

EXECUTIVE

6 DECEMBER 2016

Present:

Councillors Christophers (Leader), Gribble (Deputy Leader), Clemens, Goodey, Hellier-Laing, Lake and Russell.

Apologies:

Councillor Barker.

Members in Attendance:

Councillors Bullivant, Clarence, Connett, Dennis, Dewhirst, Ford, Haines, Nutley, Prowse and Thorne.

Officers in Attendance:

Phil Shears – Deputy Chief Executive

Amanda Pujol – Business Manager – Housing and Health

Tony Watson – Business Manager – Economy & Assets

Lesley Tucker – Chief Finance Officer

Neil Aggett – Democratic Services Manager / Monitoring Officer

Andrew McKenzie – Democratic Services Officer

These decisions will take effect from 10.00 a.m. on 13 December 2016 unless called-in or identified as urgent in the minute

1. MINUTES

The minutes of the meeting held on 1 November 2016 were confirmed and signed as a correct record.

2. MATTERS OF REPORT / MATTERS OF URGENCY BROUGHT FORWARD WITH PERMISSION OF THE LEADER

The Leader advised Members that Friday, 3 December saw Teignbridge hold its annual sports personality awards which was attended by 280 people in what had been a phenomenal evening wholly supported by sponsorship. Fifteen year old Molly Cannon won the prize for being the fastest person of her age on the planet to run 800m. Ken Robertson won the prize for the oldest individual category for his efforts in cycling. The Leader congratulated all concerned.

3. DECLARATIONS OF INTEREST

There were no declarations of Interest.

4. ACTION TAKEN UNDER DELEGATED POWERS

The Executive noted actions taken under delegated powers as set out in Part III of the agenda.

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5. PUBLIC QUESTIONS

There were no public questions.

6. NOTICE(S) OF MOTION

There were no notices of motion.

7. COUNCIL TAX REDUCTION SCHEME

The Executive considered a report which:

- updated Members on the comments and recommendation arising from the Overview & Scrutiny Committee meeting on 21 November in relation to proposed changes to the Council Tax Reduction (CTR) scheme;
- recommended the adoption of the CTR scheme for 2017-18 incorporating the eight changes detailed within the agenda report; and
- requested the adoption of the Exceptional Hardship Policy.

The Revenue, Benefits and Fraud Manager presented the report and advised it had been clear from the discussion at the Overview & Scrutiny Committee meeting on 21 November that concerns existed as to the impact the proposed changes could have on individuals benefiting from the scheme.

She advised that all individuals entitled to passported benefits e.g. income support, would be eligible for, and continue to receive, 100% support should the changes be agreed to. The Teignbridge CTRS remained the most generous in Devon as the Council continued to pay 100% support to people on the lowest incomes; other Devon authorities now required a minimum of 20-25% council tax payment with Teignbridge being one of 67 out of over 300 local councils in the country to fully support the most vulnerable people

She stated that anyone who was deemed to have suffered hardship as a result of the changes would be offered protection through the proposed hardship policy. Any application of this policy would be based on individual circumstances.

Following consultation with the public there was large support for the proposals from a cross-section of society. Even CTR claimants supported the proposals. The three options before Members were:

- to do nothing;
- adopt some of the proposals; or
- adopt all of the proposals.

The Revenue, Benefits and Fraud Manager advised that options one and two were not recommended as they would result in the CTRS operating under different rules to those prescribed by Government. Option three would align with Government rules and reduce the cost of the scheme.

During debate, the following points were made:

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- Councillor Dewhirst suggested that officers had made clear that the proposed changes would be to the benefit of Council officers and not for the residents in receipt of the scheme – it would hurt the poorest in Teignbridge and be of little benefit to the Council. The Hardship Fund were be difficult to access and the scheme appeared to be nothing more than a penny pinching exercise;
- Councillor Connett submitted that the evidence did not support the need to introduce changes. Savings identified totalled £44,000 a year but placed a huge burden on the most vulnerable – if the Council was so keen to encourage people into work he questioned why it seemed to penalise them. He urged the Executive to support option one;
- Councillor Ford submitted she could not support the proposals. She felt the savings identified were minute compared to the impact it would have on the poorest people. She wished for a cross-party group to look at the issue in greater detail on the back of a recent Government Select Committee investigating the same.

The Revenue, Benefits and Fraud Manager reiterated that those on the lowest incomes would be protected under the proposed new scheme. With regard to the family premium case studies had shown that in the worst case scenario a recipient would need to pay £3.49 per week towards their council tax. The Council was not expecting people to suffer hardship as a result but where this was identified it would step in to help.

Members of the Executive thanked those involved in writing the report and noted the strong support from the public and voluntary sectors to introduce such changes. Members submitted that Teignbridge should be proud it was the only council in Devon to still pay 100% where others did not. Councillor Hellier-Laing moved option three be agreed to. Councillor Clemens seconded the proposal.

The Monitoring Officer advised that due to the proposals being a recommendation to Council, the call-in procedure did not apply.

Resolved

That Full Council be recommended to

- (a) Adopt all eight proposals (option 3) as set out in the agenda report recommended by the Devon Benefit, Chief Finance Officers and Chief Executive and Leaders Group;
- (b) Adopt the Exceptional Hardship Policy so as to have effect from 1 April 2017.

8. BUDGET MONITORING – INCLUDING REVENUE, CAPITAL AND TREASURY MANAGEMENT

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Members received a report which:

- Identified the principal areas where there were likely to be departures from the approved 2017/17 budget and summarised the likely overall variation based on the information available to the end of October 2016. The report also advised Members as to the progress made with achieving savings and efficiencies;
- provided an update on progress with the capital programme funding with the latest details being brought for approval;
- updated Members on the lending list for treasury management purposes; and
- brought the mid-year treasury management review for information.

The Chief Finance Officer stated that:

- adverse revenue variations were mainly due to the reduction of income from development management however current income was still in line with the previous three year average;
- the updated capital programme included the purchase of employment land in Newton Abbot;
- However adverse revenue pressures were being identified in future years as follows:

initial figures from the Devon Actuarial Company indicated adverse figures for future years but detailed figures relating to Teignbridge had not yet been formally released. It suggested that increases would be needed to the employer's contribution rate and lump sums in individual years going forward. She reminded Members that Teignbridge paid £1M off the deficit and the Actuarial Company advised they had taken this directly off the Teignbridge deficit;

new rates figures for Teignbridge properties had been released since the writing of the agenda report and whilst overall South West rates had lowered, Council property rates have increased estimated to cost an extra £50K next year increasing over the next 5 years;

- Teignbridge had performed particularly well on the New Homes Bonus figures for new build properties together with a further reduction in empty homes. She had estimated Teignbridge may receive in the region of £130K extra per annum but this would not be confirmed until the outcome of the Government's consultation was published which was long overdue;
- A minor amendment had been made to the lending list with HSBC being removed as they would now only consider investments of £5M or over; and

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- As anticipated the Council was earning significantly less interest on investments compared to last year, mainly because of the monies paid out to purchase the Market Walk investment in Newton Abbot.

During debate particular reference was made to:

Pensions – Councillor Connett asked what the current plan was and how much the Council was contributing to the Devon Actuarial Company. The Chief Finance Officer advised it was in the region of £1.24M rising to £1.4M a year. Councillor Connett asked if salary increases had a knock on affect to pension contributions. The Chief Finance Officer confirmed this to be the case.

Environmental Schemes – Councillor Connett asked if those items listed were unexpected expenditure. The Chief Finance officer advised that the Bulking Station was a carry forward item.

Car Parking – Coronation Avenue – had the £48,000 been spent. The Chief Finance Officer advised she would find out and go back to Councillor Connett directly.

Disabled Facilities Grants – Councillor Russell asked why 10% was paid to Devon County Council. Business Manager, Housing and Health advised that funds were now part of the Better Care Fund which was a block grant; it was agreed that the County would send the monies out to the Districts but withhold 10% so as to cover any extra that might be required by specific councils.

GPs Surgeries – Councillor Russell asked why doctor's surgeries appeared to be benefiting from better rates. The Chief Finance Officer submitted a court case had ruled a new method should be used in calculating rates for surgeries and reductions had been coming through all year. The rationale was that the new method was fairer to surgeries but would pass the particulars on to Councillor Russell direct.

Resolved

- (a) That the revenue budget variations be approved;
- (b) That the updated capital programme be approved;
- (c) That the updated lending list be noted; and
- (d) That Full Council be recommended to note the mid-year review of treasury management.

9. GREATER EXETER GROWTH AND DEVELOPMENT BOARD

The Executive considered a report which sought support for the establishment of formal joint governance arrangements for economic development, strategic planning and infrastructure project management and delivery for the Greater Exeter area to ensure that the functional economic area punched above its weight regionally and nationally.

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Councillor Dewhirst commended plans for collaborative working but believed this to be a policy making machine that squeezed local people out of the democratic process. Decisions would be binding upon participating Councils which would mean local people having no say and no recourse.

Councillor Connett submitted that he was in favour of closer working with partners but not at the expense of local scrutiny. He noted that the proposed joint scrutiny Committee would be appointed or chosen by party leaders which, in his view, would be to the detriment of his colleague Councillor Haines who was the Group Leader of the Independent Group on the Council. Members' ability to effectively scrutinise would be diminished.

The Deputy Chief Executive advised he could see no problem to amend the text to read 'Group Leaders' instead of 'Party Leaders' at paragraph 9.3 of the agenda report. There was a benefit of working across a wider area and the finer detail regards areas of delegation were yet to be brought before Members.

The Leader submitted that this was an aspirational plan and one that would be used for many years to come; having large, slow moving decision making bodies would hinder the economic development of the area and officers and Members were trying to ensure that the balance was right.

Resolved

- (a) Approve in principle the setting up of the proposed Greater Exeter Growth and Development Board together with the local authorities covering the Greater Exeter functional economic area, namely East Devon District Council, Exeter City Council, Mid Devon District Council and Teignbridge District Council. The Board will be a Joint Committee under s101 (5), 102 Local Government Act 1972 and s9EB Local Government Act 2000 and pursuant to the Local Authorities (Arrangement for the Discharge of Functions) (England) Regulations 2012.
- (b) That Executive note that Devon County Council have been asked to support this step but are not yet prepared to do so.
- (c) That further detailed reports be brought back to Exec and/or Full Council as appropriate on:-
 - the terms of reference and rules of procedure of the joint committee (Greater Exeter Growth and Development Board)
 - the required amendments to the Constitution once the Terms of Reference have been agreed and approved by each Council
 - the selection of the preferred delivery vehicle and resourcing set out in sections 10 and 11.

10. EXECUTIVE FORWARD PLAN

Members noted the Executive Forward Plan.

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JEREMY CHRISTOPHERS
Chairman