

At the Special Meeting of the **WEST DEVON BOROUGH COUNCIL** held in the **COUNCIL CHAMBER, KILWORTHY PARK, TAVISTOCK** on **TUESDAY** the **26<sup>th</sup>** day of **JULY 2016** at **2.00pm** pursuant to Notice given and Summons duly served.

**Present**

Cllr J Sheldon – The Mayor (In the Chair)

Cllr R E Baldwin	Cllr K Ball
Cllr M J R Benson	Cllr W G Cann OBE
Cllr R Cheadle	Cllr D W Cloke
Cllr M Davies	Cllr C Edmonds
Cllr J Evans	Cllr N Jory
Cllr L J G Hockridge	Cllr P Kimber
Cllr A F Leech	Cllr J R McInnes
Cllr J B Moody	Cllr C Mott
Cllr D E Moyse	Cllr C R Musgrave
Cllr R J Oxborough	Cllr G Parker
Cllr T G Pearce	Cllr R F D Sampson
Cllr L Samuel	Cllr P R Sanders
Cllr D K A Sellis	Cllr B Stephens
Cllr J Yelland	

Head of Paid Service  
Executive Director (Service Delivery and Commercial  
Development)  
Monitoring Officer  
Senior Specialist – Democratic Services

**CM 23      APOLOGIES FOR ABSENCE**

Apologies for absence were received from Cllrs P J Ridgers, A Roberts and L Watts.

**CM 24      DECLARATION OF INTERESTS**

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

**CM 25      QUESTIONS**

The Mayor informed that one question had been received from Cllr P Kimber in accordance with Council Procedure Rule 21. Having been invited to by the Mayor, Cllr Kimber proceeded to read his question:-

*“I attended four meetings in the past couple of weeks:*

- 1) Highampton Parish Council*
- 2) Hatherleigh Parish Council*
- 3) Meeth Parish Council*
- 4) Devon Building Control*

*At every meeting there were complaints from councillors, or residents, of phone calls not being returned and email messages not being replied to by officers of our council.*

*I became a councillor in May 2015 and we were asked by the senior management team for our support while issues resulting from the T18 process were resolved:*

- *We were told that processes would be sorted by October 2015*
- *We were told that we would see changes in culture and behaviours - in particular in "communication" and "taking responsibility".*
- *We were told our first point of call should be through the contact centre*
- *We were told to "let officers get on with operational issues".*

*It is completely unacceptable that phone calls are not returned and emails are not replied to. Attending parish council meetings is embarrassing and it is becoming impossible to support the current levels of service.*

*My most common task following parish councils meetings, is sending chasing emails to officers trying, and often failing, to get a response.*

*What do we have to do to get the level of service promised to our residents?"*

In response, the lead Hub Committee Member for Customer First made particular reference to:-

- 50% of calls currently received by Customer Services being resolved at the first point of contact;
- an acknowledgment that current performance levels in respect of customer contact were wholly unacceptable. The lead Member stressed that both he and the Senior Management Team were taking this matter very seriously and he asked fellow Members to let him know of specific instances of poor performance in this regard that he would then ensure were fully investigated;
- these issues being closely monitored by the Overview and Scrutiny (Internal) and Hub Committees;
- the well-rehearsed problems linked to the IT systems and the reductions in staff numbers, which were coupled with the increase in call volumes. In addition, a number of telephone calls being received by the Council were being made by repeat callers;
- improvement measures. In order to improve current performance levels, the lead Member made reference to the following measures that were being undertaken by the Council:
  - o increased transitional resources being employed;
  - o a new telephony system being installed imminently; and
  - o a new website was currently being procured.
- the need to strengthen dialogue with town and parish councils. The lead Member advised that all town and parish clerks would soon be receiving

an update from the Council that would include a performance update, an explanation of the steps being taken; and an invite to a briefing session sometime during September/October.

## **CM 26 MINUTES OF COMMITTEES**

### **a. Overview and Scrutiny (Internal) Committee – 14 June 2016**

It was moved by Cllr C R Musgrave, seconded by Cllr J Yelland and upon being submitted to the Meeting was declared to be **CARRIED** and “**RESOLVED** that the Minutes of the 14 June 2016 meeting be received and noted”.

### **b. Overview and Scrutiny (External) Committee – 14 June 2016**

It was moved by Cllr D K A Sellis, seconded by Cllr D W Cloke and upon being submitted to the Meeting was declared to be **CARRIED** and “**RESOLVED** that the Minutes of the 14 June 2016 meeting be received and noted”.

### **c. Planning and Licensing Committee – 28 June 2016**

It was moved by Cllr P R Sanders, 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 28 June 2016 meeting be received and noted”.

### **d. Audit Committee – 5 July 2016**

It was moved by Cllr M Davies, seconded by Cllr B Stephens and upon being submitted to the Meeting was declared to be **CARRIED** and “**RESOLVED** that the Minutes of the 5 July 2016 meeting be received and noted, with the exception of Unstarred Minute AC 09”.

In respect of the Unstarred Minute:

#### **i. AC 09 Update on Anti-Fraud, Corruption and Bribery Policy and Strategy, Anti-Money Laundering Policy and Confidential Reporting Policy**

It was moved by Cllr M Davies, seconded by Cllr B Stephens and upon being submitted to the Meeting was declared to be **CARRIED** and “**RESOLVED** that the Council adopts the following reviewed policies and documents:-

- a) Anti-fraud, Corruption and Bribery Policy & Strategy (Appendix A as presented to the Committee refers);
- b) Anti-fraud, Corruption and Bribery Response Plan (Appendix B as presented to the Committee refers);
- c) Anti-money Laundering Policy Procedures and Guidance for Staff (Appendix C as presented to the Committee refers);
- d) Anti-money Laundering Policy (Appendix D as presented to the Committee refers);

- e) Confidential Reporting Policy (Appendix E as presented to the Committee refers); and
- f) Confidential Reporting Policy Frequently Asked Questions (Appendix F as presented to the Committee refers).

**e. Hub Committee – 12 July 2016**

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 12 July 2016 meeting be received and noted”.

**CM 27**

**LOCAL AUTHORITY CONTROLLED COMPANY (LACC) BUSINESS CASE**

A report was considered that set out and commented on the findings of a detailed business case that had been prepared by PriceWaterhouseCoopers (PWC) at the request of Members.

The report confirmed that the findings of the detailed business case were that there was a credible case for the establishment of a Local Authority Controlled Company (LACC), based on HM Treasury’s five case model, that reviewed the strategic, economic, commercial, financial and management cases.

The PWC report recommended that the Council and South Hams District Council proceeded with establishing the LACC subject to positive resolutions of questions relating to corporation tax, pension arrangements, governance and state aid.

In introducing this agenda item, the Leader advised that it was his intention to propose a revised set of recommendations in light of a number of discussions that had taken place since the agenda report had been published. It was hoped that these revised recommendations would satisfy a number of Member concerns that had been recently raised. For absolute clarity, it was confirmed that the revised recommendations were not seeking a final decision to be made at this meeting. Instead, the revised recommendations were asking for the creation of a Joint Steering Group (JSG), who would be tasked with progressing this project and giving particular focus to the outstanding pension, taxation and governance issues.

At this point, a number of Members wished to discuss the exempt appendices and it was therefore **PROPOSED** and **SECONDED** and on being put to the vote declared to be **CARRIED** and “**RESOLVED** that under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting on the grounds that exempt information is likely to be disclosed as defined in Paragraph 3 of Schedule 12(A) to the Act”.

In discussion on the exempt appendices, Members made a number of specific points on the future of the waste service.

Once all Members were content that they had no further issues to raise on the exempt appendices, it was then **PROPOSED** and **SECONDED** and on being put to the vote declared to be **CARRIED** and “**RESOLVED** that the press and public be re-admitted to the meeting.”

In the ensuing debate, the following points were raised:-

- (a) Some Members commented that the establishment of a LACC had been identified as a means of trying to ensure that the Council placed itself in a firm financial position for the future;
- (b) In respect of the likelihood of the Council obtaining central government grant funding towards the set up costs of a LACC, it was felt that this would be unlikely in light of the number of other local authorities who were similarly investigating such an option;
- (c) Some Members emphasised the importance of Member representation on the JSG being based upon an individual's skills sets and time availability rather than their political group membership;
- (d) Disappointment was expressed over the business case that had been produced by PWC and a Member was of the view that the JSG was being tasked with undertaking the work that had been initially assigned to PWC. In particular, the lack of evidenced market testing in the business case was felt to be regrettable and it was requested that market intelligence be specifically included in the terms of reference for the JSG;
- (e) Some Members advised of their opposition to these proposals with the following reasons cited:
  - the proposed implementation costs were felt to be questionable;
  - the need at this time for focus to be on continuing to embed the Transformation Programme and the consequent service improvements;
  - there being other alternative options to this particular LACC model that had not been sufficiently explored;
  - a further delay would prove to be unsettling for staff, who were already under immense pressure;
- (f) A couple of Members emphasised the importance of a fully tested business plan being worked upon prior to a final decision being taken and therefore sought agreement for part 1 of the recommendation to include reference to:

‘.....subject to there being a satisfactory outcome to the outstanding pension, tax and governance questions and actions as set out in paragraph 5.4 of the presented agenda report *and the production of a fully tested Business Plan*;

Since the proposer and seconder of the original motion were content to include this wording, it was therefore included in the substantive motion.

An addition to part 2 of the recommendation was also deemed acceptable by the proposer and seconder that read as follows:

*'...Such terms of reference to be finalised by the Executive Director (Strategy and Commissioning), in consultation with the Leader of the Council and the Leader of the Independent Group, with the JSG reporting its recommendations to the first Council meetings of both local authorities in 2017.'*

- (g) A number of Members confirmed their support for the revised recommendations and felt that a delay in making a decision was appropriate in this instance to ensure that a number of outstanding issues were resolved and that the final decision would be a more informed (and evidence based) one.

Having been moved by Cllr P R Sanders and seconded by Cllr R E Baldwin, it was then submitted to the Meeting and declared to be **CARRIED** and **"RESOLVED"**:

1. That the Council proceed with the work which enables a more considered decision to be made with regard to the implementation of a Local Authority Controlled Company (LACC) jointly owned with South Hams District Council, subject to there being a satisfactory outcome to the outstanding pension, tax and governance questions and actions as set out in paragraph 5.4 of the presented agenda report and the production of a fully tested Business Plan;
2. That a Joint Steering Group (JSG) with South Hams District Council be established to deal with matters concerning the implementation of the LACC as detailed in paragraph 5.5 of the presented agenda report and the draft terms of reference at Appendix B of the report. Such terms of reference to be finalised by the Executive Director (Strategy and Commissioning), in consultation with the Leader of the Council and the Leader of the Independent Group, with the JSG reporting its recommendations to the first Council meetings of both local authorities in 2017;
3. That the Audit Committee be tasked to consider the Joint Steering Group's recommendations regarding governance;
4. That the date of transfer of staff to the Company and the Commencement of the contract between the Council and LACC be decided by the Council on the recommendation of the Joint Steering Group;

5. That the Council approves the use of up to £126,750 of the 2016/17 Budget Surplus Contingency earmarked Reserve for the set-up costs of the LACC as detailed in paragraph 5.8 of the presented agenda report specifically drawn down with the agreement of the Joint Steering Group;
6. Subject to approval of recommendation 1 (above), that the Council enters into an external Waste Management arrangement; this arrangement will be subject to full affordability assessment, risk analysis and in compliance with Public Contract Regulations 2015, for a 2 year period with a view to waste services transferring to the LACC at the end of the 2 year period; and
7. That the Council proceeds to acquire the fleet required to satisfy the West Devon Waste specification as set out in Appendix D of the presented agenda report. If purchased, as opposed to leased, the cost of the fleet is to be financed through borrowing.”

## **CM 28**

### **HEALTH AND WELLBEING PROCUREMENT OUTCOME**

The Council considered a report that highlighted the recent completion of a procurement exercise for a new leisure contract for the next 25 years. The report emphasised that the contract was a Design, Build, Maintain and Operate contract such that the day-to-day responsibilities of running the leisure service would fall to the successful bidder.

In introducing the report, the lead Hub Committee for Commercial Services highlighted the paper that had been tabled to the meeting that sought to amend the Legal/Governance section that had been included in the published agenda report.

During the ensuing debate, the following points were raised:-

- (a) A number of Members commended the process that had been followed to reach this outcome and wished to congratulate the lead officers and Board Members who had been involved in such a successful procurement exercise. In addition, the thanks of the Meadowlands User Group were also forwarded to the meeting;
- (b) With regard to the preferred bidder, the view was expressed that the presentation that they had recently delivered to Members was incredibly impressive. Furthermore, the lasting impression of this session was that the future of the leisure centres in the borough would be in safe hands;
- (c) The wish for the current working relationship to be maintained with the Okehampton Community Recreation Association by the new bidder was highlighted.

It was moved by Cllr R F D Sampson, seconded by Cllr C R Musgrave and upon being submitted to the Meeting was declared to be **CARRIED** and “**RESOLVED** that approval be given to:

1. award the Leisure Design, Build, Operate and Maintain contract to the preferred bidder: Fusion Lifestyle; and
2. undertake prudential borrowing of £1.5 million as set out in Appendix 2 of the presented agenda report.”

## **CM 29**

### **HEART OF THE SOUTH WEST FORMAL DEVOLUTION BID – COMBINED AUTHORITY PRINCIPLE**

The Leader of Council presented a report that sought approval to sign-up ‘in principle’ to the pursuit of a Devolution Deal and the creation of a Combined Authority for the Heart of the South West sub-region to administer the powers and funding devolved through the Deal.

In his introduction, the Leader emphasised the importance of the Council maintaining its involvement in the Bid at this stage and that the recommendations did not commit the Council at this time to making any formal decisions regarding the establishment of a Combined Authority.

In discussion, it was considered to be a great achievement that each of the 23 organisations were still working together on the Bid.

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** to:

1. endorse the Leader’s current approach to Devolution and agree to sign up to the principle of creating a Combined Authority for the Heart of the South West, as set out in the Prospectus for Productivity, as the basis for negotiation with Government towards a Devolution Deal for the area; and
2. note that giving this endorsement does not commit the Council to entering into a Devolution deal or becoming a member of a Heart of the South West Combined Authority. This would be subject to future debate and agreement by the Council and subject to negotiations with Government.”

## **CM 30**

### **ANNUAL REPORT**

The Leader of Council introduced a report that asked Members to consider the Annual Report and recommend its publication.

During discussion, reference was made to:-



- (a) trend analysis. In reply to a request, it was agreed that comparative information based upon previous years would be included in future editions of the Annual Report;
- (b) the accuracy of the information contained in the Annual Report. When questioned, officers gave specific assurances that the information in the Report that related to the number of town and parish councils in the borough and the number of Council employees was correct.

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 Council has considered the Annual Report and approves it for publication.”

### **CM 31 MEMBERS' ALLOWANCES REVIEW**

The Leader of Council introduced a report that sought to consider and approve an increase to the Basic Allowance for Members.

During discussion, reference was made to:-

- (a) the recommended increase. In citing that the Basic Allowance was currently the lowest in the county, the recommended increase was supported by the majority of Members. However, if any Members felt uneasy accepting any such increase at this current time, it was confirmed that they could opt out from receiving it;
- (b) the current Scheme of Members' Allowances. In particular focusing on the Special Responsibility Allowance for lead Hub Committee Members, the view was expressed that the multiplier applied to this role was too low. In accepting this view, other Members reminded those present that the Independent Remuneration Panel had in fact recommended a higher increase for this role, however this had not been subsequently approved by the Council at its meeting on 31 March 2015 (Minute CM 98 refers). In hindsight, these Members felt that this decision had proven to be a mistake.

In light of these comments, Members felt that it was now timely for the Independent Remuneration Panel to be reconvened to consider the Scheme of Members' Allowances and an additional recommendation was therefore **PROPOSED** and **SECONDED** as follows:

*'That the Council's Independent Remuneration Panel be reconvened to consider the Scheme of Members' Allowances and, no later than December 2016, make recommendations to the Council.'*

It was then 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:

1. the Basic Allowance be increased by 1% (from £4,200 to £4,242 per annum) and that this be backdated to 1 May 2016; and
2. the Council's Independent Remuneration Panel be reconvened to consider the Scheme of Members' Allowances and, no later than December 2016, make recommendations to the Council."

(The Meeting terminated at 4.45 pm)

---

**Mayor**