

## APPENDIX E

### Summary of the Members' Budget Workshop – 3<sup>rd</sup> October 2016

A Members' Budget Workshop was held in order to carry out a full review of the Council's Medium Term Financial Strategy (MTFS) and to look at the eight themes within Our Plan. This was to give all Members the opportunity to influence and shape the forthcoming Budget Setting Process for 2017-18. The key points of the Medium Term Financial Strategy were discussed and reviewed. The Member Workshop also looked back on last year's feedback from the Members' Budget Workshop held in 2015.

Themes within 'Our Plan':-

#### Homes and Communities Themes

On the Homes Theme, Members were asked what they feel are their priority projects and were there any gaps which Members feel we should investigate further. The following were discussed:

- Community Land Trusts/VHI/community led fund
- Self Build/Self finish in terms of serviced plots
- Temporary accommodation – Tiny houses
- Best use of stock
- Shared housing for under 35's – what can we do?
- Communities & Neighbourhood Planning

The discussions and Member responses were as follows:

- Affordable housing in rural areas is slow to deliver and often beset with problems e.g. the developer goes into liquidation.
- Discussion on the investment return from the Housing Capital Programme (£200,000 annual investment). We are delivering affordable homes for local people which is a Council priority, albeit it with no direct return apart from New Homes Bonus. Discussion on should we still put cash into Affordable Housing? Some Member support for the £200,000 annual investment.
- If the Council developed housing through the LACC it would be exempt from the Right To Buy.
- Await results of the Autumn Statement, potentially money available for small builders
- Discussed Community Land Trusts – there is one in Chagford that is all. The Council should be trying different ways of delivering housing. Some Members felt CLTs were very time consuming.
- Going into partnership with Housing Associations to build housing for specific groups. The Council to provide the capital and get a return.
- There is not enough small, market housing for older people to downsize into. The Borough needs open market homes for elderly persons to downsize into, Blue Cedar Homes Model.

- Some Members felt the Council could put covenants on the land to protect our investment, particularly as in the future we could be losing housing stock through the Right to Buy.
- Members referred to the Innovation Fund (Invest to Earn) Earmarked Reserve which currently had a balance of £905,000 remaining.

## Well-being Theme

Through grant and contract funding, the Council works with a number of partners to discharge both its statutory duties and strategic priorities, which in turn deliver positive health and wellbeing outcomes for residents in the District.

*The question was asked of 'Would Members support opportunities to work more closely with the voluntary sector?'*

Members were keen on stripping out duplication for customers (where partners such as the CAB were seeing the same customers as the Council regarding housing or benefit enquiries). Concerns were raised over resilience and the cutbacks that the voluntary sector had also had to make.

A series of small suggestions which could improve how effective our partners can be at delivering better services for our shared customers were made such as co-location, dedicated phone lines and using sound websites such as the CAB's to signpost customers, rather than duplicating the same content on our own website.

## Infrastructure and Heritage Theme

The majority of Members were keen on the idea of both charging for duty and introducing planning performance agreements (PPAs). However a smaller number of Members felt that the duty should be free as part of the Council services.

The Key factors were;

Duty

To ensure that where people need to access information about active applications that this is isn't chargeable

Reasonable charge

Ensure service is of value - timely, suitably experienced staff etc.

Consult and advertise changes

PPAs

Ensure that it is simply help through the process

Ensure it is not a twin track process – i.e. those who can afford it get a better/quicker service

In both cases Members agreed that income should be ring fenced to Development Management for the first year and then a decision made based on a business case and future forecasting from then on.

Next steps - in line with the Peer Challenge Action Plan – to review present arrangements and cost out future options.

## Resources Theme

Members were in support of increasing Council Tax by the maximum allowable (which is £5 for 2017/18). This measure would increase the base budget for ensuing years and protect the delivery of services and the Council's financial resilience.

Members asked for Officers to undertake a review of Earmarked Reserves and to report back to Members in December as part of the Draft Budget for 2017-18 for Members' consideration.

Investigate the purchase of vacant business properties (Okehampton and Tavistock) and convert them into flats.

### **Use of New Homes Bonus (NHB) funding**

Support for an element of NHB to be used to continue to support funding the Revenue Base Budget. This is currently predicted to be £700,000 for 2017-18.

### **ICT Strategy**

Resilience is a top priority for ICT as this causes the most discontent. Need to ensure an uninterrupted power supply at all times. Members had concerns that sometimes there may be patches put on, rather than a whole solution. Concerns of over-reliance on one individual in some areas.

Disaster Recovery is a priority for Members. Practical issues need to come out of the Strategic Principles within the ICT Strategy – e.g. demand reduction. There is Member concern that the system could be overloaded at times. Members said they would be prepared to consider putting temporary additional resource into ICT on a business case basis. It was discussed that a report would be being presented to Members on the ICT Strategy.

Members were pleased with the work happening on the new website. Member frustrations with their iPads e.g. the ability to do tracked changes on documents, having to maintain two separate diaries etc.

There was a discussion about possible scope creep in new IT and around possibilities with the Cloud. Wi-Fi access is an issue.

## Environment Theme

There was a discussion around the fact that a large proportion of the Environment budget is tied up in committed costs e.g. contract costs, fuel/manual costs etc. so a smaller proportion is discretionary in terms of being able to offer to improve the revenue budget.

Ideas discussed were as follows:

Invest to save – capital bids for waste and cleansing, CCTV cameras (fly tipping) – capital outlay but potential revenue savings. Business cases required.

Education – preventative work e.g. fly tips (reduce revenue costs), pro-active to boost recycling (increase income from sales and credits)

Increase income – charge for public toilets to rebalance costs

Garden waste – More tailored system suggested.

Trade waste – may be limited opportunities in this area

Building & grounds maintenance – more opportunities for income if working through a LACC

The Member groups discussed the discretion for fees and charges to be applied in this service area and the impact of this. There was a clear motivation to continue to improve on recycling performance and to increase income through increased recycling sales. It was also acknowledged that this is currently being affected by changes in national behaviour which the Council needs to take account of.

## Economy Theme

### Areas the council should consider for income generation / efficiencies:

- Direct delivery of housing on council owned land
- Acquiring land to deliver housing or employment accommodation (without necessitating a Housing Revenue Account)
- Letting housing
- Increasing commercial investments to ensure the right accommodation is available and/or land which can be developed for employment uses (to retain / attract businesses to the area)
- Discussions around the provision of car parking facilities
- Views were expressed by Members that the Council needs to step in where there is a gap in the market e.g. making sure there are suitable business premises in the area, particularly start-ups, but also sites for expanding businesses
- Extending commercial waste services, e.g. clinical / offensive waste, trade waste, holiday homes, recycling services
- Review of the treasury management strategy to increase the return from monies held (to explore opportunities and to look at risk versus returns)
- There should be greater collaboration between public bodies – not just devolution, with a focus of reducing cost and improved service delivery
- Work in partnership with RSLs to invest in property for shared rewards, not just housing, but stock improvement (e.g. investment in renewable energy)
- Greater borrowing at historic low levels to generate long term revenue streams (e.g. property or land investment). Don't be afraid to "think big" in terms of borrowing if there is a robust business case to support it and generate profits.
- Planning fee related income – increased pre-application advice

**Support for the Economy**

- The Council should offer more signposting for economic queries, i.e. support new, existing, fledgling businesses
- Clarity required over whether the Council is seeking to sweat assets for financial benefit or for community benefit – financial principles