

EAST DEVON DISTRICT COUNCIL
Minutes of a Meeting of the Executive Board
held in the Council Chamber, Knowle, Sidmouth
on Wednesday, 9 June 2010

Present: **Councillors:**
Sara Randall Johnson (Chairman)
Graham Brown
Geoff Chamberlain
David Cox
Jill Elson
Ray Franklin
Graham Godbeer
Mike Green
Stuart Hughes
Andrew Moulding

Also Present: **Councillors:**

David Atkins	Peter Halse
Ray Bloxham	Stephanie Jones
Peter Bowden	Ann Liverton
Iain Chubb	Frances Newth
Andrew Dinnis	Marion Olive
Paul Diviani	Tony Reed
Christine Drew	Philip Skinner
Chris Gibbings	Graham Troman

Jo Roundell Greene (SSDC)

Also present: **Officers:**
Mark Williams, Chief Executive
Denise Lyon, Deputy Chief Executive
Diccon Pearse, Corporate Director
Peter Jeffs, Corporate Director
Simon Davey, Head of Finance
Rachel Pocock, Head of Legal, Licensing and Democratic Services
Diana Vernon, Democratic Services Manager

Apologies: Councillor Ken Potter
Karime Hassan, Corporate Director

The meeting started at 5.30 pm and ended at 7.33 pm.

***1 Public Questions re Seaton Town Hall**

The Leader welcomed members of the public present.

Carol Manley, spoke about the work being undertaken with EDDC in respect of Seaton Voice taking over the running of Seaton Town Hall. She particularly thanked Councillor Ray Bloxham and Peter Jeffs, Corporate Director, for their efforts in progressing this arrangement. She requested a formal, written minute to record EDDC's support for the partnership which could then be provided as evidence when applying for funding.

*1 **Public Questions re Seaton Town Hall**

Councillor Jill Elson, Portfolio Holder – Communities and Chairman of a Voluntary Organisation confirmed this requirement. She added her support to what Seaton Voice was trying to achieve for the community.

Councillor Graham Godbeer, Portfolio Holder – Economy fully supported the project with certain caveats which he believed could be resolved through further negotiations during the preliminary 6 month arrangement. Councillor Andrew Moulding, Portfolio Holder – Resources recognised the progress that Peter Jeffs, Corporate Director, had made to date and believed that the arrangement was working well.

Councillor Ray Bloxham asked for the Council to acknowledge its support before the school holidays as the facility would be a valuable asset during the summer break. Councillor Christine Drew, Member Champion for Young People, was aware that the formal support of the Council would release ear-marked funding.

Councillor Stephanie Jones, Seaton Member Champion asked the Executive Board to support the initiative. She said that Seaton badly needed more facilities for young people and, if Seaton Voice ran Seaton Town Hall, its use and value to the town would be increased.

Councillor Ray Franklin, Portfolio Holder for Planning and Regeneration and Chairman of the Seaton Regeneration Programme Board praised the work already carried out and said that the timing of the initiative fitted well with other work being carried out to regenerate the town. Councillor Graham Brown, Portfolio Holder for Environment thanked the people involved and said that this was good news for Seaton.

RESOLVED: that, it be noted, that it was the Council's intention to pursue a partnership arrangement with Seaton Voice to enable them to run Seaton Town Hall for the benefit of the local community and that formal details of the arrangement would be negotiated in due course.

*2 **Minutes**

The minutes of the meeting of the Executive Board held on 12 May 2010 were confirmed and signed as a true record subject to the pre-ambule of Minute 209 (Recycling and Refuse Partnership) being corrected to show that the recycling rate in the period up to March had increased to 34.1% and that Stuart Hughes (at Minute 204) was a Member of the Jurassic Coast Trust.

*3 **Urgent items**

The Chairman agreed for 2 urgent items to be taken in Part B of the meeting. The Chairman of the Rationalisation Panel had requested that a recommendation from the meeting of the Panel on 26 May in respect of the remit of the Panel could be considered as an urgent matter as the decision would impact on the on-going work of the Panel. The second item was in respect of an urgent request for financial support from a local organisation.

