

West Devon Hub Committee



West Devon
Borough
Council

| | | | | | | | | | |
|--|--|--------------|------------|-----------|-------------|------------|-------------|--------------|--|
| Title: | Agenda | | | | | | | | |
| Date: | Tuesday, 28th January, 2020 | | | | | | | | |
| Time: | 2.00 pm | | | | | | | | |
| Venue: | Chamber - Kilworthy Park | | | | | | | | |
| Full Members: | <p style="text-align: center;">Chairman Cllr Jory</p> <p style="text-align: center;">Vice Chairman Cllr Samuel</p> <p><i>Members:</i></p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td>Cllr Edmonds</td> <td>Cllr Moody</td> </tr> <tr> <td>Cllr Mott</td> <td>Cllr Pearce</td> </tr> <tr> <td>Cllr Leech</td> <td>Cllr Sellis</td> </tr> <tr> <td>Cllr Cheadle</td> <td></td> </tr> </table> | Cllr Edmonds | Cllr Moody | Cllr Mott | Cllr Pearce | Cllr Leech | Cllr Sellis | Cllr Cheadle | |
| Cllr Edmonds | Cllr Moody | | | | | | | | |
| Cllr Mott | Cllr Pearce | | | | | | | | |
| Cllr Leech | Cllr Sellis | | | | | | | | |
| Cllr Cheadle | | | | | | | | | |
| 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: | Democratic.Services@swdevon.gov.uk | | | | | | | | |

1. Apologies for absence

2. 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.

If Councillors have any questions relating to predetermination, bias or interests in items on this Agenda, then please contact the Monitoring Officer in advance of the meeting.

3. Items Requiring Urgent Attention

To consider those items which, in the opinion of the Chairman, should be considered by the Meeting as matters of urgency (if any)

4. Confirmation of Minutes

Minutes of meeting held 17 December 2019

1 - 4

5. Public Question Time

6. Forward Plan

5 - 8

7. Revenue Budget Monitoring

9 - 20

8. Capital Budget Monitoring

21 - 32

9. Revenue Budget Proposals

33 - 80

10. Capital Budget Proposals

81 - 96

11. Write Off Report

97 - 104

12. Pre Application Process Report

105 - 130

13. Electric Charging Points

131 - 136

14. Future IT Procurement

To Follow

15. Lead Member Update -Cllr Sellis: Homes

16. Reports of Bodies - Overview and Scrutiny Minutes

137 - 150

This page is intentionally left blank

Agenda Item 4

At a Meeting of the **HUB COMMITTEE** held at the Butchers Hall, **TAVISTOCK** on **TUESDAY** the 17th day of **DECEMBER 2019** at **11.15 am**

Present: Cllr N Jory – Chairman
Cllr L Samuel – Vice Chairman

| | |
|-----------------|-------------------|
| Cllr R Cheadle | Cllr C Edmonds |
| Cllr A F Leech | Cllr C Mott |
| Cllr T G Pearce | Cllr D K A Sellis |

In attendance: Deputy Chief Executive
Director of Place and Enterprise
Section 151 Officer
Deputy s151 Officer
Finance Business Partner
Specialist Democratic Services

Other Members in attendance:
Cllrs M Davies, P Crozier; N Heyworth; C Kemp; R Musgrave; B Ratcliffe, P Vachon, L Wood

HC 53 APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllr J Moody.

HC 54 DECLARATIONS OF INTEREST

Members were invited to declare any interests in the items of business to be discussed but none were made.

HC 55 MINUTES

The Minutes of the Hub Committee meeting held on 5 November 2019 were confirmed and signed by the Chairman as a correct record.

HC 56 HUB COMMITTEE FORWARD PLAN

Members were presented with the Hub Committee Forward Plan setting out items on the agenda for Hub Committee meetings for the next four months.

The contents of the Forward Plan were agreed.

HC 57 REVENUE BUDGET MONITORING REPORT Q2

Members were presented with a report that enabled them to monitor income and expenditure variations against the approved budget for 2019/20, and provided a forecast for the year end position.

The Lead Member for Performance and Resources introduced the report. Members agreed that the report indicated that the Council had operated responsibly throughout the year.

It was then **RESOLVED** that the forecast income and expenditure variations for the 2019/20 financial year and the overall projected underspend of £54,000 be noted.

HC 58 CAPITAL BUDGET MONITORING 2019/20 Q2

Members were presented with a report that advised them of the financial position as at 30 September 2019 for the purposes of budget monitoring. All capital projects were within the individual capital budgets approved by Members. The total capital budget for 2019/20 was £7,532,193 of which £312,047 had been spent to date (as set out in Appendix A).

The Lead Member for Performance and Resources introduced the report.

It was then **RESOLVED** that the contents of the report be endorsed.

HC 59 REVENUE BUDGET PROPOSALS FOR 2020/21

Members were presented with a report that set out the latest budget position for the Revenue Budget for 2020/21 and formally sought the views of the Overview and Scrutiny Committee on the presented budget proposals.

The Leader introduced the report and highlighted specific points for consideration. The Leader and s151 Officer responded to a number of questions of clarity. Members raised further points for consideration and asked for details on the use of the Member Locality Fund, whether the proposed new Economy Officer post could have performance targets, and the merits of the premium planning service.

It was then **RESOLVED**:

- (i) that the forecast budget gap for 2020/21 of £16,284 (a near balanced budget) and the position for future years (a projected £0.367 million budget gap in 2021/22) be noted,
- (ii) that the current options identified and timescales for closing the budget gap in 2020/21 and future years, to achieve long term financial sustainability be noted; and
- (iii) to request the views of the Overview and Scrutiny Committee on the Revenue Budget Proposals set out within this report for 2020/21.
- (iv) that the Hub Committee requests the views of the Overview and Scrutiny Committee on the Fees and Charges below which form part of the Revenue Budget Proposals for 2020/21:
 - (a) To approve the proposed Environmental Health charges in Appendix D.
 - (b) To approve the proposed unchanged fees and charges set out for Development Management in Appendix C.
 - (c) To approve that charges be introduced for the use of the existing electric charging points at Kilworthy Park.
 - (d) To approve the introduction of Proof of Life charges with immediate effect, once approval from Members has been received as set out in paragraph 5.13.
 - (e) To approve the changes to S257 Footpath Diversion Orders charges with immediate effect, once approval from Members has been received as set out in paragraph 5.14.
 - (f) To approve the proposals to increase charges to Parish and Town Councils for the emptying of dog waste and litter bins as set out in paragraph 5.15

- (g) To delegate authority to the Section 151 Officer and the Portfolio Holder to set the Local Land Charges as appropriate for cost recovery.

HC 60 CAPITAL BUDGET PROPOSALS

Members were presented with a report that set out the Capital Programme proposals for 2020/21 and formally sought the views of the Overview and Scrutiny Committee to the proposals.

The Leader introduced the report, and congratulated officers on the clarity of the report writing.

It was then **RESOLVED** that:

- 1) the following be noted
 - a) The Capital Programme Proposals for 2020/21, which total £910,000 (Appendix A)
 - b) The Capital Programme Proposals for 2020/21, which total £140,000 (Exempt Appendix C)
 - c) The proposed funding of the 2020/21 Capital Programme of £1,050,000 from the funding sources set out in Section 4.
- 2) the views of the Overview and Scrutiny Committee on the Capital Programme proposals for 2020/21 of £1,050,000 set out in this report and the proposals for the financing of the Capital Programme be requested.

HC 61 WRITE OFF REPORT

Members were presented with a report that informed them 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.

It was then **RESOLVED** that:

1. It be noted that, in accordance with Financial Regulations, the s151 Officer has authorised the write off of individual West Devon Borough Council debts totaling £40,006.71 as detailed in the appendices to the presented agenda report at tables 1 and 2; and
2. The write off of individual debts in excess of £5,000 (totalling £5,242.92) be approved.

(The meeting terminated at 12 noon)

Chairman

(NOTE: THESE DECISIONS, WILL BECOME EFFECTIVE FROM WEDNESDAY 27 DECEMBER 2019 UNLESS CALLED IN, IN ACCORDANCE WITH SCRUTINY PROCEDURE RULE 18).

This page is intentionally left blank

WEST DEVON BOROUGH COUNCIL: HUB COMMITTEE FORWARD PLAN

This is the provisional forward plan for the four months starting January 2020. It provides an indicative date for matters to be considered by the Hub Committee. Where possible, the Hub Committee will keep to the dates shown in the plan. However, it may be necessary for some items to be rescheduled and other items added.

The forward plan is published to publicise consultation dates and enable dialogue between the Hub Committee and all councillors, the public and other stakeholders. It will also assist the Council's Overview and Scrutiny Committee in planning their contribution to policy development and holding the Hub Committee to account.

The Plan is published on the Council's website (www.westdevon.gov.uk)

Members of the public are welcome to attend all meetings of the Hub Committee, which are normally held at Kilworthy Park, Tavistock, and normally start at 2.00 pm. If advance notice has been given, questions can be put to the Hub Committee at the beginning of the meeting.

The Hub Committee consists of nine Councillors. Each has responsibility for a particular area of the Council's work.

Leader – Cllr Neil Jory

Deputy Leader – Cllr Lois Samuel

Lead Member for Environment – Cllr Caroline Mott

Lead Member for Health and Wellbeing – Cllr Tony Leech

Lead Member for Enterprise – Cllr Ric Cheadle

Lead Member for Communities – Cllr Terry Pearce

Lead Member for Customer First – Cllr Jeff Moody

Lead Member for Resources and Performance – Cllr Chris Edmonds

Lead Member for Homes – Cllr Debo Sellis

Further information on the workings of the Hub Committee, including latest information on agenda items, can be obtained by contacting the Democratic Services Section by e-mail to democratic.services@westdevon.gov.uk

All items listed in this Forward Plan will be discussed in public at the relevant meeting, unless otherwise indicated

| Portfolio Area | Report Title and Summary | Lead Officer/ Member | Documents to be considered in making decision | Date of Meeting | Consultees and means of consultation |
|-----------------------|--|--------------------------------|---|--------------------|--|
| Council | Title: Revenue Budget Proposals 2020/21 Purpose: To present budget proposals for 2020/21 | Lisa Buckle/Cllr Jory | Report of s151 Officer | 28 January 2020 | |
| Council | Title: Capital Programme Proposals 2020/21 Purpose: To present Capital Programme Proposals for 2020/21 | Lisa Buckle/Cllr Jory | Report of s151 Officer | 28 January 2020 | |
| Council Page 6 | Title: Write Off Report for Quarter 3 Purpose of report: The Council is responsible for the collection of: Housing Rents, Sundry Debts including Housing Benefit Overpayments, Council Tax and National Non-Domestic Rates. The report informs members of the debt written off for these revenue streams. | Lisa Buckle/ Cllr Edmonds | Report of s151 Officer | 28 January 2020 | |
| Council | Title: Revenue Budget Monitoring Quarter 3 Purpose of report: A revenue budget monitoring report to monitor income and expenditure variations against the approved revenue budget for 2019/20, and to provide a forecast of the year end position | Pauline Henstock/ Cllr Edmonds | Report of Head of Finance Practice | 28 January 2020 | |
| Council | Title: Capital Budget Monitoring Quarter 3 Purpose of report: The report advises Members of the progress on individual schemes within the approved capital programme for 2019/20, including an assessment of their financial position | Pauline Henstock/ Cllr Edmonds | Report of Head of Finance Practice | 28 January 2020 | |

| Portfolio Area | Report Title and Summary | Lead Officer/ Member | Documents to be considered in making decision | Date of Meeting | Consultees and means of consultation |
|----------------------|--|------------------------------------|---|--------------------|--|
| Environment | Title: Pre Application Process in Planning Purpose of report: To consider and approve the updated pre application process | Pat Whymer/Cllr Mott | Report of the Head of Development Management Practice | 28 January 2020 | |
| Council | Title: Future IT Procurement – Contract Award Purpose of report: to consider the recommendation to award a contract for the provision of Future IT Case management & Document Management Platforms | Mike Ward/ Cllr Edmonds | Report of Head of IT | 28 January 2020 | Service Leads IT Joint Working Group |
| Communities | Title: Electric Charging Points Collaboration Agreement Purpose of report: to approve an agreement with Devon County Council for installation of electric vehicle charging points | Emma Widdicombe/ Cllr Pearce | Report of Senior Specialist | 28 January 2020 | |
| Health and Wellbeing | Title: Wellbeing Strategy Purpose of report: To recommend to Members the adoption of key wellbeing priorities and associated outcomes | Ian Luscombe/Cllr Leech | Report of the Head of Environmental Health Practice | TBC | Member Workshop |
| Communities | Title: Car Parking Charges Purpose of report: To consider a report on proposals to amend the Pay and Display Charges in Council owned car parks. | Tom Jones/Cllr Pearce | Report of the Head of Place Making Practice | 17 March 2020 | Stakeholder meetings |
| Enterprise | Title: Formation of a wholly owned company Purpose of Report: To consider the formation of a wholly owned company to facilitate housing delivery | Chris Brook/ Cllr Jory | Report of Head of Assets | 17 March 2020 | |

| Portfolio Area | Report Title and Summary | Lead Officer/ Member | Documents to be considered in making decision | Date of Meeting | Consultees and means of consultation |
|----------------|--|--------------------------|---|--------------------|--|
| Homes | Title: Housing Strategy Purpose of report: To recommend to Members the adoption of a revised Housing Strategy | Chris Brook/Cllr Sellis | Report of the Director of Place and Enterprise | 9 June 2020 | |
| Homes | Title: Homeless Strategy Purpose of report: To seek approval of a revised Homeless Strategy | Issy Blake/Cllr Sellis | Report of the Head of Housing, Revenues and Benefits | 9 June 2020 | |
| Homes | Title: Homeless Strategy year 4 Action Plan Purpose: To provide to Members an update on the Homeless Strategy Action Plan | Isabel Blake/Cllr Sellis | Report of Head of Housing, Revenues and Benefits Practice | 9 June 2020 | |
| Homes | Title: Springhill update Purpose: To provide Members with an update on Springhill | Isabel Blake/Cllr Sellis | Report of Head of Housing, Revenues and Benefits Practice | TBC | |
| Homes | Title: Council Tax Reduction Purpose of report: To seek approval for revised Council Tax Reduction scheme | Issy Blake/Cllr Sellis | Report of the Head of Housing, Revenues and Benefits | 1 December 2020 | |

Report to: **Hub Committee**

Date: **28 January 2020**

Title: **Quarter 3 Revenue Monitoring 2019/20**

Portfolio Area: **Performance & Resources – Cllr C Edmonds**

Wards Affected: **All**

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

Date next steps can be taken: **N/A**

Author: **Roderick Hewson** Role: **Finance Business Partner**
Pauline Henstock **Head of Finance Practice and Deputy S.151 Officer**

Contact: **01822 813582** roderick.hewson@swdevon.gov.uk
01803 861377 pauline.henstock@swdevon.gov.uk

Recommendations:

1. It is recommended that the Hub Committee resolves to
 - a. note the forecast income and expenditure variations for the 2019/20 financial year and the overall projected underspend of £46,000.
 - b. To recommend to Council to transfer £30,000 of the Homelessness Prevention under-spend into the Homelessness Prevention Earmarked Reserve at the end of the 2019/20 financial year.

1. Executive summary

- 1.1 The report enables Members to monitor income and expenditure variations against the approved budget for 2019/20, and provides a forecast for the year end position.

2. Background

- 2.1 The Council's finance procedure rules require budget monitoring reports to be made on a regular basis to the Hub Committee as part of the Council's arrangements for budget management.

3. Outcomes/outputs

Budget Overview

3.1 The gross service expenditure budget for 2019/20 was set at £20.5 million (£7.08 million net). **The actual net revenue expenditure is forecast to be underspent by £46,000 when compared against the total budget set for 2019/20.** The largest variances relate to the strong performance of the Council's Commercial Property Investments and the surplus generated by the Council's membership of the Devon Business Rates Pool, offset by a shortfall in car parking income.

Variances against budget

3.2 Table 1 below provides an analysis of the projected variances against budget.

TABLE 1: 2019/20 BUDGET FORECAST

| | 2019/20 Budget expenditure /(Income) | Budget variations | | £'000 | Note |
|--|---|-------------------|-------|--------------|------|
| | | % | £'000 | | |
| | £'000 | | | £'000 | |
| APPROVED BUDGET | | | | 7,079 | |
| Reductions in expenditure/additional income | | | | | |
| Customer First | | | | | |
| Street Naming & Numbering | - | - | (15) | | A |
| Housing Benefit admin subsidy | (106) | (26.4%) | (28) | | B |
| Homelessness | 119 | (25.2%) | (30) | | C |
| Employment Estates income | (290) | (8.3%) | (24) | | D |
| Financing and Investment | | | | | |
| Commercial Property net investment income | (200) | (25.0%) | (50) | | E |
| Investment Income | (90) | (5.6%) | (5) | | F |
| Other Comprehensive Income & Expenditure | | | | | |
| Business Rates Pool income | (40) | (150%) | (60) | | G |
| Subtotal of variations | | | | (212) | |
| Increases in expenditure/reductions in income | | | | | |
| Commercial Services | | | | | |
| Car Parking income | (1,006) | 6.5% | 65 | | H |
| Customer First | | | | | |
| St James, Okehampton | - | - | 10 | | I |
| Local Land Charges income | (110) | 23.6% | 26 | | J |
| Planning income | (387) | 3.9% | 15 | | K |
| Support Services | | | | | |

| | 2019/20 Budget expenditure /(Income) | Budget variations | | | Note |
|--|---|--------------------------|----|--------------|-------------|
| Corporate Management – payment collection expenses | 7 | 285.7% | 20 | | L |
| Subtotal of variations | | | | 136 | |
| Transfers to Earmarked Reserves | | | | | |
| Homelessness Prevention Reserve | - | - | 30 | 30 | C |
| PROJECTED OUTTURN | | | | 7,033 | |
| PROJECTED UNDERSPEND | | | | (46) | |

Notes

- A. **Street Naming & Numbering** – this is a statutory function provided by the Council that generates a small amount of income that has not been budgeted for and therefore gives rise to a forecast surplus of £15,000.
- B. **Housing Benefit administration subsidy** – it is anticipated that the subsidy grant for Housing Benefit administration is likely to exceed the income budget by £28,000.
- C. **Homelessness** – Due to homelessness grants being received, a forecast under-spend of £30,000 has arisen and it is proposed to transfer this into the Homelessness Prevention Earmarked Reserve to support peaks and troughs in the Homelessness service (see recommendations).
- D. **Employment Estates income** – the Assets team have continued to increase occupancy levels at our Employment Estate units and therefore a surplus of £24,000 is forecast.
- E. **Commercial Property net investment income** – Commercial Property Investments continue to perform well and as such are giving rise to a forecast surplus of £50,000 in 2019/20.
- F. **Investment Income** – focussing on making the wisest investment decisions possible has yielded better than budgeted results, even though the markets have left little room for manoeuvre.
- G. **Business Rates Pool income** – the forecast pooling gain is split between the members of the pool. West Devon’s share is £100,000 against a budget of £40,000, meaning a £60,000 surplus is anticipated.
- H. **Car Parking income** – a shortfall in car parking income of £65,000 is currently projected from the first six months of data. However,

it is acknowledged this figure could fluctuate during the year depending on parking levels during the winter months.

- I. **St James, Okehampton** – this variance of £10,000 relates to the business rates and utility costs in respect of St James, Okehampton for which the Council is still liable.
- J. **Local Land Charges income** – income for Local Land Charges is expected to be short of target by approximately £26,000 in 2019/20.
- K. **Planning income** – a planning income shortfall of £15,000 is currently anticipated for 2019/20. However, this is a volatile area which can be very difficult to forecast given the impact of large applications so there is every likelihood that the income will fluctuate as the year progresses.
- L. **Payment collection expenses** – in line with 2018/19, the budget for bank processing fees and internet/card processing fees is anticipated to be exceeded. The current projection is an over-spend of £20,000 in 2019/20.

3.3 Savings/Additional Income identified in the 2019/20 Budget

This monitoring report includes an update on the position regarding the savings and additional income that were identified in the 2019/20 budget setting process. Please see Appendix B for further information.

4. Management Actions

- 4.1 The table below sets out the relevant management actions for the revenue expenditure and income variations shown above. It is best practice for the Council to state whether there are any corrective actions that need to be taken for the variances identified in 2019/20.

| | Budget variations overspend/ (underspend) £'000 | Management Action |
|---|--|--|
| Reductions in expenditure/ additional income | | |
| Street Naming & Numbering | (15) | It is proposed that this amount be included in the budget for 2020/21. |

| | Budget variations overspend/ (underspend) | Management Action |
|---|--|--|
| Housing Benefit administration subsidy | (28) | No remedial action required. |
| Homelessness | (30) | It is proposed to transfer this £30,000 into reserves as outlined in the recommendations. |
| Employment Estates income | (24) | It is proposed to increase the income target for Employment Estates by £25,000 for 2020/21. |
| Commercial Property net investment income | (50) | The Council will continue to monitor the performance of these investments, as well as seeking any further investment opportunities that fits within its Commercial Property Strategy. An additional income target of £80,000 has been built into the 2020/21 budget. |
| Investment Income | (5) | No remedial action required. |
| Business Rates Pool income | (60) | A gain of £110,000 is anticipated for 2020/21. This will be reflected in the 2020/21 budget accordingly. |
| Car Parking | 65 | Income levels will be kept under review in 2019/20. |
| St James, Okehampton | 10 | A planning application for a change of use of St James, Okehampton has been approved. |
| Local Land Charges income | 26 | A reduction in the income target of £15,000 has been built into the 2020/21 budget |
| Planning income | 15 | Income levels will be kept under review in 2019/20. |
| Payment collection expenses | 20 | A cost pressure of £20,000 has been built into the 2020/21 budget. |

5. Prudential Indicators

5.1 The prudential code indicators were approved in the Treasury Management Strategy report approved by Council on 26 March 2019. The indicators are monitored during the year through the normal revenue and capital monitoring processes. Any exceptions are reported to the Audit Committee. To date all Treasury Management limits have been adhered to. The Treasury Management Indicators set out the level of predicted capital expenditure and borrowing requirements.

6. Review of Earmarked Reserves

- 6.1 The Council annually undertakes a review of the level of its Earmarked Reserves as part of the budget setting process. A schedule of Earmarked Reserves is attached at Appendix A with their proposed use.
- 6.2 Annually transfers are made from Earmarked Reserves to the Comprehensive Income and Expenditure Account as part of the closure of the end of year Accounts.

7. Income and Reserves

- 7.1 Income monitoring is an integral part of financial management. Current income forecasts are as follows:

| Service | Actual Income 2018/19 | Income Budget 2019/20 | Projected Income 2019/20 | Deficit/ (Surplus) | Deficit/ (Surplus) |
|--|--------------------------------------|--------------------------------------|---|-------------------------------|-------------------------------|
| | £'000 | £'000 | £'000 | £'000 | % |
| Car Parks | 938 | 1,006 | 941 | 65 | 6.5% |
| Employment Estates | 319 | 290 | 314 | (24) | (8.3%) |
| Land Charges | 85 | 110 | 84 | 26 | 23.6% |
| Planning income | 547 | 387 | 372 | 15 | 3.9% |
| Recycling Credits | 266 | 265 | 265 | - | - |
| Investment Income | 91 | 90 | 95 | (5) | (5.6%) |
| Commercial Property gross rental income – Note A | 955 | 1,108 | 1,187 | (79) | (7.1%) |
| TOTAL | 3,201 | 3,256 | 3,258 | (2) | (0.1%) |

Note A

The commercial property income figures above relate to the gross rental income for 2019/20. The favourable income variance included in the monitoring report of £50,000 is a net figure anticipated for 2019/20 after deducting all relevant costs (e.g. borrowing costs) from the rental income.

The decision on the level of balances and reserves is taken during the formulation of the annual budget and the medium term financial strategy. As a matter of prudence the Council has set aside various amounts in reserves to cover future liabilities and items of expenditure and these are attached as Appendix A.

8. Options available and consideration of risk

- 8.1 At this early stage it is important to note that these forecasts can change over the course of the year. Managers can seek out opportunities to reduce any overspends, whilst considering the risk of any adverse impact on the customer experience.

9. Proposed Way Forward

- 9.1 Revenue budget monitoring will continue on a regular basis and further reports will be brought to the Hub Committee each quarter.

10. Implications

| Implications | Relevant to proposals Y/N | Details and proposed measures to address |
|--|---------------------------|--|
| Legal/Governance | | The Statutory Powers that apply to this report are the Local Government Act 1972 Section 151 and the Local Government Act 2003 Section 28. |
| Financial implications to include reference to value for money | | The report identifies an overall underspend of £46,000 which equates to 0.6% of the overall net budget set for 2019/20 of £7.08 million, mainly due to the Business rates Pool and the strong performance of the Commercial Property Investments. |
| Risk | | <p>Budget variances – continual budget monitoring at all levels within the Council ensures early identification of variances. Reporting to the Hub Committee provides an opportunity for Members to identify and instigate remedial action where appropriate.</p> <p>Resource Planning – the Hub Committee takes into account any significant issues when developing the Council’s Medium Term Financial Strategy. These are identified in the Management Actions section of the report (Section 4).</p> |
| Supporting Corporate Strategy | | The budget monitoring process supports all six of the Corporate Strategy Themes of Council, Homes, Enterprise, Communities, Environment and Wellbeing. |

| | | |
|---|--|---|
| Climate Change - Carbon / Biodiversity Impact | | None directly arising from this report. |
| <i>Comprehensive Impact Assessment Implications</i> | | |
| Equality and Diversity | | None directly arising from this report. |
| Safeguarding | | None directly arising from this report. |
| Community Safety, Crime and Disorder | | None directly arising from this report. |
| Health, Safety and Wellbeing | | None directly arising from this report. |
| Other implications | | None directly arising from this report. |

Supporting Information

Appendices:

Appendix A – Reserves

Appendix B – Savings/Additional income Schedule

Background Papers:

Finance Community of Practice budget monitoring working papers

Approval and clearance of report

| Process checklist | Completed |
|---|------------------|
| Portfolio Holder briefed/sign off | Yes |
| SLT Rep briefed/sign off | Yes |
| Relevant Heads of Practice sign off (draft) | Yes |
| Data protection issues considered | Yes |
| Accessibility checked | N/A |

| RESERVES - PROJECTED BALANCES | | | | | APPENDIX A |
|--|---|---|-----------------------------|---|--|
| | Opening balance 01.04.2019 £'000 | Additions to the Reserve £'000 | Predicted spend £'000 | Projected balance 31.03.2020 £'000 | Comments |
| EARMARKED RESERVES | | | | | |
| Specific Reserves - General Fund | | | | | |
| 2016/17 Budget Surplus Contingency | (375) | 0 | 320 | (55) | This is the Budget Surplus from 2016/17 which was put into an Earmarked Reserve. Of the commitments, there is £65,000 already committed for capital funding for the Capital Programme. In addition £179,000 will be transferred to the new Vehicle Replacement Reserve in 2019-20. |
| Business Rates Retention Scheme | (492) | 0 | 0 | (492) | This relates to a timing issue on the accounting adjustments required for the localisation of business rates. This reserve also deals with any volatility in Business Rate income e.g. due to appeals. |
| Cannons Meadow, Tavistock | (11) | 0 | 3 | (8) | This reserve contains a commuted sum to be written down to revenue annually over 10 years |
| Car Parking Maintenance | (417) | 0 | 242 | (175) | The commitments relate to Brook Street Car Park, Council Owned Asset Investment & Development £20k (minute ref HC4) and Grounds Maintenance £30k (Hub 10/9/19) |
| Community Housing Fund | (152) | 0 | 70 | (82) | This reserve is for Community Housing Projects |
| Economic Grant Initiatives | (23) | 0 | 0 | (23) | |
| Elections | (24) | (20) | 0 | (44) | This is funding for the Elections. |
| Environmental Health | (20) | 0 | 2 | (18) | |
| Financial Stability | (267) | (243) | 60 | (450) | This is a new reserve created in 2018/19 from the Business Rates Pilot funding. A commitment of £60k relates to the purchase of land at Okehampton. In addition, £200k will be transferred to this reserve in 2019/20 from unearmarked reserves (Minute ref CM 36) |
| Flood Works | (15) | 0 | 0 | (15) | |
| Homelessness Prevention | (115) | (30) | 0 | (145) | This reserve has been created following underspends on Homelessness Prevention Costs in previous years |
| ICT Development | (76) | (25) | 58 | (43) | Commitments include replacement laptops for Members £16,000, £13,000 for the Contact Centre software upgrade and Devon WAN upgrade £10,000. Future commitments include contingency for ICT future service provision, upcoming changes to other systems and the rationalisation and replacement of photocopiers |
| Innovation Fund (Invest to Earn) | (453) | 0 | 220 | (233) | Commitments totalling £220k mainly relate to the upgrading of Hayedown Depot |
| Invest to Save | (12) | 0 | 8 | (4) | |
| Joint Local Plan | (30) | 0 | 30 | 0 | This is a new reserve for Joint Local Plan Funding |
| Leisure Services | (231) | 0 | 27 | (204) | |
| Maintenance Fund (Estates) | (196) | 0 | 26 | (170) | Commitments include £15k for the Tavistock Viaduct inspection and £11k of capital expenditure |
| Management, Maintenance & Risk Management | (88) | (119) | 16 | (191) | This is a new reserve set up to manage the ongoing maintenance costs of the Council's Commercial Property Portfolio. The contributions to the reserve equate to 10% of the rental income. |
| Neighbourhood Planning Grants | (42) | 0 | 6 | (36) | This reserve funds Neighbourhood Planning Specialists |
| New Homes Bonus (NHB) | (291) | (501) | 738 | (54) | The NHB is used to support the funding of the revenue budget and the Capital Programme. The commitment includes £375,000 to fund the 2019/20 revenue budget and £320,000 for the Capital Programme. |
| Outdoor Sports & Recreation Grants | (18) | 0 | 0 | (18) | |
| Planning Policy and Major Developments | (104) | (25) | 7 | (122) | £7.2k has been committed to employ two Planning Enforcement case managers during 2019/20 (Hub 10/9/19) |
| Revenue Grants | (422) | 0 | 6 | (416) | This reserve comprises of government grants received for specific initiatives or new burdens and are held in the reserve for accounting purposes |
| Section 106 Monitoring | (8) | 0 | 8 | 0 | This reserve funds the cost of an officer to oversee the administration of S106 deposits and how they are spent |
| Support Services Trading Opportunities | (8) | 0 | 0 | (8) | |
| T18 Strategic Change | (234) | 0 | 227 | (7) | The commitments include £50,000 for the capital requirement of the Public Toilets pay on entry review (HC.19) and £167,000 will be transferred to the new Vehicle Replacement Reserve. |
| Vehicle Replacement | 0 | (396) | 396 | 0 | This is a new reserve set up to fund the Council's vehicle replacement programme (Council 4 Dec 2018) |
| Waste & Cleansing Options Review | (163) | 0 | 43 | (120) | A commitment of £43.5k relates to the three weekly waste collection trial (Hub 4 June 2019) |
| Other Reserves below £15,000 | (29) | 0 | 11 | (18) | |
| TOTAL EARMARKED RESERVES | (4,316) | (1,359) | 2,524 | (3,151) | |
| TOTAL UNEARMARKED RESERVES | (1,286) | (46) | 200 | (1,132) | £200k will be transferred from unearmarked reserves in 2019/20 to the Financial Stability Reserve (Minute ref CM 36). The projected underspend for 2019/20 is £46,000. |
| TOTAL REVENUE RESERVES (EARMARKED AND UNEARMARKED RESERVES) | (5,602) | (1,405) | 2,724 | (4,283) | |

This page is intentionally left blank

Summary of Savings and Additional Income from the 2019/20 Budget Setting Process

APPENDIX B

The table below summarises the savings and additional income that were included in the 2019/20 Budget Setting process and indicates whether the saving/additional income is on track to be delivered

| Savings and Additional Income for 2019-20 | Income/Savings Target for 2019/20 (£) | Latest projection for 2019/20 (£) | |
|---|---------------------------------------|-----------------------------------|---|
| Net Income from Investments in Commercial Property | 100,000 | 150,000 | The Council's ancillary income from Investments in Commercial Property is currently projected to achieve £250,000 in 2019/20 against a total net income budget of £200,000 (£100,000 was built in to the base budget in 2018/19 and a further £100,000 target in 2019/20). |
| Reprocurement of Waste Collection, Recycling and Cleansing Contract | 304,000 | 304,000 | This annual saving target is on track to be fully achieved. From this saving of £304,000, an annual contribution of £50,000 is being made to the Vehicle Replacement Earmarked Reserve giving a net saving of £254,000 as set out in the report to Council on Waste and Cleansing Procurement on 4 December 2018. |
| Public Conveniences | 50,000 | 50,000 | Negotiations with Towns and Parishes have progressed in line with the timescales envisaged with either asset transfers taking place, or contributions being paid towards the running costs of the toilet facilities. |
| Housing Benefit, recoveries of overpayments | 50,000 | 50,000 | It is expected that the additional income target of £50,000 will be achieved in 2019/20. |
| Planning Fees | 50,000 | 35,000 | Based on the first nine months of data, a planning income shortfall of £15,000 is anticipated in 2019/20. |
| Senior Leadership Team - Interim Arrangement | 34,000 | 34,000 | Saving achieved in full |
| Partnership Funding Reduction (Min CM24, Council 24/7/18) | 14,000 | 14,000 | |
| Corporate Consultancy Income | 20,000 | 20,000 | The Council is currently processing Disabled Facilities Grants on behalf of Torridge DC which will meet this income target in 2019/20. |
| Direct Lets Scheme | 12,000 | 12,000 | |
| Energy Certification for Eco Schemes | 10,000 | 10,000 | |
| Communities Together Fund | 5,000 | 5,000 | |
| Council Tax Reduction Scheme, grant reduction to Towns and Parishes | 5,500 | 5,500 | All Town and Parish Councils were notified of their 2019/20 grant levels as part of their 2019/20 precept setting process. |
| Duty Planning Service | 3,500 | 3,500 | |
| Website & E-Bulletin Advertising | 3,500 | 1,800 | Likely to achieve around £1,800, roughly half the budgeted amount. |
| Corporate Training Budget Review | 15,000 | 15,000 | |
| ICT Contracts | 12,000 | 12,000 | |
| Council Tax E-Billing | 1,200 | 1,200 | Saving requirement fully achieved |
| TOTAL | £689,700 | £723,000 | |

This page is intentionally left blank

NOT FOR PUBLICATION

This report contains exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (applies to Appendix A and B)

Report to: **Hub Committee**
Date: **28th January 2020**
Title: **Capital Budget Monitoring 2019/2020**
Portfolio Area: **Performance & Resources – Cllr C Edmonds**
Wards Affected: **All**

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

Author: **Angela Endean** Role: **Accountant**
Pauline Henstock **Head of Finance Practice**

Contact: **Tel. 01803 861480**
E-mail: angela.endean@swdevon.gov.uk
Tel. 01803 861377
E-mail: pauline.henstock@swdevon.gov.uk

Recommendations:

It is recommended that the Hub Committee resolves:-

- i. To endorse the contents of the Report.

1. Executive summary

The report advises Members of the financial position as at 30th September 2019 for the purposes of budget monitoring. **All capital projects are within the individual capital budgets approved by Members.**

The total capital budget for 2019/20 is £7,532,193 of which £861,955 has been spent to date (Appendix A).

The capital programme is currently underspent in comparison to the budgets. This is mainly due to the capital schemes for the Tavistock Temporary Accommodation Development and the Community Housing Schemes at Brentor and Lamerton being in the early stages. Expenditure on Improvement Grants (Disabled Facilities Grants) is £626,918 at Month 9, compared to the budget for 19/20 of £985,418.

2. Background

The capital programme for 2019/20 was approved by Council on 12 February 2019 (CM53 and HC74 refer). This report provides an update on the Capital Programme.

3. Outcomes/outputs

Members are requested to note the following updates on Capital Projects:

Community Project Grants (previously Village Hall & Community Project Grants)

There is no additional budget allocation for Community Project Grants in 2019/20 however there is a budget of £41,195 from underspends in previous years.

Expenditure to date in 2019/20 is £16,460, any unspent funds in this financial year will be retained for projects in 2020/21.

Affordable Housing

The budget for Affordable Housing in 2019/20 is £50,000. The budget brought forward from previous years is £89,000 giving a total of £139,000 available in 2019/20.

In recent times the capital programme has facilitated affordable housing developments in rural areas by providing a sum of money, normally between £10,000 and £15,000 per plot, to enable the development to proceed. These schemes are typically on exception sites and therefore do not rely on cross subsidy from open market properties, evidence from a Registered Provider (RP) is provided to ensure additional money is required to make the scheme viable. Money is normally required where there are abnormalities on the site or there is a shortage of public subsidy.

Private Sector Renewals including Disabled Facilities Grants (DFG's)

As at the end of December (Month 9), £626,918 has been spent compared to the budget for 19/20 of £985,418.

A further £119,722 has already been approved (committed) and there are further Statements of Need being progressed which total another £154,400.

Waste Fleet

The Council is in discussions with the Waste Contractor, FCC, with regard to the timing of purchases over the coming months. It is envisaged that the budget will be utilised in 2019/20. There is no expenditure to the end of December (month 9) however there are commitments of just under £140,000.

Community Housing Schemes

The Community Housing Strategy was put in place to support the development of homes accessible to those with local connections for whom the cost of market housing (to purchase and rent) is beyond their reach.

A budget of £4.3m was approved within the 2019/20 capital programme. This budget will be used to build out two community housing schemes at Brentor and Lamerton.

A planning application is to be submitted for 12 residential units in Brentor. This is currently being progressed with the DNPA and it is anticipated that this should be determined by the spring of 2020 with construction commencing in the summer/autumn of 2020 with completion in the spring of 2021.

The proposal to build 17 residential units in Lamerton is dependent on support by Lamerton Parish Council. They will meet on Monday 13th Jan to determine if the scheme is taken forward on the proposed site. If not the funding allocated will be deployed elsewhere (the funding is through PWLB borrowing).

Tavistock Viaduct

WDBC officers have been seeking further advice from DCC's Bridges Team as to the level of maintenance work required on the viaduct.

The early indications are that this can be limited to further vegetation clearance and some drainage improvements.

4. Options available and consideration of risk

This is considered on a project by project basis as part of the project appraisal document and initial business case for each capital project.

5. Proposed Way Forward

This is considered on a project by project basis.

6. Implications

| Implications | Relevant to proposals Y/N | Details and proposed measures to address |
|------------------|---------------------------|---|
| Legal/Governance | | <p>Statutory powers are provided by the S1 Localism Act 2011 general power of competence.</p> <p>The capital programme is implemented in line with the Council's legal requirements, which are examined on a project-by-project basis. To date there are no undue legal concerns.</p> <p>The public interest has been assessed and it is considered that the public interest will be better served by not disclosing the information in the Appendices. Accordingly this report contains exempt Information as defined in paragraph 3 of Schedule 12A to the Local Government Act 1972.</p> |

| | | |
|---|--|--|
| <p>Financial Implications to include reference to Value for Money</p> | | <p>The total capital budget for 2019/20 is £7,532,193 of which £861,955 has been spent as at 31st December 2019 (Appendix A).</p> <p>All the capital projects are within the individual capital budgets approved by Members.</p> <p>The regular monitoring of the Capital Programme ensures the Council has arrangements in place to secure economy, efficiency and effectiveness in its use of resources.</p> |
| <p>Risk</p> | | <p>There is a risk that the Capital Programme does not meet the Council's corporate priorities in line with the Council's Asset Strategy and the opportunity to assess emerging projects, which could contribute to the Council's priorities. The mitigation is that there is a project appraisal for each proposal. This is taken into account when assessing possible implementation timescales. Complex capital programmes have a relatively long lead-in period.</p> <p>The Council demonstrates that capital investment contributes to corporate priorities, provides value for money and takes account of the revenue implications of the investment. Regular monitoring of the capital programme and consideration of new pressures enables Members to control the programme and secure appropriate mitigation where problems arise.</p> <p>There is regular quarterly monitoring of the Capital Programme to Members where any cost overruns are identified at an early stage.</p> |

| | | |
|---|--|--|
| Supporting Corporate Strategy | | The Capital Programme supports all six of the Corporate Themes of the Council, Homes, Enterprise, Communities, Environment and Wellbeing. |
| Climate Change - Carbon / Biodiversity Impact | | <p>A climate change action plan was presented to Members at the Council meeting on 17th December, 2019.</p> <p>Further future reports containing business cases will be presented to Members setting out a strategy as to how the Council could finance items within the action plan, whether that is from external grant sources or some funding from the Council's own resources.</p> |
| Comprehensive Impact Assessment Implications | | |
| Equality and Diversity | | This matter is assessed as part of each specific project. |
| Safeguarding | | This matter is assessed as part of each specific project. |
| Community Safety, Crime and Disorder | | This matter is assessed as part of each specific project. |
| Health, Safety and Wellbeing | | This matter is assessed as part of each specific project. |
| Other implications | | None |

Supporting Information

Appendices:

Appendix A – Details of capital expenditure to 31st December 2019
Appendix B – Details of Exempt schemes approved as part of the 2019/20 Capital Budget and Purchase of Land at Okehampton

Background Papers:

Capital Budget proposals for 2019/20 - Council 12 February 2019 (CM53 refers)

Capital Budget proposals for 2019/20 – Hub 29 January 2019 (HC74 refers)

| Process checklist | Completed |
|---|------------------|
| Portfolio Holder briefed | Yes |
| SLT Rep briefed | Yes |
| Relevant Heads of Practice sign off (draft) | Yes |
| Data protection issues considered | Yes |
| Accessibility checked | Yes |

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

Agenda Item 9

Report to: **Hub Committee**

Date: **28th January 2020**

Title: **Revenue Budget Proposals for 2020-21**

Portfolio Area: **Cllr N Jory – Budget Setting Process**

Wards Affected: **All**

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

Date next steps can be taken:

18th February 2020

Author: **Lisa Buckle** Role: **Corporate Director for Strategic Finance (S151 Officer)**

Contact: **Email: lisa.buckle@swdevon.gov.uk**

Recommendations:

That the Hub Committee recommend to Council:

- i) The increase in Council Tax for 2020/21 of £5 (Band D of £236.63 for 2020/21 – an increase of 10 pence per week or £5 per year – equates to a 2.16% increase).
- ii) The financial pressures shown in Appendix A of £663,500
- iii) The contributions to Earmarked Reserves of £87,500
- iv) The savings of £530,200 as shown in Appendix A
- v) The use of £228,135 of New Homes Bonus funding to fund the 2020/21 Revenue Budget as set out in 2.20 of the report
- vi) To maintain the deficit recovery period of the Pension Deficit at 17 years (as per 2.26)
- vii) The inclusion of an Economy post (shared with South Hams District Council) within the staffing establishment, as set out in section 1.7.

- viii) To delegate to the S151 Officer, in consultation with the Leader and Deputy Leader to agree the final amount of New Homes Bonus funding for the Dartmoor National Park Sustainable Community Fund for 2020/21.
- ix) That a collection fund surplus of £67,000 is utilised in 2020/21.
- x) That the Total Net Expenditure of the Council is £7,211,895 for 2020/21.
- xi) That the level of reserves as set out within this report and the assessment of their adequacy and the robustness of budget estimates be noted. This is a requirement of Part 2 of the Local Government Act 2003.

That the Hub Committee also recommend to Council the Fees and Charges below which form part of the Revenue Budget Proposals for 2020/21:

- xii) To approve the proposed Environmental Health charges in Appendix D.*
- xiii) To approve the proposed unchanged fees and charges set out for Development Management in Appendix C.*
- xiv) To approve that charges be introduced for the use of the existing electric charging points at Kilworthy Park.*
- xv) To approve the introduction of Proof of Life charges with immediate effect, once approval from Members has been received as set out in paragraph 5.13.*
- xvi) To approve the changes to S257 Footpath Diversion Orders charges with immediate effect, once approval from Members has been received as set out in paragraph 5.14.*
- xvii) To approve the proposals to increase charges to Parish and Town Councils for the emptying of dog waste and litter bins as set out in paragraph 5.15*
- xviii) delegated authority is given to the Section 151 Officer and the Portfolio Holder to set the Local Land Charges as appropriate for cost recovery.*

1. Executive summary

- 1.1 The Council's Medium Term Financial Strategy (MTFS) is based on a financial forecast over a rolling five year timeframe to 2024/25. The Council, along with other local authorities, has faced unprecedented reductions in Government funding. Between 2009/10 and 20/21, the Council's Core Government funding has reduced by £3 million.
- 1.2 West Devon has continued to work in partnership with South Hams District Council which has allowed West Devon Borough Council to achieve annual savings of £2.2 million and more importantly protect all statutory front line services. Between both Councils the annual shared services savings being achieved are over £6 million. However, the Councils continue to face considerable financial challenges as a result of uncertainty in the wider economy and constraints on public sector spending.

- 1.3 ***The report attached sets out proposals for the Council to achieve a balanced budget in 2020/21, as shown in Appendix B.*** West Devon Borough Council is currently forecasting a £415,663 budget gap by the following year, 2021/22. The aggregated Budget Gap by 2024/25 is £1.594 million. ***The changes in the Budget Report since the meeting of the Overview and Scrutiny Committee are shown in section 2.13.***
- 1.4 A Members' Budget Workshop was held on 12th November. The results of the Members' Budget Survey have been circulated to all Members. A total of twenty two responses were received to the survey. Based on those results, the following changes have been reflected within this latest budget report:-
- A Climate Change Policy Officer (a two year temporary post) has been included at a cost of £25,000 per annum
 - The business rates pooling gain has been increased by £30,000 to £110,000 in 2020/21
 - Following the Triennial Pension Revaluation (see 2.23), the Council has been notified that its Pension Deficit has reduced from £7.116m (75.8% funded) at 31.3.2016 to £5.076m (84.3% funded) at 31.3.2019. This will result in a reduction in the Pension Employer secondary rate contributions (due to a reduction in the actuarial deficit at 31.3.2019) of £175,000 per annum (see 2.25)
 - The primary rate, the employer's pension contribution rate is increasing by 1.5% for WDBC from 13.3% to 14.8% producing a cost pressure of £75,000 per annum from 2020/21 for the next three years (see 2.22). The Devon Pension Fund in general is experiencing a 2% increase in the primary rate due to the change in financial assumptions.
 - Additional treasury management income of £15,000 per annum, from the investment of an extra £0.5million in the CCLA (see 2.41 for details)
 - Additional employments estates income of £25,000 per annum
 - An annual income from street naming and numbering of £15,000 per annum
 - Corporate consultancy income of £10,000 per annum
 - A reduction in ICT contracts of £8,000 per annum
 - Modelling work will be carried out on car parking fees to model the effect of increasing fees by approximately 4% in 2020-21 (£40,000) and to review the range of current tariffs in different car parks. This is on the basis that car parking fees would not be increased in 2021-22. The last time fees were increased was in July 2018. This is a separate agenda item on the Hub Committee.
 - The latest Quarter 3 Budget Monitoring report shows that car parking income is expected to underachieve its income target for 2019/20 of £1,006,000 by 6.5% (£65,000). Therefore no increase in car parking income has been built into Appendix A for the 2020/21 Budget as the increase in fees is likely to only meet part of the current shortfall in budgeted income.

- 1.5 There are estimated one off redundancy and pension strain costs following the Senior Leadership Team and Extended Leadership Team restructure of £25,000 per annum for three years.
- 1.6 In addition, three temporary housing posts (shared with South Hams District Council) have been proposed in this report to be made permanent, to be funded by the Flexible Homelessness Government grant funding, to provide stability of resource within the Council's Housing team. The wdbc share of costs is £32,500. This does not create a cost pressure on the 'bottom line' as the cost pressure is offset by the government grant income (both the cost and the income are budgeted for), therefore there is a neutral impact on the budget.
- 1.7 Members' views are also sought on including an Economy post (shared with South Hams District Council) within the staffing establishment going forward, to be funded from the business rates pooling gains, to further drive the Council's economic aims and the Enterprise strategic theme, creating places for enterprise to thrive and business to grow. The cost of this post is expected to be around £25,000 per annum (WDBC share). This post was supported at the Overview and Scrutiny Committee meeting on 14 January 2020. Therefore this cost has been built in to Appendix A as a budget pressure for 2020/21 onwards.
- 1.8 **Income from fees and charges**
The fees and charges outlined in this report in Section 5 are expected to either be cost neutral or to have a non-material impact in 2020/21. Therefore no additional income has been built into the budget for 2020/21 for these.
- 1.9 A Cross Party Member Working Group (Financial Stability Review Group) was set up in November 2017 with defined Terms of Reference to look at the Medium Term Financial Strategy and to further look at options for securing financial stability for the longer term. The Group have met monthly since September 2019 and report to the Overview and Scrutiny Committee on a regular basis.

2. CHANGES TO THE 2020/21 BUDGET REPORT SINCE THE HUB COMMITTEE MEETING OF 17TH DECEMBER 2019

Draft Local Government Finance Settlement for 2020/21

- 2.1 On 20th December 2019, the Government announced the draft Finance Settlement for 2020/21 for consultation. The key points from the Finance Settlement are below.
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/854542/Provisional_Settlement_Consultation_Document.pdf
- 2.2 There will be a one year Spending Round for 2020-21 and plans for a more substantial Spending Review for 2021-22 onwards. So effectively this a 'roll-forward' settlement for 2020-21 for one year.

- 2.3 Core Spending Power has increased by 0.42%. This is made up of Income from Council Tax, Business Rates, New Homes Bonus and Rural Services Delivery Grant. The analysis of the 0.42% increase in Spending Power (increased resources available) is made up of:-
- an 'assumed' increase in council tax of £5
 - an increase in income from business rates of 1.63%
 - a reduction in New Homes Bonus funding of 30.5%

Chart 1 – Core Spending Power (£m)

'Core Spending Power' is a headline figure used by MHCLG to represent the key revenue resources available to local authorities, including an estimate of actual and potential council tax.

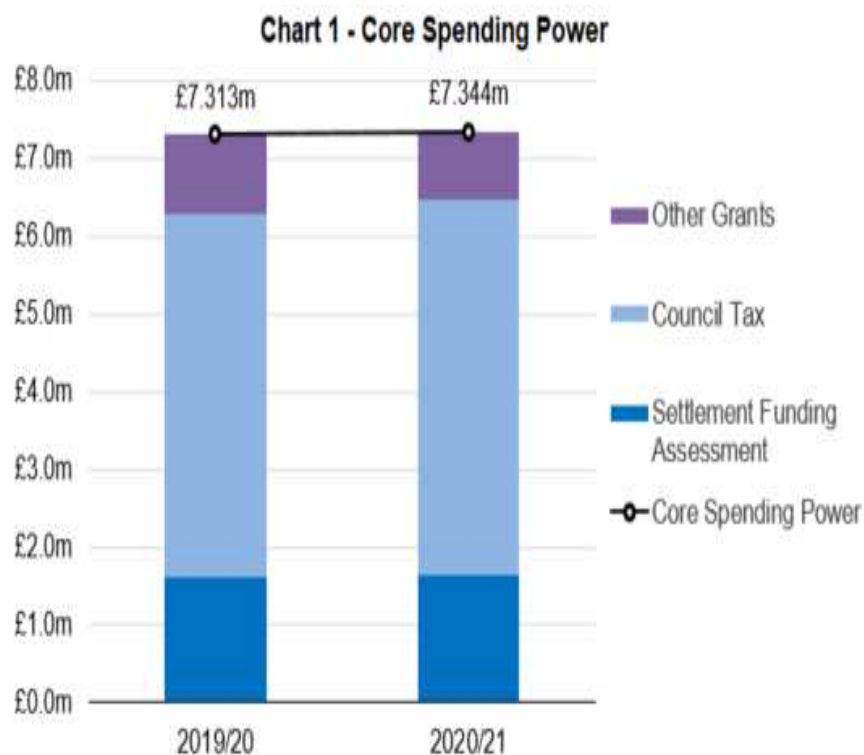


Chart 2 – Core Spending Power (£m)

| | 2019/20 | 2020/21 | Change |
|--|--------------|--------------|--------------|
| Core Spending Power | 7.313 | 7.344 | 0.42% |
| <i>Which consists of:</i> | | | |
| Settlement Funding Assessment (Business Rates Baseline) | 1.622 | 1.648 | 1.63% |
| Assumed Council Tax | 4.674 | 4.818 | 3.1% |
| New Homes Bonus | 0.501 | 0.348 | (30.5)% |
| Rural Services Delivery Grant | 0.464 | 0.464 | Nil |
| Other grants | 0.052 | 0.066 | 26.9% |

Chart 3 – Change in Core Spending Power by class of Authority (2019/20 to 2020/21)

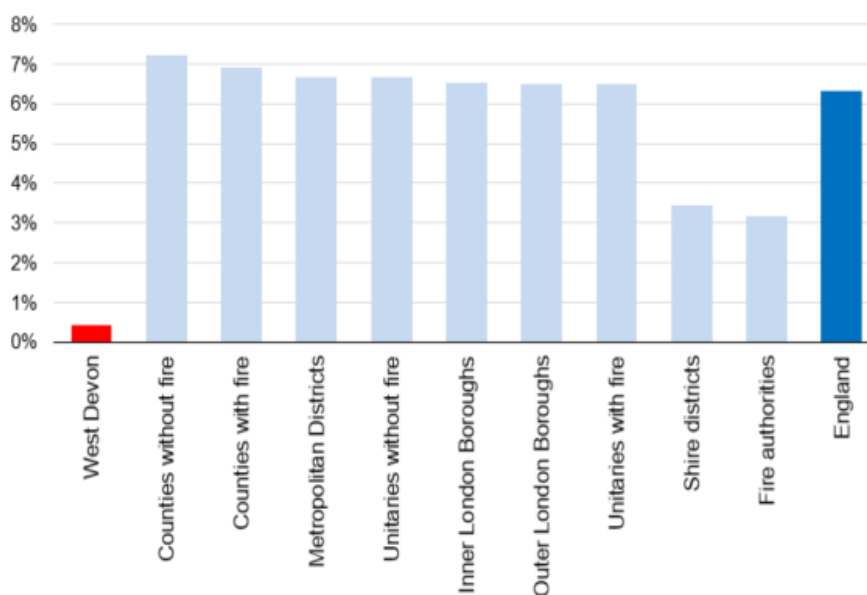


Chart 3 shows how the increase in Core Spending Power for West Devon Borough Council (0.42%) compares against other classes of Local Authorities. The reason that West Devon is a long way below the average is because of the large reduction in New Homes Bonus funding for West Devon, mainly due to the 0.4% baseline and the reduction in years paid to four years.

Council Tax

- 2.4 The Council Tax Referendum limits for District Councils will be the higher of 1.99% or £5, for 2020/21. The Budget reports includes modelling an increase in council tax in 2020/21 of £5, equating to a Band D council tax of £236.63 for 2020/21. This is an increase of 10 pence per week or £5 per year and equates to a 2.16% increase.
- 2.5 Council in September 2019 (Council Minute CM36) has set the strategic intention to raise council tax by the maximum allowed in any given year, without triggering a council tax referendum, to endeavour to continue to deliver services. The actual council tax for any given year will be decided by Council in the preceding February. (The council tax for 2020/21, the WDBC share, will be set at the Council meeting on 18th February 2020).
- 2.6 A 1% increase in council tax generates £47,000. It has been assumed that the number of properties within the Borough will increase by 70 per annum from 2020/21 to 2024/25 – this is an increase of approximately 0.3%. The results of the Members’ Budget Survey were such that 69% of Members supported increasing council tax by the maximum allowable, without triggering a council tax referendum. 22% of Members supported a lower increase of 1.99% (this would add a budget pressure of £7,900 in 2020/21) and 9% of Members supported a lower increase of 0.99% (this would add a budget pressure of £54,800 in 2020/21).

