

MENDIP DISTRICT COUNCIL

Minutes of the meeting of Full Council held on Monday, 19 February 2018 in the Council Chamber, Council Offices, Shepton Mallet commencing at 6.30pm.

COUNCILLORS

PRESENT: Eve Berry, Adam Boyden, Peter Bradshaw, John Brunson MBE, Carole Bullen, Rachel Carter, John Coles, Shane Collins, Nick Cottle, Edward Drewe, Stina Falle, John Greenhalgh, Philip Ham, Des Harris, Bente Height, Steve Henderson, Nigel Hewitt-Cooper, Damon Hooton, Alvin Horsfall, Claire Hudson, Lloyd Hughes, Tom Killen, Roy Mackenzie, Jeannette Marsh, Graham Noel, John Osman, John Parham, Mike Pullin, Tim Rice, Harvey Siggs, Dick Skidmore, Nigel Taylor, Alan Townsend, Danny Unwin, David van Dyk, Nigel Woolcombe-Adams, Ros Wyke

OFFICERS

PRESENT:	Tracy Aarons	Deputy Chief Executive
	Stuart Brown	Chief Executive
	David Clark	Group Manager Law and Governance
	Paul Deal	Section 151 Officer
	Caroline McCafferty	Committee Officer
	Donna Nolan	Deputy Chief Executive
	Laura Thomas	Marketing

OTHERS

PRESENT:	Julian Gale	Lead Officer – Remuneration Panel
	Ian Partington	Remuneration Panel Chair

Agenda Item Number	Subject	Actioned by
1 and 2	<p>Evacuation Procedures, Induction Loop and Turning Off Mobile Phones</p> <p>The Chair explained the evacuation procedures and informed everyone on the use of the induction loop and requested that mobile phones be switched to silent.</p> <p>Councillor Coles was invited to offer an opening prayer.</p>	
3	<p>Apologies for Absence</p> <p>Apologies for absence had been received from Councillors John North, Helen Sprawson White, Adam Sen, Linda Oliver, Terry Napper, Clive Mockford, Jo Beale, Bryan Beha, Simon Davies and John Carter.</p>	
4	<p>Declarations of Interest</p> <p>Members queried the necessity to declare an interest in Members' Allowances and Council Tax setting, to which</p>	

	it was clarified that dispensations were in place for these items.	
5	<p>Chairman's Engagements, Communications and Announcements</p> <p>The Chair had attended the following engagements since the last meeting of Full Council;</p> <p>Wells Christmas Market – December 2017</p> <p>The Portfolio Holder for Neighbourhood and Community Health Services apologised that the Chair had not been asked to open the Christmas Market.</p>	
6	<p>Public Participation</p> <p>a) Items on the agenda There were none</p> <p>b) Items not on the agenda There were none</p>	
7	<p>Previous Minutes of Council</p> <p>The minutes of 18 December 2017 were agreed as a correct record of proceedings.</p>	
8	<p>Update from the Leader of the Council</p> <p>The Leader stated that this meeting of Full Council was very important as it would be dealing with the budget. The Portfolio Holder for Finance, Governance and Corporate Services and the finance team had put together a strong budget. There would be an increase in Council Tax which was not desired but necessary, though the total increase in Council Tax had been 3.75% since 2011.</p> <p>The Leader further stated that the 5 Councils contract had been agreed and should be concluded and signed by the end of the week.</p> <p>He added that the Council had been provided with the Financial Distress Continuity Plan to ensure the soundness of contractors, all of which had been found to be robust. The Asset Management Strategy had continued and all Councillors had been invited to visit the initial purchase.</p>	

	<p>The new Scrutiny Process had a slow but solid start, and an update would be required from the Chair of Scrutiny for the Autumn 2018 meeting of Cabinet.</p> <p>Neighbourhood Services had had a busy year and the Leader commended Elizabeth Dawson on stepping up to be the Interim Group Manager. The Planning Department was under continued pressure with winners and losers due to planning decisions. The adopted Local Plan had given a robust framework. He added that though residents would be resistant to large developments on the edges of towns, the Council had to work within Government guidelines for housing provision. The Council would continue to search for ways to improve, and discussions were ongoing with outside partners and the 5 Councils.</p> <p>The Leader informed Full Council that councillor Danny Unwin had stepped in for Councillor Linda Oliver as Cabinet Assistant for her 6 months absence.</p> <p>He concluded by thanking all for making the Council as successful as it was.</p> <p>In response to a query regarding a media story that Mendip District Council had received a grant of £800,000, the Portfolio Holder for Planning, Growth and Housing Services clarified that this was a suggested figure with regard to the One Public Estate, and that the Council awaited further developments from Central Government.</p>	
<p>9</p>	<p>Medium Term Resource Strategy</p> <p>The Portfolio Holder for Finance, Governance and Corporate Services apologised for an omission in the papers due to human error and added that this omission should not make a fundamental difference as the figures were identical to those presented at Cabinet. He thanked the Section 151 Officer and the Deputy Corporate Financial Advisor for their work and abilities.</p> <p>The Portfolio Holder for Finance, Governance and Corporate Services presented a report the purpose of which was to make recommendations on the level of the Council's Revenue and Capital Budgets, the Band D Council Tax and Special Expenses Rate for 2018/19.</p> <p>The report included the following appendices:</p>	<p>Paul Deal</p>

Appendices:

Appendix A – 2018/19 Provisional Local Government Finance Settlement

Appendix B – Summary Capital Investment Programme;

Appendix C – Detailed Capital Investment Bid Proposals;

Appendix D – The Prudential Code Indicators;

Appendix E(i) – Revenue Control Totals by Service;

Appendix E(ii) – Revenue Control Totals by Subjective;

Appendix F – Summary of Reserves and Balances

Appendix G – Special Expenses Rate

Appendix H – Fees and Charges

The 2018/19 Financial Plan outlined the detailed budget and the 2018/19 – 2022/23 Medium Term Resource Strategy the options for a sustainable five-year strategy. The detailed financial implications were dealt with within the body of the report.

The Council had recognised there were potential risks arising as a result of unforeseen circumstances and had produced a budget for 2018/19 that both maintained general balances above the minimum level specified by the Section 151 Officer and provides an in-year Revenue Contingency Budget.

The Portfolio Holder proposed the report.

The Leader of the Council seconded the proposal.

Members generally commended the report and the Officers involved.

In response to a query, the Portfolio Holder for Planning, Growth and Housing Services clarified that the additional funding from Central Government was ringfenced for planning, and that a new structure with regard to planning, including planning enforcement and a new Economic Development Officer would be forthcoming.

In response to another query regarding the figure included for mobile telephones, the Portfolio Holder for Finance, Governance and Corporate Services clarified that he would respond by email as there were several options currently being explored. With regard to the number of full time posts lost, the Portfolio Holder explained that the figures presented were best estimate, and the final figure could be less, and were within the set tolerances.

In response to a query regarding the projected shortfall, the Portfolio Holder clarified that there were reserves available to smooth the transition. With regard to closed graveyards, the Portfolio Holder clarified that this had been paid through the Special Expenses Rate.

There were queries regarding the introduction of ModernGov software, to which the Leader of the Council advised that there was a Working Group to discuss these issues, to which all had been invited.

Councillors Bente Height and Jeannette Marsh advised that they would abstain from the vote because of Appendix C in the report regarding the safety of access via the bridge to Shepton Mallet Cemetery. The Portfolio Holder for Finance, Governance and Corporate Services stated that Highways had been consulted, and maintained that the bridge was capable of carrying the loads stated.

The Leader concluded that the budget had been generally commended, and accepted that Councillors Height and Marsh had offered a reason for abstention.

In accordance with the Local Authorities (Standing Orders), (England), (Amendment) Regulations 2014, and the Constitution, the following was recorded;

Councillors Eve Berry, Peter Bradshaw, John Brunson, Carole Bullen, Rachel Carter, John Coles, Nick Cottle, Edward Drewe, Stina Falle, John Greenhalgh, Philip Ham, Des Harris, Steve Henderson, Nigel Hewitt-Cooper, Damon Hooton, Tom Killen, Roy Mackenzie, Graham Noel, John Osman, John Parham, Mike Pullin, Tim Rice, Harvey Siggs, Dick Skidmore, Nigel Taylor, Alan Townsend, Danny Unwin, David van Dyk, Nigel Woollcombe-Adams voted in favour of the recommendation.

Councillor Hudson indicated she did not consider she was required to formally vote to abstain. In the circumstances, the following Councillors were noted as not voting;

Councillors Bente Height, Shane Collins, Alvin Horsfall, Jeannette Marsh, Claire Hudson and Ros Wyke.

Councillor Adam Boyden joined the meeting at the end of this item at 7.45pm, and took no part in the vote.

RESOLVED

1. Provisional Local Government Finance Settlement

Full Council noted:

- (i) The outcome of the Provisional Local Government Finance Settlement as detailed within **Appendix A**

2. CAPITAL INVESTMENT PROGRAMME

Full Council agreed:

- (ii) The overall Capital Investment Programme for 2018/19 of **£3,817,600** and note the indicative programmes for 2019/20 to 2022/23 as summarised in **Appendix B** with the detailed proposals included within **Appendix C**;
- (iii) Set an overall Capital Envelope at **£80m** for 2018/19 to provide sufficient flexibility to enable to Council to respond to investment opportunities if they arise in-year.
- (iv) That the Chief Executive and relevant Group Manager(s) be given delegation to decide on the specific individual service capital projects to be delivered within generic approvals for their area of control, following any consultation as necessary;
- (v) The Prudential Code Indicators as shown in **Appendix D**, subject to any changes made;
- (vi) That the following statement on the Minimum Revenue Provision be endorsed for 2018/19:

“The Council will continue to make Minimum Revenue Provision at least equal to an annual 4% reducing balance method on all capital expenditure covered by government supported borrowing approvals.

Minimum Revenue Provision for the capital expenditure within the proposed Annual Service Capital Programme will be based on the nominal life of the asset delivered.

For the capital expenditure within the proposed Commercial Investment Capital

Programme, Provision will be based upon one the following options:

- a. Where the asset is to be retained, Minimum Revenue Provision will be set aside based on the nominal life of the asset delivered (the default position);**
- b. Where the asset is to be sold to repay the debt, a separate provision will be created for any reduction in the valuation of the asset (assessed annually) being recovered over the remaining life of associated debt financing the investment.**

If in subsequent years the value increases, the Provision could be revised to ensure the amount set aside is appropriate. Any excess provision set aside could then be released enabling the council to invest further or reduce the overall capital financing costs thereby assisting the Revenue Budget”

3. REVENUE BUDGET PROPOSAL

Full Council agreed:

- (i) The overall Revenue Budget for 2018/19 of £16,100,130 after taking into consideration all proposals and supporting documentation within the following appendices:**

- Appendix E(i) – Revenue Control Totals by Service**
- Appendix E(ii) – Revenue Control Totals by Subjective**
- Appendix F – Summary of Reserves and Balances**
- Appendix G – Special Expenses Rate**
- Appendix H – Fees and Charges**

4. COUNCIL TAX SETTING

Full Council agreed:

- (i) In accordance with the Local Authorities (Calculation of Tax Base) Regulation 1992, as amended, the amount calculated by the Council as its Council Tax Base for the year 2018/19 shall be 39,599.15. This figure includes the adjustments made as a result of the Council tax support scheme.**

