

At a Meeting of the **RESOURCES COMMITTEE** held at the Council Chamber, Council Offices, Kilworthy Park, Drake Road, **TAVISTOCK** on **TUESDAY** the **23rd** day of **JULY 2013** at **2.00pm**

Present: Cllr P R Sanders – Chairman
Cllr S C Bailey Cllr W G Cann OBE
Cllr T J Hill Cllr J R McInnes
Cllr T G Pearce Cllr P J Ridgers
Cllr E H Sherrell

Substitute: Cllr M E Benson for Cllr C M Marsh
Cllr A Clish-Green for Cllr C R Musgrave
Cllr R J Oxborough for Cllr R E Baldwin

In attendance: Cllrs D W Cloke and D M Horn

Chief Executive
Acting Head of Finance & Audit
Chief Accountant
Member Services Manager
Countryside and Community Projects Officer

***RC 01 APOLOGIES FOR ABSENCE**
Apologies for absence were received from Cllrs R E Baldwin, C M Marsh and C R Musgrave.

***RC 02 DECLARATIONS OF INTEREST**
Members were invited to declare any interests in the items of business to be discussed, but none were made.

***RC 03 CONFIRMATION OF MINUTES**
The Minutes of the Resources Committee Meeting held on 26 March 2013 were confirmed as a correct record.

***RC 04 MEETING THE FINANCIAL CHALLENGE**
The Leader presented a report of the Chief Executive and Acting Head of Finance and Audit (page 1 to the agenda) that offered a way forward to overcome the 2014/15 budget gap of £728,000 and to build an approach that guaranteed West Devon Borough Council's longer term viability.

The Acting Head of Finance and Audit gave a presentation to Members, that clearly explained the forecast budget gap taking a number of elements into consideration such as council tax increase, scoured savings, deferred savings and new homes bonus. He confirmed that the new homes bonus would be top sliced from 2015/16 resulting in a significant funding reduction for West Devon Borough Council. He concluded that the projected budget gap could only be closed by genuine transformational change.

During discussion, the following points were raised:

- The Head of ICT and Customer Services confirmed that, in advance of Members making a decision relating to council tax for the following year, a consultation exercise would begin in August in relation to various options for council tax. Whilst the consultation exercise last year only received a 5% response, phone calls to the Council were encouraged and road shows took place. Members were concerned about the low response rate but accepted that little more could be done. The Head of ICT and Customer Services also advised that other authorities were being monitored to see the effects of different schemes that were put in place last year. When making a decision, Members would need to take collection rates into account as they might be adversely affected depending on the scheme chosen;
- The Chairman drew Members' attention to the appendices to the presented report that outlined the elements of the budget scouring exercise whereby unspent monies were taken out of budgets, as well as the progress being made on deferred savings;
- Members discussed the loss of the new homes bonus to top slicing, but also discussed the impact of new homes in both Tavistock and Okehampton on the projected figures. One Member also raised the additional cost to the Council attached to those homes, such as refuse collection;
- A Member raised the importance of all Members attending the T18 sessions to ensure that there would be an understanding of the direction that the Council would have to take. It was clear from the projected figures that without the Transformation Programme, the Council would not be viable after the next couple of years;
- Members discussed the impact on staff and how the employment of agency staff would be a better option in the long term if the Council was looking to reduce the overall numbers of staff;
- The Acting Head of Finance and Audit advised that for the purpose of modelling, inflation was assumed at 3%. Some Members felt that this figure could be low. The Acting Head of Finance and Audit responded that work was being undertaken on all component parts and further modelling would take place;
- A Member stated that shared services with other authorities should be considered. The Leader added that not all authorities were in the same financial position;

- Members discussed Discretionary Rate Relief. The Acting Head of Finance and Audit outlined how the system would change as a result of localised rates. Whilst it was difficult to predict the exact affect on the Council, the Government had put in a safety net which would limiy any business rates loss to £108,000.

It was then **RESOLVED**:

- (i) That £199,643 of savings identified for 2014/15 by the budget scouring exercise as outlined in paragraph 2.5 of the presented report, be agreed; and
- (ii) That the contents of the report which set out the outcomes from the Comprehensive Spending Review and the consequent additional financial difficulties arising from greater than anticipated funding cuts, and the significant loss of New Homes Bonus from 2015/16 onwards, be noted.

***RC 05**

WRITE OFF REPORT

The Head of ICT and Customer Services presented a report (page 14 of the agenda) that informed Members of the debt written off for revenue streams within the Revenue and Benefits Service. Debts up to the value of £5,000 are written off by the Head of Finance and Audit under delegated authority. These debts were listed in the presented report for information. The report sought authority to write off individual debts with a value of more than £5,000, details of which were outlined in Table 3 of the report. In introducing the report, he advised Members that a rigorous process was followed to do everything possible to recover a debt before it is written off.

It was **RESOLVED** that:

1. In accordance with Financial Regulations, the Acting Head of Finance and Audit had authorised the write-off of individual West Devon Borough Council debts totalling £41,795.37 together with £477.57 of Non Domestic Rate Debt which was collected on behalf of the Government, as detailed in Table 1 and 2 of the presented report be noted; and
2. Authority to write off individual debts in excess of £5,000 as detailed in Table 3 of the report, which totalled £7,553.83 for Non Domestic (Business) Rates, be granted.

***RC 06 SECTION 106 COMMUNITY FACILITIES FUND CRITERIA AMENDMENT**

The Countryside and Community Projects Officer presented a report (page 20 of the presented agenda) that sought to waive the match funding requirement within 24 months prior to a s106 agreement deadline to avoid reclaim of unspent funds by developers, in exceptional circumstances.

Following questions of clarity, it was then **RESOLVED** that where an application to the s106 Community Facilities Fund fell within the 24 months prior to a s106 agreement deadline, then authority be delegated to the Head of Finance and Audit and the Countryside and Community Projects Officer, in consultation with the Ward Member, to authorise grants of above 50% of project costs in exceptional circumstances.

(The Meeting terminated at 3.50 pm)