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West Devon
Borough
Council

WEST DEVON COUNCIL - TUESDAY, 18TH FEBRUARY, 2014

Agenda, Reports and Minutes for the meeting

Agenda No Item

1. **Summons Letter (Pages 1 - 4)**

2. **Reports**

Reports to Council

- a) Item 10 - Revenue and Capital Budget Proposals for 2014/15 to 2017/18 (Pages 5 - 36)
- b) Item 11 - Pay Policy Statement 2014/15. (Pages 37 - 44)
- c) Item 12 - Appointments of the Electoral Registration Officer and the Returning Officer (Pages 45 - 50)
- d) Item 13 - Tavistock Townscape Heritage Initiative Stage 2 Bid (Pages 51 - 58)
- e) Item 14 - Income Generation Opportunities (Pages 59 - 72)

3. **Minutes (Pages 73 - 82)**

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Agenda Item 1

Please ask for: Tony Rose
Direct Line/Ext: 01822 813664
email: arose@westdevon.gov.uk

Your ref: AAR/Council.18.02.2014
My ref: AAR/Council.18.02.2014
Date: 10th February 2014

COUNCIL SUMMONS

You are hereby summoned to attend a Meeting of the **WEST DEVON BOROUGH COUNCIL** to be held at the Council Chamber, Council Offices, Kilworthy Park, **TAVISTOCK** on **TUESDAY** the **18th** day of **FEBRUARY 2014** at **4.30 pm**.

Prior to the Meeting, the Reverend Philip Wagstaff, Superintendent Minister, West Devon Methodist Circuit, has been invited to say prayers.

THE FOLLOWING BUSINESS IS PROPOSED TO BE TRANSACTED.

1. Apologies for absence
2. Declarations of Interest
Members are invited to declare any personal or disclosable pecuniary interests, including the nature and extent of such interests they may have in any items to be considered at this meeting.

If Councillors have any questions relating to predetermination, bias or interests in items on this Summons, then please contact the Monitoring Officer in advance of the meeting.

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3. To approve and adopt as a correct record the Minutes of the Meetings of the Council held on:
 - (i) Regular Meeting held on 17th December 2013 1
 - (ii) Special Meeting held on 28th January 2014 8
4. To receive communications from the Mayor or person presiding
5. Business brought forward by or with the consent of the Mayor
6. To respond to any questions submitted by the public and to receive deputations or petitions under Council Procedure Rule 21
7. To consider motions of which notice has been submitted by Members of the Council in accordance with Council Procedure Rule 15
8. To consider questions submitted by Members under Council Procedure Rule 21

9. To receive the Minutes of the following Committees, to note the delegated decisions and to consider the adoption of those Minutes which require approval:
- (i) **Audit Committee**
Meeting held on 10th December 2013 11
 - (ii) **Community Services Committee**
Meeting scheduled for 21st January 2014 - **Cancelled**
 - (iii) **Overview & Scrutiny Committee**
Meeting held on 14th January 2014 15
 - (iv) **Planning & Licensing Committee**
Meeting held on 3rd December 2013 21

Meeting held on 7th January 2014 28

Meeting held on 4th February 2014 40
 - (v) **Resources Committee**
Meeting held on 28th January 2014 45

Unstarred Minute to agree

Members are recommended to agree:

**RC 36 Authorisation for RIPA Applications to Magistrates Court
RESOLVED that Council be RECOMMENDED that:**

1. the nominated officers listed in exempt Appendix A are authorised to represent the Council in applying for judicial approval to use covert techniques in the pursuance of a potential investigation; and
2. authority to change the names of authorised officers outlined in Appendix A be delegated to the Head of Paid Service.

Meeting held on 18th February 2014

To be tabled

- 10. To receive the report of the Head of Finance on Revenue and Capital Budget Proposals for 2014/15 to 2017/18 50
- 11. To receive the report of the Personnel Officer on the Pay Policy Statement 2014/15. 76
- 12. To receive the report of the Executive Director (Communities) & Head of Paid Service on the appointments of the Electoral Registration Officer and the Returning Officer 84
- 13. To receive the report of the Economic Development Officer on the Tavistock Townscape Heritage Initiative Stage 2 Bid 89

14. To receive the joint report of the Head of Environment Services, the Head of Environmental Health & Housing and the Head of Assets on income generation opportunities 96
15. To Order the affixing of the Common Seal
For the information of Members, a list of documents sealed by the Council and witnessed by the Mayor and the Chief Executive during the period from 19th December 2013 to 6th February 2014. 109

Dated this 10th day of February 2014



Chief Executive

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WEST DEVON BOROUGH COUNCIL

AGENDA
ITEM
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NAME OF COMMITTEE	Council
DATE	18th February 2014
REPORT TITLE	Revenue and Capital Budget Proposals for 2014/15 to 2017/18
Report of	Head of Finance & Audit and Chief Accountant
WARDS AFFECTED	All

Summary of report: To provide an updated forecast of the budget situation for the year 2014/15 and a set of recommendations to Council in respect of setting a balanced budget. The forecast is intended to provide a framework within which decisions can be made regarding the future service provision and council tax levels whilst building an approach that guarantees West Devon Borough Council's longer term viability.

The recommendations (ii) to (xi) set out in this report were agreed by the Resources Committee at a meeting on 28th January 2014.

FINANCIAL IMPLICATIONS: The main points arising from this report are:

- The gap for 2014/15 is £303,983 (if Council Tax is increased by 1.9%) or £334,267 (if Council Tax is frozen)
- The Government settlement was modestly better than anticipated due to the recognition that sparsely populated rural authorities, such as West Devon, are currently underfunded compared to urban authorities. This added approximately £50,000 to the base budget.
- The Government funding in 2013/14 was £3.649 million and this is being reduced to £3.168 million which is a reduction of £481,000 (13.2%). In 2015/16 there is a further reduction of £488,000 (15.4%) to £2.68 million
- Unearmarked revenue reserves were agreed by Council to be maintained at a level of over £750,000. The Council is predicted to have £970,000 of reserves remaining, even after allocating £200,000 of reserves for the Transformation Programme (T18) investment
- In order to balance the budget for 2014/15 it is proposed to:
 - secure savings of £381,000 as detailed in Appendix A
 - increase Council Tax by 1.9% (7p per week at Band D) or take the Council Tax Freeze Grant and freeze Council Tax for 14/15
 - use more New Homes Bonus, in the short term, to bridge the budget gap

- The Council has made significant progress in also balancing its 2015/16 Budget. In 2016/17 the significant savings from the Transformation Programme (T18) are realised.

RECOMMENDATIONS:

It is recommended that:

- (i) The Council Constitution be amended to reflect the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 whereby it is now mandatory for councils to amend their standing orders to require recorded votes to be taken on the budget at the Council meetings, to be effective immediately. (See Section 9 and Appendix G)

- (ii) That in order to set a balanced budget for 2014-15:

EITHER

- an increase in Council Tax of 1.9% is agreed (which equates to a Band D council tax of £204.50 for 2014/15, an increase of £3.81 per year or 7 pence per week). This option equates to a Council Tax requirement of £3,923,435 (as shown in Appendix B1)

OR

- A Nil increase in Council Tax is agreed (the Band D Council Tax for West Devon Borough Council will remain at £200.69 for 2014/15) and the Council will accept the Council Tax Freeze Grant of 1% being offered by the Government. This option equates to a Council Tax requirement of £3,850,338 (as shown in Appendix B2)

- (iii) That the financial pressures in Appendix A of £350,000 are accepted
- (iv) That the proposed savings of £381,553 set out in Appendix A are adopted
- (v) That an additional £303,983 (if council tax is increased by 1.9% as per Appendix B1) or £334,267 (if council tax is frozen as per Appendix B2) of New Homes Bonus Grant is used to balance the 2014-15 Budget. (This is in addition to the £353,076 of New Homes Bonus already built into the budget assumptions to be used for 2014-15).
- (vi) To approve the 2014/15 Capital Programme projects totalling £841,000 as per 7.1.
- (vii) To finance the 2014/15 Capital Programme of £841,000 by using £555,000 of New Homes Bonus funding, £186,000 of Government grant and £100,000 of Capital Resources (as per 7.1).
- (viii) That the Council transfers £18,688 of its allocation of New Homes Bonus for 2014/15 to an Earmarked Reserve called 'Community Investment Fund – Dartmoor National Park', to be applied for and drawn down by Dartmoor National Park as required. This amount is a one-off payment and the position will be considered annually by the Council as part of the budget process. The condition is that this is for use within the boundaries of the Borough Council only.

- (ix) That the Council Tax Support Grant of £103,138 be passed onto Town and Parish Councils. (This is a reduction of 13.66% from 2013/14) as per 4.3.
- (x) That the minimum level of the Unearmarked Revenue Reserves be maintained to at least £750,000 as per Section 6.1
- (xi) That the level of reserves as set out within this report and the assessment of their adequacy and the robustness of budget estimates be noted. This is a requirement of Part 2 of the Local Government Act 2003.

Officer contact:

Jackie Waites, Chief Accountant, Jackie.waites@swdevon.gov.uk

Lisa Buckle, Head of Finance & Audit Lisa.buckle@swdevon.gov.uk 01822 813543

1. BACKGROUND

1.1 On 17 September 2013, the Resources Committee considered a report on the Medium Term Financial Strategy for 2014/15 to 2017/18 and resolved that;

Members recommend to Council that;

- The Financial Strategy is accepted as a foundation document for the Council's budget setting process.
- The Council's policy should be to set a minimum level of unearmarked general revenue reserves of £750,000

1.2 Members have provided a set of "minded to" views in order to guide the 2014/15 budget process;

a) On the level of Council Tax Support Grant to be passed on to Parish and Town Councils (being the percentage reduction in the Council's government funding for 2014/15 – currently over 13%)

b) To increase Council Tax by 1.9%.

1.3 On 28th January 2014 the Resources Committee considered a report on the Revenue and Capital budget proposals for 2014/15 to 2017/18. The recommendations from the Resources Committee meeting are reiterated at the start of this report.

2 GOVERNMENT FUNDING

2.1 Our Adjusted Government Grant in 2013/14 was £3.649 million and this is being reduced to £3.168 million which is a reduction of £481,000 (13.2%). In 2015/16 there is a further reduction of £488,000 (15.4%) to £2.68 million.

2.2 The Finance Settlement (December 2013) has announced the following funding position for the Council for 2014/15 and 2015/16 (figures were confirmed by the Government on 5 February 2014):-

	2014/15(£m)	2015/16(£m)
--	--------------------	--------------------

Provisional 14/15 settlement	2.960	2.477
Homelessness Prevention Funding	0.049	0.049
Efficiency Support for Services in Sparse Areas	0.054	0.054
Other items	0.105	0.101
Settlement Funding Assessment (SFA)	3.168	2.681

2.3 The finance settlement has given figures for two years, 14/15 and 15/16. In the financial modelling, 15% reductions in the Settlement Funding Assessment have been assumed for 2016/17 and 2017/18.

2.4 **Spending Power** - The Minister announced **that local authorities will face an overall reduction in spending power of 2.9%**; and that no local authority would experience a decrease of more than 6.9%. In a similar manner to the previous three years, the government's headlines focus on comparative figures concerning a local authority's "revenue spending power" are shown below:-

Spending Power analysis for WDBC	2013-14	2014-15	%change
Council Tax requirement	3,797,000	3,839,000	+1.1%
Business Rates and Revenue Support Grant (Settlement Funding Assessment)	3,649,000	3,168,000	-13.2%
New Homes Bonus	1,026,000	1,249,000	+21.7%
Other items	265,000	302,000	+14.0%
Total reduction in Spending Power	8,737,000	8,558,000	-2.04%

West Devon's Spending Power figure has decreased by 2.04%. This is less than the 13.2% reduction in Government funding (Business Rates and Revenue Support Grant) due to the fact that Council Tax funding and the New Homes Bonus are included in the Spending Power calculation and these are increasing.

2.5 The Government has accepted that based on available evidence, rural areas have been comparatively under-funded. The government has now made an adjustment to recognise the additional costs of delivering services in rural areas and have provided an efficiency support for sparse areas grant worth £9.5 million for the most rural local authorities. For West Devon this represents approximately an additional £50,000 (ESSSA grant – Efficiency Support for Services in Sparse Areas, now renamed Rural Services Delivery Funding). Unlike previous years, this grant will now form part of the base budget.

- 2.6 In 2014/15, this grant will be worth an average of 86p per head in predominantly rural authorities, which is a very small fraction of the gap of £172.68 per head in Government Funded Spending Power between rural and urban authorities.

3. OVERALL POSITION – BUDGET GAP

- 3.1 Appendices B1 and B2 illustrate the overall financial forecast for the forthcoming four years. Although the Council's Net Budget is in the region of £7.8 million, the Gross Expenditure of the Council is around £27 million.
- 3.2 A Summary forecast is shown below of the potential budget situation if all of the budget pressures and the savings and income generation in Appendix A were approved. It also shows the different situation if the Council Tax is increased by 1.9% (shown in Appendix B1) and if the Council Tax Freeze Grant is taken and Council Tax is frozen (shown in Appendix B2).
- 3.3 The report sets out an anticipated budget gap for 2014-2015 of **£303,983** if Council Tax is increased by 1.9% as per Appendix B1. The budget gap increases to **£334,267** as per Appendix B2, if the Council Tax freeze grant is taken instead and Council Tax is frozen for 2014/15.

<i>Budget Gap if Council Tax is increased by 1.9% for 14/15</i>	Amount (£)
Net Base Budget for 2014/2015	7,798,625
Total projected income	(7,494,642)
CURRENT BUDGET GAP (Appendix B1)	303,983
<i>Budget Gap if Council Tax is frozen for 14/15</i>	Amount (£)
Net Base Budget for 2014/2015	7,798,625
Total projected income	(7,464,358)
CURRENT BUDGET GAP (Appendix B2)	334,267

- 3.4 The table of New Homes Bonus in 5.2 shows that there is currently £340,718 of New Homes Bonus funding available to fund the Budget Gap for 2014/15. This is the amount before any share of NHB is agreed for the Dartmoor National Park, so any amount agreed (The amount recommended is £18,688 as per 5.3) for the DNP will reduce the remaining balance of £340,718 by this amount.

4. MEDIUM TERM CHALLENGE AND CLOSING THE 2014/15 BUDGET GAP

- 4.1 The table in **Appendix A** details the budget gaps for the 2014/15 to 2017/18.
- 4.2 **Council Tax Reduction Scheme** – Following Council Tax Benefit being abolished, Council in December 2013 approved the implementation of a cost

neutral local Council Tax Reduction Scheme for 2014/15. This scheme is a discount scheme rather than a state welfare benefit and means that working age claimants will pay a minimum of 20% towards their Council Tax bill. There will be an exception hardship fund to help those claimants experiencing severe financial difficulties.

- 4.3 **Council Tax Support Grant to Town and Parish Councils.** Last year the Government provided £119,453 of Parish Council Tax Support. In 13/14, this has been passed in full to the parish and town councils. However, this grant has now been aggregated with all Government funding and the latest figures show a reduction of over 13% for 2014/15 (see 2.1). By maintaining the same level of parish grant as 2013/14 the Council would be effectively subsidising by over 13% of this support. The Council is proposing that this reduction will be passed on to the Towns and Parishes and their council tax support grant will be reduced by this amount. Town and Parish Councils have been consulted on this proposal.
- 4.4 **Triennial Pension Revaluation** – The Council's Pension Fund is valued every three years by actuaries. A revaluation was undertaken in March 2013 and the results have now been received. The valuation has resulted in a decrease to the rates the Council is required to pay. An estimate of £30,000 savings has been built into the 2014/15 budget. The financial effect of the T18 Transformation Programme has been factored into the business case but the actual effect will only be clarified as the programme proceeds.
- 4.5 **Price Inflation** – To be able to produce a meaningful resource plan, a number of assumptions have to be made regarding prices. Consumer Price Index (CPI) in November 2013 was 2.1% (Retail Price Index was 2.6%). A budget pressure of £15,000 has been included within Appendix A to allow for inflation on expenditure, in particular, premises costs.
- 4.6 **Parish contributions to public conveniences** – A cost pressure of £25,000 has been included to realign the public conveniences budget to be in line with the expected income from parishes. This is due to the budget from previous year's budget setting being over optimistic. At the January 2014 Resources Committee meeting, it was requested that a report be tabled at a future Community Services Committee to enable Members to look at discharging their responsibilities in respect of public conveniences.
- 4.7 **Swimming Pool contract inflation** – The swimming pool contract was renegotiated in 2013 and the management fee reduced by £22,000. Indexation will not be applied until 1st April 2014.
- 4.8 **Walk and Talk Programme** – Devon County Council are looking to continue the Health Walks scheme across Devon for the next 3 years, concentrating on need and areas of deficiency, which will be good news in terms of service delivery in West Devon. Devon County Council is looking for a single lead provider through a tender process which they hope to have in place by May/June 2014. The existing budget of £2,700 is sufficient to cover this timescale and no cost pressure would be required.

- 4.9 **Pay Inflation** – For budgeting purposes the Council has modelled a 1% pay offer for 2014/15. This offer is currently being negotiated with the unions. An estimate of £50,000 has been included in Appendix A as a cost pressure.
- 4.10 **Housing Benefit Administration subsidy** – On 13 November 2013, the Department of Work and Pensions (DWP) issued HB circular S9/2013 and the Department of Communities and Local Government (DCLG) issued a Revised Council Tax policy information note. These provided details of the distribution of subsidy grant in 2014/15, for what had previously been housing benefit/council tax benefit administration subsidy. A budget pressure of £40,000 has been included within Appendix A for this reduction.
- 4.11 **Business Rates** – The Government introduced the Business Rates Retention Scheme on the 1 April 2013. This system enables the retention of a proportion of the business rates revenue generated in a local area by the relevant local authorities. Business rates now form a major element of the local government finance funding. Current indications are that the income from business rates may exceed the Government “baseline” grant figure. Although the system carries with it a significant risk of volatility, it is considered appropriate to include an additional £50,000 in the forecast for each financial year.
- 4.12 **Devonwide Business Rates Pool** – A report was presented to Council on 17 December 2013 regarding the Devonwide Business Rates pool. A decision was made under delegated authority by the Head of Finance and Audit, in consultation with the Leader, Deputy Leader and Senior Management Team to remain in the Pool for 2014/15.

The membership of the Devon pool consists of the eight District Councils in Devon and Devon County Council, Torbay Unitary and Plymouth Unitary, with Plymouth acting as the Lead Authority for the pool. Pooling gains have not been budgeted for by the Council in 2014/15 due to the current level of uncertainty.

- 4.13 **Transformation Programme (T18)** - Because of the unprecedented scale of financial challenges demonstrated in this report, Members have been considering a Transformation Programme (T18) which is viewed as the primary driver to achieve the savings required over the next few years. This is a joint transformation programme with South Hams District Council with whom the Council has been sharing services with since 2007.

Both Councils have now made the decision to proceed with the programme (Council 4 November 2013) and the major financial implication the Council has agreed to, is to “Approve an investment budget of £1.9 million for the T18 Programme (WDBC’s share of the overall budget of £4.85 million), to be released at three key milestones, to deliver annual recurring revenue savings of £1.3 million (WDBC’s share of the savings of £3.8 million)”.

The Programme will be self-financing from the end of year 2 (2015/16) onwards. The payback period for the Programme is 2 years. The costs have been calculated to ensure that each Council pays its own share.

- 4.14 The business case demonstrated that T18 can deliver a major contribution to the budget gap faced by the Council to 2018. Making reasonable assumptions, based on current knowledge, the results from this are included in the financial model seen in Appendix A.
- 4.15 **Interim arrangements for the Chief Executive** – The Council will temporarily not be replacing the shared Chief Executive who retires in March. Instead, West Devon and South Hams will be piloting an executive director model of working which is already in use in some single authorities nationally but not currently used by councils in a shared services arrangement. This is a radical new management structure. The move will save up to £80,000 between the two Councils over a full year. No savings have been built into the 2014/15 budget as this is an interim measure.

COUNCIL TAX

- 4.16 **Council Tax** – The Council Tax for the last two years is detailed below. A full history is attached at **Appendix C**.

	2012/13	2013/14
DCC	1,116.36	1,116.36
WDBC	196.95	200.69
Police	159.73	162.92
Fire	73.92	75.39
Parishes & Towns	54.24	55.62
	1,601.20	1,610.98

- 4.17 In Appendix B1, a Council Tax increase of 1.9% for 2014/15 is assumed. This would result in the West Devon element increasing to £204.50. This would be an increase of £3.81 per year.
- 4.18 In Appendix B2, it is assumed that the Council will freeze Council Tax and the West Devon element of the Council Tax will remain at £200.69 for 2014/15.
- 4.19 **Council Tax Freeze Grant** - On 15 January the Government issued the guidance for the Council Tax Freeze Grant Scheme for 2014-15. The key aspects will be:-
- (i) It will be voluntary
 - (ii) Any authority which freezes or reduces their basic amount of council tax in 2014/15 will be eligible to receive the grant (equivalent to a 1% of the basic amount of council tax – this is £42,813 for West Devon)
 - (iii) The grant for the 2014-15 freeze will be paid to authorities in the financial years 2014-15 and 2015-16 – so if an authority freezes in 2014-15, it will also receive a grant in 2015-16 in respect of the freeze decision taken in 2014-15
 - (iv) Ministers have agreed that the funding for 2014-15 (including 2015-16) freeze grant **should** be built into the spending review baseline. This gives as much

certainty as possible at this stage that the extra funding for freezing council tax will remain available.

4.20 **Council Tax Referendum limit** - The Minister has announced that the council tax referendum threshold for 2014/15 remains unchanged from 2013/14 at 2% and will not apply to Towns and Parishes.

4.21 In September 2013, Members provided a set of “minded to” views in order to guide the 2014/15 budget process and one of these views was that Members were minded to increase the level of the West Devon element of the Council Tax by 1.9% for 14/15.

5. NEW HOMES BONUS (NHB)

5.1 The table below shows an estimate of New Homes Bonus for the next five years. The Chancellor has confirmed in December that no top-slice will now apply from 2015/16 onwards, following responses to the Government consultation.

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
2011/12	323,920	323,920	323,920	323,920	323,920	
2012/13	568,622	568,622	568,622	568,622	568,622	568,622
2013/14		133,255	133,255	133,255	133,255	133,255
2014/15			222,997	222,997	222,997	222,997
2015/16 – estimated 184 properties				210,631	210,631	210,631
2016/17 – estimated 329 properties					376,617	376,617
2017/18 – estimated 374 properties						428,130
Forecast NHB	892,542	1,025,797	1,248,794	1,459,425	1,836,042	1,940,252

5.2 NEW HOME BONUS (NHB) – PROPOSED USE OF NHB

The table below shows the proposed use of New Homes Bonus:

	2012/2013	2013/2014	2014/2015	2015/16	2016/17	2017/18
Amount receivable	892,542	1,025,797	1,248,794	1,459,425	1,836,042	1,940,252
Less:						
T18 allocation (Council 4 th Nov)		(400,000)				

To fund current Revenue Budget	(200,000)	(353,076)	(353,076)	(353,076)	(353,076)	(353,076)
Dartmoor National Park (as per 5.3)	(40,250)	TBA	TBA	TBA	TBA	TBA
To fund the Capital Programme (as per 7.1)	(600,000)	(205,000)	(555,000)	(462,000)	(462,000)	(462,000)
Balance remaining (not committed)	52,292	67,721	340,718	644,349	1,020,966	1,125,176
Memorandum						
Amount of NHB needed to fund Budget Gap cumulatively, if Council Tax is increased by 1.9% (Appendix B1)	Nil	Nil	303,983	665,970	243,857	458,460
Amount of NHB needed to fund Budget Gap cumulatively, if Council Tax is frozen (Appendix B2)	Nil	Nil	334,267	729,143	311,508	530,450
Dartmoor National Park provisional allocations see 5.3	12,912	5,776	20,362	8,714	26,981	111,227

5.3 **Dartmoor National Park (DNP)** – DNP have requested a share of the New Homes Bonus to reflect new homes delivered within the park. DNP would like NHB money to be used to support a local community fund and, for example, joint work through the rural housing enabler. The New Homes Bonus legislation says that Councils are expected to negotiate with National Park Authorities to recognise their role as the sole local planning authority for their area in granting planning permissions and that the Councils should reach an agreement and split the funding from NHB at a locally determined rate.

It is suggested that the following system is put in place:-

- A one off payment is agreed on an annual basis based on actual completions.
- The allocation received by DNP is spent only within those parishes falling within the boundaries of the Borough Council.

- The agreed sum is transferred to an Earmarked Reserve called 'Community Investment Fund – Dartmoor National Park' and the DNP make an annual application to draw down funds as required in line with the process agreed for that fund.

On this basis the share of NHB due for DNP based on completed properties is summarised below:

It is recommended that £18,688 (£12,912 + £5,776) representing the entitlement for 2012/13 and 2013/14 is paid from the Council's 2014/15 NHB allocation.

	Payable for 12/13	Payable for 13/14	Forecast for 14/15	Forecast for 15/16	Forecast for 16/17	Forecast for 17/18	Forecast for 18/19
Share of award	12,912	5,776	20,362	8,714	26,981	111,227	92,870

6. EARMARKED AND UNEARMARKED RESERVES

6.1 The Council's policy is to retain Unearmarked Revenue Reserves of £750,000.

The Unearmarked General Fund Revenue Reserve balance at 31st March 2013 was £1,030,000 as per the Final Accounts for 2012-13. A full risk assessment of the levels required is held by the Head of Finance & Audit. However, there are current commitments against this balance as shown below:-

The budget monitoring report (from 28 January 2014 Resources Committee) predicts the under spend at the end of the financial year, to be £140,000. The table below shows that the level of general reserves would then stand at £970,000.

6.2

	£
General Reserves balance as at 31 st March 2013	1,030,000
Use of Reserves for T18 Investment (Report to Council 4 th November 2013)	(200,000)
Predicted underspend for 13/14 – (Resources Committee 28 January 2014)	140,000
Predicted balance of reserves to carry forward	970,000

6.3 **Specific Earmarked Reserves** The level and commitments for each reserve are kept under review each year to make sure the uncommitted balance is adequate for its purpose. The Earmarked Reserves were reviewed as part of the "budget scouring" exercise in early 2013. A schedule of Earmarked Reserves is attached at **Appendix F**.

7. CAPITAL PROGRAMME 2014/15 to 2017/18

7.1 The table below shows the proposed Capital Programme for 2014/15 and projected figures to 2017/18:

	2014/2015	2015/16	2016/17	2017/18
Tenants Incentive Scheme (TIS)	15,000	15,000	15,000	15,000
Village Halls and Community Projects	36,000	36,000	36,000	36,000
Affordable Housing (see Note 1)	200,000	200,000	200,000	200,000
Estates Management (see Note 2)	40,000			
T18 Investment (as per Council 4 Nov 13)	100,000	100,000	-	-
Disabled Facilities Grants (see Note 3)	450,000	450,000	450,000	450,000
TOTAL CAPITAL PROGRAMME	841,000	801,000	701,000	701,000
Suggested method of funding the Capital Programme:				
Government Grant funding towards Disabled Facilities Grants (see Note 3)	(186,000)	(239,000)	(239,000)	(239,000)
Less anticipated slippage on the capital programme (Capital resources)	(100,000)	(100,000)	-	-
Potential funding from New Homes Bonus (Required to fund the Capital Programme)	555,000	462,000	462,000	462,000

Note 1 - The Council is working towards becoming self funding for Affordable Housing from commuted sum receipts (financial contributions from developers). It is anticipated that there could be sufficient commuted sums within the next two years not to require any additional capital contributions. In the above table allocations of £200K have been made for the next four years and the situation will be reviewed to ensure we have accumulated sufficient receipts to negate the need for the allocations in 2016/17 and 2017/18.