	<p>(ii) A Council Tax Requirement of £6,003,600 representing a Council Tax of £151.61 for a Band D property, an increase of £5 or 3.41% from 2017/18 (excluding the Special Expenses Rate).</p> <p>(iii) The continuation of the additional Council Tax Precept equivalent to 1.25% of Mendip's 2015/16 Council Tax Charge for the Shadow Somerset Rivers Authority only. This equates to a Band D value of £1.84 resulting in a Council Tax Requirement of £72,800 for 2018/19.</p> <p>5. <u>SPECIAL EXPENSES RATE</u></p> <p>Full Council agreed:</p> <p>A Special Expenses Rate of £237,800 capping the rate to previous levels</p> <p>Changed the order to remuneration panel next</p>	
10	<p>Treasury Management Strategy</p> <p>The Portfolio Holder for Finance, Governance and Corporate Services introduced a report which sought approval for the Treasury Management and Annual Investment Strategy for the forthcoming financial year 2018/19.</p> <p>In response to a question from a Member, it was clarified that there are no LOBO loans.</p> <p>The vote was unanimously in favour of the recommendations.</p> <p>RESOLVED</p> <p>Council agreed:</p> <ol style="list-style-type: none"> 1. The strategy as laid out in the report; 2. The prudential guidelines as laid out in the report; 3. To approve MRP policy included in this report. 	
11	<p>Council Tax Setting</p> <p>Full Council were informed that due to the charges for the other precepting authorities not being determined until later this week, Mendip District Council as the Billing Authority could not set the Council Tax rate until these</p>	

	<p>figures were received. Therefore, delegation was sought to invoke a meeting of the Council Tax Setting Committee to agree the following;</p> <p>The report had presented a recommendation for the resolution required to set the Council Tax for the financial year 2018/19. The recommendation was based on a flat £5 (five pounds) increase on Council Tax for the 2018/19 year. This represented an increase of 3.41%.</p> <p>This increase had not been applied to the Special Expenses Rate which had been capped at previous levels.</p> <p>In addition the Council would continue to raise a demand to fund the Somerset Rivers Authority (SRA) equivalent to 1.25% of the 2015/16 Council Tax Charge.</p> <p>During the discussion that followed, the MDC Members of the SRA, and the SRA Scrutiny Board clarified that many successful projects had been undertaken, including flood defences and highway maintenance throughout the county. They welcomed any questions from Members, and would be happy to provide further information, and to act upon requests by Ward Members. The Deputy Leader was keen that money be spent within the district on the River Frome and River Brue. He added that 3 years on from the serious flooding in the County, and the resulting economic impact, that MDC were proud to have a properly funded SRA to prevent this from happening again.</p> <p>RESOLVED</p> <p>Full Council:</p> <p>Delegated authority to the Council Tax Setting Committee to approve the formal tax resolutions for 2018/19, subject to the approval by each Precepting Authority of their own Precepts.</p>	
<p>12</p>	<p>Pay Policy Statement</p> <p>Senior staff left the Council Chamber.</p> <p>The Localism Act 2011 (the Act) required all Councils to produce and publish a pay policy statement. The contents had been determined by the Act and related guidance and statements must be approved by Full Council.</p> <p>The vote was carried.</p>	

	<p>RESOLVED</p> <p>Full Council:</p> <p>Agreed the Pay Policy Statement for 2018/19</p> <p>Senior staff returned to the Council Chamber.</p>	
<p>13</p>	<p>Review of Members' Allowances</p> <p>Councillor Lloyd Hughes arrived at the meeting at 7.55pm</p> <p>Ian Partingham presented a report which set out the conclusions and recommendations of a "mid-point" review of Mendip's Members' Allowances Scheme, which had been carried out by the Panel.</p> <p>The particular remit for the Panel's mid-point review (February 2018) was initially to assess how well the new October 2015 Scheme was settling, and whether particular problems were emerging. Subsequently, the Leader of the Council, requested a more focused assessment by the Panel to:</p> <ul style="list-style-type: none"> (a) Review levels of SRA payments because of concerns over comparative levels of current SRAs as compared to peer councils (b) Consider recommending the payment of an SRA to the Vice-Chairman of the Scrutiny Board. <p>During the discussion that followed, Councillor Roy Mackenzie accepted and proposed the recommendations. Councillor Nigel Hewitt-Cooper seconded the recommendations and thanked the Panel, stating that he was happy that remuneration was coming in line with neighbouring authorities.</p> <p>The Leader of the Council echoed thanks to the Independent Panel</p> <p>Councillor Claire Hudson requested that women be considered for the Panel. Julian Gale responded that this was a fair point, and would welcome more female Members.</p> <p>RESOLVED</p> <p>Council:</p> <ul style="list-style-type: none"> (a) Made no change to the method of calculation or the value of the Basic Allowance (BA), noting that 	

it would continue to increase annually at the enhanced rate of £128 pa with the agreed indexing provision;

- (b) Replaced the current Annex A in the Scheme – Special Responsibility Allowances (SRA) 2017/18 – with the following:

SRA structure based on the Basic Allowance of £3,996 pa

<u>Band</u>	<u>Post</u>	<u>Amount (£)</u>	<u>Multiplier</u>
1	Leader	11189	2.8
2	Deputy Leader	5994	1.5
3	Cabinet Member (up to 7)	4795	1.2
4	Chairman Council Chairman – main committees (decision-making) Chairman – Scrutiny, Planning	4396	1.1
5	Chairman – smaller committee (decision-making): Licensing Opposition Leader	2398	0.6
6	Vice-chairman committees: Council, Planning, Scrutiny Chairman – advisory committees; Audit, Standards Portfolio Holder assistants	1998	0.5
No band	Other posts: Allowance for Independent Person; Leader of the smaller opposition group(s) with more 5+ members	1175 (1100) 150 per member	0.294
	Co-optees allowances for members of Audit	799	0.2

- (c) Noted:
- (i) That the Panel’s recommendations, if adopted in full by the Council, will move the Council’s present SRA provisions and payments closer to peer councils but in a measured way that acknowledges the enhanced indexing provision already in place;

	<p>(ii) That the Panel proposes to undertake a fundamental review of the revised Scheme, including detailed consideration of the BA - and any impact of the Five Councils Partnership – for report to the Council after the May 2019 elections.</p> <p>All other aspects of the Scheme including travel, subsistence and carers allowances and the list of approved duties were outside of the scope of this review and would be addressed by the panel in the fundamental review planned for 2019.</p>	
14	<p>Motions to Council</p> <p>Councillor Roy Mackenzie submitted the following motion</p> <p>This Council recognises the many reasons for delay in getting empty homes back into use, for the benefit of those seeking a place to live, and for the immediate neighbours. Accordingly we welcome the Chancellor's proposal in the Autumn Budget that we should have the ability to increase the Council Tax on properties that have been empty for two years or more from 50% to 100% (ie a 100% increase).</p> <p>The Motion was carried.</p> <p>RESOLVED</p> <p>That:</p> <p>This Council recognises the many reasons for delay in getting empty homes back into use, for the benefit of those seeking a place to live, and for the immediate neighbours. Accordingly we welcome the Chancellor's proposal in the Autumn Budget that we should have the ability to increase the Council Tax on properties that have been empty for two years or more from 50% to 100% (ie a 100% increase).</p>	
15	<p>Questions from the Public</p> <p>There were none.</p>	
16	<p>Questions from Members</p> <p>Councillor Adam Boyden submitted the following questions</p>	

What are the factors contributing to the sharp fall in the provision and proportion of affordable housing being built in the district since 2014/15? (please see attached data chart summarised from MDC's Development Monitoring tables for housing and affordable housing.)

The Portfolio Holder for Planning, Growth and Housing Services responded that the actual lowpoint was 2014, not 2017.

Is this trend continuing in 2017/18?

The Portfolio Holder for Planning, Growth and Housing Services clarified that officers inspected the numbers annually, and that this had not yet been undertaken for the current year.

How has the current Government's policy of no longer requiring developments of less than 10 dwellings to provide or contribute towards affordable housing affected provision?

The Portfolio Holder for Planning, Growth and Housing Services stated that the policy had not been helpful, and had made only a slight difference.

What was the Government response to Council lobbying for any changes to policy?

The Portfolio Holder clarified that no response had been received.

How have developers' viability assessments been used to reduce affordable housing requirements?

The Portfolio Holder suggested that Members attend planning training, which covered this topic

What is the Council doing to encourage the development of affordable / social housing in line with adopted Local Plan policy?

The Portfolio Holder clarified that the Council could employ third party consultants to challenge this policy. He further stated that developers were able to challenge the figures for affordable housing due to the cost of the land.

In response to a request for figures for socially rented housing, the Portfolio Holder responded that work was underway to make the figure public.

17	Urgent Business There was none.	
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The meeting closed at approximately 8.45 pm.