

**MINUTES OF A MEETING OF
THE EXECUTIVE
HELD IN THE REPTON ROOM ON THURSDAY, 27 JANUARY 2022**

Members in attendance:			
* Denotes attendance			
∅ Denotes apologies for absence			
*	Cllr K J Baldry	*	Cllr T R Holway
*	Cllr H D Bastone (Vice Chairman)	*	Cllr N A Hopwood
∅	Cllr J D Hawkins	*	Cllr J A Pearce (Chairman)

Non-Executive Members also present either in person or remotely for all or part of the meeting:
Cllrs Birch, Brazil, Foss, Long, McKay, O'Callaghan, Pannell, Pringle, Reeve, Rowe, Smerdon, Spencer Sweett and Taylor

Officers in attendance and participating:		
All items		Chief Executive; Deputy Chief Executive; and Democratic Services Manager
Item 8	Minute E.78/21	Head of Housing
Item 7	Minute E.79/21	Section 151 Officer and Deputy Section 151 Officer
Item 9	Minute E.80/21	Head of Policy and Strategy
Item 10	Minute E.81/21	Senior Specialist for Natural Resources and Green Infrastructure
Item 11(a)	Minute E.82/21(a)	Senior Specialist – Climate Change
Item 13	Minute E.83/21	Director of Place and Enterprise

E.74/21 MINUTES

The minutes of the Executive meeting held on 2 December 2021 were confirmed as a true and correct record.

E.75/21 DECLARATIONS OF INTEREST

Members and officers were invited to declare any interests in the items of business to be considered during the course of this meeting, but there were none made.

E.76/21 PUBLIC QUESTION TIME

The Leader informed that no public questions had been received in accordance with the Executive Procedure Rules.

E.77/21 EXECUTIVE FORWARD PLAN

Members were presented with the most recently published version of the Executive Forward Plan that set out items on the agenda for Executive meetings for the next four months and duly noted its contents.

With regard to the Garden Waste Options paper that was due to be presented to the Executive meeting on 3 March 2022, the Deputy Chief Executive confirmed that, following a recent conversation with FCC representatives, the Council would be in receipt of a Service Improvement Plan from FCC within the next couple of days.

E.78/21 HOUSING CRISIS UPDATE REPORT

The Leader advised that she was exercising her discretion to bring forward agenda item 8: 'Housing Crisis Update Report' to be considered before published agenda item 7: 'Draft Revenue and Capital Budget Proposals for 2022/23 to 2024/25' (Minute E.79/21 below refers). The reason for amending the running order of the published agenda was in recognition of the wish to consider the Housing Crisis agenda item prior to the Executive then considering the draft Revenue and Capital Budget.

Members proceeded to give consideration to a report that sought to provide an update to Members on the following ongoing project actions that were linked to the Housing Crisis and Housing Strategy:

- Property purchases under the Housing First funding programme;
- Progress on the Homeless Strategy following the recent all Member consultation sessions;
- The Annual Rough Sleeper Count and arrangements for the Council's Outreach Worker;
- The St Anns Chapel Housing Scheme;
- The Council owned brownfield site at Rope Walk, Kingsbridge; and
- A summary of new schemes completed in the last quarter.

In debate, reference was made to:

- (a) the brownfield site at Rope Walk, Kingsbridge. By way of an update, officers advised that a meeting was held with Town Council representatives in December 2021 and a commitment was made for officers to produce an options appraisal that would lead to the potential delivery of affordable housing on the site;
- (b) the draft Revenue and Capital Budget Proposals for 2022/23 (Minute E.79/21 below refers). Due to the relevancy of the housing crisis to the draft Budget Proposals, it was **PROPOSED** and **SECONDED** and when put to the vote declared **CARRIED** that:

'the Executive support the establishment of an Affordable Housing Earmarked Reserve as part of the draft Revenue and Capital Budget proposals for 2022/23 (Minute E.79/21 below refers).'

It was then:

RESOLVED

1. That the work undertaken to address the Housing Crisis and update set in the presented agenda report be noted;
2. That the draft Homeless Strategy 2022-27 be approved for public consultation and stakeholder engagement;
3. That the Executive support the establishment of an Affordable Housing Earmarked Reserve as part of the draft Revenue and Capital Budget proposals for 2022/23 (Minute E.79/21 below refers).

E.79/21

DRAFT REVENUE AND CAPITAL BUDGET PROPOSALS FOR 2022/23 TO 2024/25

The Executive was presented with a report that outlined a series of draft revenue and capital budget proposals for 2022/23 to 2024/25.

In discussion, the following points were raised:-

- (a) Members considered the following two recommendations from the Overview and Scrutiny Committee that were initially generated from the informal joint meeting of Members of the Overview and Scrutiny and Development Management Committees that was held on 13 January 2022:
 1. *recognising that the Council has declared both a Climate Change and Biodiversity Emergency and Housing Emergency, the Executive be urged to give priority to the development and execution of projects in respect of both in 2022/23;*
 2. *the sum of £3.5 million allocated out of the Business Retention Reserve to employment in 2018/19 remains unspent. It is proposed that out of this sum £1.0 million be reallocated to the proposed Affordable Housing Reserve Fund and £250,000 be reallocated to the Climate Change & Biodiversity Reserve;*

With regard to recommendation 1, the Executive felt that this was more of a policy issue than a budget matter and it was therefore felt inappropriate to include this as part of the Revenue and Capital Budget recommendations to Council. In respect of recommendation 2, the Executive was sympathetic to the spirit of this intention, but was also of the view that monies still remained within the Climate Change & Biodiversity Reserve and further monies could be vired into the Reserve should the need arise. In respect of Affordable Housing, the Executive made reference to the recent St Anns Chapel Housing project decision and felt that the Council would also look to externally borrow the money to undertake future schemes.

- (b) An alternative Part 4 to the recommendation that was set out in the presented agenda report was **PROPOSED** and **SECONDED** as follows:

'That £407,557 of the New Homes Bonus Grant allocation for 2022/23 be allocated to an Affordable Housing Earmarked Reserve as a one off contribution for 2022/23 (as set out in sections 3.30 to 3.31 of the presented agenda report). (NB. an amount of £60,000 from the £407,557 is to be allocated to the Step On Deposit scheme pilot).'

In support of the alternative wording, Members reiterated that this was a demonstrable example of the Council acting upon its recent decision to declare a Housing Crisis in the South Hams. When put to the vote, this recommendation was declared **CARRIED**;

- (c) A Member advised that he would not be voting in favour of the recommendations for the following reasons:

- He was not in support of a minimum operating level of Unearmarked Reserves of £2 million and felt that £1.5 million was adequate; and
- In the current economic climate, a number of residents were facing serious financial challenges and he therefore could not support any proposed increase in Council Tax.

In contrast, other Members expressed their support for the recommendations and were of the view that the proposals in relation to Unearmarked Reserves were a prudent approach to budgeting. With regard to the proposed increase in Council Tax, the majority of the Executive recognised the difficulties being faced by residents but also highlighted the need to maintain the Council's base budget and continuing to deliver core services, especially in light of the anticipated future budgetary pressures facing local authorities.

It was then:

RECOMMENDED

That Council be **RECOMMENDED** that:

1. Council Tax for 2022/23 be increased by £5 (Band D of £180.42 for 2022/23 – an increase of 10 pence per week or £5 per year – equating to a 2.85% increase);
2. the financial pressures (as shown in Appendix A of the presented agenda report and amounting to £1,044,600) be approved;
3. the net contributions to/(from) Earmarked Reserves of £561,600 as shown in Appendix D of the presented agenda report, including the proposed use of £500,000 of New Homes Bonus funding to fund the 2022/23 Revenue Budget as set out in section 3.30 of the presented agenda report and £100,000 from the Business Rates Retention Earmarked Reserve as set out in section 3.21 of the presented agenda report;
4. £407,557 of the New Homes Bonus Grant allocation for 2022/23 be allocated to an Affordable Housing Earmarked Reserve as a one off contribution for 2022/23 (as set out in sections 3.30 to 3.31 of the presented agenda report). (NB. an amount of £60,000 from the £407,557 is to be allocated to the Step On Deposit scheme pilot);
5. the savings of £404,000 (as shown in Appendix A of the presented agenda report) be approved;
6. it be noted that South Hams District Council will continue to be part of the Devon Business Rates Pool for 2022/23 following the announcement of the Local Government Finance Settlement for 2022/23;
7. the Council should set its total net expenditure for 2022/23 at £10,464,367 (as set out in Appendix B of the presented agenda report);
8. the proposed Capital Programme Proposals for 2022/23 of £1,665,000 and the proposed financing of the Capital Programme (as set out in Appendix E of the presented agenda report) be approved;
9. Unearmarked Reserves should continue to have a minimum level of £1.5 million (as set out in the adopted Medium Term Financial Strategy in September 2021), but an operating level of a minimum of £2 million;

