

hNORTH DEVON COUNCIL

Minutes of a meeting of the EXECUTIVE held at the Brynsworthy Environment Centre, Barnstaple on Monday 3rd December 2018 at 10.00 a.m.

PRESENT: Members:

Councillor Brailey (Leader)

Councillors Barker, R. Cann, Edgell, Jones, Lane, Luggar, Meadlarkin and Yabsley.

Officers:

Chief Executive, Head of Resources, Head of Operational Services, Senior Solicitor, Parking Manger, Assistant Estates Officer (HB) and Senior Corporate and Community Services Officer (BT).

Also Present:

Councillors Edmunds, Greenslade, Moore and Tucker.

73 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Moores.

74 MINUTES

RESOLVED that the minutes of the meeting held on 5th November 2018 (circulated previously) be approved as a correct record and signed by the Chairman subject to Councillor Barker being included in the list of attendees.

75 LEADER'S ANNOUNCEMENTS

(a) Tour of Britain – Award of Best Land Art

The Leader announced that following on from the Tour of Britain the Farmers at South Molton had been awarded first place in the Arts award for the best land art during the tour, beating opposition from Nottingham and Carmarthenshire. He congratulated them for the hard work involved alongside the time and effort which involved a frame of the cycle and tractors be driven in a circle for one and a half hours to simulate the two wheels.

(b) Festive Greetings

The Leader wished everyone a very Happy Christmas as it was the last meeting of the Executive this year.

76 DECLARATIONS OF INTEREST

There were no declarations of interest announced.

**77 TREASURY MANAGEMENT STRATEGY STATEMENT AND
ANNUAL INVESTMENT STRATEGY – MID YEAR REVIEW REPORT
2018/19**

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 Treasury Management Strategy Statement and Annual Investment Strategy Mid-Year Review report 2018/19.

The Head of Resources highlighted the following:

- The Council was required through regulations issued under the Local Government Act 2003 to produce a mid-year treasury report reviewing treasury management activities and the prudential and treasury indicators for 2018/19.
- The objectives of the Treasury Management Strategy were security and liquidity of money first and then consider yield and return in order to safeguard the Council's investments.
- The capital financing requirement as detailed in paragraph 5.1 of the report had been revised and increased by £600,000 to £4,847,000. The increase had mainly been due to additional capital budget in relation to temporary accommodation approved by Council in February 2018.
- The operational boundary for external debt had originally been set at £2m. Due to increase in cash flows within the authority, the Council was only required to borrow £1,250,000; therefore the borrowing costs were lower.
- An assumption had been made that all projects within the capital programme for 2017/18 would be completed within that financial year. However, some projects within the capital programme had slipped and not been completed and were therefore carried forward and other projects within the capital programme had been moved back from 2019/20 due to timings for the delivery of projects.
- As Chief Financial Officer it was confirmed that no difficulties were envisaged for the current or future years in complying with the prudential indicator.
- Any additional borrowing requirements in excess of the current borrowing limit of £10m would be subject to a separate report being presented to the Executive and to Council.
- As Chief Financial Officer it was confirmed that the approved limits within the Annual Investment Strategy were not breached during the first six months of 2018/19.
- The Council's budgeted investment return for 2018/19 was £60,000. As at 30th September 2018, £39,972 investment interest was earned in the half year period, which was higher than budgeted.
- A new appendix (appendix 2 (a)) had been added to the Treasury Management Policy to deal with non-treasury investments in line with the new CIPFA requirements. This included an approved schedule for non-treasury

investments with authorised limits. The acquisition of the sub lease interest at Plot 1, Seven Brethren Bank, Barnstaple to be considered under item 12 on the agenda would be classified as a non-treasury investment. Opportunities for non-treasury investments would be presented to the Executive and full Council as they arose. The approach to risk management was a low risk; non material approach to investment. Any changes to thresholds or limits would require approval by Council. Investments would only be made within the North Devon Council area. The policy set out the roles and parameters; together with authorised limits for category of investment.

