

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Cabinet held at Online via the Zoom app. on 3 February 2021

Attendance list at end of document

The meeting started at 6.15 pm and ended at 8.16 pm

310 Public speaking

There were no members of the public wishing to speak.

311 Minutes of the previous meeting

The minutes of Cabinet held on 20 January 2021 were confirmed as a true record.

312 Declarations of interest

Min 328. Hayne Lane Site, Honiton.

Councillor Paul Hayward, Personal, A family member works at Combe Garden Centre.

313 Matters of urgency

None

314 Confidential/exempt item(s)

There was one confidential item which was recorded at minute 331 Covid-19 Suez claim.

315 Forward Plan

Members agreed the contents of the Forward Plan for key decisions for the period 1 February to 31 May 2021.

316 Minutes of Strata Joint Scrutiny Committee held on 11 January 2021

Members received and noted the Minutes of Strata Joint Scrutiny Committee held on 11 January 2021.

317 Minutes of Joint Overview and Scrutiny committee held on 13 & 14 January 2021

Members received and noted the Minutes of Joint Overview and Scrutiny committee held on 13 & 14 January 2021.

RESOLVED (1) that the recommendations at Minutes 114a - d and 120a - f, and 121 be taken into account with the related report (Minute 322 Revenue and Capital Budget 2021/22):

Minutes 114a – d and 120a - f Key Service Plan Objectives

The Service Plan 2021/22 for the following Services be adopted;

- Countryside and Leisure Service

- Environmental Health and Car Parks Service
- Housing Service
- Streetscene Service
- Finance Service
- Governance and Licensing Service
- Place, Assets and Commercialisation Service
- Organisational Development Service
- Growth, Development and Prosperity Service

that the Service Plan 2021/22 for the Planning Service be adopted, subject to;

- a) Reference to both social and affordable housing;
- b) Inclusion of the recommendations from the audit on CIL and section 106.

Minute 121 Draft Revenue and Capital Budget 2021/22

that the Draft Revenue Budget 2021/22 be adopted.

318 Minutes of Poverty Working Panel held on 18 January 2021

Members received and noted the Minutes of Poverty Working Panel held on 18 January 2021.

RESOLVED (1) that the recommendation at Minute 28 be taken into account with the related report (Minute 322 Revenue and Capital Budget 2021/22):

Minute 28 Update on support measures

That a contingency of £100,000.00 be allocated to the Council's Hardship Fund after April 2021 to be reduced by any additional funding coming forward from Devon County Council in the same timeframe.

319 Minutes of the Recycling and Waste Partnership Board held on 20 January 2021

Members received and noted the Minutes of the Recycling and Waste Partnership Board held on 20 January 2021.

RESOLVED (1) that the following recommendation be agreed:

Minute 56 Developer charges

for the reasons set out in the report Cabinet approve the developer container charging scheme is no longer pursued, with no further budget projections being made.

320 Minutes of Housing Revenue Board held on 21 January 2021

Members received and noted the Minutes of Housing Revenue Board held on 21 January 2021.

RESOLVED (1) that the recommendations at Minutes 91 and 92 be taken into account with the related report (Minute 322 Revenue and Capital Budget 2021/22):

Minute 91 Housing Service Plan 2021/22

that Cabinet approve the Housing Service Plan for 2021/22.

Minute 92 Housing Revenue Account budget

that Cabinet recommend the draft revenue capital estimates in the draft Housing Revenue Account to Council.

RESOLVED (2) that the recommendations be agreed:

Minute 96 Social Housing White Paper

that Cabinet approve:

1. the Housing Service start to make preparations for the forthcoming legislation and ensure that its policies and procedures were up to date in respect of tenant safety and tenant involvement,
2. the Housing Service improve its complaints handling processes to improve tenant satisfaction,
3. the Housing Service revisit its systems thinking purposes to ensure it focuses on what matters to tenants and reduce failure demand, and
4. the Housing Service work with tenant representatives to embrace the sentiments and contents of the White Paper.

Minute 97 Your Home Your Wellbeing research report

that Cabinet approve:

1. Where appropriate evidence is used from the research to support housing's decision making and service planning.
2. All teams within housing have access to the advice and expertise of the mental health specialist for supporting East Devon tenants.
3. There is better understanding of the housing needs of those on the Devon Home Choice register and they are supported on their housing journey.
4. The Council continues to invest in our homes and neighbourhoods and ensure repairs and the programme works done to our properties are of a high standard.
5. The Housing Service supports universal credit claimants by helping them to maintain their tenancies and offer budgetary and financial advice where necessary.
6. The Council continue to work with others to provide more housing opportunities and choices for people living in East Devon.
7. The study be used on a wider scale to promote the research with the Council's partners nationally to promote the value of social housing.

Minute 101 Purchase of 51 St Andrews Road, Exmouth

that Cabinet note that pursuant to the delegated authority approved by the Board, Cabinet and Council in January/February 2020 as set out in the body of the report to purchase properties from Right to Buy receipts, the Strategic Lead has approved the purchase of the freehold interest of 51 St Andrews Road (subject to certificate of lawfulness) in conjunction with the Portfolio Holder and the HRB Chair.

321 **Supporting Economic Recovery**

The Service Lead Growth, Development & Prosperity reminded members that Cabinet had received a series of reports to date on the response to the Covid-19 pandemic. This report considered how the Council could transition from tactical response to supporting and sustaining long term recovery. The overall objective was to support the development of a more resilient, sustainable and inclusive economy.

The report set out proposals to launch a Fund aimed at supporting businesses and other organisations to adapt to the post pandemic landscape and associated changes in operating conditions. As well as utilising £1m of Additional Restriction Grant monies, it put forward a recommendation to allocate £1m from the Business Rate Pilot reserve to bolster the amount of funding available and ensure that support can be provided beyond March 2022. The report also highlighted the importance of developing a credible pipeline of projects so as to be able to successfully access external funding streams including the Shared Prosperity Fund.

RESOLVED that Cabinet;

- Consider the proposed Adaptation, Innovation and Resilience Fund and publish the draft prospectus for consultation for a 4 week period
- Give delegated authority to the Service Lead (Growth, Development and Prosperity) in consultation with the Leader, Deputy Leader and Portfolio Holder for Finance to such changes to the prospectus that may be required and to launch an initial call for applications
- Agrees that prior to the Service Lead (Growth, Development and Prosperity) taking a decision under the scheme that there is consultation with a group of members comprising the Leader, Deputy Leader and Portfolio Holders for Finance and Corporate Services & Covid-19 Response and Recovery and two Conservative members, one of the Independent members and one Cranbrook Voice member to be nominated by the respective Groups
- Notes the importance of having a credible pipeline of projects in order to successfully access forthcoming external funding streams

There was a discussion concerning high growth and innovative businesses such as in the scientific, technological, IT and creative media sectors and the need for grant support funding in order for them to thrive. It was pointed out that these types of industries had access to other forms of support and the sectors listed in the report were considered to be the most impacted by the pandemic. There was going to be a period of consultation prior to finalising the prospectus which would help to refine the proposed criteria. This would then inform decision making in relation to the fund in conjunction with the panel of councillors. Particular acknowledgment was already given to the need to support the 16-24 and over 50 age groups.

RECOMMENDED to Council;

that £1m from the Business Rate Pilot reserve was utilised in conjunction with monies from the Additional Restrictions Grant to support the deployment of the Fund.

REASON:

To ensure that the Council can play a leading role in supporting economic recovery and the development of a more resilient, sustainable and inclusive economy.

322 **Revenue and Capital Budgets 2021/22**

The Strategic Lead Finance reminded members that Cabinet adopted draft Revenue and Capital Budgets for 2021/22 at its meeting on 6 January 2021. A joint meeting of the Overview and Scrutiny Committees reviewed those budgets on 14 January 2021 and the Housing Review Board considered the Housing Revenue Account budgets on 21 January 2021. Cabinet was to consider the comments and recommendations and make their recommendations to Council.

Cabinet agreed the recommendations from the Joint Overview and Scrutiny in Minutes 114a – d and 120a – f and 121 from the meetings on 13 and 14 January 2021.

Cabinet agreed a further recommendation by the Overview Committee and the Scrutiny Committee that the Service Plan 2021/22 for the Planning Service be adopted, subject to:

- a) Reference to both social and affordable housing;
- b) Inclusion of the recommendations from the audit on CIL and section 106.

Cabinet agreed the recommendation in Minute 28 of the Poverty Working Panel from the meeting of the 18 January 2021.

Cabinet agreed the recommendations in Minutes 91 and 92 of the Housing Review Board from the meeting of the 21 January 2021.

In answer to a question concerning the core principals of the budget being based on the outdated Council Plan, the Strategic Lead Finance highlighted the key objectives from present administration's Statement of Intent had been included when preparing the budget.

The Portfolio Holder Finance thanked Simon Davey and his team for their ability to produce a balanced budget in what had been a most difficult year. The Chair wished to thank the Chairs and members of the joint Overview and Scrutiny committees commenting he was grateful for their consideration.

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 2021/22 – Minimum Revenue Provision Policy Statement and Annual Investment Strategy contained in the report for members' consideration. Alongside the Treasury Management Strategy sits the Capital Strategy which was also contained in the agenda for adoption.

RECOMMENDED to Council;

1. To propose the Net Revenue General Fund Budget of £15.763m for 2021/22.
2. That expenditure at this stage is approved against the budget allocated of £1.316m from additional one off Government Funding (Covid-19 grant £616k and Lower Tier Service Grant £700k);
 - a) Contingency Hardship Fund £100k
 - b) Mental Health Officer/Resources £50k

With other allocations against this budget to be made with Council approval.

3. A Council Tax increase is approved of £5 a year giving a Band D council tax of £151.78 a year for 2021/22.
4. That the surplus identified on the Council Tax Collection Fund of £366,940 is allocated as outlined in 3.3 of the report;
 - a) £189,189 is set aside in a reserve to meet the known collection fund deficit in future years,
 - b) £177,751 is used to increase the General Fund Balance, bringing it more comfortably within the adopted range.
5. That the Housing Revenue Account Estimates with a net surplus of £0.985m is approved.
6. That the Net Capital Budget totalling £7.965m for 2021/22 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 2021/22.

323 **Capital Strategy 2021/22 - 2024/25**

The Finance Manager presented the draft Capital Strategy for consideration and recommended to Council for adoption, this formed part of the annual budget setting approval process. The document drew together various adopted strategies and agreed process of the Council that govern how the Council manages capital expenditure and investment decisions. The Capital Strategy brought these areas together in one overarching document containing a high level summary.

The Capital Strategy was a key document, it provided a high level overview of how capital expenditure, capital financing and treasury management activity contributed 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 included an overview of the governance processes for approval and monitoring of capital expenditure.

The Portfolio Holder Finance applauded and thanked John Symes and his team for their efforts in creating the strategy.

RECOMMENDED to Council;

the adoption of the Capital Strategy 2021/22 – 2024/25.

REASON:

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

324 **Treasury Management, including the Minimum Revenue Provision Policy Statement and Annual Investment Strategy for 2021/22**

The Finance Manager presented the Treasury Management Mid-Year Review 2020/21 - 1 April 2020 to 30 September 2020 detailed the overall position and performance of the Council's investment portfolio for the first six months of 2020/21.

The Treasury Management Strategy 2021/22 – Minimum Revenue Provision Policy Statement and Annual Investment Strategy. The Chartered Institute of Public Finance and Accountancy (CIPFA) produced 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 formally adopted 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.

RESOLVED:

That the Treasury Management Mid-Year Review 2020/21 – 1 April 2020 to 30 September 2020 - the investment values and performance for the period to 30 September 2020 be noted.

RECOMMENDED that Council approve and adopt:

The Treasury Management Strategy 2021/22 – Minimum Revenue Provision Policy Statement and Annual Investment Strategy, including;

a. the Prudential Indicators for 2021/22,

- b. the Minimum Revenue Provision Policy Statement, and
- c. the creditworthiness criteria and updated list of counterparties.

REASON:

The Council was required to produce a half-yearly review of its treasury management activities and performance and to formally adopt a Treasury Management Strategy and set prudential indicators before the beginning of the new financial year.

325 **Programme of Meetings 2021-2022**

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

RECOMMENDED:

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

RESOLVED:

that the 2021 Annual Council meeting be held on Wednesday 12 May.

326 **Interim Devon Carbon Plan**

The Strategic Lead Housing, Health & Environment presented his report outlining that Devon County Council have been leading work on the production of a Carbon Plan for the county. This work had been developed with a range of partners and was part of the commitment in the Climate Change Emergency Declaration. The interim Plan was out for consultation and would be finalised following a virtual Citizens Assembly process, incorporating comments from consultees.

The Plan set out a roadmap for becoming net-zero carbon by 2050 at the latest, with an interim target for a 50% reduction by 2030, below 2010 levels. The Plan emphasised this was intended for everyone in Devon to play a part and make a contribution. The Plan picked up on the build back better theme and the governments recently published ten point plan for a green industrial revolution. Eight high level objectives had been proposed:

1. Fossil fuels phased out as an energy source
2. Minimise energy consumption
3. Engaged communities acting for resilience and a net-zero carbon Devon
4. Carbon captured and stored from the burning of fuels
5. Minimise fugitive greenhouse gas emissions
6. Resilient local economies with access to green finance
7. A circular use of resources
8. Maximise carbon storage in marine and terrestrial environments

The Plan was supported by a wide range of partners and was underpinned with expertise, good data, enthusiasm and commitment.

Discussions included the following:

- Now that EDDC had brought forward its date to be net-zero carbon neutral to 2040 hopefully DCC would follow suit and match this date
- EDDC were making a positive start by putting in charging points for electric cars and appointing a Climate Change Officer
- A huge amount of funding would have to come from central government, businesses and other sources for funding mechanisms to be developed over time

- This needed to be a joint effort by everyone and this required fundamental behaviour changes from the public in order to be behind us
- For Devon to reduce its carbon footprint required lobbying local MPs for tangible changes to happen

RESOLVED:

that EDDC gave feedback on its comments on the Interim Devon Carbon Plan as part of the consultation process, and invite a further report on the updated Plan.

REASON:

To enable the Council as a partner organisation to comment and influence the development of the Carbon Plan for Devon that aspired to a net-zero position by 2050 at the latest.

327 **Proposed Independent Review of Council Management Structure**

The Portfolio Holder Council and Corporate Co-ordination made the following statement.

‘As the new Portfolio Holder within who’s area of responsibility the conduct of a management Review would fall, I have this afternoon had my first opportunity to discuss with the Chief Executive some aspects of his report and recommendations. In light of this I wish to further consider what we discussed and to allow this to happen I am recommending to the Leader that the Chief Executive’s report be withdrawn from tonight’s Cabinet agenda.

I recognise that this decision may prolong concerns that there may be amongst managers and staff about what any Review might mean for them. I do fully appreciate that a Review might make some staff feel uncomfortable and concerned. But I want to send as clear a message as possible to all managers and all staff at every level and section in this Council. Any Review would not be driven by a need or intention to save money, it would not be about making changes for change sake, it would be about ensuring that the Council’s management structures and roles are the best ones to take this Council positively forward and it would not be about delivering any predetermined outcomes.

Any Review would look at what the Council’s future management structure ought to be as we look to leave this pandemic behind us, to allow us to build on the positives that this Council has delivered for residents and businesses, and to benefit from changes in ways of working that recent years, and in particular the past year, have brought about.

I am accordingly asking for this matter to be deferred.’

The Chair agreed for this item to be deferred.

328 **Hayne Lane Site, Honiton**

The Project Manager Place, Assets & Commercialisation stated the purpose of the report was to seek approval for the use of the Business Rate Pilot Reserve Fund as the council’s contribution towards the costs of undertaking a masterplan exercise for a site in Honiton. The site concerned was identified in the Local Plan under Strategy 23, as employment land. It offered an economic development opportunity and the council was proposing to commission a masterplan jointly with the neighbouring landowner. The costs of the masterplan would be met equally by the landowners.

The council owned the site to the west of Hayne Lane, Gittisham, close to the Heathpark Industrial Estate. Adjoining the site was land owned by Combe Estates. The 2 sites were allocated in the existing Local Plan for employment use and were considered suitable for B1, B2 and B8 uses.

RESOLVED:

1. that the Business Rates Pool Reserve Fund was utilised to provide 50% of the funding for a sum of up to £20,000, for the commissioning of a masterplan study for the Hayne Lane site in Honiton be approved,
2. that delegated authority be granted to the Service Lead for Place Assets & Commercialisation in consultation with the Portfolio Holder for Economy and Assets and the Strategic Lead for Finance to agree to additional funding towards the cost of the masterplan, if required, so that the total contribution would be up to £40,000.
3. That a representative from each of Gittisham Parish Council, Honiton Town Council and the Combe Estate be invited to project meetings.

REASON:

To enable the council to explore the development opportunities for this Local Plan employment site in Honiton which could deliver economic growth for the town.

329 **Farringdon Neighbourhood Plan Examiner's Report**

The purpose of the report was to provide feedback and set out proposed changes following the examination of the Farringdon Neighbourhood Plan. The independent examination of the Plan had now concluded and the final Examiner's report received. In accordance with the relevant legislation, the council must now consider its response to the Examiner's recommendations and also satisfy itself that the Plan meets the necessary 'basic conditions'. If the recommendation to accept the Examiner's recommendations in full was accepted, a decision notice will be published accordingly.

The decision notice would confirm that the Plan could go forward for public vote in a local referendum as the penultimate stage in the plan-making process. Due to the Covid-19 pandemic, the referendum would be delayed until at least 6 May 2021. However, the publishing of the decision notice itself will give the Plan 'significant weight' in the determination of planning applications in the Farringdon parish area.

RESOLVED:

1. that the Examiner's recommendations on the Farringdon Neighbourhood Plan (the Plan) be endorsed,
2. that a 'referendum version' of the Plan (incorporating the Examiner's modifications) should proceed to referendum and a decision notice to this effect be published be agreed,
3. that all involved, particularly the Neighbourhood Plan Steering Group, be congratulated on their hard work in developing this Neighbourhood Plan.

REASON:

The legislation required a decision notice to be produced at this stage in the process. The Plan is the product of extensive local consultation and had been recommended to proceed to referendum by the Examiner subject to modifications which were accepted by the Parish Council.

330 **Exclusion of Press and Public**

that under Section 100(A) (4) of the Local Government Act 1972 and in accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the public (including the press) be excluded from the meeting as exempt and private information (as set out against each Part B agenda item), is likely to be disclosed and on balance the public interest is in discussing the items in private session (Part B).

331 **COVID-19 Suez claim**

The Service Lead StreetScene informed members of the claim for over contract additional costs incurred during the Covid-19 pandemic by SUEZ through kerbside recycling & waste collection services.

The Chair asked that Cabinet's formal thanks to the officers and staff of Suez and EDDC for their outstanding work at this exceptionally difficult time, be recorded.

RECOMMENDED to Council;

1. To approve the over budget claim of £184,592.02 for the reasons set out in the report subject to the Strategic Lead – Governance and Licensing obtaining legal advice to confirm the assessment of the contractual position.
2. To provide a contingency budget of £139,376 which represents 10% of the monthly contractual base payment in relation to potential future budget claims by Suez in the 2020/21 financial year. The actual payment is more likely to be less dependent on lockdown duration.

RESOLVED:

3. that delegated authority be granted to the Strategic Lead Housing, Health & Environment/Service Lead StreetScene, to approve future monthly Covid-19 cost claims from Suez and other recycling & waste contract cost variations up to a limit of 10% over the contractual base payment amount, in consultation with the Strategic Lead Finance and Portfolio Holder Coast, Country and Environment for the reasons set out in section 5 of this report. Additional costs would be reviewed following the same due diligence as has been carried out for the claims in recommendation 1.

REASON:

To ensure the continued effective delivery of a good kerbside recycling and waste collection to residents throughout the Covid-19 response and into the future and support the over contract costs incurred by Suez in doing so.

Attendance List

Present:

Portfolio Holders

M Armstrong	Portfolio Holder Sustainable Homes and Communities
P Arnott	Leader
P Hayward	Deputy Leader and Portfolio Holder Economy and Assets
G Jung	Portfolio Holder Coast, Country and Environment
D Ledger	Portfolio Holder Strategic Planning

M Rixson	Portfolio Holder Climate Action and Emergencies
J Rowland	Portfolio Holder Finance
J Loudoun	Portfolio Holder Council and Corporate Co-ordination
S Jackson	Portfolio Holder Democracy and Transparency
N Hookway	Portfolio Holder Leisure. Sport and Tourism

Also present (for some or all the meeting)

Councillor Jess Bailey
Councillor Denise Bickley
Councillor Kevin Blakey
Councillor Susie Bond
Councillor Sarah Chamberlain
Councillor Maddy Chapman
Councillor Alan Dent
Councillor Peter Faithfull
Councillor Steve Gazzard
Councillor Marcus Hartnell
Councillor Ben Ingham
Councillor Paul Jarvis
Councillor Vicky Johns
Councillor Fabian King
Councillor Kathy McLauchlan
Councillor Andrew Moulding
Councillor Helen Parr
Councillor Geoff Pook
Councillor Geoff Pratt
Councillor Eleanor Rylance
Councillor Philip Skinner
Councillor Brenda Taylor
Councillor Joe Whibley
Councillor Eileen Wragg
Councillor Tom Wright

Also present:

Officers:

Tim Child, Service Lead - Place, Assets & Commercialisation
Amanda Coombes, Democratic Services Officer
Simon Davey, Strategic Lead Finance
John Golding, Strategic Lead Housing, Health and Environment
Henry Gordon Lennox, Strategic Lead Governance and Licensing
Andrew Hancock, Service Lead StreetScene
Alison Hayward, Project Manager Place, Assets & Commercialisation
Libby Jarrett, Service Lead Revenues and Benefits
Debbie Meakin, Democratic Services Officer
John Symes, Finance Manager
Anita Williams, Principal Solicitor (and Deputy Monitoring Officer)
Mark Williams, Chief Executive
Andrew Wood, Service Lead - Growth Development and Prosperity

Chair

Date: