

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Cabinet held at Council Chamber, Blackdown House, Honiton on 1 February 2023

Attendance list at end of document

The meeting started at 6.00 pm and ended at 7.06 pm

134 Public speaking

There were no members of the public wishing to speak.

135 Minutes of the previous meeting

The minutes of the meeting of Cabinet held on 4 January 2023 were agreed.

136 Declarations of interest

Min 143. Minutes of LED Monitoring Forum held on 17 January 2023.
Councillor Alan Dent, Affects Non-registerable Interest, Member of the LED Forum.

Min 150. Council Tax Support Fund 2023.
Councillor Steve Gazzard, Disclosable Pecuniary Interest, Is a council house tenant.

137 Matters of urgency

There was one late report recorded at Minute 151 - Approval to purchase the hardware and associated equipment for hybrid meetings at Blackdown House.

138 Confidential/exempt item(s)

None

139 Minutes of Poverty Working Panel held on 8 December 2022

Members agreed to note the Minutes of Poverty Working Panel held on 8 December 2022.

140 Minutes of Joint Budget meeting of Scrutiny and Overview Committees held on 11 & 12 January 2023

Members agreed to note the Minutes and recommendations of the Joint Budget meeting of Scrutiny and Overview Committees held on 11 & 12 January 2023.

Minute 71 Countryside and Leisure Service

That the Service Plan for Countryside and Leisure for 2023 – 2024 be adopted subject to the addition of the following:

That an objective be included for a scoping paper to be prepared in order to understand the areas of potential duplication between LED and the private sector to ensure that, going forward, LED is not being paid to carry out work which is being done elsewhere. This is to ensure the best use of taxpayers' money.

Minute 72 Environmental Health Service

That the Environmental Health Service Plan for 2023 – 2024 be adopted.

Minute 73 Housing Service

That the Housing Service Plan 2023 -2024 be adopted.

Minute 74 Streetscene Service

That the Streetscene service plan for 2023 – 2024 be adopted.

Minute 81 Finance

That the Service Plan 2023-24 for the Finance service be adopted.

Minute 82 Growth, Development and Prosperity

That the Service Plan 2023-24 for the Growth, Development and Prosperity service be adopted.

Minute 83 Planning

That the Service Plan 2023-24 for the Planning service be adopted.

Minute 84 Governance and Licensing

That the Service Plan 2023-24 for the Governance and Licensing service be adopted, subject to the inclusion of an objective to review the Members Code of Conduct in relation to the declarations of interest.

Minute 85 Place, Assets and Commercialisation

That the Service Plan 2023-24 for the Place, Assets and Commercialisation service be adopted subject to an amendment within the first priority listed under section 3.1 to make specific reference to the site at Websters Garage, Axminster.

Minute 86 Communications, Digital Services and Engagement Team

That the Service Plan 2023-24 for the Communications, Digital Services and Engagement Team service be adopted.

Minute 87 HR and Payroll Service

That the Service Plan 2023-24 for the HR and Payroll service be adopted.

Minute 88 Draft Revenue and Cabinet Budgets 2023 – 2024

To approve the draft revenue and capital budgets for 2023/24.

141 **Minutes of Strata Joint Scrutiny Committee held on 5 January 2023**

Members agreed to note the Minutes of Strata Joint Scrutiny Committee held on 5 January 2023.

142 **Minutes of Strata Joint Executive Committee held on 17 January 2023**

Members agreed to note the Minutes and recommendations of Strata Joint Executive Committee held on 17 January 2023.

Minute 9 Strata Business Plan

That the Strata Business Plan 2023-24 be approved by East Devon District Council, Exeter City Council and Teignbridge District Council.

143 **Minutes of LED Monitoring Forum held on 17 January 2023**

Members agreed to note the Minutes and recommendations of LED Monitoring Forum on 17 January 2023.

