

South Hams Council



Title:	Agenda																																													
Date:	Thursday, 25th July, 2019																																													
Time:	2.00 pm																																													
Venue:	Council Chamber - Follaton House																																													
Full Members:	<p style="text-align: center;">Chairman Cllr Rowe Vice Chairman Cllr Foss</p> <p><i>Members:</i></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Cllr Abbott</td> <td style="width: 33%;">Cllr May</td> <td style="width: 33%;"></td> </tr> <tr> <td>Cllr Austen</td> <td>Cllr McKay</td> <td></td> </tr> <tr> <td>Cllr Baldry</td> <td>Cllr O'Callaghan</td> <td></td> </tr> <tr> <td>Cllr Bastone</td> <td>Cllr Pannell</td> <td></td> </tr> <tr> <td>Cllr Birch</td> <td>Cllr Pearce</td> <td></td> </tr> <tr> <td>Cllr Brazil</td> <td>Cllr Pennington</td> <td></td> </tr> <tr> <td>Cllr Brown</td> <td>Cllr Pringle</td> <td></td> </tr> <tr> <td>Cllr Chown</td> <td>Cllr Reeve</td> <td></td> </tr> <tr> <td>Cllr Hawkins</td> <td>Cllr Rose</td> <td></td> </tr> <tr> <td>Cllr Hodgson</td> <td>Cllr Smerdon</td> <td></td> </tr> <tr> <td>Cllr Holway</td> <td>Cllr Spencer</td> <td></td> </tr> <tr> <td>Cllr Hopwood</td> <td>Cllr Sweett</td> <td></td> </tr> <tr> <td>Cllr Jackson</td> <td>Cllr Taylor</td> <td></td> </tr> <tr> <td>Cllr Kemp</td> <td>Cllr Thomas</td> <td></td> </tr> <tr> <td>Cllr Long</td> <td></td> <td></td> </tr> </table>	Cllr Abbott	Cllr May		Cllr Austen	Cllr McKay		Cllr Baldry	Cllr O'Callaghan		Cllr Bastone	Cllr Pannell		Cllr Birch	Cllr Pearce		Cllr Brazil	Cllr Pennington		Cllr Brown	Cllr Pringle		Cllr Chown	Cllr Reeve		Cllr Hawkins	Cllr Rose		Cllr Hodgson	Cllr Smerdon		Cllr Holway	Cllr Spencer		Cllr Hopwood	Cllr Sweett		Cllr Jackson	Cllr Taylor		Cllr Kemp	Cllr Thomas		Cllr Long		
Cllr Abbott	Cllr May																																													
Cllr Austen	Cllr McKay																																													
Cllr Baldry	Cllr O'Callaghan																																													
Cllr Bastone	Cllr Pannell																																													
Cllr Birch	Cllr Pearce																																													
Cllr Brazil	Cllr Pennington																																													
Cllr Brown	Cllr Pringle																																													
Cllr Chown	Cllr Reeve																																													
Cllr Hawkins	Cllr Rose																																													
Cllr Hodgson	Cllr Smerdon																																													
Cllr Holway	Cllr Spencer																																													
Cllr Hopwood	Cllr Sweett																																													
Cllr Jackson	Cllr Taylor																																													
Cllr Kemp	Cllr Thomas																																													
Cllr Long																																														
Interests – Declaration and Restriction on Participation:	Members are reminded of their responsibility to declare any disclosable pecuniary interest not entered in the Authority's register or local non pecuniary interest which they have in any item of business on the agenda (subject to the exception for sensitive information) and to leave the meeting prior to discussion and voting on an item in which they have a disclosable pecuniary interest.																																													
Committee administrator:	Member.Services@swdevon.gov.uk																																													

1. Urgent Business

the Chairman to announce if any item not on the agenda should be considered on the basis that he considers it as a matter of urgency;

2. Exempt Information

to consider whether the consideration of any item of business would be likely to disclose exempt information and if so the category of such exempt information;

3. 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;

4. Commercial Investment Strategy

1 - 18

5. SLT Restructure

19 - 56

6. Outside Bodies

57 - 60

7. Reports of Bodies

To receive and as may be necessary approve the minutes and recommendations of the under-mentioned Bodies

* Indicates minutes containing recommendations to Council

(a) Development Management Committee - 22 May 2019

61 - 70

(b) Executive * - 6 June 2019

71 - 84

(c) Overview & Scrutiny Panel - 13 June 2019

85 - 92

(d) Development Management Committee - 19 June 2019

93 - 98

(e) Audit Committee - 20 June 2019

99 - 104

(f) Salcombe Harbour Board - 24 June 2019

105 - 110

(g) Overview & Scrutiny Panel * - 11 July 2019

To follow

(h) Executive * - 18 July 2019

To follow

This page is intentionally left blank

Report to: **Special Council**
Date: **25 July 2019**
Title: **Commercial Investment Strategy**
Portfolio Area: **Strategic Assets – Cllr J Pearce**
Wards Affected: **All**
Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken:

Immediately following this meeting

Author: **Chris Brook** Role: **Head Of Assets Practice**

Contact: **Email: Chris.Brook@swdevon.gov.uk**

RECOMMENDATION

That the Executive RECOMMENDS to Council to approve the Commercial Investment Strategy in Appendix A.

1. Executive summary

- 1.1. The South Hams Commercial Investment Strategy is currently constrained to investment within the authority's area, as it targets investment and enterprise benefits to the District.
- 1.2. Recently the Authority has prioritised tackling Climate Change declaring a Climate Change Emergency and targeting proactive measures to meet these challenges.
- 1.3. Opportunities exist for South Hams to invest, off market, in shovel ready (a construction ready project with all approvals in place including planning approval) renewable energy generation assets (large-scale solar) which will deliver multiple benefits of:
 - attractive investor return
 - directly linked to tackling climate change targets and the authority's low carbon agenda
 - providing a "hedge" against forward energy price rises
 - the opportunity to generate enhanced financial returns in the future from "bolt on" energy storage

- 1.4. The pursuit of such opportunities will require the Authority to relax its geographical investment restriction in this regard as, firstly, it is highly unlikely suitable investments will be identified within the South Hams District and secondly, locality of generation makes no difference as to how the generation and consumption of power is tracked and reported.
- 1.5. The Commercial Investment Strategy has been amended accordingly and is attached at Appendix A.
- 1.6. A version of this report is also to be considered by the Executive at its meeting on 18 July 2019 and views of this meeting will be outlined in the published minutes arising from that meeting.

2. Background

- 2.1. In September 2018, South Hams District Council adopted a Commercial Investment Strategy. This Strategy has four core aims;
 - 2.1.1. To support regeneration and the economic activity of the District
 - 2.1.2. To enhance economic benefit & business rates growth
 - 2.1.3. To assist with the financial sustainability of the Council as an ancillary benefit
 - 2.1.4. To help the Council continue to deliver and/or improve frontline services in line with the Council's adopted strategy & objectives.
- 2.2. This Strategy is devised and adopted specifically to promote Enterprise in the District, a core theme of the Council. The Strategy presents a significant challenge in terms of acquiring identifying suitable investments of sufficient scale which will yield a sufficient return within South Hams.
- 2.3. In May 2019, the Executive approved a report to tackle Climate Change which included the following specific recommendations:
 - The Council declares a Climate Change Emergency
 - An Action Plan be developed that outlines how the Council will address the Emergency, and meet or exceed the targets set by the Intergovernmental Panel on Climate Change (IPCC), including an assessment of the viability of a 2030 target, to be brought to Council for approval within 6 months
 - Continue to work with partners across the county and region to deliver this goal through all relevant strategies and plans

- Report an Action Plan to Full Council within six months outlining how the Council will address the Emergency, and meet or exceed the targets set by the IPCC
- 2.4. In June 2019 UK Government implemented, by statutory instrument, an amendment to the Climate Change Act 2008 committing to net zero emissions by 2050. This legislative change will bring into effect comprehensive recommendations contained in a report published in May 2019 by the UK Committee on Climate Change, "Net Zero, the UK's Contribution to Stop Global Warming".
 - 2.5. The IPCC and UK Committee on Climate Change reports are clear that the generation of renewable energy will need to play a significant part in reaching that target of net zero by 2050. "Net Zero The UK's Contribution to Stopping Climate Change" sets out that not only will the UK's electricity need to go from 50% low carbon sources, to 100%, but due to electrification in other sectors (such as cars), there will be a doubling in the overall electricity requirement.
 - 2.6. In this context, that means the quadrupling of low carbon energy including (but not limited to) solar power, hydropower and windpower.
 - 2.7. As an organisation we consume energy from the national grid, through a supplier the same way as anyone else. Our current approach to our electricity procurement does not give priority to low carbon sourced power ("Green Electricity"). Furthermore, for us as an organisation to have a meaningful impact on our Scope 2 emissions (indirect emissions from things we can directly control) we need to draw our electricity from entirely new low carbon sources (i.e. "additionality"), rather than simply sharing in existing low carbon energy generation currently available.
 - 2.8. It is feasible for low carbon electricity to be generated outside of area, but be bought and consumed in area, to the direct benefit of our district such that the generation source (units of power generated) is tracked and linked to consumption. This can be done through a sleeving arrangement with an energy supplier who will track and report energy generation and consumption through the Renewable Energy Guarantees of Origin (REGO) scheme administered by Ofgem. Consequently, beyond a perception of local investment being a good thing, it makes no difference whether an investment in a renewable energy generation facility is within the district of South Hams or another part of the UK.
 - 2.9. Beyond the Authority's electricity consumption, there would be an opportunity for us to supply "partner organisations" (such as our Leisure Centres) with green power through a White Label supply arrangement.
 - 2.10. Aligning our Commercial Investment Strategy with our Climate Change declaration would allow us to deliver both an attractive investment return as well as directly linking such an

investment to delivering on climate change targets. To do so, we will need to lift our geographic constraint as to where investment can be made as, firstly sizeable renewable energy investments are extremely unlikely within South Hams District and secondly it makes no difference to the way energy is consumed or reported.

3. Prospective Investment Opportunities

- 3.1 The large scale solar market was “kick started” in the UK through renewable energy subsidies (Renewable Obligation Certificates). The sector attracted strong pension fund grade investors due to these investments being low risk with predictable income-streams and operational costs.
- 3.2 In April 2016 Government removed subsidies, recognising over-support of the sector. This has led to a significant slow down in solar development activity. Additionally capacity in the grid network is constrained, limiting opportunities to develop new solar facilities where there is an economic grid connection
- 3.3 The cost of solar panels has significantly reduced which, alongside projected energy cost increases, has meant that it is economically attractive to develop unsubsidised large scale solar. An investment case is particularly attractive to Local Authority Investors, who have access to a low cost and long term borrowing facility through the Public Works Loan Board.
- 3.4 The range of benefits that such investments can bring are:
 - a. An attractive base case investment return starting at ~5.5% per annum and rising steadily to over 10% over the life of a project
 - b. An opportunity to procure electricity used by the Authority from the the facility which can provide a “hedge” against forward energy price increases.
 - c. A major contribution towards meeting South Hams’ carbon reduction strategy.
 - d. Innovation in energy storage technology, integrated with smart grid management, providing an opportunity to bolt on battery storage to enhance the base case economic return at a future time.
 - e. Links to South Hams potential rollout of electric vehicle charge points.
 - f. A “liquid” investment asset

4. Specific Options available and consideration of risk

- 4.1 Subject to the revised Strategy in Appendix A, South Hams will be able to take advantage of existing off market opportunities in the sector which do not exist within the District.

- 4.2 For the avoidance of doubt, the change to the strategy to widen the geographic area of investment is ONLY for the purposes of investment in Renewable Energy, no other sectors.
- 4.3 This presents a direct opportunity to realise the benefits set out in Section 3.
- 4.4 The risks associated with investment in Solar PV are well understood as the technology is proven. The panels themselves are warrantied for 30 years (the investment life) to not drop below 80% of their original capacity over that time frame. Evidence from the oldest PV panels shows that further degradation is broadly linear, so the panels do actually continue to have a value after 30 years.
- 4.5 The inverter technology used to scale up the power for transmission into the grid has a shorter life expectancy and as a rough rule of thumb, last half as long as panels. A replacement programme and associated cost is built into any business case to mitigate that risk.
- 4.6 Land management and rent are also agreed by contract at the time of investment so are able to be costed accurately into the business case. The "plant operation" is also outsourced and costed.
- 4.7 The remaining and most significant risk of any shovel ready Photovoltaic (PV) investment is therefore the forward energy price by which the investor realises a return.
- 4.8 Forward energy price modelling exists and would be evaluated as part of any proposed investment. Whilst modelling is never a perfect science, there are overarching global factors that all point towards future price rises such as; demand increase, a move away from "cheap and dirty" sources, instability in oil rich areas of the world, the high cost of nuclear energy in the medium term.
- 4.9 In spite of this, it is imperative that any business case uses a conservative energy unit price as part of the initial assessment, so as not to provide any unrealistic bias or expectation.
- 4.10 Any PV investment would be supported by thorough technical and legal due diligence to appropriately interrogate and quantify the risks as part of the decision making process.
- 4.11 It should be noted that where other types of renewable energy investments come forward, the risks and benefits will be considered on a case by case basis utilising the existing scheme of delegation.

5. Proposed Way Forward

- 5.1 That the Council be recommended to approve the proposed revised Commercial Investment Strategy set out in Appendix A.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		Previous advice on the relevant powers and appropriate vehicles for delivering these proposals has been sought from external specialist advisers and legal counsel. Legal counsel opinion has been obtained which sets out the various powers available to the Council, which supports the Council's investment strategy, including the widening of the geographic area of investment as described in Appendix A.
Financial implications to include reference to value for money		Borrowing decisions will be taken prudently in line with the Council's treasury management strategy and by officers within that function. The Council must confirm that the borrowing required is available and is proportional to the Council's financial situation. The Council has approved a borrowing limit of £60 million for the Commercial Investment Strategy.
Risk		The risks associated with this project are set out in section 4.1 of this report.
Supporting Corporate Strategy		Enterprise & Environment
Comprehensive Impact Assessment Implications		
Equality and Diversity		N/A.
Safeguarding		N/A
Community Safety, Crime and Disorder		N/A
Health, Safety and Wellbeing		N/A
Other implications		Positive alignment with meeting UK renewables targets and biodiversity associated with PV sites.

Supporting Information

Appendices:

Appendix A – Commercial Investment Strategy – Tracked Changes shown

Appendix B – Commercial Investment Strategy (clean version with changes accepted)

Background Papers:

None

Appendix A – SHDC Commercial Investment Strategy (tracked changes shown)

This strategy replaces the Council's Commercial Property Strategy which was approved on 27th September 2018. *The tracked changes show the differences/changes from the Strategy approved in September 2018.*

Overall Objectives:

The Council's Commercial Investment strategy has multiple objectives as stated below:

- To support regeneration and the economic activity of the District
- To enhance economic benefit & business rates growth
- To assist with the financial sustainability of the Council as an ancillary benefit
- To help the Council continue to deliver and/or improve frontline services in line with the Council's adopted strategy & objectives.

Desired Outcomes:

The following outcomes are desired by the application of this strategy. Each acquisition or development opportunity will be assessed on its fit with meeting the objectives stated above and should deliver one or more of the following outcomes (benefits):

- ✓ Job creation or safeguarding
- ✓ Health & Wellbeing
- ✓ Town centre regeneration
- ✓ Tourism / Increased footfall
- ✓ Business rate growth
- ✓ Improved asset utilisation
- ✓ [Climate change mitigation](#)
- ✓ A minimum net yield return of 2% is targeted. However, in some circumstances, e.g. where community benefits are likely to be achieved, a lower return may be acceptable.

This strategy will be achieved by acquisitions and developments within the South Hams District. This will include the focussed acquisition of existing commercial property assets and the development of new properties which are to be let to third parties. [The strategy will also consider investments in the renewable energy sector which will not be constrained geographically \(refer to "location" section of this strategy for further detail\).](#)

Risk

- The risks of acquiring property may be mitigated through the acquisition of assets with secure, long income streams, although this risk will be weighed up against the social and economic benefits of acquisitions to support commerce and trade in the District
- Acquisitions are to be made in a careful and controlled manner, with specific analysis of risk criteria carried out in the 'due diligence' stage prior to the completion of each purchase
- The portfolio will be relatively risk-averse, targeting tenants of strong financial standing and minimum unexpired lease terms of four years at the date of acquisition. However, these criteria will be considered on a case by case basis and can be outweighed in order to meet the strategy objectives

Location:

- [Wherever opportunities arise within the District, in order to acquire or develop good properties which achieve some or all of the Council's multiple objectives and desired outcomes as stated above and are deemed as an acceptable risk.](#)

- [Where investments in renewable energy are considered, the geographical constraint will not apply. Instead a relative preference of location shall be used, as follows: Within area > Devon Business Rates Pool Area > LEP Area > South West Peninsula > Rest of UK*](#)
- [* The UK wide investment area would only be considered subject to further legal advice, but it is included as this strategy recognises that as a result of the national grid, geography is not a barrier to investing in renewable energy for the district.](#)

Formatted: Indent: Left: 0.5 cm, No bullets or numbering

Tenant mix:

- Where possible, a mix of tenants will be sought to create a balanced portfolio
- The final decision over the appropriateness of any tenant would be reviewed at the time of acquisition
- SHDC owns a significant number of commercial units already within the District, mainly smaller units and tenants with relatively low credit ratings. This reflects the historic policy of supporting small start-ups which has proved successful and continues to be. Newer acquisitions are likely to be for larger units which may have single tenant occupancy.

Lease length:

- A minimum 4 years unexpired (mean unexpired term for multi-let properties) is preferable, however this is flexible if it helps achieve the strategy objectives
- For multi-let properties, a mix of lease expiry dates are preferred, thereby limiting void risk (unless the property is purchased with a view to re-development)
- Properties would preferably be let to sound tenants on leases with a preference for 'Full Repairing and Insuring' leases for single occupiers and through internal repair obligations and a service charge for multi-let properties.
- There may be overriding community benefit and/or economic reasons to move away from these criterion and these will be considered on a case by case basis.

For all of the above:

The final decision over the definition of "good", "secure", "strong", "long", "careful", "controlled", "acceptable", "balanced" and "risk-averse" will be agreed between the property acquisition advisers (including legal due diligence) and the ~~Officers~~ ~~individuals~~ delegated with the responsibility to conclude the acquisition of the properties. This discretion will be based on both the risk to the capital value of the asset and its' fit with the strategy objectives.

Yield:

- The Council will only acquire properties where the running cost does not require Council subsidy. Per acquisition, a target minimum net yield (an ancillary benefit) of 2.0% is to be sought, after acquisition, management, maintenance, capital repayment and funding costs
- However, the Council may opt to accept a lower net yield return if the community benefits of job creation or safeguarding, tourism, town centre regeneration, business rate growth or effective asset utilisation are deemed more important than a purely financial return

Value & Cost:

- Larger lot sizes are favoured - smaller size properties have disproportionately higher management costs and expose the Council to greater property void risks, but the economic and trade benefits of buying smaller units may outweigh this
- Acquisition costs are forecast not to exceed 7% (Stamp Duty Land Tax (SDLT) / Legal / Agents / Due Diligence). These costs are to be contained within the overall strategy budget

Funding:

- Acquisitions and development initiatives will be funded using predominantly borrowing or any other unallocated or available Council reserve or capital receipt
- This is to be secured on a case by case basis on the most commercially advantageous terms available predominantly through borrowing or any other unallocated or available Council reserve or capital receipt
- [It is envisaged in December 2018, Full Council will need to approve a revised Treasury Management Strategy which would increase the borrowing limits of the Council to £60m \(capped at no more than £30m borrowing before 30th April 2019\), to facilitate implementation of this strategy. Currently borrowing levels are capped at £60m.](#)
- The borrowing term will not exceed the expected remaining life of the property, but the Council wishes to secure borrowing over a maximum 50 year term.
- Capital repayments will seek to repay a minimum of 50% of the capital value of any acquired property or borrowing for property development

Tax Implications:

- Due to the Council holding acquired or developed assets, it is not anticipated that there will be any corporation tax or income tax implications from this strategy
- Some properties may be VAT elected, meaning VAT must be charged to tenants. This will be dealt with on a case by case basis and will be covered by the due diligence connected with that acquisition. The Council is able to charge and recover VAT
- Capital Gains Tax would not apply to assets sold from Council ownership

Exit Strategy:

- The Council is not looking to actively trade commercial property within the first 5 years of ownership of any acquired property, however this is flexible if required to meet this strategy's objectives
- If it is determined that the most prudent action is to sell an individual asset, this will be considered on a case by case basis and will be acted upon in consultation with Executive Members, the S151 officer and the Head of Paid Service
- It is proposed that all properties will be held as Council Assets. This may change if the Council were to set-up a trading company and it was found to be commercially advantageous for such a vehicle to hold the asset
- It is important to note that there would be early repayment charges if borrowing used to acquire [or develop](#) a commercial property ~~was~~ere to be repaid before the end of the loan term. However, Public Works Loan Board (PWLB) lending is not secured against property, so would not inhibit the asset being traded during the loan period. An alternative asset could be purchased (& held) with any sale receipt.

Governance Arrangements:

- Acquisitions and developments must conform to the adopted commercial [property investment](#) strategy. Any deviation from the agreed strategy will require Council approval.
- Before a final decision to proceed with a development or acquisition is made, local ward members will be briefed and be able to share their views with Executive Members.

- Executive Members, along with the Head of Paid Service and S151 officer, will consider each and every proposal on its own merits and specifically how each proposal meets the Council's multiple objectives and desired outcomes.
- Executive Members will consider proportionality on a case by case basis for each acquisition as part of the decision making process, with information provided to them and the s151 officer, the Head of Paid Service and the Leader of the Council.
- Officers, working with their specialist advisors in the market will sift opportunities and only present to Executive Members, opportunities that closely meet the Strategy. They will then lead the Executive Members into debate over the specific benefits and risks of each opportunity before the Executive Members make a decision. In this way, risk will be transparent through the process.
- Projects and their outcomes will be kept under constant review by officers and reports to Executive and Audit Committee.

Development on Council Owned Land

- The Council will delegate the authority and decision making function relating to 'Development on Council Owned Land' to the Executive, assuming that the proposed expenditure complies with the Council approved total borrowing limits.
- This delegation is to include the granting of associated leases in excess of 15 years as and when required, as recommended by the Assets CoP Lead, on a project by project basis
- In parallel, the Council's Senior Leadership Team (SLT) are required to approve any development. Any project will be subject to Due Diligence and Legal Searches and occasionally other data as need arises.
- Specialists will be commissioned to act on behalf of the Council to source suitable development and tenant opportunities and manage the due diligence process.
- Officers will provide Members of the Executive with a set of data and an indicative cash flow for each project under investigation. These will aid decision making on whether to proceed or not.

Commercial ~~InvestmentProperty~~ Acquisitions within the South Hams

- The Council will delegate the authority and decision making function relating to 'Commercial ~~InvestmentProperty~~ Acquisitions in the South Hams' to the Head of Paid Service and Section 151 Officer, in consultation with Members of the Executive, assuming that the proposed expenditure complies with the Council approved total borrowing limits.
- In the event of three or more Executive Members expressing their opposition to the proposal, then the matter will proceed no further.
- In parallel, the Council's Senior Leadership Team (SLT) are required to approve any acquisition. Any project will be subject to Due Diligence and Legal Searches and occasionally other data as need arises.
- Assuming the bid remains as per that authorised at the time of sign off, the final sign off prior to exchange and payment of deposit (typically 10%) is made by the S151 officer and Head of Paid Service. If anything has changed, the Executive Members will need to vote again in order to proceed.
- This process of delegated authority is required because there is often very little time (a number of days) to secure a bid on a property, especially if it is off market. Off market bids avoid price inflation caused by competing bidders.

- The Executive Members have been made aware that they will be required to process and respond to information similar to that in Appendix B in a very quick timeframe (minimum two working days) so as to provide their decision. They may also be asked to attend meetings on similarly short notice. These meetings may be held virtually to expedite decision making.
- When South Hams District Council acquire a Commercial [InvestmentProperty](#) in line with this strategy, a report will be presented (for noting purposes) to the subsequent meeting of the Executive.

Running / Review

- If the management of acquired or developed assets cannot be managed in-house by existing resources, it will be outsourced to property professionals.
- The cost of this management is to be deducted before calculating the net yield.
- The Executive will receive regular reporting to confirm portfolio composition and performance. Regular portfolio performance reporting will be presented to Audit Committee as required.

Disposal

- Once acquired, decisions relating to the ownership of any acquired or developed properties will be dealt with in-line with the Council’s constituted scheme of delegation.
- Disposal will be considered if the portfolio breaches the approved strategy. Decisions to be made in consultation with Executive Members, the S151 officer and the Head of Paid Service.

Resources:

- The work to filter, appraise and recommend investment and development opportunities will be undertaken within the Assets CoP. This will be supplemented by specific consultant advice as required and associated costs built into the business case for each project.
- The Assets CoP has strong relationships with a number of local and national consultants who will be required to support the projects. Examples of this include (but are not limited to): CCD Properties (development specialists), Arcadis (building technical due diligence), Womble Bond Dickinson (legal due diligence) and Savills (commercial property investment advice).

Risk assessment and due diligence

The Authority assesses the risk of loss before entering into and whilst holding property investments/property opportunities by carrying out appropriate due diligence checks and implementing mitigation measures in managing risk:

- The tenants need to be of good financial standing (this is assessed using Dun & Bradstreet credit rating reports and annual accounts). The number of tenants e.g. sole tenant or multi tenanted will be assessed.
- The property condition such as date of construction and any imminent or significant refurbishment or modernisation requirements (forecast capital expenditure).
- How the property investment meets the Council’s multiple objectives as set out in the Council’s strategy e.g. economic regeneration, business growth.
- The lease must meet certain standards, such as being in a commercial popular location and have a number of years left on the lease providing a certain and

Formatted: Normal, No bullets or numbering

Formatted: Font: Bold

Formatted: Space After: 6 pt, No bullets or numbering

Formatted: Underline

contractually secure rental income stream into the future. Any break clauses will be assessed along with the number of unexpired years, bank guarantees and rent reviews.

- The location will be within the South Hams District Council's boundary as set out in the Commercial Investment Strategy (apart from renewable energy investment which may have a wider geographic spread). The population of the catchment area, the economic vibrancy and known or anticipated market demand as well as proximity to travel infrastructure and other similar properties will be assessed.
- Rental income paid by the tenant must exceed the cost of repaying the borrowed money from the Public Works Loan Board (which is itself funded by the Government). The surplus is then an ancillary benefit which supports the Council's budget position and enables the Council to continue to provide services for local people.
- The gross and net yield are assessed against the Council's criteria.
- The prevailing interest rates for borrowing at the time.
- Debt proportionality considerations.
- The life and condition of the property is assessed by a valuer and the borrowing is taken out over the life of the asset. The amount of management and maintenance charges are assessed as well as the ease of in-house management. 10% of all rental income (or an amount as deemed prudent) is put into a Maintenance and Management Reserve to cover any longer-term maintenance issues.
- The potential for property growth in terms of both revenue and capital growth will be assessed.
- The risks are determined by the property sector e.g. office, retail, industrial, associated with specific properties and the mix of sectors within the Council's portfolio.
- Details of acquisition costs e.g. stamp duty land tax, legal costs
- The documented exit strategy for a purchase/new build.
- The legal and technical due diligence checks will also identify any specific problems such as anomalies in the title deed, restrictive use classes, indemnities, local competition, construction or refurbishment requirements.
- The Council engages the use of external advisors to assist in undertaking elements of the due diligence checks such as technical, legal, accounting, property and taxation advice.
- The Council undertakes sensitivity analysis of the interest repayments on its borrowing requirements as a percentage of its available reserves to ensure there is sufficient coverage in the event that rental income is below that forecasted. This ensures that the Council has the available reserves to enable service delivery to be maintained in the short to medium term, whilst alternative solutions are implemented.

Formatted: Not Highlight

Formatted: Normal, No bullets or numbering

Appendix B – SHDC Commercial Investment Strategy (tracked changes accepted – clean version)

This strategy replaces the Council's Commercial Property Strategy which was approved on 27th September 2018. *The tracked changes show the differences/changes from the Strategy approved in September 2018.*

Overall Objectives:

The Council's Commercial Investment strategy has multiple objectives as stated below:

- To support regeneration and the economic activity of the District
- To enhance economic benefit & business rates growth
- To assist with the financial sustainability of the Council as an ancillary benefit
- To help the Council continue to deliver and/or improve frontline services in line with the Council's adopted strategy & objectives.

Desired Outcomes:

The following outcomes are desired by the application of this strategy. Each acquisition or development opportunity will be assessed on its fit with meeting the objectives stated above and should deliver one or more of the following outcomes (benefits):

- ✓ Job creation or safeguarding
- ✓ Health & Wellbeing
- ✓ Town centre regeneration
- ✓ Tourism / Increased footfall
- ✓ Business rate growth
- ✓ Improved asset utilisation
- ✓ Climate change mitigation
- ✓ A minimum net yield return of 2% is targeted. However, in some circumstances, e.g. where community benefits are likely to be achieved, a lower return may be acceptable.

This strategy will be achieved by acquisitions and developments within the South Hams District. This will include the focussed acquisition of existing commercial property assets and the development of new properties which are to be let to third parties. The strategy will also consider investments in the renewable energy sector which will not be constrained geographically (refer to "location" section of this strategy for further detail).

Risk

- The risks of acquiring property may be mitigated through the acquisition of assets with secure, long income streams, although this risk will be weighed up against the social and economic benefits of acquisitions to support commerce and trade in the District
- Acquisitions are to be made in a careful and controlled manner, with specific analysis of risk criteria carried out in the 'due diligence' stage prior to the completion of each purchase
- The portfolio will be relatively risk-averse, targeting tenants of strong financial standing and minimum unexpired lease terms of four years at the date of acquisition. However, these criteria will be considered on a case by case basis and can be outweighed in order to meet the strategy objectives

Location:

- Wherever opportunities arise within the District, in order to acquire or develop good properties which achieve some or all of the Council's multiple objectives and desired outcomes as stated above and are deemed as an acceptable risk.

- Where investments in renewable energy are considered, the geographical constraint will not apply. Instead a relative preference of location shall be used, as follows: Within area > Devon Business Rates Pool Area > LEP Area > South West Peninsula > Rest of UK*

* The UK wide investment area would only be considered subject to further legal advice, but it is included as this strategy recognises that as a result of the national grid, geography is not a barrier to investing in renewable energy for the district.

Tenant mix:

- Where possible, a mix of tenants will be sought to create a balanced portfolio
- The final decision over the appropriateness of any tenant would be reviewed at the time of acquisition
- SHDC owns a significant number of commercial units already within the District, mainly smaller units and tenants with relatively low credit ratings. This reflects the historic policy of supporting small start-ups which has proved successful and continues to be. Newer acquisitions are likely to be for larger units which may have single tenant occupancy.

Lease length:

- A minimum 4 years unexpired (mean unexpired term for multi-let properties) is preferable, however this is flexible if it helps achieve the strategy objectives
- For multi-let properties, a mix of lease expiry dates are preferred, thereby limiting void risk (unless the property is purchased with a view to re-development)
- Properties would preferably be let to sound tenants on leases with a preference for 'Full Repairing and Insuring' leases for single occupiers and through internal repair obligations and a service charge for multi-let properties.
- There may be overriding community benefit and/or economic reasons to move away from these criterion and these will be considered on a case by case basis.

For all of the above:

The final decision over the definition of "good", "secure", "strong", "long", "careful", "controlled", "acceptable", "balanced" and "risk-averse" will be agreed between the property acquisition advisers (including legal due diligence) and the Officers delegated with the responsibility to conclude the acquisition of the properties. This discretion will be based on both the risk to the capital value of the asset and its' fit with the strategy objectives.

Yield:

- The Council will only acquire properties where the running cost does not require Council subsidy. Per acquisition, a target minimum net yield (an ancillary benefit) of 2.0% is to be sought, after acquisition, management, maintenance, capital repayment and funding costs
- However, the Council may opt to accept a lower net yield return if the community benefits of job creation or safeguarding, tourism, town centre regeneration, business rate growth or effective asset utilisation are deemed more important than a purely financial return

Value & Cost:

- Larger lot sizes are favoured - smaller size properties have disproportionately higher management costs and expose the Council to greater property void risks, but the economic and trade benefits of buying smaller units may outweigh this
- Acquisition costs are forecast not to exceed 7% (Stamp Duty Land Tax (SDLT) / Legal / Agents / Due Diligence). These costs are to be contained within the overall strategy budget

Funding:

- Acquisitions and development initiatives will be funded using predominantly borrowing or any other unallocated or available Council reserve or capital receipt
- This is to be secured on a case by case basis on the most commercially advantageous terms available predominantly through borrowing or any other unallocated or available Council reserve or capital receipt
- Currently borrowing levels are capped at £60m.
- The borrowing term will not exceed the expected remaining life of the property, but the Council wishes to secure borrowing over a maximum 50 year term.
- Capital repayments will seek to repay a minimum of 50% of the capital value of any acquired property or borrowing for property development

Tax Implications:

- Due to the Council holding acquired or developed assets, it is not anticipated that there will be any corporation tax or income tax implications from this strategy
- Some properties may be VAT elected, meaning VAT must be charged to tenants. This will be dealt with on a case by case basis and will be covered by the due diligence connected with that acquisition. The Council is able to charge and recover VAT
- Capital Gains Tax would not apply to assets sold from Council ownership

Exit Strategy:

- The Council is not looking to actively trade commercial property within the first 5 years of ownership of any acquired property, however this is flexible if required to meet this strategy's objectives
- If it is determined that the most prudent action is to sell an individual asset, this will be considered on a case by case basis and will be acted upon in consultation with Executive Members, the S151 officer and the Head of Paid Service
- It is proposed that all properties will be held as Council Assets. This may change if the Council were to set-up a trading company and it was found to be commercially advantageous for such a vehicle to hold the asset
- It is important to note that there would be early repayment charges if borrowing used to acquire or develop a commercial property was to be repaid before the end of the loan term. However, Public Works Loan Board (PWLB) lending is not secured against property, so would not inhibit the asset being traded during the loan period. An alternative asset could be purchased (& held) with any sale receipt.

Governance Arrangements:

- Acquisitions and developments must conform to the adopted commercial investment strategy. Any deviation from the agreed strategy will require Council approval.
- Before a final decision to proceed with a development or acquisition is made, local ward members will be briefed and be able to share their views with Executive Members.
- Executive Members, along with the Head of Paid Service and S151 officer, will consider each and every proposal on its own merits and specifically how each proposal meets the Council's multiple objectives and desired outcomes.

- Executive Members will consider proportionality on a case by case basis for each acquisition as part of the decision making process, with information provided to them and the s151 officer, the Head of Paid Service and the Leader of the Council.
- Officers, working with their specialist advisors in the market will sift opportunities and only present to Executive Members, opportunities that closely meet the Strategy. They will then lead the Executive Members into debate over the specific benefits and risks of each opportunity before the Executive Members make a decision. In this way, risk will be transparent through the process.
- Projects and their outcomes will be kept under constant review by officers and reports to Executive and Audit Committee.

Development on Council Owned Land

- The Council will delegate the authority and decision making function relating to 'Development on Council Owned Land' to the Executive, assuming that the proposed expenditure complies with the Council approved total borrowing limits.
- This delegation is to include the granting of associated leases in excess of 15 years as and when required, as recommended by the Assets CoP Lead, on a project by project basis
- In parallel, the Council's Senior Leadership Team (SLT) are required to approve any development. Any project will be subject to Due Diligence and Legal Searches and occasionally other data as need arises.
- Specialists will be commissioned to act on behalf of the Council to source suitable development and tenant opportunities and manage the due diligence process.
- Officers will provide Members of the Executive with a set of data and an indicative cash flow for each project under investigation. These will aid decision making on whether to proceed or not.

Commercial Investment Acquisitions within the South Hams

- The Council will delegate the authority and decision making function relating to 'Commercial Investment Acquisitions in the South Hams' to the Head of Paid Service and Section 151 Officer, in consultation with Members of the Executive, assuming that the proposed expenditure complies with the Council approved total borrowing limits.
- In the event of three or more Executive Members expressing their opposition to the proposal, then the matter will proceed no further.
- In parallel, the Council's Senior Leadership Team (SLT) are required to approve any acquisition. Any project will be subject to Due Diligence and Legal Searches and occasionally other data as need arises.
- Assuming the bid remains as per that authorised at the time of sign off, the final sign off prior to exchange and payment of deposit (typically 10%) is made by the S151 officer and Head of Paid Service. If anything has changed, the Executive Members will need to vote again in order to proceed.
- This process of delegated authority is required because there is often very little time (a number of days) to secure a bid on a property, especially if it is off market. Off market bids avoid price inflation caused by competing bidders.
- The Executive Members have been made aware that they will be required to process and respond to information similar to that in Appendix B in a very quick timeframe (minimum two working days) so as to provide their decision. They may also be asked to attend meetings on similarly short notice. These meetings may be held virtually to expedite decision making.

- When South Hams District Council acquire a Commercial Investment in line with this strategy, a report will be presented (for noting purposes) to the subsequent meeting of the Executive.

Running / Review

- If the management of acquired or developed assets cannot be managed in-house by existing resources, it will be outsourced to property professionals.
- The cost of this management is to be deducted before calculating the net yield.
- The Executive will receive regular reporting to confirm portfolio composition and performance. Regular portfolio performance reporting will be presented to Audit Committee as required.

Disposal

- Once acquired, decisions relating to the ownership of any acquired or developed properties will be dealt with in-line with the Council's constituted scheme of delegation.
- Disposal will be considered if the portfolio breaches the approved strategy. Decisions to be made in consultation with Executive Members, the S151 officer and the Head of Paid Service.

Resources:

- The work to filter, appraise and recommend investment and development opportunities will be undertaken within the Assets CoP. This will be supplemented by specific consultant advice as required and associated costs built into the business case for each project.
- The Assets CoP has strong relationships with a number of local and national consultants who will be required to support the projects. Examples of this include (but are not limited to): CCD Properties (development specialists), Arcadis (building technical due diligence), Womble Bond Dickinson (legal due diligence) and Savills (commercial property investment advice).

Risk assessment and due diligence

The Authority assesses the risk of loss before entering into and whilst holding property investments/property opportunities by carrying out appropriate due diligence checks and implementing mitigation measures in managing risk:

- The tenants need to be of good financial standing (this is assessed using Dun & Bradstreet credit rating reports and annual accounts). The number of tenants e.g. sole tenant or multi tenanted will be assessed.
- The property condition such as date of construction and any imminent or significant refurbishment or modernisation requirements (forecast capital expenditure).
- How the property investment meets the Council's multiple objectives as set out in the Council's strategy e.g. economic regeneration, business growth.
- The lease must meet certain standards, such as being in a commercial popular location and have a number of years left on the lease providing a certain and contractually secure rental income stream into the future. Any break clauses will be assessed along with the number of unexpired years, bank guarantees and rent reviews.

- The location will be within the South Hams District Council's boundary as set out in the Commercial Investment Strategy (apart from renewable energy investment which may have a wider geographic spread). The population of the catchment area, the economic vibrancy and known or anticipated market demand as well as proximity to travel infrastructure and other similar properties will be assessed.
- Rental income paid by the tenant must exceed the cost of repaying the borrowed money from the Public Works Loan Board (which is itself funded by the Government). The surplus is then an ancillary benefit which supports the Council's budget position and enables the Council to continue to provide services for local people.
- The gross and net yield are assessed against the Council's criteria.
- The prevailing interest rates for borrowing at the time.
- Debt proportionality considerations.
- The life and condition of the property is assessed by a valuer and the borrowing is taken out over the life of the asset. The amount of management and maintenance charges are assessed as well as the ease of in-house management. 10% of all rental income (or an amount as deemed prudent) is put into a Maintenance and Management Reserve to cover any longer-term maintenance issues.
- The potential for property growth in terms of both revenue and capital growth will be assessed.
- The risks are determined by the property sector e.g. office, retail, industrial, associated with specific properties and the mix of sectors within the Council's portfolio.
- Details of acquisition costs e.g. stamp duty land tax, legal costs
- The documented exit strategy for a purchase/new build.
- The legal and technical due diligence checks will also identify any specific problems such as anomalies in the title deed, restrictive use classes, indemnities, local competition, construction or refurbishment requirements.
- The Council engages the use of external advisors to assist in undertaking elements of the due diligence checks such as technical, legal, accounting, property and taxation advice.
- The Council undertakes sensitivity analysis of the interest repayments on its borrowing requirements as a percentage of its available reserves to ensure there is sufficient coverage in the event that rental income is below that forecasted. This ensures that the Council has the available reserves to enable service delivery to be maintained in the short to medium term, whilst alternative solutions are implemented.

Report to: **Special Council**
Date: **25 July 2019**
Title: **Restructure of the Senior Leadership Team**
Portfolio Area: **Leader**
Wards Affected: **All**
Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken:

Immediately following this meeting.

Author: **Sophie Hosking** Role: **Chief Executive**
Andy Wilson **Head of Practice for HR**
Contact: **01803 863643/email: directors@swdevon.gov.uk**

RECOMMENDATION

That the Council be RECOMMENDED to:-

- 1. Approve the Senior Leadership Team structure, roles and salaries set out in section 3, paragraph 4.5 (Option 4) and Appendix A of this report with effect from 1 September 2019.**
- 2. Request the Chief Executive to review and implement changes to the Extended Leadership Team and pay structure to take account of the new Senior Leadership Team structure, other recent changes in the organisation and benchmarking data by the end of December 2019.**
- 3. Note that the combined restructures will achieve ongoing annual revenue savings estimated to be at least £120,000 per annum (£60,000 per annum for each Council)**

1. Executive summary

- 1.1 This report follows the request of Council at the 21 February 2019 meeting for the Chief Executive to bring a report recommending a new management structure (minute reference 55/18 Review of Staffing Establishment).

<https://mg.swdevon.gov.uk/ieListDocuments.aspx?CIId=151&MIId=1138&Ver=4>

- 1.2 The Council shares its workforce completely with West Devon Borough Council and the costs of the management team are divided between the two Councils.
- 1.3 The Council has been running on an interim structure since February 2018 following the departure of one of the Executive Directors and is currently carrying two further vacancies out of the 5 remaining senior leadership team (SLT) posts. On 14th December 2017 Council agreed a report 'Head of Paid Service Replacement'.(Minute reference 53/17)
<https://mg.swdevon.gov.uk/ieListDocuments.aspx?CIId=151&MIId=491&Ver=4>
- 1.4 There is an urgent need to appoint to a permanent structure to ensure stability, clarity of roles and sufficient capacity to meet the challenges of delivering the objectives of the two Councils.
- 1.5 The recent implementation of the waste collection contract with FCC and the transfer of operational staff has also led to a need to review our operational and contract management requirements.
- 1.6 The report from the Corporate Peer Challenge carried out in November 2018 on both Councils, recommended a review of the management structure to ensure that there is the capacity to fulfil the Councils' ambitions, particularly in relation to place-shaping and financial sustainability. The report also made recommendations in relation to good governance.
- 1.7 This report proposes a Senior Leadership Team structure made up of 5 posts as follows:
 - Chief Executive
 - Director of Customer Service and Delivery
 - Director of Place and Enterprise
 - Director of Strategic Finance
 - Director of Governance and Assurance
- 1.8 It is intended that one of the Directors will also take on the responsibilities of the role of Deputy Chief Executive.
- 1.9 The restructure of the SLT will have an impact on the Extended Leadership Team (ELT) and this report recommends a review of ELT roles, responsibilities and remuneration following the appointments to the new SLT. An indication of savings that are expected to be achieved as a result of the combined changes to SLT and ELT are set out in the report below.
- 1.10 In developing this proposal various options have been considered including making the current interim arrangements permanent, or

reducing the number of roles in the SLT. These options are discussed below in paragraph 4.

- 1.11 A version of this report is also to be considered by the Executive at its meeting on 18 July 2019 and the views of this meeting will be outlined in the published minutes arising from that meeting.

2. Background

- 2.1 South Hams DC and West Devon BC have a long history of working together and first appointed a joint Chief Executive in 2007. In 2010 the Councils appointed a shared management team across both the Councils and in 2014 set out plans for a transformation programme (known as T18) which included a fully shared workforce across both Councils. This joint working and shared workforce has achieved combined annual savings of £6million for the Councils.
- 2.2 In 2015 the two Councils appointed a single new Senior Leadership Team (SLT) to lead the shared workforce and implement the T18 transformation programme. Originally this team consisted of 6 postholders - 2 Executive Directors (Level 1 posts), 4 Group Managers (Level 2 posts) plus the S151 officer. The team was reduced by one member in March 2016 when two of the Group Manager roles were merged and the base budget was adjusted accordingly.
- 2.3 In February 2018 one of the Executive Directors resigned to take up a new role elsewhere. The remaining Executive Director took on both Executive Director roles on an interim basis. Adjustments were made to other SLT roles and to some ELT roles, including the S151 officer taking up her full Level 2 role as Group Manager for Strategic Finance and the allocation of Deputy Chief Executive responsibilities to one of the other Group Managers. Details of the interim arrangements can be found in the 14th December 2017 Council report (Minute 53/17).
<https://mg.swdevon.gov.uk/ieListDocuments.aspx?CId=151&MId=491&Ver=4>
- 2.4 On 21 February 2019 the remaining Executive Director (Sophie Hosking) was confirmed by both Councils as Chief Executive and tasked with bringing forward proposals for a new structure that would address the changing needs of both Councils. At this point a saving of £68k (£34k for each Council) was taken out of the base budget for 2019/20 onwards to account for the reduction from 2 Executive Director posts to one Chief Executive. Members requested that further savings be sought from the restructure proposals.
- 2.5 In May 2019, two of the current Group Managers posts became vacant due to the postholders pursuing new career opportunities. This has left only 3 members of SLT in place out of the original 7 appointed in 2015 to cover all the duties of the senior leadership responsibilities across both Councils. Recruitment to the vacancies

is on hold pending the proposed restructure and this is causing significant pressure on the remaining 3 members of the Senior Leadership Team.

- 2.6 In putting together the proposals for the new SLT structure a number of issues have been considered including:
- i. Recommendations from the recent Corporate Peer Challenge
 - ii. Operational and contract management requirements resulting from the establishment of the new waste contract with FCC
 - iii. Shift in organisational focus since 2015 and the changing priorities of the new Councils
 - iv. The two current Group Manager vacancies
 - v. Government funding and Brexit
 - vi. Benchmarking information from other organisations
 - vii. Value for money
 - viii. Impact on Members, staff, customers and external partners
- 2.7 Corporate Peer Challenge. The report from the Corporate Peer Challenge made particular reference to the Councils' need to become more outwardly focused and engage more with the communities they serve, and with external partners, to achieve their ambitions for housing and economic growth.
<http://mg.swdevon.gov.uk/jelListDocuments.aspx?CIId=149&MIId=1148&Ver=4>
The Councils' current SLT structure is inwardly focused and the restructure provides an opportunity to address this deficit. In addition the Peer report recommends a continued focus on achieving financial sustainability and good governance.
- 2.8 Operational changes. On 1st April 2019 the Council entered into a contract with FCC for the operation of the Council's waste collection and street cleansing services. This involved the transfer of all the operational staff (c.90 employees) who were previously directly employed by South Hams District Council. This has resulted in a significant change of focus within the management team from that of direct employment to contract management and presents an opportunity to make some savings in the wider management team. However, it is also necessary for the proposed structure to recognise the increased importance of effective contract management given the size and value of the new contract. There is also a short term (18 month) management requirement to oversee significant changes to the waste and recycling service.
- 2.9 Change in organisational priorities. Since 2015 there has been a significant change of focus in our organisational activity. Initially the Councils were very internally focused on transforming the

workforce and our ways of working to achieve the savings required to keep the Councils financially viable. The focus then shifted more towards strategic planning (the Joint Local Plan) and commercial activity. Looking ahead, there is a new focus on climate change mitigation as well as taking a stronger and more pro-active role in shaping our communities, particularly in relation to housing and economic development.

- 2.10 Vacant posts. In April and May this year, 2 posts within the current SLT became vacant when the Group Manager for Business Development and the Group Manager for Commercial Services left to take up new roles elsewhere. This provides the opportunity to completely reconsider how the responsibilities of the new SLT are divided up in the new structure. It also gives an urgency to getting the new structure in place as soon as possible as there are currently only 3 SLT members covering the whole workload across both Councils (the Chief Executive and the remaining 2 Group Managers).
- 2.11 Financial settlement and Brexit. We continue to face challenging times and uncertainty in relation to our finances and the impact of the UK's impending departure from the EU and we will require a strong leadership team to meet these challenges. Our current 4 year funding settlement with the government ends this financial year (2019/20) and as yet there is no indication as to what funding arrangements are being proposed for 2020/21 onwards.
- 2.12 Benchmarking with other Councils. A further consideration when putting together the proposals has been a review of the appropriate remuneration for the SLT roles in order to attract and retain the right calibre of staff. Benchmarking information has been gathered for comparison purposes from District Councils locally and nationally and also from other Councils with shared management teams. However it should be noted that there are no simple comparisons as all Councils vary in complexity, size, the range of activities and how their management teams are structured.
- 2.13 Value for money. This is a key consideration for the Councils and by sharing a management team the Councils effectively get the benefit of a strong team of 5 senior managers for half the cost, in addition to the cost savings identified at paragraph 3.5 below.
- 2.14 Impact. The appointment of the senior leadership team affects all Members as the team provides essential support to Members to develop strategy and deliver the Councils' statutory obligations and their aspirations for the communities they serve.
- 2.15 The SLT appointments also impact on all staff as an effective team is crucial to achieve a high performing workforce.
- 2.16 Relationships with partners, our communities and other organisations, and our ability to play our part in the public sector

within Devon, regionally and nationally, is also dependent on the capacity of the SLT.

3. Outcomes/outputs

- 3.1 The desired outcome of the restructure is to have a revised SLT in place in September that will meet the requirements of both Councils. It is anticipated that appointments will be made internally, however should this not be the case, a longer timeframe will be necessary.
- 3.2 Following the appointment of the SLT there will then be a review of ELT and this is intended to be completed and implemented by the end of December 2019. It is expected that the reorganisation of the SLT responsibilities, the likelihood of internal appointments to the SLT posts and the recent changes in operational requirements will give the opportunity to make some further savings from the combined restructures.
- 3.3 Benchmarking of equivalent posts in other organisations along with independent advice from the Local Government Association (LGA) and the resulting salary recommendations is intended to ensure fair and appropriate salaries for the jobs, whilst recognising the additional complexity of working across 2 Councils. This is important in order to attract and retain high calibre officers. However it should be noted that the salaries recommended in this report are at the lowest end of the scales recommended by the LGA following their independent evaluation of the roles and consideration will be given to introducing a link between performance and financial reward in the future. Any performance related pay scheme will be the subject of a separate consultation process.
- 3.4 The benchmarking work has also revealed anomalies in the remuneration of our Extended Leadership team and it is proposed that the ELT review will include re-evaluation of the ELT salary framework.
- 3.5 As mentioned above in paragraph 3.2, it is anticipated that financial savings for both Councils will result from the combined restructures of SLT and ELT. It not possible to predict the exact savings generated until both the SLT and ELT reviews are completed however it is anticipated that it will be in the region of a minimum of £120,000 per annum (approximately £60,000 per annum for each Council – Note the actual split of the saving between both Councils will be calculated in accordance with the shared services apportionments completed annually). This is in addition to the annual £68,000 saving (£34,000 each Council) that has already

been taken as a saving in the Budget process for 2019/20 with regards to the former Executive Director post as detailed in paragraph 2.4 above.

- 3.6 The proposed future structure of SLT is made up of 5 posts as follows:
- Chief Executive
 - Director of Customer Service and Delivery
 - Director of Place and Enterprise
 - Director of Strategic Finance
 - Director of Governance and Assurance
- 3.7 It is intended that one of the Directors will also fulfil the role of Deputy Chief Executive.
- 3.8 There are four key outcomes that need to be achieved by the new proposed arrangements:
- Customer facing: To improve the customer experience by making our services easier to use and more responsive, reducing failure demand and becoming more efficient as a result; this will lead to cost reduction or investment in services.
 - Community facing: To engage with our communities in our strategic planning role with the aim of promoting and supporting appropriate housing development (with a focus on affordable housing), economic growth and resilience, protecting our environment and mitigating against climate change.
 - Financial: To achieve financial sustainability; developing new and existing income streams to support our core functions – through treasury management, investment and development of the Council’s assets, selling services, fees and charges and increasing the tax base.
 - Governance and assurance: To make sure we do things properly, ethically and lawfully.
- 3.9 Rationale for a new structure. The Senior Leadership Team (SLT) is responsible for advising and supporting Councillors to set the direction and strategy of the Councils and our communities and for ensuring the delivery of those strategies. The SLT are collectively responsible for: setting the working culture of the organisation; modelling and embedding the IMPACT behaviours; organising our resources to deliver easy-to-use services; ensuring efficient and effective ways of working; strong governance arrangements; good communication and positive relations with our communities; improving the local tax base (housing and business) whilst also finding ways to generate income and decrease reliance on government grant and local taxes.

- 3.10 The Councils have statutory responsibilities to provide various services to our residents, communities and businesses and regulatory responsibilities in respect to various activities in our communities. The other key purpose of the Councils relates to the strategic planning role, shaping our communities and responding to social, economic and environmental requirements. The Councils require a financial strategy to support these objectives. Council funding comes primarily from local taxes (Council tax and Business rates), New Homes bonus (or its replacement) and any income generated by council activities, investment or use of council assets. Underpinning the success of the Councils is effective decision making and committee processes; strong governance and assurance; good contract and project management, and efficient systems and processes.
- 3.11 The proposed new SLT structure will be led by the Chief Executive whose role is to act as principal adviser to the Leaders and all elected Members. Also, as the statutory Head of Paid Service, the Chief Executive provides leadership and direction throughout the organisation. This role is accountable for the performance of the organisation and meeting the Councils' strategic objectives through efficient and effective deployment of resources to ensure that residents receive services of the highest standard.
- 3.12 The 4 directorships are not generic roles. Whilst all 4 Directors will act across all functions of the organisation and across both Councils they will have their own discrete responsibilities and requirements. Individual Directors roles are focused along the following lines:
- 3.13 Strategic Director of Customer Service and Delivery. This post is key to delivery of our statutory services and our regulatory roles as well as some discretionary services. Most of the Councils' employees will report up to this role. The post holder must be a very effective resource manager. The Director will have oversight of most of the Councils' directly delivered services as well as the internal support services. However, whilst directly line managed through this directorate many of the staff will be accountable to other Directors for specific projects or pieces of work. For example, specialists may be assigned to work on a commercial development project for the Place and Enterprise Director, or have tasks to do that fulfil functions sat within Governance and Assurance, or they may be required to carry out work to support the financial strategy. The bulk of the support functions will also report to this director (e.g. IT, HR, technical finance, legal etc). The focus of this role is to improve the customer experience and provide efficient services within the resource constraints. The post holder must have strong management skills particularly in relation to people and performance.

- 3.14 Strategic Director of Place and Enterprise. This role is focused on our communities, housing, economy and commercial strategies, the Joint Local Plan and our response to climate change. Given that our funding is made up of Council tax, business rates and New Homes Bonus it is important to support the provision of much needed and affordable homes through our housing strategy, as well as initiatives that support our economic wellbeing and our local businesses. At the same time the Councils own assets and can act as developer and investor. The Director needs to be able to balance the Councils' commercial interests with the interests of the local communities. The role is also likely to have responsibility for the place-based commercial activities (e.g. Salcombe Harbour and Lower Dartmouth Ferry) as well as responsibility for our relationship with AONB teams. An important aspect to the role is the relationship with external organisations, partners and stakeholders (e.g. the LEP, Homes England, developers and the business sector) to promote the interests of our communities and influence the local, regional and national agenda. A key requirement is to draw in external funding to support place-shaping initiatives. This Director will also have responsibility for the Councils' response to climate change. Great communication and negotiation skills, commercial acumen and the ability to build successful relationships are essential requirements for this role.
- 3.15 Corporate Director of Governance and Assurance. The focus of this role is to ensure that we do things properly, ethically and lawfully and that we have sound governance in place. This key role encompasses the entire decision making processes for Members from start to finish and their scrutiny, audit and assurance functions to ensure that Members are confident in their decision making roles. The Director will have oversight of the Councils' risk and opportunities registers and business continuity arrangements and is also responsible for ensuring vital, Council-wide compliance with regulations for health and safety, procurement, information governance, FOI, Ombudsman and complaints procedures. A critical function of this role will be oversight and management of our major contracts (Waste and Leisure). It is also the responsibility of the role holder to ensure that we have strong, consistent project management applied throughout the organisation. Highly developed organisational skills alongside a methodical and pragmatic approach are key requirements for this role alongside political astuteness and a strong track record of working with Members.
- 3.16 Corporate Director of Strategic Finance (and S151 Officer). Financial sustainability is a critical Council objective. This Director is responsible for developing and reviewing the Councils' Medium Term Financial Strategy with Councillors and other key financial strategies (capital strategy, treasury management strategy, investment strategy etc). The post holder has oversight of the budget setting process and future funding strategies. The Director is also responsible for representing the Council on key financial

issues and policies at a regional and national level – e.g. Business rates policy, national funding formulae, spending reviews etc. This role provides financial assurance across the whole organisation and ensures that financial implications of all policies and proposals are properly considered and tested during the development stages. The Director is responsible for ensuring that the Councils' commercial activities are properly assessed and monitored, risks are identified and mitigation in place. This Director is also the Councils' S151 Officer(Chief Finance Officer). The post holder must be a qualified accountant with a recognised body and will need to have an extensive knowledge of Local Government finance.

- 3.17 Deputy Chief Executive (Additional responsibility). The role of Deputy Chief Executive is a set of duties and responsibilities which will be assigned to a member of the Senior Leadership Team (SLT) and will be in addition to his/her normal duties as a Strategic or Corporate Director. This role will support the Chief Executive and Lead Members and will enable the provision of independent support and advice to both Councils simultaneously where necessary and will deputise for all responsibilities of the Chief Executive in her absence.
- 3.18 Role profiles for each of the proposed new SLT roles are attached at Appendix A.
- 3.19 Evaluation of the above roles revealed that the roles of Director for Customer Service & Delivery and Director for Strategic Finance are not considered to be significantly different to the existing roles of Group Manager for Customer First and Support Services and Group Manager for Strategic Finance respectively. Therefore, should this restructure be agreed it is proposed to appoint the existing postholders in accordance with the Councils Managing Organisational Change policy.
- 3.20 As mentioned above, an independent HR specialist from the Local Government Association has reviewed and evaluated the proposed Director roles, and that of the Chief Executive, and has made recommendations for the salary ranges for all 5 roles. This report proposes using the lowest end of the salary ranges suggested by the LGA advisor.
- 3.21 The LGA senior role job evaluation tool used the following criteria to assess the 5 SLT roles:
- Knowledge requirement
 - Creative thinking required/policy direction involved
 - Impact on People / Organisations
 - Responsibility for resources
- 3.22 The evaluation tool identified that the Customer Service & Delivery and Place & Enterprise roles carry a slightly greater level of responsibility overall and we have therefore designated these roles as Strategic Directors and the remaining two roles (Strategic

Finance and Governance & Assurance) as Corporate Directors.

3.23 Acting upon the advice of the LGA and taking into account factors such as:

- the relationship to the salaries of the Chief Executive and the Directors;
- the market rate for similar roles in other local authorities and associated bodies;
- the added complexity of working across two Councils and comparison with Councils with similar arrangements;
- outcome of the role evaluation

it is proposed that the following salary structure is adopted:

Chief Executive	
Spot salary	Salary
CE	£120,000

Spinal Column Point	Salary pa
D1	£64,000
D2	£68,000
D3	£72,000
D4	£76,000

To reflect the differing levels of responsibility, the following salary ranges are proposed:

Role	Salary range
Strategic Director	D2 - D4
Corporate Director	D1 - D3

3.24 For the duties of Deputy Chief Executive, an additional responsibility allowance of the greater of £8000 pa or 6.5% of the annual salary payable to the Chief Executive will be paid. The payment will not be consolidated and will not attract an annual cost of living increase, however it will maintain a relationship with the Chief Executive's salary in accordance with recommended practice.

3.25 The current cost (as at June 2019) of the Senior Leadership Team (SLT) structure and the Extended Leadership Team (ELT) structure is £1.708 million (this cost is shared across both Councils). The cost of the new proposed SLT and ELT structure is £1.588 million - £0.12 million less.

3.26 It not possible to predict the exact savings generated until both the SLT and ELT reviews are completed however it is anticipated that it will be in the region of a minimum of £120,000 per annum (approximately £60,000 per annum for each Council - Note the actual split of the saving between both Councils will be calculated in accordance with the shared services apportionments completed annually). This is in addition to the annual £68,000 saving (£34,000

each Council) that has already been taken as a saving in the Budget process for 2019/20 with regards to the former Executive Director post as detailed in paragraph 2.4 above.

- 3.27 Some of the savings will be deferred until 2021 in order to meet budget pressures for service changes to waste collection and recycling in both Councils. The Councils could alternatively decide to meet this temporary cost from the Strategic Waste Earmarked Reserve, instead of deferring some of the saving.
- 3.28 There will be a one-off cost pressure if there are any redundancies as a result of the combined restructure which would also delay some of the benefit of the savings achieved, although a payback period would be calculated.

4. Options available and consideration of risk

- 4.1 When developing the proposal a range of different options were considered including:
- Reverting to separate management structures for each Council;
 - Confirming the current interim structure and roles and appointing to the vacant posts against the current job descriptions;
 - Reducing the number of posts or not appointing to one or both of the current vacancies and increasing the scope of the remaining roles accordingly; and
 - Retaining a structure of 1 Chief Executive and 4 Directors but reviewing the responsibilities of roles in order to create a new team that better reflects the current and anticipated requirements of the two Councils.
- 4.2 Option 1: Separate Management Structures. It is not considered feasible to revert to separate management teams for each Council due to the complexity of unpicking the current arrangements and the enormous financial cost to both Councils associated with re-establishing separate arrangements.
- 4.3 Option 2: Confirm interim structure. The option of making the interim structure permanent and recruiting to the current vacancies would not address the recent operational changes resulting from the new waste collection and street cleaning contract. Nor does it take into account the changing priorities of the new Council administrations or the recommendations of the Corporate Peer Challenge.
- 4.4 Option 3: Reducing the number of posts. There are two vacancies in the current interim arrangements and consideration has been given to whether one or both of these vacancies could be taken as savings and a new team established with fewer postholders. Not

appointing to either of the two vacancies, and continuing to distribute the responsibilities amongst the remaining SLT members and some members of ELT, would result in financial savings to the Councils however it is not considered sustainable to continue to operate at this level of resourcing for any longer than is absolutely necessary. There would be significant risks to the effective operation of the Councils and to the well-being of the 3 remaining members of the team. Not appointing to one of the vacancies could generate a smaller financial saving but there would be a significant risk that the Councils would not have the capacity at a senior level to effectively meet their statutory duties or their commitments to their communities.

- 4.5 Option 4: Developing a new team that meets the Councils' requirements. This option recommends developing a senior leadership team that has the capacity to meet the Councils' needs and addresses the four key requirements outlined in paragraph 3.8. It is proposed that the team will comprise of the Chief Executive and 4 Directors – details and role profiles can be found at Appendices A and B. This option will meet the recommendations of the Corporate Peer Challenge, the changes to the organisations' operational requirements and the changing priorities and focus of the Councils. It will provide capacity, resilience and expertise at the appropriate level within the organisation. The proposal will increase the current cost of SLT by approximately £22,500 (4.4%) but will reduce requirements within the ELT which will result in an overall saving of £120,000 (7%) on the current arrangements. This is the recommended option (Option 4).
- 4.6 Consultation. All current members of SLT and ELT have been consulted on the proposals including the process for appointing to the posts. The consultation has also been posted on the staff intranet for all staff. A copy of the consultation document can be found at Appendix B. In response, questions were raised about role responsibilities, salary levels and the differentiation between the Strategic and Corporate Directors, the recruitment process and the timing of the proposed ELT restructure. We do not propose to make any significant changes but we have clarified with consultees the points raised and we have made minor changes to the role profiles.
- 4.7 The Head of HR practice has also consulted with our recognised Unions through the Joint Consultative Committee.
- 4.8 Leaders and Deputy Leaders of both Councils have been consulted during the development of the proposal.
- 4.9 Independent advice has been provided by the senior HR specialist at the LGA concerning the development and evaluation of the role profiles, and the benchmarking and recommendations relating to salaries.

5. Proposed Way Forward

5.1 It is proposed that the Councils approve Option 4 and agree the SLT structure, roles and salaries as set out in section 3 of this report and Appendix A.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		<p>The proposal is in accordance with the Councils Managing Organisational Change policy and compliant with all relevant employment law legislation, including the Equality Act 2010</p> <p>The Head of Paid Service is responsible for staffing arrangement of the Council. However, it is considered appropriate that the Council considers the proposals within this report given that it concerns a senior management restructure which is significantly different from the current arrangements.</p> <p>Both Councils need to agree the restructure proposals; in the event that common agreement cannot be reached alternative proposals will need to be considered.</p>
Financial implications to include reference to value for money		<p>The proposal will increase the current cost of SLT by approximately £22,500 (4.4%) but will reduce requirements within the ELT which will result in an overall saving of a minimum of £120,000 (7%) (being approximately £60,000 each Council) on the current arrangements.</p> <p>This is in addition to the annual £68,000 saving (£34,000 each Council) that has already been taken as a saving in the Budget process for 2019/20 with regards to the former Executive Director post as detailed in paragraph 2.4 above.</p> <p>Some of the savings will be deferred until 2021 in order to meet budget pressures for service changes to waste collection and recycling in both Councils. The Councils could alternatively decide to meet this temporary cost from the Strategic Waste Earmarked Reserve, instead of deferring some of the saving.</p> <p>There will be a one-off cost pressure if there are any redundancies as a result of the combined</p>

		<p>restructure which would also delay some of the benefit of the savings achieved, although a payback period would be calculated.</p> <p><u>Value for money.</u> This is a key consideration for the Councils and by sharing a management team the Councils effectively get the benefit of a strong team of 5 senior managers for half the cost, in addition to the cost savings identified at paragraph 3.5.</p>
Risk		<p>Risk 1: That one of the Councils does not agree the proposal or that one Council proposes amendments that are not supported by the other Council.</p> <p>Risk 2: that the Council proposes one of the other options in paragraph 4 which would incur delay and further costs and not support the needs of the organisation.</p> <p>Risk 3: That it is not possible to make an internal appointment to the SLT roles resulting in the need to look externally which would incur cost and significant delay.</p>
Supporting Corporate Strategy		This proposal supports all 6 themes of the corporate strategy.
Comprehensive Impact Assessment Implications		
Equality and Diversity		The proposed selection process is non discriminatory and in line with usual practice.
Safeguarding		None
Community Safety, Crime and Disorder		None
Health, Safety and Wellbeing		None
Other implications		None

Supporting Information

Appendices:

Appendix A – Proposed new SLT role profiles

Appendix B – Copy of consultation document

Background Papers:

Council – 14th December 2017 – Head of Service Replacement

Council – 21st February 2019 – Establishment Review

Executive - 14th March 2019 – Peer Challenge Action Plan

This page is intentionally left blank

Strategic Director of Customer Service and Delivery



LEVEL:	Level 2 (Band A Impact Behaviours)
ACCOUNTABLE TO:	Chief Executive
SALARY:	£68,000 - £76,000
LOCATION:	Totnes / Tavistock / Agile

Job Purpose

The Director of Customer Service and Delivery will work closely with all other Directors across the Senior Leadership Team to lead strategic and operational activity across two Councils working together with a shared workforce. The focus of this role is to lead on service delivery and improve the customer experience by providing efficient services within the resource constraints. It is key to the delivery of our statutory services and our regulatory roles, as well as some discretionary services. This role will have overall management of most of the Councils' workforce and oversight of the majority of the Councils' directly delivered services as well as the internal support services. This role is the key driver for ongoing service delivery improvements and efficiencies through strong resource and performance management, sound working policies and established cross functional working practices.

Role Profile

- Lead a diverse range of professional services, that are high quality, effective and continuously improving
- Provide strong and effective resource management across a range of externally and internally facing services, leading a matrix management team operating in a complex political environment
- Ensure continuous improvement and measure added value through robust performance management across a range of services
- Drive the digital agenda for the council creating new customer-centric operating models using the newest available technology to achieve greater efficiency
- Provide dynamic and inspirational leadership across the organisation, driving a high performing, supportive culture that can be embedded at all levels
- Responsible for significant delegated financial budgets and resources ensuring they are allocated effectively for the delivery of high quality services, achieving compliance with relevant policies and guidelines
- Develop and promote cutting edge partnerships with a range of stakeholders at both a local and national level
- Demonstrate a forward-thinking and commercial approach, effectively managing risk to reduce cost, create income generation opportunities and achieve inward investment
- Translate future strategic demands into tangible and measurable policies and projects that add value whilst providing clear direction and credibly communicating the future vision
- Lead a culture of continuous improvement within Customer Service & Delivery and across the Councils, effectively anticipating and responding to change and promoting a collaborative culture, sharing knowledge across the organisation
- Harness innovation and creativity in service delivery models and champion development opportunities, to enrich the workforce and maximise engagement and productivity
- Understand the demographic of our communities and ensure that this is central to service delivery and the style and culture of the organisation as a provider and employer
- Ensure appropriate business continuity plans and emergency response procedures are in place for the areas of specific responsibility

The Senior Leadership Team

All Director roles, along with the Chief Executive, form the Senior Leadership Team (SLT) across both Councils which is collectively accountable for the following:

- ◆ Responsible for working effectively with Councillors, providing advice and support to set the direction and strategy of the Councils and communities.
- ◆ Ensuring the strategic priorities in the Councils' Corporate Themes are translated methodically and transformed into high quality, cost effective service delivery.
- ◆ Setting the working culture of the organisation; leading by example, role modelling the Councils' IMPACT behaviour framework and upholding the Councils values and ethics.
- ◆ Ensuring high performance and successful outcomes through the engagement of staff and effective organisation and deployment of resources to ensure delivery of easy to use services.
- ◆ Delivering efficient and effective ways of working with strong governance arrangements in place, whilst creating and promoting a culture of flexibility to respond effectively to shifts in priority.
- ◆ Demonstrating and promoting excellent internal and external communication; enhancing existing partnerships and creating pathways to build further positive relations within our communities and beyond to increase growth and development by generating income and reducing reliance on government grant and local taxes.
- ◆ Providing outstanding strategic leadership across the organisation; promoting economic growth, effectively managing assets and delivering the priorities in the Councils' Corporate Strategy to make a positive impact on the lives of local people.
- ◆ Empowering members of the Extended Leadership Team (ELT) by defining and expanding their areas of responsibility, ensuring a risk management culture to support their independence and flexibility.

Areas of Specific Responsibility

The Director of Customer Service and Delivery will have direct responsibility for the resources to deliver the majority of the Councils' external and internal services. In summary, these functions include:

Community of Practice	Functions
Customer Services	Customer Contact Centre
Development Management	Planning, Enforcement, Green Space, Land Charges, TPOs, LLPG, Street Naming
Environmental Health	Environmental Health, Health & Safety, Private Sector Housing, Housing Standards, Business Continuity, Emergency Planning, Pollution, Anti-social Behaviour / Nuisance, Community Safety Partnership, DFGs, Licensing
Environment Services	Waste, Parking, Grounds Maintenance, Building Maintenance, Events, Car Parks, Public Toilets, Environmental Protection, Markets, Localities, Fleet, Contract Monitoring, Education & Communications (Waste & Leisure)
Housing, Revenues & Benefits	Housing Advice, Homelessness, Safeguarding, Council Tax, NNDR, Benefits
Support Services	Finance, Legal, ICT, IT Security, HR, Payroll, Communications, Design, Creditors, Debtors / Recovery, Insurance, DMR

The Director will also have responsibility to support the Director of Place and Enterprise by providing specialist and case management support for:

Community of Practice	Functions
Assets	Engineering, Estates and Facilities
Commercial	Property acquisition and development
Climate Change	Developing and delivering the Councils' response
Place Making	Urban Fringe delivery, Trees / Landscape, Biodiversity, S106, Neighbourhood Planning, Green Infrastructure

Person Specification

Impact Behaviours

The Councils have developed and adopted a behavior framework known as 'Impact'. The framework aims to enhance both individual and organisational performance by outlining measurable behaviours that describe how we need to perform our roles. All members of the Senior Leadership Team are expected to demonstrate Band A Impact Behaviours.

Experience/Skills – Essential

- A successful track record as a senior manager, including specific experience of managing customer service operations and effectively managing resources in an organisation of equivalent size or larger than South Hams and West Devon Councils
- Strong management skills, particularly in relation to people and performance
- Success in terms of their contribution to the advancement and development of organisations through the formulation of key policies, corporate objectives, commissioning and strategy
- Excellent track record in delivering successful, productive partnerships between organisations, across geographical, political or commercial boundaries
- Appreciation and understanding of the dynamics of working in a complex, political environment and across two Councils
- Evidence of using personal influence to implement innovation in the delivery of services, service improvement or other areas of organisational performance
- A commitment to quality, customer focused services and the benefits that flow from a corporate approach to service delivery
- A track record of gaining traction with others, including peers to generate change and development in organisations
- Thorough and pragmatic understanding of the dynamics between elected members and officers, decision-making in local authorities and the relationship between other agencies
- Excellent written and verbal communication skills
- The ability to drive and motivate for change through effective leadership

Knowledge – Essential

Gained through a combination of professional qualifications and/or significant experience in related services, the core knowledge requirements for the role include:

- Solid knowledge of the range and role of customer and support services and exemplary practice in the wider market.
- Understanding of external market opportunities for customer service delivery.
- An appreciation of the potential technology presents to advance and extend customer services.
- A good understanding of current policy and strategy impacting local government services, contract and project management.

This page is intentionally left blank

Corporate Director of Governance and Assurance



LEVEL:	Level 2 (Band A Impact Behaviours)
ACCOUNTABLE TO:	Chief Executive
SALARY:	£64,000 - £72,000
LOCATION:	Totnes / Tavistock / Agile

Job Purpose

The Director of Governance and Assurance will work closely with all other Directors across the Senior Leadership Team to lead strategic and operational activity across two Councils working together with a shared workforce. Future success of the Councils will be underpinned by effective decision making and committee processes. Therefore the focus of this role is to ensure that processes and procedures are carried out properly, ethically and lawfully and that the Councils have sound governance in place. This role encompasses the decision making processes for Members and their scrutiny, audit and assurance functions, along with responsibilities across both Councils for consistency and transparency in both statutory and non-statutory procedures.

The post holder will be required to be the Councils' nominated Data Protection Officer as required by the General Data Protection Regulation (GDPR).

Role Profile

- Responsible for working with Councillors and officers across the organisations to ensure there is sound governance in place to allow the Councils to operate lawfully and consistently.
- Ensuring there is strong project management applied throughout the organisation to achieve council-wide consistency and transparency.
- Responsibility for ensuring Council-wide compliance with regulations for health and safety, procurement, information governance, Data Protection, FOI, Ombudsman and complaints procedures, and has oversight of the Councils' risk and opportunities registers.
- Maintain a strategic oversight of all Council contracts with additional engagement and management of major contracts.
- Provide dynamic and inspirational leadership across the organisation, driving a high performing, supportive culture that can be embedded at all levels.
- Responsible for significant delegated financial budgets and resources ensuring they are allocated effectively for the delivery of high quality services, achieving compliance with relevant policies and guidelines.
- Develop and promote cutting edge partnerships with a range of stakeholders at both a local and national level.
- Demonstrate a forward-thinking and commercial approach, effectively managing risk to reduce cost, create income generation opportunities and achieve inward investment.
- Translate future strategic demands into tangible and measurable policies and projects that add value whilst providing clear direction and credibly communicating the future vision.
- Lead a culture of continuous improvement within Governance and Assurance and across the Councils, effectively anticipating and responding to change and promoting a collaborative culture, sharing knowledge across the organisation.
- Harness innovation and creativity in service delivery models and champion development opportunities, to enrich the workforce and maximise engagement and productivity.
- Understand the demographic of our communities and ensure that this is central to service delivery and the style and culture of the organisation as a provider and employer.
- Ensure appropriate business continuity plans and emergency response procedures are in place for the areas of specific responsibility.

The Senior Leadership Team

All Director roles, along with the Chief Executive, form the Senior Leadership Team (SLT) across both Councils which is collectively accountable for the following:

- ◆ Responsible for working effectively with Councillors, providing advice and support to set the direction and strategy of the Councils and communities.
- ◆ Ensuring the strategic priorities in the Councils' Corporate Themes are translated methodically and transformed into high quality, cost effective service delivery.
- ◆ Setting the working culture of the organisation; leading by example, role modelling the Councils' IMPACT behaviour framework and upholding the Councils values and ethics.
- ◆ Ensuring high performance and successful outcomes through the engagement of staff and effective organisation and deployment of resources to ensure delivery of easy to use services.
- ◆ Delivering efficient and effective ways of working with strong governance arrangements in place, whilst creating and promoting a culture of flexibility to respond effectively to shifts in priority.
- ◆ Demonstrating and promoting excellent internal and external communication; enhancing existing partnerships and creating pathways to build further positive relations within our communities and beyond to increase growth and development by generating income and reducing reliance on government grant and local taxes.
- ◆ Providing outstanding strategic leadership across the organisation; promoting economic growth, effectively managing assets and delivering the priorities in the Councils' Corporate Strategy to make a positive impact on the lives of local people.
- ◆ Empowering members of the Extended Leadership Team (ELT) by defining and expanding their areas of responsibility, ensuring a risk management culture to support their independence and flexibility.

Areas of Specific Responsibility

The Director of Governance and Assurance will ensure compliance across both Councils and will be directly responsible for the following functions:

Monitoring Officer & Constitution	Audit
Member Services	Electoral Services
Contract Oversight & Management (Waste, Leisure & IT)	Procurement
Programme Board	Project Management
Business Intelligence	FOI
Complaints and Ombudsman	Information Governance V.CoP
Health & Safety V.CoP	Data Protection
Corporate Risk Register	

In addition to the above, The Director of Governance and Assurance, working closely with the Director of Customer Service and Delivery and will have indirect responsibility for:

Business Continuity/Emergency Planning	ICT Security
--	--------------

Person Specification

Impact Behaviours

The Councils have developed and adopted a behavior framework known as 'Impact'. The framework aims to enhance both individual and organisational performance by outlining measurable behaviours that describe how we need to perform our roles. All members of the Senior Leadership Team are expected to demonstrate Band A Impact Behaviours.

Experience/Skills – Essential

- Ability to demonstrate an understanding of sound governance and effective council wide compliance with processes and procedures.
- A successful track record as a senior manager, including specific experience of managing contracts and projects in an organisation of equivalent size or larger than South Hams and West Devon Councils.
- Strong management skills, particularly in relation to people and performance.
- Highly developed organisational skills with a methodical and pragmatic approach.
- A proven, strong track record working with Members.
- Success in terms of their contribution to the advancement and development of organisations through the formulation of key policies, corporate objectives, commissioning and strategy.
- Excellent track record in delivering successful, productive partnerships between organisations, across geographical, political or commercial boundaries.
- Appreciation and understanding of the dynamics of working in a complex, political environment and across two Councils.
- Evidence of using personal influence to implement innovation in the delivery of services, service improvement or other areas of organisational performance.
- A commitment to quality, customer focused services and the benefits that flow from a corporate approach to service delivery.
- A track record of gaining traction with others, including peers to generate change and development in organisations.
- Thorough and pragmatic understanding of the dynamics between elected members and officers, decision-making in local authorities and the relationship between other agencies.
- Excellent written and verbal communication skills
- The ability to drive and motivate for change through effective leadership.

Knowledge – Essential

Gained through a combination of professional qualifications and/or significant experience in related services, the core knowledge requirements for the role include:

- Knowledge and sound understanding of decision making processes within local government and high political astuteness.
- A solid understanding of current policy and strategy impacting local government services, contract and project management

This page is intentionally left blank

Strategic Director of Place and Enterprise



LEVEL: Level 2 (Band A Impact Behaviours)
ACCOUNTABLE TO: Chief Executive
SALARY: £68,000 - £76,000
LOCATION: Totnes / Tavistock / Agile

Job Purpose

The Strategic Director of Place and Enterprise will work closely with all other Directors across the Senior Leadership Team to lead strategic and operational activity across two Councils working together with a shared workforce. The role particularly focuses on our communities, housing, economy and commercial strategies, together with the Joint Local Plan to support the provision of much needed and affordable homes, as well as initiatives that support our economic wellbeing and our local businesses. There will be particular emphasis on building and maintaining relationships with external organisations, partners and stakeholders to promote the interests of our communities and influence the local, regional and national agenda. This role is key to deliver the Councils' corporate objectives by drawing in external funding to support place-shaping initiatives and respond to social, economic and environmental requirements whilst balancing the Councils' commercial interests with the interests of the local communities.

Role Profile

- Effectively manage the Councils' income streams to support the provision of much needed and affordable homes through our housing strategy, as well as initiatives that support our economic wellbeing and our local businesses.
- Identify and secure external funding to support place-shaping initiatives.
- Develop and implement strategies for investment of Council assets whilst maintaining a balance between the Councils' commercial interests with the interests of the local communities.
- Lead the Councils' response to climate change
- Build successful relationships with a range of stakeholders locally, regionally and nationally to grow existing, and implement new working partnerships.
- Provide dynamic and inspirational leadership across the organisation, driving a high performing, supportive culture that can be embedded at all levels.
- Responsible for significant delegated financial budgets and resources ensuring they are allocated effectively for the delivery of high quality services, achieving compliance with relevant policies and guidelines.
- Demonstrate a forward-thinking and commercial approach, effectively managing risk to reduce cost, create income generation opportunities and achieve inward investment.
- Translate future strategic demands into tangible and measurable policies and projects that add value whilst providing clear direction and credibly communicating the future vision.
- Lead a culture of continuous improvement within Place and Enterprise and across the Councils, effectively anticipating and responding to change and promoting a collaborative culture, sharing knowledge across the organisation.
- Harness innovation and creativity in service delivery models and champion development opportunities, to enrich the workforce and maximise engagement and productivity.
- Understand the demographic of our communities and ensure that this is central to service delivery and the style and culture of the organisation as a provider and employer.

The Senior Leadership Team

All Director roles, along with the Chief Executive, form the Senior Leadership Team (SLT) across both Councils which is collectively accountable for the following:

- ◆ Responsible for working effectively with Councillors, providing advice and support to set the direction and strategy of the Councils and communities.
- ◆ Ensuring the strategic priorities in the Councils' Corporate Themes are translated methodically and transformed into high quality, cost effective service delivery.
- ◆ Setting the working culture of the organisation; leading by example, role modelling the Councils' IMPACT behaviour framework and upholding the Councils values and ethics.
- ◆ Ensuring high performance and successful outcomes through the engagement of staff and effective organisation and deployment of resources to ensure delivery of easy to use services.
- ◆ Delivering efficient and effective ways of working with strong governance arrangements in place, whilst creating and promoting a culture of flexibility to respond effectively to shifts in priority.
- ◆ Demonstrating and promoting excellent internal and external communication; enhancing existing partnerships and creating pathways to build further positive relations within our communities and beyond to increase growth and development by generating income and reducing reliance on government grant and local taxes.
- ◆ Providing outstanding strategic leadership across the organisation; promoting economic growth, effectively managing assets and delivering the priorities in the Councils' Corporate Strategy to make a positive impact on the lives of local people.
- ◆ Empowering members of the Extended Leadership Team (ELT) by defining and expanding their areas of responsibility, ensuring a risk management culture to support their independence and flexibility.

Areas of Specific Responsibility

The Director of Place and Enterprise will be directly responsible for the following functions:

Joint Local Plan	Affordable Housing
Commercial Property and Assets	AONB
Strategic Planning	Town & Parishes Liaison
Neighbourhood Planning	New Income Streams
Salcombe Harbour	Dartmouth Ferry
Funding Applications & Grants	Representing SHWD Interests at Regional Level (HotSW, LEP, etc.)
Climate change response	Economic Development

In addition, and working closely with other Directors, the Director of Place and Enterprise will have indirect responsibility for aspects of:

Private Sector Housing/Housing Standards	Pollution, Antisocial Behaviour/Nuisance
Community Safety Partnership	Planning (DM)
Urban Fringe delivery team	Bio Diversity/S106/Community
Car parking (strategy)	Public Conveniences (strategy)

Person Specification

Impact Behaviours

The Councils have developed and adopted a behavior framework known as 'Impact'. The framework aims to enhance both individual and organisational performance by outlining measurable behaviours that describe how we need to perform our roles. All members of the Senior Leadership Team are expected to demonstrate Band A Impact Behaviours.

Experience/Skills – Essential

- Proven strength in communication and successful negotiation with a strong sense of business/commercial acumen.
- A successful track record as a senior manager, effectively managing resources in an organisation of equivalent size or larger than South Hams and West Devon Councils.
- Strong management skills, particularly in relation to people and performance.
- Success in terms of their contribution to the advancement and development of organisations through the formulation of key policies, corporate objectives, commissioning and strategy.
- Excellent track record in delivering successful, productive partnerships between organisations, across geographical, political or commercial boundaries.
- Appreciation and understanding of the dynamics of working in a complex, political environment and across two Councils
- Evidence of using personal influence to implement innovation in the delivery of services, service improvement or other areas of organisational performance.
- A commitment to quality, customer focused services and the benefits that flow from a corporate approach to service delivery.
- A track record of gaining traction with others, including peers to generate change and development in organisations.
- Thorough and pragmatic understanding of the dynamics between elected members and officers, decision-making in local authorities and the relationship between other agencies.
- Excellent written and verbal communication skills
- The ability to drive and motivate for change through effective leadership

Knowledge – Essential

Gained through a combination of professional qualifications and/or significant experience in related services, the core knowledge requirements for the role include:

- Solid knowledge of community initiatives with an understanding of the needs of the local communities and issues impacting on both a local and national level
- A good understanding of the management of external funding streams and income generation opportunities
- A good understanding of current policy and strategy impacting local government services, contract and project management

This page is intentionally left blank

Corporate Director of Strategic Finance (& S151 Officer)



LEVEL:	Level 2 (Band A Impact Behaviours)
ACCOUNTABLE TO:	Chief Executive
SALARY:	£65,000 - £73,000
LOCATION:	Totnes / Tavistock / Agile

Job Purpose

The Director of Strategic Finance will work closely with all other Directors across the Senior Leadership Team to lead strategic and operational activity across two Councils working together with a shared workforce. A sustainable financial future is a critical objective for both Councils, and the focus of this role is to implement a robust financial strategy including developing and reviewing the Councils' Medium Term Financial Strategy with Councillors together with having an oversight of the budget setting process and implementing other key financial and future funding strategies. This is a cross cutting role, involving both corporate and strategic activities to engage with all areas of the organisation. The Councils require a sound financial strategy to support the corporate objectives and this role is key in providing financial assurances relating to all aspects of existing funding streams, income generation and investment or use of Council assets.

The post holder will be required to be the Section 151 Officer for both Councils in accordance with section 151 of the Local Government Act 1972 which requires every local authority to appoint a suitably qualified officer responsible for the proper administration of its affairs.

Role Profile

- Responsible for financial budgets across the whole organisation, ensuring that financial implications of all policies and proposals are properly considered and tested during the development stages.
- Responsible for ensuring that the Councils' commercial activities are properly assessed and monitored, risks are identified and mitigation in place.
- Responsible for representing the Council on key financial issues and policies at a local, regional and national level.
- Responsible for carrying out the duties of the Section 151 Officer across two Councils in line with current legislation
- Provide dynamic and inspirational leadership across the organisation, driving a high performing, supportive culture that can be embedded at all levels
- Develop and promote cutting edge partnerships with a range of stakeholders at both a local and national level
- Demonstrate a forward-thinking and commercial approach, effectively managing risk to reduce cost, create income generation opportunities and achieve inward investment
- Translate future strategic demands into tangible and measurable policies and projects that add value whilst providing clear direction and credibly communicating the future vision
- Lead a culture of continuous improvement within Strategic Finance and across the Councils, effectively anticipating and responding to change and promoting a collaborative culture, sharing knowledge across the organisation
- Harness innovation and creativity in service delivery models and champion development opportunities, to enrich the workforce and maximise engagement and productivity
- Understand the demographic of our communities and ensure that this is central to service delivery and the style and culture of the organisation as a provider and employer
- Ensure appropriate business continuity plans and emergency response procedures are in place for the areas of specific responsibility.

Key Statutory Responsibilities

The Director of Strategic Finance is also the Councils' S151 officer. The post holder must be appropriately qualified and will need to have an extensive knowledge of Local Government finance.