*4 **Exclusion of the Public**

RESOLVED: that the classification given to the documents to be submitted to the Board, including the urgent items referred to at Minute 3 above (Para 3 Schedule 12A – information relating to the financial/business affairs of particular personal and the Council) be confirmed, and that the reports relating to exempt information, be dealt with under Part B.

*5 **Forward Plan**

The contents of the Forward Plan for the period 1 June to 30 September 2010 were noted.

*6 **Matters referred to the Executive Board**

There were no matters referred to the Executive Board by the Overview and Scrutiny Committees or the Council.

*7 **Minutes of the meetings of the Overview and Scrutiny Committees**

The Board noted the minutes of the meeting of the Housing Review Board held on 29 April 2010.

Minute 71 in respect of the selection of the Chairman of the Housing Review Board had been supplanted by the decision of Council at its annual meeting on 19 May 2010 which appointed the Chairman of the Housing Review Board.

It was suggested that the Council negotiations to achieve best price and disposal of the interest in the freehold of Brinkburn Court, Sidmouth, appeared to be very long drawn out. In reply to a question about how to progress this, the Head of Legal, Licensing and Democratic Services advised that she would report back to Members on the current position in the negotiations and see what steps could be taken to achieve early completion.

The Portfolio Holder – Communities drew Members' attention to Minute 69 in respect of the future of Council Housing and the Government prospectus on the Housing Review Account and subsidy system reform. She said that the decisions being made would have a fundamental impact on the work of the Council and urged Members to attend the next meeting on 24 June 2010 to find out more and ask questions.

- RESOLVED:** (1) that the following decisions be noted:
- Minute 68** that the Housing Review Board forward plan be noted.
 - Minute 70**
 - 1. that the new regulatory framework for social housing in England be noted;
 - 2. that the Housing Review Board engage in developing the proposals within the report for compliance with the principles and standards required of the Council as a social housing provider.
 - Minute 72**
 - 1. that the Head of Housing and Social Inclusion provide an exception report if any of the recommendations in respect of Devon Home Choice are not completed by 31 May 2010;
 - 2. that the Head of Housing and Social Inclusion considers if it is possible to establish an appointment based scheme at all Town Halls in the District by the Housing Needs Team, for assistance in completing the Devon Home Choice application.

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Minutes of the meetings of the Overview and Scrutiny Committees (cont)..

RESOLVED:

(1) that the following decisions be noted (cont)..

Minute 73 that the work continue on negotiations to achieve best price and dispose of the interest in the freehold of Brinkburn Court, Sidmouth, with Members being up-dated on the current position and steps taken to progress completion

Minute 74 that the draft Annual Report of the Housing Review Board be agreed and updated in consultation with the Chairman and Vice Chairman of the Board.

(This was referred to the annual meeting of the Council on 19 May 2010.)

(2) that the following recommendations be approved:

Minute 69 1. that immediate instruction be made by the Head of Housing and Social Inclusion to employ the services of Tribal to undertake the modelling and evaluation of the proposals within "Council housing: a real future " prospectus;

2. that the Head of Housing and Social Inclusion produce a response to the prospectus, following the receipt of robust financial advice and liaison with the Portfolio Holder for Communities and the Chairman and Vice Chairman of the Housing Review Board;

3. that the response produced to the prospectus be presented to the Housing Review Board at their June meeting, with an invitation to the Executive Board and other interested Members to attend.

Minute 71 that a Tenant Scrutiny Panel adopting the principles set out in the Tenant Scrutiny report be initiated.

Minute 72 that the following measures be undertaken in relation to Devon Home Choice:

a) to inform customers of the preferred method to join the Devon Home Choice housing register;

b) to offer a paper application as an alternative to the online application;

c) to publish a leaflet explaining the resolutions above;

d) to publish information explaining how to register online and the information required;

e) to publish the opportunity for applicants to receive a weekly newsletter if required;

*8 **Recycling and Refuse Partnership Board Minutes**

Members noted the minutes of the meeting of the Recycling and Refuse Partnership Board held on 11 May 2010. Members took into account the opportunities to learn from South Somerset District Council such as a review of SSDC's criteria for missed collections.