Note 2 – An amount of £40,000 is required for capital improvements for the Council's employment estates programme.

Note 3 – From 2015/16, the funding for Disabled Facilities Grants will be from the Better Care Fund held by Devon County Council and funding will be passported to District Councils. Provisional allocations for 15/16 show an increase in contributions to £239,000.

8. CONCLUSION AND OPTIONS TO CLOSE THE BUDGET GAP

8.1 As previously concluded, the Council can remain financially viable through careful financial management and a focus on the Transformation Programme. This is not to understate the considerable financial pressures that the Council will face through the continuing reductions in Government Funding.

8.2 The Council's well above average performance in terms of New Homes Bonus provides an essential 'stop gap' in funding, which allows the Council to deliver significant transformation savings via a well managed programme of change which aims to minimise any reductions to services.

8.3 **The strategy for closing the 2014/15 budget gap will be to use New Homes Bonus.**

	Budget Gap for 2014/2015
If Council Tax is increased by 1.9% as per Appendix B1	£303,983
If Council Tax is frozen and the Freeze Grant is taken as per Appendix B2	£334,267

8.4 The table of New Homes Bonus in 5.2 shows that there is currently **£340,718** of New Homes Bonus funding available to fund the Budget Gap for 2014/15.

8.5 **The strategy for closing the 2015/16 budget gap of between £362,000 to £394,000**, will be to use New Homes Bonus, income generation, growth of business rates income and the temporary use of reserves, in light of the significant T18 savings which would be delivered in 2016/17.

8.6 As shown in 5.2, there is £644,349 of New Homes Bonus available in 2015/16. Between £304,000 and £334,000 of this will be needed to further increase the amount of NHB required to fund the 2014/15 Budget Gap. The remainder of between £340,000 and £310,000 would be available to fund the 2015/16 Budget Gap of between £362,000 and £394,000. The modelling shows that the Council is in a good position to balance its 2015/16 budget although any amounts of NHB agreed for the Dartmoor National Park will reduce the £644,349 available.

9.1 **RECORDED VOTES AT BUDGET MEETINGS** On 4 February 2014, The Department for Communities and Local Government sent a letter to the Leader in respect of Recorded Votes at Budget Meetings (as attached at Appendix G). As a consequence of the Local Authorities (standing orders) (England) (Amendment) Regulations 2014 making it "mandatory for councils as soon as is practicable after the Regulations are in force, to amend their Standing Orders so as to include provisions requiring recorded votes at Budget meetings", Council approval is sought to amend the Constitution accordingly, to be effective immediately.

9.2 This means that a recorded vote is required at this Council Budget meeting.

10. LEGAL IMPLICATIONS

10.1 Council is responsible for approving the policy framework and budget within which its Committees operate. It is also responsible for approving and monitoring compliance with the Council's overall framework of accountability and control, which includes the Financial Procedure Rules.

11. RISK MANAGEMENT

11.1 The Risk Management implications are shown at the end of this report in the Strategic Risks Template.

12. OTHER CONSIDERATIONS

Corporate priorities engaged:	A balanced budget underpins the Council's capacity to deliver its corporate priorities.
Statutory powers:	Local Government Act 1972, Section 151
Considerations of equality and human rights:	A 360 degree assessment of the equality implications has been carried out and is available on request.
Biodiversity considerations:	None directly related to this report.
Sustainability considerations:	None directly related to this report.
Crime and disorder implications:	None directly related to this report.
Background papers:	Resources Committee 28 th January 2014 – Revenue and Capital Budget Proposals for 2014/15 to 2017/18 Resources Committee 10 December 2013 – Budget Update for 2014/15 to 2017/18 Council 4 November 2013 – Transformation Programme 2018 Resources Committee 17 September 2013 – Medium Term Financial Strategy 2014/15 to 2017/18
Appendices attached:	Appendix A – Budget Pressures and Savings for the five years Appendix B1 (Council Tax Increase of 1.9% for 2014-15 assumed) – Five Year Cumulative Budget Gap Appendix B2 (Council Tax Freeze for 14/15 assumed) – Five Year Cumulative Budget Gap Appendix C – Council Tax history Appendix D – Summary Budget for 2014/15 Appendix E – Budget Timetable Appendix F – Unearmarked Reserves Appendix G – Letter regarding recorded votes

STRATEGIC RISKS TEMPLATE

No	Risk Title	Risk/Opportunity Description	Inherent risk status				Mitigating & Management actions	Ownership
			Impact of negative outcome	Chance of negative outcome	Risk score and direction of travel			
1	Robustness of medium term financial strategy and service blue-prints	Not achieving financial savings as anticipated	5+	3	15	↔	Corporate engagement in the development of the medium term financial strategy.	H of Finance & Audit
		External change to the national economic environment which may impact on our funding expectations. Implications of changes to the funding of local government through locally collected business rates and revenue support grant. Effect of the localisation of council tax. Achieving anticipated income targets in the current financial climate.					Service commitment to business planning processes. Robust horizon scanning to monitor changes in Government policy. The Council responded to the consultation on the localisation of business rates and will carry out regular monitoring during the financial year to ascertain the effect of the new scheme on the Council's finances. (see Risk No. 2 below) Monitoring of corporate income streams and revenue budgets.	Corporate Director (TW) Corporate Director (AR) H of F&A H of F&A
2	Income from Business Rates	The figures for income from Business Rates are best estimates at this date (the NNDR1 return) The figures are subject to volatility both from business rating appeals and the economic climate.	5	3	15	↔	The position will be monitored by the Head of Finance and Audit. The quarterly Revenue Budget Monitoring reports will monitor Business Rates income against projections. Any variances will be highlighted to Members at an early stage. The Council is part of a Devonwide	H of F&A

No	Risk Title	Risk/Opportunity Description	Inherent risk status				Mitigating & Management actions	Ownership
			Impact of negative outcome	Chance of negative outcome	Risk score and direction of travel			
							Pooling arrangement for business rates.	
3	Setting a lawful budget	Failure of the Council to set a lawful budget	5	1	5	↔	The Budget is compiled in accordance with best practice guidelines issued by CIPFA and the Government. The final budget report includes an assessment from the Section 151 Officer on the adequacy of the Council's reserves and the robustness of the estimates made. The budget process is laid down in the Council's Constitution. Resources Committee and Council meetings are timetabled to meet the Statutory deadlines for setting the Council Tax.	Head of Finance and Audit
4	Corporate Priorities	Failure to target budgets to service priorities	5	3	15	↔	Service priorities will be reviewed. Budget reductions include a section on their impact on council priorities and a risk assessment. Adequate levels of appropriately trained staff. Thorough planning and monthly monitoring of performance to management, quarterly to the Resources Committee.	Head of Finance and Audit

BUDGET PRESSURES AND SAVINGS

APPENDIX A

WEST DEVON BOROUGH COUNCIL

	BASE 2013/14 £	Yr1 2014/15 £	Yr2 2015/16 £	Yr3 2016/17 £	Yr4 2017/18 £
BUDGET PRESSURES					
Triennial Pension revaluation	0	0	40,000	20,000	20,000
Inflation on the waste collection, recycling and cleansing contract (estimate)	40,000	80,000	80,000	80,000	80,000
Inflation on the street cleaning and public conveniences	0	20,000	0	0	0
Parish contribution to Public Conveniences	0	25,000	0	0	0
Inflation on the swimming pool contract (profiled fee)	30,000	10,000	10,000	10,000	10,000
Investment Income	0	5,000	0	0	0
Inflation on goods and services	50,000	15,000	15,000	60,000	60,000
Reduction in Housing Benefit administration subsidy	15,000	40,000	15,000	15,000	15,000
Civil Parking Enforcement	0	30,000	0	0	0
Increase in salaries - increments and pay and grading	50,000	75,000	0	0	0
Increase in salaries - pay increase at 1%	50,000	50,000	40,000	40,000	40,000
Actuarial strain payments	60,000	0	0	0	0
Leisure Centres - increase in the provision for repairs and maintenance	30,000	0	0	0	0
Subsidy changes from the replacement of Council Tax Benefit with Council Tax Support	45,930	0	0	0	0
Reduction in investment income	20,000	0	0	0	0
Reduction in car parking income	30,000	0	0	0	0
Tamar Valley Mining Heritage Project Legacy Plan	15,000	0	0	0	0
TOTAL IDENTIFIED BUDGET PRESSURES	435,930	350,000	200,000	225,000	225,000
SAVINGS AND INCOME GENERATION IDENTIFIED					
Additional income from estate management	10,000	0	0	0	0
Additional planning fee income	30,000	0	0	0	0
Reduction in the economy service	0	20,000	0	0	0
IT savings - software, maintenance & licensing	22,000	0	0	0	0
Grounds Maintenance saving	15,000	15,000	0	0	0
Savings on TIC	15,000	50,000	0	0	0
Actuarial revaluation savings	0	30,000	0	0	0
Savings on audit fees	15,000	0	0	0	0
Savings on Ring and Ride Scheme	0	3,000	0	0	0
Reduction in provision for Tamar Valley Mining Heritage Project Legacy Plan	0	6,000	9,000	0	0
Discretionary Rate Relief	0	54,910	0	0	0
Budget Scouring Savings	0	199,643	0	0	0
Savings on Past Pension Strain	0	0	120,000	0	0
Other savings identified	24,000	3,000	0	0	0
Transformation Programme savings from 2015/2016 (Council 4 November 2013)	0	0	80,000	930,000	230,000
TOTAL SAVINGS AND INCOME GENERATION	131,000	381,553	209,000	930,000	230,000

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FINANCIAL STRATEGY

Line No.	B1 - Council Tax is increased by 1.9% for 2014-15	Base 2013/14 £	Yr1 2014/15 £	Yr2 2015/16 £	Yr3 2016/17 £	Yr4 2017/18 £
1	Base budget brought forward (line 10)	7,529,105	7,830,178	7,494,642	7,123,656	6,840,768
2	Budget pressures (as per Appendix A)	435,930	350,000	200,000	225,000	225,000
3	Savings already identified (as per Appendix A)	(131,000)	(381,553)	(209,000)	(930,000)	(230,000)
	Council Tax Support - Parish element	119,453				
	Homelessness Prevention - funded by a specific grant	50,000				
	Further Savings Identified	(173,310)				
4	Projected Net Expenditure:	7,830,178	7,798,625	7,485,642	6,418,656	6,835,768
5	Localised Business Rates and Revenue Support Grant (SFA - see 2.2)	3,604,119	3,168,131	2,680,836	2,278,711	1,936,904
6	Council Tax income - Council Tax increase of 1.9% has been modelled for 2014-15 and future years (TaxBase in 14/15 = 19,185.50)	3,797,214	3,923,435	4,039,744	4,158,981	4,281,186
7	Collection Fund surplus	75,769	0	0	0	0
8	Business Rates additional income		50,000	50,000	50,000	50,000
9	Funding from New Homes Bonus	353,076	353,076	353,076	353,076	353,076
10	Total Projected Income	7,830,178	7,494,642	7,123,656	6,840,768	6,621,166
	Budget gap per year					
11	(Projected Expenditure line 4 - Projected Income line 10)	0	303,983	361,986	-422,112	214,602

Cumulative Budget Gap (if savings are made as predicted in the Transformation Programme)

0 303,983 665,970 243,857 458,460

An assumption of an additional 200 Band D equivalent properties per year has been included in the TaxBase and modelling above

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FINANCIAL STRATEGY

APPENDIX B2

Line No.		Base 2013/14 £	Yr1 2014/15 £	Yr2 2015/16 £	Yr3 2016/17 £	Yr4 2017/18 £
No. B2 - Council Tax is frozen for 2014-15						
1	Base budget brought forward (line 10)	7,529,105	7,830,178	7,464,358	7,060,482	6,773,116
2	Budget pressures (as per Appendix A)	435,930	350,000	200,000	225,000	225,000
3	Savings already identified (as per Appendix A)	(131,000)	(381,553)	(209,000)	(930,000)	(230,000)
	Council Tax Support - Parish element	119,453				
	Homelessness Prevention - funded by a specific grant	50,000				
	Further Savings Identified	(173,310)				
4	Projected Net Expenditure:	7,830,178	7,798,625	7,455,358	6,355,482	6,768,116
5	Localised Business Rates and Revenue Support Grant (SFA - see 2.2)	3,604,119	3,168,131	2,680,836	2,278,711	1,936,904
6	Council Tax income - A Council Tax freeze for 2014-15 has been modelled with an assumption of a 1% freeze grant in 15/16 also and 1.9% increase thereafter in 16/17 and 17/18 (Taxbase 14/15 = 19,185.50)	3,797,214	3,850,338	3,890,476	4,005,235	4,123,100
	Council Tax Freeze taken for 14/15 and built into the baseline thereafter		42,813	42,813	42,813	42,813
	Council Tax Freeze taken for 15/16 and built into the baseline thereafter			43,281	43,281	43,281
7	Collection Fund surplus	75,769	0	0	0	0
8	Business Rates additional income		50,000	50,000	50,000	50,000
9	Funding from New Homes Bonus	353,076	353,076	353,076	353,076	353,076
10	Total Projected Income	7,830,178	7,464,358	7,060,482	6,773,116	6,549,174
	Budget gap per year					
11	(Projected Expenditure line 4 - Projected Income line 10)	0	334,267	394,876	-417,635	218,942

Cumulative Budget Gap (if savings are made as predicted in the Transformation Programme)	0	334,267	729,143	311,508	530,450
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An assumption of an additional 200 Band D equivalent properties per year has been included in the TaxBase and modelling above

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West Devon Borough Council - Council Tax History

Precepting Authority	Band D Council Tax for 2013-14 (£)	% Increase from 2012-2013
Devon County Council	1,116.36 (69.7%)	0%
West Devon Borough Council	200.69 (12.3%)	1.90%
Police	162.92 (10%)	2%
Fire	75.39 (4.6%)	2%
Average Town & Parish Council	55.62 (3.4%)	3%
TOTAL	1,610.98 (100%)	0.61%

The table below gives a brief outline of the council tax over the last few years and the year-on-year percentage increases.

	Band D council tax for WDBC £	Percentage rise from previous year
2001/02	124.26	8.8%
2002/03	134.20	8.0%
2003/04	137.69	2.6%
2004/05	150.70	9.4%
2005/06	158.14	4.9%
2006/07	165.89	4.9%
2007/08	174.01	4.9%
2008/09	181.84	4.5%
2009/10	187.30	3.0%
2010/11	192.15	2.59%
2011/12	192.15	Nil
2012/13	196.95	2.5%
2013/14	200.69	1.9%

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<u>West Devon Borough Council Revenue Budget Analysis</u>		Budget analysis if the Council Tax Freeze is taken (Appendix B2)	Budget analysis if Council Tax is increased by 1.9% (Appendix B1)
	2013/14	2014/15	2014/15
Service Expenditure Analysis			
Employee Costs	5,776,462	5,844,620	5,844,620
Premises costs	815,791	815,206	815,206
Transport costs	99,987	99,867	99,867
Supplies and Services	1,402,687	1,383,655	1,383,655
Contract Costs	2,557,871	2,652,871	2,652,871
Revenues and benefits (Housing Benefit and Support Payments)	14,540,171	15,143,367	15,143,367
Transfer Payments	137,145	79,235	79,235
Capital Costs	119,998	94,998	94,998
Budget Scouring	199,643	0	0
Gross Expenditure	25,649,755	26,113,819	26,113,819
Revenues and benefits (Housing Benefit Subsidy and Support Grants)	-14,822,253	-15,385,449	-15,385,449
Income	-2,997,324	-2,929,745	-2,929,745
Net Budget	7,830,178	7,798,625	7,798,625
Funded By			
Grant Received From Government	3,604,119	3,168,131	3,168,131
Council Tax	3,797,214	3,850,338	3,923,435
Council Tax Freeze	0	42,813	0
Increase in Business Rates	0	50,000	50,000
New Homes Bonus	353,076	353,076	353,076
Collection Fund	75,769	0	0
	7,830,178	7,464,358	7,494,642
Current Budget Gap (See recommendation (ii))	0	-334,267	-303,983

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Budget Timetable

Meeting Date		Purpose
17 September 2013	Resources Committee	To consider the Financial Strategy for 2014-15 onwards
10 December 2013	Resources Committee	Budget Update for 2014/15 to 2017/18
18 December 2013	SMT	Approve the Council taxbase for 2014/15
28 th December 2013		The Government announced the provisional funding position for the Council for 2014-15
14 January 2014	Head of Finance & Audit and Leader & Deputy Leader	Decision on Business Rates pooling made for West Devon Borough Council to stay in the Pool for 2014/15
28 January 2014	Resources Committee	To consider the Revenue and Capital Budget Proposals for 2014/15 to 2017/18
5 February 2014	Finance Settlement	Government announced the final finance settlement and the tax threshold limit of 2%
13 February 2014		Date which Council Procedure Rule 16 applies (see Note 1 below)
18 February 2014	Council	To agree the Revenue and Capital Budgets for 2014/15 and the consequential level of Council Tax proposed for 14/15
25 February 2014	Council	To set the Council Tax for 2014/15
11 th March 2014		Council must set the budget at the latest by the 11 th March 2014.

Note 1- Council Procedure Rule 16 states that 'Where a member intends to move a motion or amendment in relation to the Budget, the text of that motion or amendment must be put in writing and submitted to the Head of Paid Service by 9am on the third working day before the meeting, in order that officers may have sufficient time to consider and advise the Council of the financial implications of any such motion or amendment'. As per the timetable above, this would need to be submitted by 9am on 13th February 2014.

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RESERVES - PROJECTED BALANCES			
	Opening balance	Projected Balance	
	1 April 2013	31.3.2014	Comments
	£000	£000	
EARMARKED RESERVES			
Specific Reserves - General Fund			
Rev & Bens	(30)	0	
Okehampton Depot (Waste Man budget)	(40)	(40)	
Housing Needs Survey and extension of homefinder direct	(8)	0	
LABGI	(43)	0	
PDG (ICT) Earmarked Reserve	(11)	0	
Car Parking Maintenance	(183)	(183)	
Habitats Earmarked Reserve	(50)	(40)	Planned future use over 5 years
Housing revenue element of the PDG for 08/09	(2)	0	
Landscape Maintenance	(20)	0	
Personal Search Fee S31 Grant	(34)	(34)	Ringfenced for Gov. Legislation
Housing Enabling	(8)	0	
			This is the uncommitted balance for 13/14. The recommended amount for the DNPA of £18,688 will be paid from the 14/15 New Homes Bonus allocation.
New Homes Bonus	(53)	(67)	
County Election	(73)	0	
Devon County Council - (Localism Support officer)	(4)	0	
RIEP - Localism Projects	(10)	0	
DCC - TAP funds	(5)	0	
New Burdens Money CLG - Right to Challenge	(8)	(8)	
New Burdens Money CLG - Assets of Community Value	(5)	(5)	
Fifth Wave Neighbourhood Front Runners	(20)	0	
DCLG	(10)	0	
World Heritage Key Site	(5)	0	
Cannons Meadow	(27)	(20)	Committed over future years. Annual transfer to cover planned revenue expenditure
Millwood Homes	(15)	(10)	
T18 Programme - Invest to Save reserve	0	(600)	£400K NHB and £200K general reserves
TOTAL - Earmarked Reserves	(664)	(1,007)	
GENERAL FUND UNEARMARKED RESERVES	(1,103)	(970)	As per Budget Update report for 2014/15 to 2017/18 - Section 6
TOTAL REVENUE RESERVES	(1,767)	(1,977)	

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Department for
Communities and
Local Government

Brandon Lewis MP
Parliamentary Under Secretary of State

**Department for Communities and Local
Government**
Eland House
Bressenden Place
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The Leader
Principal Councils in England

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Dear Leader

www.gov.uk/dclg

04 February 2014

Recorded Votes at Budget Meetings

In the coming weeks, your council will be holding its annual budget meeting at which it will be formally taking decisions about its expenditure on local services and council tax levels for the year ahead. These discussions will affect the lives and household budgets of all who live in the council's area. Local people should be able to see how those they have elected to represent them have voted on these critical decisions.

Accordingly I am writing to you today to say that the Government's expectation is that at this year's budget meetings, all councils will adopt the practice of recorded votes – that is recording in the minutes of the meeting how each member present voted – on any decision relating to the budget or council tax. People will thus be able to see how their councillors voted, not only on the substantive budget motions agreeing the budget, setting council taxes or issuing precepts, but also on any amendments proposed at the meeting.

We are very clear that any serious commitment to transparency and democratic accountability, which I am confident we all share, demands nothing less in today's circumstances. I know that the practice of recorded votes is already being followed in a range of circumstances across councils. If local people are to continue to have confidence in their councils and their elected representatives, then the practice of recorded votes needs to be followed everywhere on this year's budget decisions.

To facilitate this, we have last week made 'The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014'. These Regulations make it mandatory for councils as soon as is practicable after the Regulations are in force, to amend their Standing Orders so as to include provisions requiring recorded votes at budget meetings.

I recognise that some councils may be holding budget meetings before they have formally amended their Standing Orders, but nothing prevents the council from simply resolving to holding a recorded vote, in line with the Regulations.

BRANDON LEWIS MP

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NAME OF COMMITTEE	Full Council
DATE	18th February 2014
REPORT TITLE	Pay Policy Statement 2014/15
Report of	Personnel Manager
WARDS AFFECTED	All

Summary of report:

The purpose of this report is to set out the Council’s statutory obligation to adopt a pay policy statement in accordance with the provisions of the Localism Act.

Financial implications:

There are no financial implications as a result of this report.

RECOMMENDATIONS:

It is recommended that Council adopts the attached pay policy statement for 2014/15.

Officer contact:

Andy Wilson 01803 861154; Andy.wilson@swdevon.gov.uk

1. BACKGROUND

- 1.1 Section 38 of the Localism Act 2011 requires local authorities in England and Wales to produce and publish a statutory pay policy statement for 2012/2013 and each financial year thereafter. Once approved, the policy will be published on the Council’s website.

- 1.2 The pay policy statement must be approved by a resolution of the Council before it comes into force and each subsequent statement must be prepared and approved before the end of the 31 March immediately preceding the financial year to which it relates.

2. ISSUES FOR CONSIDERATION

- 2.1 A draft pay policy statement is attached at Appendix A for consideration.

- 2.2 Under the terms of the statement, the Leader of Council will take independent pay advice from South West Councils or a similar body and make a recommendation on the level of remuneration for senior officers that will be

subject to the approval of the Full Council as and when levels of remuneration are reviewed.

3. LEGAL IMPLICATIONS

3.1 The adoption of a pay policy statement is necessary to meet the Council's statutory obligations under the provisions of s. 38-43 of the Localism Act 2011.

4. FINANCIAL IMPLICATIONS

4.1 There are no financial implications arising from the adoption of the senior pay policy statement.

5. RISK MANAGEMENT

5.1 The risk management implications are:

Opportunities	Benefits
To meet the provisions of the Localism Act To give Members a greater say in the setting of senior officers level of remuneration	A transparent and accountable pay policy for senior officers
Issues/Obstacles/Threats	Control measures/mitigation

Corporate priorities engaged:	Community Life
Statutory powers:	S38 Localism Act 2011
Considerations of equality and human rights:	There are no equality or human rights considerations
Biodiversity considerations:	There are no biodiversity considerations
Sustainability considerations:	There are no sustainability considerations
Crime and disorder implications:	There are no crime and disorder considerations
Background papers:	Localism Act: Pay policy statements guidance for local authority chief executives: LGA and SOLACE; 25/11/2011
Appendices attached:	Pay Policy Statement



PAY POLICY STATEMENT

Purpose and scope of the Policy

1. Section 38 of the Localism Act 2011 (the Act) requires local authorities in England and Wales to produce a statutory pay policy statement for 2012/2013 and each financial year thereafter.
2. The pay policy statement must be approved by a resolution of the Council before it comes into force and each subsequent statement must be prepared and approved before the end of the preceding financial year to which it relates.
3. The Council may by resolution amend this pay policy statement at any time during the year, subject to the amended statement being published as soon as is reasonably practicable.
4. The Act requires local authorities to have regard to the guidance issued by the Secretary of State. The guidance draws upon the Code of Recommended Practice for Local Authorities on Data Transparency published by the Secretary of State on 29 September 2011, the commitment in the Coalition Agreement to strengthen councillors' powers to vote on large salary packages for council officers and the recommendations made by the Hutton Report published in March 2011 for promoting fairness in the public sector by tacking disparities between the lowest and highest paid in public sector organisations.
5. The pay policy statement brings together these strands of increasing accountability, transparency and fairness in the setting of chief officer pay.
6. The pay policy must set out the authority's policies for the financial year relating to—
 - 6.1. the remuneration of its chief officers,
 - 6.2. the remuneration of its lowest-paid employees, and
 - 6.3. the relationship between—
 - 6.3.1. (i) the remuneration of its chief officers, and
 - 6.3.2. (ii) the remuneration of its employees who are not chief officers.

7. For the purposes of this pay policy, and in accordance with section 43 (2) of the Act, the following officers are considered to be relevant chief officers and deputy chief officers within scope of the Councils' statutory obligation:
 - Executive Directors (including Head of Paid Service)
 - Heads of Service (including s151 officer responsibilities)
 - Monitoring Officer
8. The above officers are collectively known as Chief Officers for the purpose of this pay policy statement.
9. In addition, the pay policy sets out the council's overall pay strategy that is applicable to all employees.

Shared Services

10. For the purposes of this pay policy statement, it should be noted that all of the identified chief officers operate under a shared service agreement with South Hams District Council and their salary costs are shared on an agreed basis. For the purpose of this pay policy statement, all shared chief officers are shown, notwithstanding the identity of their employing authority.

Executive Director Model

11. With effect from 1 January 2014, West Devon Borough Council and South Hams District Council agreed to adopt interim arrangements for an Executive Director model following the retirement of the Shared Chief Executive on 31 March 2014.
12. Following a selection process, internal appointments were made to two posts of Interim Executive Director. The interim appointments are until 31 December 2014 or until a revised senior management structure is agreed as part of the Councils' transformation programme. The interim appointments will be reviewed in June 2014.
13. An interim salary was agreed by the Council on the recommendation of the Leader after taking advice on comparable salary levels in other organisations. In addition, the Executive Director (Communities) was appointed as Interim Shared Head of Paid Service and receives an additional responsibility allowance.

Remuneration for Chief Officers

14. The council has chosen to introduce local arrangements for senior manager pay because it believes that this delivers a better outcome in terms of manager performance and flexibility.
15. In reviewing the remuneration package for the chief officers identified above, the Leader of Council will take independent pay advice from South West Councils or a similar body and make a recommendation that will be subject to the approval of the Full Council.

16. The Leader of the Council may recommend to Full Council changes to the remuneration package following a review. Any changes to the remuneration packages will be subject to Full Council approval.
17. Salary increases in relation to cost of living will be made in line with the relevant recommendation of the National Joint Council for Local Government Services (the NJC) or other relevant national negotiating body for each chief officer.
18. The salary for the relevant chief officers will be 'spot' salaries, that is to say all officers will be paid in accordance with a fixed salary upon appointment and there will be no further incremental progression as a result of seniority, experience or performance.
19. Where possible, salary levels will be consistent with similar organisations, although the Council will retain the right to have due regard to market forces that may affect its ability to recruit and retain high quality officers, whilst balancing this against the need to ensure value for money for residents.
20. The 'spot salary' is the only remuneration for work carried out. At present, there are no additional payments made to chief officers relating to performance or any other matters and no bonus is payable.
21. Additional payments are made by Central Government to officers carrying out additional duties at elections. The determination of the allowance is made by the Government and these payments are not within the scope of this policy. There are no payments made by the Council for election duties.
22. In accordance with the provisions of the Council's Travel and Subsistence Policy that applies equally to all employees, the relevant chief officers may attract an essential car user lump sum allowance and be reimbursed with business expenses subject to the submission of a claim with receipts. For 2014/15, all of the Chief Officers are designated as casual car users and will not receive an essential car user lump sum allowance.
23. From 1 April 2013, all business mileage will be reimbursed in accordance with the approved HMRC rates, currently 45p per mile. This replaces the previous policy under which business mileage was reimbursed at the higher rate agreed by the NJC, currently 50.5p per mile for essential users and 65p per mile for casual users.

Severance payments

24. Any termination payments payable to the relevant chief officers will be in accordance with the Council's Redundancy and Interests of Efficiency Policy. All such payments are equally applicable to all employees and no additional payments will be made without the express approval of the Full Council. All severance payments are subject to the provisions of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006, as amended.

Relationship with the remuneration of other employees of the Council

25. The Hutton Report identified that the most appropriate way of measuring pay dispersion within an organisation is the multiple of Chief Executive to median earnings. Tracking this multiple will ensure that the Council is accountable for the relationship between the pay of its executives and the wider workforce. Through this pay policy statement, the Council will track this multiple on an annual basis and will publish the following information on its website each year (see Appendix A(1)):

- The level and elements of remuneration to each relevant chief officer
- The remuneration of the lowest paid employees
- The relationship between the remuneration of the Head of Paid Service and the median earnings of all employees
- Other specific aspects of relevant chief officer remuneration

26. Each year the published data will be reviewed by the Leader of the Council and if the multiplier between the Head of Paid Service and the lowest paid employee within the Council exceeds a factor of 10, the Leader shall present a report to the Full Council for consideration.

27. For the purposes of this pay policy statement, the 'lowest paid employees' are identified as those employees carrying out a substantive role within the Council's established workforce with the lowest annual full-time equivalent salary.

28. The 'median earnings' have been identified by listing all salaries paid to employees in ascending order and finding the salary paid to the employee ranked in the middle of the list.

The Council's overall pay strategy

29. In determining the pay and remuneration of its employees, the council will comply with all relevant employment legislation. This includes the Equality Act 2010, the Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, the Agency Worker Regulations 2010, the Fixed Term Employees (Prevention of Less Favourable Treatment) Regulations 2002 and, where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations. With regard to the Equal Pay requirements contained in the Equality Act, the council ensures that all pay arrangements are fair and transparent through the use of Job Evaluation methods.

30. The council takes the following approach to assessing individual and overall pay levels:

- Defining the role – a job description is produced that describes the activities, responsibilities and accountabilities which relate to each job within the council. This helps to ensure that the role and its requirements are fully understood by the individual and the manager and enables the council to assess the performance of its staff and so improve efficiency and effectiveness.

- Determining the job size – the council uses the Greater London Provincial Council Job Evaluation Scheme to enable the direct comparison of jobs across the council in a fair, transparent and consistent way.
31. The council's pay structure is based on the pay spine agreed by the NJC. Employees receive 'cost of living' increases in pay in line with NJC Agreements but there has been no national pay award since April 2009.
 32. The terms and conditions of employment for Executive Directors are in accordance with the Joint Negotiating Committee (JNC) for Chief Officers of Local Authorities. In 2013/14, there was no pay award agreed by the JNC.
 33. Using the nationally agreed NJC pay spine, the council determines locally the appropriate grading structure, taking into account the need to ensure value for money in respect of the use of public finances balanced against the need to recruit, retain and motivate employees who are able to provide high quality and efficient services to the community.
 34. To encourage employees to develop in their role and to improve their performance, the council has arranged its pay levels within a series of pay grades. Each grade typically contains between 4 and 5 pay levels or increments. Progression through the pay grade is dependent on meeting identified performance targets and is assessed through the council's staff appraisal scheme.
 35. From time to time, the council may pay special allowances to an employee in specific circumstances and in accordance with its policy, such as to reward an employee who temporarily takes on additional responsibilities.
 36. From time to time, the council may make a one-off merit pay award to an employee in specific circumstances and in accordance with its policy, such as to reward exceptional performance.
 37. Subject to qualifying conditions, employees have a right to belong to the Local Government Pension Scheme. The employee contribution rates, which are defined by statute, currently range between 5.5% for those on the lowest incomes to 7.5% for the highest income earners. The Employer contribution rates are set by Actuaries and are reviewed on a triennial basis to ensure the scheme is appropriately funded.

Appendix A (1)

1. The levels and elements of remuneration for each Chief Officer are as follows:

Post	Salary (£)	Comments
Executive Director and Head of Paid Service*	89,000	Interim appointment and salary until 31 December 2014
Executive Director*	85,000	Interim appointment and salary until 31 December 2014
Head of Service x 3*	62,620	
Head of Service x 4	62,620	
Monitoring Officer	39,819	Current post holder is 0.8 FTE
* employed by South Hams District Council		

Please note: All chief officers operate under a shared service agreement with South Hams District Council and all salary and associated costs are shared on an agreed basis between the two councils.

Following major organisational change in April 2011, the total salary cost of the shared Senior Management structure at South Hams District Council and West Devon Borough Council is £612,340 pa. This compares with the previous total salary cost of the shared management structure across the two councils in 2010/11 of £1,277,812 pa. The Senior Management Team consists of the Executive Directors and Heads of Service but excludes the Monitoring Officer.

2. The full-time equivalent annual salary of the lowest paid employee is an office cleaner, paid in accordance with spinal column point 7 of the National Joint Council for Local Government Services pay spine, currently £12,915pa
3. The annual median salary of all employees is £23,945pa.
4. The Head of Paid Service's salary is a pay multiple of 3.72 times the median earnings.
5. The Head of Paid Service's salary is a pay multiple of 6.89 times the lowest paid employee.

NAME OF COMMITTEE	COUNCIL
DATE	18 FEBRUARY 2014
REPORT TITLE	APPOINTMENT OF ELECTORAL REGISTRATION OFFICER AND RETURNING OFFICER
REPORT OF	EXECUTIVE DIRECTOR (COMMUNITIES) AND HEAD OF PAID SERVICE
WARDS AFFECTED	ALL

Summary of report:

To seek the approval of the Council for the appointment of Jan Montague as the Electoral Registration Officer and Returning Officer, in accordance with the Representation of the People Act 1983.

Financial implications:

There are no financial pressures arising from this report.

RECOMMENDATION

It is recommended that Council agrees that, with immediate effect:

- 1. Jan Montague be appointed as the Electoral Registration Officer and Returning Officer for West Devon Borough Council; and**
- 2. Tracy Winser be appointed as the Deputy Electoral Registration Officer for West Devon Borough Council.**

Officer contact:

Alan Robinson, Executive Director (Communities) & Head of Paid Service;
email: alan.robinson@swdevon.gov.uk

Lead Member contact:

Cllr Philip Sanders (Leader of Council)
email: cllr.Philip.Sanders@westdevon.gov.uk

1. BACKGROUND

- 1.1 Members will be aware that the position of Electoral Registration Officer and Returning Officer is currently within the remit of the Chief Executive. These roles are undertaken on a shared basis across both Councils.
- 1.2 It is both a statutory and constitutional requirement for these positions, and the position of Deputy Electoral Registration Officer, to be appointed by full Council.
- 1.3 The main duties of the Electoral Registration Officer include the creation and maintenance of the registers of Electors. The statutory involvement of the post includes the provision of registers and absent voter lists for each polling station, as well as to candidates at the election and to the Returning Officer.
- 1.4 It is the duty of the Returning Officer to organise and conduct elections. As the roles are closely linked, for consistency, it is usual for the Electoral Registration Officer and the Returning Officer roles to be held by the same person, particularly as for UK Parliamentary Elections, the Electoral Registration Officer appointed for the Council automatically becomes the Acting Returning Officer.

2. ISSUES FOR CONSIDERATION

- 2.1 As part of the recently introduced interim Executive Director model, Heads of Service have been keen to use this period as an opportunity to broaden their experience and raise their external profile. To achieve this objective, it is suggested that the two roles are allocated to a current Head of Service, as there is no requirement for the roles to be held by the Head of Paid Service. SMT have unanimously suggested that as the Head of Corporate Services currently has line management responsibility for election services at both Councils, that Jan Montague is best placed to take the roles.
- 2.2 There are, however, other options available to Members:
 - a) Appoint one of the Executive Directors to undertake the role for both authorities;
 - b) Appoint one of the Executive Directors to the role in West Devon, with the other Executive Director similarly appointed in South Hams.
 - c) Appoint the Head of Corporate Services to the role in one Council with one of the Executive Directors appointed to the role in the other Council.
- 2.3 The key demands on the Electoral Registration Officer and the Returning Officer, during the interim period pending Senior Management restructuring as part of T18, will be to manage the introduction of national changes in the electoral registration system and organise and conduct the European elections scheduled for 22 May 2014.

- 2.4 Clearly a shared service Returning Officer would not be physically present at both Counts. A decision would be taken at each election as to where the Returning Officer should be in attendance dependent upon the perceived level of risk that has to be managed. The Returning Officer would, of course, be supported by members of SMT to ensure appropriate cover at Counts. This mirrors the current arrangements, as the Chief Executive acts in these roles on a shared basis.
- 2.5 Having considered the issues set out above, it is recommended that the roles are carried out by the Head of Corporate Services, Jan Montague.

3. LEGAL IMPLICATIONS

- 3.1 A Returning Officer is required for a number of different types of elections; principally those held under the Representation of the People Act 1983. The intention is that this appointment would cover all elections and referendums managed by the Council during the interim period pending restructuring of the management team.
- 3.2 The Monitoring Officer advises that as the office of Returning Officer is required to be filled for each Council, it is a necessity to regard the appointed person as separately holding the office for each Council, rather than the office being “shared”, although practically there will be little difference.
- 3.3 There is a separate statutory role of Electoral Registration Officer. The responsibilities of the role are set out in the Electoral Administration Act 2006. Unlike the Returning Officer, who can appoint deputies at election time, it is a requirement that the Council appoints a Deputy Electoral Registration Officer. It is believed that this role should be undertaken by the Executive Director, Tracy Winsler.

4. FINANCIAL IMPLICATIONS

- 4.1 The Returning Officer fees for external elections and referendums are set by regulations and are funded externally.

5. RISK MANAGEMENT

- 5.1 The Risk Management implications are shown at the end of this report in the Strategic Risks Template.

6. OTHER CONSIDERATIONS

Corporate priorities engaged:	None, directly relevant to this report
Statutory Powers:	Local Government Act 2000 Representation of the People Act 1983
Considerations of equality and human rights:	None directly related to this report
Biodiversity considerations:	None directly related to this report
Sustainability considerations:	None directly related to this report

Crime and disorder implications:	None directly related to this report
Background papers:	Council Constitution Previous report appointing Electoral Registration Officer and Returning Officer
Appendices attached:	None

The risk management implications are:

STRATEGIC RISKS

No	Risk Title	Risk/Opportunity Description	Inherent risk status				Mitigating & Management actions	Ownership
			Impact of negative outcome	Chance of negative outcome	Risk score and direction of travel			
1	Workload for a single Electoral Registration Officer and Returning Officer	While the suggested post holder has some electoral experience, it could prove a high workload for one officer to perform the role in two councils at the same time as being a key contributor to elements of T18 relating to the HR work stream	4	2	8	↔	Highly experienced Election Officers in each Council reduce the day to day pressure and level of risk.	H of Corporate Services
2	Unable to be in 'on the ground' in both Councils, particularly leading up to election days and the count.	Significant risks can arise during the Count – the Returning Officer may be in the wrong place at the wrong time.	5	2	10	↔	A diligent risk assessment process in advance of each election will identify the risks and facilitate the best decision. The highly experienced Election Officers in each Council can liaise with the RO/ERO to identify and implement the best response to difficult situations as they arise.	H of Corporate Services

Risk Score 20-25: very high; 12-19: high; 8-12; medium; <8: low
 Direction of travel symbols = ↓ ↑ ↔

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NAME OF COMMITTEE	Council
DATE	18th February 2014
REPORT TITLE	Tavistock Townscape Heritage Initiative (THI) Stage 2 Bid
REPORT OF	Economic Development Officer
WARDS AFFECTED	Tavistock Wards

SUMMARY OF REPORT:

The report outlines progress made during the development phase of the Tavistock Townscape Heritage Initiative (THI) scheme and asks members to delegate the approval of the final Stage 2 bid document to the Executive Director (Community) in consultation with the Leader and Deputy Leader. Members are also asked to confirm their financial contribution towards the scheme and if appropriate bring forward specific proposals for improvements at Bank Square.

