

**MINUTES OF A MEETING OF
THE EXECUTIVE
HELD AT FOLLATON HOUSE ON THURSDAY, 4 FEBRUARY 2016**

Members in attendance:			
* Denotes attendance			
∅ Denotes apologies			
*	Cllr H D Bastone	*	Cllr R J Tucker
*	Cllr R D Gilbert	*	Cllr L A H Ward
*	Cllr M J Hicks	*	Cllr S A E Wright

Also in attendance and participating		
Item 7	E.58/15	Cllrs Baldry, Barnes, Brazil, Cuthbert, Green, Hodgson, Pearce, Pennington, Saltern
Item 8	E.59/15	Cllrs Brazil, Green, Pearce
Item 10	E.61/15	Cllrs Barnes, Brazil, Green, Hodgson, Pennington
Item 11	E.62/15	Cllrs Brazil, Foss, Green, Hitchins, Hodgson, Holway, Pearce, Saltern
Item 13	E.64/15	Cllrs Foss, Pearce, Vint
Item 14	E.65/15	Cllr s Cuthbert, Foss, Hodgson, Holway
Also in attendance and not participating		
Cllrs Blackler, Bramble, Brown, Cane, May, Pringle, Rowe, Smerdon and Steer		

Officers in attendance and participating		
All items		Executive Director Service Delivery and Commercial Development (SD&CD) (SH) and Senior Case Manager (KT)
Item 7	E.58/15	COP Lead Finance (LB), Finance Business Partner (PH)
Item 8	E.59/15	COP Lead Finance (LB), Finance Business Partner (PH)
Item 9	E.60/15	COP Lead Finance (LB), Finance Business Partner (PH)
Item 11	E.62/15	Ginette Beal of Grant Thornton
Item 13	E.64/15	Lead Specialist – Place and Strategy
Item 14	E.65/15	Lead Specialist – Housing, Revenues and Benefits

E.55/15 MINUTES

The minutes of the Executive meeting held on 10 December 2015 were confirmed as a true record and signed off by the Chairman.

E.56/15 DECLARATIONS OF INTEREST

Members and officers were invited to declare any interests in the items of business to be considered during the course of this meeting and Cllr Ward declared a personal interest in Item 7: 'Revenue Budget Proposals 2016-17' (Minute E.58/15 below refers) by virtue of being a member of the management board of Citizens Advice.

E.57/15 PUBLIC QUESTION TIME

It was noted that the following questions had been tabled in line with Executive Procedure Rules:

Question from Ms Barbara Smith to Cllr Tucker:

1. 'Devolution: Could you please give a brief explanation of how it affects our area and let us know when the public will be fully informed about it, and when the public will be voting on it. Thank you'

In response, the Leader advised that Ms Smith was welcome to stay in the meeting as there was an agenda item later that would go into this matter in more detail. He also confirmed that there was no duty to keep residents informed and no voting mechanism.

Ms Smith asked a supplementary question as follows:

Do you feel the public are receiving sufficient information for such a major change?

In response, the Leader advised that if Ms Smith stayed and listened to the debate it would give a wider picture.

Question from Mr Dennis Silverwood to Cllr Hicks:

2. Given the intent of South Hams District Council to reflect cross boundary issues into their strategic plan under the 'Duty to Co-operate' and moreover to investigate the possibility of working with neighbouring authorities to produce a Joint Local Plan is it not now appropriate to refuse or defer applications which have substantial cross-boundary impacts and which are opposed by Plymouth City Council both on policy and practical grounds?

In response, Cllr Hicks stated that it is of course a requirement of all Local Planning Authorities (LPA) to consult with adjacent local authorities. This we have been doing for years and this cooperation includes West Devon Borough Council and the Dartmoor National Park as well as Plymouth City Council.

Part of our requirement to produce a new Local Plan includes the continuing need to take account of changes to planning guidance and regulation, and also the differing needs of the wider HMA.

In the interests of a more effective Local Plan, we have been discussing with the LPAs mentioned above, the possibility of planning comprehensively across the HMA through the production of a joint Local Plan. However, this does not mean that the participants will amalgamate into a single larger LPA. Each authority will still own their policies and decision making powers.

The issue of planning applications is a separate matter. The Council needs to consider and decide upon applications on their own merits and based on policies and guidance in force at the time. This Council will continue to consider and decide applications on this basis and has no remit to delay consideration of current applications. Indeed, all LPAs are under an obligation to deal with each application within specific timescales.

Question from Mr Alan White to Cllr Ward:

3. When LEP partners (Local Enterprise Partners) assist with development projects, where are these partnerships arrangements disclosed in planning applications in South Hams?

In response, Cllr Ward answered that the LEP is a high level strategic body and the business and governance of the LEP are open to public examination through their website. We are not aware of any mandatory requirement to automatically provide information in relation to LEP interest in a planning application. If asked about a specific application we would make enquiries.

Mr White asked a supplementary question in that he wanted to know if a two tier planning system would result whereby applications with LEP involvement would have priority.

In response, Cllr Ward advised that every application was considered on its merits and would go through due process. Applications would not be able to jump the system.

Questions from Ms Georgina Allen to Cllr Hicks:

4. In the Statement of Intent and the Devolution Bid, Totnes seems to have been picked out as a future growth hub. What does this mean and by what mandate does the LEP have any say in our future?

In response, Cllr Hicks advised that, having read the document attached to the Agenda Item 10 which was the up to date document, this question had caused some confusion as there was no reference to Totnes in it. Speaking generally, the LEP, which covered a large geographical area, was, as mentioned before, a high level strategic body whose powers were becoming more clearly defined as time passed. Different bodies had different involvements in our plans for the future.

5. Why have the new homes bonuses from developments in Totnes, not been spent to improve infrastructure in Totnes?

In response, Cllr Hicks advised that in February 2015, this Council made a corporate decision to allocate our New Homes Bonus in a certain way. This decision was taken in the knowledge that all our local communities have specific requirements. The allocations were:-

- £5,794 to DNP
- £10,000 CAB Outreach
- £153,900 community Reinvestment Project
- £464,000 Housing Capital Projects
- £100,728 Capital Programme Reserve

In March 2015, a Council decision was taken that part of the Community Reinvestment Project should be allocated as follows:

- Totnes Development Trust - £27,225
- Totnes Town Council - £26,821

6. Why does 'adverse impact on road conditions', by which various small developments have been rejected at planning, not seem to matter with large developments?

In response, Cllr Hicks advised that Devon County Highways are statutory consultees on most planning applications and the potential impact of any proposed development on the Highways network is assessed on a case-by-case basis. The comments and recommendations of the Highway Authority are taken into account by this Council when coming to a decision on a planning application. Larger sites allocated for development in Plan documents are most likely to have already been accepted in principle by the Highway Authority as part of the Plan preparation process. Smaller scale developments coming forward as windfalls could raise locally significant issues for example on grounds of safety. That could result in a recommendation of refusal from the Highway Authority.

7. In what ways are the council helping building in the South Hams to move from developer-led, to community-led builds?

In response, Cllr Hicks advised that SHDC recognises the benefits of community led and self and custom build housing.

There is however no Government requirement that would allow us to prioritise community led development over that from housebuilders. In order to build sufficient new homes in sustainable locations we need to ensure that a broad mix of housing is built and that clearly will include those built by developers as well as community groups. However, we do what we can, given the shortage of local government funding. In December last year we instigated the community housing fund. This fund is in the sum of £100,000 to assist in development costs of community housing projects. First payment from this fund is imminent and amounts to £25,000.

8. Taking into account that there are up to 1,000 new builds going up round Totnes and Dartington and that Bloor Homes is advertising Baltic .wharf in London, please can you explain why the reason still given for allowing planning permission is the need for houses in Totnes - Cocoa Nurseries?

In response, Cllr Hicks advised that SHDC as the local planning authority is obliged to consider all applications on their merits. The developments mentioned in the question are, with the exception of two, on the sites allocated in the LDF in existence at the present moment. For the record, the houses currently being built or recently completed total 628.

As a supplementary question, Ms Allen stated that she had other information relating to the number of houses built that gave different figures. What was the correct figure?

Cllr Hicks responded that this depended on how the question was phrased and suggested a separate meeting to deal with this matter.

E.58/15 **REVENUE BUDGET PROPOSALS REPORT 2016-17**

The Executive considered a report that set out a series of recommendations for the revenue budget for 2016/17.

The Leader introduced the report and explained how the surplus predicted in the October 2015 Medium Term Financial Strategy report had reduced as a result of new regulations in respect of waste and recycling and the Government reducing Revenue Support Grant funding earlier than previously advised. He then took Members through the detail of each recommendation.

During discussion, the following points were raised:

- (a) The Portfolio Holder for Support Services requested inclusion of a further recommendation that would seek authorisation to support the waste review as detailed in paragraph 5.10 of the presented report. This was subsequently **PROPOSED** and **SECONDED** and when put to the vote declared **CARRIED**;
- (b) A Member sought approval of a token payment of £1000 to the Plymouth Citizens Advice to support the service for residents at the Western end of the district. Whilst Members agreed with and sympathised with the lack of a Citizens Advice service at the Western end of the district, it was not felt that a token payment would address matters and it was confirmed that a Task and Finish Group was currently looking at the working arrangements with all Partnerships and Citizens Advice and the CVS were included in this piece of work;
- (c) One Member put forward an alternative proposal for a number of strands of funding to be amalgamated and used as a starting point to address the issue of delivery of affordable homes for the benefit of the community. The Leader responded that the Council did contribute to housing and whilst he accepted that the New Homes Bonus funding could be used this year, if it were, then this would not assist in meeting budget gaps in future years;

- (d) One Member raised concerns that insufficient funding was being used for Disabled Facilities Grants and was concerned with how the Grants were allocated and that vulnerable people would have to wait longer for help. The Executive Director (SD&CD) agreed to look at this;
- (e) Following a number of comments in relation to the waste review, the Portfolio Holder for Commercial Services confirmed that the Task and Finish Group would report their findings in due course;

The COP Lead Finance responded to a number of detailed queries in respect of the presented agenda report.

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

1. to increase Council Tax by 1.99% (which equates to a Band D council tax of £148.31 for 2016/17, an increase of £2.89 per year or 6 pence per week). This equates to a Council Tax requirement of £5,488,062 (as shown in Appendix B1 of the presented agenda report));
2. that the financial pressures in Appendix B1 of the presented agenda report of £1,690,000 be agreed;
3. that the £10,000 discretionary budget bid for the Citizens Advice service be agreed;
4. that the schedule of savings identified in Appendix B1 of the presented agenda report totalling £1,252,000 be agreed;
5. that the Collection Fund Surplus of £210,000 as shown in Appendix B1 of the presented agenda report be agreed ;
6. that the level of contributions to reserves to be included within the Authority's budget, as set out in Appendix C2 of the presented agenda report be agreed (this includes using £500,000 of New Homes Bonus funding to fund the 2016-17 Revenue Budget);
7. to transfer the budget surplus in 2016/17 of £297,240 into a Contingency Earmarked Reserve (see paragraph 1.6 and 1.7 of the presented agenda report);
8. that the allocation of Council Tax Support Grant for Town and Parish Councils be set at £101,658 in 2016/17, a reduction of 9.9 % (Appendix E of the presented agenda report refers);
9. that the Council should set its total net expenditure for 2016/17 as shown in Appendix B1 of the presented agenda report at £8,312,767. This is subject to final confirmation of Government funding which will be notified in February 2016. If the Government changes the funding, delegated authority is given to the S151 Officer in liaison with the Leader of the Council to identify an appropriate solution;

