

**TDCC Business Meeting**

**Date: 7<sup>th</sup> August 2017**

**Location: Tavistock Room, The Bedford Hotel, Tavistock**

**In Attendance**

*Committee Members*

Chairman, Mike Harper (MH)

Social Secretary, Clair Wellsbury-Nye (CWN)

Secretary, Richard Cosgrave (RLC)

*Members*

Robert Oxborough

Ross Ayling

Paul Williamson (as Council Member of Tavistock Town Council)

*Visitors*

Councillor Philip Saunders (leader West Devon Borough Council)

David Rogers

Jo Butler

**Apologies**

Kate Royston

RLC/MH gave a summary of the of the committee meeting that had just ended including...

Now arranged - 12<sup>th</sup> September Coffee & Cake @ The Wharf 10:30 to 12:00

TDCC to Join The Tamar Valley Tourism Association (TAVATA) – cost relatively low (£50) and increases exposure of TDCC.

Tavistock Town Council now writing an all-encompassing Neighbourhood Plan. This is a very large task for TTC. There are plans to run this under a steering group with input from Tavistock Heritage Trust, BID and TDCC. MH taking the lead for TDCC.

MH reported on the recent WDBC Hub meeting where the WDBC plan for Business Rates rebates was signed off. A list of all properties that can claim is being circulated and the rate-payers must claim (the support isn't automatic) by Christmas. MH concerned that certain details remained unclear with respect to use of any funds that are not claimed and this concern was also felt by Tavistock BID. MH to seek clarification in writing and if no satisfactory answer received TDCC and BID to use open means of communication to raise questions and concerns.

CNW Gave a run-down of proposals for the new TDCC website and put in a call for information from members to go on the site.

Main part of meeting then started – Discussion about Council investment plans and potential merger of West Devon Borough Council and South Hams District Council.

#### Summary of positions

- 1) WDBC & SHDC: expected changes in central government funding will leave WDBC unable to set a legal budget in 2019
- 2) WDBC seeking to merge with SHDC given existing shared working arrangements
- 3) WDBC had tried to open discussions with Plymouth City Council re merging PCC and WDBC without success
- 4) Mitigation includes borrowing significant sum to invest in a property portfolio
  - a. AS OF 7<sup>th</sup> AUGUST 2017 THIS IS A DONE DEAL, APPROVED AND SEALED WITHOUT PUBLIC CONSULTATION
    - i. Any proposed merger of councils will include the merged authority taking on this commitment
  - b. Financial summary of property portfolio scheme
    - i. Borrowing three tranches of £25 million from the Public Works Lending Board i.e. borrowing from central government (at approx. 2% below market rate) for a period of 50 years on an interest only basis. i.e. a total of £75m
    - ii. Incurring administrative costs at setup of £7.2m to be added to base sum borrowed
    - iii. Expected annual fees of £1.4m
    - iv. Expected return in excess of 5.5-5.8%
    - v. Requires 4% return to break even
  - c. Investment strategy
    - i. A 'me-too' policy already adopted by other local-authorities of buying percentages of single-site developments such as office space and shopping centres.
    - ii. Strategy based on purchase of individual units at a particular site
    - iii. No plans to use funds to directly help develop local economy
    - iv. Seems to assume no occupancy voids...
    - v. Has passed "Treasury Management" review and legal advice received by WDBC deem risks acceptable

The position relating to why the Council was seeking merger was accepted as de-facto and the discussion rapidly moved on to the detail of the borrowing. Particular concern was expressed that:

- 1) the expected return is both low and seems optimistic with respect to occupancy. The councillors claimed that the expectations were deliberately played down.
- 2) The funds were not going to be injected into the local property market to stimulate sectors of the commercial property market currently wanting
  - a. This generated a separate discussion (similar to July '17) about high rent levels in Tavistock compared to, say, Plymouth and concentration of property ownership in Tavistock
  - b. Suggestions were made to use the investment funds to encourage development of 'Zone 23B' in the WDBC development Plan for small units rather than single occupancy.
  - c. The council were asked to encourage central government to revisit the "Northern Link Route" rail plan that was proposed following the loss of the Dawlish section of main-line railway in 2015 especially as the current proposed rail link for Tavistock includes only one or two trains in the whole of the peak-commuting periods AND the route would bring the workforce into a part of Plymouth that is not convenient for reaching most of the employment in the town.

Members and visitors attending were given a few moments to impart any news they wished to share including:

Richard Searight reported that OkeRail was close to launching a trail service to Exeter with the view to launching a permanent service in 2018.

Jo Butler was attending as she is now working with Tavistock Heritage Trust and wants to get to know a bit more about Tavistock.

Closing comments

Next breakfast event 17<sup>th</sup> August – Book now

Next Business Meeting – Monday 4<sup>th</sup> September

