

TORRIDGE DISTRICT COUNCIL

INTERNAL OVERVIEW & SCRUTINY MEETING

Town Hall, Bideford

Tuesday, 11 February 2020 - 10.00 am

PRESENT Councillor P Watson (Chair)
Councillor P Hames (Vice-Chair)
Councillors R Boughton, C Cottle-Hunkin, J Gubb, S Langford,
J Manley, T Inch and S Newton

Mr S Dengate and Mr I Harper – Non Elected Members

ALSO PRESENT J Wallace - Head of Paid Service
S Hearse - Strategic Manager (Resources)
D Heyes - Finance Manager
S Kearney - Planning & Economy Manager
S Cawsey - Democratic Services Officer

Councillors C Hodson, N Laws and P Pennington

59. APOLOGIES FOR ABSENCE

There were no apologies for absence.

60. MINUTES

It was proposed by Councillor Manley, seconded by Councillor Langford and –

Resolved:

That the minutes of the meeting held on 17 December 2019 be agreed and signed as a correct record.

(Vote: For - Unanimous)

61. ACTION LIST

The Action List was reviewed.

62. PUBLIC CONTRIBUTIONS

There were no public contributions.

63. DECLARATION OF INTERESTS

Members were reminded that declarations of interest should be made as and when the specific agenda item to which they related was under discussion.

64. URGENT MATTERS BROUGHT FORWARD WITH THE PERMISSION OF THE CHAIR

There were no urgent matters.

65. AGREEMENT OF AGENDA ITEMS PART I AND II

There were no Part II items.

66. BUDGET 2020/21, MEDIUM TERM FINANCIAL STRATEGY 2020/21 - 2024/25

The purpose of the report was for Members to consider, formulate and recommend the Budget 2020/21 to Full Council. The Medium Term Financial Strategy (MTFS) indicates 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 2024/25.

Prior to the presentation of this item a document detailing the Community & Resources Committee recommendations was circulated to Members.

A slide presentation, presented by the Finance Manager, highlighted the key points in the report, the recommendations and the rationale behind the recommendations. The Headlines from the Budget were:

- The projected financial position had improved but there are major caveats
- The Funding Model changes from 2021/22
- There was greater uncertainty and risks particularly from 2021/22

The Committee were informed of the following update:

“A final settlement had been received that morning, and as anticipated there had been no changes”.

Other key points highlighted included:

- The impact of increasing and not increasing (as in previous years) the council tax
- Business Rates
- Budget pressures and savings
- New Homes Bonus
- Funding Horizon from 2021/22
- Challenges for the Council in future years.

The Community & Resources Committee had made an alternative recommendation to that proposed by the Internal Overview & Scrutiny Committee at the meeting held on 17 December 2019 in relation to external grants, which will be detailed when the recommendations are discussed at the end of the presentation.

During the presentation questions were asked and clarification given on a number of issues/concerns raised, including:

- Council Tax Freeze Grant - the impact of not increasing the Council Tax in previous financial years will be felt in subsequent years. This had resulted in a cumulative council loss of just under £2m and due to the restrictions imposed by the Council Tax Referendum limits it is not possible to “plug” the funding gap in subsequent years by raising Council Tax.
- Following an enquiry from Councillor Newton, the Strategic Manager (Resources) advised that at the time when Councillors had considered this matter, they had been made fully aware of the impact on the funding gap. A suggestion was made that the under resource be recovered by increasing the Council Tax through referendum. Although this is an option the Strategic Manager (Resources) outlined the difficulties with such a course of action.
- The perception from Members of the public to an increase was discussed. Council tax bills include this information, but it was suggested that further publicity be given to the small increase to the Council of £5.

The following recommendations to Full Council made by Community & Resources Committee on 3 February 2020 were scrutinised and endorsed as follows:

It was proposed by Councillor Manley, seconded by Councillor Newton –

- a) That the assurance of the Chief Finance Officer (s151 Officer) of the robustness of the budget 2020/21 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 10 of the report be noted.
- c) That the forecast deficit of £0.293m in the MTFS for 2024/25 be noted.
- d) That the risks associated with the Budget 2020/21 and MTFS outlined in section 16 of the report be noted.

(Vote: For – Unanimous)

It was proposed by Councillor Manley, seconded by Councillor Boughton –

- e) That Torridge’s Band D Council Tax for 2020/21 be increased by £5 (3.06%) from £163.66 to £168.66 per year be approved.

(Vote: For 10, Abstentions 1)

It was proposed by Councillor Langford, seconded by Councillor Newton –

- f) That Torridge's Net Revenue Budget 2020/21 to be £9.737m be approved.
- g) That a contribution of £196,531 be made from the Transition in Government Funding Reserve to balance the 2020/21 budgets be approved.
- h) The contributions to the Council's reserves as outlined in paragraph 11.4 of the report be approved.

(Vote: For – Unanimous)

It was proposed by Councillor Manley, seconded by Councillor Langford –

- i) That the recommendations made at Internal Overview and Scrutiny Committee 17 December, in relation to New Home Bonus Community Grants and funding external organisations be as follows:
 - I. That there be no New Homes Bonus Community Grants scheme to run from 2020-21 but to be revisited in 2021-22 when the Government funding is known and if there is additional funding to support the Scheme.
 - II. That the following organisations listed under external grants who are under Service Level Agreements with Torridge District Council will continue to receive funding at existing levels. The organisations are to submit their accounts to TDC to justify the continuing grant:
 - North Devon Biosphere Partnership
 - North Devon Coast Area of Outstanding Natural Beauty
 - TTVS
 - Citizens Advice Bureau
 - North Devon Plus
 - North Devon Women's Aid

(Vote: For – Unanimous)

It was proposed by Councillor Manley, seconded by Councillor Newton –

- III. Not to endorse the Community & Resources Committee recommendations in relation to funding existing recipients as detailed below:
 - Holsworthy Community Transport (£6,500)
 - Affinity Bideford TIC (£1,000)
 - Holsworthy TIC (£4,500)
 - Great Torrington TIC (£4,220)
 - Bideford New Year's Eve (£3,000)

and to maintain the original recommendation made by Internal Overview & Scrutiny Committee at their meeting on 17 December 2019, but to add that the Planning & Economy Manager will provide and put further information to Full Council to explain the rationale for the decision reached by Internal Overview & Scrutiny Committee.

- IV. That the following items be incorporated in the above resolution (III) and be referred to the Internal Overview & Scrutiny Committee as part of the overall process:
- i. Increased capacity and skill building will be facilitated during the wind-down period. Proposed input will be required in terms of governance, funding bids, policies, web presence and skills audits.
 - ii. Role of the Community Engagement Officer to actively engage with and support community bodies across the district, as well as to map current provision and where gaps exist.
 - iii. Capacity building should be provided to existing grant recipients and other bodies who are operating at a community level who have not previously received grant funding.

(Vote: For – Unanimous)

It was proposed by Councillor Manley, seconded by Councillor Langford –

- j) That the Head of Paid Service, Senior Management and the new council address the strategic plan & priorities and prepare options to achieve the savings going forward.

(Vote: For – Unanimous)

67. CONSIDERATION OF THE FORWARD PLAN

The Forward Plan was reviewed and duly updated.

The meeting commenced at 10.00am and closed at 11.25am.

Chair:

Date: