

TORRIDGE DISTRICT COUNCIL

COMMUNITY & RESOURCES MEETING

Town Hall - Bridge Street, Bideford, EX39 2HS

Monday, 4 February 2019 - 10.00 am

PRESENT Councillor D Hurley (Chair)  
Councillors A Dart, D Brenton, P Hackett, R Hicks, J Himan,  
S Inch, R Lock, D McGeough and J Whittaker

ALSO PRESENT S Hearse - Strategic Manager (Resources)  
S Dorey - Senior Solicitor  
D Heyes - Finance Manager  
S Kearney - Planning & Economy Manager  
S Toon - Customer Support Manager  
S Cawsey - Democratic Services Officer

Councillors T Inch, P Pennington, M Brown, P Watson, K James,  
N Laws and C Simmons

S Dengate – Non Elected Member

The Chair welcomed everyone to the meeting.

87. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Wiseman and  
Mrs Jenny Wallace (Head of Paid Service).

88. PUBLIC CONTRIBUTIONS

There were no public contributions.

89. FORWARD PLAN

The Forward Plan was noted.

90. DECLARATIONS OF INTEREST

Declarations of interest were made when the specific agenda items to which they  
related were under discussion.

91. AGREEMENT OF AGENDA BETWEEN PARTS I AND II

There were no Part II items.

92. URGENT MATTERS OF INFORMATION TO BE BROUGHT FORWARD WITH THE PERMISSION OF THE CHAIR AND THE COMMITTEE

There were no urgent matters brought forward.

93. BUDGET 2019/20, MEDIUM TERM FINANCIAL STRATEGY 2019-20 TO 2023-24

The Strategic Manager (Resources) introduced the report, the purpose of which was to present to Members the Medium Term Financial Strategy (MTFS) indicating the possible extent of the budget and funding shortfall that the Council will face in the future. It is an aid in identifying the extent of service changes that the Council will need to make to achieve a balanced budget in each financial year up to 2023/24. Members were also asked to consider and recommend the Budget 2019/20 to Full Council.

The Strategic Manager (Resources) informed the Committee of the challenging year ahead and the need for the Council to find savings and to make decisions in terms of bridging the gap in the budget.

A slide presentation was given by the Finance Manager which highlighted the salient points in the report. The main point emphasised to Members was the deficit which is projected to grow significantly over the period under consideration. The projected deficit had moved adversely due to the LGA pay award which had resulted in an increased salary bill for the Council and a large increase in homelessness costs. Other points highlighted included the impact of increasing the council tax, budget pressures and savings, New Homes Bonus, challenges for the Council in future years and new Capital Project bids.

The Strategic Manager (Resources) and Finance Manager also provided reasons and rationale to support the recommendations detailed in the report.

During the presentation clarification was given by Officers on a number of concerns/issues raised by Members. These included:

- Homelessness - the number of people in bed and breakfast and hostels, the statutory duties of the Council, the increased homelessness demand and the impact on the Council's finances
- Business Rates – although successful with the pilot bid in 2018, the Authority had been unsuccessful for the coming year due to the Government wanting new areas to pilot bid status.

Due to the recommendations being interlinked with those on Agenda items 7a and 7b, those reports to be brought forward for presentation and consideration.

### **Agenda item 7a - Proposed Changes to Council Tax Legislation – Long Term Empty Properties & Review Current Council Tax Local Discount Policy**

Councillor D Brenton declared a prejudicial interest and took no part in the debate and decision making

The Customer Support Manager presented the report, the purpose of which was for Members to review the changes to Council Tax legislation for Long Term Empty Properties and the existing Torridge District Council Tax Local Discount Policy for properties that are unoccupied and unfurnished or undergoing major structural alterations or uninhabitable to enable any changes to be agreed by 31 March 2019.

The Customer Support Manager gave an update, following an email received prior to the meeting, in relation to the negotiations that had taken place with Devon County Council regarding the potential to allow the Council to retain a higher percentage of the income generated from the changes to Council Tax Legislation. The Strategic Manager (Resources) confirmed he had emailed the County Treasurer outlining the Council's concerns and asking that they reconsider their decision.

During the discussion that followed it became evident that Members were in support of increasing charges for empty properties.

It was proposed by Councillor Hurley, seconded by Councillor Hackett and:

Recommend to Full Council:

- i. That the 'Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Bill' be adopted and the premiums be applied from 1<sup>st</sup> April 2019;
- i. That 100% 3 month discount for unoccupied & substantially unfurnished properties be reduced to a maximum of 1 month from 1<sup>st</sup> April 2019.
- ii. That the 100% 12 month discount for properties undergoing major structural alterations be reduced as follows:
  - April 2019 – 100% discount for 6 months maximum
  - April 2020 - No discount

(Vote: For 8, Against 1)

Councillor Brenton returned to the meeting.

### **Agenda item 7b – New Homes Bonus - Community Grants**

The purpose of the report, presented by the Strategic Manager (Resources), was for Members to determine how the New Homes Bonus funding is to be utilised in its fourth year of operation. He explained there are no proposals to change the

principle of the scheme, but to look at the funding available for the scheme and for any reductions to balance the overall budget.

A lengthy discussion took place when Members acknowledged the importance of retaining the personal Councillor grants at £2,000 and noted the uncertainty over future New Homes Bonus Funding beyond 2019/20. Due to the uncertainty of this funding Members felt keeping the Councillor grants at £2,000 became more significant.

The Strategic Manager (Resources) addressed all concerns raised by Members.

It was proposed by Councillor Whittaker, seconded by Councillor Lock and –

Recommend to Full Council:

- i. That the personal Councillor grants remain at £2,000 be approved

(Vote: For 8, Against 2)

It was proposed by Councillor McGeough, seconded by Councillor Himan and -

Recommend to Full Council:

- ii. That £115k is top-sliced from the New Homes Bonus – Community Grants Allocation to utilise in the Revenue Budget 2019/20 be approved.

(Vote: For 9, Against 1)

The Chair referred Members to the report for Agenda item 7 and votes were taken on the recommendations.

It was proposed by Councillor Hurley, seconded by Councillor Whittaker recommendations a) – e) be noted -

Recommend to Full Council:

- a) That the assurance of the Chief Finance Officer (s151 Officer) of the robustness of the budget 2019/20 as set out in section 12 of the report be noted.
- b) That the assumptions and forecast applied to develop the MTFs outlined in section 14 of the report be noted.
- c) That the forecast deficit of £0.752m in the MTFs for 2023/24 be noted.
- d) That the risks associated with the Budget 2019/20 and MTFs outlined in section 16 of the report be noted.

- e) That a Joint Internal & External Scrutiny committee to review the grants made to external bodies for the financial year 2020/21 be noted.

(Vote: For – Unanimous)

Recommend to Full Council

It was proposed by Councillor Whittaker, seconded by Councillor Hackett and –

Recommend to Full Council:

- f) That Torridge's Band D Council Tax for 2019/20 be increased by £5 (3.15%) from £158.86 to £163.66 per year be approved.

(Vote: For 7, Against 3)

It was proposed by Councillor McGeough, seconded by Councillor Hicks –

Recommend to Full Council:

- i) That Torridge's Net Revenue Budget 2019/20 to be £10.149m be approved.
- j) That the contributions to the Council's reserves as outlined in paragraph 10.4 of the report be approved.
- k) That the Head of Paid Service, Senior Management and the new council, review and revise the strategic plan & priorities and prepare options to achieve the savings going forward be approved.

(Recommendations g) and h) had been considered and recommendations made as above).

(Vote: For 9, Against 1)

93a. PROPOSED CHANGES TO COUNCIL TAX LEGISLATION - LONG TERM EMPTY PROPERTIES AND REVIEW CURRENT COUNCIL TAX LOCAL DISCOUNT POLICY

This item had been presented under Agenda item 7.

93b. NEW HOMES BONUS COMMUNITY GRANTS

This item had been presented under Agenda item 7.

94. HOMELESSNESS (TEMPORARY ACCOMMODATION)

The Customer Support Manager presented the report, the purpose of which was for Members to identify long term cost effective solutions that help to mitigate the cost of temporary accommodation (Homelessness).

When presenting this matter, the Customer Support Manager reported on the significant increase in costs to the Council in placing homeless persons in temporary accommodation. To mitigate those costs Officers had been looking at various options and referred Members to the table in the report which detailed the options that had been considered, together with the associated costs, benefits and risk.

A lengthy debate followed with Members suggesting various options such as:

- To work jointly with a Housing Association
- To consider extending the temporary contract for the existing Homeless Prevention Officer
- The need for an additional Hostel in Torridge District Council
- Developers to be encouraged to build one bed dwellings
- The options for Bridge Buildings
- Issues with locations for modular buildings
- Refurnish static homes
- Cattle Market – not suitable – planning constrictions
- Local Housing Allowance – not changed for four years, a suggestion was made to write to the relevant person/department. The Strategic Manager (Resources) to attend a meeting of the VAO on 4 February, when he will find out who is responsible and report back.

The Customer Support Manager responded to the suggested options and, where applicable, outlined reasons as to why they would not be suitable.

Councillor Brenton proposed that an additional recommendation be included, namely that the temporary contract of the existing Homeless Officer be extended. The Strategic Manager (Resources) advised the recruitment options would need to be reviewed, and was a matter for the Head of Paid Service to consider.

It was proposed by Councillor Lock, seconded by Councillor Whittaker and -

Resolved:

- i. That the continued financial pressure and unsustainability on the Homelessness Service be noted.
- ii. That Officers continue to explore alternative, sustainable and cost effective long term options for the delivery of temporary accommodation.
- iii. That it be noted that if plans proceed with the Modular Accommodation option, suitable location(s) will be required.

- iv. That Officers be tasked with identifying suitable property that could be used to create additional hostel accommodation.
- v. That the Head of Paid Service consider extending the temporary contract for the existing Homeless Prevention Officer.

(Vote: For – Unanimous)

95. CAPITAL PROGRAMME 2019-20 TO 2025-26

Councillors Whittaker and Brenton left the meeting.

The Finance Manager presented the report, the purpose of which was for Members to update the Capital Programme, for New PIDs and inflationary pressures, considering the recommendations from the Capital Member Event that was held on 29 November 2018.

The Finance Manager gave a power point presentation which included :

- Identifying the Capital Programme Funding Shortfall
- New Capital PIDs
- Closing the “Funding Shortfall/Gap
- Future risks to Funding and Maintaining Existing Infrastructure
- Community Land Trusts

It was proposed by Councillor Hurley, seconded by Councillor Lock that PiD C14 – Calf Street Play Park – Phase 1 contribution, be incorporated in the Play Area Programme. Following clarification from the Strategic Manager (Resources) the motion was withdrawn.

The Strategic Manager (Resources) informed Members that replacement pay and display machines for the entire district to be added as a further recommendation.

It was proposed by Councillor Hackett, seconded by Councillor S Inch and -

Recommended to Full Council

- a) That the Capital Programme update for inflation, listed at 3.1 in the report be approved.
- b) That the inclusion of the Capital Projects (PiDs), listed at 4.3 in the report, into the Capital Programme 2019/20 to 2025/26 be approved.
- c) That the recommendations from the Member event to close the gap listed in 5.3 in the report be approved
- d) That borrowing up to £600K from the PWLB to create a revolving loan facility for CLTs to support affordable housing, listed in 7 in the report, be approved.

- e) That it be noted that even after approval of the above recommendations, there is still a shortfall in 2025/26 of £1.3m
- f) That in light of the projected deficit on the Capital program of £1.3m, that the Capital Program be reviewed by members in conjunction with officers in order to determine options to address the capital funding gap. The deadline for the review being the 30<sup>th</sup> September 2019.
- g) That the £60k identified for replacing pay and display machines be included in the Capital Programme and funded from the reserve set up specifically for this.

(Vote: for – Unanimous)

96. ANNUAL REVIEW OF PARKING - RECOMMENDATION FROM INTERNAL OVERVIEW & SCRUTINY COMMITTEE

The purpose of the report, presented by the Planning and Economy Manager, was for Members to consider the recommendations of Internal Overview & Scrutiny Committee in relation to the Annual Review of Parking report debated at Community & Resources Committee on 26 November 2018.

Following a brief discussion it was proposed by Councillor McGeough, seconded by Councillor Lock and -

Resolved:

That the recommendation from Internal Overview and Scrutiny be refused.

(Vote: For – Unanimous)

The meeting commenced at 10 am and closed at 12.50pm

Chair:

Date: