

**NORTH DEVON COUNCIL**

Minutes of a meeting of Policy Development Committee held at Barum Room - Brynsworthy on Thursday, 18th July, 2019 at 2.00 pm

PRESENT: Members:

Councillor D. Spear (Chairman)

Councillors Campbell, Walker and York

Officers:

Chief Executive and Head of Place

Also Present:

Councillor Jenkins

**5. APOLOGIES**

Apologies for absence were received from Councillors Hunt and Luggar.

**6. TO APPROVE AS A CORRECT RECORD THE MINUTES OF THE MEETING HELD ON 20TH JUNE 2019 (ATTACHED).**

RESOLVED that the minutes of the meeting held on 20<sup>th</sup> June 2019 (circulated previously) be approved as a correct record and signed by the Chairman.

**7. DECLARATIONS OF INTEREST.**

There were no declarations of interest announced.

**8. ANNUAL TREASURY MANAGEMENT REPORT 2018/19**

The Chief Executive outlined the Annual Treasury Management report 2018/19 which had been considered by the Strategy and Resources Committee on 1<sup>st</sup> July 2019, (circulated previously) as follows:

- The Treasury Management Annual report was one of three mandatory reports produced in the year. The three being;
  - I. The Annual strategy at the start of the year
  - II. The Mid-Year report outlined performance against the strategy
  - III. The Annual report which set out how the Authority had actually performed in the year
- The Treasury Management report was set out in the following order;

- I. Security, looked at how safe the Authority's money was
- II. Liquidity, how accessible money was
- III. Yield, looked at the return on investments made

- North Devon Council utilised its cash flow and surplus cash for "internal borrowing" which was a more cost effective to borrow.
- Capital Financing Requirement (CFR) was set out in section 4.2 of the report which showed that the majority of borrowing had been undertaken internally at £3.45 million with external borrowing at £1.25 million.
- At the start of the financial year 2018/19 the external borrowing figure was £2 million but at the end of the year it was £1.25 million.
- Section 4.3 of the report showed the value of investments North Devon Council made which stood at £9.8 million which with external borrowing taken into account the net investments resulted in £8.6 million return.
- All investments were short term being less than one year.
- During 2018/19 North Devon Council made no material non-treasury investments in property with a view of generating an income stream.
- A prediction of investment interest rates and external borrowing rates was set out in section 4.4 of the report.
- The Investment outturn position was shown in section 4.6 and it was confirmed that the investment activity for the year conformed to the approved strategy and that the Council had no liquidity difficulties.
- The Council earned £92,000 interest on its investments in 2018/19 which was better than budgeted by £32,000
- The saving to the Council for removing its overdraft facility would be £2,500 per year.

In response to a question about what the Council invests in the Chief Executive advised the Head of Resources would be able to provide a response on his return to work but that the Investment Strategy does set out what the Council invested in.

RESOLVED that, the recommendations of the Strategy and Resources Committee be endorsed.

## **9. CORPORATE PLAN**

The Chief Executive gave the committee an update on the draft corporate plan, (circulated previously) as follows:

- Four new priorities had been identified and would form the basis of the new corporate plan that was still in its draft version
- The four priorities were:
  - I. Security financially
  - II. Customer/citizen focussed

- III. Environment
- IV. North Devon Futures

### Financial Security

- With the reduction of Central Government grants there was a need to generate income streams. To be proactive rather than reactive, the Council did not want to start cutting services.

In response to a question about the Government reducing it's funding to the Council as a result of having a higher income the Chief Executive advised that the grant received from Central Government was not means tested at present and would disappear altogether in years to come.

In response to a question about whether North Devon Council would be investing outside of its area the Chief Executive advised that decision had not yet been made but would be balanced against the type of yield expected from investment and where the best return on investment lay.

### Customer Focus

- The second priority of Customer/Citizen focus would be assessed by using satisfaction surveys.
- A programme of reviewing each service area had begun, with the aim of streamlining processes and cutting down on unnecessary waste.
- Use technology to enable efficiencies in customer service delivery.

### Environment

- The Council would be looking to declare itself carbon neutral at a future Council meeting.
- Work with partners to achieve carbon reduction targets.

### North Devon's Future

- Work had begun on developing partnerships with organisations pledging to work jointly and the next step would be to involve the community.
- Delivery of North Devon's future growth would look to create a 30 to 40 year plan reviewed annually.
- The Plastic Free North Devon consortium was a good example of intergenerational groups working together for the benefit of North Devon's environment.

RECOMMENDED that the plan be endorsed in its current form.

### Chairman

The meeting ended at 2.45 pm

NOTE: These minutes will be confirmed as a correct record at the next meeting of the Committee.