Councillor David Cox, Portfolio Holder – Streetscene advised that the new recycling depot at Greendale Barton was to be officially opened on 24 June 2010 and that all Members were welcome to attend.

In reply to concerns about the cost of transporting clinical waste to Liskeard, Councillor Cox advised that new arrangements were being finalised, subject to Environment Agency approval, whereby clinical waste would be deposited in a safe container in Exeter for onward transit to Liskeard by Devon County Council. Members were made aware of the very tight security arrangements and essential audit trail for disposal of clinical waste.

In reply to concerns about the likely increase in the number of assisted collections as a result of people staying longer in their own homes, Councillor Cox advised that the current rate of assisted collections as a percentage of the total was about 2.6%. It was anticipated that following the final roll out of the scheme, this rate would increase to about 5% which was in line with other districts. A review of arrangements was carried out each year.

*9 **Joint Integration Committee Minutes**

Members noted the minutes of the meeting of the Joint Integration Committee held on 13 May 2010. The outcomes of the officer workstream discussions would be presented to the June meeting of the Committee. This work would be used to inform the proposals for a draft joint management structure which would be considered at the meeting of the Committee in September. Application would be made to the Regional Improvement and Efficiency Partnership (RIEP) to help progress the joint management structure.

The Committee recognised the importance of good management of communications and supported the Chief Executive and Leaders of both Councils sending proactive message to staff to positively demonstrate the joint approach to working relations, whilst respecting the sovereignty of each Council. The importance of transparent and timely communications with local councils and other agencies and authorities was also recognised.

In reply to a question from a Member of the Committee, the Leader agreed that SSDC had already set the precedent for allowing Committee Members to send a substitute Member to the meeting should they be unable to attend.

The Leader advised that SSDC had shown a clear desire to progress the shared working agenda. She stressed the importance of fact finding and background information on which to base timely decisions.

- RESOLVED:**
- (1) that the management level timeline and transformation programme for shared service implementation be approved,
 - (2) that application be made to the Regional Improvement and Efficiency Partnership (RIEP) for additional support funding to progress the joint management structure,

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Joint Integration Committee Minutes (cont)..

- (3) that the Joint Integration Committee Communication Plan be approved subject to the inclusion of the following:
- Proactive messages from the Chief Executive (and the Leaders of both Councils where appropriate) be used to positively demonstrate the joint approach to working relations, whilst respecting the sovereignty of each Council,
 - the importance of other levels of local government, other agencies and partners of each Authority being kept informed and engaged,
 - the Joint Scrutiny of the JIC and Full Council ratification of JIC recommendations being added to the proposed timeline of events and where appropriate additional Council meetings be arranged to progress JIC recommendations,
 - the monitoring of progress of the Communications Plan at the monthly JIC meetings.

10

Revenue and Capital Outturn report 2009/10

Members considered the report of the Head of Finance setting out the Revenue and Capital Outturn report for 2009/10. The report provided Members with the final year end position and compared outturn position against budgets set for 2009/10. The detailed information in respect of every service was provided in an accompanying booklet which included narrative on variations.

In respect of the General Fund, Members noted the improved position of £2.757m. The difference comprised two main elements, the first through savings/additional income achieved on service costs by budget managers. Credit was given to prudent budget management and efficiencies in collecting finance. The second element was one-off initiatives/rewards which included a VAT refund, housing benefit subsidy and bad debts provision.

It was proposed that the VAT refund be transferred to an Asset Management and Maintenance Reserve to support initiatives around the management of the Council's General Fund Assets and planned maintenance works. The summary of the General Fund Balance was detailed at 2.4 in the report.

Members were asked to consider the level it deemed should be held for its General Fund Balance. Due to the many financial uncertainties and risks facing the Council at the moment, Members were advised to consider holding a higher Balance than usual to ease anticipated future predicaments.

In respect of the Housing Review Account, Members were advised that the minimum recommended level the Council had previously deemed it should hold was £1.051m. However it was anticipated that Balances would be used in 2010/11 giving a HRA Balance of £0.898m, which was £0.153m below the minimum level. Savings would be needed to bring the HRA balance back in line.

In respect of the Capital Programme, Members noted a £1.133m under-spend of which £1.087m would be slipped in to 2010/11. Members were advised that slippage made budget management more difficult. The net shortfall of £0.306m would be taken from the Capital Reserve in 2009/10. Depending on future programmes beyond 2010/11, this Reserve was likely to be fully utilised in 2012/13 to 2013/14. It was important for the Council to be realistic about what was included within the Capital Programme.

10 **Revenue and Capital Outturn report 2009/10 (cont)..**

The Schedule at 5.3 of the report set out new criteria for holding Reserves.

The Head of Finance was thanked for his excellent presentation of the accounts and he and Diccon Pearse, Corporate Director, their teams, Heads of Service and Portfolio Holders were thanked for the effective budget monitoring that had been carried out through the year. The success in respect in securing the VAT one-off windfall was particularly highlighted.

Councillor Andrew Moulding, Portfolio Holder – Resources drew Members’ attention to the ‘health warnings’ in the Outturn report. The Council had benefited from the VAT windfall but future reliance would have to be on generating funds, cutting costs and smarter working. The trend for over-spending within the Capital Programme was unsustainable and funding would run out in 2014 based on current rate and funds. There was also the possibility of additional funds being taken from the Council when Concessionary Fares were administered from a County base.

As former Chairman of the Housing Review Board, Councillor Ann Liverton, urged Councillors to be more aware of the work of the Board and the Housing Revenue Account.

The Leader encouraged Members to look at the on-line version of the accounts which provided additional background information. She added that further savings and efficiencies would be achieved through increased use of electronic communications.

- RESOLVED**
- (1) that the outturn position be agreed,
 - (2) that the VAT refund (one-off windfall) be transferred to the Asset Management and Maintenance Reserve and shown as a separate item with explanatory comment,
- RECOMMENDED**
- (1) that a new policy on Reserves and Balances as detailed in the schedule contained in Section 5 (Para. 5.3) of the report be approved.

*11 **Treasury Management Performance 2009/10**

Members considered the report of the Head of Finance setting out the details of the overall performance of the Council’s investment portfolio during 2009/10. The Council had anticipated a shortfall in estimated net return on all investment activities and as a result had set aside a Reserve of £0.673m to help offset the shortfall. Due to the market position during the ‘credit crunch’, there was still a residual shortfall of £0.125m.

The report gave a detailed account of the External Fund (managed by Investec) and the in-house managed funds, the limited borrowing which had taken place and the anticipated outlook for future investment. The amount managed by Investec had been reduced during the year to assist cash flows. Investec had been asked to suggest alternative investment products but these were being considered with caution and no action would be taken until these had been thoroughly investigated. If it was felt that there was potential, a report would be referred to the Board for consideration. It was anticipated that interest rates would rise at the end of the year and increase slowly. However security issues and uncertainty was making the market cautious.

Councillor Cox raised concern that the External Fund Lending list included Spanish institutions. He was assured that these were monitored daily so that any corrective action could be taken swiftly to protect funds.

*11 **Treasury Management Performance 2009/10 (cont)..**

RESOLVED that the investment return for 2009/10 be noted.

*12 **Performance Monitoring Report April 2010**

Members considered the report of the Head of Finance setting out performance information for the 2010/11 financial year. Members noted improvement to the Performance Indicators which were being closely monitored and appreciated the revised layout of the statistical information.

The Deputy Chief Executive invited all Members to attend the next meeting of the Service Delivery and Performance Overview and Scrutiny Committee where there would be an informative session on capability charts. This reporting would help the Council to provide predictably consistent levels of service as it immediately highlighted any change in patterns.

RESOLVED that during 2010/11 the following Performance Indicators be monitored and remedial action considered:

PIs which are or have been showing concern:

BV212 Average time in days to re-let local authority housing
BS12 Working days lost due to sickness absence
L97 No. of computer user hours made unavailable each month

PIs which are important to the Council:

BV9 Percentage of Council Tax collected
BV10 Percentage of Non-domestic Rates Collected
BV66a The proportion of rent collected

Key frontline services monitoring:

N1181 – time taken to process new Housing/Council Tax Benefits claims and change events – average days.

For Planning and Housing: 3 month rolling periods

End-to-end times for decisions made
Volumes of applications in and out
Comments on the above

For Benefits

One-stop capability
Value and preventable demand split
Volume of demand
End to end times for last quarter

***13 Absence Management – Annual Report 2009/10**

Members considered the report of the Head of Organisation Development which outlined absence levels for the last financial year and set out reasons and trends. The Performance Indicator in respect of absence levels had raised concerns and as a consequence performance against this indicator was presented to the Executive Board quarterly.

It was reported that absence levels had decreased against 2009/10 statistics by 18%. The top three reasons for absence were stress/depression/fatigue, back and muscular skeletal issues and colds and flu. The statistics showed that short term absence accounted for 37% of total, medium term 27% and long term 36%. There was improvement in the number of employees taking no absence at all.

Members noted the pro-active interventions in place which had contributed to improvement in levels of absence. The Council had also been pro-active in addressing Domestic Violence and Abuse.

- RESOLVED**
- (1) that the information relating to absence; the improvement achieved and the actions being taken to continue to reduce absence be noted,
 - (2) that the Council action to address domestic violence and abuse be included in the list of pro-active interventions in place to address levels of absence.

***14 Exemption from Contract Standing Orders**

Members considered the report of the Property Services Manager seeking exemption from Contract Standing Orders to enable the construction of a disabled access counter at Axe Valley Sports Centre reception, as part of a planned improvement programme.

- RESOLVED** that the appointment of a contractor to construct a disabled access counter at Axe Valley Sports Centre without the normal Contract Standing Order procedures be approved for reasons given in the report.

***15 Exemption from Standing Orders**

Members considered the report of the Head of Housing and Social Inclusion seeking an exemption from Standing Orders to appoint consultants to undertake an assessment of the proposals to change the current council housing finance system.

- RESOLVED** that the appointment of consultants to undertake an assessment of the proposals to change the current council housing finance system without the normal Contract Standing Order procedures be approved for reasons given in the report.

***16 Exclusion of the Public**

- RESOLVED** that under Section 100(A) (4) of the Local Government Act 1972 the public (including the press) be excluded from the meeting as exempt information, is likely to be disclosed and on balance the public interest is in discussing the items in private session (Part B)

***17 Remit of the Rationalisation Panel**

At the meeting of the Rationalisation Panel held on 26 May 2010, the Panel had recommended a change in its remit to enable a full exploration of all options available.

The Leader supported the recommendation but added a caveat for the Panel to be mindful of the work already being carried out by the Devon District Forum and the negotiations and talks that they were pursuing.

RESOLVED: that subject to the Panel being mindful of the work currently being carried out by the Devon District Forum, and recognising this Council's existing partnership arrangement with South Somerset, where appropriate, the Rationalisation Panel may step outside its Terms of Reference to assess potential cost savings through working with EDDC's 'single conversation' and/or other geographical neighbouring authorities.

***18 Request for funding**

Members were advised that East Devon Voluntary Services had asked the Council if it would consider re-instating all or part of previous funding arrangements.

RESOLVED: that representatives of the East Devon Voluntary Services be invited to the July meeting of the Executive Board to set out their business case to support their request for funding and to enable the Board to question them on the benefits of the organisation to local communities.

(Councillor Jill Elson as Chairman of Exmouth and District Community Group and Exmouth Lympstone Hospiscare as a voluntary driver declared a personal interest in this item.)
(Councillor Christine Drew declared a personal interest as the Council's nominee on the East Devon Voluntary Support Agency – Trustee Board).

***19 Minutes of the meeting of the Rationalisation Panel**

Members noted the minutes of the meeting of the Rationalisation Panel held on 12 May 2010.

RESOLVED:

- (1) that places on the SW Conference – Total Place: Empowering and Incentivising Local Areas be booked for Councillors Graham Brown and Tim Wood
(It was noted that since the meeting a further place had been booked for newly appointed Portfolio Holder – Economy due to the relevance of the Conference to his Portfolio)
- (2) that the following recommendations in respect of Payroll Services be approved:
 - (a) the Payroll Services fixed term contract post be not renewed beyond April 2011;
 - (b) opportunities to share Payroll Services with SSDC to achieve efficiencies and staff savings be explored;

*19 **Minutes of the meeting of the Rationalisation Panel (cont)..**

- (3) that the following recommendations in respect of Human Resources and the Learning and Development Service be approved:
 - (a) the current Human Resources structure be reviewed in the light of reduced recruitment activity;
 - (b) the practicalities and potential savings to be achieved through shared service working with SSDC in respect of Human Resources be explored;
 - (c) sharing the Learning and Development service provision with SSDC and/or out-sourcing this function be further explored and undertake a review of current structure;
- (4) that the following recommendations in respect of the Communications and Improvement service be approved:

the Chief Executive review the Communications and Improvement function through the Joint Integration Committee Workstream and determine any potential for achieving savings through restructuring.
- (5) that the following recommendations in respect of the Revenues and Benefits Service be approved:

the restructuring proposals outlined in the Head of Finance's report to the Panel, drawing from the recommendations of the systems thinking review of Revenues and Benefits Service;
- (6) that the following recommendations in respect of Financial Services be approved:
 - (a) the post of Financial Services Manager be deleted from the structure, with the staff with in the section, currently in receipt of honorariums, undergoing a revised job evaluation assessment to regularise the existing arrangement;
 - (b) options for partnership working with SSDC to achieve savings be carefully considered through the Joint Integration Committee.

*20 **Minutes of the meeting of the Seaton Regeneration Programme Board**

Members noted the minutes of the meeting of the Seaton Regeneration Programme Board held on 12 May 2010.

Councillor Ray Franklin, Portfolio Holder for Strategic Planning and Regeneration and Chairman of the Seaton Regeneration Programme Board thanked Councillor Stephanie Jones, Seaton Member Champion, for her very positive and valued work on behalf of Seaton regeneration. He believed that the Wetlands were Seaton's biggest attraction and wanted to explore ways of promoting green tourism.

Councillor Jones supported Councillor Franklin's views on the Axe Wetlands and further praised the work of the Countryside Services in seeing the current opportunity to use the vacant Tourist Information Centre for a Biodiversity Exhibition.

*20 **Minutes of the meeting of the Seaton Regeneration Programme Board (cont)..**

Members noted that a Special Joint Meeting of the Exmouth and Seaton Regeneration Programme Boards was to be scheduled and that South West Regional Development Agency, The World Heritage Coast Team, Devon County Council and East Devon District Council representatives would be invited to attend to formulate a plan for the two Visitor Centres. Councillor Paul Diviani asked for the Members of the Seaton and Exmouth Jurassic Coast Interpretation Centres to be invited to the meeting.

Members also noted that Neil Parish MP had said that he wanted to make Seaton his number one priority and had therefore invited him to become a Member of the Seaton Regeneration Programme Board.

- RESOLVED:**
- (1) that the positive steps being taken in respect of the Regeneration of Seaton be noted,
 - (2) that Members of the Seaton and Exmouth Jurassic Coast Interpretation Centres to be invited to the planned Special Joint Meeting of the Exmouth and Seaton Regeneration Programme Board.

(Councillor Paul Diviani declared a personal interest as member of the Jurassic Coast Board and East Devon AONB)

Chairman Date