference for this Review be updated accordingly (as outlined at Appendix B).</p>

1. Executive summary

- 1.1 In accordance with the adopted terms of reference (as outlined at appendix A), the Community Governance Review on a proposal to increase the size of the Okehampton Hamlets Parish Council by two additional parish councillors is now at Stage 3 of the process;
- 1.2 In accordance with Stage 3, the Council is now required to consider the initial submissions received before approving that the draft proposals be published and subjected to further public consultation.

2. Background

- 2.1 At its annual meeting on 23 May 2017, the Council considered a motion that had been submitted by Cllr Davies (Minute 65/14(a) refers);
- 2.2 Following a discussion, the Council subsequently agreed that a 'Community Governance Review be instigated that has the main purpose of consulting on a proposal to increase the size of the Okehampton Hamlets Parish Council by two additional parish councillors';
- 2.3 As the Principal Authority, West Devon Borough Council has responsibility for considering this Review and undertaking the statutory consultative requirements which include:
 - Consulting local government electors for the area under review;
 - Consulting any other person or body (including a local authority) which appears to the Borough Council to have an interest in the Review;
 - Notifying and consulting Devon County Council; and
 - Taking into account any representations received in connection with the Review;
- 2.4 The terms of reference were subsequently agreed and published on 31 July 2017;
- 2.5 Upon their publication, and in order to take full account of the views of the affected local residents, officers contacted all 645 households located in Okehampton Hamlets parish. In addition, other relevant stakeholders (local ward Members, Okehampton Town Council, Okehampton Hamlets Parish Council and Devon County Council) were contacted and notification of the Review was also published on the Council website;

2.6 Five replies were subsequently received before the consultation deadline of Tuesday, 21 November 2017:

- Two of these were from local residents, both suggesting that the existing boundary should be changed, with one supporting an increase in parish councillor numbers and one against such a move;
- A motion from Okehampton Hamlets Parish Council that reads as follows:

'This Council is pleased that West Devon Borough Council has commenced a Community Governance Review to primarily consider increasing the membership of the Okehampton Hamlets Parish Council from 8 to 10 Members. This increase in membership will allow the Council to meet its statutory and community obligations more effectively.'

*This Council will not accept **any** mergers or changes to existing boundaries with any of our neighbouring Parish or Town Councils in order to reduce the size of this Council's electoral area. However, the Council would be prepared to consider any increase of electoral size should any of our neighbouring Parish or Town Councils wish to reduce or relinquish their responsibilities. This Council will also welcome an early outcome from the review to facilitate the election or co-option of further members. This Council will continue to foster formal and informal working collaborations with its neighbouring councils to ensure effective deliverance of services to the communities of Okehampton and surrounding areas.'*

- Two responses were also received from Okehampton Town Council. The first response urged greater equality in the funding and use of amenities across both Council areas. The second response was a Council motion that reads as follows:

'It was resolved to request that the review to increase the size of Okehampton Hamlets Parish Council by two additional Councillors is paused to enable other opportunities, including the feasibility of boundary changes to be fully considered and explored.'

2.7 In addition to the written responses received, at the request of Okehampton Town Council, a meeting between representatives of the Town Council, Okehampton Hamlets Parish Council and officers of West Devon Borough Council was held on 16 November 2017. The primary purpose of this meeting was to discuss options for the most effective way ahead within the Review for the Town and Parish Councils, which included the potential for alternative proposals to be included for consideration as part of this Review;

2.8 In summary during this stage of the Review, there is no clear consensus emerging for a preferred way ahead on the original proposal;

2.9 These replies and the notes arising from the meeting held on 16 November 2017 were presented and considered by the Political Structures Working Group at its meeting on 28 November 2017.

3. Political Structures Working Group Deliberations

- 3.1 The Working Group meeting was attended by five of its six Members (Cllrs Baldwin, McInnes, Musgrave, Sampson and Sanders). Furthermore, Cllrs Leech, Samuel and Yelland were also in attendance in a non-voting capacity. The meeting was supported by the Deputy Monitoring Officer and the Democratic Services Senior Specialist;
- 3.2 To aid its deliberations, a discussion paper was considered by the Working Group that summarised the points raised in paragraphs 2.6 and 2.7 above;
- 3.3 In its discussions, the Working Group was particularly mindful of the need to consider all of the representations received. In particular, the Group recognised that this Review had prompted the Town Council to take the opportunity to request that consideration also be given to undertaking a review of the town boundaries;
- 3.4 Whilst the Parish Council had already stated that it was not willing to explore any such boundary changes as part of this Review, in light of the request from the Town Council, the Working Group was of the view that this could have a significant impact on the Review. The Group therefore felt that those who had already made initial representations should be given an opportunity, at this point of the Review, to produce definitive proposals for potential changes to the Okehampton Town-Okehampton Hamlets Parish boundary;
- 3.5 As a consequence, the Working Group was reluctant at this time to make any formal recommendations on draft proposals;
- 3.6 Although the resolution from Okehampton Hamlets Parish Council advised that the Council would *'be prepared to consider any increase of electoral size should any of our neighbouring Parish or Town Councils wish to reduce or relinquish their responsibilities'*, the Working Group was mindful that it was only the Town Council who had also made representations seeking a Boundary Review. The Working Group therefore considered that it would be inappropriate for the Review to look at any other boundaries that adjoined the Hamlets Parish geographical area;
- 3.7 In light of the reluctance to make a formal recommendation at this time, the Working Group noted that the Borough Council, if so minded, had the ability to adjust the current terms of reference of the Review (Appendix A refers) as long as it was concluded within twelve months of its commencement. Furthermore, the Working Group acknowledged that the

