

## **EXECUTIVE**

### **THURSDAY, 8 FEBRUARY 2018**

#### Present:

Councillors Christophers (Leader), Barker, Goodey, Bullivant, Lake and Russell

#### Members Attendance:

Councillors

#### Apologies:

Councillors Clemens

#### Officers in Attendance:

Graham Davey, Housing Enabling Manager

Martin Flitcroft, Finance Manager

Phil Shears, Managing Director

**These decisions will take effect from 10.00 a.m. on Tuesday 6 June 2017  
unless called-in or identified as urgent in the minute**

### **310. MINUTES**

The minutes of the meeting held on the 9 January 2018 were confirmed and approved and signed as a correct record.

### **311. FINAL FINANCIAL PLAN PROPOSALS 2018/19 TO 2020/21**

The Portfolio Holder for Corporate Resources introduced the item and advised the Council had been successful as part of the business rates pilot and this would provide 100 % funding retention for one year. It would not be 100% in future financial years. The Council will also be facing reductions in New Homes Bonus.

The Acting Chief Finance Officer for Finance presented the headline aspects of the budget proposals, as previously reported to the Executive and the Overview & Scrutiny committee on the 5 February 2018.

- An increase in council tax of £5 or 3.12% to £165.17
- The continuing significant reduction in new homes bonus
- Other central funding reductions especially revenue support grant
- Reserves at 11% of the net revenue budget or just under £1.9 million

- Continuing support for housing whilst backing business and bringing people and organisations together for local neighbourhood planning
- Infrastructure delivery plan investment funded by community infrastructure levy and external sources where available
- The final pay offer including increases linked to the national living wage for 2018/19 and increases of 2% for all other staff
- The provisional assumptions following the successful bid to be a 100% business rates pilot authority with the rest of Devon for 2018/19
- Rural aid continuing at £40,000

The budget proposals had been the subject of public consultation, the consultation has not closed but the results to date were as follows:

### Results of Consultation

<p><b>Statement 1</b>                  The current recommendation is a 3.1% increase, or £5 per year, for a Band D property taking the Council Tax to £165.17 for the year                  Agree 70.9%                  Disagree 19.8%                  Not sure 9.3%</p>
<p><b>Statement 2</b>                  Support to back business and improve town centres                  Agree 73.7%                  Disagree 12.2%                  Not sure 14.1%</p>
<p><b>Statement 3</b>                  Support investment in infrastructure for employment, education and transport links and sports and open spaces                  Agree 83.7%                  Disagree 6.7%                  Not sure 9.6%</p>
<p><b>Statement 4</b>                  Support to continue support for housing as a priority by enabling affordable housing and improving poor quality homes                  Agree 66.7%                  Disagree 16.1%                  Not sure 17.2%</p>
<p><b>Statement 5</b>                  To balance the Council's budget in future which of these would you expect us to consider – select only one                  60.7% generating more income to invest in Council services                  15% making more budget savings                  5.4% reducing the services we provide                  18.9% increasing council tax further</p>

The Leader reminded the meeting that although this was second year in a row that the Council had increased the council tax, the previous five years no increase had been made. That resulted in a £10 increase to council tax during the seven year period which he believed represented value for money for residents.

Council tax funding did not fund all the costs running the Council and in fact council tax income, as a percentage of overall council funds only represented 12% of expenditure. This was supplemented by increasing income and grant income.

The Leader thanked the Acting Chief Finance Officer for his work and the manner of his work in preparing the budget.

## **RESOLVED**

That the Executive propose a budget to Council for adoption as set out in Appendix 4 & 7 of the previously circulated report

### **312. EXECUTIVE FORWARD PLAN**

The Executive noted and approved the Forward Plan for the 12 months commencing 1 February 2018 and it was agreed that the reconsideration of the neighbourhood plan proposals for Ide be added to the meeting agenda for the 6 March 2018.

### **313. EXCLUSION OF THE PRESS & PUBLIC FROM THE MEETING**

That under Section 100(A)(4) of the Local Government Act 1972, the Press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act.

### **314. TEIGNBRIDGE HOUSING COMPANY**

The Executive received an update on the proposal to form a Teignbridge Housing Company.

The report proposed that the Council postpones setting up a Housing Company in Teignbridge, pending a sufficiently large enough development to warrant the legal and governance arrangements set up costs. It was also proposed that in the meanwhile officers work up proposals for future consideration on ways to increase affordable housing provision under the current arrangements.

The report had been considered at the Overview & Scrutiny Committee on 5 February. The Committee felt there was not enough detailed financial information to enable the committee to support any of the proposals and that detailed financial implications for future proposals should be brought before a future Overview & Scrutiny committee.

The Executive supported the principle that a detailed business case be made for each scheme proposed.

The Managing Director advised that the Members had previously been supplied with detailed legal advice on the proposal and that the report to Overview & Scrutiny had been intended as a status report to advise members of progress. Members would be kept up to date with detailed proposals as they were developed.

Following a question from the PH for Corporate Services, the Housing Business Manager advised that costs could be met from existing budgets.

Resolved

That the Executive note the current position in respect of the setting up of the Housing Company in Teignbridge and proposed affordable housing development by Teignbridge District Council, and that the following measures be considered and that these be subject of individual reports, involving Overview & Scrutiny.

1. That officer's work up individual Business Cases to develop housing schemes for all suitable land in Teignbridge ownership. Proposals to be submitted in due course.
2. Beyond current commitments, future capital grant funding to Registered Providers for a housing scheme is only approved where it can be proven that the scheme would not go ahead without Teignbridge financial support.
3. Proposals for new products such as Shared Equity, Market Rent and affordable Custom Build are worked up with any housing or land held within the General Fund.
4. Larger sites in our ownership such as Bradley Lane, Newton Abbot are investigated as possible Joint Ventures or Development Agreements sites.
5. Housing Company proposals are put on hold pending either a "profit" driven scheme of sufficient size, as other proposals can be delivered within the General Fund.
6. Arrangements are investigated for the setting up of a Housing Revenue Account as and when the developed stock reaches a quantum of around 200 units which would trigger its necessity under current regulations.
7. An element of the current Affordable Housing Capital Programme is set aside for scheme feasibility work.
8. Financial Services to continue to monitor any changes in Government borrowing requirements which may affect scheme viability and advise Members accordingly.

Chairman