10. to allocate £153,900 of New Homes Bonus funding for 2016/17 to the Community Reinvestment Projects budget for 2016/17. Any under spend from the 2015/16 Community Reinvestment Projects budget of £153,900 is to be transferred into the Capital Programme Reserve;
11. that the Council transfers £24,606 of its allocation of the New Homes Bonus for 2016/17 to the Dartmoor National Park Sustainable Community Fund. The funds are awarded as a one off payment to Dartmoor National Park, to award projects on an application basis administered by Dartmoor National Park. The following conditions will apply;
 - A. decisions must be taken in consultation with the South Hams District Council local Ward Member(s);
 - B. funding can only be used for capital spending on projects in those parts of Dartmoor National Park which fall within the South Hams District Council Boundaries and enable the Dartmoor National Park to carry out its social economic responsibilities; and
 - C. Dartmoor National Park reports on the progress in the application of, and use of the funds to the Overview and Scrutiny Panel, in time for budget decisions to be made
12. that £464,000 of New Homes Bonus funding from the 2016/17 allocation is used to fund housing capital projects (Disabled Facilities Grants and Affordable Housing). (The Capital Programme is a separate report on this Executive agenda and the funding is set out in section 4 of that report);
13. to transfer £150,000 of New Homes Bonus funding for 2016-17 into an Earmarked Reserve for the one-off costs of the Local Authority Controlled Company (LACC – see Section 5.9 of the presented agenda report);
14. To transfer the unallocated New Homes Bonus of £777,402 into an Innovation Fund (Invest to Earn) Earmarked Reserve (as per paragraph 7.10 and 7.11 of the presented agenda report);
15. That the minimum level of the Unearmarked Revenue Reserves is maintained at £1,500,000 as per Section 9 of the presented agenda report;
16. That the level of reserves as set out within this report and the assessment of their adequacy and the robustness of budget estimates are noted. This is a requirement of Part 2 of the Local Government Act 2003;
17. That a waste round review be supported that considers a four day waste and recycling collection round.

E.59/15 CAPITAL BUDGET PROPOSALS FOR 2016/17

Members were asked to consider a report that set out the capital bids to the 2016/17 Capital Programme totalling £1,765,000 and a suggested way that these bids could be funded.

The Portfolio Holder for Support Services proposed an additional recommendation following receipt of a tender for solar panels on the roofs of employment units at Burke Road. This additional recommendation was necessary as the tender was over budget. In discussion, Members expressed their support for this additional recommendation.

Following a brief discussion, it was then:

RESOLVED

That Council be **RECOMMENDED**:

- i) To approve the Capital Programme Proposals for 2016/17 totalling £1,765,000 as per Appendix A of the presented agenda report;
- ii) That the views of the Overview and Scrutiny Panel on the Capital Budget Proposals be endorsed, namely that an Options Appraisal is required with Member involvement for the Follaton House boilers (see paragraph 3.1.2 of the presented agenda report) and that any allocation of Locality vehicles (see 3.2 of the presented agenda report) be determined after the March 2016 Overview and Scrutiny Panel review of the Locality role;
- iii) To finance the Capital Programme of £1,765,000 by using:-
 - £635,000 from the Capital Programme Earmarked Reserve
 - £300,000 from Capital Receipts
 - £366,000 from Better Care Funding towards Disabled Facilities Grants and £464,000 from New Homes Bonus funding
- iv) That £40,000 be allocated from the Capital Programme Contingency Reserve to pay for solar panels on the roofs of employment units at Burke Road, Totnes

E.60/15 **CAPITAL PROGRAMME MONITORING REPORT**

Members were asked to consider a report that advised of the progress on individual schemes within the approved Capital Programme, including an assessment of their financial position.

It was then:

RESOLVED

That the report be noted.

E.61/15 **HEART OF THE SOUTH WEST FORMAL DEVOLUTION BID**

Members were asked to consider a report that sought recommendation of the Leaders current approach to devolution, the drafting of proposals, their submission and negotiation of a deal for the Heart of the South West. The Leader introduced the report and advised Members that, in his view, the proposal would maintain the identity of Devon and Somerset whilst providing benefits in line with the six workstreams as set out in the Prospectus for Productivity. He reiterated that this was a high level strategic plan and the recommendation today would enable further work and negotiation.

One Member felt there was not enough information available to make a recommendation and that residents should have more of a say in such an important change. It was pointed out however that there was no duty to consult with the public. Concerns were also raised by Members that one of the partners was the Local Enterprise Partnership, an unelected body.

Some Members thought the document should be amended to include the ability to impose second homes council tax. The Leader agreed to take this forward.

A number of Members raised concerns about the proposed governance structure. In reply, the Leader accepted those concerns but responded that this proposal was at a strategic level and it was important at this stage to be included, as that would enable the Council to take part in the negotiations.

It was then:

RESOLVED

That Council be **RECOMMENDED** to:

1. Endorse the Leaders current approach to devolution and the drafting of proposals, their submission and negotiation of a deal for the Heart of the South West, namely:

Working with local authorities, National Parks and the Heart of the South West Local Enterprise Partnership to deliver full proposals for devolution which will seek a formal agreement with Government on a formal devolution deal as set out in Appendix 1

2. Note that full Council will consider and be asked to approve the final devolution proposal; and
3. in the event of government timescales changing, or minor amendments being necessary, delegate authority to the Head of Paid Service in consultation with the Leader of Council to approve the final proposal.

E.62/15

PROPOSALS RELATING TO A LOCAL AUTHORITY CONTROLLED COMPANY

Members were presented with a report that sought authority to produce a detailed business case and implementation plan to enable further consideration of the establishment of a Local Authority Controlled Company jointly with West Devon Borough Council to deliver services for South Hams District Council, West Devon Borough Council, and to other organisations as contracts were won.

The Leader introduced the report and advised Members of an amendment to the published recommendation in how the funds were drawn down for the business case. This amendment was subsequently agreed.

A number of Members expressed concern about some aspects of the report, but supported the proposal as there was an understanding that it provided a framework within which further work would enable the detail to be developed to enable a specific recommendation to be made on the best way forward. It was made clear to Members that this proposal, if approved, would form part of the solution to address the predicted budget gap in 2020. The proposal would also enable the Council to become more commercially minded.

During discussion, the Executive Director (SD&CD) responded to specific questions relating to the West Devon Borough Council waste service and how its inclusion into the proposal would benefit both West Devon Borough and South Hams District Councils. She also responded to concerns expressed about a two tier staff system.

One Member thanked Grant Thornton for their balanced report. He then sought the Executive's support to amend the wording of the first recommendation and this was agreed.

Another Member felt that this proposal would benefit residents of the South Hams by enabling future proofing from local government reorganisation. However, he also expressed the view that the governance issue of the new organisation was significant and would need to be carefully considered.

It was then:

RESOLVED

That Council be **RECOMMENDED:**

1. To produce a detailed business case and implementation plan to enable further consideration of the merits of establishing a Local Authority Controlled Company jointly with West Devon Borough Council to deliver services for South Hams District Council and West Devon Borough Council, and to other organisations as contracts are won; and
2. That both Councils' costs for the preparation of the detailed business case and implementation plan of £300,000 be met from a budget provision of £150,000 being set aside in both Councils for this purpose, and that draw down of these funds be delegated to the Executive Director (SD &CD) in consultation with the Leader and Deputy Leader.

E.63/15

COMMUNITY RIGHT TO BUILD ORDERS – DELEGATED PROCEDURES

Members were asked to consider a report that recommended that the council approve a Community Right to Build Order Procedure, which was set out in the appendix to the presented report.

The Portfolio Holder introduced the report and advised Members that an application had already been received, hence the need to have an agreed procedure in place.

It was then:

RESOLVED

That Council be **RECOMMENDED:-**

1. That authority to approve the Community Right to Build orders Procedure as set out in Appendix 2 of the presented report be delegated to the Lead Specialist Place and Strategy in consultation with the Lead Member for Business Development and Local Plan and the local Ward Member(s) for the relevant Neighbourhood area; and

2. That, subject to approval of the above recommendation, appropriate changes be made to the Council's Neighbourhood Planning Protocol.

E.64/15 **EFFECTIVELY IMPLEMENTING SHDC DP11: HOUSING MIX AND TENURE**

Members were asked to consider a report that sought approval of a methodology to ensure that when proposals for new housing were presented to the Council for planning permission, that the houses being proposed met the varied needs of our communities.

The Lead Portfolio Holder introduced the report; a number of Members welcomed it. One Member asked if the term 'flats' could be replaced with 'apartments' as 'flats' sometimes had a negative connotation. One Member questioned the use of Office for National Statistics data rather than local data, however the Lead Specialist - Place and Strategy responded that an accredited data set would be required to support the Policy, but that did not mean that local data was also taken into account.

It was then:

RESOLVED

That Council be **RECOMMENDED:**

1. That, when applying policy SHDC DP11: Housing Mix, the following indicative housing size mix be used to inform housing proposals:
 - 35% - 1 and 2 bed dwellings
 - 35% - 3 bed dwellings
 - 30% - 4+ bed dwellings
2. To approve the use of Office for National Statistics (ONS) Neighbourhood Statistics data to inform the mix of housing type for housing proposals.

E.65/15 **SAFEGUARDING POLICY**

Members were asked to consider a report that sought to recommend to Council the adoption of the Safeguarding Policy.

The Portfolio Holder for Customer First introduced the report. One Member stated that Safeguarding Training for Members should be mandatory and Members discussed how best to take this forward.

It was then:

RESOLVED

That Council be **RECOMMENDED** that the Safeguarding Policy be adopted.

E.66/15 **REPORTS OF OTHER BODIES**

RESOLVED

That the following be received and that any recommendations contained therein be approved:

a) **Overview and Scrutiny Panel – 14 January 2016**

i. **O&S.66/15 BUDGET PROPOSALS REPORT 2016-17**

(NB. Recommendations under this minute had been taken under the earlier Item 7 – Revenue Budget Proposals for 2016-17 Minute E.58/15 above refers.)

ii. **O&S.74/15 TASK AND FINISH UPDATES – Dartmouth Lower Ferry**

RESOLVED That:

- a) At this point, the best overall service delivery choice for the Dartmouth Lower Ferry will be either via Option 1 or Option 2b (as outlined in the Business Case at Appendix A of the presented agenda report);
- b) Service efficiencies (as outlined at Section 2 of the business Case at Appendix A of the presented agenda report) be implemented as soon as is practicable; and
- c) Negotiations continue on the provision of the best operationally practical and cost effective solutions of the maintenance of the floating stock.

(NOTE: THESE DECISIONS, WITH THE EXCEPTION OF E.58/15, E.59/15, E.61./15, E.62/15, E.63/15, E.64/15 and E.65/15, WHICH ARE RECOMMENDATIONS TO THE COUNCIL MEETING TO BE HELD ON 11 FEBRUARY 2015, WILL BECOME EFFECTIVE FROM 5.00PM ON MONDAY, 15 FEBRUARY 2016 UNLESS CALLED IN, IN ACCORDANCE WITH SCRUTINY PROCEDURE RULE 18).

(Meeting commenced at 10.00 am and concluded at 1.05 pm)

Chairman