- No changes were proposed to the main Treasury Management Policy.
- The Capital Strategy would be presented to the Executive in February 2019.

In response to questions, the Head of Resources advised the following:

- That the procurement of houses for the provision of temporary accommodation fell within the Treasury Management Policy as it was providing Council services.
- The procurement of the leasehold interest at Gaydon Street, Barnstaple would fall within the Non-Treasury investment policy.

RECOMMENDED

- (a) That the changes to the prudential indicators be approved;
- (b) That the report and the treasury activity be noted;
- (c) That the revised Treasury Management Policy and Practices, contained in Appendix two, be approved.

REASONS FOR RECOMMENDATIONS

- (a) This Council is required through regulations issued under the Local Government Act 2003 to produce a mid-year treasury report reviewing treasury management activities and the prudential and treasury indicators for 2018/19. This report meets the requirements of the CIPFA Code of Practice on Treasury Management (revised 2017).
- (b) This Council is also required under the Code to give prior scrutiny to the treasury management reports by the Overview and Scrutiny Committee before they are reported to the full Council.
- (c) The Treasury Management Policy and Practices have been updated to take account of the following:
 - CIPFA Code of Practice on Treasury Management 2017
 - CIPFA Prudential Code 2017

- CIPFA Treasury Management in the Public Services Guidance Notes 2018
- Statutory investment guidance where it has been updated in 2018
- Statutory MRP guidance where it has been updated in 2018

The main objective of the above was to respond to the major expansion of local authority investment activity over the last few years into the purchase of non-financial investments, particularly property.

A new appendix has been added to our treasury management policy to deal with non-treasury investments in line with the new CIPFA requirements.

78 REVIEW OF THE NORTH DEVON (OFF STREET PARKING PLACES) ORDER

The Executive considered a report by the Parking Manager (circulated previously), the options and/or alternatives and other relevant facts set out in the report regarding the annual Review of the North Devon (Off Street Parking Places) Order.

The Parking Manager highlighted the following:

- Changes requested by Braunton Parish Council, Combe Martin Parish Council, Instow Parish Council, Lynton and Lynmouth Town Council and South Molton Town Council for inclusion in the amendments to the Off Street Parking Order.
- A request had been received from Lynton and Lynmouth Town Council to rename the Cemetery car park to “Upper Valley of the Rocks” car park, which had not been included within the report.
- Proposed amendments to the scale of charges and regulations for Off Street parking places within the management control of North Devon Council.

In response to questions, the Parking Manager advised of the following:

- The additional car parks included within the proposed changes to the Barnstaple Long Stay permit were Rolle Quay and the Rugby Club (weekdays only).
- Currently the Rolle Quay car park was only used in the main for 1 or 2 hour stays and was 80% empty. It was now proposed to change it to a “medium stay” car park which would enable a cheaper all-day parking option and allow long stay permit holders to park there. This would ensure that the car park was better used and would relieve pressure and increase revenue at Fairview.
- In terms of offering free car parking in the lead up to Christmas, late night Christmas shopping took place on Thursdays. Parking was already free of charge after 6.00 pm. Long stay car parks were free of charge on Sundays. The car parks were already at capacity and if they were free of charge there

would not be sufficient car parking spaces available to accommodate the additional visitors.

- North Devon Council was part of a Devon wide project which had sought European funding for the provision of vehicle charging points. The bid had been submitted for one to be located in Barnstaple, South Molton and Ilfracombe. The outcome of the bid would be known in February 2019. It was anticipated that there would be no cost for the Council for the installation of the charging points, however contingency funding was available for the installation of cabling if required. Visitors using the charging points would also be required to purchase a parking ticket.
- The car park at the Rugby Club was under the management of the Rugby Club on Saturdays and Sundays. Mill Road car park was previously free of charge however there had been issues with residents parking. A low fee had been introduced for parking the previous year which had been successful.
- The proposed changes would be subject to consultation and the report would be brought back to the Executive for final approval in February 2019.

DECISIONS

- (a) That the changes requested by Parishes be accepted and the following amendments be included into the Off Street Parking Order:

(i) **Braunton Parish Council**

Approve and adopt the charges and regulations for Caen Street and Chaloners Road car parks as described in paragraph 5.1 and shown Appendix 1.

(ii) **Combe Martin Parish Council**

Approve and adopt the charges and regulations for Combe Martin car parks as described in paragraph 5.2 and shown in Appendices 1, 2 and 3.

(iii) **Instow Parish Council**

Approve and adopt the charges and regulations for Marine car park as described in paragraph 5.3 and shown in Appendices 1 and 2.

(iv) **Lynton & Lynmouth Town Council**

Approve and adopt the charges and regulations for Lynton and Lynmouth car parks as described in 5.4 and shown in Appendices 1 and 2.

(v) **South Molton Town Council**

Approve and adopt the charges and regulations for East Street, South Molton as described in 5.5 and shown in Appendices 1 and 2.

- (b) That the changes to charges and regulations for North Devon Council car parks be accepted and the amendments be included into the Off Street Parking Order as described in paragraph 5.6 and shown in Appendices 1, 2 and 4.

REASONS FOR DECISIONS

To update the Off Street Parking Order to reflect current needs of Parish, Town and District Councils following the annual review.

79 RECYCLE MORE

The Executive received an update by the Head of Operational Services regarding the Recycle More project. He advised that following the operational difficulties experienced in June 2018, the vehicle replacement project had been accelerated and 12 new vehicles had been procured. He advised of the types of vehicles that had been procured. Some of these vehicles had been replaced and a number were additional vehicles to improve resilience. Staff job descriptions had been reviewed and salaries had been re-evaluated accordingly. This had had a positive impact on recruitment. Overtime and the number of missed collections had both reduced. He advised that a bid was currently being prepared to be submitted to the Project Appraisal Group for the replacement of the process hall and equipment. The timetable for collections over the Christmas period had now been published and the waste collection teams would work three consecutive Saturdays during this period. A trial of heavy weight hessian sacks for recycling materials had commenced in Ilfracombe the previous week. The trial would be for six months and would be reviewed after three months. Customers would need to be educated on the types of materials that could be placed in the sacks. An update would be provided to the Executive following the first three months of the trial.

80 TARKA TENNIS CENTRE ARTIFICIAL GRASS PITCH

The Executive considered a report by the Parks, Leisure and Culture Officer (circulated previously), the options and/or alternatives and other relevant facts set out in the report regarding the allocation of funding towards the cost of delivering an Artificial Grass Pitch at Tarka Tennis Centre.

The Parks, Leisure and Culture Officer highlighted the following:

- In May 2018, the Council had allocated £285,962.47 of capital funding and a £20,000 revenue budget towards the cost of delivering an Artificial Grass Pitch at Tarka Tennis Centre.
- The Council had since been awarded £445,423 capital funding from the Premier League and the Football Association Facilities Fund towards the cost of the project.

- It was requested that two further section 106 (S106) capital receipts as detailed in paragraph 5.2 of the report that were banked for such a project be allocated to the project to meet the remaining funding shortfall.

In response to a question, the Parks, Leisure and Culture Officer confirmed that the relevant Ward Members had been informed regarding the use of section 106 funds from developments within their ward towards this project.

DECISION

- (a) That £48,148.86 of S106 public open space capital funding be allocated, as detailed in paragraph 5.2 of the report;

RECOMMENDED

- (b) That Council vary the capital programme by (£55,465.67) as the value of the construction contract was lower than the £850,000 previously approved by Full Council;
- (c) That funds of £794,534.33 be released for the project cost.