Minute 34 Exmouth Pavilion report

1. Not to dismiss any option at this stage.
2. That the placemaking consultant for Exmouth (to be appointed) be asked to consider within wider work the options put forward in this report for the Pavilion, initially determining alignment against the themes, characteristics and terms of reference agreed by Cabinet.
3. That repairs to the roof of Exmouth Pavilion take place as a matter of urgency.
4. An urgent report be brought to Cabinet outlining works needed to the Pavilion over the next 5 - 7 years noting the Forum's request that support is given to undertaking urgent repair works to the roof.

Minute 35 LED Budget Report 2023/24

That Cabinet recommends to Council to agree the original budget figure that has been put into the accounts but to ask officers to work closely with LED to better understand the extra request, so that the LED Monitoring Forum can consider that at a later date.

144 **Minutes of Housing Review Board held on 18 January 2023**

Members agreed to note the Minutes and recommendations of Housing Review Board held on 18 January 2023.

Minute 39 Housing Service Plan

That the Housing Service Plan for 2023-24 be approved.

Minute 40 Finance report

That the draft Housing Revenue Account revenue and capital estimates, including the proposed rent increases for 2023/24 be approved.

Minute 41 Damp and Mould Policy

That the Damp and Mould Policy be adopted.

Minute 42 Learning from complaints in housing

That the recommendations highlighted within the report be noted and approved.

Minute 43 Integrated Asset Management Contract

That Cabinet notes the report on the delivery of the integrated asset management contract and endorses the action plan designed to bring about a sustained improvement in service delivery.

Minute 44 Review of downsizing grant

That the suggested financial payments for a trial period of 12 months, for tenants who were downsizing be agreed.

145 **Revenue and Capital Budgets 2023/24**

The Director Finance reminded Members that Cabinet adopted the draft Revenue and Capital Budgets for 2023/24 at its meeting on 4 January 2023. A joint meeting of the Overview and Scrutiny Committees reviewed those budgets on 11 and 12 January and the Housing Review Board considered the Housing Revenue Account budgets on 18 January 2023.

As part of the Prudential Code for Capital Finance in Local Authorities the Council was required to set prudential indicators as part of its budget setting process, these indicators were detailed in the Treasury Management Strategy 2023/24 – Minimum Revenue Provision Policy Statement and Annual Investment Strategy included on this agenda. They reflected the proposals and details in the report. Alongside the Treasury Management Strategy sits the Capital Strategy which is also contained on this agenda for adoption.

The Portfolio Holder Finance thanked Simon Davey and his team for producing this balanced budget as well as maintaining frontline services.

RECOMMENDED to Council:

1. To propose the Net Expenditure Revenue General Fund Budget for 2023/24 of £21.597m (as given in the adopted draft budget presented to Cabinet on 4th January 2023).
2. A Council Tax increase is approved of £5 a year giving a Band D council tax of £161.78 a year for 2023/24.
3. That the Housing Revenue Account Estimates with a net surplus of £0.268m is approved with a 7% increase on Council dwelling rents and garages.
4. That the Net Capital Budget totalling £10.216m for 2023/24 is approved.

REASON:

There was a requirement for the Council to set a balanced budget for both the General Fund and Housing Revenue Account and to levy a Council Tax for 2023/24.

146 **Capital Strategy 2023/24 - 2026/27**

The Finance Manager presented the draft Capital Strategy for consideration and if content recommend to Council for adoption, this forms part of the annual budget setting approval process.

The Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code requires local authorities to produce a capital strategy to demonstrate that capital expenditure and investment decisions were taken in line with desired outcomes and take account of stewardship, value for money, prudence, sustainability and affordability. This Council's practices meet these outcomes and it was useful to set these out in one place to demonstrate this.

The Capital Strategy was a key document, it provided a high level overview of how capital expenditure, capital financing and treasury management activity contribute to the delivery of desired outcomes. It also provided an overview of how associated risk was managed and the implications for future financial sustainability. It includes an overview of the governance processes for approval and monitoring of capital expenditure.

RECOMMENDED to Council:

That the Capital Strategy 2023/24 – 2026/27 be adopted.