10. the level of reserves (as set out within the published agenda report) and the assessment of their adequacy and the robustness of budget estimates be noted (NB. this is a requirement of Part 2 of the Local Government Act 2003);
11. £280,000 be transferred from Unearmarked Reserves to a Financial Stability Earmarked Reserve as part of the process of closing the 2021/22 Accounts, to be available for any future financial pressures from future local government funding reforms and any other budget pressures (the predicted year-end balance of Unearmarked Reserves at 31 March 2022 is £2.28 million (as set out in Section 7.8 of the published agenda report) (NB. this would leave an operating level of £2 million for Unearmarked Reserves); and
12. A one-off amount of £200,000 be transferred into a Community Composting Earmarked Reserve in 2021/22 as part of the process of closing the 2021/22 Accounts. NB. a scheme is to be set up with a one-off budget of £200,000 in 2022/23 for community composting, aligned to savings in the green waste element of the waste contract in 2021/22 (as set out in Section 3.40 of the published agenda report).

E.80/21

QUARTER 3 INTEGRATED PERFORMANCE REPORT

Members considered a report that set out the first Integrated Performance Management report since the Council had adopted its Corporate Strategy ('Better Lives for All') that covered the Quarter 3 period (from 1 October 2021 to 31 December 2021).

In turn, each Executive Member presented the aspects of the performance report that were related to their respective portfolio areas of responsibility. In so doing, all Members wished to put on record their thanks for the work of the Head of Strategy and Policy in creating such a reader friendly performance reporting template.

It was then:

RESOLVED

That the progress that the Council has made in delivering against the Year 1 Better Lives for All Thematic Delivery Plan; the financial performance of the programme; and the current strategic risk profile of the Council be noted.

E.81/21 ENHANCING BIODIVERSITY ON COUNCIL OWNED GREEN SPACES – DETAILED PROPOSALS

Consideration was given to a report that presented the detailed proposals; equipment specification; and revenue and capital expenditure to deliver the increase in Biodiversity value on Council owned green spaces.

In discussion, the following points were raised:-

- (a) The request was made for the summary paper of responses from Town and Parish Councils to be fully populated and include comments from every Town and Parish Council in the South Hams;
- (b) With regard to the matter of Closed Churchyards, it was recognised that this was an emotive subject area and was often locally contentious. Specifically regarding the appointed Diocese Biodiversity Officer, it was agreed that the lead officer would follow up some specific points with a non-Executive Member outside of this meeting;
- (c) A Member expressed his hope that the Council's Grounds Maintenance Team could increasingly promote its service offer to be in a position to deliver a service to other potential stakeholders (e.g. local community groups and housing associations).

It was then:

RESOLVED

1. That the new specification for management of Council owned green spaces (as based on the cutting schedule set out in Appendix 1 of the presented agenda report and the new proposed Grounds Maintenance layer) be endorsed;
2. That up to £36,000 be approved from the Earmarked Climate Change and Biodiversity Reserve to purchase equipment required to manage Council green spaces in a more Biodiverse manner;
3. That up to £10,000 be approved from the Earmarked Climate Change and Biodiversity Reserve towards wildflower seed to create new wildflower areas; and
4. That authority be delegated to the Senior Specialist for Natural Resources and Green Infrastructure, in consultation with the Grounds Maintenance Operations Manager, to make minor revisions to the proposed Grounds Maintenance layer and cutting schedule in response to local demand, or if experience and learning dictate, that doing so would assist in delivering improved biodiversity outcomes.

E.82/21

REPORTS OF BODIES**(a) Overview and Scrutiny Committee – 4 November 2021****O&S.37/21: Task and Finish Group – Climate Change & Biodiversity Action Plan**

Having discussed the Task and Finish Group recommendations with the lead officers, the lead Member for Climate Change **PROPOSED** an alternative recommendation to parts (a) and (b) that read as follows:

‘As a partner of the Devon Climate Emergency, South Hams District Council, through a revision of its Climate Change and Biodiversity Strategy and Action Plan (which will take place within 6 months of the publication of the final Devon Carbon Plan) will ensure the targets, indicators and monitoring of the Devon Carbon Plan, as well as its carbon budget periods, are included. In this revision, an interim target of 50% reduction in carbon emissions by 2030 below 2010 levels will be set and the action plan will be frontloaded with impactful actions, aligning with the DCP. Section 5.1 of the Interim Devon Carbon Plan outlines Devon’s Net Zero Target, as well as detailing carbon budget periods to achieve net zero by 2050 at the latest. The implementation of the Devon Carbon Plan will be monitored regularly, and a review will be triggered if carbon emissions are not reducing at the necessary pace. SHDC will contribute to future reviews as a partner and align its Action Plan reviews alongside the Devon Carbon Plan budget periods.’

Having been duly **SECONDED**, some non-Executive Members highlighted the lack of notice that had been given to the alternative recommendation. In accepting the point, the proposer and seconder therefore withdrew their recommendation and made the following alternative proposition:

‘That the recommendations be deferred to enable for a meeting to be held between lead officers; the lead Executive Member for Climate Change & Biodiversity; and the Members of the Task and Finish Group prior to the agenda item being presented back to the next Executive meeting to be held on 3 March 2022.’

When put to the vote, this proposal was declared **CARRIED**.

It was then:

RESOLVED

That the Task and Finish Group recommendations be deferred to enable for a meeting to be held between lead officers; the lead Executive Member for Climate Change & Biodiversity; and the Members of the Task and Finish Group prior to the agenda item being presented back to the next Executive meeting to be held on 3 March 2022.

E.83/21

PLYMOUTH AND SOUTH DEVON FREEPORT UPDATE

Whilst elements of the published agenda report were considered to be defined as 'exempt information' in accordance with paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, the lead Executive Member considered that, in line with the openness and transparency agenda, it was his intention to present his introduction in the public domain.

In so doing, the lead Member informed that:

- The Freeport sought to create three tax sites at Langage, Sherford and South Yard as well as customs sites at Sherford and Langage. The tax and customs rules provided direct financial benefits to the businesses that located in the Freeport, thereby accelerating uptake;
- The Freeport would receive £25 million in Government seed funding, which would be match funded by the public or private sector;
- The monies would be spent on an innovation hub in South Yard and infrastructure and land at Langage and Sherford resulting in the sites being 'market ready' for uptake by businesses;
- The initiative was designed to build and occupy premises and create high value jobs. The key sectors targeted were: Marine; Defence; Manufacturing and low carbon and the vision for the Freeport was not one of high volume, low value containerised goods but of high tech manufacturing, defence logistics and innovation;
- Should the Freeport bid be successful, it would result in the creation of 3,500 jobs and over £280 million in investment by the private and public sectors;
- Langage (which had stalled for over 15 years) would be progressed with the further benefits of active travel infrastructure being built at Deep Lane Junction and the regional Ministry Of Defence capacity requirements being secured;
- With regard to public sector investment, this matter would be considered at a future meeting. However, the lead Member stated that the Freeport would require investment from the public sector family (Plymouth City Council; Devon County Council; and South Hams District Council) to make the initiative work. Whilst the exact amount to be borrowed by the Council remained to be determined, it was likely to be in the order of £5 million.

At this point, it was **PROPOSED** and **SECONDED** and when put to the vote declared **CARRIED**:

'That in accordance with Section 100(A)(4) of the Local Government Act 1972, the public and press be excluded from the meeting during consideration of the following items of business as the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A to the Act is involved.'

The importance of all Members being fully informed of the key issues related to the scheme before any investment decisions were to be made was recognised and a commitment was made for Member Briefings to be scheduled into the Member Meeting Calendar.

It was then:

RESOLVED

That the update report be noted.

(NOTE: THESE DECISIONS, WITH THE EXCEPTION OF MINUTE E.79/21 (WHICH IS A RECOMMENDATION TO THE COUNCIL MEETING TO BE HELD ON 10 FEBRUARY 2022) WILL BECOME EFFECTIVE FROM 5.00PM ON MONDAY, 7 FEBRUARY 2022 UNLESS CALLED IN, IN ACCORDANCE WITH SCRUTINY PROCEDURE RULE 18).

(Meeting commenced at 10:00 am and concluded at 11.55 pm)

Chairman