REASONS FOR DECISION/RECOMMENDATIONS

- (a) This is a priority project within the Northern Devon Playing Pitch Strategy 2017 – 2031.
- (b) The project helps achieve the aims of the NDC Leisure and Health Strategy.
- (c) The addition of the Artificial Grass Pitch will improve the operational viability of North Devon Council's leisure facilities.

81 COMMUNITIES TOGETHER FUND (CTF) – STRATEGIC FUNDING STREAM

The Executive considered a report by the Senior Corporate and Community Services Officer (circulated previously), the options and/or alternatives and other relevant facts set out in the report regarding the assessment of funding applications to the Strategic Funding Stream of the Communities Together Fund.

DECISION

That funding be offered as detailed in paragraph 4.7 (a) of the report to the following Voluntary and Community Sector organisations that provide services across a wide area of the North Devon Council area as follows:

Application 005	Martial Arts Hub	£6449.51
Application 014	Over and Above	£9890.08

REASON FOR DECISION

The applications received to the funding stream, have all been assessed against the published criteria in the CTF fund scheme as per appendix 2.

82 EXCLUSION OF PUBLIC AND PRESS AND RESTRICTION OF DOCUMENTS

RESOLVED:

- (a) That under the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 (as amended), as made under the Local Government Act 2000, the public and press be excluded from the meeting for the following item on the grounds that the items shown on the copy notice of private meeting attached to the agenda would, if considered in public require the disclosure of exempt information as described in paragraph 3 of Schedule 12A to the Local Government Act 1972 (as amended) noted against each of those items in the table(s) incorporated in the notice;
- (b) That all documents and reports relating to the item be confirmed as "Not for Publication".

83 THE ACQUISITION OF THE SUB LEASE INTEREST AT PLOT 1, SEVEN BRETHERN BANK, BARNSTAPLE

The Executive considered a report by the Head of Resources (circulated previously), the options and/or alternatives and other relevant facts set out in the report regarding the acquisition of the sub lease interest at Plot 1, Seven Brethren Bank, Barnstaple.

A larger copy of the location plan was tabled.

The Head of Resources advised the Executive of the opportunity that had been identified for the Council to invest in its own asset to create added value and the potential for the Council to acquire the sub lease interest at Plot 1, Seven Brethren Bank, Barnstaple.

DECISIONS

- (a) That power be delegated to the Head of Resources in consultation with the Lead Members for Assets and Resources to discuss and agree terms with the current tenants of Plot 1b, Seven Brethren and that Ward Members be kept informed;
- (b) That approval be given to the purchase of the sublease of Unit 1B, Seven Brethren;

- (c) That once the lease arrangements have been secured and NDC hold the remaining long sublease interest, Estates proceed to let the property on occupational leases.

RECOMMENDATION

- (d) That Council vary the capital programme and that funds be released. This budget includes purchase price and planned reconfiguration works.

REASONS FOR DECISIONS/RECOMMENDATION

- (a) Part B Annexe 4 and referred power as it contains financial sensitive information.
- (b) To allocate capital funds to this project and to release value to Council, in terms of the future regeneration uses for the asset.
- (c) NDC's corporate aim is to encourage organisational transformation and growing North Devon. These key objectives are supported by new and additional property income generation. Identifying property vehicles and creating opportunities to support them are key objectives and will promote the Council's medium term financial plan.
- (d) The under-lessees are marketing their remaining 45 year leasehold interest in part of plot 1 Seven Brethren, if we can secure the release of this element of the site at plot 1 from the head-lease, NDC hold the freehold vacant possession of this building, which can then be let and act as an investment and redevelopment opportunity for NDC going forward.
- (e) The acquisition and landholding would compliment NDC's regeneration plans for Seven Brethren.
- (f) This would demonstrate the beneficial use of an existing Council asset (The freehold of the site subject to long leasehold interests limiting the current freehold value).

Chairman

The meeting ended at 11.24 a.m.

NOTE: The above decisions shall not take effect until the five clear working days have elapsed from the date of publication: 5th December 2018.