FINANCIAL IMPLICATIONS:

The Borough Council is asked to confirm that it is prepared to make contributions of up to £10,000 per annum over the next 5 years (2014/15 – 2018/19) to assist with the delivery of the scheme.

RECOMMENDATIONS:

It is recommended that Council agrees to:

1. Note progress towards the submission of a Stage 2 bid to the Heritage Lottery and delegate the approval of the final version of the bid document, to the Executive Director (Community) in consultation with the Leader and Deputy Leader;
2. Bring forward proposals, as outlined in the report below, in respect of public realm improvements in Bank Square as part of the Tavistock THI Scheme, should there be sufficient funds in the scheme to enable those proposals to be progressed and should members still wish to pursue this project; and,
3. Confirm its commitment to secure, if possible, up to £10,000 per annum from 2014/15 onwards to support the delivery phase, in the event of a successful Stage 2 bid to the Heritage Lottery, to be funded from the remainder of the LABGI earmarked reserves, or from the Economic Development Grant scheme, with the remainder to be bid for as a discretionary bid from 2015/16 onwards.

OFFICER CONTACT:

Robert Plumb, Economic Development Officer - rplumb@westdevon.gov.uk (01822 813620)

1. BACKGROUND

- 1.1 Members will recall that a special meeting of the Resources Committee (RC 20 – 2012/13) members agreed to support the Stage 1 bid and to make the necessary finances available to support the development phase and subsequent delivery in the event of successful Stage 1 and 2 bids.
- 1.2 In March 2013 the Stage 1 bid was approved and the HLF funds set aside pending the submission of a Stage 2 application. That bid needs to be submitted to the Heritage Lottery (HLF) by the end of March this year for consideration at its September Trustees meeting. Progress on the Stage 2 bid is summarised below. The report also outlines the commitments required from the Borough Council to enable a successful bid to be submitted.

2. PREPARATION OF THE STAGE 2 SUBMISSION

- 2.1 In approving the Stage 1 bid the HLF agreed to make up to £36,000 available to support the development phase, which was matched by £6,000 each from the Borough and Town Councils. The Town Council agreed to be the Accountable Body for the scheme, including the submission of the Stage 1 bid and subsequent phases of the project.
- 2.2 As part of the development phase, the Town Council have therefore engaged the following support:-
 - Lead consultants; responsible for reviewing the Conservation Area Appraisal and Management Plan documents; carrying out detailed surveys and costing for the target and possible reserve project buildings; valuations to establish any likely uplift in values resulting from the THI scheme works; modelling of various intervention rates or levels of grant assistance and the preparation of supporting text to be included in the Stage 2 bid document.
 - Public Realm consultants who have been asked to develop a strategy for the public realm and generate options and costings for the improvement of public spaces which are included in the THI scheme area (– around the Pannier Market, in front of the Guildhall and at Market Street/Bank Square).
 - Appointment of a part-time Project Manager to assist with the preparation of the Stage 2 bid and subsequent delivery of the THI scheme.
- 2.3 Much of this work is now complete, including extensive consultation on all aspects of the scheme options and proposals. An exhibition was mounted in the Pannier Market over two days which coincided with Dickensian Evening in Tavistock and was attended by over 150 people. Articles and letters in the local

newspapers have followed, together with a range of press releases. The exhibition transferred to the Public Library in Plymouth Road until the 17th January. A questionnaire was available at the venues and on line through the Borough Council's website and this has generated some ... replies. A full report of consultation is attached at Annexe B.

- 2.4 The Public Realm consultants (LDA Design) also ran two workshops sessions to glean public opinion and test various options for improvements to the public realm in September and November last year. These were attended by over 40 people each time. Borough Council officers also conducted a survey of businesses in the King Street/Market Street area to gauge their support, or otherwise for the proposals in that area (Bank Square and Market Street). The draft Public Realm Strategy will be considered by the Community Services Committee at its March meeting, together with recommendations relating to possible improvements at Bank Square.

3. ISSUES FOR CONSIDERATION

a) Target Buildings

3.1. The costings and valuations for building works on target buildings broadly reflect what was estimated during the Stage 1 process, some have increased, notably the Butchers Hall (former Auction Rooms) and 1 Church Lane (known as Foulston's House) but others have decreased. This will also change as the project progresses into the delivery phase as contracts are tendered and let. Hence, the target buildings have been placed in priority order with the two critical buildings remaining the Pannier Market and Butchers Hall, followed by The Guildhall, 1 Church Lane and others.

3.2. It may also be necessary to vary the intervention rates as the scheme progresses depending on demand from property owners. A close eye will need to be kept on how the scheme is progressing. To that purpose, there will be regular update reports from the Project Manager to the Tavistock Townscape Heritage Partnership, which includes both officer and member representation from the Borough Council. It is also proposed that there will be member level representation on the THI grants panel from each of the local authorities.

b) Public Realm Strategy

3.3. Costings for the public realm improvements are higher than originally expected and therefore not all the proposed works will be possible. It would appear that there is substantial in principle support for the proposal to re-surface the Borough Council's car park at Bank Square to enable it to accommodate more events and alternative activities and provide better seating. But, at an estimated cost of over £130,000 it is questionable that this represents good value for money. In both the overall public consultation responses and the survey of local businesses there was strong opposition to any loss of car parking spaces at this location. Whereas 100% of the "extra-over costs" can be met from a grant from the THI scheme, the cost of

“like for like” replacement of existing works needs to be met by the applicant first. In this case the applicant would be the Borough Council and according to current estimates that could be up to £40,000.

3.4. It is therefore suggested this project be held in reserve, should funds become available later in the THI scheme delivery.

3.5. Other public realm works are the responsibility of either the Town Council (Pannier Market surrounds and Guildhall Car Park), or the County Council (Market Street).

3.5. It is proposed to consider the Public Realm Strategy, including proposals for improvements to key public spaces in the THI area at the next Community Services Committee. Should there be any cost or property considerations resulting from any proposals, they will be referred to the Resources Committee in due course.

c) Conservation Area Appraisal and Management Plan

3.5. The review of the Conservation Area Appraisal and the Management Plan documents have been a light touch approach, with updates provided where necessary (e.g. in respect of the introduction of the National Planning Policy Framework); amendments to the CA Boundary, (approved in 2010); the World Heritage Site Management Plan, (reviewed last year); and the Public Realm Strategy which has emerged from the THI process.

4. LEGAL IMPLICATIONS

4.1 Under Section 1 of the Localism Act 2011 the Council has a general power of competence to do anything an individual can do subject to any statutory restrictions.

4.2 The report is being brought to Council so that Members are aware of the future implications for the Council in making this bid.

5. FINANCIAL IMPLICATIONS

5.1 If the Council wishes to continue to support the bid, it will need to commit funds for the first year of the scheme (2014/15) in advance of the Stage 2 submission and make an “in principle” commitment to any contribution it considers suitable to support the Delivery Phase after that (2015/16 onwards). This could be met from any surplus from Economic Development Grant scheme in the current year (2013/14) with the remainder drawn from that grant scheme for 2014/15. Following that a discretionary bid could be made to the 2015/16 budget process for up to £10,000 per annum over the next 4 years until 2018/19.

6. RISK MANAGEMENT

6.1 The risk management implications are as set out in the Annex A attached to this report.

7. OTHER CONSIDERATIONS

Corporate priorities engaged:	Economy, Environment and Community Life
Statutory powers:	Section 1 of the Localism Act 2011
Considerations of equality and human rights:	N/A
Biodiversity considerations:	N/A
Sustainability considerations:	The proposal will help to support a sustainable economic future for the town and protect its heritage
Crime and disorder implications:	N/A
Background papers:	Report to Council - 15 April 2008 (CM118) and May 2012 (CM21) and Resources on 30 th October 2012
Appendices attached:	Strategic Risk Assessment

8. CONCLUSIONS

- 8.1 A Townscape Heritage Initiative Scheme represents a major opportunity to support the regeneration of Tavistock town centre, including a £2m investment which will help to underpin business prospects, create new jobs and additional business floorspace, as well as helping to repair and restore key historic buildings and public spaces within the Conservation Area and World Heritage Site.
- 8.2 Members are asked to continue to support this partnership scheme and bring forward specific proposals if and when appropriate.

STRATEGIC RISK ASSESSMENT

No	Risk Title	Risk/Opportunity Description	Inherent risk status				Mitigating & Management actions	Ownership
			Impact of negative outcome	Chance of negative outcome	Risk score and direction of travel			
1	Damage to Partnership Working	This is an opportunity for the Borough, Town Councils and others to work together to support the viability and vitality of the town centre, however it carries the risk of the bid not being successful and disagreement between delivery partners at each stage	4	2	8	↔	The bid has been developed in close cooperation with key stakeholders and will continue to be delivered through the Town Council as the Accountable Body and the TTHP	Economic Development Officer (EDO)
Page 56	WDBC, or other partner, is unable to commit match funding promised at Stage 1	A risk that insufficient funds will be available to match with the expected HLF contributions. Failure to complete the scheme as currently set out.	4	3	12	↔	It is important that funds which have been agreed "in principle" at the Stage 1 submission are maintained. In the event of this not being possible other funds could be applied for during the delivery phase, but this could result in insufficient funds being available to complete the scheme, if these other applications are unsuccessful.	EDO
3	Substantial work carried out but Stage 2 bid is unsuccessful or delayed	A risk of wasted resources.	3	2	6	↔	The scheme received a Stage 1 pass in March 2013, since when the Town Council and Partners have been developing a more detailed Stage 2 bid in close cooperation with the HLF Monitoring Officer. A delay would have a resource implication, in particular in respect of the cost of the Project Manager post. Provisions have been made in the contract terms to deal with this eventuality.	EDO EDO
4	Officer capacity in view of other work pressures, as well	Council staff will need to continue to assist with the management and delivery	4	2	8	↔	Procurement of external support and project staff at Stage 2 has diminished staff input and this will decrease further once the	EDO

	as the capacity of partners	of the project.					Stage 2 bid is submitted, but involvement as the Planning authority with the developments that come forward as part of the scheme is likely to be considerable, but within the normal parameters of these posts.	
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Risk Score 20-25: very high; 12-19: high; 8-12; medium; <8: low

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NAME OF COMMITTEE	COUNCIL
DATE	18 th February 2014
REPORT TITLE	Income Generation Opportunities
Joint Report of	Head of Environment Services; Head of Environmental Health & Housing and Head of Assets
WARDS AFFECTED	All

Summary of report:

The purpose of this report is to inform Members of the work undertaken to date in progressing opportunities for West Devon Borough Council (WDBC) and South Hams District Council (SHDC)s to increase income through existing and new channels in the future. This work focuses on short and medium term income generation opportunities and recommends some specific actions which could progress this work area.

Financial implications:

Significant income potential will be based on the business cases which Members choose to pursue. Each major individual income generation opportunity will be subject to a full business case which will outline minimum income generation expectations and any required investment.

RECOMMENDATIONS:

1. It is recommended that officers proceed to identify income potential through charging powers and these are pursued through existing work streams and under constitutional rulings wherever applicable.
2. It is recommended that an in principle decision to form a trading company is made as outlined at 2.6, 2.7 and 2.8 in order to allow the Council to pursue appropriate business avenues at commercially advantageous points.
3. It is recommended that officers gather quotes for professional external assistance to undertake market research looking at potential market opportunities which match our existing skill base and service provision with a view to a final work award being delegated to the Corporate Director (Resources) in consultation with the Leader and Deputy Leader, to a maximum value of £25,000.
4. It is recommended that sponsorship and advertising revenue potential be explored as detailed in 2.9

5. It is recommended that a working group is created to explore the in principle trading company as well as individual business case concepts with officers in greater detail reporting back to the Resources Committee.

Officer contact:

Helen Dobby – helen.dobby@swdevon.gov.uk; 01822 813522

Ian Bollans – ian.bollans@swdevon.gov.uk;

Kate Cassar – kate.cassar@swdevon.gov.uk

1. BACKGROUND

- 1.1 Over the past few months the Council has looked at various methods of alternative service delivery modelling in order to optimise income generation for the shared Councils. A copy of a PowerPoint presentation summarising this work is attached via the electronic link at Appendix A. This information was initially studied generically in terms of best practice and suitability, but is now suitably developed to be used to inform an action plan for specific streams of income generation for the Council in future budget years.
- 1.2 It is important for the Council to progress with the income generation work stream in order to:
 - Maintain front line services
 - Develop commercial acumen in tandem with transformation programme efficiencies
 - Ensure a culture of self reliance is promoted which sends a positive message around the potential for growth
 - Ensure that the Council is not left behind on market opportunities
- 1.3 In essence income can be generated for the Council in the following ways
 - Reviewing current fees and charges to ensure they achieve cost recovery
 - Reviewing the opportunity for introducing new fees and charges linked to current business
 - Developing new business ventures linked to current business
 - Developing new ventures outside of current business
 - Sponsorship and/or advertising of current assets and/or services
- 1.4 The areas for income generation identified then need to be tested against a set of basic criteria or questions to establish its worth as a venture. This needs to be wider than purely financial benefit as the fit with corporate priorities, customer benefit and knock on service impact also need to be considered. For more complex ventures a more detailed business case would be required for individual approval.

2. ISSUES FOR CONSIDERATION

- 2.1 In order to progress this work it is important that some basic fundamental principles are agreed in order that the Council can begin to achieve some of its income potential whilst protecting organisational integrity. Income generation ventures may require some considered risks being taken to achieve longer term benefits but these can be balanced against future projections and risks analysis and would be considered by the Council at an early stage.
- 2.2 Consideration needs to be given to whether a specific resource could be usefully employed in this work area and whether this resource would be best placed identifying market conditions suitable for business development in order for optimum business cases to be developed. This area of work is considered through recommendation 3.
- 2.3 **Charging powers**
The Council currently has a number of services which have established fees and charges for various functions and activities that are undertaken. Some of these are set by statute and some are discretionary. These are reviewed annually. The introduction of new fees and charges where they constitute a variance in policy will be considered by the relevant committee. This does not create any additional workload and should fully explore the impact of the charges, if made. For example, the waste services task and finish group have examined and made recommendation to the Communities Committee on the discretionary charges which can be applied to the waste services contract.
- 2.4 It is suggested as a general principle that all fees and charges applied should aim to cover the full cost of the service (including a forecast of the effects of inflation and a share of corporate establishment charges) except where the Council determines that the level of charges shall be varied in line with specific factors. This currently happens in a case by case basis but without a generally shared set of criteria from which Members can base their decision. In affect this work makes the current process more robust and easier for both officers and Members to deliver.
- 2.5 Where charges are not made for a service, or are reduced from full cost recovery, the reasons shall be reconsidered as part of the annual review of fees and charges using the methodology outlined above.
- 2.6 **Trading powers**
The PowerPoint presentation at Appendix A identifies the importance of being able to respond to business opportunities when they present themselves. A first step which enables the Council(s) to trade commercially is the creation of a trading body. This can be achieved quickly and at low cost and places the Council(s) at an advantage when suitable business cases are proven. The cost of the initial registration can be as little as £50.00 to £300.00; there is additional capacity required from officers initially for legal and financial guidance on the governance arrangements for the company.

- 2.7 If the Council(s) were to establish a trading body it might initially be used for a low risk activity in order to test the method. For example, in the past Environmental Health and Housing Service has offered external training for business in food hygiene. Areas such as this could be expanded more formally with the use of a trading account at a low risk to the Council. It could however benefit partners and local businesses and assist in enabling the wider local economy.
- 2.8 There may be specific trading opportunities which are unique to either West Devon or South Hams. The formation of a trading company would not present any barriers to individual authorities developing any areas of individual trading opportunity. It may in fact present potential opportunities for trading which would not otherwise exist in a cost effective way.
- 2.9 **Sponsorship and advertising**
The Council now has an adopted framework for sponsorship and advertising. This area of work is currently addressed in a reasonably low key manner with potential sponsors contacting the council. It is suggested that a working group is established to explore a more commercially focused approach and look at the potential for an external partner to realise income for the Council on a profit share basis in line with the parameters of the current framework.
- 2.10 **Other issues**
It is important that this work stream is looked at alongside the transformation programme in order that the Council can ensure it chooses the best possible initial income opportunities. Those which will give the maximum return and not compromise the delivery of the transformation savings. The recommendation to market test for these opportunities using external expertise will be able to turn the initial harvest of ideas from officers and Members into a commercially focused programme with a medium term strategic focus. This will inform future business case development and ensure any required investment can be fully justified.
- 2.11 Income generation potential within South Hams District Council is being looked at through a task and finish group reporting back to the Executive through the relevant scrutiny panel. There are many areas of commonality between the 2 Councils particularly in the provision of shared work areas from which an income might be generated. It would be possible in the first instance to look at the commissioning of specialist advice as outlined in recommendation 3 which benefits both authorities.
- 3. LEGAL IMPLICATIONS**
- 3.1 Guidance has been sought on the legal implications of all income generation concepts considered. Whilst some elements of commercial trading would require greater input from legal officers than others, this will be considered in detail as part of each individual business case.

4. FINANCIAL IMPLICATIONS

- 4.1 This report looks to improve the financial position of the council for future budget years. Income generation will be dependant on specific decisions made on individual service and trading elements.
- 4.2 External market testing will add pace to the process and could be funded either 1) from reserves to be returned via income generated in the first instance or 2) from the savings made on the Chief Executives post during 2014/2015. The rationale for 2) is outlined at 2.11.
- 4.3 The cost of creating a registered trading company in the first instance is between £50 and £300 and can be met from existing revenue funds.

5. RISK MANAGEMENT

Corporate priorities engaged:	Community well-being; Access to services; Towards excellence; Customer first
Statutory powers:	<i>Local Authorities(Goods and Services) Act 1970</i> <i>Local Government Act 2003</i> <i>Localism Act 2011</i>
Considerations of equality and human rights:	N/a
Biodiversity considerations:	N/a
Sustainability considerations:	N/a
Crime and disorder implications:	None
Background papers:	Sponsorship framework
Appendices attached:	Appendix A – PowerPoint presentation

STRATEGIC RISKS TEMPLATE

No	Risk Title	Risk/Opportunity Description	Inherent risk status			Mitigating & Management actions	Ownership
			Impact of negative outcome	Chance of negative outcome	Risk score and direction of travel		
1	Failure to maximise opportunity by not acting	Budget gap cannot be met in future.	↑	↔		If the Council does not take up opportunities to generate income then the risk to the Council from reduced funding and increasing budgetary pressures is heightened.	All HoS/Members
2	Market failure	Market collapse on areas identified for income potential.	↔	↔		Individual schemes would need to be separately risk assessed before any scheme were to be entered into. Trading vehicles would be appropriate to the scheme.	As appropriate to scheme

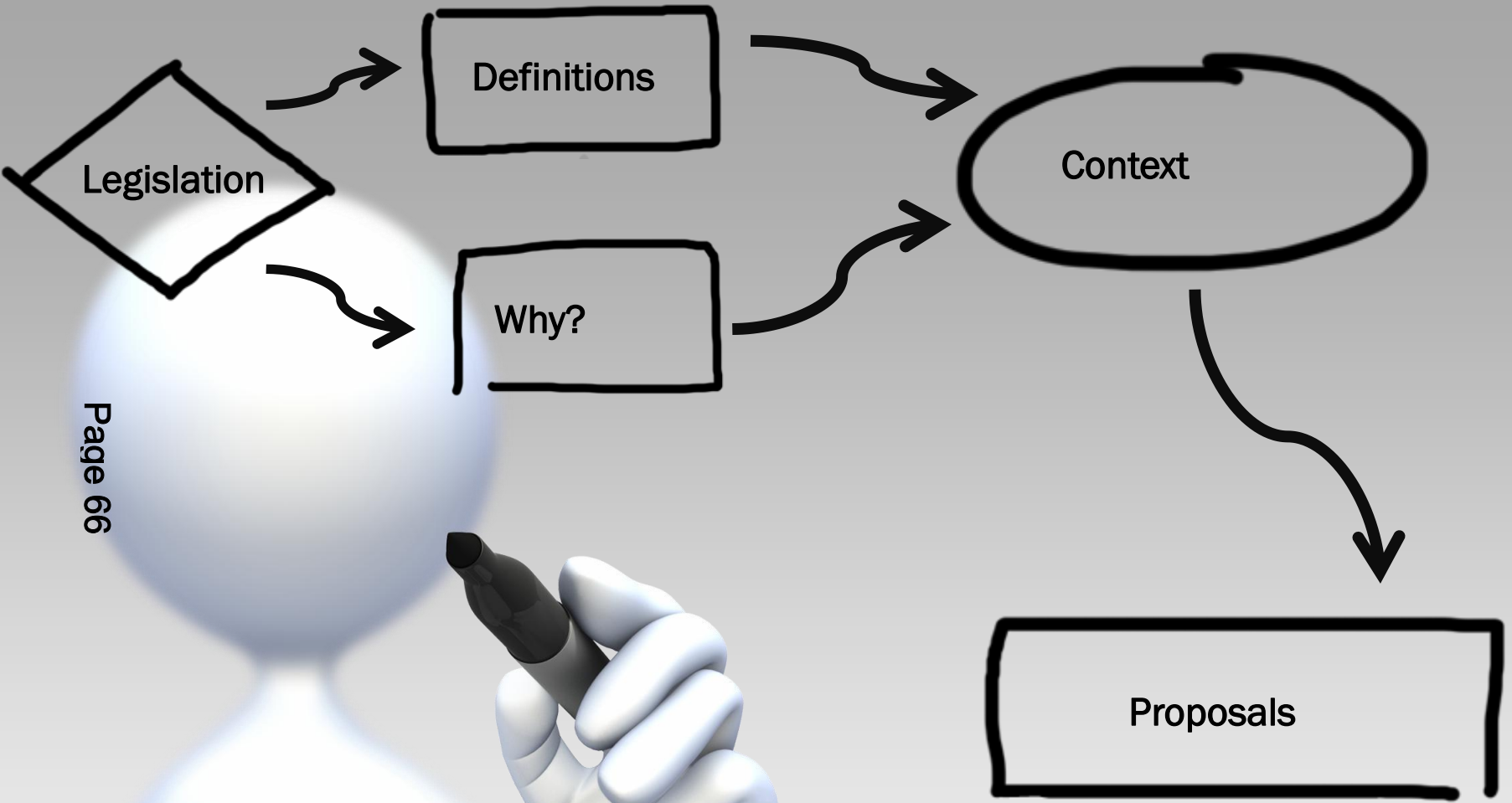
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Direction of travel symbols ↓ ↑ ↔



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Income Generation and Trading



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Income generation and trading

Staying ahead of the game



Charging and trading

- Charging – statutory fees and discretionary fees. Where discretionary – must not make a profit
- Charging - recovery of costs on discretionary services eg: Pre-App advice
- Trading = allows a profit to be made
 - Local Authorities (Goods and Services) Act 1970
 - Specific legislation eg: Civil Restaurants Act 1948
 - Local Government Act 2003
 - Localism Act 2011

WHY?

- Helps the budget
- Commercial acumen
- Early bird
- Message to staff
- Develop business ideas
- Fits in with T18
- Miss out on potential opportunities

What are others doing?

- Some big ones – Kent Commercial Services and Norfolk County
- Employment Agency and IT
- Housing – maintenance, building and development
- Commercial Waste
- Power generation
- Private Sector Landlord
- Red One
- Handyperson

Income

Maximise
income -
charging

Evaluate trading
opportunities through
Trading Arm

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Way forward

Thoughts

- Review existing charges
- Additional charging opportunities
- Trading Arm established
- Quick wins established
- Work up business plans for more complex



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Agenda Item 3

At the Meeting of the **WEST DEVON BOROUGH COUNCIL** held in the **COUNCIL CHAMBER, KILWORTHY PARK, TAVISTOCK** on **TUESDAY** the **18th** day of **FEBRUARY 2014** at **4.30 pm** pursuant to Notice given and Summons duly served.

Present Cllr W G Cann OBE – The Mayor (In the Chair)

Cllr S C Bailey	Cllr R E Baldwin
Cllr K Ball	Cllr M J R Benson
Cllr A Clish-Green	Cllr D W Cloke
Cllr M V L Ewings	Cllr L J G Hockridge
Cllr D M Horn	Cllr A F Leech
Cllr C M Marsh	Cllr J R McInnes
Cllr J B Moody	Cllr N Morgan
Cllr D E Moyse	Cllr C R Musgrave
Cllr R J Oxborough	Cllr T G Pearce
Cllr L B Rose	Cllr R F D Sampson
Cllr P R Sanders	Cllr D K A Sellis
Cllr J Sheldon	Cllr E H Sherrell
Cllr D Whitcomb	

Head of Paid Service
Monitoring Officer
Democratic Services Manager
Head of Finance and Audit
Head of ICT and Customer Services

CM 65 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Cllrs C Hall, T J Hill, M E Morse, P J Ridgers and D M Wilde.

CM 66 **DECLARATION OF INTEREST**

The Mayor invited Members to declare any interests in the items of business to be considered during the course of the meeting and these were declared as follows:-

Cllrs S C Bailey, M V L Ewings, J B Moody, J Sheldon, P R Sanders, E H Sherrell and D Whitcomb each declared a personal interest in Item 13 (Minute CM 74 below refers) by virtue of being Tavistock Town Councillors and remained in the meeting and took part in the debate and vote on this item.

Cllr C M Marsh also declared a personal interest in Item 13 (Minute CM 74 below refers) by virtue of being the Vice-Chairman of the Devon Historic Buildings Trust, which owned property in connection with the proposal and remained in the meeting and took part in the debate and vote on this item.

Cllr R J Oxborough declared a Disclosable Pecuniary Interest in Item 13 (Minute CM 74 below refers) by virtue of potentially being a direct beneficiary of the Initiative and left the meeting during the debate and vote on this item.

Cllrs M V L Ewings and R J Oxborough both declared a Disclosable Pecuniary Interest in Item 9 (Minute RC 40 specifically) (Minute CM 70(d) below refers) by virtue of potentially benefitting from the scheme and both Members left the meeting during the debate and vote on this recommendation.

Cllr A F Leech declared a personal interest in Item 9 (Minute RC 40 specifically) (Minute CM 70(d) below refers) by virtue of being a trustee of Dartmoor Life Museum and a trustee of the Ockmont Centre and remained in the meeting during the debate and vote on this recommendation.

Cllr C M Marsh declared a personal interest in Item 9 (Minute RC 40 specifically) (Minute CM 70(d) below refers) by virtue of being a trustee of OCRA and remained in the meeting during the debate and vote on this recommendation.

Cllr T G Pearce declared a personal interest in Item 9 (Minute RC 40 specifically) (Minute CM 70(d) below refers) by virtue of being a trustee of the Coronation Hall at Mary Tavy and remained in the meeting during the debate and vote on this recommendation.

Cllr W G Cann OBE declared a personal interest in Item 9 (Minute RC 40 specifically) (Minute CM 70(d) below refers) by virtue of being a trustee of the Village Hall Committee at South Zeal and remained in the meeting during the debate and vote on this recommendation.

CM 67 CONFIRMATION OF MINUTES

It was moved by Cllr P R Sanders, seconded by Cllr R E Baldwin and upon the motion being submitted to the Meeting was declared to be **CARRIED** and “**RESOLVED** that the Council agree the Minutes of the Meeting of Council held on 17 December 2013 and the Minutes of the Special Meeting of the Council held on 28 January 2014 as a true record.”