REASON:

In order to comply with good practice there was a requirement for the Council to have in place an adopted Capital Strategy.

147 **Treasury Management, including the Minimum Revenue Provision Policy Statement and Annual Investment Strategy for 2023/24**

The Chartered Institute of Public Finance and Accountancy (CIPFA) produces a Code of Practice for treasury management for Public Services. One of the main recommendations of this code was the requirement for an annual Treasury Management Strategy to be adopted formally by the Council. There was also a requirement to set prudential indicators relating to all treasury activities that the authority would undertake in the forthcoming financial year.

CIPFA required formal adoption of them in 2023/24 and this was reflected in the 2023/24 Strategy document.

RECOMMENDED to Council that:

1. the Treasury Management Strategy including the Prudential Indicators for 2023/24 be adopted;
2. the Minimum Revenue Provision Policy Statement be approved;
3. the Annual Investment Strategy, creditworthiness criteria and updated list of counterparties be approved, and
4. the 2021-22 Annual Treasury Management Report and 2022-23 Mid-Year Review Report provided in the links to background information be noted.

REASON:

The Council was required to adopt formally a Treasury Management Strategy and set prudential indicators before the beginning of the new financial year.

148 **Financial Monitoring Report 2022/23 Month 9 - December 2022**

The Finance Manager gave a summary of the Council's overall financial position for 2022/23 at the end of month nine (31 December 2022).

Current monitoring indicated that:

The General Fund Balance was being maintained within the adopted levels. Monitoring indicates a favourable position of £138k was predicted. There was a large favourable change in treasury management interest receipts of £981k (as detailed at section 5), offsetting this was the adverse position on employment costs due to the current year nationally agreed pay award being higher than that budgeted. It also showed cost pressures related to transport costs and reduction in customer receipts particularly as the year had progressed. Further inflationary pressures for the remainder of the year were also expected.

The Housing Revenue Account Balance was being maintained at or above the adopted level.

The Portfolio Holder Finance wished to credit the Finance team for the results they were producing.

RESOLVED:

That the variances identified as part of the Revenue and Capital Monitoring process up to Month 9 be acknowledged.

REASON:

The report updated Members on the overall financial position of the Authority at set periods and includes recommendations where corrective action was required for the remainder of the financial year.

149 **Sidmouth and East Beach BMP - OBC approval, Risk Gap Funding, Project Board Reinstatement and Detailed Design Tender Stage**

The Engineering Projects Manager presented his report which summarised the following:

EDDC to fund current project funding gap.

The hybrid option was priced using construction figures from 2020 and 2021, however due to rapid construction inflation the project cost has ballooned, and the previous available funding is insufficient to progress the project.

Restarting of Project Board, and delegate authority to sign off the Outline Business Case on behalf of EDDC.

Requesting authority to start a tender process with a consultant to provide the detailed design and further modelling and consultation to enable to tender a contractor in the future. The scope for the detailed design stage will be consulted on via the Advisory Group.

Approval of the revised Hybrid Option, now known as Option 6 for submission to the Environment Agency. The OBC document is being finalised for the Project Board to approve should item 1 be approved.

The Chair thanked Tom Buxton-Smith for his work and report on this matter.

RECOMMENDED to Council:

1. that £1.7m of funding is allocated to the Sidmouth and East Beach Project to complete funding within risk budget subject to the caveats detailed in the report, as outlined in annual budget papers.

RESOLVED:

2. the reformation of the Project Board as detailed in the report, with them signing off the final OBC be agreed,
3. that EDDC can start a tender process to appoint a new design consultant for the detailed design stage be agreed,
4. That the Hybrid Option for submission to the Environment Agency be approved. The OBC is based on this option and final amendments to this will be approved by the Project Board to also be submitted to the Environment Agency.

REASON:

1. The project cannot proceed into the detailed design stage without being fully funded on paper. Due to many unknowns the project has a large risk budget which needs to be funded, however it is expected some major cost savings could be realised with further work.
2. A project board was required to make quick decisions for the project, and due to a period of it being inactive, the wish was to reinstate it with Cabinet's agreement.

3. EDDC was out of contract with the current consultant who has delivered the OBC to date. Therefore there was a need to tender a new contract as per the procurement rules to a new consultant. This would ensure value for money and involvement from the Advisory Group to help develop the project forward.
4. The project was as well placed as it has been to proceed to the detailed design stage. However the current hybrid option still featured some risks, some unknowns and was still not universally liked, but provides the best option to progress. It was important to note that submitting the OBC was a funding allocation stage and did not commit EDDC to build the option presented. There would be additional time and resource into developing the detailed design option including consultation and planning prior to construction.

150 **Council Tax Support Fund 2023**

The Assistant Director Revenues, Benefits, Corporate Customer Access, Fraud & Compliance explained that the Government notified the council on 23 December 2022 that they were providing £100million of additional funding for local authorities to support the most vulnerable households in England. The funding would allow councils to deliver additional support to households already receiving council tax support (also known as council tax reduction) against their 2023/24 Council Tax bill.

EDDC had been allocated £216,504 under the Council Tax Support Fund 2023. The report set out the proposals for how best to utilise the fund in order to ensure this could be applied to the annual bills which would be issued in March 2023.

The Portfolio Holder Finance thanked Libby Jarrett and her team for getting to this stage particularly with the short notice given by Government. He was impressed they had met this challenge in order to help people most in need.

RESOLVED:

That delegated authority be given to the Assistant Director for Revenues, Benefits, Corporate Customer Access, Fraud & Compliance to finalise the scheme including the amount to be provided under the top-up element as set out under section 2 of the report, in consultation with the Portfolio Holder for Finance be approved.

REASON:

The proposals ensured that the majority of funding was allocated onto the annual council tax bills so that low income households had the benefit of this reduction applied to their bills. By retaining a small proportion allowed the council to also ensure that any new households that become eligible to Council tax reduction could also benefit from the support.

151 **Approval to purchase the hardware and associated equipment for hybrid meetings at BDH**

The report set out the details of the proposed IT solution to enable hybrid meetings to be run from the Council Chamber at Blackdown House.

RESOLVED:

1. That the purchase of the MVI audio visual solution as set out in this report be recommended.
2. That the exemption to contract standing orders in respect of the purchase of the MVI audio visual solution system be approved.

RECOMMENDED to Council:

3. That the budget in the sum of £45,000 in respect of the preferred solution be approved.

REASON:

To allow the purchase of a system that would facilitate hybrid meetings to take place within the Council Chamber at Blackdown House.

152 **Programme of Meetings 2023/2024**

The Cabinet considered the proposed timetable of meetings for the next Council year.

RECOMMENDED to Council:

that the draft meetings timetable be referred for approval to the annual meeting of the Council.

RESOLVED

that the 2023 Annual Council meeting be held on Wednesday 24 May.

REASON

To meet the legal requirement to hold an annual meeting and also such other meetings as necessary for the conduct of the Council's business in accordance with its constitution.

Attendance List

Councillors present:

P Arnott (Chair)
P Hayward (Vice-Chair)
G Jung
M Rixson
J Rowland
J Loudoun
N Hookway

Councillors also present (for some or all the meeting)

J Bonetta
A Dent
P Faithfull
S Gazzard
T Wright

Officers in attendance:

Tom Buxton-Smith, Engineering Projects Manager
Amanda Coombes, Democratic Services Officer
Simon Davey, Director of Finance
John Golding, Director of Housing, Health and Environment
Andrew Hopkins, Communications Consultant
Libby Jarrett, Assistant Director Revenues, Benefits, Corporate Customer Access, Fraud & Compliance
Patrick Lowe, Digital Communications Assistant
John Symes, Finance Manager
Anita Williams, Interim Director of Governance and Licensing and Monitoring Officer
Mark Williams, Chief Executive

Councillor apologies:

D Ledger

S Jackson

Chair

Date: