

South Hams Executive



Title:	Agenda
Date:	Thursday, 22nd November, 2018
Time:	10.00 am
Venue:	Repton Room - Follaton House
Full Members:	<p style="text-align: center;">Chairman Cllr Tucker Vice Chairman Cllr Wright</p> <p><i>Members:</i> Cllr Bastone Cllr Hopwood Cllr Gilbert Cllr Wingate</p>
Interests – Declaration and Restriction on Participation:	Members are reminded of their responsibility to declare any disclosable pecuniary interest not entered in the Authority's register or local non pecuniary interest which they have in any item of business on the agenda (subject to the exception for sensitive information) and to leave the meeting prior to discussion and voting on an item in which they have a disclosable pecuniary interest.
Committee administrator:	Member.Services@swdevon.gov.uk

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| 1. Minutes | 1 - 10 |
| to approve as a correct record and authorise the Chairman to sign the minutes of the meeting of the Executive held on 13 September 2018; | |
| 2. Urgent Business | |
| brought forward at the discretion of the Chairman; | |
| 3. Division of Agenda | |
| to consider whether the discussion of any item of business is likely to lead to the disclosure of exempt information; | |
| 4. Declarations of Interest | |
| Members are invited to declare any personal or disclosable pecuniary interests, including the nature and extent of such interests they may have in any items to be considered at this meeting; | |
| 5. Public Question Time | 11 - 12 |
| a period of up to 15 minutes is available to deal with questions submitted to the Council in accordance with the Executive Procedure Rules; | |
| 6. Heart of the South West Joint Committee Update | 13 - 28 |
| 7. Supporting the formation of South West Mutual | 29 - 120 |
| 8. Annual review of Health and Safety Policy Statement | 121 - 138 |
| 9. Reports of Other Bodies | 139 - 156 |
| a) O&S Panel – 4 October 2018; and | |
| b) O&S Panel – 1 November 2018 | |
| 10. Public Toilet Review | |
| To follow | |
| 11. Exclusion of Public and Press | |
| - to consider the following resolution to exclude the public and press:- | |

“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 in order to avoid the likely disclosure to them of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act”;

12. Request for Long Lease Renewal

To follow

13. Waste Procurement

To follow

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**MINUTES OF A MEETING OF
THE EXECUTIVE
HELD AT FOLLATON HOUSE ON THURSDAY 13 SEPTEMBER 2018**

Members in attendance:			
* Denotes attendance			
∅ Denotes apologies for absence			
*	Cllr H D Bastone	*	Cllr R J Tucker (Chairman)
*	Cllr R D Gilbert	*	Cllr S A E Wright (Vice Chairman)
*	Cllr N A Hopwood	*	Cllr K R H Wingate

Also in attendance and participating		
Item 6	E.30/18	Cllrs Baldry, Green, Pearce, and Pennington
Item 7	E.31/18	Cllr Green
Item 9	E.33/18	Cllr Green
Item 10	E.34/18	Cllrs Baldry, Bramble, Cuthbert, Green, Hodgson, Pennington and Rowe
Item 11	E.35/18	Cllrs Cuthbert and Rowe
Item 12	E.36/18	Cllrs Baldry, Brown, Cuthbert, Green, Hicks and Rowe
Item 14	E.38/18	Cllrs Green and Pearce
Also in attendance and not participating		
Cllrs Blackler, Brazil, Holway, Huntley, Pringle, Steer and Vint		

Officers in attendance and participating		
All items		Head of Paid Service, Group Manager Customer First and Support Services, s151 Officer and Specialist – Democratic Services
Item 9	E.33/18	Specialist Assets and Place Making
Item 10	E.34/18	Senior Specialist Environmental Health
Item 11	E.35/18	Specialist Benefits
Item 14	E.38/18	COP Lead IT

E.26/18 MINUTES

The minutes of the Executive meeting held on 19 July 2018 were confirmed as a true and correct record and signed off by the Chairman.

E.27/18 URGENT BUSINESS

The Chairman advised that there were two items of Urgent Business as follows:

Firstly, Cllr Bastone advised Members that the Council had become a member of the Institute of Customer Service, the purpose was to be able to benchmark against other organisations and learn from the best from both the private and public sectors.

A Customer Satisfaction Survey had been carried out with customers and with staff, and the results of the survey were being analysed. Cllr Bastone sought approval of Executive to request that Overview and Scrutiny Panel review the results and action plan at their meeting on 4 October, 2018, and report back their recommendations to the next Executive on 11 October, 2018. The Chairman of Overview and Scrutiny Panel had accepted the request, and the Executive agreed with the proposed way forward. The matter was urgent as Overview and Scrutiny were required to consider this matter at their next meeting on 4 October, 2018.

Secondly, the Leader advised that he had received a petition from the South Devon Liberal Democrat Group. The matter was urgent as there was a requirement under the petition rules to respond within ten days. In responding to the petition, the Leader made the following statement:

‘Councils have the right, as set out in legislation, to exclude members of the public from a meeting during an item of business where it is likely that confidential information would be disclosed to them, and councillors have an obligation under the Code of Conduct, not to disclose that information. The Council does keep residents informed when it can and will continue to do so in the future by various methods such as direct contact with town and parish councils, face to face meetings with residents and groups, email, website and social media. In respect of the particular issue that is the subject of the petition, the decision for this matter to remain confidential has been taken in line with the recommendations of the Council’s Monitoring Officer in order for the Council to protect its commercial interests.’

E.28/18 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 and the following were made:

Cllr N Hopwood and Cllr R Gilbert both declared a disclosable pecuniary interest in item 10: Civil Penalties for breaches of Housing Standards Enforcement Notices by virtue of being landlords and they left the meeting for the duration of this item;

Cllr H Bastone declared a personal interest in item 10: Civil Penalties for breaches of Housing Standards Enforcement Notices by virtue of being an agent and he remained in the meeting and took part in the debate and vote on this item.

E.29/18 PUBLIC QUESTION TIME

It was noted that no public questions had been received in accordance with the Executive Procedure Rules, for consideration at this meeting.

E.30/18 MEDIUM TERM FINANCIAL STRATEGY 2019/20 TO 2023/24

Members were presented with a report that set out the Council's Medium Term Financial Position over a rolling five year timeframe to 2023/24. The Council, along with other local authorities, had faced unprecedented reductions in Government funding since the Comprehensive Spending Review in 2010.

The Leader introduced the report. The s151 Officer responded to questions related to the Business Rates Pilot and the Negative Revenue Support Grant, and confirmed that a budget workshop would be taking place on 11 October, 2018.

It was then:

RESOLVED

That the Executive:

1. note the forecast budget gap for 2019/20 of £0.638 million and the position for future years;
2. notes the current options identified and timescales for closing the budget gap in 2019/20 and future years, to achieve long term financial sustainability; and
3. **RECOMMENDS** to Council to approve recommendations 1 to 10 as set out in the presented report.

E.31/18 QUARTER 1 REVENUE BUDGET MONITORING 2018/2019

Members were presented with a report that enabled monitoring of income and expenditure variations against the approved budget for 2018/19, and provided a forecast for the year end position.

The Deputy Leader presented the report. In response to questions regarding the loss of car parking income through machine breakdown, the Lead Member for Commercial Services advised that discussions were taking place with the contractor.

It was then:

RESOLVED

That the Executive note the forecast income and expenditure variations for the 2018/19 financial year and the overall projected overspend of £74,000 (0.8% of the total budget £8.983 million).

E.32/18 WRITE OFF REPORT

The Deputy Leader introduced a report that informed Members of the debt written off for revenue streams within the Revenue and Benefits service. Debts up to the value of £5,000 were written off by the s151 Officer under delegated authority. Permission was sought to write off

individual debts with a value of more than £5,000.

During discussion, he confirmed that a Debt Recovery report would be presented to the next meeting of the Audit Committee on 11 October, 2018.

It was then:

RESOLVED

1. That in accordance with Financial Regulations, that the s151 Officer had authorised the write-off of individual South Hams District Council debts totalling £38,326.04 as detailed in Tables 1 and 2 be noted; and
2. That the write off of individual debts in excess of £5,000 totalling £52,344.65, as detailed in Table 3 of the presented report, be approved.

E.33/18

TAMAR VALLEY AONB MANAGEMENT PLAN 2019-2024 CONSULTATION DRAFT

Members were presented with a report that outlined the process of the review of the Management Plan for the Tamar Valley AONB, the issues identified for consideration within the Plan review, and detailed the method by which members could contribute to the formal consultation response by the Council, with a view to bringing the final Plan to Executive for adoption in early 2019.

The Lead Member for Customer First introduced the report. The Specialist Assets and Place Making advised that the areas around planning still needed exploration.

It was then:

RESOLVED

1. That the content of the Consultation Draft of the Management plan be noted, and members send any comments to the author of the report for incorporation into a formal Council consultation response before the end of October 2018;
2. That authority be delegated to the COP Lead Place making the final content of the formal Council consultation response; and
3. That the final version of the Management plan for 2019-2024 be brought to Executive prior to adoption in early 2019.

E.34/18

CIVIL PENALTIES FOR BREACHES OF HOUSING STANDARDS ENFORCEMENT NOTICES

Members were presented with a report that outlined how Civil Penalties had been introduced by government legislation as an alternative to

traditional criminal law enforcement against landlords, mostly relating to Housing offences. Local Authorities had the power to set civil penalty amounts locally up to a statutory maximum. Civil Penalties allowed for a higher financial penalty than the currently low court fines, they would provide an effective deterrent and protect residents against rogue landlords, unscrupulous letting agents and other poor business practices. Civil penalties would also deliver more cost efficient and faster enforcement in the area of housing disrepair.

The Lead Member for Customer First presented the report. The Senior Specialist Environmental Health responded to questions. Members praised the report for clarity.

It was then:

RESOLVED

That Council be **RECOMMENDED** to update the existing Enforcement Policy with the Civil Penalty Policy.

E.35/18

COUNCIL TAX REDUCTION SCHEME 2019/20

Members were presented with a report that set out the annual requirement for Councils to revisit their existing council tax support scheme and decide whether to replace or revisit their scheme, the requirements for changing the scheme and the associated time constraints.

The Lead Member for Customer First presented the report. The Benefit Specialist responded to questions of clarity.

It was then:

RESOLVED

1. That the proposal to consult on Option 1 (as set out in section 4 of the presented report) on a banded scheme which would assess the maximum level of Council Tax Reduction based on the net income of the claimant and partner, be approved; and
2. That the results of the consultation exercise be presented back to the Executive prior to a revised scheme being considered for approval by the Council.

E.36/18

REPORTS OF OTHER BODIES

a) Overview and Scrutiny Panel – 6 September 2018

- i) **O&S.33/18: Medium Term Financial Strategy – Presentation**

It was noted that the Panel recommendations on the Strategy had already been taken into account during consideration of agenda item (Minute E.30/18 above refers).

ii) O&S.34/18: Activities to Support Economic Growth

Whilst there was not a specific recommendation to Executive under this item, the Executive noted the views of the Panel that were contained within the published minutes and the Leader made the following statement:

'In light of the views expressed by the Overview and Scrutiny Panel and Audit Committee on the draft Strategy last Thursday, I have consulted with my fellow Executive Members and we have concluded that an amended Strategy should be presented to the Council on 27 September 2018 that proposes the following revisions:-

1. That the Strategy contain two separate strands to the governance arrangements: one part for 'Development on Council Owned Land' and one part for 'Commercial Property Acquisitions in the South Hams';
2. That, for decisions relating to the 'Development on Council Owned Land', these become a delegated function of the Executive (assuming that the proposed expenditure complies with the Council approved total borrowing limits);
3. That, for decisions relating to the 'Commercial Property Acquisitions in the South Hams', delegated authority be given to the Head of Paid Service and Section 151 Officer, in consultation with the Members of the Executive. Executive Members will be given two clear working days to respond to a request and, in the event of three or more Executive Members expressing their opposition to the proposal, then the matter will proceed no further;
4. That, for decisions made to proceed on 'Commercial Property Acquisitions in the South Hams', a report will be presented (for noting purposes) to the next meeting of the Executive;
5. That, whilst a minimum net yield return of 2% is targeted, in some circumstances, e.g. where community benefits are likely to be achieved, a lower return may be acceptable;
6. That, based upon the specific governance concerns raised at the Overview and Scrutiny Panel meeting, the Investments Member Working Group be disbanded with immediate effect.

In line with the views of the Audit Committee and, with these governance arrangements being put in place, I will also be proposing that the Council report includes a recommendation for the total borrowing limit for the Strategy to be set at £60 million (to be capped at £30 million before 30 April 2019).'

It was then:

RESOLVED

That a report be presented to the meeting of Council on 27 September 2018 setting out a revised Commercial Property Acquisitions and Development Strategy.

iii) O&S.35/18: Next Steps – Enabling Homes to meet the needs for all

It was then:

RESOLVED

That the Executive agree the following principles:

1. That there is no requirement to form a South Hams District Council Housing Wholly Owned Company at this time;
2. That Council borrowing in order to acquire or develop affordable homes is acceptable in principle;
3. That affordable homes may be acquired or developed via the Community Housing Strategy OR through existing work with Registered Providers or Developers. (NB. these properties will be allocated in accordance with Local Lettings Plans and may be managed via the Council's Direct Lets Service; and
4. That the Council's affordable housing development / acquisition plans be guided as outlined in Section 5 of the presented agenda report.

iv) O&S.38/18: TASK AND FINISH GROUP UPDATES

(a) Drug and Alcohol Abuse – Interim Report

It was then:

RESOLVED

That the Executive spend £2,500 from the Repairs and Maintenance Earmarked Reserve to pay for the works necessary to design out the use of intravenous drugs in the male toilets at Coronation Road, Totnes.

(b) Community Funding

During debate on this item, some Members expressed concern over the reduction in funding to the South Devon Area of Outstanding Natural Beauty (AONB). It was **PROPOSED, SECONDED** and on being put to the vote declared **LOST**, that recommendation 2 be deferred to enable further discussions to take place with the AONB team.

It was then:

RESOLVED

That the Executive **RECOMMEND** to Council that:

1. the proposed funding reduction to the South Hams Community and Voluntary Service be endorsed in accordance with paragraph 5 of the presented agenda report; and
2. the proposed funding reduction to the South Devon Area of Outstanding Natural Beauty be endorsed in accordance with paragraph 5 of the presented agenda report.

O&S.42/18: IT PROCUREMENT

The Chairman confirmed that the Panel recommendation would be consideration during agenda item 14 (Minute E.38/18 below refers).

b) Audit Committee – 6 September 2018

A.17/18: ACTIVITIES TO SUPPORT ECONOMIC GROWTH

Whilst there were no specific recommendations from the Audit Committee to the Executive, the comments of the Audit Committee on the Commercial Property Strategy as set out in the agenda item 'Activities to Support Economic Growth', were noted by the Executive, and taken into account in the way forward proposed above and set out in the response to Minute O&S.34/18.

E.37/18 **EXCLUSION OF PUBLIC AND PRESS**

RESOLVED

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 item of business as the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A to the Act is involved.

E.38/18 **IT SYSTEMS PROCUREMENT**

Members were presented with an exempt report that sought direction on a preferred option in respect of the IT systems procurement.

The Lead Member for Customer First and Support Services presented the report.

It was then:

RESOLVED

That the Council be **RECOMMENDED** to endorse the ICT systems procurement and recommendations that are set out in the presented report.

(NOTE: THESE DECISIONS, WITH THE EXCEPTION OF E.30/18(3), E.34/18, E.36/18 a) iv) (b) and E.38/18 WHICH WERE RECOMMENDATIONS TO THE COUNCIL MEETING TO BE HELD ON 27 SEPTEMBER 2018, WILL BECOME EFFECTIVE FROM 5.00PM ON MONDAY 24 SEPTEMBER 2018 UNLESS CALLED IN, IN ACCORDANCE WITH SCRUTINY PROCEDURE RULE 18).

(Meeting commenced at 10.00 am and concluded at 11.30 am)

Chairman

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PUBLIC QUESTIONS AT EXECUTIVE MEETINGS

The Council at its meeting on 21 June 2001 agreed that 15 minutes should be set aside at the beginning of the Council's monthly Executive meetings to allow members of the public to ask questions.

Any member of the public who wants to raise a question at a meeting should:-

- (a) submit the question in writing to the Democratic Services Manager by 5.00 pm on the Monday prior to the Executive meeting. This will allow a detailed answer to the question to be given at the meeting. If advance notice of the question cannot be given, the Chairman of the meeting has the discretion to allow questions on matters which are felt to be urgent;
- (b) ensure that normally questions are no longer than 50 words in length;
- (c) ensure that the question does not relate to a specific planning matter (this is specifically excluded from the public question time);
- (d) ensure that the question relates to something over which the Council has some control and is suitable to be considered, ie, that it is not derogatory to the Council or relates to matters which the Council could consider confidential.

For any further advice on questions for Executive meetings, please contact Kathryn Trant (Member Services Manager).

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Report to: **Executive**

Date: **22 November 2018**

Title: **Heart of the South West Joint Committee Update**

Portfolio Area: **Strategy & Commissioning, Leader of the Council**

Wards Affected: **All**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: **After Council Approval**

Author: **Darren Arulvasagam** Role: **Group Manager, Business Development**

Contact: darren.arulvasagam@swdevon.gov.uk

RECOMMENDATION

That Executive RECOMMEND to Council to:

- (a) Note the progress report setting out the work of the Heart of the South West (HotSW) Joint Committee since its establishment in March 2018;
- (b) Agree to delegate the development and endorsement of the HotSW Local Industrial Strategy (LIS) to the HotSW Joint Committee (noting that final approval of the HotSW LIS rests with the HotSW Local Enterprise Partnership (LEP) and the Government);
- (c) Note the Heart of the South West Joint Committee Budget statement for 2018/19 set out in Appendix B and that in accordance with the decisions taken at the time the Committee was established the Council will be asked to make an annual budgetary provision (£1,400 for South Hams District Council) to meet the support costs of the Joint Committee in line with the 2018/19 contribution. Final clarification on any additional 2019/20 Heart of the South West Joint Committee budget requirement will be provided following the completion of the review of the Joint Committee's role, function and management support arrangements and development of its work programme for 2019/20.
- (d) To agree the Budget and Cost-sharing Agreement set out in Appendix B to this report.

1. Executive summary

- 1.1 In January 2018, the HotSW Joint Committee was formally established by the councils and organisations involved since 2015 in the devolution partnership. The Committee is tasked with improving productivity across the HotSW area in collaboration with the HotSW LEP and other organisations as necessary.

- 1.2 The Committee has met formally three times in 2018, in March, June and October. In addition to this the management structure that sits behind the Committee and involves Chief Executives and senior officers from across the partnership has met regularly to drive the business of the Committee. The Committee is chaired by Cllr David Fothergill, Leader of Somerset County Council and the Vice-Chair is Cllr John Tucker, Leader of South Hams District Council.
- 1.3 This report summarises the progress made by the Committee over recent months in key areas of activity and sets out actions proposed in the coming months. As part of this report there are specific recommendations for the constituent authorities to consider.

2. **Key achievements**

- 2.1 At each of our meetings the Committee has been briefed on recent inward investment successes achieved through the work of the local authorities and the LEP and it is these successes that we wish to add to through the work of the Joint Committee.

(a) Influencing government

The partnership's original focus in 2015 was to explore opportunities on offer through devolution to improve productivity. Since the Committee was created the influencing role has continued to be central to the work of the Joint Committee and recent months have seen successes in this area. Government policy changes and Brexit have required the partnership to be flexible to present a united front to Government and respond to the changes.

As an example, the Government has increasingly moved away from its devolution policy approach of 2015 and the partnership is now engaged in more flexible and targeted dialogues with Government. This approach is proving successful so demonstrating the benefits of presenting a single compelling partnership vision between the business and public sectors.

The Committee is keen to demonstrate its ability to deliver Government objectives as well as local priorities so accessing help beyond our boundaries is critical to the success of the partnership. It is already apparent that the Joint Committee / LEP Partnership carries a critical mass that the Government is responding to through policy announcements and on-going dialogue with Government officials.

The most significant announcement is the recent inclusion of the HotSW LEP area in wave 2 of developing Local Industrial Strategies (LIS). This success is due in large part to the close alignment of the Joint Committee and the LEP on the Productivity Strategy [see (b) below]. Much of the activity detailed below has resulted directly from discussions with Government.

(b) Approval of the HotSW Productivity Strategy

- (i) In March the Committee and the LEP Board agreed a challenging HotSW Productivity Strategy which set an ambition of "Doubling the size of the Heart of the South West's economy over 20 years" with a vision of "Productivity and prosperity for all".

- (ii) The Strategy identifies three strategic themes to improve productivity by strengthening and developing:
 - a. the leadership and ideas within businesses in our area
 - b. the housing, connectivity and infrastructure our people and businesses rely on for living, moving goods, accessing jobs and training, and exploiting new opportunities.
 - c. the ability of people in our area to work, learn and improve their skills in a rapidly changing global economy, and to maximise their economic potential.
- (iii) In addition, there are three cross-cutting themes, referred to throughout the Strategy:
 - a. Inclusive growth for our people, communities and places
 - b. Capitalising on our distinctive assets
 - c. Maximising the potential from digital technology

The Strategy can be viewed at:

<https://heartofswlep.co.uk/about-the-lep/how-we-work/productivity-strategy/>

(c) Endorsement of the Delivery Plan.

This document is key to the delivery of the Productivity Strategy and will be further developed as explained below. It is a live action plan that will be used to track performance locally and may also form the basis of annual progress reports to Government, as required under the recent national review of LEPs.

It is broadly divided into two sections – a ‘core offer’ focussing on programmes that deliver Business Support and Employment and Skills, as well as ‘enablers’ including housing delivery, transport, and other infrastructure that is essential to support economic growth. These activities apply across the whole of the HotSW area. A further section focuses on programmes of activity linked to the agreed set of ‘opportunities’ that are specific to the HotSW area.

The Plan incorporates current as well as future, planned activity, and is being produced in stages depending on how well developed the programmes of activity for each theme are. The current version features the opportunities that are at the most advanced stage, namely: Digital (Photonics); Advanced Engineering (marine and nuclear); High Value Tourism; Farming, Fishing and Food. By spring 2019 it will be expanded to include: Healthy Ageing; further Digital (Creative and Big Data); Advanced Engineering (aerospace); Construction; and Defence. Place markers have also been included for inclusive growth and natural capital to be developed as part of the next phase of work. The current version of the Delivery Plan can be viewed at:

<http://www.hotswjointcommittee.org.uk/wp-content/uploads/2018/10/HotSW-Draft-Delivery-Plan-October-2018.pdf>

- (d) An Opportunities Prospectus has been extracted from the Delivery Plan and will be used with local MPs, Ministers and senior Government officials as part of continuing to raise the profile of the HotSW area at a critical time ahead of the 2019 Spending Review and the anticipated launch of the UK Shared Prosperity Fund towards the end of 2019. The document will be circulated to MPs prior to the Chancellor's autumn statement as part of the influencing approach.

To ensure that the Prospectus document has some longevity, the key strategic 'asks' of Government have been set out in a covering letter, jointly signed by the Chairs of the Joint Committee and the LEP. As we develop the Delivery Plan, further asks will emerge and be submitted to Ministers. The list of asks submitted in October is attached as Appendix A to this report. The Prospectus document can be viewed at: <http://www.hotswjointcommittee.org.uk/wp-content/uploads/2018/10/HotSW-Opportunities-Prospectus-October-2018.pdf>

- (e) Housing is a key enabling opportunity for the Joint Committee. Following a housing audit to gauge Local Plan progress on targets and delivery rates, a HotSW Housing Summit was held in September with key agencies including Homes England. The outcome of this successful event was an agreement to work closely with Homes England to develop a bespoke package of offers and asks with Government which will help us to successfully deliver the ambitious housing programmes we have across our area. A Housing Sector Task Force of strategic leaders and officers has been established to develop our proposition to Government and to work with Homes England which will report to the Joint Committee.
- (f) National Infrastructure Commission (NIC)

The Joint Committee is seeking to secure a growth corridor study following helpful discussions with the NIC. Initial discussions with the Chair of the Commission were well received and the Joint Committee was encouraged to submit a business case to the Chancellor who will ultimately make a decision as to whether to fund a study.

A proposal was submitted to the Chancellor in October. The study would be similar to the one conducted by the NIC for Cambridge-Milton Keynes-Oxford. It would help the HotSW partnership to better understand the constraints to higher levels of productivity by highlighting where investment in strategic infrastructure could unlock faster growth over the long term. The initial focus for the study would be along the A38/M5 transport spine, recognising that investment would have benefits for the whole of the HotSW area and wider south west.

- (g) Brexit Resilience Opportunities Group.

The Joint Committee has consistently lobbied Government that any powers that move back from the EU under Brexit must not stop at Whitehall. This senior officer group was established by the Joint Committee to research and advise on the opportunities and risks to the HotSW.

The Group has been collating evidence on some of the key risks and opportunities for our unique economy and has conducted research in the following areas: workforce, construction industry, agriculture and land management; food and farming, fisheries and post Brexit funding to support the economy. The Group is also collating the risk and impact analysis of Brexit on local government such as service delivery and community resilience.

The Group has fed directly into the Local Government Association briefing papers and to key Government departments to raise the profile of the area. With the Brexit departure date looming and several 'deal' scenarios still possible, this work has become ever more important. A Brexit Joint Regional Sounding Board event planned, as part of the 12th November LEP Conference, will be an opportunity for business and public sector to engage with Government representatives from Defra, BEIS, and MHCLG on preparedness. The Group is working with Cornwall on issues of mutual interest and concern.

(h) Sub-National Transport Body

Linked to the Joint Committee's work on infrastructure is the imminent establishment of a South West Peninsula Shadow Sub-National Transport Body (covering Somerset, Devon, Cornwall, Plymouth and Torbay) which will develop a sub-national Transport Strategy to work with Government to deliver investment in our major transport infrastructure.

In the short-term this will be an informal partnership, however a current 'ask' of Government is that they endorse the creation of a statutory Sub-National Transport Body for the Peninsula, and a separate body for the South West around the east of the region. These two new transport bodies will provide a platform for strategic discussions with Government on priorities for the region over the long term.

2.2 Next steps:

In addition to what is outlined above, the Joint Committee / LEP partnership will:

- (a) Develop an Investment Framework for the Delivery Plan so that priorities for delivery and project opportunities can be delivered via investment from a range of sources.
- (b) Review the roles and functions of both bodies through a governance review to acknowledge the revised and enhanced focus given to LEPs by the Government. This work will include a review of the management support arrangements. The Joint Committee and the LEP will continue to share responsibilities across the Productivity Strategy and the Delivery Plan with the LEP leading on areas closely linked to the LIS and the Joint Committee leading on other areas such as housing and infrastructure. The need for close collaboration between the two has never been more important as we look to further influence Government policy and actions over the next 12 months and beyond.

3. Local Industrial Strategy (LIS)

- 3.1 The inclusion of the HotSW LEP area in the second wave of areas to benefit from working with the Government to develop their Local Industrial Strategies (LIS) is a considerable achievement for the Joint Committee and the LEP. The first wave 'trailblazers' were the urban conurbations of Greater Manchester, the West Midlands and Cambridge-Milton Keynes-Oxford. The partnership had been pushing to be in the second wave and had raised the ask with Government Ministers and officials over a number of months. It was therefore very welcome that HotSW was announced in July as being part of wave 2.
- 3.2 By working closely with Government to develop our Local Industrial Strategy we will be able to jointly agree the long term transformational opportunities that will help deliver the asks specific to our area and influence wider Government policy and delivery.
- 3.3 Local Industrial Strategies will focus on the foundations of productivity and identify transformational opportunities with partners across Ideas, People, Infrastructure, Business Environment and Place. The Strategy will be led by local people and businesses, allowing local leaders to harness the strengths of their own areas; ensure that the benefits of growth are realised by all; and provide the right conditions for improving the prosperity of communities throughout the area.
- 3.4 Ultimate approval of the LIS rests with the LEP in collaboration with the Government. The LIS guidance requires the LEP to collaborate on the development of the LIS with a range of stakeholders including the local authorities and other partners.
- 3.5 The LEP's proposed timetable is to have the final LIS agreed between the LEP and the Government by June 2019. Fortunately, HotSW partners are better placed than many areas to meet this timetable as the work done by the Joint Committee and the LEP to build and test the evidence base for the Productivity Strategy and Delivery Plan has set the foundation; the LIS will be a natural extension of this.
- 3.6 The Joint Committee is ideally placed to provide both collective and council level input into the development of the LIS, although final approval rests with the LEP. The validity and positioning of the document would be immeasurably strengthened by the involvement and general endorsement of all the constituent authorities, and by other partners including the business community. To enable the development of the LIS to be taken forward at pace, and to demonstrate alignment with partners across the area, it is proposed that local authority input is developed, coordinated and signed off by the Joint Committee. The powers of (and delegations to) the Committee are tightly focussed around the Productivity Strategy under the current governance arrangements, so approval needs to be sought from the constituent authorities to formally delegate the Council's responsibilities for contributing to and signing off the HotSW Local Industrial Strategy (LIS) to the Joint Committee. The recommendations provide the opportunity for the Council to influence and shape the LIS as well as provide content. To ensure that there is wide buy-in to the development of the LIS across the constituent authorities, a portfolio holder engagement event is planned for 23 November 2018.

4 Heart of the South West Joint Committee Budget and Cost Sharing Agreement

- 4.1 The Joint Committee has been kept informed of its budgetary position to provide assurance that it is operating within its budget. This section of the report includes:
- (a) a summary of the Committee's current budget position for 2018/19 - see Appendix B
 - (b) a Heart of the South West Joint Committee Budget and Cost Sharing Agreement (B&CSA) which is a development of the Inter-Authority Agreement agreed by the constituent authorities at the time the Committee was established – see Appendix B
 - (c) An indicative Heart of the South West Joint Committee budget request for 2019/20 to the constituent authorities.
- 4.2 Appendix B summarises the position on the operating and support budget of the Heart of the South West Joint Committee. It shows a variation of the income for 2018/19 expected at the time of the Committee's establishment with a larger than anticipated underspend carried forward from the work on devolution during the 2015 to 2018 period. This together with the contributions agreed by the constituent authorities have given the Committee a larger than anticipated Heart of the South West Joint Committee budget for 2018/19.
- 4.3 In terms of the anticipated spend for 2018/19 the current position suggests that the Committee will be able to operate within budget and should achieve an underspend to be carried forward to 2019/20 to help offset the future budget requirement for the Joint Committee. The current underspend is around £40k. It should be noted however that not all commitments for 2018/19 have yet been identified.
- 4.4 At the time of the Committee's establishment the Inter Authority Agreement referred to the development of a B&CSA and included some headings to be included within it. Appendix B sets out the draft B&CSA. It is a relatively simple document proportionate to the small size of the budget and the limited financial risk to each constituent authority. It explains the role of the administering authority as well as the responsibilities of the constituent authorities. The Joint Committee has approved the B&CSA and all Section 151 Officers of the constituent authorities have been consulted on its contents. The document now requires the formal approval of the constituent authorities.
- 4.5 In terms of the Joint Committee's budget for 2019/20 the work programme is unknown at this stage although a busy year is expected for the Committee to respond to Government policy initiatives and to support the Delivery Plan. To assist the constituent authorities to plan Heart of the South West Joint Committee budget commitments for 2019/20, the minimum contribution levels for 2019/20 are set out below and are at the same level as for 2018/19. These contributions will generate sufficient budget to cover the costs of the administering authority to service the Joint Committee and leave a small surplus.

Dependent on the underspend carried forward from the current year and the outcome of the review of the management support arrangements, this may not be sufficient to fully cover any additional work, for example secondments, or externally commissioned work. The funding requirements will be clarified, as far as is possible, in advance of the 2019/20 financial year following the governance review and through a costed work programme and applied on a pro-rata basis.

- County Councils - £10,500
- Unitary Councils - £4,000
- District Councils and National Parks £1,400

5. Consultation, communication and engagement

- 5.1 Under the Communications and Engagement Plan, members of the constituent authorities, partners and the public have been kept informed of developments with the Joint Committee through newsletters published after each formal meeting and press releases on significant issues of interest. As we move towards Christmas, the Committee's engagement plans include seeking the support of relevant Ministers and all local MPs for the Communications document and specifically our 'asks' of Government. This engagement campaign will continue and accelerate as we move into 2019.
- 5.2 In addition the Committee has a website providing background information, links to latest news and publications and details of the membership. This can be accessed at: <http://www.hotswjointcommittee.org.uk/>

6. Proposed Way Forward

- 6.1 It is essential that the local authorities contribute to the development and approval of the LIS working in collaboration with the LEP. The LIS will be a natural development of the Productivity Strategy and Delivery Plan for which the Joint Committee already has delegated authority, and therefore it would seem appropriate to formally extend this authority to the development and approval of the LIS to the Joint Committee on behalf of the constituent authorities.
- 6.2 It is important that the constituent authorities are kept up to date on the Committee's budget situation and make provision for the 2019/20 budget commitment. It is also important that the Budget and Cost Sharing Agreement is formally agreed by the constituent authorities as part of the Committee's governance arrangements.

7. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/ Governance		The HotSW Joint Committee is a Joint Committee of the local authorities across Devon and Somerset that comprise the HotSW area and established under Sections 101 to 103 of the Local Government Act 1972 and all other enabling legislation to undertake the following:

		<p>The key purpose of the Joint Committee is to be the vehicle through which the HotSW partners will ensure that the desired increase in productivity across the area is achieved.</p> <p>The Committee is a single strategic public sector partnership providing cohesive, coherent leadership and governance to ensure delivery of the Productivity Strategy for the HotSW area. The specific objectives of the Joint Committee are to:</p> <ul style="list-style-type: none"> - Improve the economy and the prospects for the region by bringing together the public, private and education sectors; - Increase our understanding of the economy and what needs to be done to make it stronger; - Improve the efficiency and productivity of the public sector; - Identify and remove barriers to progress and maximise the opportunities/benefits available to the area from current and future government policy.
Financial		<p>As per section 4.5, the contribution level for South Hams District Council towards the Heart of the South West Joint Committee's budget is £1,400.</p> <p>In addition to this the constituent authorities and partners continue to input considerable amounts of officer time into the partnership on an 'in kind' basis. The LEP continues to make a significant contribution to the work of the Committee and has met some direct costs.</p> <p>The constituent authorities are reminded that the Joint Committee continues to provide a relatively low-cost option to meet the partnership's objectives compared to the Combined Authority alternative.</p>
Risk		<p>Given the participation in the Joint Committee as one of the constituent Local Authorities, the main risks are around failing to participate actively in this or any other related process, thus manifesting a failure of sub-regional or regional awareness of the Council's specific economic and productivity concerns. The risk from failing to participate is most likely to be a loss of the Council's influence at regional level and an inability to draw attention to the area's economic needs (across such areas as productivity, skills, infrastructure and related inward investment). It would also weaken the wider partnership proposition, so affecting the ability of the HotSW partnership to speak with one voice and influence Government policy for the benefit of the wider area and including our residents, businesses and visitors.</p>

Comprehensive Impact Assessment Implications		
Equality and Diversity		No adverse impact on any protected groups.
Safeguarding		N/A
Community Safety, Crime and Disorder		N/A
Health, Safety and Wellbeing		There are no direct public health impacts of these recommendations. However, public health considerations will be an important consideration in the development of the LIS recognising that there is a strong correlation between economic prosperity and health of the population.
Other implications		N/A

Appendices:

- APPENDIX A: Heart of the South West Partnership's key strategic asks of Government
- APPENDIX B: BUDGET STATEMENT – 2018/19

Supporting Information

- Heart of the South West Devolution Update, Presented to SHDC on 2nd March 2017
- Heart of the South West Formal Devolution Bid – Combined Authority Principle, Presented to SHDC on 28th July 2016
- Heart of the South West Formal Devolution Bid, Presented to SHDC on 11th February 2016
- Driving Productivity in the Heart of the South West Consultation Paper (Green Paper) January 2017 (Available to view / download at <http://www.torbay.gov.uk/devolution>)

APPENDIX A: Heart of the South West Partnership's key strategic asks of Government

As part of the partnership's increased lobbying with MPs and with reference to the Great South West Partnership several 'policy asks' of Government have been identified to coincide with party conferences and the Autumn Budget. These will be socialised over the next few months and are:

1. Recognition of the Great South West Partnership in the Autumn Budget Statement together with a commitment to co-design a Rural Deal - a 'Rural Productivity Partnership' with GSW following publication of Rural Productivity Commission Report earlier in the year
2. Strategic Connectivity
 - a. Confirmation of Sub National Transport Body/ (ies)
 - b. Peninsula Rail priorities – e.g. commitment for funding Dawlish
 - c. Funding commitment for A303 improvements
 - d. Superfast Broadband and 5G trials
 - e. Joint working with the National Infrastructure Commission on an A38/M5 corridor study to explore how we can unlock our full potential and accelerate growth to transform our region.
3. Transforming Cities and Strength in Places bids agreed
4. EU Fisheries underspend proposal: an offer to work with Government to develop a proposal to utilise the projected underspend in the current EU Fisheries budget.
5. Nuclear Sector Deal (and others specifically Maritime and Defence) to have clear place-based elements/funding, recognising the HotSW opportunities.
6. Local Industrial Strategy specific: encourage joint working with WECA on Wave 2 Local Industrial Strategies particularly around connectivity and Smart specialisations e.g. Nuclear and Aerospace.

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APPENDIX B:

Heart of the South West Joint Committee Budget Statement – 2018/19

Costs

At the time the Joint Committee was established it was estimated that its operating and support **costs** for 2018/19 (and to cover the remainder of 2017/18) would be £89,000 - excluding in-kind officer support. This estimate comprised:

1. £25,000 for work the Joint Committee would wish to commission to support the delivery of its work programme
2. £24,000 for the Brexit Resilience and Opportunities Group Secretariat
3. £40,000 for the Administering Authority to undertake its duties.

Heart of the South West Joint Committee Budget 2018/19

Current Heart of the South West Joint Committee budget position summary:

18/19 Budget = <u>£117k</u> (an increase of £25k over the original estimate)	18/19 Expenditure - <u>£76.4k</u> (as at 24/10/18)
<ol style="list-style-type: none">1. £67k - devolution budget carry forward (as against the estimate of £42k) – transferred from PCC to SCC2. £50k - funding contributions from the constituent authorities	<ol style="list-style-type: none">1 £40k - for Administrative Authority costs including: direct meeting costs (including refreshments); staffing costs directly relating to HotSW meetings; JC communications and marketing; micro-site development2 £11.3k - support costs of the Brexit Resilience Opportunities Group (BROG) including seconded part-time officer support (against an original budget allocation of £24k)3 £6k – costs of Housing Summit4 £9.8k – housing consultancy support5 £9.3k – national corridor infrastructure corridor consultancy support

HEART OF THE SOUTH WEST JOINT COMMITTEE BUDGET AND COST SHARING AGREEMENT

As part of the new Joint Committee working arrangements, the following clause was agreed in relation to the costs of operation of the Joint Committee. This clause was

4.0 JC Finance

4.1 The JC's budgetary arrangements shall be detailed in a budget and cost sharing agreement to be agreed by all the Constituent Authorities annually on the recommendation of the JC and in advance of the financial year. The only exception to this will be in the JC's first year of operation when the JC shall recommend a budget and cost sharing agreement to the Constituent Authorities for approval at the first opportunity following its establishment.

4.2 The budget and cost sharing agreement shall cover:

- (a) The responsibilities of the Constituent Authorities for providing funding for the JC
- (b) The anticipated level of expenditure for the JC for the year ahead
- (c) The cost sharing mechanism to be applied to the Constituent Authorities
- (d) Details of how the budget will be set and agreed each year
- (e) Who is to be responsible for maintaining financial records on behalf of the JC (the 'accountable body');
- (f) What financial records are to be maintained;
- (g) What financial reports are to be made, to whom and when;
- (h) What arrangements and responsibilities are to be made for:
 - auditing accounts;
 - insurance including ensuring all partners have sufficient cover;
- (i) How any financial assets held by the JC on behalf of the Constituent Authorities will be redistributed to the CAs in the event of the dissolution of the JC or in the event of a CA formally withdrawing from the CA.

in the Inter-Authority Agreement.

How is the Heart of the South West Joint Committee budget set and agreed each year?

In the February preceding each financial year, in consultation with the Somerset County Council Finance Advisory Team, the SCC Strategic Manager - Partnership Governance on behalf of the PMO will detail a Heart of the South West Joint Committee budget plan for the JC income and expenditure. This will establish estimated amounts for that financial year and the timing of those financial transactions. This will be submitted by the administering authority to the Joint Committee for recommendation to the Constituent Authorities (CA) for approval.

Each CA will pay their agreed contribution to the Administering Authority (AA) in a timely manner on receipt of invoice details.

Who is to be responsible for maintaining financial records on behalf of the JC?

SCC Finance Advisory Team – Ian Tier, Finance Manager.

What Heart of the South West Joint Committee financial records are to be maintained?

Financial records, i.e. orders for supplies and services, payments made, invoices raised and receipts, will be kept electronically on the SCC financial system. This incorporates purchase orders, invoice scans, cashiers receipts and sales invoices.

What Heart of the South West Joint Committee financial reports are to be made, to whom and when?

SCC Finance Advisory will present a quarterly income and expenditure report to the SCC Strategic Manager – Partnership Governance. This will be reported to the CEx Advisory Group for information. An income and expenditure report will be presented to the JC for information on at least an annual basis.

What arrangements and responsibilities are to be made for?

Auditing Heart of the South West Joint Committee Accounts: The AA's accounts and audit arrangements will apply to JC business.

Insurance:

Each CA will ensure that it has sufficient insurance cover in place to provide protection for their members and officers participating in the work of the JC and in their capacity as officers or members of that authority. The AA will ensure that it has sufficient insurance cover in place to cover the AA role.

How any financial assets held by the JC on behalf of the CA will be redistributed to the CAs in the event of the dissolution of the JC or in the event of a CA formally withdrawing from the CA?

Itemised records of contributions made by each of the CAs will be kept over the life of the JC. In the event of the dissolution of the JC or in the event of a CA formally withdrawing from the CA having given the required notice, financial assets will be returned to the CA or CAs on a proportionate basis.

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Supporting the Formation of South West Mutual

Appendix B of this report contain exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972

Report to: **Executive**

Date: **22 November 2018**

Title: **Supporting the formation of South West Mutual**

Portfolio Area: **Strategy & Commissioning, Cllr Wingate**

Wards Affected: **All**

Relevant Scrutiny Committee: **Overview & Scrutiny Committee**

Approval and clearance obtained: **Yes**

Urgent Decision: **No**

Date next steps can be taken: **After Full Council 6th December 2018**

Authors: **Darren Arulvasagam**
Group Manager, Business Development
Darren.Arulvasagam@swdevon.gov.uk

Recommendations: Executive **RECOMMEND** to Council to:

1. **APPROVE** the granting of £49,995 from the predicted 2018/19 business rate pilot gain in order to support the formation of South West Mutual as detailed in section 3 and Appendix 2 of this report.
2. *(If 1 approved)* **DELEGATE** authority to the Group Manager, Business Development, to conclude the ordinary share acquisition
3. **AGREE** that, where possible, officers support the formation of the mutual by promoting it to local authorities within the South West

1.0 **Executive Summary**

- 1.1 On 27th September, Tony Greenham of the South West Mutual, provided a presentation to South Hams District Council Members – regional banking for inclusive growth. A copy of the presentation can be found at Appendix A.
- 1.2 In order to progress, the new mutual is seeking £500,000 of initial funding, through the issuing of Founder Shares. These shares will receive a dividend of 7.5% once the new bank becomes profitable and this dividend will rise over time if South West Mutual is successful.
- 1.3 In view of the higher risk of investment at this early stage, if a banking licence is obtained and the bank starts trading, Founder Shareholders will also receive an additional 2 shares for every share held. The combination of these two returns generates an estimated 'internal rate of return' (being a measure of investment returns widely used within business and finance) of approximately 20% per annum.
- 1.4 However, it must be understood that there is a risk that there will be no financial return and the entire initial investment will be lost if the plan to launch the mutual is unsuccessful or a banking licence is not granted. Accordingly, officers do not recommend investing in the mutual with the

Supporting the Formation of South West Mutual

primary purpose of deriving a financial return as that is deemed too much of a financial risk. Instead, it is proposed that the Council uses funds from the predicted business rate pilot gain to fund a grant to South West Mutual. This grant will equate to an initial investment of £49,995 in return for 3,333 ordinary shares.

- 1.5 The pilot gain resulted in one-off monies received in 2018/19 and the Council determined that these should be used to fund initiatives to support the local economy.
- 1.6 Appendix A explains how the new mutual would help support the local economy and promote inclusive growth. In particular, it will help make banking more local, provide branch facilities in rural locations, recycle the savings of local people and businesses back into the regional economy, promote financial inclusion and improve access to credit for small and medium sized business.
- 1.7 The ethos behind the new mutual is consistent with the Council's corporate strategy objectives of communities and enterprise.
- 1.8 Members are requested to support the recommendations and utilise business rate pilot gains to help support the formation of the new mutual. In doing so, it recognises that the funds utilised may not necessarily be returned to the Council.

2.0 Background

- 2.1. On 27th September, Tony Greenham of South West Mutual, provided a presentation to South Hams District Council Members about the proposal to form South West Mutual – regional banking for inclusive growth. A copy of the presentation can be found at Appendix A.
- 2.2. It is envisaged that this economic grant meets the Council's Enterprise (Creating places for enterprise to thrive and business to grow) and Communities (Council and Residents working together to create strong and empowered communities) objective.
- 2.3. It is anticipated that the new mutual will help derive the following benefits for the South West:

Economic	Supporting local enterprises, business rates and employment Boosting economic resilience during recessions, protecting jobs and incomes Inclusive growth: spreading opportunities for locally driven business and employment Recycling more spending and savings back into the Devon economy
Social & environmental	Tackling financial exclusion and problem debt Improving financial capability and wellbeing Restoring trust and building civic participation Improved environmental and social performance

3. Proposals

- 3.1. The mutual is seeking an initial investment of £500,000 in order to progress its banking licence application. It will then need to find an estimated £2.5m in 2019 to set up operations and complete the banking authorisation process, and finally secure a further investment of £17.5m in 2020 to capitalise the bank and enable it to commence trading.

Supporting the Formation of South West Mutual

- 3.2. It is envisaged that local authorities within the South West, who believe in the ethos behind the mutual and the benefits this will bring to the local economy, may wish to participate in all stages of investment including capitalising the bank once a provisional banking licence has been granted and the investment carries a much lower risk.
- 3.3. South West Mutual is launching its initial fundraising on 19th November 2018 seeking investment from private and institutional investors within the region. It is considered that the commitment of local authorities to invest in the initial Founder Share Offer will reinforce the confidence of private sector investors, make a significant statement of support for the social and economic mission of South West Mutual, and potentially shorten the timetable to opening branches and commencing trading within South Hams and the wider South West region.
- 3.4. The Council has benefitted from being a business rates pilot area for 2018/19, which has allowed the Council to keep a higher share of business rates income in 2018/19 to fund its services. The Council is determined that this funding should be used to fund initiatives to support the local economy.
- 3.5. It is proposed that the 2018/19 business rate pilot gain is used to assist with the formation of the mutual, with the Council granting £49,995 to the mutual – this equates to approximately 10% of the amount of initial funding required by the mutual.
- 3.6. At this stage, officers **do not recommend investing** in the mutual in order to derive a financial return as that is deemed too much of a financial risk. Independent financial advice regarding a financial investment has not been sought.
- 3.7. It is proposed that the Council uses funds from the predicted business rate pilot gain to **grant fund** the mutual. In return for this grant of £49,995, the Council will receive 3,333 ordinary shares. Members recognise that the grant funds utilised may not necessarily be returned to the Council. This should not be viewed as a normal investment made for purely financial return but a grant to support the local economy.

These shares will receive a dividend of 7.5% IF the new bank becomes profitable and this dividend will rise over time if South West Mutual is successful. In view of the higher risk of investment at this early stage, IF a banking licence is obtained and the bank starts trading, Founder Shareholders will also receive an additional 2 shares for every share held. The combination of these two returns generates an estimated 'internal rate of return' (being a measure of investment returns widely used within business and finance) of approximately 20% per annum.
- 3.8. Members appreciate that this grant (investment) is risky, but without the grant funding, the proposed benefits to the local economy may never be realised.
- 3.9. It is envisaged that the Council would be one of the first to provide financial support to the mutual. It is anticipated that this will help the mutual obtain the remaining funding it requires from other South West authorities.

Supporting the Formation of South West Mutual

3.10. A similar report and recommendation is to be considered by West Devon District Council in November.

4.0 Options available and consideration of risk

4.1. Members could opt to follow, amend or reject the recommendations.

4.2. There are risks that should not be discounted. Members will need to be satisfied that the granting of £49,995 to South West Mutual, in return for 3,333 ordinary founder shares is consistent with the Council's corporate strategy.

4.3. As the Council will receive ordinary shares, over the long term this initiative could be considered as an investment. However, this transaction should be viewed immediately as an economic grant.

4.4. Members recognise that this transaction is not without risk and therefore do not expect to re-coup the grant, nor a profit on any shares acquired. Exempt Appendix B contains the detailed Founder Share Offer document.

4.5. By making this "investment", the council will be forgoing an investment return on the business rate pilot gain monies. The current investment return achieved by the Council is circa. 0.8% per annum. This equates to forgoing £400 per annum, if interest rates and returns were to remain the same.

5.0 Proposed Way Forward

5.1 It is proposed that if Executive approve this report's recommendations, Council will be asked to ratify the decision in December. Assuming this is approved, delegated authority will be given to the Group Manager, Business Development to conclude the acquisition of 3,333 ordinary shares in South West Mutual – as per the offer document shown in Exempt Appendix B.

5.2 Support will also be given to the mutual in order to promote the council's decision to other South West local authorities – with the aim that other authorities provide the remaining funding required in order to progress the banking licence application (as described in Appendix A).

6.0 Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/ Governance	Y	Appendix 2 of this report is exempt from publication because it contains information about the Council's financial and proposed commercial affairs as defined in Paragraph 3 of Schedule 12A to the Local Government Act 1972. The information is the intellectual property of a third party and cannot be divulged further without their prior approval. In particular, South West Mutual is bound to comply with the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 which regulates the promotion of investments to the general public and hence places legal restrictions on the publication of Appendix 2 which the Council wishes to respect. The public interest test has been applied and it is considered that the public interest lies in not disclosing this report at this time because it contains financial and commercially sensitive

Supporting the Formation of South West Mutual

		<p>information which could prejudice the Council and the third party if such information was disclosed at this time.</p> <p>This proposal is consistent with the Council's powers to invest under the Local Government Act 2003 and section 1 Localism Act 2011 (the general power of competence).</p> <p>Investments made by local authorities can be classified into one of two main categories:</p> <p>i) Investments held for treasury management purposes; and</p> <p>ii) Other investments</p> <p>Local Authorities should disclose the contribution that all other investments make towards the service delivery objectives and/or place making role of that local authority.</p> <p>Officers are confident that the proposed economic grant will help establish and promote the success of South West Mutual. The formation of such an institution, as described in Appendix A is consistent with the Council's Enterprise (Creating places for enterprise to thrive and business to grow) and Communities (Council and Residents working together to create strong and empowered communities) objectives.</p> <p>There is an overriding duty toward prudent management of risk, and officers, including the Council's section 151 officer, owe a fiduciary duty in relation to given transactions.</p>
Financial	Y	<p>The Council has benefitted from being a business rates pilot area for 2018/19, which has allowed the Council to keep a higher share of business rates income in 2018/19 to fund its services.</p> <p>The Council is forecasting a business rates pilot gain of £575,000 for 2018/19, of which £475,000 has been transferred into an Economic Regeneration Projects Earmarked Reserve. This money was intended to support local economic initiatives and therefore this report's proposals are consistent with that aim. Officers do not recommend investing in the mutual in order to derive a financial return as that is deemed too much of a financial risk. However, it is proposed that the Council uses funds from the business rate pilot gain to fund a grant of £49,995 to the Mutual. In return, the Council will receive 3,333 ordinary shares.</p>
Risk	Y	<p>Members will need to be satisfied that the granting of £49,995 to South West Mutual, in return for 3,333 ordinary founder shares not only delivers best value but is also consistent with the Council's corporate strategy.</p> <p>Whilst the Council will receive ordinary shares as a result of its economic grant and the initiative could therefore be considered an investment, the Council views this transaction as an economic grant. In doing so, it recognises that this transaction is risky and therefore does not expect to re-coup any of the grant, nor profit from the shares acquired. Appendix B sets out the share offer.</p> <p>For the avoidance of doubt – there are several key differences between a grant contribution and a share purchase:</p>

Supporting the Formation of South West Mutual

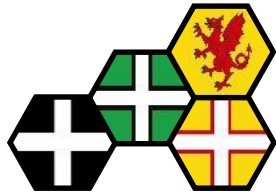
		<ul style="list-style-type: none"> • If the venture fails the investment by either method may be lost. • The financial liability as shareholders is limited to the value of the share-holding – The Council stands to lose 100% if the venture has debts equal to or greater than its investment. There should be some proportionality if the debts were less than the venture’s total share capital. • The only way that the Council could have additional liability (upward of its investment) would be if there has been some individual negligence. Officers of the Council have set out that funding is to be provided as a grant, not an investment and therefore the entire £49,995 is at risk. Independent financial advice has not been taken. The shares acquired will be shown in the Council’s accounts as a financial investment. • As a shareholder, the Council will have votes (= some control) but will not have that as a <i>pure</i> grant funder.
Comprehensive Impact Assessment Implications		
Equality and Diversity	N	Not Applicable
Safeguarding	N	Not Applicable
Community Safety, Crime and Disorder	N	Not Applicable
Health, Safety and Wellbeing	N	Not Applicable
Other implications	N	Not Applicable

Supporting Information

- Appendix 1: “South West Mutual – Regional banking for inclusive growth” A copy of the informal briefing made to South Hams District Council on 27th September 2018
- EXEMPT Appendix 2: DRAFT Founder Share Offer Document

Approval and clearance of report

Process checklist	Completed
Portfolio Holder briefed	Yes
Relevant SLT Rep / Exec Director sign off	Yes
Data protection issues considered	Yes
If exempt information, public (part 1) report also drafted	Yes

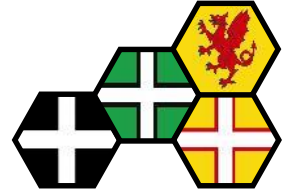


South West Mutual

Regional banking for inclusive growth

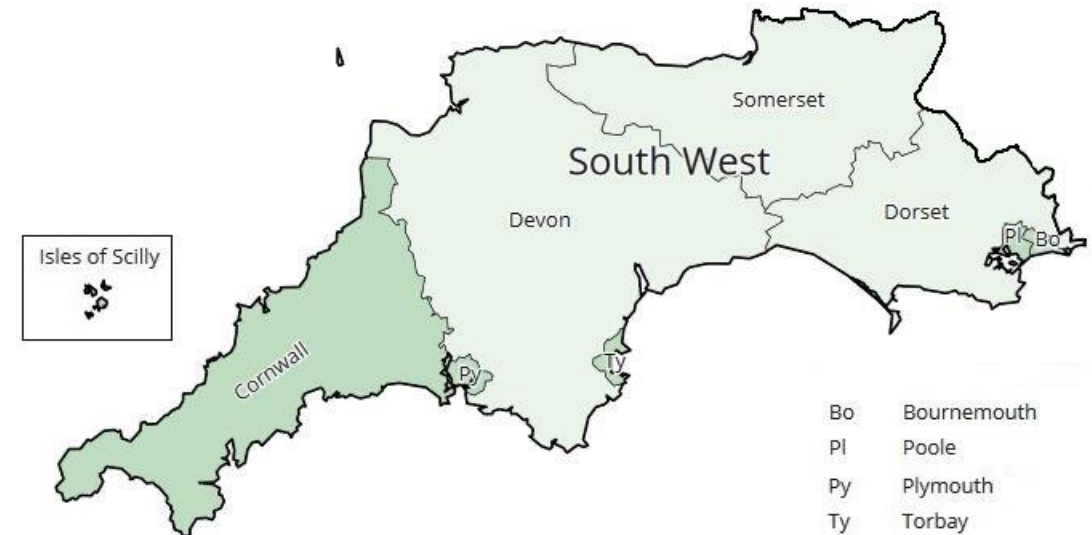


Introducing South West Mutual

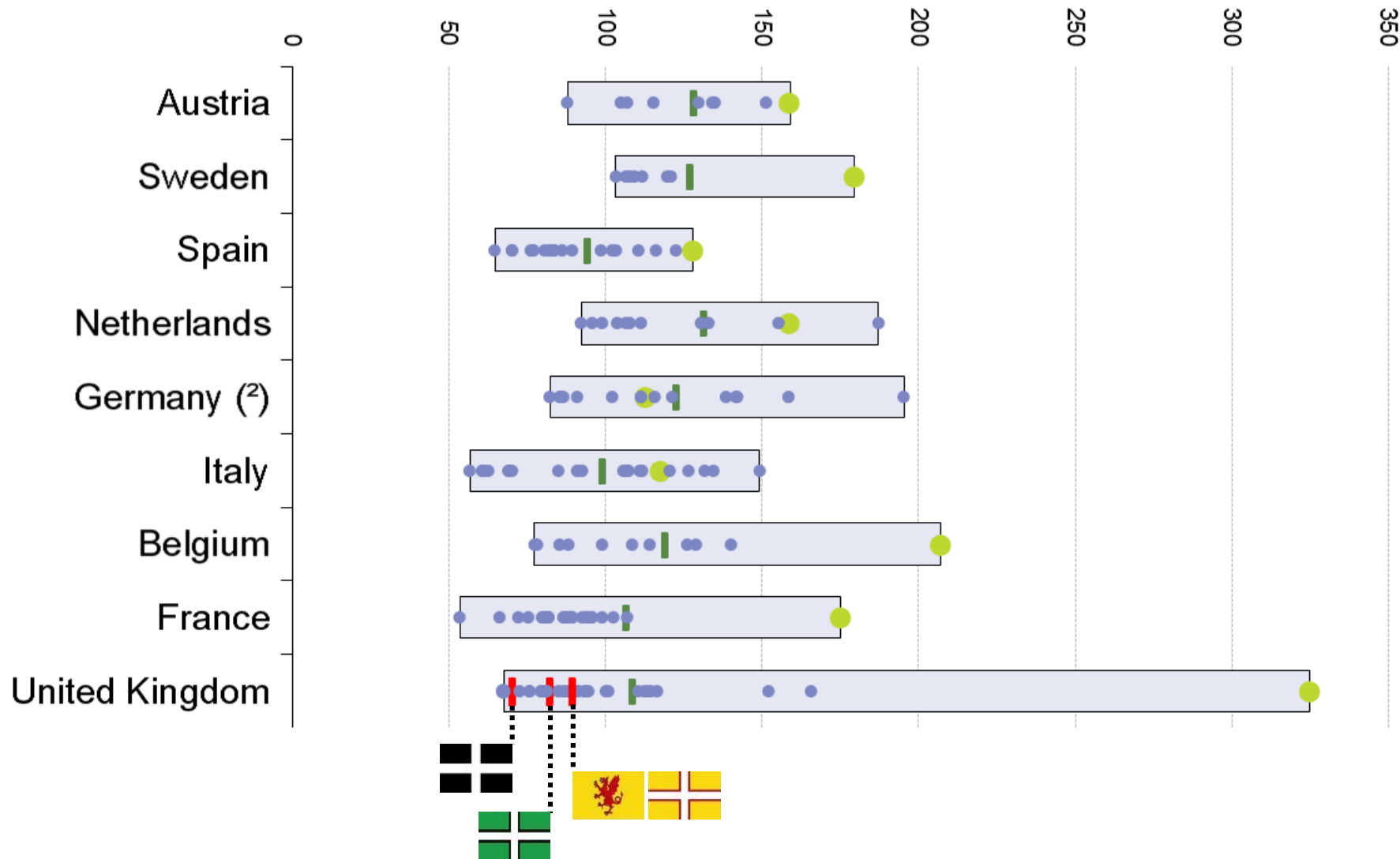


Mission-led business promoting sustainable and equitable prosperity for the South West

- First **customer-owned** full service bank
- **Financial inclusion** in the rules
- **SME and social enterprise** focus
- Multi-channel, committed to **branches** and **relationship banking**
- **Scale and efficiency** – part of the CSBA network
- **Financial strength:** Profits £15m pa / loan book £380m by year 9



Helping tackle regional inequalities



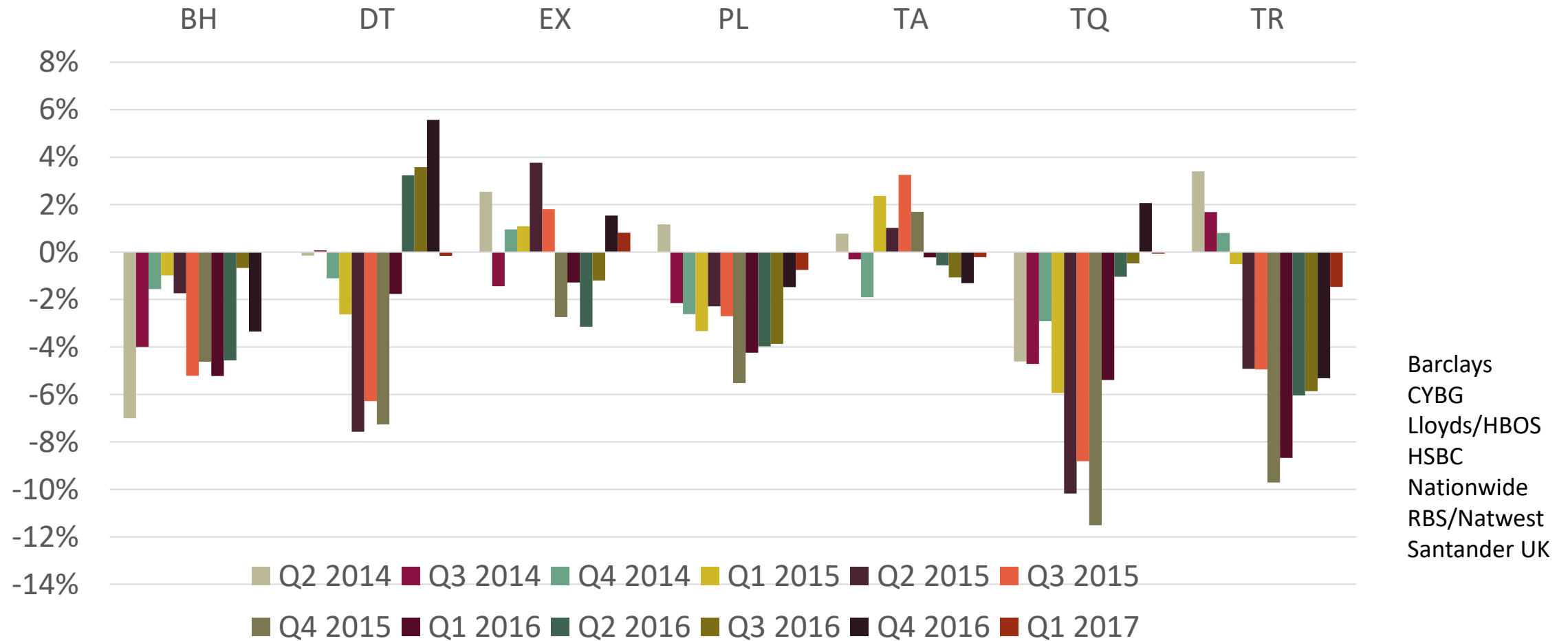
SWM is an anchor institution

Supporting equitable and sustainable prosperity for the South West is our mission

SME finance is an ongoing issue

Page 38

YoY change in total SME loans by postcode area



Lending to the real economy where you live

SME deposits and loans in
Devon districts

Deposits **£853m**

Loans **£462m**

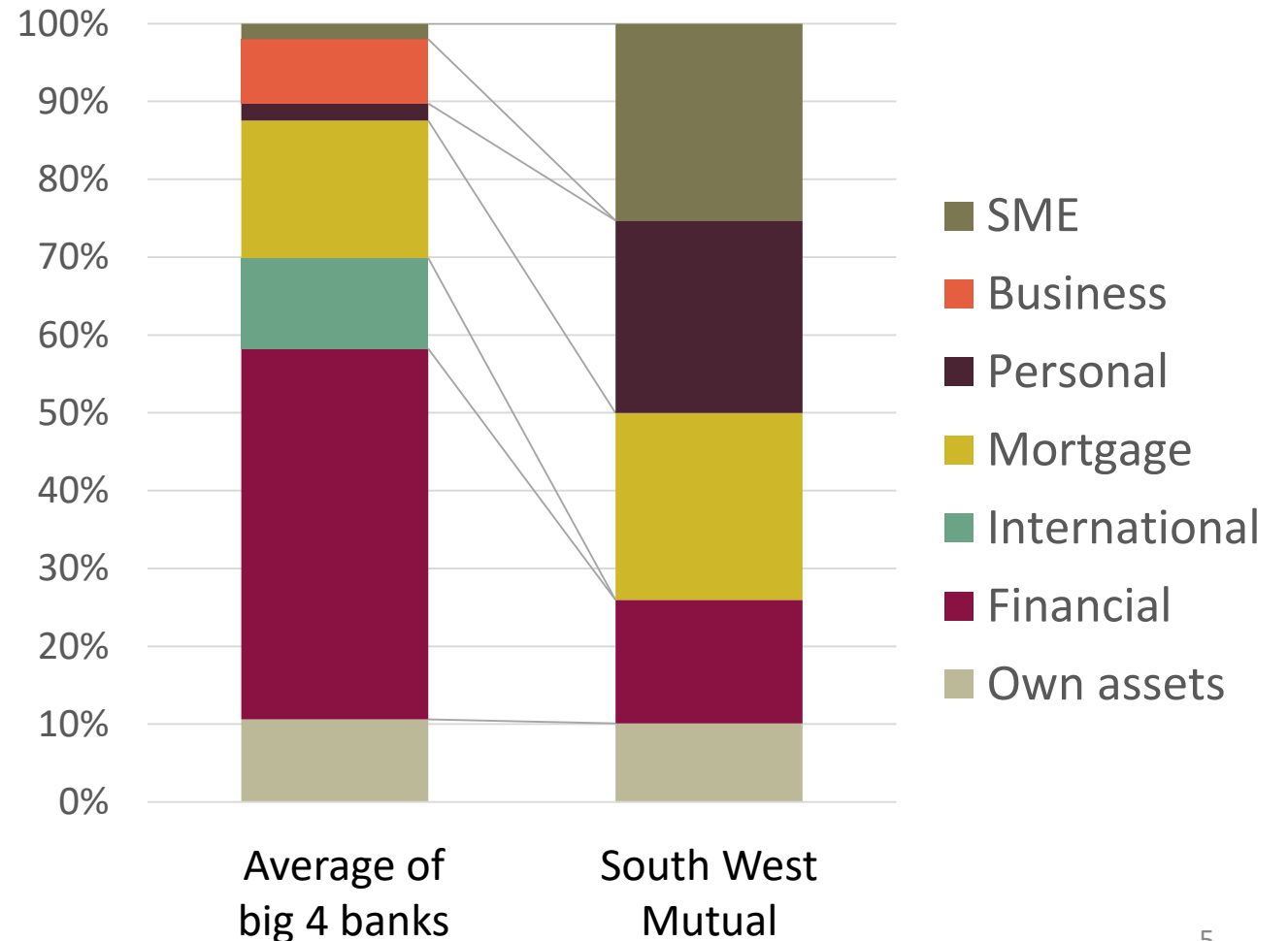
Net outflow **£390m**

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**SWM keeps money
flowing within the
region's economy**

Real economy impact – SWM lending vs UK Big 4



Commitment to financial inclusion

In Devon districts there are approximately*:

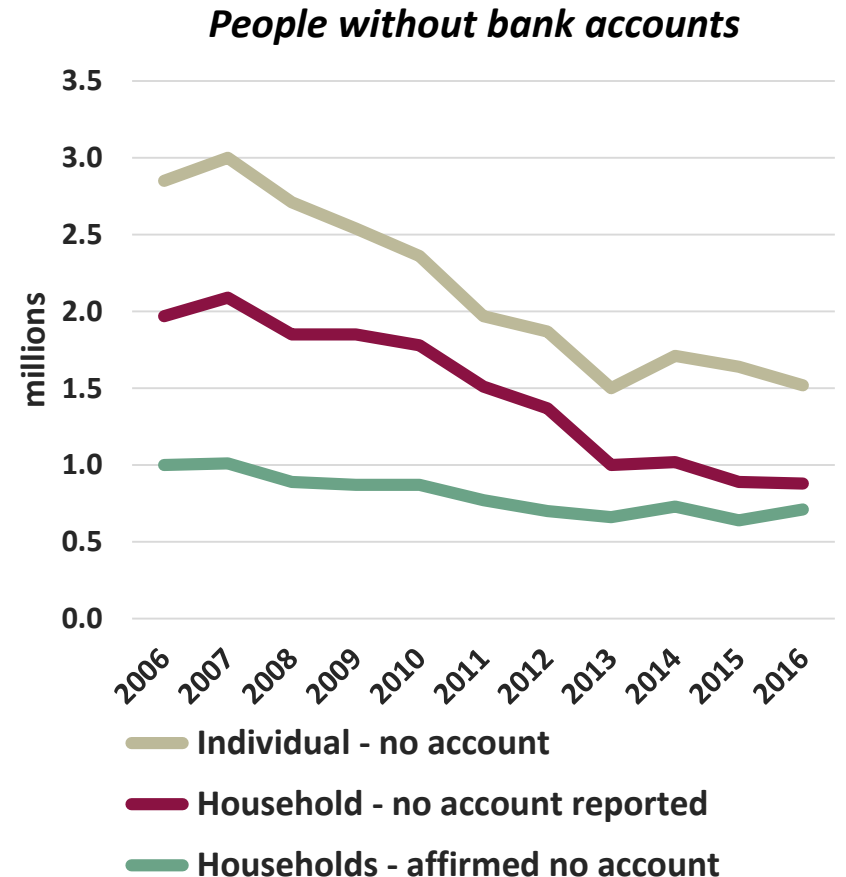
- 21,000 individuals without bank account
- 106,000 non-users of the internet
- 33,000 entirely dependent on cash
- 46% uncomfortable using digital only banks
- £8 million poverty premium

Page 40



SWM will provide full current account to any resident

**Source: Pro-rata on population of 642,000 adults , from HMT report on cash March 2018, and CHASM Financial Inclusion Report 2016*



Source: FINANCIAL INCLUSION ANNUAL MONITORING REPORT 2017

Branches and local managers

- Losing 60 branches / 300 cash machines a month
- Branch access still important for many customers
 - eg trading businesses; some older/vulnerable people
- Evidence confirms 'soft information' is vital for safe local lending

Page 41



- **SWM has Branch Directors and staff with decision making power**
- **We use modern technology to deliver a low-cost branch solution**

Branch Closures 2015-18

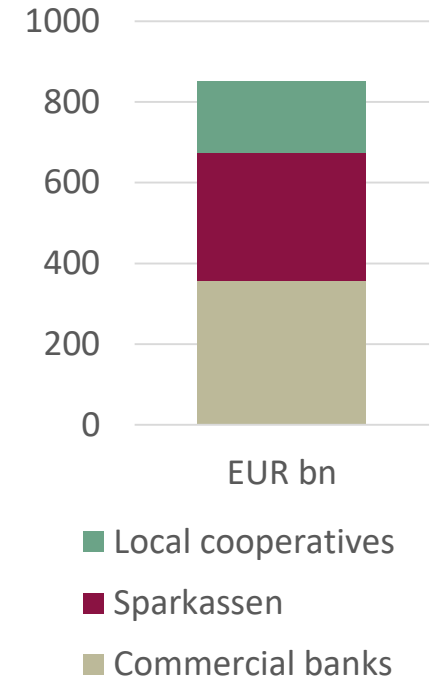
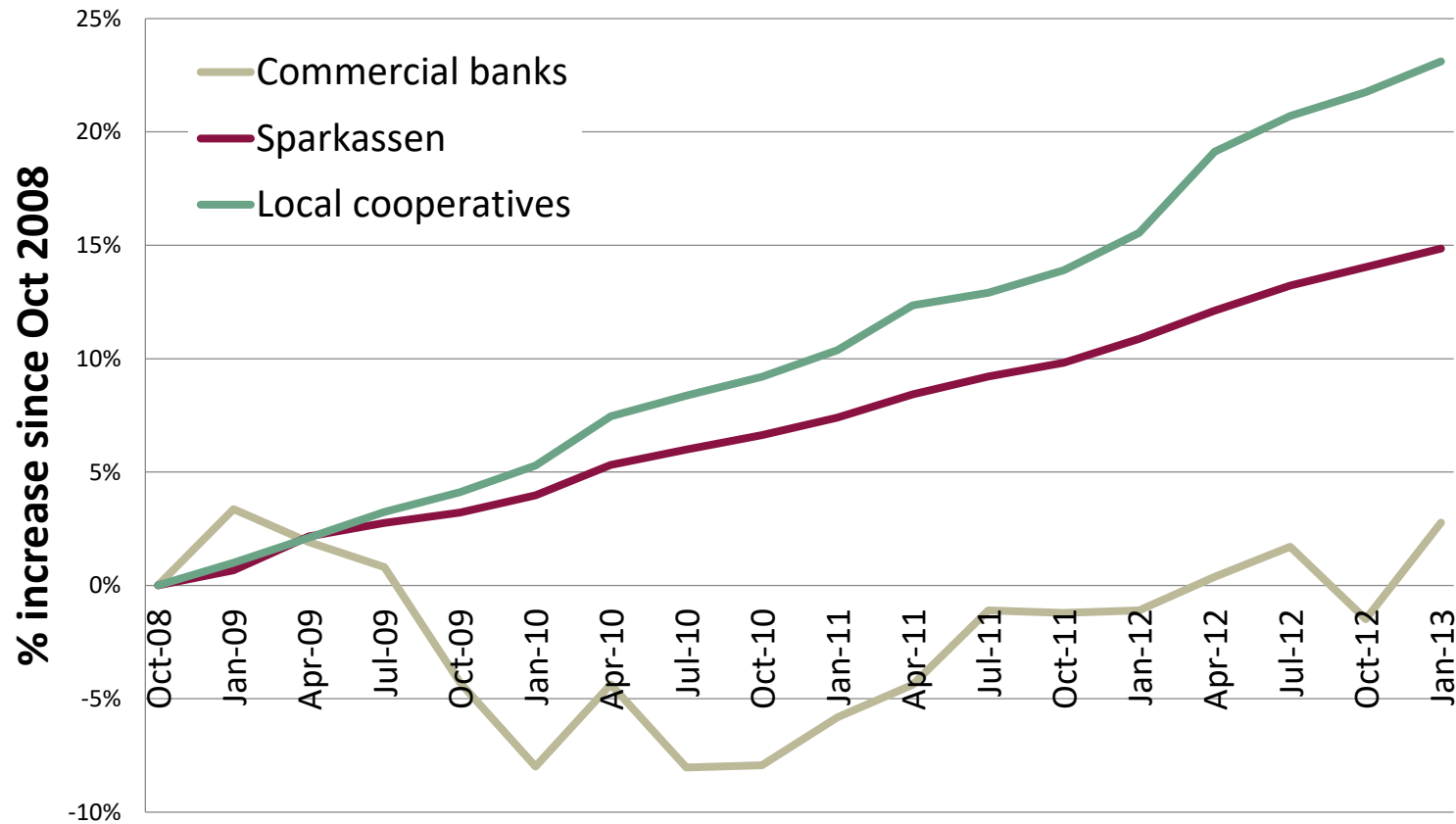


	RBS/ NW	Lloyds	Barc- lays	HSBC	Co-Op	Other	Total
East Devon	5	2	3	1	1		12
Exeter	2	4		1		1	8
Mid Devon	2	1	2				5
North Devon	3	4	1	2	1		11
South Hams	4	4	1	2		2	13
Teignbridge	3	4		1	1		9
Torridge	3	1	2				6
West Devon	3	1	1	1	1		7
Grand Total	25	21	10	8	4	3	71

Economic resilience: 'no more boom and bust'?

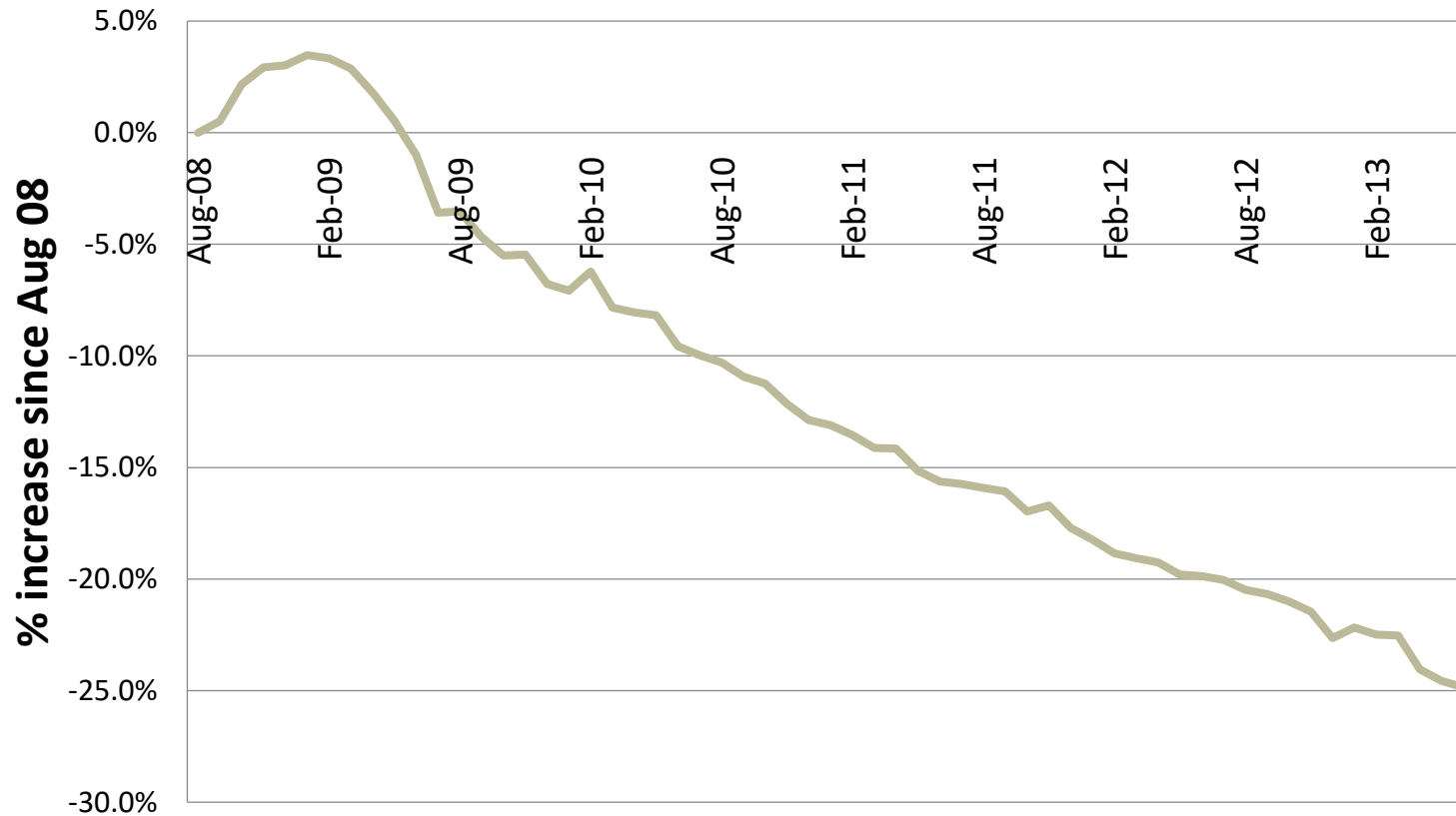
Page 42

German bank lending to domestic enterprises and self-employed



Economic resilience: the UK's Achilles heel?

Total UK bank lending to non-financial corporates



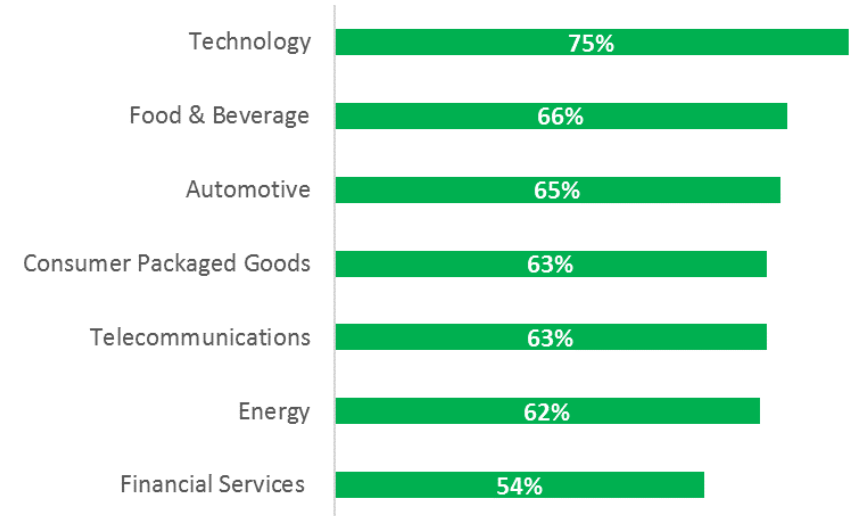
SWM is committed to the region. We won't chase the booms so we are still there during the busts.

Restoring trust in banking

- Our customers are our shareholders
- We will not engage in financial trading and speculation
- No bonuses or sales incentives paid to staff
- Living wage employer
- Maximum 10x pay ratio
- Board directly accountable to customers
- One member one vote
- Simple, honest and transparent charging structure
- No pressure to cross-sell financial products

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Edelman Trust Barometer
2017 Results



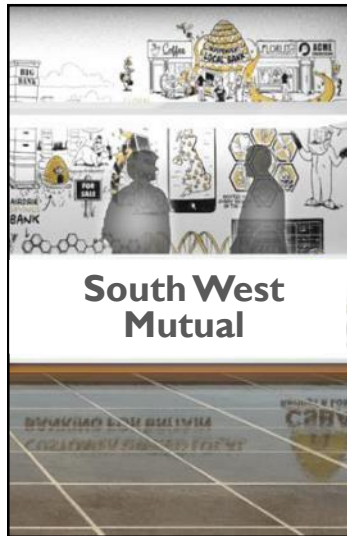
Do you trust your bank?	TRUST
Keeping my money safe	48%
Protecting my personal and financial information	43%
Providing me with truly unbiased advice suited to my needs	25%
Telling me if there is a better product for my needs/ situation even it means less money for them	21%

Source: EY Global bank survey 2016: Without it you're just another bank

Full range of services competing with high street banks

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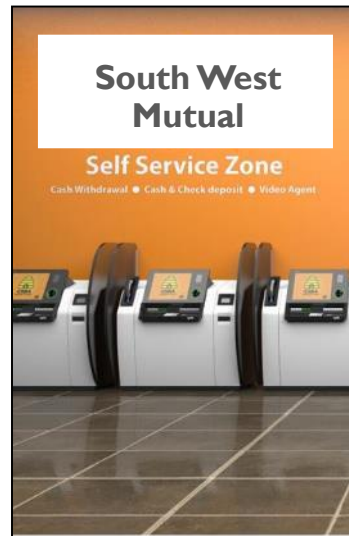
Local HQ



Sub-regional hub
with staff and
Branch Director.

Safety deposit boxes.

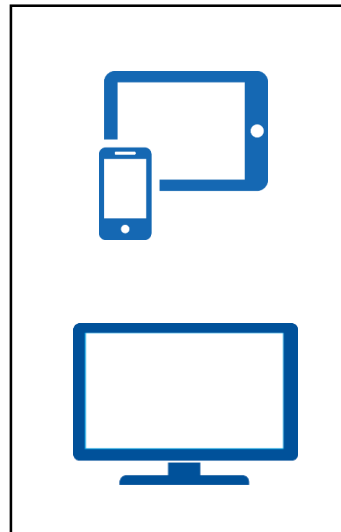
Satellite branches



24/7 video linked
full service
automated branch.

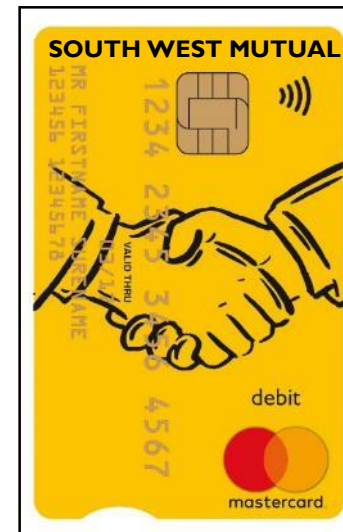
Some staffed times

Digital channels



Online and
app.

Current accounts



Fixed, transparent and
simple membership fee:

Personal: £5 pcm
Organisation: £10 pcm

- Expense analysis
- 'Jam jar' functionality
- Interest on whole balance
- Additional member benefits tbc

Why a monthly charge? Free banking does not exist

Page 46

- Free-if-in-credit (FIIC) accounts are NOT free
- 90% of customers with FIIC accounts effectively pay charges
- Our model simple, transparent and honest
- Allows us to be inclusive
- and to maintain branch access
- Better value for money for many customers

“I do not advocate the ending of free-if-in credit banking. Why? Because there is no such thing to start with, so it cannot be abolished as such.

Nothing in life is free
– sorry to disappoint.”

Andrew Bailey, Chief Executive FCA
29th June 2017



Bank	SWM	Lloyds	NW
		Classic	Select
Monthly membership fee	(5.00)	-	-
Interest on £1,000 in current a/c	1.22	-	-
Interest on £4,000 in current a/c	4.88	-	-
Cost of £500 overdraft for 15 days	(1.94)	(10.65)	(9.74)

- 44% of Free-If-In-Credit accounts attract overdraft charges
- 80% of consumers do not know what their overdraft charges are
- £2.9 billion paid in overdraft fees in 2014
- £4.3 billion interest foregone in 2014

Community Savings Bank Association

- Highly experienced Board
- 'Bank in a box' service
- 18 regional banks
- Test and training facility



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Investment in Shares of South West Mutual

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RETURNS	Financial	Dividend of 7.5% by year 6 Growing dividend yield as profits rise Moderate share price growth over the medium term
	Economic	Supporting local enterprises, business rates and employment Boosting economic resilience during recessions, protecting jobs and incomes Inclusive growth: spreading opportunities for locally driven business and employment Recycling more spending and savings back into the Devon economy
	Social & environmental	Tackling financial exclusion and problem debt Improving financial capability and wellbeing Restoring trust and building civic participation Improved environmental and social performance
EXIT ROUTE		Trade with approx. 90,000 members projected by year 9 on a share trading platform

This is not investment advice; it is non-binding and it is subject to T&Cs that are to be agreed separately

Strategic alignment

Community land trusts

Community businesses and social enterprise

Access to banking facilities, credit and supporting high streets



Environmental protection integrated in risk assessment. Supporting community energy

Local authority investment

Guidance from Arlingclose (Treasury Advisors)

Local Government Act 2003

“Investments made by local authorities can be classified into one of two main categories:

- Investments held for treasury management purposes; and
- Other investments”

“Local authorities should disclose the contribution that all **other investments** make towards the **service delivery objectives** and/or **place making role** of that local authority.”

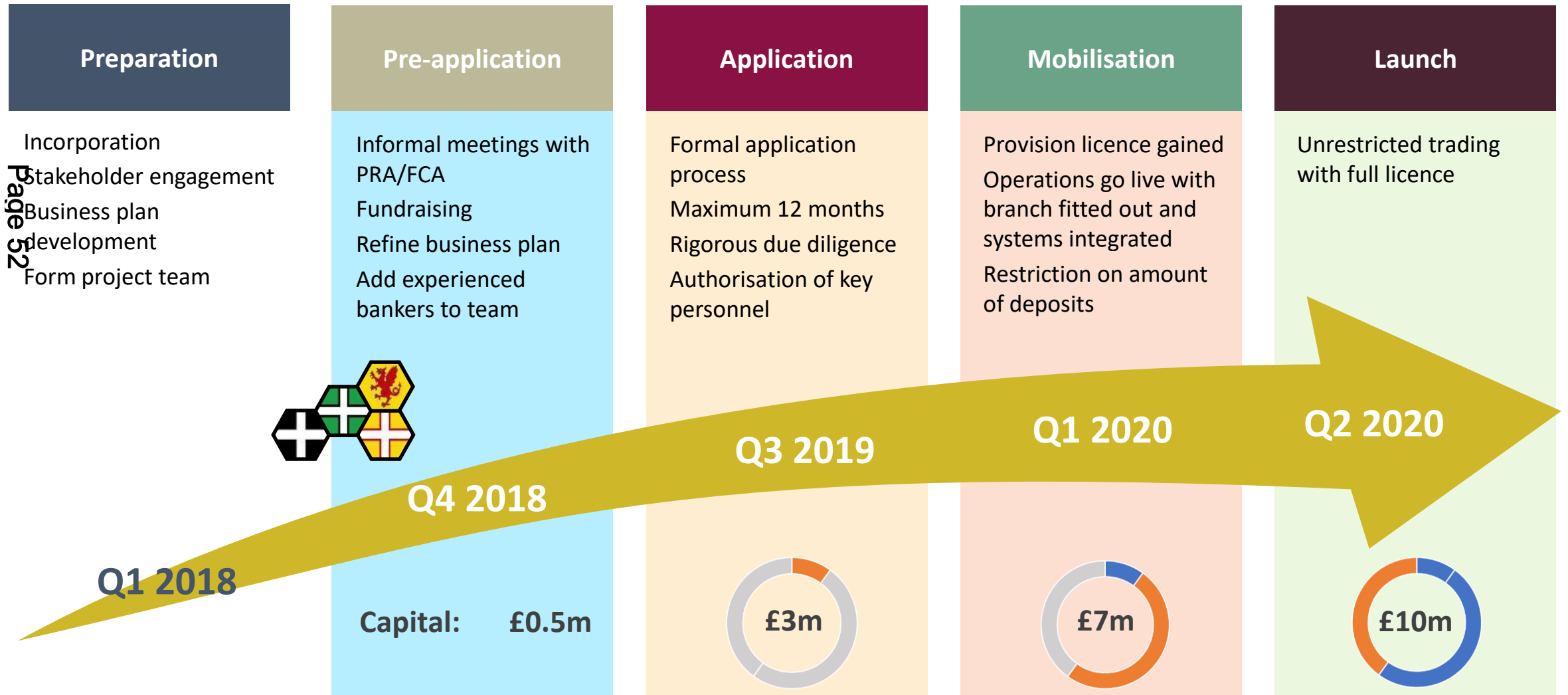
Localism Act 2011

The general power of competence allows local authorities in England to do “**anything that individuals generally may do**”

Local authority investment - precedents

Bank	Authority	Notes
Hampshire Community Bank (Note 1)	Portsmouth BC - £5m Winchester - £250k Test Valley - £500k	Capex funded by unsupported Prudential Borrowing / Capital receipts reserve. 'Spend to save' project. Economic development powers / general power of competence in S1 Localism Act 2011
Cambridge and Counties Bank	Cambridgeshire Local Government Pension Scheme	£8m in deferred shares for 50% 50:50 with Trinity College Cambridge
Cambridgeshire Building Society		£15 million core capital deferred shares carrying only 1 vote
Redwood Bank	Warrington BC £30m	Bank will open a northern regional office in Warrington. Shortlisted in 'Innovation in Finance' category of 2017 MJ Local Government Achievement Awards

Timeline for banking licence and launch



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Agenda Item 8

Report to: **Executive**

Date: **22 November 2018**

Title: **Annual review of Health and Safety Policy Statement**

Portfolio Area: **Strategy and Commissioning**

Wards Affected: **All**

Relevant Scrutiny Committee: **Overview and Scrutiny Panel**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: **After Council 6 December 2018**

Author: **Ian Luscombe** Role: **Community of Practice Lead (Environmental Health)**

Contact: **01822 813713 Ian.Luscombe@swdevon.gov.uk**

Recommendations:

That Executive **RECOMMEND** to Full Council to adopt the revised policy and that it is signed by the Head of Paid Service and the Leader of the Council

1. Executive summary

- 1.1 The Council is required to prepare a written health and safety policy statement by the Health and Safety at Work Act 1974. The policy should be agreed and signed off by the Head of Paid Service and the Leader of the Council.
- 1.2 The Joint South Hams District Council and West Devon Borough Council Health and Safety policy documents the Council's position regarding its intentions, organisation and arrangements for ensuring the health, safety and welfare at work of their employees, and the health and safety of any other person working in, visiting the Councils, or who may be affected by their activities.
- 1.3 The policy is required to be reviewed annually and where appropriate, revised to reflect any significant change within the Organisation.

- 1.4 There have been no amendments as a result of this year’s annual review

2. Background

- 2.1 The Council is required to have a written health and safety policy under the Health and Safety at Work Act 1974. The Policy is an important document to set the responsibility for the health and safety of staff in the Council’s employment and those persons effected by its activities. The Policy covers the entire range of Council Services.
- 2.2 The Policy is supplemented by a number of Safety Codes dealing with specific issues relevant to particular Service Groups and/or activities, e.g., Work at Height, Working Alone, Incident Reporting, etc. These Codes will have the same status as the Policy
- 2.3 The Policy adopts a sensible approach to managing risk which reflects best practice and is based on integrated management principles enabling the Council to achieve a correct balance in managing health and safety as part of an overall risk management
- 2.4 The Policy should be reviewed annually and revised to include any significant changes

3. Outcomes/outputs

- 3.1 The Council is required to have a Health and Safety Policy agreed by senior management and members, signed off by the Head of Paid Service and the Leader of the Council

4. Options available and consideration of risk

- 4.1 There is a statutory requirement to agree and implement the Councils Health and Safety Policy. Failure to do so would risk prosecution by the Health and Safety Executive and put employee’s health and safety at unacceptable risk.

5. Proposed Way Forward

- 5.1 The Council should agree the revised Health and Safety Policy and continue to review it on an annual basis and/or when significant changes occur.
- 5.2 The Internal Health and Safety CoP should provide a basis for integrating health and safety into its management structure and achieve continuous improvement in health and safety standards.

6. Implications

Implications	Relevant to	Details and proposed measures to address
--------------	-------------	--

	proposals Y/N	
Legal/Governance	Y	Health and Safety at Work etc Act 1974 The Policy conforms to the 2013 HSE guidance in order to ensure that the Council is legally compliant. Accordingly, the Policy needs to be formally adopted by the Council.
Financial	Y	Achieving legal compliance requires the Council's officers to actively engage in carrying out health and safety responsibilities intrinsic to their job role. The cost will be officer time which is accounted for within existing budgets. Achieving best practice will require an ongoing commitment to continuously improve the health and safety management system which will add to the cost of officer time.
Risk		The potential cost of not achieving legal compliance includes: i HSE enforcement costs ii legal and court cost iii compensation costs iv loss of credibility.
Comprehensive Impact Assessment Implications		
Equality and Diversity		The Policy applies to all members of staff and has considerations of the effect of Council activities on non-employees. Effective management of health and safety should ensure that equality and human rights are not infringed.
Safeguarding		Indirect impact derived from suitable and sufficient risk assessment of activities associated with vulnerable groups
Community Safety, Crime and Disorder		No direct impact
Health, Safety and Wellbeing		As above, indirect impact on wellbeing derived from suitable and sufficient assessment of risk of work activities, e.g., lone working
Other implications		None

Supporting Information

Appendices:

South Hams District and West Devon Borough Council's Health and Safety Statement

Background Papers:

[under provisions of the Local Government Act 1972]

None

Process checklist	Completed
Portfolio Holder briefed	Yes/No
SLT Rep briefed	Yes/No
Relevant Exec Director sign off (draft)	Yes/No
Data protection issues considered	Yes/No
If exempt information, public (part 1) report also drafted. (Cabinet/Scrutiny)	N/A

HEALTH AND SAFETY STATEMENT AND POLICY

Revisions

Version 1	September 2015
Version 2	November 2016
Version 3	July 2017
Version 4	October 2018

1. Statement of Intent

- 1.1 This is a statement of policy by South Hams District Council and West Devon Borough Council (the Councils) about their intentions, organisation and arrangements for ensuring the health, safety and welfare at work of their employees, and the health and safety of any other person working in, visiting the Councils, or who may be affected by their activities.
- 1.2 It is the intention of the Councils to do all that is reasonably practicable to provide safe and healthy working conditions for its employees and to enlist their support in achieving this. The Councils also recognise their responsibilities to ensure the health and safety of elected members, members of the public, visitors and contractors when on their premises and others who may be affected by their activities.

2. Policy

- 2.1 It is the policy of the Councils as employers that they will comply so far as is reasonably practicable, with the requirements of the Health and Safety at Work etc. Act 1974 and all other relevant statutory provisions.
- 2.2 This policy is supported by Codes of Practice that apply throughout the Councils and will have the same status as this policy. The Codes of Practice will reflect:

- minimum legal requirements
- best practice.

2.3 The Councils will do all that is reasonably practicable to prevent personal injury and illness, loss and damage to premises, plant and equipment by:

- Appropriate assessment and management of risk for all activities and seeking to eliminate hazards and/or reduce risks;
- ensuring appropriate competence of all employees in health and safety by the provision of information, instruction, training, supervision, management support and performance appraisal;
- ensuring close co-operation and participation of management and staff through normal working relationships and consultation with employees.

2.4 The Councils will pursue the above aims by the implementation of the objectives at **Appendix A** and the three year safety plan.

2.5 The remainder of this document contains the following sections:

- Organisation and responsibilities
- Arrangements for implementation
- Objectives.

3. Policy Review

3.1 This policy will be reviewed annually, in consultation with the unions, by the Internal Health and Safety Service who will advise the Senior Leadership Team (SLT) on possible amendments

3.2 The Codes of Practice will be reviewed by the Internal Health and Safety Service as and when legislation changes, best practice dictates or when otherwise necessary.

4. Organisation and responsibilities

4.1 This part of the policy describes the organisational arrangements within the Councils and their trading arm(s) for ensuring health and safety at work. Health and Safety issues are line management responsibilities alongside and of equal importance to responsibilities for the provision of services and the management of resources.

4.2 Head of Paid Service

4.2.1 The **Head of Paid Service** has overall responsibility to ensure, so far as is reasonably practicable, the health, safety and welfare at work of all the Councils' employees and to ensure, so far as is reasonably practicable, the health and safety of others who work in and visit the Councils or may be affected by the Councils' activities.

4.2.2 The **Head of Paid Service** will include Health and Safety in his/her annual report to Council.

4.3 **Group Managers**

4.3.1 Group Managers are responsible for the implementation of this policy in the areas over which they have control.

4.3.2 **Community of Practice Lead Specialist- Environmental Health**

The **Community of Practice Lead Specialist- Environmental Health** will be responsible for providing an internal health and safety service to the Councils which will be the competent assistance as required by the Management of Health and Safety at Work Regulations 1999. To avoid confusion this should be a named officer.

4.4 **Managers/supervisors**

Managers/supervisors are responsible for ensuring the implementation, coordination and monitoring of this policy and associated Codes of Practice, and the overall health and safety management of the staff within their control. In particular, they must:

- carry out risk assessments and ensure that safe working conditions are maintained;
- ensure that staff within their control are trained and instructed in safe methods and comply with them;
- ensure that all accidents, incidents and near misses are reported and investigated and steps taken wherever possible to prevent a recurrence.

4.5 Group Managers may nominate officers with Day to Day Responsibility for Health and Safety in their respective services/departments and inform their staff and the Internal Health and Safety Service accordingly but this will not remove the Head of Service's responsibilities.

4.6 **Employees**

Employees shall:

- take reasonable care for the health and safety of themselves and of other persons who may be affected by their acts or omissions;
- co-operate with their manager in the implementation of this policy;
- follow safe working practices at all times;
- report accidents, incidents and near misses to their line manager;
- report unsafe working conditions and hazards to their line manager or other appropriate person.

4.7 Key staff with additional health and safety responsibilities

In addition to their responsibilities as managers the following Heads of Services will also have the responsibilities shown at **Appendix B**:

- Community of Practice Lead Specialist- Environmental Health
- Harbour Master
- Lead HR Business Partner
- Members of the Internal Health & Safety Virtual Community of Practice group (HSvCoP)

4.8 Members of the Internal Health & Safety Virtual Community of Practice group (HSvCoP)

- Membership of HSvCoP will consist of CoP Leads and Managers and other relevant persons
- The group will be a forum for discussion for Internal Health and Safety matters and responsible for developing and progressing health and safety awareness throughout the Councils.
- The group will identify and implement work programmes relating to internal health and safety, including a programme of auditing and review, and any other tasks arising to achieve compliance with regulatory requirements or best practice.
- A member of SLT will be in attendance. This will enable key decisions to be made or effectively escalated to SLT.
- This group will also be a point of contact for Union Representatives and Staff Forums.

4.9 Community of Practice Lead Specialist- Environmental Health (Internal Health and Safety)

The Internal Health and Safety service provides the competent advice to the Councils on matters relating to health, safety and welfare at work across the Councils. Their objectives include:

- providing specialist support and guidance to the Councils on the effective management of health and safety;
- to help promote and maintain a high standard of total health (physical and mental) for all persons working in the Councils;
- the safeguarding of all staff from health and safety hazards arising from their work or the environment by means of accident prevention, environmental control and prevention of injury and illness;
- to receive all Incident/Near Miss reports, maintain an Incident/Near Miss database and publish performance statistics.

5. Arrangements for implementation

5.1 This part of the policy describes the general arrangements for the implementation and monitoring of health and safety at work.

5.2 Strategic aims, objectives and three-year action plan

The aims, objectives and three-year safety plan set out the Councils' commitment to provide a healthy and safe environment for all those who work in and visit the Councils. The plan reflects best practice and is based on the principles of loss control and quality management.

This approach is designed to:

- a. address the health and safety implications of the various activities of the organisations;
- b. identify the hazards and assess the level of risk;
- c. apply the following general principles of prevention in the order shown:
 - avoiding risks;
 - evaluating the risks which cannot be avoided;
 - combating the risks at source;
 - adapting the work to the individual, especially as regards the design of workplaces, the choice of work equipment and the choice of working and production methods, with a view, in particular, to alleviating monotonous work and work at a predetermined work-rate and to reducing their effect on health;
 - adapting to technical progress;
 - replacing the dangerous by the non-dangerous or the less dangerous;
 - developing a coherent overall prevention policy which covers technology, organisation of work, working conditions, social relationships and the influence of factors relating to the working environment;
 - giving collective protective measures priority over individual protective measures; and
 - giving appropriate training and instructions to employees.

5.3 Codes of Practice

5.3.1 Where a need is identified, through legislation, risk assessments, best practice, health and safety auditing, the proceedings of committees or other means, a Code of Practice will be established to set the standard of implementation and operation for the identified topic. These Codes of Practice will be reviewed as and when legislation changes or practice dictates.

5.3.2 The Codes of Practice shall have the same status as the main policy document and will outline how to implement the requirements of the main policy in specific risk areas.

5.4 Training

5.4.1 The Internal Health and Safety Service in conjunction with the training partnership and workplace managers and supervisors, will provide guidance on Health and Safety Training and general training needs, and identifying those key workers who should attend. The Internal Health and Safety CoP will administer health and safety training across the organisations and develop a training competency matrix, which will establish key training for all staff.

5.4.2 Each Service will ensure that good working arrangements for health and safety training exist. This training will include attendance at corporate induction training and appropriate special to job induction training.

5.4.3 Each Service will ensure that health and safety is included as an integral part of their annual business plan.

5.4.4 Records of safety training provided will be maintained on Team Spirit and but may also be maintained by service managers.

5.4.5 The identification of health and safety training needs is to be part of the annual appraisal process. Managers are responsible for identifying the training needs of individuals. The Internal Health and Safety Service needs in conjunction with Human Resources will be responsible for an analysis of the corporate training.

5.5 Risk assessment

5.5.1 Each manager/supervisor shall make a suitable and sufficient assessment of:

- the risks to the health and safety of his employees to which they are exposed whilst they are at work; and
- the risks to the health and safety of others who may be affected by their activities,

for the purpose of identifying the measures necessary to ensure a safe and healthy place of work.

5.5.2 In addition to the general risk assessment set out at paragraph 5.5.1 there may also be a need for a specific risk assessment and the need for that should be identified and if possible carried out at the same time. These specific assessments are shown in the appropriate Code of Practice on Assessment of Risk but include:

- manual handling (*including the lifting, putting down, pushing, pulling, carrying or moving of a load*);
- display screen equipment (computing and word processing);
- hazardous substances etc;
- young people

- pregnancies.

5.5.3 Risk assessments will be reviewed:

- Periodically as recorded on the risk assessment;
- when an accident, incident or near miss occurs;
- when purchasing new equipment;
- changing work practices etc; or moving into a new work area.

5.5.4 Managers/supervisors are to monitor work activities to ensure that risk assessments and control measures are still suitable and sufficient and take appropriate action to review when necessary.

5.5.5 Where a need for a generic risk assessment is identified (e.g. work in offices, activities of a similar nature taking place in more than one service) the internal health and safety service will be responsible for carrying out the assessment and monitoring as required by paragraph 5.5.4

5.6 Health and safety standards, audit and inspection

5.6.1 A set of health and safety standards has been designed and each Service will make their own arrangements for reviewing their level of achievement annually which will be reported in their service plan. The standards are shown at **Appendix C**.

5.6.2 The Internal Health and Safety Service CoP will develop a programme of audits and a standardised form to identify whether the management of risk has been carried out in each service area. The programme should be designed to reflect the needs of the Councils and the individual Service and will take into account the particular kinds of hazard or health and safety issues encountered. The timing of health and safety audits will appear in the annual safety plan and will be proportionate to the level and scope of the hazards and risks present.

5.6.3 The combination of the review of safety standards and the audit process is designed to ensure that we can demonstrate our level of health and safety management. The results will be analysed, considered, prioritised and shaped into an action programme.

5.7 Occupational health

5.7.1 Occupational health is concerned with work-related problems and health and safety in the work place. An occupational health service for staff is provided under arrangements made by Human Resources. Further details may be obtained from the Human Resources Office.

5.8 Incidents

5.8.1 Any incident or injury occurring whilst at work or on the Council's premises, however trivial it may appear at the time, must be reported to the Internal Health and Safety Service on the prescribed form.

5.8.2 Any report of an incident caused by defective fixtures and fittings, furniture, equipment etc. should make the cause clear so that steps can be taken to rectify the fault and avoid a recurrence.

5.9 First Aid Arrangements and Medical facilities

5.9.1 Details of first aid arrangements and medical facilities for the Councils are given in the appropriate Code of Practice and on the Health and Safety pages of the Intranet.

5.10 Eye tests for display screen equipment users

5.10.1 Members of staff who are users of display screen equipments (computers etc) are eligible for the refund of the cost of an eye test. If it is confirmed by the optician that they require spectacles specifically for display screen equipment use, a further refund may be provided for the cost of a basic pair of spectacles. Further details are available from the Internal Health and Safety Service and on the Health and Safety pages of the Intranet.

5.11 Smoking and vaping

5.11.1 Smoking or vaping is not permitted in any of the Council's premises. The text of the policy is set out in the appropriate Code of Practice and on the Health and Safety pages of the Intranet. This also extends to the use of E Cigarettes.

5.12 Emergency Procedures

5.12.1 Fire

Details of the procedure in the case of fire are provided at each of the Councils' premises. Fire Safety training is also covered on the Induction Courses which is mandatory for all staff, in the health and safety training prospectus and periodically as a refresher.

5.12.2 Emergency procedures for staff with disabilities

On joining the Councils, any member of staff who has a disability that might impede their evacuation or the evacuation of anyone else should bring this to the attention of their manager. A personal evacuation plan will be drawn up by the responsible manager, in conjunction with the Internal Health & Safety Service, and this should be brought to the attention of colleagues working in the same locality. Staff who develop a disability during their employment in the Councils should also consult their manager.

5.12.3 Threats Against the Councils

On receipt of a threat against the Councils including those by letter or suspect package suspicious letter or parcel, staff should:

- make no attempt to open it;
- place the package carefully on the nearest firm surface; and
- telephone Follaton House Building Management (extension 1227) and Kilworthy Park Facilities (extension 3611/3609)

5.13 Security

Responsibility for security within the Councils' premises rests with the manager of each site. Staff are however expected to exercise all reasonable vigilance and, in particular, are responsible for any visitors they may bring into the Councils' premises.

5.14 Arrangements for Names badges and access cards and for Access Control

Where there is a need to provide staff with name badges and access cards or for access control the Facilities service will make the necessary arrangements.

5.15 Consultation With Employees

5.15.1 Consultation with employees on health and safety matters is essential and a statutory requirement.

5.15.2 Suitable arrangements are to be put in place for staff consultation and Terms of Reference agreed as appropriate.

.....
Sophie Hosking
Head of Paid Service

.....
John Tucker
Leader of the Council

South Hams District Council
Follaton House
Totnes
TQ9 5NE

.....
Philip Sanders
Leader of the Council

West Devon Borough Council
Kilworthy Park
Tavistock
PL19 0BZ

Appendices

Appendix A Aims and Objectives

Appendix B Key Staff With Additional Health and Safety Responsibilities

Appendix C Standards Linked To Health and Safety Objectives

Appendix A

Aims and Objectives

Aims

- To ensure that a robust safety management system is in place;
- To provide and maintain a work environment that is safe and without risk to health for all employees, contractors and others who may be affected by the activities of the council;
- To avoid all accidents and to ensure that no one suffers ill health as a result of working at South Hams District Council or West Devon Borough Council or by the activities of the Councils;
- To plan and manage activities so that hazards are assessed and risks eliminated or controlled in so far as is reasonably practicable by appropriate prevention and protection measures

Objectives

- Fully integrate health and safety into the management and decision-making processes within the Councils.
- Ensure appropriate systems are developed and maintained for the effective communication of health, safety and welfare matters throughout the Councils.
- Comply with all relevant Statutes, Regulations and Codes of Practice. The minimum standards that will be adopted by the Councils will be those required by law, although the Councils will always seek to exceed these where there is a demonstrable benefit.
- Devote appropriate resources in the form of finance, equipment, personnel and time to ensure the maintenance of health, safety and welfare standards.
- Provide necessary information, instruction and training to employees and others, including temporary staff, to ensure their competence with respect to health, safety and welfare.
- Ensure appropriate liaison with all necessary persons to ensure an appropriate standard of health, safety and welfare. The Councils will also ensure that adequate arrangements are also in place for ensuring the health and safety of non- employees who may be affected by the Councils' activities.
- Ensure that all employees are aware of their responsibilities to take reasonable care of themselves and others who could be affected by their acts or omissions and to co-operate with management in achieving the standards required.

- Ensure that managers are aware of their specific duties and responsibilities to comply with the letter and spirit of the Councils' policy and that the management of health, safety and welfare is an integral part of their function and their performance will be monitored along with their other duties.
- Carry out appropriate investigation of accidents, incidents and 'near-misses' and necessary action taken to reduce the likelihood of a recurrence.
- Establish procedures to ensure that safe equipment and plant are provided for employees and non-employees.
- Establish procedures for the appointing and monitoring of the competency of contractors.

Appendix B

Key Staff with Additional Health and Safety Responsibilities

1. Community of Practice Lead Specialist- Environmental Health, in addition to his enforcement responsibilities in the commercial sector, will:
 - a. Provide a health and safety advisory service to the Councils by means of the Internal Health and Safety Service;
 - b. Advise the Internal Health and Safety Service on matters of Environmental Health and Pollution Control, relating to activities carried out by the Councils;
 - c. When necessary, monitor the atmosphere and assess noise levels in certain areas of work;

2. Harbour Master will ensure that:
 - a. The Dartmouth Lower Ferry operates in accordance with the South Hams District Council's approved Domestic Safety Management Code as required by the Merchant Shipping (Domestic Passenger Ships) (Safety Management Code) Regulations 2001) and that reviews of the Code take place when necessary and at not less than 3 yearly intervals.
 - b. The Salcombe Harbour Safety Management System as required by the Department for Transport Port Marine Safety Code is produced and reviewed at the prescribed intervals.

3. Lead HR Business Partner will have responsibility for:
 - a. Advising elected Members and Officers on the personnel implications of the Councils' Health and Safety Policy;
 - b. Consultations and negotiations with representatives of the staff on those aspects of the Health and Safety policy which affect the staff and their conditions of employment;
 - c. In conjunction with the Internal Health and Safety Service provide suitable induction and other training for staff in health and safety matters, including the administration of the training programme and the organisation of training courses within the Council;

- d. Ensure that an appropriate paragraph concerning risk management and health and safety is included in each job description.
4. Internal Health & Safety Virtual Community of Practice group (HSvCoP) will have responsibility for:
- a. identifying and implement work programmes relating to internal health and safety, including a programme of auditing and review, and any other tasks arising to achieve compliance with regulatory requirements or best practice.
 - b. the administration of health and safety training across the organisations and develop a training competency matrix.

APPENDIX C

Standards linked to Health and Safety Objectives

Performance levels			
1	2	3	4
Communication and Consultation - <i>Management will ensure that appropriate systems are developed and maintained for the effective communication of health, safety and welfare matters throughout the Councils. The Councils will liaise and work with all necessary persons to ensure an appropriate standard of health, safety and welfare. The Council will also ensure that adequate arrangements are also in place for ensuring the health and safety of non- employees</i>			
Health & safety is not discussed and changes are made without consulting with staff or managers	Health & Safety is a standard item on managers meetings, for all staff during first week induction and following any incident. Changes which may affect H&S are openly discussed with managers	Health & Safety is a standard item on managers and team meetings, for all staff during first week induction and following any incident and as part of risk assessment. Changes which may affect H&S are openly discussed with managers and staff	Health & Safety is a standard item on managers and team meetings for all staff during first week induction and following any incident and as part of risk assessment. Any matters arising are followed up to a conclusion. Changes which may affect H&S are openly discussed with managers and staff and comments or arguments welcomed
Contractors - <i>The Councils will ensure that procedures are established for appointing and monitoring the competency of contractors.</i>			
Contractors are selected without considering any health and safety implications	Contractors are selected after checking their health and safety management and systems	Contractors are selected after checking their health and safety management and systems and agreeing method statements and working processes. The Council's Internal Health and Safety Service is involved.	Contractors are not used OR Contractors are selected after checking their health and safety management and systems and agreeing method statements and working processes. The Council's Internal Health and Safety Service is involved. Contractors are actively monitored during the contract works and a record is maintained.

Monitoring of health and safety including risk assessments and working practices			
No monitoring of health and safety takes place	When problems are brought to the attention of managers the matter is looked into	Regular checks of some aspects of health and safety are made	A programme of checks on health and safety is produced and followed
Planning including the effects of service changes and requirements on health and safety			
There is no consideration of health and safety in my planning	Health and safety is included in my Service Plan but not to any great extent	Health and safety is included in my Service Plan and general planning for my service. Key hazards are identified together with targets for removing or mitigating the risks	Health and safety is a feature of all planning in the service. My service plan identifies key hazards and shows targets for removing or mitigating the risks. Progress is actively monitored.
Risk assessment - The Councils' approach to health, safety and welfare is based on the identification, management and control of risks. There are distinct benefits to be gained from providing a safe and healthy working environment, and appropriate levels of resources will be allocated to promoting, developing and maintaining the standards of health, safety and welfare within the Councils.			
No risk assessments have been carried out	Risk assessments have been carried out for all activities	Risk assessments have been carried out for all activities, control measures put in place and communicated to those affected. Review of assessments is carried out	Risk assessments have been carried out for all activities, control measures put in place and have been communicated to those affected and training has been provided. Monitoring and reviewing of assessments is carried out and recorded.
Training - The Councils will provide the necessary information, instruction and training to employees and others, including temporary staff, to ensure their competence with respect to health, safety and welfare.			
Training is not provided.	Health and safety training needs are identified during the annual appraisal process but not monitored	Health and safety training needs are identified during the annual appraisal process, and when they arise during the year	Health and safety training needs are identified during the annual appraisal process, and when they arise during the year and monitoring carried out to ensure that training takes place

South Hams District Council and West Devon Borough Council aim to ensure equality of opportunity in the delivery of their policies, services and employment practices. South Hams District Council and West Devon Borough Council will challenge discrimination, and encourages other organisations within South Hams and West Devon to act in accordance with Equality legislation.

This Policy is available in large print or Braille upon request.

If you require any help completing associated paperwork please contact the Internal Health and Safety Service extension 1475.

**MINUTES OF THE MEETING OF THE
OVERVIEW & SCRUTINY PANEL
HELD AT FOLLATON HOUSE, TOTNES ON
THURSDAY, 4 OCTOBER 2018**

Panel Members in attendance:			
* Denotes attendance		∅ Denotes apology for absence	
*	Cllr K J Baldry	*	Cllr E D Huntley
*	Cllr J P Birch	*	Cllr D W May
∅	Cllr J I G Blackler	*	Cllr J T Pennington
*	Cllr B F Cane	∅	Cllr K Pringle
*	Cllr J P Green	*	Cllr M F Saltern (Chairman)
*	Cllr J D Hawkins	*	Cllr P C Smerdon (Vice Chairman)
∅	Cllr M J Hicks		

Other Members also in attendance:
Cllrs H D Bastone, I Bramble, J Brazil, T R Holway, N A Hopwood, J A Pearce, R Rowe, R J Vint and S A E Wright

Item No	Minute Ref No below refers	Officers in attendance and participating
All		Group Manager – Commercial Services; and Senior Specialist – Democratic Services
8	O&S.48/18	Group Manager – Support Services and Customer First and Commissioning Manager
9	O&S.49/18	Case Management Manager and Place Making Community Of Practice Lead
10	O&S.50/18	Senior Specialist – Environmental Health
11(a)	O&S.51/18(a)	Senior Specialist – Environmental Health and Community Safety and Safeguarding Specialist

O&S.43/18 MINUTES

The minutes of the meeting of the Overview and Scrutiny Panel held on 6 September 2018 were confirmed as a correct record and signed by the Chairman.

O&S.44/18 DECLARATIONS OF INTEREST

Members and officers were invited to declare any interests in the items of business to be considered during the course of the meeting. These were recorded as follows:-

Cllr B F Cane declared a potential Disclosable Pecuniary Interest (DPI) in Item 7: 'Executive Forward Plan' (Minute O&S.47/18 below refers) and advised that, in the event of any questions being raised or discussion taking place on the 'Brixton Community Housing Scheme' he would leave the meeting room; and

Cllr B F Cane also declared a potential DPI in Item 9: 'Section 106 Agreements Schedule' (Minute O&S.49/18 below refers) and advised that, in the event of any questions being raised or discussion taking place in relation to Venn Farm, Brixton he would leave the meeting room.

O&S.45/18 URGENT BUSINESS

The Chairman informed that he had no items of urgent business to be raised at this meeting.

O&S.46/18 PUBLIC FORUM

In accordance with the Public Forum Procedure Rules, the Chairman informed that there were no questions that had been received for consideration during this agenda item.

O&S.47/18 EXECUTIVE FORWARD PLAN

The Panel was presented with the most recently published Executive Forward Plan and proceeded to make the following comments:

- (a) It was noted that consideration of the agenda items entitled: 'Adoption of Clean Air Strategy' and 'Adoption of Business Continuity Plan' would be deferred to a meeting of the Executive during early 2019;
- (b) The Panel was informed that the Peer Review Report would be presented to the Executive meeting on 7 February 2019;
- (c) Members acknowledged that the recent Central Government announcement about lifting the borrowing limit for Councils who owned their own housing stock was not relevant to the Council;
- (d) Some Members made the point that there were a number of particularly significant agenda items that were scheduled for consideration at the Executive meeting on 22 November 2018.

O&S.48/18 CUSTOMER SATISFACTION SURVEY

The Panel considered a report that detailed the scores that had been achieved by the Council as part of a recent Institute of Customer Service Customer Satisfaction Survey.

The lead Executive Member introduced the report and highlighted the recent all staff training days that had focused on Customer Satisfaction. Following these sessions, the Member informed that an Action Plan would be developed and, subject to agreement at this meeting, it was intended that it would be presented to the next Panel meeting.

Finally, once this Plan had been adopted, it was the wish of the Member for the Executive Forward Plan to be updated to ensure that 'Progress on the Action Plan' was a standing agenda item at future Executive meetings.

In the ensuing discussion, the following points were raised:-

- (a) For clarity, the Panel was informed that the 'Net Promoter Score' could be defined as being the likelihood that a respondent would recommend the organisation to somebody else;
- (b) When questioned, officers confirmed that 538 responses had been made to the Survey. Of these 538, 318 respondents had made a comment. However, Members were also advised that some of these written responses had referred to functions and services that were not within the remit and/or responsibility of the District Council (e.g. potholes). It was noted that a common theme throughout these responses had been identified as the need for the Council to improve its communication methods;
- (c) A number of Members were of the view that the Survey results had simply confirmed what they had already known. In expressing their disappointment and concerns over the Survey results, particular reference was made to:-
 - the results supporting the longstanding (and continued) failings in some officers not responding to their customers. Members reiterated their repeated frustrations that certain officers did not respond to calls, acknowledge emails or provide progress updates to customers;
 - the Survey illustrating the systemic failures of the Transformation Programme. Some Members felt the need to change the current systems was of paramount importance and, whilst the financial objectives of the Transformation Programme had been achieved, this had sadly resulted in a negative impact upon customer services;
 - the removal of individual service areas resulting in a complete lack of ownership and accountability; and
 - the Programme placing too great an onus upon channel shift and the ability (and willingness) of customers to self-serve;
- (d) A Member took exception to the term 'customers' and, in emphasising the lack of choice available to them, felt that the Council should consider its customers to be 'residents'. Indeed, such was the lack of choice, that some Members were of the view that this tended to breed a certain degree of resentment that in fact resulted in residents having an even higher expectation of customer service from their local council(s);

- (e) Having been informed that the Salcombe Harbour Authority had not been included as part of the Survey, some Members felt this to be unfortunate. These Members made reference to the exemplar Customer Service standards that were achieved by the Harbour staff and it was felt that lessons could be learned from them that would benefit the wider organisation;
- (f) Some Members were of the view that, in response to concerns being raised from Town and Parish Council Clerks, they should be encouraged to make contact with the Council through the Localities Team. Furthermore, a Member questioned whether the wider membership had got to grips with the Transformation Programme and specifically the working methods that underpinned the Operating Model;
- (g) In respect of the formal complaints process, a Member felt that the corporate timescales to resolve a complaint (30 days) was excessive and sent the wrong message. As a consequence, the Member requested that this matter be reviewed imminently;
- (h) An alternative recommendation was **PROPOSED** and **SECONDED** as follows:-

'That the Panel notes with concern the results from the Council's recent Customer Satisfaction Survey and requests the production of a comprehensive Action Plan that will include the measures outlined between Sections 5.1(b) and 5.1(e) of the presented agenda report. In so doing, the Panel requests that this Action Plan be presented to its next meeting on 1 November 2018.'

In discussion, Members considered this alternative wording to be more reflective of the general view of the Panel and, when put to the vote, it was declared **CARRIED**.

It was then:

RESOLVED

That the Panel notes with concern the results from the Council's recent Customer Satisfaction Survey and requests the production of a comprehensive Action Plan that will include the measures outlined between Sections 5.1(b) and 5.1(e) of the presented agenda report. In so doing, the Panel requests that this Action Plan be presented to its next meeting on 1 November 2018.

O&S.49/18 **SECTION 106 AGREEMENTS UPDATE**

The Panel considered a report that provided an update on the latest position regarding Section 106 Agreements.

In discussion, reference was made to:-

- (a) the 'Review into the Process for Spending Section 106 Deposits for Affordable Housing'. The Panel was reminded of the debate at the Executive meeting held on 14 June 2018 (Minute E.04/18 refers) and the subsequent recommendation arising from this meeting:

'That the Overview and Scrutiny Panel be asked to undertake a review into the process for Spending Section 106 Deposits for Affordable Housing.'

In light of this request, the Panel agreed that this matter should be added to its Work Programme for consideration at its next meeting on 1 November 2018.

- (b) the local town and parish council for each development site. The Panel requested that an additional column be added to the Schedule that listed the local town and parish council for each site. Furthermore, Members asked that consideration be given to the Schedule being revised to include the Devon County Council requirements and their respective trigger points.

The point was also made by the Panel that there was a need for Members and town and parish councils to be able to access (and/or obtain copies of) the Schedule as it evolved. To reflect this view, it was **PROPOSED** and **SECONDED** and on being put to the vote declared **CARRIED**:-

'That officers consider the most appropriate means of disseminating the Schedule to all Members and Town and Parish Councils.'

- (c) the non-compliance issues. Having been informed that officers were monitoring non-compliance issues, the Panel requested that this information also be made available to the wider membership;
- (d) pursuing Section 106 monies. In response to a question, officers gave a firm commitment that outstanding funding contributions from Developers were robustly pursued via the Council's Debtor Systems;
- (e) the Langage Energy Centre. During the debate, it became apparent that a number of Members would find an update on the Langage Energy Centre useful. As a consequence, it was **PROPOSED** and **SECONDED** and when put to the vote declared **CARRIED** that:-

'A 'Langage Energy Centre Update' be considered by the Panel at a meeting during early 2019.'

- (f) the Member role in the process. Some Members emphasised the important role to be played by Members in this process. In particular, the importance of Members regularly checking and monitoring the schedule and ensuring that their local town and parish councils were kept fully informed was highlighted.

In conclusion, a number of Members welcomed the report and it was requested that this be reflected in the Panel resolution.

It was then:

RESOLVED

1. That the report, progress and improvements made in monitoring and administering Section 106 Agreements be welcomed;
2. That, in the future, the monitoring of administration of Section 106 Agreements be reported through the Internal Audit Reporting Cycle;
3. That the Panel Work Programme be updated to include a 'Review into the Process for Spending Section 106 Deposits for Affordable Housing' at its meeting on 1 November 2018;
4. That a 'Langage Energy Centre Update' be considered by the Panel at a meeting during early 2019; and
5. That officers consider the most appropriate means of disseminating the Schedule to all Members and Town and Parish Councils.

O&S.50/18 BUSINESS CONTINUITY PLAN – VERBAL UPDATE

The Senior Specialist – Environmental Health attended the meeting to provide verbal assurances that the Council was undertaking its responsibilities in relation to Business Continuity planning. In so doing, the officer advised that:-

- work was ongoing to update the Plan in line with the Council's Transformation Programme and Future Operating Model;
- a training session on Business Continuity had recently been arranged for members of the Senior Leadership Team and Extended Leadership Team;
- work was being undertaken in partnership with colleagues at Devon County Council and the Emergency Planning Partnership;
- the extreme winter weather earlier in the year had provided an ideal demonstration that the Council's resilience was very good;
- once the Plan was ready for formal adoption, it was recommended that, in the first instance, the final draft version should be considered by the Audit Committee before further consideration by the Executive. The Panel proceeded to express its support for this proposal and noted the intention for the draft Plan to be formally presented to Members during early 2019.

Upon the conclusion of his update, the Panel thanked the lead officer for all his hard work in this area and was suitably assured that adequate progress was being made.

O&S.51/18 **TASK AND FINISH GROUP UPDATES**

(a) Drug and Alcohol Abuse – Outcome Report

A report was presented that outlined the conclusions of the Drug and Alcohol Abuse Task and Finish Group.

During the ensuing debate, reference was made to:-

- recognition of the hard work that had been put into the Review by lead officers and the Task and Finish Group Members;
- the re-establishment of the Youth Leisure Nights at Totnes Pavilions. Whilst it was still very much in its infancy, the general feedback had been positive;
- the severity of drug misuse in Totnes. A Member felt that the Group recommendations were particularly helpful and specifically highlighted an upcoming meeting between community representatives, the local MP and the local Police and Crime Commissioner to discuss this matter further;
- the responsibilities undertaken by the Council's Anti-Social Behaviour Officer;
- the potential Budget implications arising from the Group recommendations. To ensure that the Group recommendations were taken into account as part of the Council's wider budget setting exercise, some amendments were **PROPOSED** and **SECONDED** and when put to the vote were declared **CARRIED**.

It was then:

RESOLVED

1. That the Executive **RECOMMEND** to Council that it support and participate (wherever possible) in Police and Public Health England campaigns around drug reporting, harm minimisation and education;
2. That the Panel acknowledge the response from the Task and Finish Group that CCTV linking into a central hub is cost prohibitive;
3. That the Member Budget Workshop explore the possibility of obtaining annual funding for youth activities / engagement as a diversionary approach to Crime and Disorder (including drug use) within the South Hams District;
4. That the Member Budget Workshop explore the possibility of obtaining funding from Outside Bodies so to enable the Council to support recommendation 3 (above) by a part-time post or by other means;

5. That, subject to the availability of funding, the Council proactively supports and participates in Junior Life Skills as part of a preventative approach and early intervention / education for young people; and
6. That the Council supports and proactively participates in partnership working with multi agencies and other initiatives relating to the prevention of drug use and anti-social behaviour amongst young people. Such support and activity to be explored by Members of the Task and Finish Group with subsequent referral back to the Overview and Scrutiny Panel.

O&S.52/18 **ACTIONS ARISING / DECISIONS LOG**

The contents of the latest version of the Log was presented for consideration and was duly noted without further comment.

O&S.53/18 **DRAFT ANNUAL WORK PROGRAMME**

The Panel noted the contents of its latest Annual Work Programme and made the following comments, additions and amendments:-

- It was agreed that the Panel meeting that had been initially scheduled for 14 February 2019 should be moved to take place on the afternoon of 24 January 2019 (1.30pm start);
- The Panel then agreed that the meeting on the afternoon of 24 January 2019 should include the following agenda items:
 - o The Peer Review;
 - o Community Safety Partnership Annual Report;
 - o An update on Safeguarding;
 - o A review into the Standards Complaints Procedure;
 - o An update on Universal Credits; and
 - o A Langage Energy Centre Update;
- Members also endorsed the proposal for the following additional items to be added to the Work Programme for the next Panel meeting agenda on 1 November 2019:
 - o Customer Satisfaction Action Plan;
 - o Draft Member Induction Programme 2019/20;
 - o RIPA Annual Review; and
 - o Review into the process for spending Section 106 Deposits for Affordable Housing.

(Meeting started at 10.00 am and concluded at 12.30 pm)

Chairman

**MINUTES OF THE MEETING OF THE
OVERVIEW & SCRUTINY PANEL
HELD AT FOLLATON HOUSE, TOTNES ON
THURSDAY, 1 NOVEMBER 2018**

Panel Members in attendance:			
* Denotes attendance		∅ Denotes apology for absence	
*	Cllr K J Baldry	∅	Cllr E D Huntley
*	Cllr J P Birch	*	Cllr D W May
*	Cllr J I G Blackler	*	Cllr J T Pennington
∅	Cllr B F Cane	*	Cllr K Pringle
*	Cllr J P Green	*	Cllr M F Saltern (Chairman)
∅	Cllr J D Hawkins	*	Cllr P C Smerdon (Vice Chairman)
*	Cllr M J Hicks		

Other Members also in attendance:
Cllrs H D Bastone, I Bramble, J Brazil, D Brown, T R Holway, N A Hopwood, J A Pearce, R Rowe, R C Steer, R J Tucker, R J Vint, K R H Wingate and S A E Wright

Item No	Minute Ref No below refers	Officers in attendance and participating
All		Group Manager – Commercial Services; and Senior Specialist – Democratic Services
8	O&S.59/18	Group Manager – Support Services and Customer First and Commissioning Manager
9	O&S.60/18	Place Making Community Of Practice Lead
10	O&S.61/18	Monitoring Officer
11	O&S.62/18	Monitoring Officer
12	O&S.63/18	Group Manager – Business Development
14	O&S.65/18	Group Manager – Support Services and Customer First and Specialist – Performance and Intelligence

O&S.54/18 MINUTES

The minutes of the meeting of the Overview and Scrutiny Panel held on 4 October 2018 were confirmed as a correct record and signed by the Chairman.

O&S.55/18 DECLARATIONS OF INTEREST

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

O&S.56/18 URGENT BUSINESS

The Chairman informed that he had no items of urgent business to be raised at this meeting.

O&S.57/18 PUBLIC FORUM

In accordance with the Public Forum Procedure Rules, the Chairman informed that there were no questions that had been received for consideration during this agenda item.

O&S.58/18 EXECUTIVE FORWARD PLAN

The Panel was presented with the most recently published Executive Forward Plan and proceeded to make the following comments:

- (a) The Chairman informed that he had agreed that two additional items could be added to the Plan for consideration at the next Executive meeting that was scheduled to be held on 22 November 2018. These items were in relation to: the South West Mutual Bank and Heart of the South West Joint Committee Update. For clarity, the Chairman also confirmed that it was intended for these both to be considered as standalone agenda items at the Council meeting on 6 December 2018;
- (b) Officers gave assurances that the published agenda report on Public Conveniences would take into account the recent Central Government Budget announcement that business rates would no longer need to be paid;
- (c) With regard to the Council Tax Reduction New Scheme agenda item, the lead Executive Member advised that this matter was currently out to public consultation. As a consequence, the Member urged the wider membership to encourage their parishioners to take part in this consultation exercise.

O&S.59/18 CUSTOMER SATISFACTION ACTION PLAN

The Panel considered a report that detailed the draft Action Plan that sought to improve customer satisfaction across all Council services.

During his introduction, the lead Executive Member reaffirmed his wish that, once approved, the Customer Satisfaction Action Plan would become a standing agenda item at future meetings of the Executive. Also, the lead Member advised that the ambition would be to over achieve on the proposed targets and he highlighted the opportunity for the Panel to undertake detailed reviews into individual and collective elements of the Action Plan.

In the ensuing discussion, reference was made to:-

- (a) the proposed Customer Service Standards. Some Members expressed their concerns over the draft Service Standards. In particular, these Members felt that the telephone answer target of five minutes was an unacceptable target and should be revised to state '*as quickly as possible*'.

In light of the concerns, some Members were not willing to support the Standards as drafted and an amendment was therefore **PROPOSED** and **SECONDED** whereby Part 2 of the recommendation (i.e. that the proposed Customer Service Standards be supported) should be deleted.

Members proceeded to debate the amendment and a number expressed the view that, since these Standards were not permanently fixed (coupled with them being under constant review by the Executive), then they provided a target to work towards and therefore should be supported at this time.

When put to the vote, the amendment was declared **LOST**;

- (b) the Housing Benefits pilot project. At the invitation of the Chairman, the Group Manager – Support Services and Customer First provided an update on the success of the pilot project whereby trained Contact Centre staff had been moved to work within the Benefits Community Of Practice. It was noted that the key successes had included an improvement in customer waiting times and an overall reduction in telephone calls received by the Council. In welcoming the success of the pilot, an additional recommendation was **PROPOSED** and **SECONDED** as follows:-

'That the direction of travel in relation to the Housing Benefits / Contact Centre be endorsed.'

When put to the vote, this additional recommendation was declared **CARRIED**;

- (c) performance improvements. The Panel stated its recognition of the corporate emphasis that was being given to making Council-wide improvements in customer service;
- (d) the knock-on effects of improved customer service. In emphasising that the issue of customer service should not be looked at in isolation, a Member highlighted that the Council would begin to ascertain the real benefits if it properly costed (and compared) the average cost of dealing with an email against the average cost of dealing with a telephone call;
- (e) automated acknowledgements. Some Members were of the view that consideration should be given to extending the Council's automated acknowledgement processes to include customer telephone calls and emails that were sent direct to the Council.

It was then:

RECOMMENDED

That the Executive be **RECOMMENDED** that:

1. the proposed Customer Satisfaction Action Plan (as detailed in Section 5 of the presented agenda report) be endorsed;
2. the proposed Customer Service Standards (as detailed in Appendix B of the presented agenda report) be supported; and
3. the direction of travel in relation to the Housing Benefits / Contact Centre pilot be endorsed.

O&S.60/18 **TOWN CENTRES STRATEGY**

The Panel considered a report that set out whether and what the approach of the Council should be to the vitality of town centres.

In discussion, reference was made to:-

(a) two additional recommendations. Whilst welcoming the agenda report, two additional recommendations were **PROPOSED** as follows:-

1. *That there be a meeting of representatives of the Town Councils, their Neighbourhood Planning Groups, local Ward Members and Council Officers to consider and discuss the issues raised in the presented agenda report and to formulate, if possible, an agreed way forward; and*
2. *That Ivybridge Town Council be invited to set out how it anticipates this Council assisting it in meeting its aspirations set out in those parts of its Neighbourhood Plan relating to its town centre.*

Having been assured that part 2 of the proposal was already being undertaken, the proposer withdrew this recommendation. Part 1 of the proposal was subsequently **SECONDED** and, when put to the vote, was declared **CARRIED** and added to the substantive motion;

(b) 'Purple Tuesday'. Members highlighted the recent correspondence from Sarah Newton MP that sought support for the promotion of a new day dedicated to accessible shopping in the run up to Christmas 2018. It was noted that 'Purple Tuesday' would take place on Tuesday, 13 November and the aim would be to enable and encourage retailers across the country (and online) to introduce new measures to make the shopping experience more inclusive and accessible for disabled customers. A number of Members commended the intention of this Day and it was **PROPOSED** and **SECONDED** and when put to the vote declared **CARRIED** that:-

'The Panel formally expresses its support for 'Purple Tuesday'.

- (c) the Neighbourhood Planning process. By way of caution, a Member advised that the process followed to adopt a Neighbourhood Plan was very difficult in itself, however, it was her experience that the actual delivery of the Plan, one adopted, was proving to be even harder;
- (d) the Economic Development aspect of the role. Officers confirmed that the close linkages between Place Making and Economic Development were recognised and the lead officer advised that he did work closely with his colleagues in Business Development and Assets;
- (e) car parking charges and public conveniences. A Member expressed the view that, whilst an honourable intention to improve the vitality of town centres, this was hampered by the Council proposals around increasing car parking charges and installing pay on entry systems in its public conveniences.

It was then:

RESOLVED

1. That the Panel support the proposed way forward (as outlined in Section 5 of the presented agenda report), subject to an additional action being included as follows:

'That there be a meeting of representatives of the Town Councils, their Neighbourhood Planning Groups, local Ward Members and Council Officers to consider and discuss the issues raised in the presented agenda report and to formulate, if possible, an agreed way forward.'

2. That the Panel formally expresses its support for 'Purple Tuesday'.

O&S.61/18 OMBUDSMAN ANNUAL REVIEW LETTER 2018

The Panel considered a report that presented the Local Government Ombudsman's Annual Review Letter. The Letter outlined the details concerning Ombudsman complaints received against the Council for the period 1 April 2017 to 31 March 2018.

The lead Executive Member for Support Services introduced the report and, in highlighting the reduction in Ombudsman complaints during this period, felt this to be a positive result that indicated that the emphasis given by the Council to complaint handling was working.

In discussion, reference was made to:-

- (a) benchmarking information. The Panel debated the merits of obtaining benchmarking information to analyse how the Council compared against other similar local authorities. Such was the demographic of the South Hams population, that the overriding view was that any benefits that were gleaned from benchmarking would not justify the cost of the exercise;
- (b) the improved trend in performance. Panel Members echoed the views of the lead Executive Member and welcomed the performance improvements in complaint handling. In addition, Members were also assured that the Council was reviewing (and taking learning points) from each complaint received.

It was then:

RESOLVED

That the Ombudsman Annual Letter for 2018 (as outlined at Appendix A of the presented agenda report) has been reviewed with the overall improvement in complaint handling being welcomed.

O&S.62/18 REGULATION OF INVESTIGATORY POWERS ACT 2000 (RIPA) POLICY AND UPDATE

Consideration was given to a report that sought to:

- review and approve the Council's RIPA Policy;
- update Members on the use of RIPA; and
- report on training for Council officers.

In discussion, reference was made to:-

- (a) staff training on RIPA. In addition to a RIPA training session being arranged to take place at the end of November 2018, it was noted that a specific Senior Leadership Team session would be held during February 2019;
- (b) the reporting of RIPA activity to Members. The Panel recognised the need for Members to be updated of RIPA activity more regularly than just the annual report. It was therefore requested that, as part of the quarterly performance measures reporting process, RIPA activity (and referrals (if any)) be included.

It was then:

RESOLVED

1. That the Investigatory Powers Commissioner's Office (IPCO) report and recommendations (as attached at Appendix A of the presented agenda report) be welcomed;
2. That the Executive **RECOMMEND** to Council that the updated RIPA Policy (as attached at Appendix B of the presented agenda report) be approved;
3. That it be acknowledged that there have been no RIPA Authorisations since the annual update to the Panel on 24 August 2017; and
4. That the amendments to the RIPA Act 2000 (effective from 1 November 2018) be noted.

O&S.63/18 **GENERAL DATA PROTECTION REGULATION (GDPR) AND DATA PROTECTION POLICY UPDATE**

A report was considered that provided the Panel with an overview of the key requirements of the GDPR and outlined the approach that the Council had taken. In addition, the report also recommended the adoption of an updated policy for the Council.

In discussion, the following points were raised:-

- (a) It was noted that the initial concerns that had been raised over the potential impact on the Council of GDPR had proven to be unfounded;
- (b) The Panel received assurances that, with regard to the special protection for children's personal data requirements, this would be kept under constant review.

It was then:

RECOMMENDED

That the Executive **RECOMMEND** that Council:

1. approve the updated Data Protection Policy as detailed in Appendix A of the presented agenda report;
2. delegate approval of the related Codes of Practice and Protocol Documents (as summarised in Section 3 of the presented agenda report) to the Council's Data Protection Officer; and
3. note and support the approach and progress made towards GDPR readiness by the Information Governance Group.

O&S.64/18 MEMBER INDUCTION 2019: DRAFT PROGRAMME

A report was considered that presented the draft 2019 Member Induction Programme for the ultimate approval of the Panel.

In discussion, the following points were raised:-

- (a) A number of Members commended the Programme and thanked the lead officer for his efforts in putting it together;
- (b) The important role to be played by the Opposition Group Leader during the Induction Programme was recognised. Furthermore, some Members hoped that the new Council would see more Group Leader meetings scheduled into the Meeting Diary;
- (c) It was agreed that, prior to its publication, the Purdah timetable should be included in the Programme;
- (d) With regard to the proposed Joint South Hams / West Devon Member Sessions that were programmed, the majority of Members did feel it important for the new Councils to hold informal discussions following the local elections.

It was then:

RESOLVED

That the Draft Member Induction Programme for 2019 (as outlined at Appendix A of the presented agenda report) be approved.

O&S.65/18 Q2 2018/19 PERFORMANCE REPORT

Members considered a report that presented the performance information for Quarter 2 in 2018/19.

In discussion, reference was made to:-

- (i) the indicator related to the % of customer contact. The Panel asked that the merits of retaining this performance measure be given further consideration. In addition, some Members expressed their concerns over the Balanced Scorecard and the definitions that were applied in the key. Since the definitions could be applying a misleading picture, these Members felt that all aspects of the Balanced Scorecard should be reviewed. In his response, the lead Executive Member did express some sympathy with these comments;

- (ii) the Development Management Performance Measures. A detailed debate ensued on the measures and a number of concerns were raised. As a way forward, it was agreed that a 'Development Management Performance Review' would be given formal consideration at the joint meeting of the Panel and the Development Management Committee on 24 January 2019;
- (iii) the waste service. The Chairman of the Waste Working Group advised that he had been inundated with complaints relating to the waste service in recent months. In highlighting the reputational damage that had been caused, the Member informed that the Working Group was giving its full support to the improvement measures that were being put in place by officers.

It was then:

RESOLVED

1. That the performance levels against target communicated in the Balanced Scorecard and the performance figures supplied in the Background and the Exception report be noted; and
2. That all aspects of the Balanced Scorecard be reviewed.

O&S.66/18 TASK AND FINISH GROUP UPDATES

Since there were no active Task and Finish Groups at this time, there were no updates given to this Panel meeting.

O&S.67/18 ACTIONS ARISING / DECISIONS LOG

The contents of the latest version of the Log was presented for consideration.

In the subsequent discussion, reference was made to:-

- (a) accessing the latest performance dashboard information on Member IPads. The Chairman made reference to a recent email that had been sent to Members and confirmed that this matter had now been resolved;
- (b) the actions arising from the Code of Conduct Complaints Process. The Panel requested that an update on these actions should be sought from the lead officer;
- (c) the Metric Group. By way of an update, the Panel was advised that the compensatory offer still remained unsatisfactory (Minute O&S.36/18 refers). It was therefore agreed that, in the event of this matter remaining unresolved, then representatives from the organisation should be invited to attend the Panel meeting on 24 January 2019.

O&S.68/18 DRAFT ANNUAL WORK PROGRAMME

The Panel noted the contents of its latest Annual Work Programme and made the following comments, additions and amendments:-

- The Panel was reminded of the earlier request for the joint meeting with the Development Management Committee on 24 January 2019 to include an agenda item entitled: 'Development Management Performance Review'. As a result, the Panel also requested that its meeting on the afternoon of this date should revert back to a 2.00pm start time;
- The potential invitation for Metric Group Representative(s) to attend the Panel meeting on 24 January 2019 was formally noted; and
- Members agreed that the Quarter 3 Performance Measures should also be included on the agenda for the Panel meeting on 24 January 2019.

(Meeting started at 10.00 am and concluded at 11.50 am)

Chairman