- 2.7 The Government proposes to continue with no referendum principles for Town and Parish Councils in 2020/21. Town and Parish Councils have been informed of this.

Negative Revenue Support Grant

- 2.8 Negative Revenue Support Grant (RSG) for 2020/21 will be withdrawn and will continue to be funded by the Government. This means the Council wouldn't have to forego some of its business rates income (£293,000) by paying some of it back to Government in the form of 'negative government grant' in 2020/21.
- 2.9 There has been no news on what will happen to negative RSG from 2021/22 onwards and therefore the modelling in this report has assumed negative RSG will remain for 2021/22 onwards in some form (e.g. as part of the business rates baseline reset). It is currently estimated to be £293,000 per annum which would be deducted off the Council's business rates funding and represents negative Government grant (it is effectively the Council's further predicted funding cuts).

Rural Services Delivery Grant

- 2.10 For 2020/21, the funding amount (£81m nationally) and the methodology for distribution remain unchanged from 2019/20. The Council will continue to lobby on the basis that the £81m should be increased. West Devon Borough Council's share of this is £464,365 for 2020/21. This is Government grant to recognise the additional cost of delivering services in rural areas.

Business Rates

- 2.11 A similar system in 2020-21 to that in place for 2019-20 is being proposed, with further reform delayed until 2021-22. The business rates baseline for 2020/21 has been confirmed at £1.648m in the draft Finance Settlement. This was previously estimated at £1.661m for 2020/21. Estimates have been made of the Baseline funding Levels for 2021/22 onwards. The £1.648m is the amount the Council retains from its business rates income collected of £10 million (the Council keeps about 16p in every £1 collected of business rates to fund its services).

Chart 4 – Settlement Funding Assessment (£m)

| | 2019/20 | 2020/21 | Change |
|--|----------------|----------------|---------------|
| Settlement Funding Assessment (SFA) | 1.622 | 1.648 | 1.6% |
| Which consists of:- | | | |
| Business Rates Baseline funding | 1.622 | 1.648 | 1.6% |
| Revenue Support Grant (Government grant) | Nil | Nil | Nil |

- 2.12 There are five 100% pilot areas from 2017/18 that will continue for 2020/21 being Liverpool, Greater Manchester, West of England, Cornwall and West Midlands. There are 27 local authority areas that have applied to pool in 2020/21, of which the Devon Business Rates Pool is one. West Devon Borough Council will continue to be part of a Devonwide Business Rates Pool for 2020/21.

Other updates to the Budget report since the Hub Committee meeting of 17th December 2019

- 2.13 The following table shows the changes to the Budget report since the Hub Committee meeting on 17th December 2019 and since the Overview and Scrutiny Committee meeting on 14 January 2020:-

The table below shows the summary of changes:-

| | Total (£) |
|---|-------------------|
| <i>Budget Gap for 2020/21 reported to the Overview and Scrutiny Committee on 14th January 2020</i> | 23,335 |
| <i>Changes:-</i> | |
| The premium planning service was not supported at the Overview and Scrutiny Committee meeting and therefore this has been taken out of the Budget process and will not be introduced. | 4,800 |
| The economy officer post was supported at the Overview and Scrutiny Committee meeting, therefore this has been built into Appendix A as a cost pressure | 25,000 |
| Economy officer to be funded by business rates pooling gains in 2020/21, therefore the business rates pooling gains have been increased by £25,000 | (25,000) |
| Budget Gap of 28,135 to be funded by New Homes Bonus (This increases the amount of the New Homes Bonus which is funding the revenue base budget from £200,000 to £228,135 – see 2.20) | (28,135) |
| <i>Budget Gap for 2020/21 (A balanced budget is presented in this report, as per Appendix B)</i> | <i>Nil</i> |

2.14 The minute from the Overview and Scrutiny meeting of 14 January 2020 is shown below:-

O&S 70 REVENUE BUDGET PROPOSALS 2020/21

The Committee considered a report that sought consideration of the draft Revenue Budget proposals for 2020/21.

During the ensuing debate, the following points were raised:-

- (a) It was confirmed that the proposal to recruit a temporary Climate Change Policy Officer would be on a shared (50/50 basis) with South Hams District Council;
- (b) In respect of the modelling work that was to be undertaken on car parking fees, it was confirmed that the Council would consult with its key stakeholders as part of this process. Also, the Leader advised that it was intended that this modelling would look at sites on a place by place basis;
- (c) With regard to the proposed Economy post, officers advised that it was intended that one of the key roles of the postholder would be to write and submit bids in order to obtain external grant funding;
- (d) When questioned, officers gave an assurance that they would continue to lobby Central Government in order to ensure that legislation was changed whereby business rates were no longer payable on public conveniences;
- (e) Members were informed that the result of the 2019 Pension Actuarial Valuation would also be considered by the Audit Committee at its meeting on 21 January 2020;
- (f) The Committee discussed the proposal to introduce a premium planning service and, whilst the intention of the initiative was recognised, the majority of Members did not feel it appropriate to introduce it at this present time;
- (g) Before the Council made a final decision to implement a pricing scheme for the use of the Electric Charging Points that were situated at Kilworthy Park, Tavistock, the Committee requested that the current usage of these Points be established. Also, Members asked that an answer be provided as to whether or not the current Points would need to be replaced in order to be able to charge users.

It was then:

RESOLVED

That, as part of the 2020/21 Budget Setting process, the Hub Committee take into account that the Overview and Scrutiny Committee support:

1. the proposed increase in Council Tax for 2020/21 of £5 (Band D of £236.63 for 2020/21 – an increase of 10 pence per week or £5 per year – equates to a 2.16% increase);
2. the proposed financial pressures of £638,500 (as shown in Appendix A of the presented agenda report);
3. the proposed contributions to Earmarked Reserves of £87,500;
4. the proposed savings of £535,000 (as shown in Appendix A of the presented agenda report);
5. the proposed use of £200,000 of New Homes Bonus funding to fund the 2020/21 Revenue Budget (as set out in Section 2.20 of the presented agenda report);
6. the proposal to maintain the deficit recovery period of the Pension Deficit at 17 years (as per Section 2.26 of the presented agenda report);
7. the inclusion of an Economy post (to be shared with South Hams District Council) within the staffing establishment, as set out in Section 1.7 of the presented agenda report;
8. approval of the proposed Environmental Health Charges (as set out in Appendix D of the presented agenda report);
9. approval of the proposed unchanged fees and charges for Development Management (as set out in Appendix C of the presented agenda report);
10. charges being introduced for the use of the existing Electric Charging points at Kilworthy Park, Tavistock;
11. charges being introduced (with immediate effect following the Council meeting to be held on 18 February 2020) for 'Proof of Life' charges to be introduced in accordance with section 5.13 of the presented agenda report;
12. approval of changes to S257 Footpath Diversion Orders charges (with immediate effect following the Council meeting to be held on 18 February 2020) in accordance with section 5.14 of the presented agenda report;

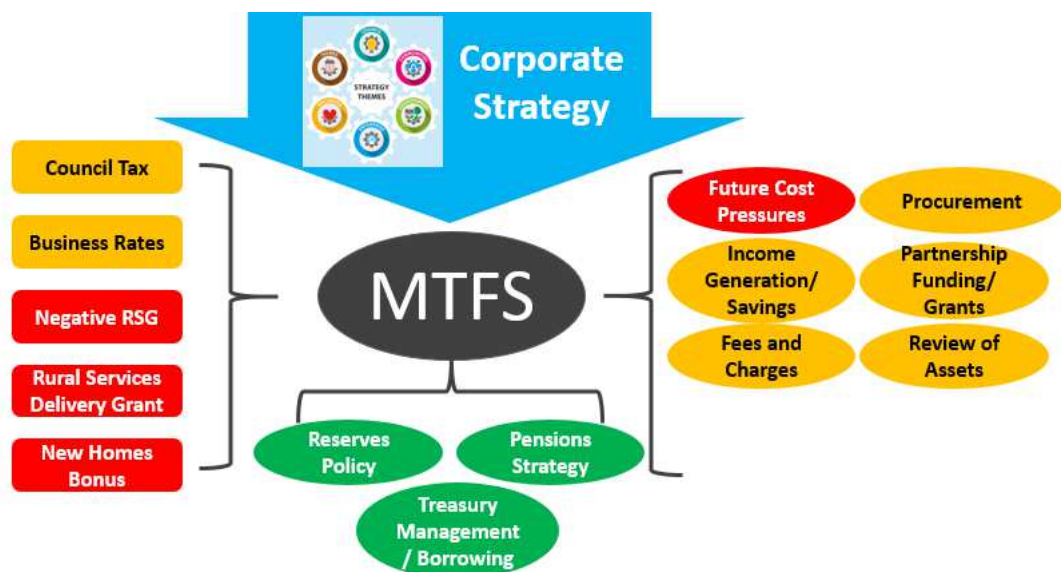
13. approval be given to the proposals to increase charges to Town and Parish Councils for the emptying of dog waste and litter bins (as set out in paragraph 5.15 of the presented agenda report); and
14. delegating authority to the Section 151 Officer, in consultation with the lead Hub Committee Member, to set the Local Land Charges as appropriate to ensure cost recovery.

2.15 The TaxBase for 2020/21 was approved by the Senior Leadership Team on 18th December and has been confirmed at 20,271.71. This is an increase of 95.14 Band D Equivalent properties from the 2019/20 TaxBase. (The increase of just over 95 Band D properties is more than the previously modelled assumption that the number of properties would increase by 70 per annum).

2.16 **THE COMPONENTS MAKING UP A MEDIUM TERM FINANCIAL STRATEGY (MTFS)**

The Diagram below sets out all of the component parts which constitute the make-up of a Medium Term Financial Strategy. Items in Green denote those elements where the Council has a large degree of control over the setting of policies and strategies. Items in Amber denote those components of the MTFS where the Council has a degree of control. Red items signal components where the Council has hardly any control over funding allocations which are decided by the Government and future cost pressures which can largely be outside of the Council's control or influence.

2019/20 Net Budget £7.1 million



2.17 The Medium Term Financial Strategy (MTFS) report was approved by Council in September 2019. A Budget update report was presented to the Hub Committee on 5th November 2019 and reflected the following changes:-

- The provision for a pay award has been increased from 1% to 2% for each year of the Medium Term Financial Strategy. This is subject to national negotiation on an annual basis. The Medium Term Financial Strategy is not an expression of Council Policy on pay awards, but a means of ensuring an appropriate provision is made as part of the financial planning of the Council.
- Two planning enforcement posts (the WDBC share of costs) have been included within the cost pressures.
- The Public Lavatories Bill has been dropped due to the proroguing of Parliament. Therefore the savings from business rates not being payable on public toilets (£18,000) will be delayed until at least 2021-22. This does not change any of the previous discussions between Town and Parish Councils and the Borough Council on public conveniences and the Borough Council would not be seeking to re-open discussions due to the Public Lavatories Bill being delayed.

New Homes Bonus (NHB)

2.18 NHB will continue for 2020-21 for one year, with any funding beyond 2020-21 being subject to the next Spending Review. For one year the Government will fund legacy payments and the baseline will remain at 0.4%. The baseline is the proportion of housing growth which is deducted as 'natural growth as such' before New Homes Bonus is paid to a Council – this is the equivalent of 98 properties for West Devon. So the Council receives no New Homes Bonus on the first 98 properties of property growth per year (Note property growth is modelled at 70 extra properties per year, hence NHB allocations are reducing due to the 0.4% baseline and the reduction in the number of years paid to four).

2.19 The Council's New Homes Bonus allocation for 2020/21 has been announced at £347,543. The financial modelling has included using £228,135 of New Homes Bonus funding for 2020/21 to fund the revenue base budget and this has then been reduced to £100,000 in 2021/22 and £50,000 in 2022/23 for modelling purposes.

2.20 The table below sets out the suggested use of New Homes Bonus funding for 2020/21:-

| NHB | Amount (£) |
|--|-------------------|
| Provisional New Homes Bonus 2020-21 allocation | 347,543 |
| Suggested allocation:- | |
| To fund the Revenue Base Budget – see 2.13 | (228,135) |
| To fund the Capital Programme for 2020/21* (This is a £50,000 allocation for affordable housing) | (50,000) |
| Dartmoor National Park allocation** | TBA |
| Amount remaining unallocated | 69,408 |

*The Capital Programme Proposals for 2020-21 are a separate agenda item on the Hub Committee agenda

**Dartmoor National Park (DNP) – On an annual basis Dartmoor National Park request a share of the New Homes Bonus to reflect new homes delivered within the Park. The money is used to support a local community fund and, for example, joint work through the rural housing enabler. Members consider this on an annual basis as part of the Budget process.

Pensions Strategy (Actuarial Valuation)

2.21 The Council has taken specialist pension advice on the options for the Council's Pension position (informing the actuarial valuation), with the aim of reducing the current deficit contributions, increasing affordability, whilst best managing the pension deficit. Options were presented to the Council's Audit Committee on 22nd January 2019 and this work is being progressed by the S151 Officer in accordance with the timetable for the Triennial Pension Revaluation. The S151 Officer attended an employers' meeting on 14th November and has received the results of the Triennial Revaluation of the Pension Fund.

2.22 The total pension contribution rates payable for employers consists of two elements, the primary rate and the secondary rate:

- **The primary rate** – this is the anticipated cost to the Council of the pension rights that members will accrue each year in the future. The primary rate, or future service rate is expressed as a percentage of pensionable payroll. The primary rate, the employer's pension contribution rate is increasing by 1.5% for WDBC from 13.3% to 14.8% producing a cost pressure of £75,000 per annum from 2020/21 for the next three years. The Devon Pension Fund in general is experiencing a 2% increase in the primary rate due to the change in financial assumptions.

- **The secondary rate** – this arises where the cost of pension rights that have already been accrued turn out to be higher than expected, resulting in a deficit. This happens where the Fund experience differs from previous assumptions, and so the contributions paid do not match the cost of the pension rights accrued during a previous period. The secondary rate, or deficit recovery rate is set as a cash figure.

2019 Pension Actuarial Valuation result

- 2.23 The funding level and the movement in the Council's pension position following the Triennial Pension Revaluation are shown below:

| | As at 31st March 2016 (£'000) | As at 31st March 2019 (£'000) |
|----------------------|---|---|
| Assets | 22,282 | 27,258 |
| Liabilities | 29,398 | 32,334 |
| (Deficit) | (7,116) | (5,076) |
| Funding Level | 75.8% | 84.3% |

- 2.24 The Pension Deficit has reduced from £7.116m (75.8% funded) at 31.3.2016 to £5.076m (84.3% funded) at 31.3.2019. The secondary rate, the amount paid to meet the pension deficit, will reduce from £500,000 per annum (the amount budgeted in the base budget) to around £325,000 per annum – an annual saving of £175,000 for the next three years (£500,000 less £325,000). This is on the basis of the pension deficit recovery period remaining at 17 years.
- 2.25 The actuaries have also offered the option of reducing the deficit recovery period to 14 years and this would produce an annual saving of £113,000 (£500,000 less £387,000). ***It is recommended by the S151 Officer that the deficit recovery period is maintained at 17 years and is not reduced to 14 years and an annual saving of £175,000 has been built into Appendix A.*** This will also be considered by the Audit Committee at their meeting on 21st January 2020.

- 2.26 The table below shows the primary rate (shown in a percentage) and the secondary rate (cash amount).

| Employer Contribution Rate | Applicable from 1st April 2020 | Applicable from 1st April 2021 | Applicable from 1st April 2022 |
|--|---------------------------------------|---------------------------------------|---------------------------------------|
| Primary Rate (% of Pay) | 14.8% | 14.8% | 14.8% |
| Secondary Rate (cash amount per annum) based on 14 year deficit recovery period | £387,294 | £401,413 | £416,048 |
| Secondary Rate (cash amount per annum) based on 17 year deficit recovery period <i>(Option recommended by the S151 Officer)</i> | £325,000 | £337,000 | £350,000 |

Note – the amount budgeted for the secondary rate (pension deficit contributions) in the 2019/20 base budget is £500,000 per annum.

Treasury Management and Borrowing Strategy

- 2.27 The Council has taken external treasury management advice on the Council's overall borrowing levels and debt levels. The Council set an Upper Limit on External Borrowing (for all Council services) as part of the Medium Term Financial Strategy of £50 million. In March 2019, the Council considered its Capital Strategy and Treasury Management Strategy which contained the new requirements issued by MHCLG in February 2018 of the new guidance.

Council Tax Support Grant (CTSG) for 2020/21 onwards

- 2.28 At the Hub Committee meeting on 5th November 2019, (Minute HC45) Members had a detailed debate on the third recommendation of the report, which sought authority to withdraw 100% Council Tax Support Grant from Town and Parish Councils with effect from 1 April 2020. Some Members felt it would better serve Town and Parish Councils to stagger the withdrawal of the Council Tax Support Grant, particularly in light of the consultation responses received. However, other Members noted that to delay the withdrawal could adversely impact Town and Parish Councils, particularly if a council tax referendum limit on raising precept levels for Town and Parish Councils was introduced by Central Government in 2021/22. On balance, the Committee agreed with the recommendation as set out in the presented report. It was then resolved that Council be recommended to withdraw the Council Tax Support Grant from Town and Parish Councils with effect from 1 April 2020 by 100%. This was approved by Council on 17th December 2019.

Results of the Members' Budget Survey 2019

2.29 A Members' Budget Workshop was held on 12th November. The results of the Members' Budget Survey have been circulated to all Members. A total of twenty two responses were received to the survey. Based on those results, the following changes have been reflected within this latest budget report:-

- A Climate Change Policy Officer (a two year temporary post) has been included at a cost of £25,000 per annum.
- The business rates pooling gain has been increased by £30,000 to £110,000 in 2020/21
- A reduction in the Pension Employer secondary rate contributions (due to a reduction in the actuarial deficit at 31.3.2019) of £175,000 per annum (see 2.24)
- Additional treasury management income of £15,000 per annum, from the investment of an extra £0.5million in the CCLA (see 2.41 for details).
- Additional employments estates income of £25,000 per annum
- An annual income from street naming and numbering of £15,000 per annum
- Corporate consultancy income of £10,000 per annum. The Council will look to attract more work from other Councils. This would primarily be through the Council delivering consultancy or short term work activities for other Councils (e.g. Disabled Facilities Grants), rather than delivering full services.
- A reduction in ICT contracts of £8,000 per annum
- Modelling work will be carried out on car parking fees to model the effect of increasing fees by approximately 4% in 2020-21 (£40,000) and to review the range of current tariffs in different car parks. This is on the basis that car parking fees would not be increased in 2021-22. The 4% was the average of the range of options which were supported by Members in the Members' Budget Survey. The last time fees were increased was in July 2018 (See 5.18 for further detail). This is a separate agenda item on the Hub Committee agenda.

2.30 The following items were not supported by the majority of Members in the Budget Survey and have therefore not been included in Appendix A:

- **Increase car parking pay and display fees and transfer the additional income to an earmarked reserve to help fund installation of rapid electric charging points (on a larger scale, over and above grant funding already available)** – Members considered an option which looked at increasing car parking pay and display fees and transferring the additional income to an earmarked reserve to help fund investment in the installation of rapid electric charging points in the Council's car parks. Some Members made the point that the Council should be able to access government grant funding.

Other Budget Ideas raised by Members in the Budget Survey

- 2.31 A Member requested that additional funds be made available to the Community Safety Partnership and included as an extra cost pressure from 2020/21 onwards.
- 2.32 Some Members asked for more information as to what duties the Climate Change Officer would undertake before they made a decision. The Climate Change Action Plan was a separate item on the December Council agenda. Another Member suggested this post was essential to transition the Council's climate change emergency to one of 'business as usual'.
- 2.33 The other ideas from Members that were suggested to generate Income or reduce expenditure in the Members' Budget Survey were as follows:
- Private companies be invited to bid for the right to install electric charging points wherever needed
 - A woodland creation scheme – buy land and create a diverse 'zoned' woodland
 - Cut down on travel reimbursement by further use of the IT/Skype
- 2.34 This latest budget position includes a provision for the pay award of 2% per annum in line with the previous Medium Term Financial Strategy. This is subject to national negotiation on an annual basis. The Medium Term Financial Strategy is not an expression of Council Policy on pay awards, but a means of ensuring an appropriate provision is made as part of the overall financial planning of the Council. The 2020/21 pay award is still being negotiated and therefore the pay award cost pressure might change once this has been agreed in the New Year.
- 2.35 In addition, three temporary housing posts (shared with South Hams District Council) have been proposed in this report to be made permanent, to be funded by the Flexible Homelessness Government grant funding, to provide stability of resource within the Council's Housing team. The wdbc share of costs is £32,500.
- 2.36 The Government has reformed temporary accommodation finance through a flexible homeless support grant. There has also been financial recognition of the enormous additional burden placed on local authorities through the Homeless Reduction Act, meaning that the service has been able to continue delivering its statutory service, perform highly in preventing homelessness and reducing lengths of stays in temporary accommodation. The Council has robust homeless and rough sleeper prevention strategies which has meant the Council has prevented homelessness for 799 households since its inception in 2017. The short term nature of grant funding has meant the Council has only been able to offer short term contracts, and the Council has used significant resource on the training and induction of staff, only to lose staff to our neighbouring Authorities when permanent positions have arisen. In order to provide stability of resource to really drive homeless prevention in our area, it is recommended that three housing posts are made

permanent posts on the establishment, to be funded by flexible homelessness grant (Government grant funding). This does not create a cost pressure on the 'bottom line' as the cost pressure is offset by the government grant income (both the cost and the income are budgeted for), therefore there is a neutral impact on the budget.

2.37 Members' views are also sought on including an Economy post (shared with South Hams District Council) within the staffing establishment going forward, to be funded from the business rates pooling gains, to further drive the Council's economic aims and the Enterprise strategic theme, creating places for enterprise to thrive and business to grow.

2.38 The cost of this post is expected to be £25,000 per annum (WDBC share). Currently, this cost has been built in to Appendix A as a budget pressure for 2020/21 onwards. It is envisaged that this Economy post would:

- Put together bids for external funding and use Grantfinder to attract external grants
- Set up projects to support local business growth, create new jobs and improve local skills.
- Help to promote tourism and investment in the local region.
- Conduct research and analyse statistics.
- Build partnerships between local government, businesses and communities.
- Work in partnership with the Federation of Small Businesses (FSB).
- Advise businesses and community groups about available grants and funding.
- Work with the Local Enterprise Partnership on opportunities for funding.
- Promote our local area to attract new businesses and retain existing businesses through a targeted approach.
- Develop local economic development strategies and an action plan to implement them – assist with the Town Centre work.
- Help local businesses to become more competitive in finding new markets.

2.39 When this was considered by the Hub Committee on 17th December, it was recommended that the Economy Officer post had performance targets.

Senior Leadership Team/Extended Leadership Team restructure

2.40 The Corporate Peer Challenge report, carried out in November 2018, recommended a review of the management structure of the Councils. The first part of this review was carried out in September 2019 with the formation of a Senior Leadership Team (SLT) that provides the clarity and capacity to meet the challenge of delivering the ambitious objectives of the Councils. The report to Council on 23rd July requested that the Chief Executive review and implement changes to the Extended Leadership Team (ELT) by December 2019. The annual savings (WDBC share) from the SLT and ELT staff restructure are £94,000 per annum. There are estimated to be some one-off redundancy and pension strain

costs associated with the restructure and an amount of £25,000 for three years has been budgeted for as a cost pressure.

Investment in the CCLA (Churches, Charities and Local Authorities) Property Fund

- 2.41 The CCLA (Churches, Charities and Local Authorities) Property Fund has been specifically set up for local authorities and currently has investments of over £1,178 million, with local authority investors including county councils, metropolitan councils/London boroughs and unitary and district councils. Devon County Council, Plymouth City Council and four Devon town councils are invested in the Fund. The fund own and operate commercial properties across the UK, across various sectors with many having blue-chip tenants. The Council could consider increasing its investment in CCLA from £0.5m to £1m generating extra income of say 3% so an extra £15,000 of income from 20/21 onwards. *(The interest rate achieved on the CCLA Property Fund will be in the region of 4.5% - This is predicted to be 3% higher than what the Council could achieve by investing its funds with Money Market Funds or fixed term deposits with Banks and Building Societies).* The extra £0.5m investment will be taken from the Council's Treasury Management balances and instead of investing this money in Money Market Funds the investment would instead be made in CCLA.

Partnership Funding/Grants

- 2.42 The Hub Committee considered a report on Partnership funding on 5th November 2019. Minute HC50 on Partnership Funding resolved the following:-

It was then **RESOLVED** that:

1. The feedback given by each partner had been considered and evaluated based on local need, alignment to the Council's Corporate Strategy and statutory duty;
2. The following partners be awarded funding as follows for the next three years (2020/21 to 2022/23):-

Citizens Advice Torridge, North, Mid and West Devon - £32,900

West Devon Community and Voluntary Services (CVS) - £5,100

Junior Life Skills - £2,510

Okehampton Community Recreation Association (OCRA) - £1,333

Okehampton & District Community Transport Group - £6,533

Tavistock Ring & Ride - £6,533, provided a service still continues

Young Devon - £2,500

Heart of the South West Local Enterprise Partnership (LEP) - £5,000

Tamar Estuaries Consultative Forum - £4,624 + 2.75%

Tamar Valley Area of Outstanding Natural Beauty - £8,835

Cornwall & West Devon Mining Landscape World Heritage Site Partnership Board (WHS) - £4,000; and

3. No alternative or additional commissioning opportunities be made available at this stage.

3 BUDGET PRESSURES, SAVINGS AND INCOME GENERATION

3.1 Financial modelling has been undertaken for the next five years to predict the Council's financial situation for the short and medium term.

3.2 **Appendix A** to the Medium Term Financial Strategy sets out the Budget Pressures forecast for the next five years and the additional savings and income forecast.

These figures in Appendix A show the changes to the existing base budget.

| (As set out in Appendix A) | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|-------------------------------------|------------|------------|------------|----------|----------|
| Cost Pressures | £663,500 | £350,000 | £285,000 | £360,000 | £310,000 |
| Contributions to Earmarked Reserves | £87,500 | £87,500 | £87,500 | £87,500 | £87,500 |
| Savings and additional income | (£530,200) | (£247,200) | (£391,200) | (£1,200) | (£1,200) |

4. OVERALL POSITION – BUDGET GAP

4.1 Appendix B illustrates the overall financial forecast for the forthcoming five years. The Council's Net Budget is £7.1 million in 2019/20.

4.2 A Summary forecast is shown below of the potential budget situation if all of the budget pressures and the savings and income generation in Appendix A were approved. It also shows the situation if the Council Tax is increased by £5 per annum (shown in Appendix B).

4.3 The following table illustrates the predicted budget gap from 2020/21 onwards for the Council as shown in Appendix B:

| Cumulative Budget Gap | 2020/21 £ | 2021/22 £ | 2022/23 £ | 2023/24 £ | 2024/25 £ | Total Aggregated Budget Gap £ |
|------------------------------------|--|--------------|--------------|--------------|--------------|----------------------------------|
| Modelling as set out in Appendix B | Nil – A balanced Budget is set out in these budget proposals | 415,663 | 210,490 | 409,617 | 558,045 | 1,593,815 |

- 4.4 ***The report attached sets out proposals for the Council to achieve a balanced budget in 2020/21, as shown in Appendix B.*** West Devon Borough Council is currently forecasting a £415,663 budget gap by the following year, 2021/22. The aggregated Budget Gap by 2024/25 is £1.594 million.

5 FEES AND CHARGES

5.1 Environmental Health Charges

- 5.2 Appendix D sets out proposals for Environmental Health Charges for 2020/21.

- 5.3 Environmental Health charges were reviewed for 2016/17 to ensure that the Council charges were consistent across WDBC and SHDC and complied with the legislation in terms of the maximum charge being full cost recovery. The charges were changed to reflect this requirement and the review of charges for 2020/21 reflects the full cost recovery concept and the proposals are as follows.

- 5.4 New animal licensing regulations were introduced in October 2018. This year's (2019-20) fees were based on estimates of the times to be taken for the various requirements of the new regulations. In practice these turned out to be slight underestimates, so additional staff time has been allocated this year, also staff costs have risen due to the pay award. All costs have been calculated by assessing staff time taken for all licensing work divided according to pay scale and adding other relevant costs. The proposed costs are in line with those of other Devon Local Authorities.

- 5.5 The setting of fees for the issuing of licences for Hackney Carriage and Private Hire Vehicles, as well as Private Hire operators is governed by the Local Government (Miscellaneous Provisions) Act 1976, this requires that where the fee set is proposed to be greater than £25 the Council must advertise these changes for a period of 28 days, and publish a notice in the local newspaper. Due to the cost of the advertisement of fees it is not economically beneficial to the local authority to increase these fees by inflation each year. Fees for these licences will be reviewed on a 3 yearly basis to ensure that the Council is not subsidising the delivery of the service substantially. Therefore, no increases are proposed for 2020/21.

- 5.6 A new charge of £300 is being introduced in response to new legislation whereby tenants are able to request that a Local Council carries out an inspection of the rented property to support a civil action taken against a landlord. In addition, a charge of £41 per hour will be levied if attendance at court is necessary.

- 5.7 In the event of a serious private water supply sampling failure, a new fee of £100 will be charged for the officer time required to investigate further.
- 5.8 Following a review of charges for the granting and renewal of zoo licenses, increases are proposed to reflect the time spent by officers in processing applications and inspecting premises.
- 5.9 In terms of additional income, the changes to existing Environmental Health and Licensing charges shouldn't have a significant impact since most charges are remaining the same and those that are increasing are based on cost recovery rather than income generation.
- 5.10 The Council currently charges £60 for a Disclosure & Barring Service (DBS) which covers the cost of an enhanced check and administration fees. The cost to us from central government is set to decrease by £4 and so the proposal is to pass this saving on to our customers and charge £56 for the service instead. This action will be cost neutral to the Council.

Development Management

- 5.11 Substantial changes were made to many of the Development Management fees and charges in 2019/20. It is considered that these figures represent fair and appropriate amounts to charge for 2020/21 and so the proposal is to freeze charges at their current levels for 2020/21 and then review once again when setting fees for 2021/22. A breakdown of these fees can be found at Appendix C to this report.

Electric Charging points outside Kilworthy Park

- 5.12 It is proposed to charge for the use of the electric charging points outside Kilworthy Park.

Proof of Life

- 5.13 British nationals in receipt of pensions from a foreign country are required to periodically confirm 'Proof of Life' to continue receipt of their pension payments. This requires completion of a form with ID and utility bills in order that the form can be validated. Within the last couple of years, GP's have introduced a fee for completing the form. This ranges from £30 - £60. As a result, Councils have now experienced an increase in the numbers of people requesting that we sign the forms for them. In the absence of a charging policy, we have continued to do this for free. While the volumes are not currently large (under 30 in the past 12 months), introducing a small fee of £25 would cover the costs of validating the forms. The proposal is to introduce these charges with immediate effect, once approval from Members has been received.

S257 Footpath Diversion Orders

- 5.14 This fee relates to applications to divert a Public Right Of Way (PROW) to facilitate the delivery of a development using section 257 of the Town and Country Planning Act. The proposal is to increase the fee from £1,460 to £2,500 to reflect the actual costs of providing the service. Since there are 2-3 applications each year on average, this is likely to increase income overall by approximately £2,100 in 2020/21, with increased income in 2019/20 dependant on whether any further applications are received. The proposal is to introduce these increases with immediate effect, once approval from Members has been received.

Emptying of dog waste and litter bins

- 5.15 A number of litter and dog bins are serviced by the waste contractor on behalf of town and parish councils. The new waste and cleansing contract which started on 1 April 2019 includes a new pricing structure for emptying and cleansing bins and so it is necessary to review charges in line with actual contract costs. It is worth noting that these charges have been maintained at the current level and not increased in line with inflation since 2015. For this reason the percentage increase in charges appears high and it is therefore proposed that the increase is phased in over two years to allow the town and parish councils to adjust their budgets accordingly as set out in the table below.

| Activity | Current Fee | Proposed Fee 2020-21 | Proposed Fee 2021-22* |
|--------------------------|-------------|----------------------|-----------------------|
| Servicing of litter bins | £1.00 | £2.00 | £3.06 |
| Servicing of dog bins | £1.00 | £2.00 | £3.06 |

*It is proposed that from 2021-22 onwards, fees are increased in line with contract inflation.

** Charges would be applied per empty.

- 5.16 The proposed changes will allow the budget to reflect the actual costs of bin emptying and will track inflation over the life-time of the contract. Whilst income from bin servicing will increase by £18,000 this will be offset by the higher costs incurred from an increase in bin numbers in recent years.

Local Land Charges

- 5.17 Local Land Charges (LLC) is a statutory service where the income raised is intended to cover the cost of providing the service, so far as it's possible to do so. Officers are in the process of determining the actual cost of providing the service in order to ensure the appropriate fees are being charged. It is proposed that delegated authority is given to the Section 151 Officer and the Portfolio Holder to agree the LLC fees for 2020/21.

Car Parking Fees

- 5.18 Modelling work will be carried out on car parking fees to model the effect of increasing fees by approximately 4% in 2020-21 (£40,000) and to review the range of current tariffs in different car parks. This is on the basis that car parking fees would not be increased in 2021-22. The last time fees were increased was in July 2018.
- 5.19 The latest Quarter 3 Budget Monitoring report shows that car parking income is expected to underachieve its income target for 2019/20 of £1,006,000 by 6.5% (£65,000). Therefore no increase in car parking income has been built into Appendix A for the 2020/21 Budget as the increase in fees is likely to only meet part of the current shortfall in budgeted income. This is a separate agenda item on the Hub Committee.

Income from fees and charges

- 5.20 The fees and charges outlined in this report in Section 5 are expected to either be cost neutral or to have a non-material impact in 2020/21. Therefore no additional income has been built into the budget for 2020/21 for these.

6 FINANCIAL SUSTAINABILITY AND TIMESCALES

- 6.1 The Council is progressing various options for closing the budget gap for 2020/21 onwards, to achieve long term financial sustainability. The table below sets out a timescale for those options and the various strands that the Council is exploring.

| Option | Possible Budget Impact | Timescale |
|--|-------------------------------|--|
| Extended Leadership Team (ELT) Budget options The Extended Leadership (ELT) have been tasked with identifying budget options for Members to consider for income generation/savings/reduced expenditure for 2020/21 and 2021/22 onwards, taking into consideration the Council's corporate strategy and the latest budget position. | To be quantified | Options were considered at the Members' Budget Workshop on Tuesday 12 th November. This work is on-going. |

| Option | Possible Budget Impact | Timescale |
|--|--|--|
| <p>Asset Review The Invest to Earn Committee are considering commercial property business cases within the Commercial Property acquisition strategy. An updated Commercial Investment Strategy was presented to the July 2019 Hub Committee.</p> | To be quantified | On-going through meetings of the Invest to Earn Committee |
| <p>Three weekly residual waste collection A report was taken to the Hub Committee in June 2019 for the three weekly residual waste collection. A recommendation was made to the Waste Working Group to extend the trial for a full financial year to provide more robust data, with the potential to go live around September to October 2021 (if supported by the results of the trial).</p> <p>Savings are likely to be in the region of £100k to £150k p.a. Currently 16 to 20 Local Authorities operate a three or four weekly residual collection service, the majority of these have experienced an increase in recycling rates and a reduction in cost after introduction of the system.</p> | £50,000 in 2021/22 and £100,000 per annum thereafter | A trial would be for a full financial year, with the potential to go live around September to October 2021 (if supported by the results of the trial). |
| <p>Strategic Accommodation Review Members of the Accommodation Working Group are reviewing options. A report was presented to the Hub Committee on 5th November 2019. Currently West Devon BC pays South Hams DC £90,000 per year which reflects the cost of the shared service provision and the far greater footprint used at Follaton House for the provision of some frontline services (call centre) and all back office functions. Members have requested that this annual payment is reviewed. The Medium Term Financial Strategy currently includes an aspirational savings target of £50,000 for 2021/22 onwards.</p> | To be quantified | By April 2020 |

| Option | Possible Budget Impact | Timescale |
|---|--|--|
| Funding Options | | |
| <p>New Homes Bonus allocations for 2020/21 onwards</p> <p>The Government has stated that 2020/21 represents the final year of NHB funding and from 2021 onwards they will explore how to incentivise housing growth most effectively and will consult on this issue.</p> <p>The financial modelling has included using £228,135 of New Homes Bonus (or its replacement) funding for 2020/21 to fund the revenue base budget and this has then been reduced to £100,000 for 2021/22 and £50,000 for 2022/23 onwards for modelling purposes.</p> | <p>To be assessed. It is not known what NHB allocations (or a similar scheme) will be in future years when the NHB scheme is replaced.</p> | <p>Awaiting further announcements from the Government (a consultation document is expected in Spring 2020)</p> |
| <p>Negative Revenue Support Grant (RSG)</p> <p>Negative Revenue Support Grant (RSG) for 2020/21 has been eliminated for one year.</p> | <p>Negative RSG of £293,000 for 2021/22 onwards has been built into this budget report.</p> | <p>Negative Revenue Support Grant (RSG) for 2020/21 has been eliminated for one year.</p> |
| <p>Use of Reserves as a temporary measure</p> <p>The Council could temporarily utilise Reserves to balance an element of the 2020/21 budget, whilst longer term solutions are being implemented.</p> <p>This would be a very short term solution though. The current levels of Reserves are £1.3 million Unearmarked Reserves and Earmarked Reserves of £4.3 million.</p> | <p>To be assessed</p> | <p>To be decided as part of the Budget Process</p> |

- 6.2 Through the Financial Stability Review Group, further measures will continue to be considered to balance future budget positions.

7 CAPITAL PROGRAMME AND PRUDENTIAL BORROWING

- 7.1 The Capital Programme is set by the Council and may be funded by sale proceeds from the disposal of assets (capital receipts), external grants and contributions, directly from revenue or from borrowing. The Capital Budget Proposals for 2020/21 are a separate report on this agenda. This sets out a Proposed Capital Programme for 2020/21 of £1,050,000 and the sources of funding for the Capital Programme.

- 7.2 **Commercial Property Acquisition Strategy** – The Council has agreed a commercial property acquisition strategy. To date, four investment properties have been purchased with a value of £21.3 million in aggregate.

- 7.3 Purchases made within the strategy are capital expenditure. A report on the updated Commercial Investment Strategy to include the renewable energy sector was a separate report on the July 2019 Hub Committee agenda. The Council is progressing work on the business case for the renewable energy sector. An income projection of £280,000 from the net ancillary income from investments in commercial property has been included within the budget model for 2020/21, as this is the level currently being achieved by the portfolio in 2019/20.

- 7.4 The Council's Asset Base is £46 million at 31 March 2019. The Council will continually review and challenge its asset base in order to deliver the optimum value for money from the Council's Assets.

- 7.5 **Prudential Borrowing** - The Council will consider the use of prudential borrowing to support capital investment to deliver services and will ensure that the full costs of borrowing are taken into account when investment decisions are made.

- 7.6 Public Works Loans Board (PWLB) borrowing – On 9th October the Council received notification that overnight, the PWLB borrowing rate had increased by 1% across all of their loans which are available. This was without any prior notice and this dramatic increase overnight is unprecedented in years gone by. For example 50 year borrowing is now 3% interest rate (previously just under 2%). This only affects new loans taken out and this doesn't affect loans taken out for commercial property in 2018/19, which were fixed at the time for a fixed interest rate for the next 50 years.

7.7 The Council is assessing the impact on all of its business cases which involve external borrowing. It is thought that other market providers e.g. bank and pension funds will look to offer products that are at a more competitive rate than the current PWLB offering.

7.8 An overall Borrowing Limit (£50 million) has been approved as part of the Medium Term Financial Strategy for all of the Council's services.

8 Earmarked and Unearmarked Reserves Policy

8.1 The current Levels of Reserves: £1.286 million Unearmarked Reserves and Earmarked Reserves of £4.3 million. The Council's Net Budget is £7.1 million for 2019/20. Therefore Unearmarked Reserves equate to 18% of the Council's Net Budget. A full list of Earmarked Reserves is attached at Appendix E.

8.2 Given the increase in financial risks which the Council faces, the Council has increased the minimum level of Unearmarked Reserves to be held to £900,000. The increased financial risks are in part from the Council's commercial investment strategy where prudential borrowing of up to a total borrowing limit of £50 million (for all Council services) has been approved.

8.3 **Budget Monitoring** – The latest Quarter 3 Budget Monitoring report shows the actual net revenue expenditure is forecast to be under budget by £46,000 when compared against the total budget set for 2019/20.

9 NEXT STEPS AND PROPOSED WAY FORWARD

9.1 This report is a snapshot (a position statement) in January 2020 and future Member decisions on the budget strategy will inform future figures within the February budget report to Council.

9.2 Officers will continue to work with the Cross Party Member Working Group (Financial Stability Review Group) and the results of this will be incorporated into future Budget reports. Section 6 sets out the potential timescales against the areas identified.

9.3 The table below shows the budget timetable for the future budget meetings for the 2020/21 Budget.

| | |
|---------------------------------|--|
| 28 th January 2020 | Hub Committee – To recommend Final Budget Proposals to Council for 2020/21 |
| 13th February 2020 (9am) | Date which Council Procedure Rule 16 applies |
| 18th February 2020 | Full Council – To approve Final Budget Proposals for 2020/21 and set the WDBC share of the Council Tax |
| 21st February 2020 | Council Tax Resolution Panel – to agree the Council Tax Resolution for 2020/21 (This is WDBC share plus all other precepting authorities share). |

Note 1- Council Procedure Rule 16 states that ‘Where a member intends to move a motion or amendment in relation to the Budget, the text of that motion or amendment must be put in writing and submitted to the Head of Paid Service by 9am on the third working day before the meeting, in order that officers may have sufficient time to consider and advise the Council of the financial implications of any such motion or amendment’. As per the timetable above, this would need to be submitted by 9am on Thursday 13th February 2020.

10. Implications

| Implications | Relevant to proposals Y/N | Details and proposed measures to address |
|------------------|---------------------------|---|
| Legal/Governance | | The Hub Committee is responsible for recommending to Council the budgetary framework. It is the role of the Overview and Scrutiny Committee to scrutinise the Budget proposals being proposed by the Council on an annual basis. In accordance with the Financial Procedure Rules, Council must decide the general level of Reserves and the use of Earmarked Reserves. |

| | | |
|--|--|---|
| | | The preparation of the Budget report is evidence that the Council has considered and taken into account all relevant information and proper advice when determining its financial arrangements in accordance with statutory requirements, and in particular, that it will set a lawful budget. |
| Financial implications to include reference to value for money | | <p><i>The report attached sets out proposals for the Council to achieve a balanced budget in 2020/21, as shown in Appendix B.</i> West Devon Borough Council is currently forecasting a £415,663 budget gap by the following year, 2021/22. The aggregated Budget Gap by 2024/25 is £1.594 million.</p> <p>The recommendations adopted and the annual budget setting process will ensure the Council has arrangements in place to secure economy, efficiency and effectiveness in its use of resources. The Council's auditors, Grant Thornton, provided an unqualified value for money opinion for the Borough Council for 2018-19, which was reported to the Council's Audit Committee in July 2019.</p> |
| Risk | | Each of the budget options taken forward by Members will consider the risks of the option. |
| Supporting Corporate Strategy | | The Budget report supports all six of the Corporate Themes of Council, Homes, Enterprise, Communities, Environment and Wellbeing. |
| Climate Change - Carbon / Biodiversity Impact | | A Climate Change Action Plan was presented to Council in December 2019. Following this report, a strategy will be implemented as to how the Council could finance the items within the Action Plan, whether that is from external grant sources or some funding from the Council's own resources. |
| Comprehensive Impact Assessment Implications | | |
| Equality and Diversity | | Equality Impact Assessments are completed for the budget proposals. |
| Safeguarding | | None directly arising from this report. |
| Community Safety, Crime and Disorder | | None directly arising from this report. |
| Health, Safety and Wellbeing | | None directly arising from this report. |
| Other implications | | None directly arising from this report. |

Supporting Information

Appendices:

Appendix A – Budget pressures and savings

Appendix B – Modelling of the Budget Position

Appendix C – Development Management Fees and Charges for 2020/21

Appendix D – Environmental Health Fees and Charges for 2020/21

Appendix E - Schedule of Reserves (Unearmarked and Earmarked)

Background Papers:

Overview and Scrutiny Committee – 14th January 2020 – Budget Proposals report for 2020/21

Hub Committee – 17th December 2019 – Budget Proposals report for 2020/21

Hub Committee – 5th November 2019 – Budget Update report for 2020/21 to 2024/25

Hub Committee – 16th July 2019 – Medium Term Financial Position for 2020/21 onwards

Council 17th September 2019 – Medium Term Financial Strategy

Approval and clearance of report

| Process checklist | Completed |
|---|------------------|
| Portfolio Holder briefed/sign off | Yes |
| SLT Rep briefed/sign off | Yes |
| Relevant Heads of Practice sign off (draft) | Yes |
| Data protection issues considered | Yes |
| Accessibility checked | Yes |

This page is intentionally left blank

WEST DEVON BOROUGH COUNCIL

| | BASE 2019/20 £ | Yr1 2020/21 £ | Yr2 2021/22 £ | Yr3 2022/23 £ | Yr4 2023/24 £ | Yr5 2023/24 £ |
|---|-------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| BUDGET PRESSURES | | | | | | |
| Waste collection, recycling and cleansing contract (estimate) | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 | 80,000 |
| ICT future service provision | 0 | 150,000 | 0 | 0 | 0 | 0 |
| Triennial Pension revaluation (increase in Pension Employer primary rate contributions) | 0 | 75,000 | 0 | 0 | 75,000 | 0 |
| Inflation on goods and services | 70,000 | 70,000 | 70,000 | 70,000 | 70,000 | 70,000 |
| Increase in salaries - increments and pay and grading | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 |
| Increase in salaries - pay increase at 2% modelled for 20/21 onwards | 95,000 | 90,000 | 90,000 | 90,000 | 90,000 | 90,000 |
| Maintenance of trees | 0 | (20,000) | 0 | 0 | 0 | 0 |
| ICT support contracts - increase the budget to better align to actual expenditure | 95,000 | 0 | 0 | 0 | 0 | 0 |
| Reduction in Housing Benefit administration subsidy | 20,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| National Insurance and National Living Wage | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Two additional Planning Enforcement Case Managers (wdbc share of cost) | 19,000 | 21,500 | 0 | 0 | 0 | 0 |
| Climate Change Policy Officer (wdbc share of cost - 2 year temporary post) | 0 | 25,000 | 0 | (25,000) | 0 | 0 |
| Housing Posts (make three temporary posts permanent - wdbc share of costs - to be funded by Government grant - Flexible Homelessness Grant funding) | 0 | 32,500 | 0 | 0 | 0 | 0 |
| SLT/ELT Restructure - redundancy/pension strain costs | 0 | 25,000 | 0 | 0 | (25,000) | 0 |
| Member Locality Fund (£500 per Member) | 15,500 | (15,500) | 0 | 0 | 0 | 0 |
| Payment Collection Expenses | 0 | 20,000 | 0 | 0 | 0 | 0 |
| Land Charges - reduction in Income target | 0 | 15,000 | 0 | 0 | 0 | 0 |
| Housing Benefit overpayment recoveries | 0 | 0 | 40,000 | 0 | 0 | 0 |
| TOTAL IDENTIFIED BUDGET PRESSURES | 454,500 | 638,500 | 350,000 | 285,000 | 360,000 | 310,000 |

WEST DEVON BOROUGH COUNCIL

| | BASE 2019/20 £ | Yr1 2020/21 £ | Yr2 2021/22 £ | Yr3 2022/23 £ | Yr4 2023/24 £ | Yr5 2023/24 £ |
|---|-------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Contribution to Earmarked Reserves (This line shows the annual contributions into the Reserve) | | | | | | |
| Contribution to IT Development Reserve (£25K per annum) | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| Contribution to Planning Reserve (£25K per annum) | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| Contribution to Elections Reserve (20K per annum) | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Contribution from the Flexible Homeless Government Grant for three housing posts (wdbc share of costs) | 0 | (32,500) | (32,500) | (32,500) | (32,500) | (32,500) |
| Contribution to Vehicles Replacement Reserve (£50K per annum) - Minute CM42 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| Total Contribution to Earmarked Reserves | 120,000 | 87,500 | 87,500 | 87,500 | 87,500 | 87,500 |

SAVINGS AND INCOME GENERATION IDENTIFIED

| | BASE 2019/20 £ | Yr1 2020/21 £ | Yr2 2021/22 £ | Yr3 2022/23 £ | Yr4 2023/24 £ | Yr5 2023/24 £ |
|--|-------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Income from investments in commercial property | 100,000 | 80,000 | 40,000 | 120,000 | 0 | 0 |
| Re-procurement of contracts (e.g. savings from Leisure contract) | 0 | 80,000 | 130,000 | 270,000 | 0 | 0 |
| Reduction in Pension Employer secondary rate contributions (due to a reduction in the actuarial deficit at 31.3.2019 - based on 17 year deficit recovery period) | 0 | 175,000 | 0 | 0 | 0 | 0 |
| Re-procurement of waste collection, recycling and cleansing contract (The £50K contribution to the Vehicle Replacement Earmarked Reserve is deducted from these savings to give a net saving of £254,000 per annum) | 304,000 | 0 | 0 | 0 | 0 | 0 |
| Introduce a Premium Planning service | 0 | 4,800 | 0 | 0 | 0 | 0 |
| Additional treasury management income (invest an extra £0.5m in CCLA) | 0 | 15,000 | 0 | 0 | 0 | 0 |
| Public Conveniences (£18K business rates savings in 2021/22) | 50,000 | 0 | 18,000 | 0 | 0 | 0 |
| Kilworthy Park - reduction in operating costs | 0 | 0 | 50,000 | 0 | 0 | 0 |
| Housing Benefit recoveries of overpayments (increase income target to reflect actual income being achieved) | 50,000 | 0 | 0 | 0 | 0 | 0 |
| Planning Fees (increase income target to reflect actual income being achieved) | 50,000 | 0 | 0 | 0 | 0 | 0 |
| Senior Leadership Team - Interim arrangement (£34,000) - Restructure (£60,000) as per July 2019 Council report | 34,000 | 60,000 | 0 | 0 | 0 | 0 |
| Additional Employments estates income | 0 | 25,000 | 0 | 0 | 0 | 0 |
| Income from Street Naming and Numbering | 0 | 15,000 | 0 | 0 | 0 | 0 |
| Reduction in Partnership funding | 14,000 | 2,000 | 0 | 0 | 0 | 0 |
| Corporate consultancy income | 20,000 | 10,000 | 0 | 0 | 0 | 0 |
| Introduction of Direct Lets Scheme | 12,000 | 0 | 0 | 0 | 0 | 0 |
| Energy Certification for Eco Schemes | 10,000 | 0 | 0 | 0 | 0 | 0 |
| Cessation of Communities Together Fund | 5,000 | 0 | 0 | 0 | 0 | 0 |
| Council Tax Support Grant (CTSG) - the withdrawal of CTSG has been modelled from 1.4.2020 | 5,500 | 59,000 | 0 | 0 | 0 | 0 |
| Charging for duty planning service | 3,500 | 0 | 0 | 0 | 0 | 0 |
| Advertising on websites and e-bulletins | 3,500 | 0 | 0 | 0 | 0 | 0 |
| Review corporate training budgets | 15,000 | 0 | 0 | 0 | 0 | 0 |
| Reduction in ICT contracts | 12,000 | 8,000 | 8,000 | 0 | 0 | 0 |
| Implement e-billing in council tax | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 |
| TOTAL SAVINGS AND INCOME GENERATION | 689,700 | 535,000 | 247,200 | 391,200 | 1,200 | 1,200 |

| Modelling assumptions: Assumes Council Tax is increased by £5 annually | BASE | Yr1 | Yr2 | Yr3 | Yr 4 | Yr5 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
| Modelling for the financial years 2020/21 onwards | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
| | £ | £ | £ | | £ | £ |
| Base budget brought forward | 7,313,795 | 7,078,595 | 7,158,760 | 6,899,032 | 6,998,005 | 7,157,678 |
| Budget pressures (as per Appendix A) | 454,500 | 638,500 | 350,000 | 285,000 | 360,000 | 310,000 |
| Savings already identified (as per Appendix A) | (689,700) | (535,000) | (247,200) | (391,200) | (1,200) | (1,200) |
| Projected Net Expenditure: | 7,078,595 | 7,182,095 | 7,261,560 | 6,792,832 | 7,356,805 | 7,466,478 |
| Funded By:- | | | | | | |
| Council Tax income - Modelling a £5 increase in council tax each year (Taxbase 20/21 = 20,271.71 Band D Equivalent properties) | 4,673,499 | 4,796,895 | 4,915,167 | 5,034,140 | 5,153,813 | 5,274,185 |
| Collection Fund Surplus | 84,000 | 67,000 | 80,000 | 80,000 | 80,000 | 80,000 |
| Localised Business Rates (baseline funding level) | 1,620,367 | 1,648,000 | 1,680,000 | 1,710,000 | 1,750,000 | 1,790,000 |
| Tariff/Top Up Adjustment amount (negative RSG) | 0 | 0 | (293,000) | (293,000) | (293,000) | (293,000) |
| Business Rates Pooling Gain (£40,000 already built into the base budget) | 0 | 70,000 | 40,000 | 40,000 | 40,000 | 40,000 |
| Funding from Rural Services Delivery Grant | 464,365 | 464,365 | 464,365 | 464,365 | 464,365 | 464,365 |
| Funding from New Homes Bonus | 375,000 | 200,000 | 100,000 | 50,000 | 50,000 | 50,000 |
| Less: Contribution to Earmarked Reserves | (120,000) | (87,500) | (87,500) | (87,500) | (87,500) | (87,500) |
| WDBC share of national Business Rates Levy surplus (one-off for 19/20) | 25,000 | 0 | 0 | 0 | 0 | 0 |
| Less: Contribution to Future Financial Stability Earmarked Reserve | (43,635) | | | | | |
| Total Projected Funding Sources | 7,078,595 | 7,158,760 | 6,899,032 | 6,998,005 | 7,157,678 | 7,318,050 |
| Budget gap/(surplus) per year (Projected Expenditure line 4 - Projected Funding line 15) | 0 | 23,335 | 362,528 | (205,173) | 199,127 | 148,428 |
| Actual Predicted Cumulative Budget Gap | 0 | 23,335 | 385,863 | 180,690 | 379,817 | 528,245 |
| Aggregated Budget Gap (if no action is taken in each individual year to close the budget gap annually) | 0 | 23,335 | 409,198 | 589,888 | 969,705 | 1,497,950 |

| Modelling Assumptions: (Assumes an increase in Band D Equivalent properties of 70 per annum) | | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| Council Tax (Band D) (an increase of £5 per annum has been modelled) | 231.63 | 236.63 | 241.63 | 246.63 | 251.63 | 256.63 |
| Council TaxBase | 20,176.57 | 20,271.71 | 20,341.71 | 20,411.71 | 20,481.71 | 20,551.71 |

This page is intentionally left blank

| Activity | Current Fee £ (2019/20) | Proposed Fee £ (2020/21) | Comments |
|--|-------------------------|--------------------------|--|
| Confirmation of closure of enforcement case where it was found not expedient to take action. (available for a 12 month period following closure of the case) | £60 | £60 | If the Council has been in contact with you recently to investigate a breach of planning control and determined not to take any action you will be verbally advised of the outcome. Use this service if you require a letter of comfort confirming the Council's decision on the matter on a case closed in the last 12 months. |
| Confirmation of compliance with Enforcement Notice or Breach of Condition Notice (including site visit) | £300 | £300 | Includes a site visit, full check of the enforcement case and written confirmation of the outcome. Use this service if you require confirmation that an Enforcement Notice served by the Local Planning Authority has been complied with. |
| Confirmation of compliance with listed building consent (available for a 12 month period following completion of the development) | £300 | £300 | Includes a site visit to compare the development against the plans and written confirmation of our findings. Only available within 12 months of completion. Use this service if you have completed a listed building project and you wish to sell the property. If the completion was over 12 months ago, use the 'help resolving conveyancing issues' service detailed below |

| Activity | Current Fee £ (2019/20) | Proposed Fee £ (2020/21) | Comments |
|---|--|--|---|
| Help resolving planning history questions | £500 | £500 | Includes a full check of the planning and planning enforcement history, a site visit to view the development, a 1 hour meeting if it is deemed necessary by the case officer, any necessary in house consultations, written confirmation of the outcome, a formal decision as to whether enforcement action will be taken and/or confirmation of steps required to remedy the situation, if any. Response will be provided in 20 working days in most cases (can be extended by agreement if further consultation or investigation is required). Use this quick service if you are buying or selling a property/land and a planning query arises through the conveyancing process. For example, unauthorised works have been discovered or planning conditions have not been complied with. |
| Confirmation of compliance with section 106 planning obligations (desktop assessment) | £160 plus additional £115 if site visit needed | £160 plus additional £115 if site visit needed | This is a desktop check of the Council's records. If the clause in the agreement requires something to be undertaken on site it would be necessary to undertake a site visit for which there will be an additional charge. Use this service if you require confirmation that the clauses of the agreement have been complied with |

| Activity | Current Fee £ (2019/20) | Proposed Fee £ (2020/21) | Comments |
|--|-------------------------|--------------------------|--|
| Duty Planner | £40 | £40 | This is a 30 minute appointment with one of the Development Management planners by telephone or face to face. |
| The Validation checking service fee is in addition to the planning for processing. This will include an assessment of whether an application is valid, fee queries, and technical questions regarding what type of application is needed. There are three fee levels based on the complexity of the development. This would be undertaken on an appointment basis. | | | The Validation checking service fee is in addition to the planning for processing. This will include an assessment of whether an application is valid, fee queries, and technical questions regarding what type of application is needed. There are three fee levels based on the complexity of the development. This would be undertaken on an appointment basis. |
| Major Development - This will include 1 validation check of the application at plus 1 re-check | £85 | £85 | |
| Minor Development - This will include 1 validation check of the application at plus 1 re-check | £50 | £50 | |
| | | | |

| Activity | Current Fee £ (2019/20) | Proposed Fee £ (2020/21) | Comments |
|--|--|--|--|
| Householder and Other Development - This will include 1 validation check of the application at plus 1 re-check | £40 | £40 | |
| Pre-Application Fees | £180 plus £180 for any additional meeting/response required | £180 plus £180 for any additional meeting/response required | Householder/Listed Building/Advertisements one meeting with a written response |
| | £180 £420 (£240 if it follows a scoping meeting) plus £180 for any additional meeting or response | £180 £420 (£240 if it follows a scoping meeting) plus £180 for any additional meeting or response | Small Minor (1-2 Dwellings or non-residential floor space up to 499 sqm, telecommunications, Lawful development Certificate Advice and changes or use except dwellings, where there is no operational development) One Scoping meeting with agreed notes from the meeting Full pre-app – one meeting plus a written response. |

| Activity | Current Fee £ (2019/20) | Proposed Fee £ (2020/21) | Comments |
|----------|---|---|---|
| | | | |
| | <p>£240</p> <p>£600 (£360 if it follows a scoping meeting) plus £180 for any additional meeting or response</p> | <p>£240</p> <p>£600 (£360 if it follows a scoping meeting) plus £180 for any additional meeting or response</p> | <p>Minor Development (between 3 – 9 dwellings or non-residential floor space between 500 – 999 sqm or a site area up to 1 Ha)</p> <p>One Scoping meeting with agreed notes from the meeting</p> <p>Full pre-app – one meeting plus a written response.</p> |
| | <p>£480</p> | <p>£480</p> | <p>Small Scale Majors (up to 30 dwellings or Non-Residential floor space between 1000 – 4999 sqm or a site area between 1 – 2 Ha)</p> <p>One Scoping meeting with agreed notes from the meeting</p> |

| Activity | Current Fee £ (2019/20) | Proposed Fee £ (2020/21) | Comments |
|-------------|---|---|--|
| | £1800 (£1320 if it follows a scoping meeting). Or a specific PPA. | £1800 (£1320 if it follows a scoping meeting). Or a specific PPA. | Full pre-app – two meetings plus a written response. If more than two meetings are required the pre-app will be the subject of a specific PPA. |
| | £720 Specific PPA | £720 Specific PPA | <p>Large Majors (Over 31 dwellings or Non-Residential floor space over 500sqm or a site area over 2 Ha all renewable energy proposals unless a domestic scale and all development that requires an EIA)</p> <p>One Scoping meeting with agreed notes from the meeting</p> <p>Full Pre-app</p> |
| Exemptions: | No Charge | No Charge | 100% Affordable Housing schemes |
| | No Charge | No Charge | Facilities for the disabled |
| | No Charge | No Charge | Parish/Town Council |

| Activity | Current Fee £ (2019/20) | Proposed Fee £ (2020/21) | Comments |
|------------------------|-------------------------|--------------------------|--|
| Pre-App Charges Notes: | | | <p>Floor space refers to gross external floor space The fee stated are inclusive of VAT</p> <p>For the purposes of pre-app fees flats and holiday accommodation are considered as dwellings.</p> <p>Fees will be the subject of review</p> |

This page is intentionally left blank

| Appendix D - Environmental Health Charges Proposed for 2020/21 | | |
|---|---|---|
| | Current Fee 2019/20 | Proposed Fee 2020/21 |
| <u>Acupuncture, Tattooing, Ear-piercing & Electrolysis</u> | | |
| Register of Person | £115.00 | £115.00 |
| Register of Premises | £115.00 | £115.00 |
| Changes to Premises registration particulars | £41.00 | £41.00 |
| <u>Animal Licence</u> | | |
| Standard licence * | £234.00 | £350.70 |
| Home dog boarding | £234.00 | £276.70 |
| Each additional licenseable activity | £87.00 | £124.55 |
| Rescore visit | £120.00 | £120.00 |
| Vets and fees expenses | Actual Cost | Actual Cost |
| <u>Dangerous Wild Animal Licence</u> | | |
| Licence Fee (initial and renewal) | £394.00 | £394.00 |
| Plus vets fees and expenses | Actual cost | Actual cost |
| <u>Eco Certificate</u> | | |
| | £100.00 | £100.00 |
| <u>Film Classification Licence</u> | | |
| Licence per film | £103.00 | £103.00 |
| Licence per festival | £515.00 | £515.00 |
| <u>Food Export Certificate</u> | | |
| Export Certificate initial set up | £153.00 | £153.00 |
| Export Certificate renewal | £61.00 | £61.00 |
| Amendment to existing certificate (in addition to renewal fee) | £22.00 | £22.00 |
| <u>Food Hygiene Score Revisit inspection fee</u> | | |
| Food Hygiene Score Revisit inspection fee | £130.00 per visit | £130.00 per visit |
| Food Hygiene Advice visit | £130 first hour , £65 per hour thereafter | £130 first hour , £65 per hour thereafter |
| Safer Food Better Business pack | £20 for the Catering SFBB Pack plus a years diary. £6 for a years diary | £20 for the Catering SFBB Pack plus a years diary. £6 for a years diary |
| <u>Food Premises Register</u> | | |
| Food Premises Register (Full copy) | £304.00 | £304.00 |
| Food Premises Register (Part copy) | £103.00 | £103.00 |
| <u>Food Safety</u> | | |
| Issue of unfit food certificate | £101.00 | £101.00 |
| <u>Hackney Carriage and Private Hire</u> | | |
| Hackney Carriage Vehicle - fully wheelchair accessible | £20.00 | £20.00 |
| Hackney Carriage Vehicle - non wheelchair accessible | £181.00 | £181.00 |
| Private Hire Vehicle - fully wheelchair accessible | £20.00 | £20.00 |
| Private Hire Vehicle - non wheelchair accessible | £160.00 | £160.00 |
| Driving Licence (1 year) | £110.00 | £110.00 |
| Driving Licence initial application fee | £109.00 | £109.00 |
| Knowledge test | £50.00 | £50.00 |
| DBS | £60.00 | £56.00 |
| Driving Licence (3 years) | £281.00 | £281.00 |
| Replacement Plate | £20.00 | £20.00 |
| Transfer of ownership of vehicle | £50.00 | £50.00 |
| Operator Licence (Private Hire Only) 1 year | £125.00 | £125.00 |
| Operator Licence (Private Hire Only) 5 years | £472.00 | £472.00 |
| Replacement Driver's Badge | £15.00 | £15.00 |
| <u>Homes in Multiple Occupation</u> | | |
| New Applications (new properties/change of ownership) | £372.00 | £372.00 |
| Renewals (every 5 years) | £372.00 | £372.00 |

| Appendix D - Environmental Health Charges Proposed for 2020/21 | | |
|---|-------------------------------|-------------------------------|
| | Current Fee 2019/20 | Proposed Fee 2020/21 |
| <u>Housing Act Enforcement Notice fee</u> | | |
| Housing Act Enforcement Notice fee | £41.00 per hour | £41.00 per hour |
| <u>Housing Suitability (Immigration Inspection Certificate)</u> | | |
| Housing Suitability (Immigration Inspection Certificate) | £80.00 | £80.00 |
| Inspection and report on Housing Conditions under the Homes (Fitness for Human Habitation) Act 2018 | new charge | £300.00 |
| Charge for Court appearance by Inspecting officer | new charge | £41.00 per hour |
| Depositing site rules with the Local Authority | £79.00 | £79.00 |
| Hypnotism Authorisation | £58.00 | £58.00 |
| <u>Private Water Supply</u> | | |
| Private Water Supply Sampling Fee | £72.00 | £72.00 |
| Private Water Supply sample failure investigation | new charge | £100.00 |
| Private Water Supply Risk Assessment | £212.00 per risk assessment | £212.00 per risk assessment |
| <u>Residential Mobile Home/Caravan Site Licences</u> | | |
| Annual Fee (£13 per pitch with a minimum of 5 pitches) | £65.00 | £65.00 |
| Transfer of Licence | £100.00 | £100.00 |
| Standard amendment | £200.00 | £200.00 |
| Site Expansion Amendment (Standard Amendment fee plus £10 per pitch) | £200.00 plus £10.00 per pitch | £200.00 plus £10.00 per pitch |
| Initial Licence (5 pitch site plus £10 per pitch thereafter) | £200.00 | £200.00 |
| Replacement Licence (due to loss) | £10.50 | £10.50 |
| Deposit of Site Rules | £77.00 | £77.00 |
| Service of Enforcement Notice | £40.00 per hour | £40.00 per hour |
| <u>Scrap Metal Dealer Licence</u> | | |
| Grant of a Site Licence | £185.00 | £185.00 |
| Renewal of a Site Licence | £134.00 | £134.00 |
| Transfer from a Site to a Collector Licence | £77.00 | £77.00 |
| Grant of a Collector Licence | £134.00 | £134.00 |
| Renewal of a Collector Licence | £88.00 | £88.00 |
| Transfer from a Collector to a Site Licence | £82.00 | £82.00 |
| Change of Licence Holder's details | £16.00 | £16.00 |
| Change of Licensed site | £82.00 | £82.00 |
| Change of Site Manager | £44.00 | £44.00 |
| <u>Sex Establishments</u> | | |
| New Application (Inclusive of first year annual licence) | £4,600.00 | £4,600.00 |
| Annual Renewal Fee | £450.00 | £450.00 |
| Transfer or Variation | £1,300.00 | £1,300.00 |
| Plus Premises Licence / Club Premises Certificate | Statutory Cost | Statutory Cost |
| <u>Zoo Licence</u> | | |
| Grant of Licence (Valid 4 years) | £818.00 | £1,107.00 |
| Renewal of Licence (Valid for 6 years) | £717.00 | £1,353.00 |
| Transfer of Licence | £370.00 | £370.00 |
| Partially exempt premises | 70% of above fees | Remove reduction |
| Inspection | Actual Cost | Actual Cost |
| * Standard licences are for the following activities. | | |
| Dog boarding kennels, catteries, dog breeding establishments, horse riding establishments, pet shops, dog day care, keeping or training animals for exhibition. | | |

| RESERVES - PROJECTED BALANCES | | | | | APPENDIX A |
|--|-------------------------------|--------------------------|-----------------|---------------------------------|--|
| | Opening balance 01.04.2019 | Additions to the Reserve | Predicted spend | Projected balance 31.03.2020 | Comments |
| | £'000 | £'000 | £'000 | £'000 | |
| EARMARKED RESERVES | | | | | |
| Specific Reserves - General Fund | | | | | |
| 2016/17 Budget Surplus Contingency | (375) | 0 | 320 | (55) | This is the Budget Surplus from 2016/17 which was put into an Earmarked Reserve. Of the commitments, there is £65,000 already committed for capital funding for the Capital Programme. In addition £179,000 will be transferred to the new Vehicle Replacement Reserve in 2019-20. |
| Business Rates Retention Scheme | (492) | 0 | 0 | (492) | This relates to a timing issue on the accounting adjustments required for the localisation of business rates. This reserve also deals with any volatility in Business Rate income e.g. due to appeals. |
| Cannons Meadow, Tavistock | (11) | 0 | 3 | (8) | This reserve contains a commuted sum to be written down to revenue annually over 10 years |
| Car Parking Maintenance | (417) | 0 | 242 | (175) | The commitments relate to Brook Street Car Park, Council Owned Asset Investment & Development £20k (minute ref HC4) and Grounds Maintenance £30k (Hub 10/9/19) |
| Community Housing Fund | (152) | 0 | 70 | (82) | This reserve is for Community Housing Projects |
| Economic Grant Initiatives | (23) | 0 | 0 | (23) | |
| Elections | (24) | (20) | 0 | (44) | This is funding for the Elections. |
| Environmental Health | (20) | 0 | 2 | (18) | |
| Financial Stability | (267) | (243) | 60 | (450) | This is a new reserve created in 2018/19 from the Business Rates Pilot funding. A commitment of £60k relates to the purchase of land at Okehampton. In addition, £200k will be transferred to this reserve in 2019/20 from unearmarked reserves (Minute ref CM 36) |
| Flood Works | (15) | 0 | 0 | (15) | |
| Homelessness Prevention | (115) | (30) | 0 | (145) | This reserve has been created following underspends on Homelessness Prevention Costs in previous years |
| ICT Development | (76) | (25) | 58 | (43) | Commitments include replacement laptops for Members £16,000, £13,000 for the Contact Centre software upgrade and Devon WAN upgrade £10,000. Future commitments include contingency for ICT future service provision, upcoming changes to other systems and the rationalisation and replacement of photocopiers |
| Innovation Fund (Invest to Earn) | (453) | 0 | 220 | (233) | Commitments totalling £220k mainly relate to the upgrading of Hayedown Depot |
| Invest to Save | (12) | 0 | 8 | (4) | |
| Joint Local Plan | (30) | 0 | 30 | 0 | This is a new reserve for Joint Local Plan Funding |
| Leisure Services | (231) | 0 | 27 | (204) | |
| Maintenance Fund (Estates) | (196) | 0 | 26 | (170) | Commitments include £15k for the Tavistock Viaduct inspection and £11k of capital expenditure |
| Management, Maintenance & Risk Management | (88) | (119) | 16 | (191) | This is a new reserve set up to manage the ongoing maintenance costs of the Council's Commercial Property Portfolio. The contributions to the reserve equate to 10% of the rental income. |
| Neighbourhood Planning Grants | (42) | 0 | 6 | (36) | This reserve funds Neighbourhood Planning Specialists |
| New Homes Bonus (NHB) | (291) | (501) | 738 | (54) | The NHB is used to support the funding of the revenue budget and the Capital Programme. The commitment includes £375,000 to fund the 2019/20 revenue budget and £320,000 for the Capital Programme. |
| Outdoor Sports & Recreation Grants | (18) | 0 | 0 | (18) | |
| Planning Policy and Major Developments | (104) | (25) | 7 | (122) | £7.2k has been committed to employ two Planning Enforcement case managers during 2019/20 (Hub 10/9/19) |
| Revenue Grants | (422) | 0 | 6 | (416) | This reserve comprises of government grants received for specific initiatives or new burdens and are held in the reserve for accounting purposes |
| Section 106 Monitoring | (8) | 0 | 8 | 0 | This reserve funds the cost of an officer to oversee the administration of S106 deposits and how they are spent |
| Support Services Trading Opportunities | (8) | 0 | 0 | (8) | |
| T18 Strategic Change | (234) | 0 | 227 | (7) | The commitments include £50,000 for the capital requirement of the Public Toilets pay on entry review (HC.19) and £167,000 will be transferred to the new Vehicle Replacement Reserve. |
| Vehicle Replacement | 0 | (396) | 396 | 0 | This is a new reserve set up to fund the Council's vehicle replacement programme (Council 4 Dec 2018) |
| Waste & Cleansing Options Review | (163) | 0 | 43 | (120) | A commitment of £43.5k relates to the three weekly waste collection trial (Hub 4 June 2019) |
| Other Reserves below £15,000 | (29) | 0 | 11 | (18) | |
| TOTAL EARMARKED RESERVES | (4,316) | (1,359) | 2,524 | (3,151) | |
| TOTAL UNEARMARKED RESERVES | (1,286) | (46) | 200 | (1,132) | £200k will be transferred from unearmarked reserves in 2019/20 to the Financial Stability Reserve (Minute ref CM 36). The projected underspend for 2019/20 is £46,000. |
| TOTAL REVENUE RESERVES (EARMARKED AND UNEARMARKED RESERVES) | (5,602) | (1,405) | 2,724 | (4,283) | |

This page is intentionally left blank

NOT FOR PUBLICATION

Appendices B & C contains exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972

Report to: **Hub Committee**
Date: **28 January 2020**
Title: **Capital Budget Proposals 2020/21**
Portfolio Area: **Budget Proposals – Cllr N Jory**
Wards Affected: **All**
Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: 18th February 2020

Author: **Lisa Buckle** Role: **Corporate Director for Strategic Finance (S151 Officer)**

Contact: **Email: lisa.buckle@swdevon.gov.uk**

Recommendations:

That the Hub Committee recommend to Council:-

- a) **The Capital Programme for 2020/21, which totals £910,000 (Appendix A)**
- b) **The Capital Programme for 2020/21, which totals £140,000 (Exempt Appendix C)**
- c) **The funding of the 2020/21 Capital Programme of £1,050,000 from the funding sources set out in Section 4.**

1. Executive summary

1.1 The report sets out the Capital Bids to the 2020/21 Capital Programme totalling £1,050,000 and a suggested way that these Bids can be funded. All items in this proposed Capital Programme are based on budget estimates and will be subject to the normal project appraisal procedures.

1.2 The Council has limited resources, in the form of capital receipts, to fund Capital Projects in 2020/21.

Consideration needs to be given to the funding options for the 2020/21 Capital Programme. The Capital Programme is set by the Council and may be funded by sale proceeds from the disposal of assets (capital receipts), external grants and contributions, directly from revenue or from borrowing.

1.3 The Prudential Code for capital, which came into effect from 1st April 2004, replaced the previous Government regulated limits on capital expenditure and borrowing. In its place Councils now have the power to determine their own appropriate levels of capital expenditure and borrowing for capital purposes, based on the principles of affordability, prudence and sustainability.

1.4 The Code requires the Council, in setting its capital spending plans, to assess the impact on its revenue account and council tax levels. Section 4 demonstrates that there are sufficient capital funds in 2020/21 to fund the bids which have been submitted by project officers within the Council.

2. Background

2.1 The capital programme for 2019/20 was approved by Council on 12 February 2019 (CM53 and HC74 refer).

2.2 A new Capital Programme is proposed for 2020/21. The Head of Finance Practice invited bids for capital funding from all service areas, for a new capital programme during September 2019 on the strict proviso that all bids must go towards meeting a strategic priority. All capital bids received would be ranked against a prescribed priority criteria set out in the bid process.

- 2.3** The submitted capital bids have now been assessed against the categories in each priority. Priority 1 categories include meeting strategic priorities and statutory obligations (e.g. Health and Safety, DDA etc) and other capital works required to ensure the existing Council property assets remain open. Priority 2 categories link to good asset management whereby the capital work proposed would either generate capital/revenue income or reduce revenue spending. A capital bid that will enable rationalised service delivery or improvement is also considered a Priority 2 category to meet the Council's aims and objectives.
- 2.4** The programme outlines the principles of the projects proposed for capital expenditure and includes an estimate of predicted costs including fees. All projects will be subject to project appraisals as required under the Council's Asset Strategy.
- 2.5 The Hub Committee met on 17th December 2019 to consider the Draft Capital Budget Proposals 2020/21 and an extract of the relevant minute is below:-

(Minute HC 60) **Draft Capital Budget Proposals 2020/21 - Cllr Jory**
Members were presented with a report that set out the Capital Programme proposals for 2020/21 and formally sought the views of the Overview and Scrutiny Committee to the proposals. The Leader introduced the report, and congratulated officers on the clarity of the report writing.

It was then **RESOLVED** that:

- 1) the following be noted
 - a) The Capital Programme Proposals for 2020/21, which total £910,000 (Appendix A)
 - b) The Capital Programme Proposals for 2020/21, which total £140,000 (Exempt Appendix C)
 - c) The proposed funding of the 2020/21 Capital Programme of £1,050,000 from the funding sources set out in Section 4.
 - 2) the views of the Overview and Scrutiny Committee on the Capital Programme proposals for 2020/21 of £1,050,000 set out in this report and the proposals for the financing of the Capital Programme be requested.
- 2.6 The Draft Capital Budget Proposals were considered by the Overview and Scrutiny Committee at their meeting on 14th January. A copy of the minute from their meeting is shown below:

O&S 71 CAPITAL BUDGET PROPOSALS 2020/21

Members considered a report that set out the Capital Bids to the 2020/21 Capital Programme and a suggested way that these Bids could be funded.

Following a brief discussion on the moveable swimming pool floor at Parklands Leisure Centre, it was then:

RESOLVED

That, as part of the 2020/21 Budget Setting process, the Hub Committee take into account that the Overview and Scrutiny Committee support approval of:

1. the Capital Programme Proposals totalling £910,000 (as set out in Appendix A of the presented agenda report);
2. the Capital Programme Proposals totalling £140,000 (as set out in exempt Appendix C of the presented agenda report); and
3. the proposed funding of the 2020/21 Capital Programme of £1,050,000 be funded as set out in Section 4 of the presented agenda report.

3. Outcomes/outputs

Members are requested to give their views on the proposals for the Capital Programme for 2020/21. Appendix A and exempt Appendix C set out the bids which total £1,050,000.

3.1 Capital Programme 2020/21

3.2 Community Project Grants

This budget is used to provide financial support to community groups to help purchase equipment or fund building related costs. These could include funds for sports equipment, repairs to a village hall or tree planting.

There is sufficient underspend in the 2019/20 Capital Programme on this scheme which can be rolled forward into 2020/21. Therefore no new budget allocation is required for 2020/21 however an allocation of £16,000 per annum has been modelled for 2021/22 for Community Project Grants.

3.3 Affordable Housing

In recent times the capital programme has facilitated affordable housing developments in rural areas by providing a sum of money, normally between £10,000 and £15,000 per plot, to enable the development to proceed. These schemes are typically on exception sites and therefore do not rely on cross subsidy from open market properties, evidence from a Registered Provider (RP) is provided to ensure additional money is required to make the scheme viable. Money is normally required where there are 'abnormals' on the site or there is a shortage of public subsidy.

The current level of capital funding allocated to the delivery of affordable housing is an annual contribution of £50,000. Housing officers have advised that there may be a requirement to increase this allocation in future years as and when new affordable housing schemes arise.

3.4 Waste Fleet Replacement

The Waste Fleet is a Council asset which is maintained and repaired by the Waste Contractor, FCC. The fleet totals 35 vehicles and includes dedicated refuse and recycling collection vehicles of various capacities.

The Council and FCC liaise over the timing of purchasing replacements. Contributions are made into the Vehicle Replacement Reserve annually and are sufficient to fund all replacements until the end of the contract term (an 8 year contract term).

A report on Frontline Services (Waste and Cleansing Procurement) was presented to Council in December 2018. An annual contribution of £50,000 into the Vehicle Replacement Earmarked Reserve was approved as part of this report.

A climate change action plan was presented to Members at the Council meeting on 17th December, 2019. This action plan will include future considerations around the Council's fleet.

3.5 Car Park Resurfacing

Officers have identified a number of car parks across the Borough which are in need of resurfacing. It is recommended that an annual budget of £30,000 is built into the capital programme proposals, to be funded by a £30,000 contribution annually from the Car Park Maintenance Reserve.

3.6 Private Sector Renewals (including Disabled Facilities Grants)

This budget is used to fund Private Sector Renewals, primarily Disabled Facilities Grants (DFG's). DFG's are mandatory, means tested and enable people to live independently within their own home. Adaptations range from simple stair lifts and Level Access Showers through to full extensions. The budget of £780,000 will be funded from the Better Care Fund (Government Grant). The demand for DFG's is not under the Council's control and cannot be predicted at this stage.

3.7 Tavistock Temporary Accommodation

As set out in the quarter two capital budget monitoring report, also on this agenda, officers will be presenting an updated business case to the Hub Committee in the New Year.

3.8 Kilworthy Park Accommodation Review

Members of the Accommodation Working Group are reviewing options. A report was presented to the Hub Committee on 5th November 2019. Currently West Devon BC pays South Hams DC £90,000 per year which reflects the cost of the shared service provision and the far greater footprint used at Follaton House for the provision of some frontline services (call centre) and all back office functions. Members have requested that this annual payment is reviewed.

3.9 Wonnacotts, Okehampton

The Council has assembled land in Okehampton with a view to developing a highly sustainable site close to the town centre. Members are advised that a future report will be presented to Members on Wonnacotts, Okehampton. The timing of this report is such that these proposals are not yet developed for inclusion within the Draft Capital Programme for 2020/21. However a report will be presented in due course.

3.10 Community Housing Schemes

The Community Housing Strategy was put in place to support the development of homes accessible to those with local connections for whom the cost of market housing (to purchase and rent) is beyond their reach.

A budget of £4.3m was approved within the 2019/20 capital programme. This budget will be used to build out two community housing schemes at Brentor and Lamerton.

A planning application is to be submitted for 12 residential units in Brentor. This is currently being progressed with the DNPA and it is anticipated that this should be determined by the spring of 2020 with construction commencing in the summer/autumn of 2020 with completion in the spring of 2021.

The proposal to build 17 residential units in Lamerton is dependent on support by Lamerton Parish Council. They will meet on Monday 13th Jan to determine if the scheme is taken forward on the proposed site. If not the funding allocated will be deployed elsewhere (the funding is through PWLB borrowing).

4 FINANCING THE CAPITAL PROGRAMME

4.1 Capital bids shown in Appendix A total £910,000 with the total of bids in exempt Appendix C being £140,000. Funding of £1,050,000 is therefore required. The table below shows the recommended way that these projects are financed:-

| Capital Programme 2020/21 <i>Appendix A (£910,000) and exempt Appendix C bids (£140,000)</i> | £ 1,050,000 |
|--|------------------------------|
| Funded By: | |
| Leisure Services Reserve | 90,000 |
| Car Park Maintenance Reserve | 30,000 |
| Vehicle & Plant Renewals Reserve* | 50,000 |
| Better Care Grant funding towards Disabled Facilities Grants (estimated) | 780,000 |
| New Homes Bonus | 50,000 |
| Capital receipts | 50,000 |
| TOTAL | 1,050,000 |

*This funding has already been approved by Council on 4th December 2018 as part of the report on Frontline Services (Waste and Cleansing Procurement)

5. IMPLICATIONS

| Implications | Relevant to proposals Y/N | Details and proposed measures to address |
|--|---------------------------|---|
| Legal/ Governance | Y | <p>The Hub Committee is responsible for control of the Council's capital expenditure. The Heads of Finance and Assets Practices are responsible for providing Capital Monitoring reports to the Hub Committee, detailing the latest position of the Council's Capital Programme.</p> <p>It is the role of the Overview and Scrutiny Committee to scrutinise the Budget proposals being proposed by the Council on an annual basis.</p> <p>Council is responsible for setting the Capital Programme and approving the Capital Budget, following consideration and recommendation from the Hub Committee. Since there is commercially sensitive information in Appendices B and C, regarding the budgets for individual projects, there are grounds for the publication of these Appendices to be restricted, and considered in exempt session.</p> <p>The public interest has been assessed and it is considered that the public interest will be better served by not disclosing the information in the Appendices. Accordingly this report contains exempt Information as defined in paragraph 3 of Schedule 12A to the Local Government Act 1972.</p> |
| Financial Implications to include reference to Value for Money | Y | <p>The report sets out the Capital Bids to the 2020/21 Capital Programme totalling £1,050,000 and a suggested way that these bids can be funded. All items in this proposed Capital Programme are based on budget estimates and will be subject to the normal project appraisal procedures.</p> |

| | | |
|-------------------------------|---|--|
| | | <p>Section 4 demonstrates that there are sufficient capital funds in 2020/21 to fund the bids which have been submitted by project officers within the Council.</p> <p>The regular monitoring of the Capital Programme ensures the Council has arrangements in place to secure economy, efficiency and effectiveness in its use of resources.</p> |
| Risk | Y | <p>There is a risk that the Capital Programme does not meet the Council's strategic priorities in line with the Council's Asset Strategy and the opportunity to assess emerging projects, which could contribute to the Council's priorities. The mitigation is that there is a project appraisal for each proposal.</p> <p>This is taken into account when assessing possible implementation timescales. Complex capital programmes have a relatively long lead-in period.</p> <p>The Council demonstrates that capital investment contributes to strategic priorities, provides value for money and takes account of the revenue implications of the investment.</p> <p>Regular monitoring of the capital programme and consideration of new pressures enables Members to control the programme and secure appropriate mitigation where problems arise.</p> <p>There is regular quarterly monitoring of the Capital Programme to Members where any cost overruns are identified at an early stage.</p> |
| Supporting Corporate Strategy | | <p>The Capital Programme supports all six of the Corporate Themes of the Council, Homes, Enterprise, Communities, Environment and Wellbeing.</p> |

| | | |
|--|--|---|
| Climate Change - Carbon / Biodiversity Impact | | A climate change action plan was presented to Members at the Council meeting on 17 th December, 2019. This action plan includes future considerations around the Council's fleet. Following this report, a strategy will be implemented as to how the Council could finance the items within the Action Plan, whether that is from external grant sources or some funding from the Council's own resources. |
| Comprehensive Impact Assessment Implications | | |
| Equality and Diversity | | None directly arising from this report. |
| Safeguarding | | None directly arising from this report. |
| Community Safety, Crime and Disorder | | None directly arising from this report. |
| Health, Safety and Wellbeing | | None directly arising from this report. |
| Other implications | | None directly arising from this report. |

Supporting Information

Appendices:

Appendix A – Summary of Capital Bids for 2020/2021

EXEMPT – Appendix B – Details of exempt Capital Bids

EXEMPT - Appendix C – Summary of exempt Capital Bids for 2020/2021 (table)

Background papers

Capital Programme for 2019/20 - Council 12 February 2019 (CM53 and HC74 refer)

Capital Budget Proposals 2020/21 – Overview & Scrutiny Committee 14 January 2020

Appendix A

| Proposed Capital Projects 2020/21 - 2022/23 - PART I | | | | | | | |
|---|--------------------------|-------------------------|--|------------------------|------------------------|------------------------|-----------------------|
| Priority Criteria | | | | | | | |
| Statutory Obligations | 1 | | Compliance, H&S, DDA | | | | |
| | 2 | | Essential to keep Operational Assets open | | | | |
| Good Asset Management | 3 | | Rationalise service delivery or service improvement | | | | |
| | 4 | | Generate income, capital value or reduce revenue costs | | | | |
| Service | Site | Project | Lead officer | Proposed 2020/21 £'000 | Proposed 2021/22 £'000 | Proposed 2022/23 £'000 | Priority code / notes |
| Placemaking | Community Project Grants | | NT | 0 | 16 | 16 | 1,3 |
| Affordable Housing | | | AR | 50 | 50 | 50 | 3,4 |
| Commercial Services | | Waste Fleet Replacement | JS | 50 | 50 | 50 | 1,2,3 |
| Commercial Services | Car Parks | Resurfacing | CA | 30 | 30 | 30 | 1,2 |
| Public Sector Renewals (inc Disabled Facility Grants) | | | IL | 780 | 780 | 780 | 1 |
| Totals | | | | 910 | 926 | 926 | |

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

Report to: **HUB Committee**

Date: **28th January 2020**

Title: **Write Off Report**

Portfolio Area: **Performance & Resources – Cllr Edmonds**

Wards Affected: **All**

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

Date next steps can be taken: **N / A**

Author: **Lisa Buckle** Role: **Section 151 Officer**

Contact: **Ext. 1413 lisa.buckle@swdevon.gov.uk**

Recommendations:

The Committee notes that, in accordance with Financial Regulations, the s151 Officer has authorised the write-off of individual West Devon Borough Council debts totalling £55,318.18 as detailed in Tables 1 and 2.

There are no debts over £5,000 requiring HUB Committee approval as confirmed in Table 3.

1. Executive summary

The Council is responsible for the collection of: Sundry Debts including Housing Benefit Overpayments, Council Tax and National Non-Domestic Rates.

The report informs members of the debt written off for these revenue streams. Debts up to the value of £5,000 can be written off by the s151 Officer, under delegated authority. Permission needs to be sought from the Committee to write off individual debts with a value of more than £5,000.

This report covers the period 1st October 2019 to 31st December 2019.

2. Background

The Council's sound financial management arrangements underpin delivery of all the Council's priorities, including the commitment to providing value for money services.

This report forms part of the formal debt write-off procedures included in these financial arrangements.

West Devon Borough Council's collection rates for 2018/19 were; Council Tax 97.7% & Business Rates 97.6%.

In the third quarter of 2019/20 the Council has collected £11.6 million in Council Tax and £2.3 million in Business Rates. The total collectable debt for 2019/20 (as at 31st December) for Council Tax is £41.25 million and for Business Rates is £10.77 million.

Debts are recovered in accordance with the Council's Recovery Policy which is published on our website.

3. Outcomes/outputs

In accordance with good financial management principles the Council has, for the revenue streams detailed in this report, made a total bad debt provision of £2,781,044.16. This provision recognises that a proportion of the Authority's debts will prove irrecoverable and ensures that the value of debtors within the Authority's accounts is a fair reflection of the amount that will eventually be recovered.

All debts, taxes and rates within the Service's control are actively pursued, and in most instances are collected with little difficulty. In cases where payment is not received on time, a reminder will be issued promptly to the debtor. If this fails to secure payment, a final reminder and/or a summons will also be issued and if necessary the debt passed to an appropriate collection agent such as the Civil Enforcement Agents or the Council's Legal Department in order to secure payment.

Sometimes, however, if the debtor is having difficulty making the payment, special arrangements are used to effect recovery, and this may mean extending the period of time to collect the debt.

In some cases pursuit of an outstanding debt is not possible for a variety of reasons, such as bankruptcy or liquidation and such cases with arrears under £5,000 can be written off by the Section 151 Officer under delegated authority. Cases where the debt exceeds £5,000 must, however, be approved by the Committee prior to the debt being written off.

A record is kept of debts written off, together with the reason for doing so, so that if there is a realistic chance of recovery in the future a debt may be resurrected and pursued again.

The Service has access to Experian’s Citizenview database which is currently the most reliable means of tracing absconded debtors. Each case is checked against this system before a decision is taken to write off the debt. A periodic review of write offs against this system may also be carried out to resurrect debts where appropriate.

4. Options available and consideration of risk

There are no debts over £5,000 requiring HUB Committee approval as confirmed in Table 3.

5. Proposed Way Forward

There are no debts over £5,000 requiring HUB Committee approval as confirmed in Table 3.

6. Implications

| Implications | Relevant to proposals Y/N | Details and proposed measures to address |
|--|---------------------------|---|
| Legal/Governance | | The relevant powers for this report are contained within the following legislation; Section 151 Local Government Act 1972 Section 44 Local Government Finance Act 1988 (Non Domestic Rate) Section 14 Local Government Finance Act 1992 (Council Tax) |
| Financial implications to include reference to value for money | | West Devon Borough Council debts totalling £55,318.18 to be written-off |
| Risk | | Any risk to reputation is managed carefully by prompt recovery of amounts due wherever possible. This risk is also mitigated by taking a balanced view and ensuring that resources are not expended on debts which are not cost effective to pursue The obvious risk of debtors subsequently being able to pay a debt which has been written off is mitigated by the activity outlined in Part 3. |
| Supporting Corporate Strategy | | Delivering efficient and effective services |

| | | |
|---|--|--|
| Climate Change - Carbon / Biodiversity Impact | | No direct carbon/biodiversity impact arising from the recommendations |
| Comprehensive Impact Assessment Implications | | |
| Equality and Diversity | | All enforcement action that is taken prior to this point is undertaken in accordance with legislation and accepted procedures to ensure no discrimination takes place. |
| Safeguarding | | None |
| Community Safety, Crime and Disorder | | None |
| Health, Safety and Wellbeing | | None |
| Other implications | | A bad debt provision is built into the financial management of the Authority |

Supporting Information

Appendices:

- Table 1 – Council debt under £5,000 written off by the Section 151 Officer
Table 2 – Non-Domestic Rate debt under £5,000 written off by the Section 151 Officer
Table 3 – Summary of items over £5,000 where permission to write off is requested
Table 4 – National & Local Collection Statistics re 2018/19 Collection Rates
Table 5 – Quarterly income in 2018/19 relating to all years
Table 6 – Previous Year Write Off Totals
Table 7 – Bad debt provision breakdown

Background Papers:

- Section 151 Local Government Act 1972
Section 44 Local Government Finance Act 1988 (Non Domestic Rate)
Section 14 Local Government Finance Act 1992 (Council Tax)
Recovery Policy

Approval and clearance of report

| Process checklist | Completed |
|---|------------------|
| Portfolio Holder briefed | Yes |
| SLT Rep briefed | Yes |
| Relevant Heads of Practice sign off (draft) | Yes |
| Data protection issues considered | Yes |
| Accessibility checked | Yes |

TABLE 2 SUMMARY OF NON DOMESTIC RATE DEBT UNDER £5,000 WRITTEN OFF BY THE S151 OFFICER

| TYPE OF DEBT | NUMBER OF CASES | REASON FOR W/OFF | Financial Year 2019/20 | | | Totals for Comparison purposes | | | |
|--------------------------|------------------------|-------------------------|------------------------|----------|------------------|--------------------------------|-------|---------------------|-----------------|
| | | | Quarter 3 | | Cumulative Total | Equivalent Quarter 2018/19 | | Grand Total 2018/19 | |
| | | | Amount (£) | Cases | | Amount | Cases | Amount | Cases |
| NON-DOMESTIC RATE | - | Insolvency / Bankruptcy | - | 2 | 502.35 | - | - | 6 | 9,704.04 |
| | - | Absconded | - | - | - | - | - | - | - |
| | - | Deceased | - | - | - | - | - | - | - |
| | - | Other | - | - | - | - | - | - | - |
| | - | Small Balance | - | 2 | 126.70 | - | - | - | - |
| - | Uncollectable Old Debt | - | 1 | 2,844.95 | - | - | - | - | |
| Total | - | | - | 5 | 3,474.00 | - | - | 6 | 9,704.04 |

TABLE 3 SUMMARY OF ITEMS OVER £5000 WHERE PERMISSION TO WRITE OFF IS REQUESTED

| TYPE OF DEBT | NUMBER OF CASES | REASON FOR W/OFF | Financial Year 2019/20 | | | Totals for Comparison purposes | | | |
|--------------------------|-----------------|------------------------------|------------------------|----------|------------------|--------------------------------|----------|---------------------|------------------|
| | | | Quarter 3 | | Cumulative Total | Equivalent Quarter 2018/19 | | Grand Total 2018/19 | |
| | | | Amount (£) | Cases | | Amount | Cases | Amount | Cases |
| NON-DOMESTIC RATE | - | Insolvency / Bankruptcy | - | 1 | 17,929.80 | - | - | 2 | 38,251.60 |
| | - | Absconded | - | - | - | - | - | - | - |
| | - | Deceased | - | - | - | - | - | - | - |
| | - | Other | - | - | - | - | - | - | - |
| Total | - | | - | 1 | 17,929.80 | - | - | 2 | 38,251.60 |
| HOUSING BENEFIT | - | Insolvency / Bankruptcy | - | - | - | - | - | - | - |
| | - | Absconded | - | - | - | - | - | - | - |
| | - | Other | - | - | - | - | - | - | - |
| | - | Deceased | - | - | - | - | - | - | - |
| | - | Overpaid entitlement | - | - | - | - | - | 2 | 12,721.09 |
| Total | - | | - | - | - | - | 2 | 12,721.09 | |
| COUNCIL TAX | - | Insolvency / Bankruptcy | - | 1 | 5,242.92 | - | - | - | - |
| | - | Absconded | - | - | - | - | - | - | - |
| | - | Other (inc. CTR overpayment) | - | - | - | - | - | - | - |
| Total | - | | - | 1 | 5,242.92 | - | - | - | - |
| SUNDRY DEBTORS | - | Insolvency / Bankruptcy | - | 1 | 6,759.59 | - | - | - | - |
| | - | Absconded | - | - | - | - | - | - | - |
| | - | Other | - | - | - | - | - | - | - |
| Total | - | | - | 1 | 6,759.59 | - | - | - | - |
| Grand Total | - | | - | 3 | 29,932.31 | - | - | 4 | 50,972.69 |

TABLE 4 NATIONAL & LOCAL COLLECTION STATISTICS RE 2018-19 COLLECTION RATES

Total amount collected in 2018-19 relating to 2018-19 financial year only (net of refunds relating to 2018-19)

| | Council Tax | | | Non Domestic Rates | | |
|-------------------|---|---|---|---|---|---|
| | Collectable Debit i.r.o. 18/19 - £000s | Net Cash Collected* i.r.o. 18/19 - £000s | Amount Collected i.r.o. 18/19 - %age | Collectable Debit i.r.o. 18/19 - £000s | Net Cash Collected* i.r.o. 18/19 - £000s | Amount Collected i.r.o. 18/19 - %age |
| All England | 30,185,467 | 29,293,449 | 97.0 | 26,188,145 | 25,748,183 | 98.3 |
| Shire Districts | 13,794,829 | 13,508,228 | 97.9 | 8,179,526 | 8,052,219 | 98.4 |
| East Devon | 107,176 | 105,902 | 98.8 | 36,363 | 36,147 | 99.4 |
| Exeter | 65,947 | 64,026 | 97.1 | 83,047 | 81,705 | 98.4 |
| Mid Devon | 53,342 | 52,162 | 97.8 | 15,313 | 15,203 | 99.3 |
| North Devon | 62,409 | 60,578 | 97.1 | 32,660 | 31,693 | 97.0 |
| Plymouth | 126,927 | 122,831 | 96.8 | 91,186 | 90,289 | 99.0 |
| South Hams | 70,455 | 69,214 | 98.2 | 31,194 | 30,696 | 98.4 |
| Teignbridge | 90,164 | 88,856 | 98.5 | 30,967 | 30,722 | 99.2 |
| Torbay | 81,414 | 78,434 | 96.3 | 35,256 | 34,069 | 96.6 |
| Torrige | 43,360 | 42,500 | 98.0 | 11,651 | 11,480 | 98.5 |
| West Devon | 39,119 | 38,206 | 97.7 | 10,729 | 10,473 | 97.6 |

* Net Cash Collected is total 2018-19 receipts net of refunds paid, in respect of 2018-19 only

TABLE 5 QUARTERLY INCOME IN 2018-19 RELATING TO ALL YEARS

Total amount collected in 2018-19 relating to any financial year (net of all refunds made in 2018-19)

| | Council Tax Net Cash Collected* £000s | Non Domestic Rates Net Cash Collected* £000s |
|--|---|--|
| Quarter 1 - Receipts collected between 1 st April – 30 th June | 11,899 | 3,137 |
| Quarter 2 - Receipts collected between 1 st July – 30 th September | 10,259 | 3,063 |
| Quarter 3 - Receipts collected between 1 st October – 31 st December | 10,970 | 2,742 |
| Quarter 4 - Receipts collected between 1 st January – 31 st March | 5,475 | 1,426 |

* Net Cash Collected is total receipts in 2018-19 net of refunds paid, irrespective of the financial year (previous, current or future years) to which they relate

TABLE 6 PREVIOUS YEAR WRITE OFF TOTALS

| | | 2018 - 19 | 2017 - 18 | 2016 - 17 | 2015 - 16 | 2014 - 15 | 2013- 14 |
|--------------------|----------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| HOUSING BENEFIT | Under £5,000 cases | 75,961.02 | 117,461.11 | 28,341.72 | 37,800.00 | 77,477.87 | 48,315.96 |
| HOUSING BENEFIT | £5,000 or over cases | 12,721.09 | 17,126.57 | 15,685.10 | 15,685.10 | 25,488.58 | 0.00 |
| Total | | 88,682.11 | 134,587.68 | 44,026.82 | 53,485.10 | 102,966.45 | 48,315.96 |
| COUNCIL TAX | Under £5,000 cases | 52,827.04 | 85,818.34 | 85,498.82 | 60,159.32 | 67,271.83 | 33,385.96 |
| COUNCIL TAX | £5,000 or over cases | - | 27,458.04 | - | 0.00 | 5,265.60 | 15,940.10 |
| Total | | 52,827.04 | 113,276.38 | 85,498.82 | 60,159.32 | 72,537.43 | 49,326.06 |
| SUNDRY DEBTS | Under £5,000 cases | 16,145.70 | 85,064.24 | 15,895.01 | 3,020.15 | 887.47 | 818.09 |
| SUNDRY DEBTS | £5,000 or over cases | - | - | - | - | 0.00 | 0.00 |
| Total | | 16,145.70 | 85,064.24 | 15,895.01 | 3,020.15 | 887.47 | 818.09 |
| NON DOMESTIC RATES | Under £5,000 cases | 9,704.04 | 8,876.14 | 10,517.74 | 6,650.00 | 17,699.12 | 35,095.48 |
| NON DOMESTIC RATES | £5,000 or over cases | 38,251.60 | 7,561.62 | 29,217.16 | 29,217.16 | 89,506.07 | 38,882.41 |
| Total | | 47,955.64 | 16,437.76 | 39,734.90 | 35,867.16 | 107,205.19 | 73,977.89 |
| GRAND TOTAL | | 205,610.49 | 349,366.06 | 185,155.55 | 152,531.73 | 283,596.54 | 172,438.00 |

TABLE 7 BAD DEBT PROVISION RELATING TO ALL YEARS

Total amount of bad debt provision for debts outstanding as at 31st March 2019

| | West Devon element (£) | Gross Collection Fund amount* (£) |
|------------------|------------------------|-----------------------------------|
| Council Tax | 305,340.82 | 1,997,824.78 |
| Business Rates | 141,244.40 | 353,110.80 |
| General Fund | 134,149.68 | 134,149.68 |
| Housing Benefit | 293,000.00 | 293,000.00 |
| Standard Charges | 2,958.90 | 2,958.90 |
| Total | 876,693.80 | 2,781,044.16 |

* Gross Collection Fund amount includes elements of Council Tax and Business Rates bad debts that relate to Central Government or other precepting bodies share of the provision.

Report to: **Hub Committee**

Date: **28 January 2020**

Title: **Pre-Application process**

Portfolio Area: **Environment**

Wards Affected: **All**

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

Date next steps can be taken: **After Council on 18 February 2020**

Author: **Pat Whymer** Role: **Head of Development Management Practice**

Contact: **patrick.whymer@swdevon.gov.uk**

Recommendations:

1. That the Hub Committee RECOMMEND to Council that the Pre-Application process as detailed in Appendix 1 be approved.

1. Executive summary

- 1.1 Following approval by the Hub Committee held on 24 April 2018 (Minute Ref: HC83) the draft pre-application process was consulted upon. Some 20 representations were made. A summary of the representations is attached in Appendix 2 together with comments regarding the individual representations.
- 1.2 The draft process subject of the consultation has been revised to incorporate changes following the consultation and is attached at Appendix 1.
- 1.3 The key elements of the existing pre-application process are robust and remain valid. There are two main areas of the process that it is recommended are changed; the interaction with Council Members and Town and Parish Councils, and the publication of both pre-application submissions and the Councils response. These changes are set out within the proposed process at Appendix 1.
- 1.4 This report seeks the recommendation of the Hub Committee to Council to approve and adopt the proposed pre-app process to

take effect after the meeting of full Council on the 18 February 2020.

2. Background

- 2.1 Following the Planning Peer review, it was agreed that a review of the planning pre-application process be undertaken, including the planning duty service.
- 2.2 West Devon Borough Council is committed to supporting effective pre- application engagement with developers, applicants and local communities. However, it should be noted from the outset that the Council's pre application service is for the provision of advice and is not an approval service. It should aim to give developers/applicants very clear advice about whether Council officers may recommend approval for a scheme, or how it may need to change to be supported by a recommendation
- 2.3 The National Planning Policy Framework (NPPF) advises Local Planning Authorities (LPAs) to approach decision-taking in a positive way to foster the delivery of sustainable development. LPA's need to look for solutions rather than problems and where possible, seek to approve applications for sustainable development. In this respect, LPA's should work proactively with developers/applicants to secure developments that improve economic, social and environmental conditions of an area.
- 2.4 The NPPF clearly encourages early engagement and front loading as this has significant potential to improve the efficiency and effectiveness of the planning system for all parties. Good quality pre-application discussions enable better coordination between public and private resources and improved outcomes for the community. LPA's have a key role to play in encouraging other parties to take maximum advantage of the pre-application stage and should encourage any developers/applicants to engage with the local community before submitting their formal planning applications.
- 2.5 The more issues that can be resolved at pre-application stage, the greater the benefits. For the planning system to be effective and positive, statutory planning consultees must take the same early, pro-active approach, and provide advice in a timely manner. This assists in issuing timely decisions, helping to ensure that there are no unnecessary delays and costs.
- 2.6 The existing pre-application process sets out that the Council will expect developers and applicants to be open and positive in their engagement with communities and follow the Council's pre-application process. Communities have a key role in identifying issues and opportunities around community facilities. The pre-

application process and interaction between developers and applicants, local communities and the LPA will allow those communities to express their thoughts and opinions on scale, nature and form of development in a way that is proportionate to the scale of the development proposal.

- 2.7 There appears only to be a small number of pre-application submissions during which the local community are involved. The Council has no power to compel developers or prospective applicants to engage with the community, other than for a relatively large scale energy project. However the pre-application process should continue to encourage community involvement
- 2.8 The planning duty service sits alongside the pre-application process. The duty planning service only provides general planning advice and not pre-application advice. There are also specific appointments for Listed Building and Heritage questions. It is recognised that this does provide a service to customers who have general planning questions.

3. Outcomes

- 3.1 The overall desired outcome would an efficient response to an increasing number of pre-application submissions and an increasing engagement with Ward Members and communities particularly regarding larger schemes. The proposal includes revised targets for the timescales for dealing with pre-application submissions. It is acknowledged that the response times to pre-application enquiries have not been in accordance with the target timescales. The additional resources to Development Management achieved through the increase in planning fees, will provide additional capacity that will facilitate improvements in the speed of response to such enquiries. It is proposed that the target timescales for dealing with pre-applications will be as follows:

Householder/Advertisements: Meeting to take place within 4 weeks from the date of receipt of pre-app with a full response within 6 weeks from date of receipt.

Small Minor: Scoping meeting to take place within 4 weeks from the date of receipt with notes to be circulated for agreement within 7 days of the meeting.

Full pre-app meeting within 4 weeks from date of receipt or within 2 weeks if it follows a scoping meeting. Full response within a timescale agreed at the pre-app meeting. If no further information is required or no comments from other consultees needed the response should be within 3 weeks of the meeting.

Minor: Scoping meeting to take place within 4 weeks from the date of receipt with notes to be circulated for agreement within 7 days of the meeting.

Full pre-app meeting within 4 weeks from date of receipt or within 2 weeks if it follows a scoping meeting. Full response within a timescale agreed at the pre-app meeting. If no further information is required or no comments from other consultees needed the response should be within 3 weeks of the meeting.

Small Scale Major: Scoping meeting to take place within 4 weeks from the date of receipt with notes to be circulated for agreement within 7 days of the meeting.

Full pre-app meeting within 5 weeks from date of receipt or within 3 weeks if it follows a scoping meeting. Full response within a timescale agreed at the pre-app scoping meeting or at the first full pre-app meeting.

Large Scale Major: Scoping meeting to take place within 4 weeks from the date of receipt with notes circulated for agreement within 7 days of the meeting. The timescale for the rest of the pre-app will be set out in an agreed PPA.

- 3.2 Reference above to date of receipt is the date that the Council receives all of the necessary forms/plans and fee to register the pre-application submission. Performance will be measured against these targets.

4. Options available and consideration of risk

- 4.1 A pre-application submission should not be dealt with in the same way as a planning application and is not a vehicle for public consultation and the consideration by the Council of representations from the public or other non-technical consultees.
- 4.2 The Council will continue to encourage discussion between developers and land/property owners who submit pre-applications and the community, including Town and Parish Councils. There will not be formal consultation with the community by the Council unless a development forum takes place.
- 4.3 One of the main areas of concern from the consultation responses was the publication of the pre-application submissions and the response from the Council. There are three options;
- a) Do not publish pre-applications on the council website which is the current position.
 - b) Publish pre-application submissions on the website as soon as they are received
 - c) Publish the pre-application submission and the response once a planning application is made for the proposed development.
- 4.4 As set out above it is considered that the pre-application process needs to be transparent and it is acknowledged that pre-

applications should be published on the website. However as set out in paragraph 4.1 above a pre-application should not be dealt with in the same way as an application and it is not a vehicle for public consultation. The publication of pre-applications as soon as they are submitted would give a false expectation of the level of engagement that the Council would have with third parties in the process. The publication could happen when a pre-application is submitted with notification on the website that it is for information and that the Council will not respond to representations. This is not supported by agents/developers and could result in a reduction in pre-application enquires. It is recommended that pre-application submissions and the response is published on the website if an application for the development is submitted. This would set out what the Council responded to and what the response was. The changes proposed will address a potential perception that the pre-application process is not transparent, by publicising the pre application details and advice given once a full application is received

- 4.5 Another option could be to stop undertaking any pre-application discussions. This would be contrary to advice in the NPPF and would lead to a loss of revenue and a probable damage to the reputation of the Council and is not recommended.

5. Proposed Way Forward

- 5.1 The proposed pre-application process is set out in Appendix 1.

6. Implications

| Implications | Relevant to proposals Y/N | Details and proposed measures to address |
|--|---------------------------|--|
| Legal/Governance | Y | Paragraphs 188 - 195 of the National Planning Policy Framework set out that Local Planning Authorities should engage with a pre-application process. The EIR 2004 Regulations provide a presumption of disclosure for information including pre-apps |
| Financial implications to include reference to value for money | N | There are no direct financial implications of the contents of the report. |
| Risk | | The front loading of the planning application process with early engagement is set out in the NPPF as having the significant potential to improve the efficiency and effectiveness of the planning application system. The risk therefore in not engaging at a pre-application |

| | | |
|---|---|--|
| | | stage is reducing the efficiency and effectiveness of Development Management |
| Supporting Corporate Strategy | | |
| Climate Change - Carbon / Biodiversity Impact | | The provision of advice early in the development of a project will enable climate change and biodiversity issues to be taken into account early an inform the design process |
| Comprehensive Impact Assessment Implications | | |
| Equality and Diversity | N | |
| Safeguarding | N | |
| Community Safety, Crime and Disorder | N | |
| Health, Safety and Wellbeing | N | |
| Other implications | N | |

Supporting Information

Appendices:

Appendix 1 – Proposed Pre-Application procedure

Appendix 2 – Summary of responses to the consultation

Appendix 3 – Pre-App fees

Background Papers:

Approval and clearance of report

| Process checklist | Completed |
|---|------------------|
| Portfolio Holder briefed/sign off | Yes/No |
| SLT Rep briefed/sign off | Yes/No |
| Relevant Heads of Practice sign off (draft) | Yes |
| Data protection issues considered | Yes |
| Accessibility checked | Yes |

WEST DEVON BOROUGH COUNCIL – PRE-APPLICATION ADVICE POLICY

JANUARY 2020

1. Overview

- 1.1 Any advice given by Council officers in response to pre-application (pre-app) enquiries ~~does not~~does not indicate a formal decision by the Council as local planning authority. Any views or opinions expressed are given in good faith, and to the best of ability, without prejudice to the formal consideration of any planning application following statutory public consultation, the issues raised and evaluation of all available information.
- 1.2 The response given at pre-app does not bind the Council to a decision and officers cannot give guarantees about the final formal decision that will be made on planning or related applications. It will aim to give developers/applicants very clear advice about whether Council officers are likely to support a proposed scheme or will recommend approval for a scheme, and how it may need to change to be supported ~~by a recommendation. A charge is made for this service. The pre-app advice is given in accordance with the circumstances at that time and is subject to the proviso that circumstances and information may change or come to light, including responses from statutory consultees, third parties or the local community that could alter the position.~~
- ~~1.3 Pre-app advice is given in accordance to the circumstances at that time and is subject to the proviso that circumstances and information may change or come to light that could alter the position.~~
- 1.34 If following a pre-app enquiry, a subsequent planning application is made on the site, the pre-app submission together ~~with~~ any response made by the Council will be made available for public inspection. If at any time the Local Planning Authority receives a request, under the Freedom of Information Act (FOI) or Environmental Information Regulations (EIR), to disclose information relating to this pre-application enquiry they are obliged to do so unless the information is deemed exempt under the Act. We can only withhold information under FOI or EIR if the information falls under one of the exemptions (FOI) or exceptions (EIR) set out in legislation. For certain pre-application issues the applicant would be advised to complete the section in the application form setting out why they consider the matter to be sensitive and should set out the reasons why, and for how long, they feel any information relating to the case needs to remain

confidential. However, whilst we will take account of these views, the final decision on whether the information should be withheld rests with the Council. The Council maintains compliance to the Data Protection Act and we will not release any personal information to third parties.

2. Introduction

2.1 Open and constructive pre-application discussions are an opportunity for the Council and applicants to work together to achieve developments that deliver benefits to the individual, community, environment and the economy. This can save time and costs and optimise the potential of a site.

2.2 Benefits of pre-application enquiries and discussions include:

- Saving time and resources
- Raising the quality of development
- Speeding up the validation process
- Gaining community acceptance through engagement
- Reducing the number of unsuccessful planning applications
- Identifying the need for specialist input earlier
- Provide sufficient information to support final application

2.3 The more issues that can be resolved at pre-application stage, the greater the benefits. For the planning system to be effective and positive, statutory planning consultees must take the same early, pro-active approach, and provide advice in a timely manner. This assists in issuing timely decisions, helping to ensure that there are no unnecessary delays and costs.

2.4 With this in mind, West Devon Borough Council will expect developers and applicants to be open and positive in their engagement with communities and follow the Council's expectations for community engagement as set out in Section 7 below. Communities have a key role in identifying issues and opportunities around community facilities. The pre-app process and interaction between developers and applicants, local communities and the LPA will allow those communities to express their thoughts and opinions on scale, nature and form of development in a way that is proportionate to the scale of the development proposal.

- 2.5 [Any comments received by the Council from third parties will be forwarded to the applicant/developer.](#) Developers and applicants will be expected to consider all suggestions brought forward through the community consultation process and to set out detailed explanation and reasoning why they have either incorporated or excluded community suggestions and opinion, [within any subsequent planning application-](#)

3. The cost of a pre-application

- 3.1 Planning application fees do not cover the cost of a pre-application advice service and Council's are permitted to ~~may~~ charge for this service. To provide a quality pre-application advice service the Council does charge for advice and the [current](#) fee schedule is set out in the attached schedule. [The fees are considered on an annual basis by the Council.](#)

4. What information is required with a pre-app

- 4.1 All pre-apps must be submitted using the pre-app application form that is available on the Council website and the appropriate fee must be paid. In addition to the application form and required fee, you are required to send us as a minimum:
- A site location plan, clearly identifying the site in question
 - A sketch plan showing the proposed development work
 - Photographs of the site if they would help to put the development in context
 - A summary of any community consultation that has been carried out
- 4.2 The application form has more detail on what you need to send us. The level of additional detail required will be dictated by the complexity of the proposal. However, the more information you can give us initially, the more detailed and comprehensive the response from officers can be.

5. Pre-application Process

- 5.1 Within 10 working days of receiving a pre-application submission the Council will contact the applicant by either telephone or email to confirm that the pre-app has been received and that the correct fee has been paid. If the correct fee has not been paid this will be advised and the correct fee requested. If the correct fee has not been received the pre-app will be held in abeyance until the correct fee is received. The name of the case

officer will be provided and a date for a meeting, either in the office or on site will be arranged.

5.2 The timescales for the Council to respond to pre-app submissions will depend upon the complexity of the proposal, the need to consult other statutory technical consultees and whether further information is required. The timescale for an initial response to a pre-app submission to acknowledge receipt and arrange a meeting with the case officer is set out in the table below, according to the nature and complexity of the pre-app. The timescale for a full response will be agreed between the case officer and the applicant at the initial meeting. The starting point for the proposed timescales is the receipt of a pre-app, with the correct fee and information requested on the form.

| Action | Target timescales | | | | |
|--|----------------------------------|---|--|------------------------------|----------------------------------|
| | Householder or Advert | Small Scale Minor | Large scale Minor | Small scale Major | Large scale Major |
| Register, allocate to case officer and contact applicant to arrange meeting | Within 2 weeks from receipt | | | | |
| Scoping Meeting (if requested) and the circulation of notes for agreement after the scoping meeting. | N/A | Scoping meeting to take place within 4 weeks of the receipt. Notes from the meeting to be circulated for agreement within 7 days of the meeting – unless agreed otherwise at the scoping meeting. | | | |
| Pre-app meeting with officer either in office or on site | Within 4 weeks of receipt. | Within 4 weeks of receipt or within 2 weeks of receiving the information agreed as | Within 5 weeks of receipt or within 3 weeks of receiving the information | As agreed in a PPA | |

| | | | | |
|----------------------------|--|---|--|--------------------|
| | | required at a scoping meeting | agreed as required at a scoping meeting | |
| Formal response to pre-app | Within 6 weeks from receipt or a period agreed at the pre-app meeting. | Within 3 weeks from the date of the meeting or a period as agreed at the pre-app meeting. | With timescale agreed at the pre-app meeting | As agreed in a PPA |

5.3 The purpose of a **Scoping Meeting** is narrow and is only to be used ~~is~~ to establish initially whether the proposal is acceptable in principle in the context of planning policy. A scoping meeting will not consider any technical matters, including highways access or landscape impact and the advice given will be notwithstanding any technical matters that may arise later. No consultation is undertaken with external agencies. The scoping meeting will also establish the additional matters and details that will need to be considered if the matter is considered at a full pre-app stage. The Scoping meeting is a desktop exercise and will take place at the Council offices. Should a full pre-app be submitted as a scoping meeting request, it will not be considered until the correct fee has been paid for a full pre-app.

5.4 The Council recognise that there is benefit to early engagement with elected members within the planning process, including the pre-app process. Members will receive a weekly list of the pre-application submissions that have been received. An electronic copy of the pre-application submission will be provided to local Ward Members upon email request. In the event of a member making a request to be kept informed of progress of a specific pre-application, the case officer will ensure that the member is kept informed, including the date and times of any meeting arranged in connection with that specific case. ~~and once a full pre-app meeting has been arranged the relevant Ward Members will be advised of the date and time of the meeting.~~ Should the Ward Member(s) wish to attend the meeting they should contact the case officer to arrange attendance. Members who attend any pre-app meeting should avoid expressing any detailed opinion or prior view which might be viewed as pre-determination and should following the Members Planning Code of Good Practice.

5.5 The full pre-app meeting could take place on site or at the Council Offices depending on the specific nature of the pre-app. If the meeting is at the office, the case officer will visit

the site in advance of the meeting. There will not be a full written response to a scoping meeting, but written notes of the discussion will be circulated for agreement.

- 5.6 If an application is subsequently submitted following any pre-application advice being given, once the new application is registered, the pre-application submission and the response from the Council will be published on the Council Website with the application documents.

6. What advice is provided to a Pre-App Enquiry [\(Not a Scoping Meeting\)](#)

6.1 The Case Officer will undertake the following:

- Research the history of the site.
- Undertake an unaccompanied site visit prior to the pre-app meeting, if required.
- Identify and assess the prospective application against [Development Plan policies and other relevant Council policies, guidance](#) and standards.
- Highlight the need for further investigations or key groups that need to be consulted.
- [Provide a detailed written response to a full pre-app meeting in context to the information supplied, and specific questions asked in the initial enquiry and at meetings as far as practicable, which would include an opinion as to whether or not a planning application would be worth pursuing.](#)
- [If possible identify areas for inclusion in any Heads of Terms for S106 agreement.](#)
- Advise on the appropriate level of community engagement
- Provide written feedback from Members, the Local Council and local residents received if a Pre-application Community Engagement Forum is held.

7. Community engagement in the pre-app process

7.1 One of the core planning principles set out in the National Planning Policy Framework (NPPF) is that planning should empower local people to shape their surroundings. The NPPF also states that applicants should be encouraged to engage with the local community before submitting their applications.

7.2 Communities have a key role to play in identifying issues and opportunities arising from development in their area. The Council is therefore committed to encouraging developers to engage with communities, where appropriate as part of the pre-application process. Engagement is expected to be open and positive and consideration given to all suggestions brought forward with feedback as to how and why these can or cannot

be incorporated in the final plans. Council Officers and Members and other stakeholders should be involved in the engagement process to provide a joined-up approach.

- 7.3 The level of engagement should be proportionate to the size, type, scale and location of the development. [Set out below](#) ~~Below~~ is ~~set out~~ the Council's recommended engagement process based on some of these factors. This does not preclude additional engagement or consultation where agreed by the parties involved or felt necessary to address specific issues that arise.

Minor Development

- 7.4 If the pre-application enquiry relates to Minor development, whilst this type of development can be small scale there should be some form of engagement with those affected by it. In some communities even a small number of additional dwellings may be considered significant. In all cases we recommend the applicant consults with those landowners or residents whose property bounds the proposed development area, [the Parish Council](#) and any other local landowners or residents who may be affected by the development. This will assist the applicant in gaining understanding from their close neighbours and potentially avoid objections to the scheme.

- 7.5 Where more than 3 dwellings are being proposed and these are in a rural parish or smaller local centre, where such development could be considered significant, or where additional infrastructure/facilities are being delivered that will have an impact on the community as a whole it is recommended that the applicant attend a Parish Council meeting to discuss their proposals and likely timescales for application and delivery and whether wider community engagement is appropriate.

Major Development

- 7.6 As part of the scoping meeting for major developments the case officer will set out the expectations of the Council regarding the extent of community engagement to enable the local community to be involved in shaping and influencing the development.
- 7.7 For major developments the Council would expect the developer to demonstrate that the community has had a reasonable level of involvement in shaping the development. The following three stage process is suggested for large scale major development, although the developer may choose to undertake additional engagement and,

particularly on some larger or more complex sites with a variety of infrastructure requirements or in local centres where such development is deemed very significant.

7.8 Stage one: Attendance at a Town or Parish Council meeting

The developer should advise the Town or Parish Council that they have commenced discussions with the District Council on the site. They should discuss the options for the development, any draft proposals they have and likely timescales for application and delivery and agree with the Town or Parish Council how and when the community will be engaged in shaping the development.

7.9 Stage two: Community Engagement Event

Whilst the exact format of the event will be left to the developer to agree with the Town or Parish Council [in consultation with the Local Ward Member\(s\)](#) they will need to demonstrate that the community has been enabled to participate in the engagement process by holding any event at an appropriate time, in an accessible location providing the right level of detail to enable the community to help shape and inform the development. An open day/ drop in event is more likely to result in a larger take-up from all sections of the community than a shorter public meeting. Developers will be expected to ask the community for their views and suggestions on options and plans for the development, and share any of their own emerging plans inviting comment on these. Where possible anticipated timescales for submission of the application and development of the site should be provided. The community views will need to be collated in order to provide feedback. Developers may wish to consider a simple form for this purpose and this and other documentation should be made available on-line through the Town or Parish Council website so that those unable to attend can comment on the proposals. Both parties may also decide that an on-line survey is appropriate.

7.10 Stage three: Development Forum

Where deemed necessary and agreed as part of the pre-application process, key stakeholders will be invited to the Development Forum where the developer will need to:

- Provide feedback on options, suggestions, comments and issues raised by the community at the previous stages of the engagement process demonstrating how the developer proposes to address these. Where options suggested by the community cannot be progressed or accommodated reasons should be given. This feedback should also be made available on the Town or Parish Council website.

- Present final proposed plans and timescales to the forum.
- Answer any questions raised and indicate when feedback will be provided on any outstanding issues.

7.11 Development Forums are to be held during the pre-application stage of the development process in order to help all people involved in making a decision understand fully both the nature of the proposal and the issues involved with major, complex and controversial developments. They enable a developer to explain proposals directly to the elected Members and officers of the District Council, Town/Parish Councils, stakeholders and the community and enable the developer to shape a scheme to address community concerns and to provide adequate information to assist the decision takers to envisage the scheme and its impacts.

7.12 A Development Forum also provides a structured way in which Members can be involved in pre-application discussions without the risk of pre-determination and enable a developer to explain proposals directly to the elected Members and officers of the District Council, Town/Parish Councils, stakeholders and the community, addressing community concerns and providing adequate information to assist the decision takers to envisage the scheme and its impacts.

7.13 **DEVELOPMENT FORUM PROCESS**

The Development Forum will be a meeting arranged by the Council to facilitate the explanation and examination of a development proposal, prior to an application being made. Responsibility for deciding which schemes will be presented to a Development Forum will rest with the Council's Community of Practice Lead (DM) in consultation with the Chairman of the Development Management Committee who would normally chair the Development Forum meeting.

7.14 Generally, Development Forum meetings will be held at the Council Chamber at Killworthy Park, Tavistock. In exceptional circumstances, and where practicable, such Forum meetings may be held in venues close to the development site at the discretion of the CoP Lead (DM) in consultation with the Chairman of the Development Management Committee. Publicity/notification of a Development Forum meeting will be given between three to four weeks before the meeting.

- 7.15 Development Forum meetings will be held in public, where a full record of the proceedings will be taken and the minutes/notes of the meeting will be published on the web site. An attendance list will be circulated at the Forum meeting for the voluntary completion by all attendees, including name (and organisation if applicable), email/postal address and reason for attendance at the meeting. In voluntarily completing the attendance list, attendees are agreeing to provide contact information to help with the running of this event and to enable the Council to notify attendees of final minutes/notes of the Forum meeting and/or any other pertinent information and details. It should be noted that any attendees who speak at the meeting will have their name included in the minutes/notes.
- 7.16 Member attendance and involvement at Development Forum meetings will be subject to normal 'interest' considerations. Development Forum meetings will be for information purposes only, i.e. no predetermination, or prejudicing of a future decision until all material considerations have been considered.
- 7.17 Development Forum meetings will be led by the Chairman and a planning officer, with other officers in attendance as appropriate (e.g. landscape, ecology, housing, highways, drainage,). The developer (and team) will be invited to present the scheme subject to a time limit. Generally, this time limit will not exceed 40 minutes. Each stakeholder and stakeholder representatives (e.g. Town/Parish Council representatives, local community group representatives), who have been invited to and accepted the invitation to speak at the Forum meeting, will be permitted up to 5 minutes to make comments and provide feedback on the developer's presentation and scheme as proposed.
- 7.18 Open questions by Members seeking clarification about aspects of the proposed scheme can be directed to the developer (and team), speakers and officers. A planning officer will summarise the main issues arising from the proposal and will explain what will happen next.
- 7.19 Minutes/notes of a Development Forum meeting will be forwarded to all Members, stakeholders (or their representatives) and attendees and will be published on the Borough Council's website.
- 7.20 The Development Forum is NOT a decision making body. For clarity, it is the separate Development Management Committee which makes the final decision on any submitted planning application, NOT the Development Forum.

8. Definitions

8.1 For the purposes of the pre-application process that following definitions apply:

- **Small Minor:** 1-2 Dwellings or non-residential floor space up to 499 sqm, telecommunications, Lawful Development Certificate Advice and changes of use except dwellings, where there is no operational development
- **Minor Development:** between 3 – 9 dwellings or non-residential floor space between 500 – 999 sqm or a site area up to 1 Ha.
- **Small Scale Majors:** up to 30 dwellings or Non-Residential floor space between 1000 – 4999 sqm or a site area between 1 – 2 Ha
- **Large Majors:** 31 and over dwellings or Non-Residential floor space over 500sqm or a site area over 2 Ha all renewable energy proposals unless a domestic scale and all development that requires an EIA

This page is intentionally left blank

Appendix 2 – Summary of responses received following consultation on the draft pre-application policy.

There were 20 responses to the consultation that raised the following matters that are summarised as below, comments on the matters raised are made in red below each comment:

- *The proposed aim is misleading and may be misinterpreted as providing certainty of a recommendation*
Paragraph 1.2 does clarify this point
- *Needs to be made clear that where pre-application advice has been given both the enquiry and the advice will be published on the Council's website with the application documents*
This is clarified in Paragraph 1.4
- *Cornwall Council is a good example of pre-applications being published online*
- *How do planners respond to comments from the community and Parish/Town Councils, and what do they do if suggestions are not taken up*
All comments received will be forwarded to the developer/applicant as set out in paragraph 2.5
- *How do the community and Parish/Town Councils get feedback on their responses*
As set out in paragraph 2.5
- *Why was the consultation document not circulated to Parish/Town Councils directly*
Parish and Town Councils were consulted
- *In relation to paragraph 1.2 – the second sentence could be misinterpreted as suggests view of Planning Officers will be adhered to irrespective of views of local community or other third parties*
This is addressed in paragraph 1.3
- *Concern regarding Ward Members being invited to attend pre-application meetings as it would be difficult for them not to express a view. Should only be involved once the local community are also given the opportunity to engage in the process*
It is considered that Ward Members would be able to attend without expressing a view.
- *In relation to paragraph 6.1 the Council needs to identify and assess the proposal against the policies and proposals of emerging and adopted Neighbourhood Plans*
Paragraph 6.1 has been revised to refer to Development Plan Policies that includes Neighbourhood Plans
- *In relation to paragraph 7.5 – the words 'where more than 3 dwellings' should be omitted and the sentence changed to 'Within a rural parish or smaller local centre, where small scale development could be considered significant ...'*
It is considered that the proposed policy set out in paragraphs 7.4 and 7.5 is proportionate to the scale of development proposed
- *In relation to paragraph 8.1 – definition of minor development needs to be amended*
It is considered that definition is suitable
- *Definition of Major Development should be consistent with the NPPF*
The definition is consistent with the NPPF
- *Need to highlight the different definition for major development in the AONB*
This is not considered necessary for the purposes of the pre-app process. Part of any pre-app assessment for proposals within an AONB will be to consider if it constitutes major development in the AONB context
- *Low threshold for Large Scale Major Developments could result in significant levels of community/stakeholder engagement at a very early stage for relatively small scheme*
This concern is covered in paragraphs 7.6 and 7.7 with an appropriate level of community engagement agreed at a scoping meeting.

- *Threshold for PPA appears low with no justification, and provides no certainty about the cost of pre-application advice. Council should define cost of meetings and hourly charges*
In the context of the council area 31 dwellings isn't a low threshold
- *Publication of pre-application enquiries on the Council's website would assist and provide transparency*
See paragraph 1.4
- *No explanation as to why charitable trusts are no longer exempt from pre-application fees – this approach should be re-instated*
The fees and charges are set annually and not through this process
- *Should be potential for early confidential discussions where there is commercial sensitivity*
As set out in paragraph 1.4
- *Needs sign-posting to other statutory and non-statutory consultees who provide pre-application services*
The policy sets out how the council will deal with pre-application enquires
- *Direction to seek specialist pre-application advice on protected landscape matters directly from the South Devon AONB Unit in specified instances*
If the proposal is of a scale that the South Devon AONB would be consulted if an application was submitted then comments would be sought as part of the pre-app process
- *Reservations about charging for smaller scale developments*
The fees are commensurate to the scale of the development. The Council does not have the capacity to offer a free pre-app process
- *Time limits for responses should not become the standard response times*
It is not the intention that these become the standard response times
- *How will compliance with community consultation requirements in the revised NPPF be confirmed, will amendment to planning application form be required*
The planning application form is set at a national level
- *No indication of how much officer time included in meetings*
It is not possible to do so as will depend on the complexity of the case and site specific constraints.
- *Consultation procedure to enable identification of proposals/infrastructure for inclusion in Heads of Terms for any Section 106 Agreements*
Included in paragraph 6.1
- *Document should not give the impression the result of pre-application advice will be a foregone conclusion – could be addressed with grammatical changes*
See paragraph 1.2
- *Need notes of all meetings*
A written response will be made following the conclusion of the pre-app with notes following scoping meetings
- *At what stage will minutes/notes of meetings be published on the website*
The pre-app submission and the written response of the Council will be published when a subsequent planning application is submitted.
- *Needs clear advice on when public engagement should be carried out*
It is considered that section 7 does make this clear – the Council cannot insist that public consultation is carried out in most cases.
- *Time scales seem ambitious, pre-applications can't overtake the importance of formal applications*
The timescales are challenging but achievable
- *Fees paid need to be proportionate to Officer time spent*
The scale of the fees has been assessed based on time spent
- *Parish/Town Councils should be included in circulation of pre-application enquires at the same time as Ward Members*

There are a number of pre-applications that are commercially sensitive and should not be circulated in the public domain.

- *Parish/Town Councils should be directly involved in Development Forums*
Parish/Town councils are invited to Developer Forums
- *No specific text around importance of heritage considerations*
The document sets out how the Council will process pre-app enquiries and doesn't need to set out planning considerations
- *Parish/Town Councils should be contacted at scoping stage for Neighbourhood Plan comments*
No consultations are undertaken at a scoping meeting stage, if there is merit to the scheme the developer will be encouraged to engage with the local community as set out in section 7
- *Parish/Town Councils should be invited to pre-application meetings*
The developer is encouraged to engage with Parish/Town Councils
- *Transparency requires that any discussion on development, whether initiated by the developer, the council or any other party, be treated as a pre-application enquiry. This should be made clear.*
Not all discussions on development are pre-application enquiries
- *Timescales for public/parish consultation are not realistic or achievable*
There are no timescales set out for public consultation
- *Relationship between this process and 'Permission in Principle'*
Not considered relevant to this process
- *Planning Officer should resist giving any indication of the outcome of the planning process*
A planning officer should be able to give their professional opinion on a proposed development
- *DMC should not be involved at both decision making meetings*
There is only one decision making meeting which is for planning applications
- *Document is too long, terminology unclear*
All of the sections in the document are considered necessary
- *Development Forums should be held in the relevant parish*
This can be considered on a case by case basis
- *Capacity and capability of parish and town council websites to host consultation surveys, what support will be made available?*
This would be a matter for the Parish to liaise with the developer
- *5 working days should be sufficient for registration, additional 10 working days for meeting to be arranged. Meeting within 20 working days from registration, written note of meeting within 5 working days of the meeting*
The timescales are considered appropriate
- *Applicants need to be advised in advance of Ward Member attendance at meetings (at present they seem to invite themselves along)*
This is not considered necessary.
- *What is penalty for not meeting pledges within document e.g. refund if responses not sent set prescribed time. Should be given equal priority to formal applications*
This would be looked at one a case by case basis depending on the reason for the delay

This page is intentionally left blank

| Activity | Current Fee £ (2019/20) | Comments |
|----------------------|--|---|
| Pre-Application Fees | £180 plus £180 for any additional meeting/response required | Householder/Listed Building/Advertisements one meeting with a written response |
| | £180 | Small Minor (1-2 Dwellings or non-residential floor space up to 499 sqm, telecommunications, Lawful development Certificate Advice and changes or use except dwellings, where there is no operational development) One Scoping meeting with agreed notes from the meeting |
| | £420 (£240 if it follows a scoping meeting) plus £180 for any additional meeting or response | Full pre-app – one meeting plus a written response. |

| Activity | Current Fee £ (2019/20) | Comments |
|----------|--|---|
| | | |
| | <p data-bbox="891 555 965 587">£240</p> <p data-bbox="801 667 1048 922">£600 (£360 if it follows a scoping meeting) plus £180 for any additional meeting or response</p> | <p data-bbox="1081 403 1765 515">Minor Development (between 3 – 9 dwellings or non-residential floor space between 500 – 999 sqm or a site area up to 1 Ha)</p> <p data-bbox="1081 555 1776 627">One Scoping meeting with agreed notes from the meeting</p> <p data-bbox="1081 667 1664 738">Full pre-app – one meeting plus a written response.</p> |
| | <p data-bbox="891 1225 965 1257">£480</p> | <p data-bbox="1081 1042 1753 1145">Small Scale Majors (up to 30 dwellings or Non-Residential floor space between 1000 – 4999 sqm or a site area between 1 – 2 Ha)</p> <p data-bbox="1081 1185 1776 1257">One Scoping meeting with agreed notes from the meeting</p> |

| Activity | Current Fee £ (2019/20) | Comments |
|-------------|--|---|
| | £1800 (£1320 if it follows a scoping meeting). Or a specific PPA. | Full pre-app – two meetings plus a written response. If more than two meetings are required the pre-app will be the subject of a specific PPA. |
| | <p data-bbox="891 667 965 695">£720</p> <p data-bbox="835 922 1021 951">Specific PPA</p> | <p data-bbox="1081 592 1787 770">Large Majors (31 or over dwellings or Non-Residential floor space over 500sqm or a site area over 2 Ha all renewable energy proposals unless a domestic scale and all development that requires an EIA)</p> <p data-bbox="1081 815 1778 882">One Scoping meeting with agreed notes from the meeting</p> <p data-bbox="1081 927 1256 956">Full Pre-app</p> |
| Exemptions: | No Charge | 100% Affordable Housing schemes |
| | No Charge | Facilities for the disabled |
| | No Charge | Parish/Town Council |

| Activity | Current Fee £ (2019/20) | Comments |
|------------------------|------------------------------------|--|
| Pre-App Charges Notes: | | Floor space refers to gross external floor space The fee stated are inclusive of VAT For the purposes of pre-app fees flats and holiday accommodation are considered as dwellings. Fees will be the subject of review |

Report to: **West Devon Hub Committee**

Date: **28th January 2020**

Title: **Electric Charging Points Collaboration Agreement**

Portfolio Area: **Assets/Car Parking Cllr Terry Pearce**

Wards Affected: **Which Wards/all**

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

Date next steps can be taken: **5th February 2020**

Author: **Emma Widdicombe** Role: **Senior Specialist**

Contact: **01803 861367 Emma.Widdicombe@swdevon.gov.uk**

Recommendations: that the Hub Committee agrees:

1. That the Council signs up to the collaboration agreement with Devon County Council for the installation of Electric Vehicle Charging Points
2. That the potential sites where the Electric Vehicle Charging Point should be installed are as listed in paragraph 1.3 below
3. To enter into a lease with the appointed supplier for a 10 year period.
4. Funding for the charging points is obtained from the Car Park Maintenance Reserve

1. Executive summary

- 1.1 West Devon Borough Council has joined the Devon Low carbon Energy and Transport Technology Innovator (DELETTI) project which is a partnership with other local authorities and being led by Devon County Council to install electric vehicle charging points (EVCP) in the Council owned car parks set out in paragraph 1.3 below.
- 1.2 Funding for the project has been received from the European Development Fund subject to match funding from the Council.

1.3 As a result of the DELETTI project, electric charging points will be installed in the following car parks in phase one subject to the necessary surveys being carried out:

- Tavistock – Bedford car park
- Okehampton – Mill Road car park

There is a further potential to consider additional car parks in phase two which could be:

- Chagford car park, Chagford
- Hatherleigh car park, Hatherleigh
- Market Street car park, Okehampton
- Abbey car park, Tavistock

1.4 This reports seeks Members agreement to sign up to the collaboration agreement which is a legally binding commitment to proceed with the Devon County Council led procurement with an obligation to lease for 10 years the car parking spaces to the appointed supplier, but does not restrict our ability to charge parking fees for those spaces.

2. Background

2.1 The DELETTI project aims to accelerate the uptake of Ultra Low Emission Vehicles (ULEV) through providing additional and improved charging infrastructure and funding for integrating ULEVs into vehicle fleets in the Devon area. The project will also demonstrate the use of solar carports and energy storage to deliver a low carbon ULEV charging point infrastructure and stimulate further decarbonisation of the electricity grid.

2.2 Funding has been received by Devon County Council from the European Regional Development Fund (ERDF) on a match funding basis. £8,000 match funding has been allocated for this project and will be used from the car parks maintenance reserve.

2.3 The procurement process will look to deliver:

- 22kW> dual charge points per allocated car park
- High levels of interoperability (no membership fee and payments using contactless technology)
- All design, build, operational and maintenance costs covered by the contractor for the period of the lease (this includes any grid charges or on-going electricity supply)
- Potential for rental income from the contractor (although this will be subject to negotiation, and part of the tendering undertaken by DCC)
- Establishment of a framework by which the Council can make further fully compliant installations at a later date.

2.4 The Off Street Parking Places Order has already been amended to take into consideration the use of EVCPs in car parks.

3. Outcomes/outputs

3.1 As a result of the collaboration agreement being signed, Devon County Council will lead the procurement with an obligation to lease the car parking spaces to the appointed supplier.

- 3.2 Tenders will be invited to supply, install and maintain the EV charging points on a lease of the sites for 10 years at a nominal rent.
- 3.3 The Council will retain the ability to charge parking fees in the normal way for spaces that become EV charging points.
- 3.4 It is recognised that by supporting the uptake of ultra-low emission vehicles this will have a positive benefit on air quality and will support the Council climate change agenda.
- 3.5 The project is expected to deliver dual charging points per car park as identified in paragraph 1.3.

4. Options available and consideration of risk

- 4.1 It is recognised that being part of the DELETTI project will enable the Borough Council to take this initial step to install EVCPs with support from partners, and will ensure that there is consistency in the provision of EVCPs across Devon.
- 4.2 In addition, the resulting cost of installation is only £4,000 per car park, due to the matched grant funding that the project group has been successful in obtaining.
- 4.3 The DELETTI project installations are due to be completed in 2022, although final installation dates have yet to be finalised.

5. Proposed Way Forward

- 5.1 Once the DELETTI EVCP project has been completed, officers will monitor the use of the charging points and, where necessary, will make further recommendations for additional points in line with demand.
- 5.2 However, Members should be aware that the infrastructure required for the installation of EVCPs can be extremely costly with some costs varying depending on the scale and location (can be up to £2m). This would be reviewed on a case by case basis following the installation of phase 1 and 2 sites pending a business case and funding being available

6. Implications

| Implications | Relevant to proposals Y/N | Details and proposed measures to address |
|------------------|---------------------------|---|
| Legal/Governance | y | <p>The Council’s Off-Street Parking Places Order has already been amended to take into consideration the use of EVCPs in car parks.</p> <p>Leases will be granted for chargers installed as part of the DELETTI project</p> <p>Tenders will be invited in accordance to Devon County Council Contract Procedure Rules, which is compliant with our own procurements requirements.</p> |

| | | |
|--|---|--|
| Financial implications to include reference to value for money | y | A small rental income stream is anticipated but yet to be negotiated from the electric charge point providers in respect of the DELETTI project. Match funding of £8000 will be obtained from the car parks maintenance reserve. |
| Risk | | The option to do nothing will not deliver the electric charging points which goes against the council's climate change agenda. As technology advances there may not be sufficient charging points provided. Reputational risk should the charging points not be delivered within the project timescale. By not entering the collaboration agreement and the joint procurement exercise the Council may not achieve best value |
| Supporting Corporate Strategy | | Council Environment Wellbeing |
| Climate Change - Carbon / Biodiversity Impact | | Clear positive impacts in respect of the reduction of air pollution, carbon reduction and climate change |
| Comprehensive Impact Assessment Implications | | |
| Equality and Diversity | | none |
| Safeguarding | | none |
| Community Safety, Crime and Disorder | | none |
| Health, Safety and Wellbeing | | None |
| Other implications | | none |

Supporting Information

Appendices:

None

Background Papers:

None

Approval and clearance of report

| Process checklist | Completed |
|---|------------------|
| Portfolio Holder briefed/sign off | Yes |
| SLT Rep briefed/sign off | Yes |
| Relevant Heads of Practice sign off (draft) | Yes |
| Data protection issues considered | Yes |
| Accessibility checked | Yes |

This page is intentionally left blank

Agenda Item 16

At a Meeting of the **OVERVIEW & SCRUTINY COMMITTEE** held at the Council Chamber, Council Offices, Kilworthy Park, Drake Road, **TAVISTOCK** on **TUESDAY** the **14th** day of **JANUARY 2020** at **2.00 pm**.

Present:

Cllr M Ewings – Chairman
Cllr P Kimber – Vice Chairman

| | |
|------------------|------------------|
| Cllr K Ball | Cllr T Bolton |
| Cllr A Coulson | Cllr L Daniel |
| Cllr N Heyworth | Cllr D Moyse |
| Cllr R Musgrave | Cllr B Ratcliffe |
| Cllr P Ridgers | Cllr T Southcott |
| Cllr J Spettigue | Cllr L Wood |

Chief Executive
Deputy Chief Executive
Senior Specialist – Democratic Services
Devon County Council (DCC) representatives
and lead DCC Cabinet Member for Rail
Head of Place Making Practice
Section 151 Officer
Specialist – Community Safety, Safeguarding
and Partnerships
Specialist (Leisure) Assets

Also in Attendance:

Cllrs R Cheadle, P Crozier, C Edmonds, S Hipsey, N Jory, T Leech, J Moody, C Mott, T Pearce, D Sellis, P Vachon and J Yelland

- *O&S 64 APOLOGIES FOR ABSENCE**
Apologies for absence for this meeting were received from Cllr C Kemp.
- *O&S 65 CONFIRMATION OF MINUTES**
The minutes of the Meeting of the Overview and Scrutiny Committee held on 19 November 2019 were confirmed and signed by the Chairman as a true and correct record.
- *O&S 66 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 these were recorded as follows:-
- Cllr K Ball declared a personal interest in agenda item 7: 'A386/Rail Project' (Minute *O&S 68 below refers) by virtue of being:
- the Chairman of the Devon and Exeter Rail Forum;

- the Vice-Chairman of the Okehampton Rail Forum; and
- a fellow Devon County Council Conservative Group Member as the presenting lead Cabinet Member.

and remained in the meeting and took part in the discussion on this agenda item.

***O&S 67 PUBLIC FORUM**

The Chairman informed that one formal request had been received in accordance with the Overview and Scrutiny Procedure Rules from Mr Brian Lamb. At this point, Mr Lamb read the following statement to the Committee:

"I have some rail knowledge having been a member of the Devon & Cornwall Rail Partnership for 20 years and I have also assisted members of Devon County Council Rail Planning Team. It is fortunate that the County Council have expended vast sums on land purchases, environmental assessments and engineering surveys for the Tavistock line. Consequently it has been ready since 2016 to go forward for a Development Consent Order.

It is most encouraging that a National window appears to be opening with the Treasury £4.2 billion being allocated for the local public transport fund; a small part of which should support the reopening of the Tavistock and Okehampton Rail Lines.

However, this has to be supported by a business case, using the strength of Rail against car transport; the Tavistock draft timetables show journey times of under 30 minutes and this will bring in travellers to the new Dockyard Marine development and University (with about 22,500 students and staff,) it will still require bus connections at each end for other destinations. It will also have a huge influence on tourism in Tavistock in a similar way to the reopening of the Border Railway.

The cost has increased but it still compares with other rail schemes in the UK. For example, it will cost £30 million to repair two miles of embankment at Piddington, east of Bicester. Whether we need a track at the highest standard has been questioned, as has the expensive GRIP process of Network Rail, which can escalate costs.

I find it difficult to understand the track proposal, of a layer of tarmac, will take cycles and electric buses. It would have to be rebuilt to road standards, which are more expensive than rail and you will still have to rebuild two bridges, Tavistock platforms and modify Bere Alston Station with the new farm road that has been planned.

Changing vehicles at Bere Alston immediately loses all rail advantage. However, Light Rail or even use of the new 'D' trains (at half the normal cost should be investigated.) Remember the franchise document of GWR requires them to supply trains for both of our lines. It also means the use of local rail workshops with local replacements for vehicles out of action.

Madam Chair I am asking that you and your committee lead the Council, and the County Council, together with the Chamber of Commerce and aided by our M.P. who is already supporting both schemes, in a massive lobby to the DFT for allocation of the capital monies to the South West for our schemes. Otherwise traffic congestion, health along the A386 corridor and pollution of our towns will require far more drastic steps in the future.

In conclusion, 'we want our money and TAP27 is our slogan.'

During the ensuing discussion, reference was made to:-

- alternative fuel sources (e.g. hydrogen and battery power) being investigated by the rail industry; and
- 'TAP27' standing for 'Tavistock to Plymouth in 27 minutes'.

***O&S 68 DRAFT HUB COMMITTEE FORWARD PLAN**

It was noted that no prior requests had been received for updates on any future Hub Committee agenda items at this meeting.

Nonetheless, officers proceeded to provide the following updates:

- (a) It was intended that the Homelessness Strategy would be added to the Plan for consideration by the Hub Committee at its meeting on 9 June 2020; and
- (b) The Wellbeing Strategy agenda item was to be deferred to the Hub Committee meeting on 21 April 2020 to enable for an all Member Workshop to be held before the draft Strategy was then formally presented to the Committee.

***O&S 69 A386 / RAIL PROJECT**

In light of the Committee decision at its meeting on 8 October 2019 (Minute *O&S 41 refers), Cllr Andrea Davis (Devon County Council (DCC) lead Cabinet Member for Rail) and lead DCC officers were in attendance to respond to Member questions on the A386 / Rail Project.

The Chairman welcomed the DCC representatives and advised that, in response to her request, 18 questions had been received in advance of this meeting (as attached at Appendix A to these minutes).

In responding to each of these questions, the DCC representatives made particular reference to:-

- (a) approximately 90% of the proposed rail line currently being within the ownership of DCC. However, there were a number of challenges associated with acquiring the remaining 10%;
- (b) a copy of a paper entitled: '*Tavistock Rail Reinstatement – Summary of Cost Estimate from Options Report July 2016*' was circulated to the meeting. In considering this paper, the Committee was informed that Central Government normally sought between 10% and 20% of the total project costs from local contributions, which would require between £15 and 20 million to be generated locally towards the delivery of this project;
- (c) the escalating costs. The Committee was informed that, the greater the level of discussions that had taken place between DCC and the rail industry, the more complicated it was proving to be to re-establish the Tavistock to Bere Alston rail link. For example, the routes to Bere Alston and Gunnislake were proving to be particularly difficult;
- (d) the 'Beeching Reversal Fund'. DCC representatives confirmed that they were intending to submit a Bid (once the guidance had been produced) to the 'Beeching Reversal Fund' that had been created by the Department of Transport. Members proceeded to pledge their support to help with the submission of this Bid. By way of caution, the Committee acknowledged that the £500 million fund was likely to be oversubscribed and, whilst this rail line was the top priority for DCC from this fund, there were still no guarantees that the Bid would be successful;
- (e) a potential cycle route between Yelverton and Roborough. The DCC representatives recognised that this was a good idea. However, DCC had virtually no funding for such schemes and its priorities were to ensure the completion of the current list (which this route was not part of). Some Members stressed both the importance of providing routes for 'commuter' cyclists (rather than just 'hobby' cyclists) and the dangerous nature of the A386. The representatives recognised these views and highlighted that there were potential alternative options available through the use of Section 106 funds and/or progressing dialogue with Plymouth City Council (in light of the potential health and wellbeing benefits to the residents of Plymouth). In addition, since cycle routes were not within her portfolio area of responsibility, the lead Member gave a commitment to brief her relevant DCC Cabinet colleague;
- (f) relationships between DCC and the rail industry. The lead Member expressed the view that working relationships with the industry had significantly improved in the last year;

- (g) the resilience of the existing Dawlish to Teignmouth rail line being undoubtedly the Central Government priority for the South West region. The lead Member supported this priority and stated that the area could not find itself in a situation again whereby Plymouth and Cornwall were completely cut off. It was noted that a consultation exercise was due to be launched on new proposals before the end of January 2020;
- (h) the Okehampton to Exeter rail line. Members were informed that discussions were ongoing with DCC legal officers with regard to the lease to British American Railways.

At this point, the Chairman invited any further questions from Members and the following discussions ensued:

- (i) the extent of development in Tavistock. Some Members reinforced the point that the residents of Tavistock had been led to believe that the extensive development in the town would result in consequent improvements to local infrastructure;
- (j) both DCC and Borough Council Members and officers were committed to working closely together and it was recognised that both organisations had recently declared Climate Change Emergency declarations.

In conclusion, the Chairman thanked the DCC representatives for their attendance and informative responses to the questions that had been raised.

O&S 70 REVENUE BUDGET PROPOSALS 2020/21

The Committee considered a report that sought consideration of the draft Revenue Budget proposals for 2020/21.

During the ensuing debate, the following points were raised:-

- (a) It was confirmed that the proposal to recruit a temporary Climate Change Policy Officer would be on a shared (50/50 basis) with South Hams District Council;
- (b) In respect of the modelling work that was to be undertaken on car parking fees, it was confirmed that the Council would consult with its key stakeholders as part of this process. Also, the Leader advised that it was intended that this modelling would look at sites on a place by place basis;
- (c) With regard to the proposed Economy post, officers advised that it was intended that one of the key roles of the postholder would be to write and submit bids in order to obtain external grant funding;

- (d) When questioned, officers gave an assurance that they would continue to lobby Central Government in order to ensure that legislation was changed whereby business rates were no longer payable on public conveniences;
- (e) Members were informed that the result of the 2019 Pension Actuarial Valuation would also be considered by the Audit Committee at its meeting on 21 January 2020;
- (f) The Committee discussed the proposal to introduce a premium planning service and, whilst the intention of the initiative was recognised, the majority of Members did not feel it appropriate to introduce it at this present time;
- (g) Before the Council made a final decision to implement a pricing scheme for the use of the Electric Charging Points that were situated at Kilworthy Park, Tavistock, the Committee requested that the current usage of these Points be established. Also, Members asked that an answer be provided as to whether or not the current Points would need to be replaced in order to be able to charge users.

It was then:

RESOLVED

That, as part of the 2020/21 Budget Setting process, the Hub Committee take into account that the Overview and Scrutiny Committee support:

1. the proposed increase in Council Tax for 2020/21 of £5 (Band D of £236.63 for 2020/21 – an increase of 10 pence per week or £5 per year – equates to a 2.16% increase);
2. the proposed financial pressures of £638,500 (as shown in Appendix A of the presented agenda report);
3. the proposed contributions to Earmarked Reserves of £87,500;
4. the proposed savings of £535,000 (as shown in Appendix A of the presented agenda report);
5. the proposed use of £200,000 of New Homes Bonus funding to fund the 2020/21 Revenue Budget (as set out in Section 2.20 of the presented agenda report);
6. the proposal to maintain the deficit recovery period of the Pension Deficit at 17 years (as per Section 2.26 of the presented agenda report);
7. the inclusion of an Economy post (to be shared with South Hams District Council) within the staffing establishment, as set out in Section 1.7 of the presented agenda report;

8. approval of the proposed Environmental Health Charges (as set out in Appendix D of the presented agenda report);
9. approval of the proposed unchanged fees and charges for Development Management (as set out in Appendix C of the presented agenda report);
10. charges being introduced for the use of the existing Electric Charging points at Kilworthy Park, Tavistock;
11. charges being introduced (with immediate effect following the Council meeting to be held on 18 February 2020) for 'Proof of Life' charges to be introduced in accordance with section 5.13 of the presented agenda report;
12. approval of changes to S257 Footpath Diversion Orders charges (with immediate effect following the Council meeting to be held on 18 February 2020) in accordance with section 5.14 of the presented agenda report;
13. approval be given to the proposals to increase charges to Town and Parish Councils for the emptying of dog waste and litter bins (as set out in paragraph 5.15 of the presented agenda report); and
14. delegating authority to the Section 151 Officer, in consultation with the lead Hub Committee Member, to set the Local Land Charges as appropriate to ensure cost recovery.

***O&S 71**

CAPITAL BUDGET PROPOSALS 2020/21

Members considered a report that set out the Capital Bids to the 2020/21 Capital Programme and a suggested way that these Bids could be funded.

Following a brief discussion on the moveable swimming pool floor at Parklands Leisure Centre, it was then:

RESOLVED

That, as part of the 2020/21 Budget Setting process, the Hub Committee take into account that the Overview and Scrutiny Committee support approval of:

1. the Capital Programme Proposals totalling £910,000 (as set out in Appendix A of the presented agenda report);
2. the Capital Programme Proposals totalling £140,000 (as set out in exempt Appendix C of the presented agenda report); and
3. the proposed funding of the 2020/21 Capital Programme of £1,050,000 be funded as set out in Section 4 of the presented agenda report.

***O&S 72 SAFEGUARDING – ANNUAL UPDATE**

The Committee considered the annual review of Safeguarding and that recommended approval of the revised Safeguarding Policy.

In the ensuing debate, an additional recommendation was **PROPOSED** and **SECONDED** to read as follows:-

‘That the Member Development Steering Group be tasked with adding a Safeguarding related Member training session to the Learning and Development Plan and consider the merits of whether or not Members should be subject to DBS Checks.’

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

It was then:

RESOLVED

1. That the Committee continue to review Safeguarding on an annual basis;
2. That the Hub Committee **RECOMMEND** to Council that the revised Safeguarding Policy (as attached at Appendix A of the presented agenda report) be adopted; and
3. That the Member Development Steering Group be tasked with adding a Safeguarding related Member training session to the Learning and Development Plan and consider the merits of whether or not Members should be subject to DBS Checks.

***O&S 73 MEMBER 2019 INDUCTION REVIEW**

The Committee considered a report that presented the initial views of the Member Development Steering Group on the review into the 2019 Induction Programme.

In discussion, the following points were raised:-

- (a) In support of the proposed way forward, the Chairman of the Steering Group advised that the next meeting had been scheduled to take place on 18 February 2020 and there was still time for Members to provide their views on the 2019 Member Induction Programme;
- (b) In thanking lead officers for their work on the Member Learning and Development agenda, Members were of the view that the 2019 Induction Programme was a vast improvement on the equivalent Programme in 2015.

It was then:

RESOLVED

That the Committee notes the initial views of the Member Development Steering Group on the 2019 Member Induction Programme (as set out in Section 3 of the presented agenda report) and has been given the opportunity to make formal representations on the Programme for the Steering Group to consider at its next meeting.

***O&S 74 JOINT LOCAL PLAN: QUARTERLY UPDATE**

On behalf of the lead Hub Committee Member, the Chairman made reference to a number of key documents that were currently subject to a public consultation exercise.

***O&S 75 TASK AND FINISH GROUP UPDATES:**

(a) Leisure Review: Concluding Report

A report was considered that presented the conclusions of the Task and Finish Group review into the Council's Leisure Contract with Fusion Lifestyle.

In discussion, reference was made to:-

- (a) the work of the Group Members. The Committee paid tribute to the Group Chairman and Members for their hard work and efforts in undertaking such an excellent review. Furthermore, thanks were also extended to the lead officer and the Fusion Lifestyle staff who had been instrumental in the review;
- (b) the recommendations arising from the Review. The Committee endorsed each of the recommendations arising from the Review and felt that it was very important for these findings to be forwarded to Fusion Lifestyle representatives before they gave their annual presentation to the Committee on 25 February 2020;
- (c) the wish to re-convene the Task and Finish Group in a further three years' time was noted;
- (d) community engagement levels. In reply to a question, the lead officer advised that community engagement levels were on an annual upward trend and this point had been reinforced by the Fusion Lifestyle Community Development Team during the Review.

It was then:

RESOLVED

That the conclusions arising from the review be noted and the Committee request that these findings be forwarded to Fusion Lifestyle representatives in advance of their presentation to the Committee at its next meeting on 25 February 2020.

***O&S 76 ANNUAL WORK PROGRAMME 2019/20**

The Committee considered the latest version of its Work Programme for the remainder of the 2019/20 Municipal Year.

In discussion, the Committee asked that, with regard to the 'Planning Enforcement: Verbal Update' agenda item that was to be considered at its next meeting on 25 February 2020, all Members take a Borough wide view of the Service and refrain from focusing on issues within their own local Wards.

***O&S 77 CHAIRMAN'S CONCLUDING REMARKS**

In her concluding comments, the Chairman asked that the thanks and well wishes of the Committee be passed on to the Democratic Services Specialist, who was about to embark on a twelve month secondment opportunity with the Local Government Association.

(The meeting terminated at 4.25 pm)

Chairman

Overview & Scrutiny Committee: Agenda Item 7: A386/Rail Project (Minute *O&S 69 above refers)

Questions received in advance for the Devon County Council lead Cabinet Member for Infrastructure, Development and Waste

Questions from Cllr Ric Cheadle:

1. Which parts of the proposed route of the rail link are not in public ownership and what is being done to acquire those that are not?
2. How much funding is DCC prepared to commit towards the project (amount / in which years)?
3. Could we have a summary, of the anticipated £93 million costs, estimating where the funding would come from. What would be WDBC's / DCC's 'share'?
4. If the DCC proposed bid for infrastructure funding is not successful, what are DCC's fall-back options?
5. Where, in terms of infrastructure priorities, does the restoration of this rail link sit?
6. Whose responsibility is it to provide the strategic infrastructure required to match development?

Question from Cllr Lucy Wood:

Context:

The A386 from Yelverton to Roborough is becoming increasingly dangerous for cars and cyclists due to the increase in volume of traffic particularly commuters on their way into Plymouth.

I am aware that we are waiting for a feasibility study to be carried out into having a cycle track built alongside the A386 prior to committing to the circa £2M it will cost to build.

7. Can this feasibility study be prioritised by DCC to ease traffic on this route?

(This potential solution is supported by Sustrans, a 3000+ signature public petition and by Geoffrey Cox MP. This solution would fit under our Green agenda by reducing pollution and reliance on cars, it will increase health and wellbeing, reduce accidents and strain on the NHS and help us to build a strong resilient community with fewer health needs.)

Questions from Cllr Robin Musgrave:

8. Could we be given some understanding as to how the initial cost estimates were so absurdly low given the latest estimated costs of £80 plus millions to re-establish the Tavistock / Bere Alston rail link?
9. Have we learned any lessons from this exercise given the likely significant loss of credibility that will likely occur with any future proposals for use of the track-bed?
10. Over previous years, the County has invested significant money in providing access to the track-bed for potential use by walkers and cyclists alike. Will the County be prepared to complete this work to provide a very practical cycle link between Tavistock and the Bere Peninsula – with the additional benefit of linking up to the Tamar Trails and the Gawton Gravity Hub?

Question from Cllr James Spettigue

Context:

As climate change has come sharply in to focus it is becoming clear that the problems we are facing today are likely to worsen in the coming decades.

Repair of the Dawlish line last time I believe cost in the region of £1.4 Billion and now network rail plans to concrete over a portion of the beach at Holcombe at a cost of £80 Million, which I believe does not take in to account other improvements the line requires. Rain fall and stormy weather conditions are on the increase and there are nobody knows if this newest improvement would provide a definitive answer to the problem, in my opinion, it does not. It does not resolve the issue of the lines proximity to the ocean at a time when, increasingly, our planets weather is unpredictable and in some cases unprecedented.

The cost of shoring up the Holcombe stretch of track may be lower than an alternative route but who can tell how much the next repair or the one after that may cost, I believe a longer term view is required by network rail to mitigate this risk.

11. What is YOUR view on network rails decision to undertake these works and continue to focus its priority on maintaining the Dawlish line instead of a plan to create an inland alternative heavy rail route which although being of a higher cost, is far less likely to incur Climate change and severe weather related damage and would give long term economic benefits to this region which desperately needs them?"

Questions from Cllr Andy Coulson

Context:

DCC made representations to the 3rd September O&S Committee to present the DCC position regarding the reinstatement of the Bere- Alston – Tavistock Rail Link. ([link here to minute](#))

During that session, reference was made to the cost inflation of the project between the period that new housing developments within Tavistock were proposed and now. At the time that the developments were proposed the public were reassured that the S106 money from these developments would mitigate the effects of increased population by part funding the reinstatement of the rail link. At that time costs for this project were cited as in the region of £17 million, thus feasible given the amounts of S106 on offer.

Since then we have been repeatedly told that these costs have risen to circa £93 million (as at 3rd Sep) with no further explanation. Even taking into account inflation, rises in steel costs etc this is an exceptional rise in costs. The concern of many in our communities is that given the lack of any substance behind these increases in cost that perhaps they have simply been inflated as to rule out any further discussion or lobbying on the matter. It is becoming increasingly difficult when dealing with our communities to reassure them that this isn't the case, especially when local members aren't armed with the facts.

12. Given that the scale of development in Tavistock and surrounds was predicated on provision of a sustainable strategic transport link, what are the changes in material circumstances that have brought about the rise in inflation?
13. Where is the detailed breakdown of costs as asked for via email by colleagues prior to 3 Sept O&S Committee; as promised by DCC Officers during said Cttee and since chased by myself (email dated 21 Sept)? This lack of response and transparency has done little to dispel negative public opinion (as above), much of which has for some time been of the view that the rail link was never likely and was purely a ruse to persuade Members at the time to agree development (please see Para 26(a) of 3 Sept O&S Cttee Minutes).
14. It was stated by DCC representatives at 3 Sept O&S Cttee that at the time, there was no Central Govt appetite to consider an overland alternative to the Dawlish line and therefore no active lobbying of Central Govt by DCC. Since the General Election, the Government has stated its ambition to address historical regional imbalances in infrastructure, particularly in the North as well as announcing a 'Beeching Reversal Fund' to reinstate railways. In light of this change of strategic context, what is the proposed DCC course of action? Can the representative reassure both WDBC and the public that the previous policy will be revisited and a more vigorous approach adopted?

Questions from Cllr Tony Leech

Context:

There are now concerns about what is happening with the rail line from Okehampton to Exeter as the Americans (British American Railways BAR) are now advertising that they want to sell off all their assets, which may or may not include the lease for the line from Aggregate Industries, and the lease for the Station from Devon County Council (DCC).

15. What is DCC doing to facilitate this lines reinstatement?

16. As the lease of the line is absolutely crucial to the reinstatement of a full-time rail service, which is also part of the DCC Transport Plan, what discussions have DCC had with Aggregates Industries over the years about the transfer of the lease for the railway line?
17. The main railway station belongs to DCC and is leased to BAR. What is happening to this lease, and can the lease be sold off and, if not, will DCC take it back?
18. Would DCC be open to talks with local interested parties about taking over the Station as a lease or as an asset transfer?