

**NORTH DEVON COUNCIL**

Minutes of a meeting of the EXECUTIVE held at the Brynsworthy Environment Centre, Barnstaple on Monday 2<sup>nd</sup> July 2018 at 10.00 a.m.

PRESENT: Members:

Councillor Brailey (Leader)

Councillors R. Cann, Edgell, Jones, Lane, Meadlarkin, Moores and Yabsley.

Officers:

Chief Executive, Head of Resources, Head of Corporate and Community Services, Contracts Delivery Manager, Project Procurement and Open Space Officer and Senior Corporate and Community Services Officer (BT).

Also Present:

Councillors Edmunds, Moore and Spear.

**30 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Barker.

**31 MINUTES**

RESOLVED that the minutes of the meeting held on 4<sup>th</sup> June 2018 (circulated previously) be approved as a correct record and signed by the Chairman.

**32 LEADER'S ANNOUNCEMENTS**

The Leader reminded the Executive of the meeting of the Parish Forum scheduled to take place on Tuesday 3<sup>rd</sup> July 2018 at 7.00 p.m. and due to a clash with a sporting event that evening it was anticipated that the meeting may be shorter.

**33 DECLARATIONS OF INTEREST**

There were no declarations of interest announced.

**34 ANNUAL TREASURY MANAGEMENT REPORT 2017/18**

The Executive considered a report by the Chief Financial Officer (circulated previously), the options and/or alternatives and other relevant facts set out in the report regarding the Annual Treasury Management report for 2017/18.

The Head of Resources highlighted the following:

- That the Council was required by regulations to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2017/18 compared to the Treasury Strategy.
- The Capital Financing Requirement (underlying need to borrow) had reduced by £1.4m from the previous year partly due to the repayment of the Local Authority Mortgage Scheme. The net investments had increased to £8.735m.
- The Treasury Strategy for 2017/18 was to reduce borrowing costs, therefore the Council had prudently internally borrowed £3m.
- The Council's underlying need to borrow to finance capital expenditure (Capital Financing Requirement) had reduced by £400,000 as a result of additional capital receipts received at the end of 2017/18.
- The Council had received the deposit for the sale of the former Bicclescombe Nursery site at Ilfracombe and it was anticipated that the sale would be completed in September 2018.
- The total external borrowing at 31 March 2018 was £2m and the Council had repaid £750,000 in May 2018, therefore the current external borrowing had reduced to £1.25m.
- The Investment Policy set out the approach for choosing investment counterparties. The investment activity during the year conformed to the approved strategy and the Council had no liquidity difficulties.
- In December 2017, the Chartered Institute of Public Finance and Accountancy (CIPFA) issued a revised Treasury Management Code and Cross Sectoral Guidance notes and a revised Prudential Code. One recommendation was that local authorities should produce a new report to Members to give a high level summary of the overall capital strategy and to enable Members to see how the cash resources of the Authority have been apportioned between treasury and non-treasury investments. A further report would be presented to the Executive during 2018/19 when the implications of these new codes have been assessed as to the likely impact on this Authority and to update our treasury management practices accordingly.
- Appendix 1 set out the prudential and treasury indicators.

#### RECOMMENDED

- (a) That the annual treasury management report for 2017/18 be noted;
- (b) That the actual 2017/18 prudential and treasury indicators, as contained in appendix 1 to this report, be approved.

#### REASONS FOR RECOMMENDATIONS

- (a) This Council is required by regulations issued under the Local Government Act 2003 to produce an annual

treasury management review of activities and the actual prudential and treasury indicators for 2017/18. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

- (b) During 2017/18 the minimum reporting requirements were that the full Council should receive the following reports:
- an annual treasury strategy in advance of the year (Council 22/02/2017)
  - a mid year treasury update report (Council 22/11/2017)
  - an annual review following the end of the year describing the activity compared to the strategy (this report)
- (c) This Council confirms that it has complied with the requirements under the Code to give prior scrutiny to all the above treasury management reports by the Overview and Scrutiny Committee before they were reported to the full Council.

## **35 SOUTH WEST YOUTH GAMES**

The Executive considered a report by the Contracts Delivery Manager (circulated previously), the options and/or alternatives and other relevant facts set out in the report regarding funding support for the South West Youth Games event.

### **DECISIONS**

- (a) That a £4,000 grant be awarded to the Devon Youth Games Trust to enable it to recruit and manage teams from North Devon to take part in this year's Youth Games events;
- (b) That the grant award be made subject to North Devon District Council's terms and conditions for grant funding;
- (c) That £4,000 be allocated and released from the Executive Contingency Reserve for the grant.

### **REASON FOR DECISIONS**

The funding will allow young people living or going to school in the North Devon District opportunity to participate in the South West Rotary Youth Games.

**36**                    **APPROVAL AND RELEASE OF SECTION 106 OPEN SPACE FUNDS – COMBE MARTIN**

The Executive considered a report by the Project, Procurement and Open Space Officer (circulated previously), the options and/or alternatives and other relevant facts set out in the report regarding the allocation of section 106 public open space funds to a play project in Combe Martin.

**DECISION**

- (a) That £3,991.90 of Section 106 Public Open Space Funds be allocated to Combe Martin Parish Council, towards the cost of play equipment at Arnolds Park Play Area, Combe Martin.

**RECOMMENDED**

- (b) That Council be recommended to vary the capital programme by £3,991.90 and that funds be released, subject to a Funding Agreement upon such terms and conditions as may be agreed Head of Corporate and Community Services

**REASON FOR DECISION/RECOMMENDATION**

- (a) To allocate funds in line with the requirement of S106 agreements.
- (b) To protect and enhance public open space, including land and buildings.

**Chairman**

**The meeting ended at 10.12 a.m.**

**NOTE:** The above decisions shall not take effect until the five clear working days have elapsed from the date of publication: 4<sup>th</sup> July 2018.