current terms of reference indicated that the Review was to be finalised on 27 March 2018 (i.e. well within the required twelve month period);

- 3.8 Since there was scope for the current timetable for the Review to be adjusted by the Council and, in light of the points raised during this consultation stage, the Working Group requested that the Review Terms of Reference be amended as illustrated in Appendix B.

4. Implications

Legal/Governance		The Local Government and Public Involvement in Health Act 2007 requires the Council to ‘consult the local government electors for the area under review and any other person or body who appears to have an interest in the review and to take the representations that are received into account by judging them against the statutory criteria (as below): ‘That Community governance within the area under review reflects the identities and interests of the community in that area and is effective and convenient.’
Financial		There are no additional financial implications directly related to this report
Risk		Even if the timetable is adjusted, the Review will still adhere to its need to be concluded before 30 July 2017 and, at this initial stage, there are no risk implications directly related to this report.
Comprehensive Impact Assessment Implications		
Equality and Diversity		There are no equality and diversity implications directly related to this report.
Safeguarding		There are no safeguarding implications directly related to this report.
Community Safety, Crime and Disorder		There are no community safety or crime and disorder implications directly related to this report.
Health, Safety and Wellbeing		There are no health, safety and wellbeing implications directly related to this report.
Other implications		N/A

Supporting Information

Appendices:

- A. Community Governance Review – Current Terms of Reference; and
- B. Community Governance Review – Updated Draft Terms of Reference.

Background Papers:

- Initial submissions received during this stage of the Review;
- Notes arising from the meeting held between Borough, Parish and Town Council representatives held on 16 November 2017;
- Discussion Paper presented to the Political Structures Working Group meeting held on 28 November 2017; and
- DCLG Guidance on Community Governance Reviews.

West Devon Borough Council

Community Governance Review – Terms of Reference

At its meeting on 23 May 2017, West Devon Borough Council resolved to instigate a Community Governance Review. The Borough Council will be guided by the relevant legislation and guidance, in particular the Local Government and Public Involvement in Health Act 2007 and Guidance on Community Governance Reviews (published jointly by the Department for Communities and Local Government and the Local Government Boundary Commission for England).

What is a Community Governance Review?

A Community Governance Review provides the opportunity for 'principal councils' (borough councils and unitary councils) to review and make changes to community governance within their areas. Such a Review can be helpful in circumstances such as where there have been changes in population, or in reaction to specific or local new issues.

In so doing, a Community Governance Review offers an opportunity to put in place strong, clearly defined boundaries, tied to firm ground features and remove the many anomalous parish boundaries that exist in England.

Why is the Borough Council undertaking the Review?

In light of the Council decision made on 23 May 2017, the main purpose of this Review will be to consult on a proposal to increase the size of the Okehampton Hamlets Parish Council by two additional parish councillors.

The government has emphasised that recommendations made in a Review ought to bring about '*improved community engagement, more cohesive communities, better local democracy and result in a more effective and convenient delivery of local services.*'

As the principal authority, West Devon Borough Council is responsible for undertaking any such Review within its electoral area. The body responsible for overseeing this process is the Full Council, who will be responsible for producing draft and final recommendations. The Council will approve the final recommendations before a Community Governance Order is made.

How will the Borough Council conduct consultations during this Review?

Before making any recommendations or publishing final proposals, the Borough Council will take full account of the views of local residents. The Borough Council will comply with the statutory consultative requirements by:-

- Consulting local government electors for the area under review;
- Consulting any other person or body (including a local authority) which appears to the Borough Council to have an interest in the review;
- Notifying and consulting Devon County Council; and
- Taking into account any representations received in connection with the review.

Information relating to the review will be available on the Council website (www.westdevon.gov.uk) and key documents will be available on request from the Borough Council offices at: Kilworthy Park, Drake Road, Tavistock PL19 OBZ.

The Borough Council will publish its recommendations as soon as practicable and will take such steps as it considers sufficient to ensure that persons who may be interested in the review are informed of the recommendations and the reasons behind them. The Borough Council will notify each consultee and any other persons or bodies who have made written representations of the outcome of the review.

What will be the timetable for this Review?

It is a statutory requirement whereby a review must be concluded within a twelve month period from the day on which it commences. A review starts when the Borough Council publishes its Terms of Reference and concludes when the Borough Council publishes its final recommendations.

Outlined below is the proposed timetable for the review:-

Stage 1	Publication of the Terms of Reference for the Review	Monday, 31 July 2017
Stage 2	Introductory Stage: Submissions are invited. The Borough Council invites proposals from stakeholders on future arrangements in accordance with the Terms of Reference.	Monday, 31 July 2017 – Tuesday, 21 November 2017
Stage 3	Consideration of Initial Submissions: Draft proposals to be considered by the Council's Political Structures Working Group before recommendations are made to the Council meeting on 5 December 2017.	Wednesday, 22 November – Tuesday, 5 December 2017

<p>Stage 4</p>	<p>Consultation on Published Draft Proposals: In publishing the draft proposals, the Borough Council will notify stakeholders and invite further comments and/or recommendations.</p>	<p>Monday, 11 December 2017 – Friday, 9 March 2018</p>
<p>Stage 5</p>	<p>Final Recommendations Consideration of consultation responses and production of final recommendations to be presented to the Political Structures Working Group in the first instance and on to the Council meeting on 27 March 2018.</p>	<p>Monday, 12 March – Council Meeting on 27 March 2018</p>
<p>Stage 6</p>	<p>Implementation Final recommendations are then published and the Council resolves (if appropriate) to make a Reorganisation of Community Governance Order.</p> <p>For administrative and financial purposes, the Order should take effect on 1 May 2018.</p> <p>Electoral arrangements for an existing town and/or parish council will come into force at the first elections to the town and/or parish council following (any) Reorganisation Order, which will be May 2019.</p>	<p>Council Meeting on 27 March 2018</p> <p>1 April 2018</p> <p>May 2019</p>

The review will be formally completed when the Council adopts and publishes the Reorganisation of Community Governance Order and requests that the Electoral Commission approve any consequential changes.

How to contact us

Should you wish to submit a written representation regarding this review, please address this to:

Community Governance Review
Member Services
West Devon Borough Council
Kilworthy Park
Tavistock
PL19 0BZ

Alternatively, your submission may be emailed to:
member.services@swdevon.gov.uk

Date of publication

Monday, 31 July 2017.

West Devon Borough Council

Community Governance Review – Draft Revised Terms of Reference

At its meeting on 23 May 2017, West Devon Borough Council resolved to instigate a Community Governance Review. The Borough Council will be guided by the relevant legislation and guidance, in particular the Local Government and Public Involvement in Health Act 2007 and Guidance on Community Governance Reviews (published jointly by the Department for Communities and Local Government and the Local Government Boundary Commission for England).

What is a Community Governance Review?

A Community Governance Review provides the opportunity for 'principal councils' (borough councils and unitary councils) to review and make changes to community governance within their areas. Such a Review can be helpful in circumstances such as where there have been changes in population, or in reaction to specific or local new issues.

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How will the Borough Council conduct consultations during this Review?

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Stage 3	Consideration of Initial Submissions: Draft proposals to be considered by the Council's Political Structures Working Group before recommendations are made to the Council meeting on 5 December 2017.	Wednesday, 22 November – Tuesday, 5 December 2017

Stage 4	<p>Additional Consultation Stage In light of the submissions received during Stage 2 of the process, the Borough Council invites definitive proposals for potential changes to the Okehampton Town-Okehampton Hamlets Parish boundary.</p>	<p>Thursday, 7 December 2017 – Friday, 2 February 2018</p>
Stage 5	<p>Further Consideration of Initial Submissions and Any Additional Submissions Received During Stage 4 Draft proposals to be considered by the Council's Political Structures Working Group before recommendations are made to the Council meeting on 20 February 2018.</p>	<p>Monday, 5 February – Tuesday, 20 February 2018</p>
Stage 6	<p>Consultation on Published Draft Proposals: In publishing the draft proposals, the Borough Council will notify stakeholders and invite further comments and/or recommendations.</p>	<p>Monday, 26 February 2017 – Friday, 29 June 2018</p>
Stage 7	<p>Final Recommendations Consideration of consultation responses and production of final recommendations to be presented to the Political Structures Working Group in the first instance and on to a Council meeting in July 2018 (<i>date to be confirmed</i>).</p>	<p>Monday, 2 July – Council Meeting in July 2018 (<i>date to be confirmed</i>)</p>
Stage 8	<p>Implementation Final recommendations are then published and the Council resolves (if appropriate) to make a Reorganisation of Community Governance Order.</p> <p>For administrative and financial purposes, the Order should take effect on 1 September 2018.</p> <p>Electoral arrangements for an existing town and/or parish council will come into force at the first elections to the town and/or parish council following (any) Reorganisation Order, which will be May 2019.</p>	<p>Council Meeting in July 2018 (<i>date to be confirmed</i>)</p> <p>1 September 2018</p> <p>May 2019</p>

The review will be formally completed when the Council adopts and publishes the Reorganisation of Community Governance Order and requests that the Electoral Commission approve any consequential changes.

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Date of publication

Monday, 31 July 2017 (updated version published 7 December 2017)

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