CM 68 COMMUNICATIONS FROM THE MAYOR

The Mayor had no communications which he wished to raise.

CM 69 BUSINESS BROUGHT FORWARD BY THE MAYOR

The Mayor informed that he had no items to bring forward to this meeting.

MINUTES OF COMMITTEES

a. Audit Committee – 10 December 2013

It was moved by Cllr D K A Sellis, seconded by Cllr J B Moody and upon being submitted to the Meeting was declared to be **CARRIED** and “**RESOLVED** that the Minutes of the 10 December 2013 meeting be received and noted.”

b. Overview & Scrutiny Committee – 14 January 2014

It was moved by Cllr M V L Ewings, seconded by Cllr D E Moyse and upon being submitted to the Meeting was declared to be **CARRIED** and “**RESOLVED** that the Minutes of the 14 January 2014 meeting be received and noted”.

c. Planning & Licensing Committee – 3 December 2013, 7 January 2014 and 4 February 2014

It was moved by Cllr C M Marsh, seconded by Cllr M J R Benson and upon being submitted to the Meeting was declared to be **CARRIED** and “**RESOLVED** that the Minutes of the 3 December 2013, 7 January 2014 and 4 February 2014 meetings be received and noted”.

In respect of P&L 49, a Member wished to express her concern at the need for an internal investigation to have taken place into planning application 00601/2013, which she felt had not shown the Council in a positive light.

d. Resources Committee – 28 January 2014 and 18 February 2014

It was moved by Cllr P R Sanders seconded by Cllr R E Baldwin and upon being submitted to the Meeting was declared to be **CARRIED** and “**RESOLVED** that the Minutes of the 28 January and 18 February 2014 meeting be received and noted”.

In respect of the Unstarred Minutes:

RC 36 – Authorisation for RIPA Applications to Magistrates Court

It was moved by Cllr P R Sanders seconded by Cllr R E Baldwin and upon being submitted to the Meeting was declared to be **CARRIED** and “**RESOLVED**:

1. That the nominated officers listed in exempt Appendix A of the presented agenda report be authorised to represent the Council in applying for judicial approval to use covert techniques in the pursuance of a potential investigation; and
2. That authority be delegated to the Head of Paid Service to change the names of the authorised officers outlined in Appendix A of the presented agenda report.

RC 40 – Business Rates Retail Relief

It was moved by Cllr P R Sanders seconded by Cllr R E Baldwin and upon being submitted to the Meeting was declared to be **CARRIED** and **“RESOLVED:**

1. That agreement be given to provide the Retail Relief Scheme for 2014/15, and to review the Scheme prior to 2015/16, in accordance with Central Government Guidance to support local businesses;
2. That the Head of ICT and Customer Service be authorised, in consultation with the Chairman of the Resources Committee, to decide on the details of the application and determination process; and
3. That agreement be given for registered charities to receive Retail Relief on top of the existing rate reliefs already available.

CM 71 REVENUE AND CAPITAL BUDGET PROPOSALS FOR 2014/15 TO 2017/18

A report was considered that provided an updated forecast of the budget situation for the year 2014/15 and a set of recommendations to Council in respect of setting a balanced budget. The forecast was intended to provide a framework within which decisions could be made regarding the future service provision and Council Tax levels whilst building an approach that guaranteed the Council's longer term viability.

In introducing the report, the Leader wished to advise that the Resources Committee did not feel able to reach a recommendation on whether or not to increase Council Tax at its meeting on 28 January 2014, in light of the information regarding the Council Tax Threshold for a referendum not being received from Central Government by this date. Since this information had now been received (whereby the Council Tax Threshold was 2%), the Leader believed that the Council should opt to increase Council Tax by 1.9%.

To enable the debate, the recommendations as outlined in the presented agenda report (with the exception that the option to agree a nil increase in Council Tax be deleted) were moved by Cllr P R Sanders and seconded by Cllr R E Baldwin.

In discussion, reference was made to:-

- (a) Recommendation 1. A number of Members expressed their disquiet that the Department for Communities and Local Government had put into place Regulations which had made it mandatory for councils to amend their Standing Orders so as to include provisions requiring recorded votes at Budget meetings. As a consequence, the following amendment to recommendation 1 was moved and seconded:

'That the Council formally writes to the Department for Communities and Local Government (DCLG) outlining our objections in respect of the Regulations making it mandatory for councils to undertake a recorded vote on any decision in relation to the budget or Council Tax.'

- (b) the proposal to increase Council Tax by 1.9%. In support of the proposal, a number of Members commented that the Central Government Council Tax Freeze Grant of 1% illustrated that the DCLG was out of touch and the amount proposed would not adequately compensate the Council, thereby resulting in a gap in the Council's finances. In addition, other Members felt that the majority of residents would accept the increase to ensure that Council services were maintained.

In contrast, another Member made the point that West Devon residents were suffering in the current economic climate and the perception of any increase in Council Tax resulted in him not being able to support the proposal.

In light of the view in relation to the 1% Council Tax Freeze Grant being derisory, the following amendment to recommendation 2 was moved and seconded:

'That the Council formally writes to the Department for Communities and Local Government (DCLG) outlining our objections at the attempts to bribe councils to freeze their Council Tax.'

Following a lengthy debate, and in accordance with Council Procedure Rule 19 Part 5, two recorded votes were called for. The first recorded vote was called for on part 2 only of the recommendation, with the second recorded vote being called for on parts 3, 4, 5, 6, 7, 8, 9, 10 and 11 of the recommendation.

The voting on part 2 of the recommendation (i.e. that Council Tax was increased by 1.9%) was recorded as follows:-

For the motion (24): Cllrs Bailey, Baldwin, Ball, Benson, Cann, Clish-Green, Cloke, Ewings, Hockridge, Horn, Leech, Marsh, McInnes, Moody, Morgan, Moyse, Musgrave, Oxborough, Pearce, Rose, Sampson, Saunders, Sellis and Sheldon

Against the motion (2): Cllrs Sherrell and Whitcomb

Abstentions (0):

Absent (5): Cllrs Hall, Hill, Morse, Ridgers and Wilde

and the vote was therefore declared **CARRIED**.

The voting on parts 3, 4, 5, 6, 7, 8, 9, 10 and 11 of the recommendation was recorded as follows:-

For the motion (25): Cllrs Bailey, Baldwin, Ball, Benson, Cann, Clish-Green, Cloke, Ewings, Hockridge, Horn, Leech, Marsh, McInnes, Moody, Morgan, Moyse, Musgrave, Oxborough, Rose, Sampson, Saunders, Sellis, Sheldon, Sherrell and Whitcomb

Against the motion (0):

Abstentions (0):

Absent (6): Cllrs Hall, Hill, Morse, Pearce, Ridgers and Wilde

and the vote was therefore declared **CARRIED**.

It was then **“RESOLVED:**

1. That the Council Constitution be amended to reflect the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 whereby it is now mandatory for councils to amend their Standing Orders to require recorded votes to be taken on the budget at the Council meetings, to be effective immediately. (Section 9 and Appendix G of the presented agenda report refers). In addition, that the Council formally writes to the Department for Communities and Local Government (DCLG) outlining our objections in respect of the Regulations making it mandatory for councils to undertake a recorded vote on any decision in relation to the budget or Council Tax.
2. That in order to set a balanced budget for 2014-15, an increase in Council Tax of 1.9% be agreed (which equates to a Band D council tax of £204.50 for 2014/15, an increase of £3.81 per year or 7 pence per week). This option equates to a Council Tax requirement of £3,923,435 (as shown in Appendix B1 of the presented agenda report). Furthermore, that the Council formally writes to the Department for Communities and Local Government (DCLG) outlining our objections at the attempts to bribe councils to freeze their Council Tax.
3. That the financial pressures in Appendix A of the presented agenda report of £350,000 be accepted.
4. That the proposed savings of £381,553 as set out in Appendix A of the presented agenda report be adopted.
5. That an additional £303,983 of New Homes Bonus Grant is used to balance the 2014-15 Budget. (This is in addition to the £353,076 of New Homes Bonus already built into the budget assumptions to be used for 2014-15).
6. That the 2014/15 Capital Programme projects totalling £841,000 be approved as per section 7.1 of the presented agenda report.
7. That the 2014/15 Capital Programme of £841,000 be financed by using £555,000 of New Homes Bonus funding, £186,000 of Government grant and £100,000 of Capital Resources (as per section 7.1 of the presented agenda report).
8. That £18,688 be transferred of the Council's allocation of New Homes Bonus for 2014/15 to an Earmarked Reserve called 'Community Investment Fund – Dartmoor National Park', to be applied for and drawn down by Dartmoor National Park as required. This amount is a one-off payment and the position will be considered annually by the Council as part of the budget process. The condition is that this is for use within the boundaries of the Borough Council only.

9. That the Council Tax Support Grant of £103,138 be passed onto Town and Parish Councils. (This is a reduction of 13.66% from 2013/14) as per section 4.3 of the presented agenda report.
10. That the minimum level of the Unearmarked Revenue Reserves be maintained to at least £750,000 as per Section 6.1 of the presented agenda report.
11. That the level of reserves as set out within the presented agenda report and the assessment of their adequacy and the robustness of budget estimates be noted. This is a requirement of Part 2 of the Local Government Act 2003.”

CM 72 PAY POLICY STATEMENT 2014/15

A report was considered which sought to set out the Council’s statutory obligation to adopt a pay policy statement in accordance with the provisions of the Localism Act.

It was moved by Cllr R E Baldwin, seconded by Cllr R F D Sampson and upon the motion being submitted to the Meeting was declared to be **CARRIED** and “**RESOLVED** that the pay policy statement for 2014/15 be adopted.”

CM 73 APPOINTMENTS OF THE ELECTORAL REGISTRATION OFFICER AND THE RETURNING OFFICER

A report was considered which sought the Council’s confirmation of the recommendations of the Appointments Panel

It was moved by Cllr P R Sanders, seconded by Cllr A Clish-Green and upon the motion being submitted to the Meeting was declared to be **CARRIED** and “**RESOLVED** that:

1. Jan Montague be appointed as the Electoral Registration Officer and Returning Officer for West Devon Borough Council; and
2. Tracy Winser be appointed as the Deputy Electoral Registration Officer for West Devon Borough Council.”

CM 74 TAVISTOCK TOWNSCAPE HERITAGE INITIATIVE STAGE 2 BID

A report was considered that outlined the progress made during the development phase of the Tavistock Townscape Heritage Initiative (THI) scheme and which sought to delegate the approval of the final Stage 2 bid document to the Executive Director (Communities), in consultation with the Leader and Deputy Leader of Council.

It was moved by Cllr P R Sanders, seconded by Cllr A Clish-Green and upon being submitted to the Meeting was declared to be **CARRIED** and **“RESOLVED** that:

1. progress towards the submission of a Stage 2 bid to the Heritage Lottery be noted, with approval of the final version of the bid document being delegated to the Executive Director (Communities), in consultation with the Leader and Deputy Leader of Council;
2. proposals be brought forward, as outlined in the presented agenda report, in respect of public realm improvements in Bank Square as part of the Tavistock THI Scheme, should there be sufficient funds in the scheme to enable those proposals to be progressed should Members still wish to pursue this project; and
3. commitment be confirmed to secure, if possible, up to £10,000 per annum from 2014/15 onwards to support the delivery phase, in the event of a successful Stage 2 Bid to the Heritage Lottery, to be funded from the remainder of the LABGI earmarked reserves, or from the Economic Development Grant Scheme, with the remainder to be bid for as a discretionary bid from 2015/16 onwards.”

CM 75

INCOME GENERATION OPPORTUNITIES

A report was considered that informed of the work being undertaken to date in progressing opportunities for West Devon Borough and South Hams District Council's to increase income through existing and new channels in the future.

In discussion, reference was made to:-

- the need for the Council to consider other ways of conducting its business and financing its services. In particular, the need for the Council to market its expertise and not be shy in competing against the private sector was emphasised;
- the importance of exploiting best practice from within other local authorities was recognised;
- the proposed Working Group needing to comprise of Members who not only had interest in the subject, but also the necessary time, enthusiasm, expertise and skill sets to drive this project forward.

It was then moved by Cllr R E Baldwin, seconded by Cllr D Whitcomb and upon being submitted to the meeting was declared to be **CARRIED** and **“RESOLVED** that:

1. officers proceed to identify income potential through charging powers and that these be pursued through existing work streams and under constitutional rulings wherever applicable;
2. an in-principle decision to form a trading company be made (as outlined at paragraphs 2.6, 2.7 and 2.8 of the presented agenda report) in order to allow the Council to pursue appropriate business avenues at commercially advantageous points;
3. officers gather quotes for professional external assistance to undertake market research looking at potential market opportunities which match our existing skill base and service provision with a view to a final work award being delegated to the Executive Director (Resources), in consultation with the Leader and Deputy Leader of Council, to a maximum value of £25,000;
4. sponsorship and advertising revenue potential be explored as detailed in paragraph 2.9 of the presented agenda report; and
5. A working group be created to explore the in-principle trading company, as well as individual business case concepts with officers in greater detail, reporting back to the Resources Committee.”

CM 76

COMMON SEAL

A copy of the documents signed by the Mayor during the period 19 December 2013 to 6 February 2014 was attached to the agenda (page 109 refers) and noted by the Meeting.

It was subsequently moved by Cllr E H Sherrell, seconded by Cllr R F D Sampson and upon the motion being submitted to the Meeting was declared to be **CARRIED** and **“RESOLVED** that the Mayor and the Head of Paid Service (or deputies appointed by them) be authorised to witness the fixing of the seal on any documents for the forthcoming year”.

(The Meeting terminated at 6.00 pm)