

## MENDIP DISTRICT COUNCIL

Minutes of the meeting of Cabinet held on Monday, 7 August 2017 in the Council Chamber, Council Offices, Shepton Mallet commencing at 6.30 pm.

### COUNCILLORS PRESENT:

Philip Ham	Portfolio Holder for Transformation
Tom Killen	Vice Chair of Cabinet and Deputy Leader of the Council
John Parham	Portfolio Holder for Finance, Governance and Corporate Services
Harvey Siggs	Chair of Cabinet and Leader of the Council
Nigel Taylor	Portfolio Holder for Neighbourhood and Community Health Services
Nigel Woollcombe-Adams	Portfolio Holder for Planning, Growth and Housing Services

### ASSISTANT PORTFOLIO HOLDERS PRESENT:

Councillors Simon Davies, Linda Oliver, Mike Pullin, Tim Rice

### OTHER COUNCILLORS PRESENT:

Councillors Bryan Beha, Peter Bradshaw, Edward Drewe, Jeannette Marsh, Clive Mockford, John Osman, Alan Townsend and Dick Skidmore

### OFFICERS PRESENT:

Tracy Aarons	Deputy Chief Executive
Ian Bowen	General Manager – Planning and Growth Services
Stuart Brown	Chief Executive
Claire Dicken	Committee Officer
Duncan Moss	Deputy Corporate Financial Advisor
Jo Milling	Planning Policy Officer

Agenda Item	Subject	Actioned by
1	<b>Chair's Announcements</b>  The Chair explained the procedures in the case of an emergency and asked that all mobile devices be switched to silent.	
2	<b>Apologies for Absence</b>  Councillor Joanna Beale	

3	<p><b>Declarations of Interest</b></p> <p>Councillor John Parham declared a personal but non prejudicial interest in Shape Housing Ltd, amendment to Board of Directors because he was a Director of the Company</p>	
4	<p><b>Public Participation</b></p> <p>a. <b>Items on the agenda:</b> – none</p> <p>b. <b>Items not on the agenda:</b> – none</p>	
5	<p><b>Previous Minutes</b></p> <p>The minutes for the Cabinet meeting held on 10 July 2017 were agreed.</p> <p>The Chief Executive updated Members that the 5 Councils Partnership contract had begun on 31 July 2017. So far the new arrangement was going very well.</p>	<p><b>Claire Dicken</b></p>
6	<p><b>Economic Development Update</b></p> <p>The Deputy Leader of the Council updated Cabinet with regard to recent economic development in the district.</p> <p>Following the agreement of the Mendip Economic Development Strategy 2017-2020 the team was currently drawing up a delivery plan. Members were encouraged to pass any ideas for their wards to the Economic Development Officer.</p> <p>The Council recognised there was a shortage of labour, particularly of those with a higher skills set. To address this gap the Somerset Education Initiative had been established to help.</p> <p>It was confirmed that the Greencore food company would be closing its factory in Evercreech in October 2017. However, recruitment was currently taking place in many other food businesses across the district. For instance, Charlie Bighams was due to open their manufacturing site in Dulcote Quarry in the autumn. Funding had been obtained for this company to offer training to new recruits.</p> <p>Meanwhile, Clarks International Ltd were going to start manufacturing shoes in Street again.</p> <p>Enterprise Mendip, the Council's advice service to businesses was steadily being kept busy.</p> <p>Members welcomed the update.</p>	<p><b>Jenny Pitcher</b></p>

	<p><b>RESOLVED</b></p> <p>To note the report.</p>	
	<p><b>The Chairman altered the order of the items as follows:</b></p>	
9	<p><b>Treasury Management Annual Report 2016/17</b></p> <p>The Portfolio Holder for Finance, Governance and Corporate Services presented a report which stated that the Treasury Management Annual Report had been prepared. It reflected on the performance against the Treasury Management strategy for the 2016/17 financial year.</p> <p>At the start of the year the Council had a small amount (£162,000) of long-term borrowing outstanding, related to residual loans undertaken before 24 August 1985. The Council had an unplanned short term borrowing need for 6 days of £2 million to prepay a contract which would give a return of 3%.</p> <p>During the year the Council operated within the treasury limits set out in the Treasury Management Strategy.</p> <p>At the end of the financial year the Council held £7,910,842.50 of internally managed funds and it had placed a cumulative figure of £30,500,000 of individual investments during the year. These investments earned a total interest of £89,354.22 during the year, an average rate of return of 0.63%.</p> <p>The Council also held 3 call accounts, the main one at NatWest plus two others with the Bank of Scotland and Santander Bank. These accounts held varying overnight balances but did not exceed the £5 million daily limit.</p> <p>Members welcomed the report.</p> <p><b>RESOLVED</b></p> <p>To note that officers had complied with the Council's Treasury Management policies and practices during the 2016/17 financial year.</p>	Paul Deal
8	<p><b>Rode Neighbourhood Plan</b></p> <p>The Portfolio Holder for Planning, Growth and Housing Services and the Assistant Portfolio Holder presented a report which stated that the Council had a statutory duty to support Neighbourhood Plans pursuant to Section 61G(5) of the Town and Country Planning Act 1990 as applied to Neighbourhood</p>	Jo Milling

	<p>Plans by Section 38A of the Planning and Compulsory Purchase Act 2004) and the Neighbourhood Planning (General) Regulations 2012 as amended 2014, 2015 and 2016.</p> <p>Once a Neighbourhood Plan had successfully passed all of the stages of preparation, including an Examination and Referendum, it was ‘made’ by the local planning authority and formed part of the authority’s Development Plan, meaning it would be a material consideration when considering development proposals.</p> <p>The Rode Neighbourhood Plan had now been successful at Referendum, with some 80% of voters voting in favour of the Plan. The Council was now required to ‘make’ the plan within 8 weeks. The plan would become part of the development plan from 19 July 2017.</p> <p><b>Options Considered</b></p> <p>At this stage there were no options open to the Council other than to ‘make’ the plan so that it would form part of the Development Plan for the district of Mendip.</p> <p>During the discussion that followed Members welcomed the Neighbourhood Plan and congratulated the village on getting to this stage.</p> <p>It was suggested that information about the plan be passed to all of the Parish Clerks within the district as an example of good practice.</p> <p><b>RESOLVED</b></p> <p>To ‘make’ the Rode Neighbourhood Plan pursuant to the provisions of section 38(A)(4) of the Planning and Compulsory Purchase Act 2004.</p> <p><b>Reasons for the resolution</b></p> <p>Having passed the referendum stage, the Council was required to ‘make’ the plan within 8 weeks after the referendum had been held.</p>	
7	<p><b>Shape Housing Ltd – Amendment to Board of Directors</b></p> <p>The Portfolio Holder for Planning, Growth and Housing Services presented a report which stated that in July 2015 the Council established (as sole shareholder) a Company Shape Housing Limited to undertake housing related investments in order to increase revenue income into the Council to support its general fund and ultimately assist in delivering sustainable services in</p>	Jai Vick

the future. This was following Cabinet's approval of the formation of a Housing Company at its meeting of 9 March 2015. Membership of the board of directors was agreed at this meeting.

The Company remained dormant until 3 April 2017 during which period officers and directors developed a 5 year business plan setting out the aims and objectives of the company and ultimately its projections over the first 5 years of trading. This work concluded when the Board of directors adopted the Plan on 28 March 2017 and subsequently this was approved by the shareholder, the Council, at its Cabinet meeting on 10 April 2017.

The existing board of directors had considered the current membership of the board and were of the view to make amendments to the membership which would bring in industry expertise to help develop and shape the company moving forwards. As a result 3 of the existing board members were in the process of resigning from their positions.

This paper sought to advise the Council of these resignations and to make a request to amend the membership structure from having 5 members (Mendip District Council Councillors) as board members to a structure of 3 board members to be Mendip District Councillors and 2 x non-executive members, one with a governance expertise and one with industry related expertise.

### **Options Considered**

Three of the five existing board members were in the process of resigning and as a result the Council needed to consider replacements of these therefore to do nothing was not an option. The Company was quorate for decision making with 3 board members present at meetings, but within its constitution the board should be made up of 5 members. The directors felt this was an opportunity to bring in expertise and as such amending the structure of the board of directors was the only option at this time given the imminent nature of the resignation of three of the five current directors.

During the discussion that followed Councillor Philip Ham said he regretted having to leave the Board. He thanked the Officers who had helped him and for their hard work in what was a very worthwhile project. Councillor Tom Killen concurred with this comment.

In response to queries the Deputy Leader said the consideration of suitable candidates for replacement board members should be made outside of the meeting. He explained the new company would be more like a development company than a housing

	<p>association. As such it would not be restricted to considering housing developments only.</p> <p>Councillor John Parham had declared a personal but non prejudicial interest in the item because he was a Director of Shape Housing Ltd. He did not vote on the proposal.</p> <p><b>RESOLVED</b></p> <p>That Councillors John North and Bryan Beha remain directors of Shape Housing Company Ltd, and that Councillor John Parham fill the remaining board member vacancy.</p> <p>Officers will then work with these three directors to secure two additional non-executive directors making a total of five directors.</p> <p><b>Reasons for the resolution</b></p> <p>Due to the resignation of three of the members of the board the Council needed to make a decision with regard to the membership of the board to ensure the company remained quorum. This was an ideal opportunity to consider at the same time opportunities to bring in external expertise as two of the five directors from the industry.</p>	
10	<p><b>Somerset Prevention Charter</b></p> <p>The Portfolio Holder for Planning, Growth and Housing Services presented a report which stated that as part of the work the district council had been carrying out, as a member of the Somerset Health and Wellbeing Board, it had been reviewing how the services that the district provided could contribute to improved health and wellbeing.</p> <p>This work had sat alongside the development of the Somerset Sustainability and Transformation Plan (STP) whose focus was to achieve a more effective health and care system in Somerset over the next five years.</p> <p>One of five priorities coming from the STP was a focus on prevention to develop a sustainable system and as part of this, all of the partners of the Somerset Health and Wellbeing Board had been asked to endorse the Somerset Prevention Charter to emphasise their commitment to this priority.</p> <p>During the discussion that followed Members agreed that prevention was essential.</p>	Tracy Aarons

	<p>In response to queries the Deputy Chief Executive explained that residents should be able feel confident to approach Social Services or any other agency and that they would support them with a whole raft of services because information was now being shared. Multi-agencies were now aware of all families, from birth. The Portfolio Holder added that the services and the Charter would be fully inclusive of all types of family units.</p> <p><b>RESOLVED</b></p> <p>To endorse the Somerset Prevention Charter</p>	
<b>11</b>	<p><b>Portfolio Holder Decisions</b></p> <p>The following recent Portfolio Holder decisions were noted.</p> <p>2017 278 – Joint Project Manager 2017 279 – Clarks Village Car Park Management Agreement</p>	
<b>12</b>	<p><b>Forward Plan</b></p> <p>The Council’s Forward Plan was noted.</p> <p>The Leader of the Council said that in future the items listed for Scrutiny would dovetail into the Council’s Forward Plan.</p>	
<b>13</b>	<p><b>Minutes for Information</b></p> <p>There were no minutes for information on this occasion.</p>	
<b>14</b>	<p><b>Urgent Business</b></p> <p>None</p>	

The meeting closed at approximately 7.15 pm.