The Senior Leadership Team

All Director roles, along with the Chief Executive, form the Senior Leadership Team (SLT) across both Councils which is collectively accountable for the following:

- ◆ Responsible for working effectively with Councillors, providing advice and support to set the direction and strategy of the Councils and communities.
- ◆ Ensuring the strategic priorities in the Councils' Corporate Themes are translated methodically and transformed into high quality, cost effective service delivery.
- ◆ Setting the working culture of the organisation; leading by example, role modelling the Councils' IMPACT behaviour framework and upholding the Councils values and ethics.
- ◆ Ensuring high performance and successful outcomes through the engagement of staff and effective organisation and deployment of resources to ensure delivery of easy to use services.
- ◆ Delivering efficient and effective ways of working with strong governance arrangements in place, whilst creating and promoting a culture of flexibility to respond effectively to shifts in priority.
- ◆ Demonstrating and promoting excellent internal and external communication; enhancing existing partnerships and creating pathways to build further positive relations within our communities and beyond to increase growth and development by generating income and reducing reliance on government grant and local taxes.
- ◆ Providing outstanding strategic leadership across the organisation; promoting economic growth, effectively managing assets and delivering the priorities in the Councils' Corporate Strategy to make a positive impact on the lives of local people.
- ◆ Empowering members of the Extended Leadership Team (ELT) by defining and expanding their areas of responsibility, ensuring a risk management culture to support their independence and flexibility.

Areas of Specific Responsibility

The Director of Strategic Finance and has direct responsibility for the following functions:

S151	Medium Term Financial Strategy (MTFS)
Budget Process	Capital Strategy / Capital Programme
Treasury Management Strategy	Business rates strategy (pooling, pilots, appeals etc).
Assurance and due diligence for commercial strategy (investment and development)	Borrowing strategy and proportionality
Pension strategy	Statement of accounts

In addition to the above, the Director of Strategic Finance will have responsibility for all finance related functions across both Councils, yet the responsibility for the delivery of the service and the management of resources will remain with the Director of Customer Service and Delivery.

Person Specification

Impact Behaviours

The Councils have developed and adopted a behavior framework known as 'Impact'. The framework aims to enhance both individual and organisational performance by outlining measurable behaviours that describe how we need to perform our roles. All members of the Senior Leadership Team are expected to demonstrate Band A Impact Behaviours.

Experience/Skills – Essential

- ◆ A successful track record as a senior manager, including specific experience of financial management and generating growth in a number of ways.
- ◆ Success in terms of their contribution to the advancement and development of organisations through the formulation of key policies, corporate objectives, commissioning and strategy.
- ◆ Excellent track record in delivering successful, productive partnerships between organisations, across geographical, political or commercial boundaries.
- ◆ Appreciation and understanding of the dynamics of working in a complex, political environment and across two Councils
- ◆ Evidence of using personal influence to implement innovation in the delivery of services, service improvement or other areas of organisational performance.
- ◆ A commitment to quality, customer focused services and the benefits that flow from a corporate approach to service delivery.
- ◆ A track record of gaining traction with others, including peers to generate change and development in organisations.
- ◆ Thorough and pragmatic understanding of the dynamics between elected members and officers, decision-making in local authorities and the relationship between other agencies.
- ◆ Excellent written and verbal communication skills
- ◆ The ability to drive and motivate for change through effective leadership

Qualifications – Essential

According to the Section 113 Local Government Finance Act 1988 – the job holder must be a member of one of the following bodies:

- ◆ Institute of Chartered Accountants
- ◆ Chartered Association of Certified Accountants
- ◆ Chartered Institute of Public Finance and Accounting
- ◆ Chartered Institute of Management Accountants

Knowledge – Essential

Gained through a combination of professional qualifications and/or significant experience in related services, particularly financial management including the use of large financial management systems, the core knowledge requirements for the role include:

- ◆ Solid knowledge and understanding of financial management procedures, particularly in local government
- ◆ A good understanding of current policy and strategy impacting local government services, contract and project management
- ◆ A sound understanding of commercial due diligence

This page is intentionally left blank

Review of the Senior Leadership Team - Consultation



Introduction

The report from the Corporate Peer Challenge carried out in November 2018 on both Councils recommended a review of the management structure to ensure that there is the capacity to fulfil our ambitions, particularly in relation to place-shaping and financial sustainability. The report also made recommendations in relation to good governance.

The Council has been running on an interim senior leadership structure since February 2018 following the departure of one of the Executive Directors and is currently carrying two further vacancies out of the five remaining Senior Leadership Team (SLT) posts.

There is now an urgent need to appoint to a permanent structure to ensure stability, clarity of roles and sufficient capacity to meet the challenges of delivering the objectives of two Councils.

This paper sets out for consultation the proposed new structure and the approach to achieving it.

The final proposals will inform a report to each Council in July 2019. It is anticipated that the revised structure will be put in place by 1 September 2019.

Section 1: Background

The current SLT has its origins in the T18 Transformation Programme and originally consisted in January 2015 of:

- ◆ Executive Director for Strategy and Commissioning (Level 1)
- ◆ Executive Director for Service Delivery and Commercial Development (Level 1)
- ◆ Group Manager for Customer First (Level 2)
- ◆ Group Manager for Support Services (Level 2)
- ◆ Group Manager for Commercial Services (Level 2)
- ◆ Group Manager for Business Development (Level 2)
- ◆ Section 151 Officer (Level 3)

The following further changes have subsequently occurred:

- ◆ **March 2016** – Group Manager Customer First left and duties transferred to Group Manager for Support Services
- ◆ **February 2018** – Executive Director for Strategy & Commissioning left and interim arrangement agreed by Councils. The remaining Executive Director took both roles and subsequent changes made to responsibilities of other roles, including allocation of Deputy Chief Executive duties to a Group Manager and the S151 Officer becoming Group Manager for Strategic Finance.
- ◆ **February 2019** – appointment by both Councils of remaining Executive Director as Chief Executive
- ◆ **April 2019** – 2 vacant posts following departure of Group Managers for Business Development and Commercial Services

As well as the changes in personnel, a number of other factors impact the composition of SLT:

- ◆ The decision not to proceed with the commissioning model and the formation of the LACC.
- ◆ The South Hams decision to seek a partner to deliver its Waste and Recycling service with effect from April 2019 and the impact on the Group Manager role following the transfer of 86 employees and significant service delivery functions
- ◆ The completion of the initial workstream to create a framework under which the Councils could pursue its commercial interests
- ◆ The recommendations of the Peer Challenge Review, in particular the capacity required in relation to place-shaping, financial sustainability and good governance
- ◆ The new priorities emerging from election of new Councils
- ◆ The challenging local and national framework and the need for strong focussed leadership
- ◆ Importance of building and sustaining key external relationships and to exert greater place, regional and national influence
- ◆ Importance of strong leadership on staff

Section 2: The proposed new SLT structure

The proposal is limited to the Senior Leadership Team. It is proposed that a further review will take place in autumn 2019 to review and restructure the Extended Leadership Team (ELT) and this will be the subject of a separate consultation. It is not proposed to make any redundancies as part of the review and it is proposed that vacant roles are filled through internal appointments.

It is proposed that the role of Chief Executive is supported by a SLT of 4 roles:

**Director of
Customer Service
and Delivery**

**Director of
Place and
Enterprise**

**Director of
Strategic
Finance**

**Director of
Governance and
Assurance**

The senior leadership roles and are mapped against the Band A Impact Behaviours.

The roles have the following generic responsibilities (not exhaustive):

- ◆ for advising and supporting Councillors to set the direction and strategy of the Councils and our communities and for ensuring the delivery of those strategies
- ◆ setting the working culture of the organisation
- ◆ modelling and embedding the IMPACT behaviours
- ◆ organising our resources to deliver easy-to-use services
- ◆ ensuring efficient and effective ways of working
- ◆ strong governance arrangements
- ◆ good communication and positive relations with our communities
- ◆ improving the local tax base (housing and business) whilst also finding ways to generate income and decrease reliance on government grant and local taxes;

The 4 directorships are not generic roles. Whilst all 4 Directors will act across all functions of the organisation and across both Councils they will have their own discrete responsibilities and requirements. Individual Directors are focused along the following lines

Strategic Director of Customer Service and Delivery

- ◆ This post is key to delivery of our statutory services and our regulatory roles as well as some discretionary services.
- ◆ Most of the Councils' employees will report up to this role.
- ◆ The post holder must be a very effective resource manager.
- ◆ The Director will have oversight of most of the councils' directly delivered services as well as the internal support services. However, whilst directly line managed through this directorate many of the staff will be accountable to other Directors for specific projects or pieces of work. For example, specialists may be assigned to work on a commercial development project for the Place and Enterprise, or have tasks to do that fulfil functions sat within Governance and Assurance, or they may be required to carry out work to support the financial strategy.
- ◆ The bulk of the support functions will also report to this director (e.g. IT, HR, technical finance, legal etc).
- ◆ The focus of this role is to improve the customer experience and provide efficient services within the resource constraints.
- ◆ The post holder must have strong management skills particularly in relation to people and performance.

Strategic Director of Place and Enterprise

- ◆ This role is focused on our communities, housing, economy and commercial strategies and the Joint Local Plan.
- ◆ Given that our funding is made up of Council tax, business rates and New Homes Bonus it is important to support the provision of much needed and affordable homes through our housing strategy, as well as initiatives that support our economic wellbeing and our local businesses.
- ◆ At the same time the Councils own assets and can act as developer and investor. The Director needs to be able to balance the Councils' commercial interests with the interests of the local communities.
- ◆ The role is also likely to have responsibility for the Councils' place-based commercial activities (e.g. Salcombe Harbour and Lower Dartmouth Ferry).
- ◆ An important aspect to the role is the relationship with external organisations, partners and stakeholders (e.g. the LEP, Homes England, developers and the business sector) to promote the interests of our communities and influence the local, regional and national agenda.
- ◆ A key requirement is to draw in external funding to support place-shaping initiatives.
- ◆ Great communication and negotiation skills, commercial acumen and the ability to build successful relationships are essential requirements for this role.

Corporate Director of Governance and Assurance

- ◆ The focus of this role is to ensure that we do things properly, ethically and lawfully and that we have sound governance in place.
- ◆ This role encompasses the decision making processes for Members and their scrutiny, audit and assurance functions.
- ◆ The Director is also responsible for ensuring Council-wide compliance with regulations for health and safety, procurement, information governance, FOI, Ombudsman and complaints procedures, and has oversight of the Councils' risk and opportunities registers and business continuity arrangements.
- ◆ An important part of the role is ensuring that we have strong, consistent project management applied throughout the organisation.
- ◆ A critical function of this role will be oversight and management of our major contracts (Waste and Leisure).
- ◆ Highly developed organisational skills alongside a methodical and pragmatic approach are key requirements for this role alongside political astuteness and a strong track record working with Members.

Corporate Director of Strategic Finance (and S151 Officer)

- Financial sustainability is a critical Council objective.
- This Director is responsible for developing and reviewing the Councils' Medium Term Financial Strategy with Councillors and other key financial strategies (capital, treasury management etc).
- The post holder has oversight of the budget setting process and future funding strategies.
- The Director is also responsible for representing the Council on key financial issues and policies at a regional and national level – e.g. Business rates policy, national funding formulae, spending reviews etc.
- This role provides financial assurance across the whole organisation and ensures that financial implications of all policies and proposals are properly considered and tested during the development stages.
- The Director is responsible for ensuring that the Councils' commercial activities are properly assessed and monitored, risks are identified and mitigation in place.
- This Director is also the Councils' S151 officer. The post holder must be appropriately qualified and will need to have an extensive knowledge of Local Government finance.

Deputy Chief Executive

The role of Deputy Chief Executive is a set of duties and responsibilities which will be assigned to a member of the Senior Leadership Team (SLT) and will be in addition to their normal duties as a Strategic or Corporate Director.

This role will support the Chief Executive and Lead Members and will enable the provision of independent support and advice to both Councils simultaneously where necessary and will deputise for all responsibilities of the Chief Executive in their absence.

Full role descriptions and person specifications are at Appendices A - D

Section 3: Job Evaluation and Salary range

Using a LGA senior role job evaluation tool, the 4 roles were assessed against the following criteria:

- Knowledge requirement
- Creative thinking required/policy direction involved
- Impact on People / Organisations
- Responsibility for resources

The tool identified that the Customer Service & Delivery and Place & Enterprise roles had a slightly greater level of responsibility and we have therefore designated these roles as Strategic Directors and the remaining two roles as Corporate Directors.

Acting upon the advice of the LGA and taking into account factors such as:

- the relationship to the salary of Chief Executive
- the market rate for similar roles in other local authorities and associated bodies
- the added complexity of working across two Councils
- outcome of the role evaluation

It is proposed that the following salary structure is adopted:

Spinal Column Point	Salary pa
D1	£64,000
D2	£68,000
D3	£72,000
D4	£76,000

To reflect the differing levels of responsibility, the following salary ranges are proposed:

Role	Salary range
Strategic Director	D2 - D4
Corporate Director	D1 – D3

The range recognises the progression that will be made by postholders in the first three years of the role.

Special Responsibility Allowances

The salary range includes all responsibility payments for carrying out additional duties, including Monitoring Officer (and Deputy Monitoring Officer), Section 151 Finance Officer (and Deputy and all current responsibility allowances will be consolidated into the proposed new salary range.

Where the significant additional responsibilities are carried out by an officer other than a member of SLT, a special responsibility allowance may still be payable.

The exception is the special responsibility allowance payable to the officer acting as the Deputy Chief Executive. The Chief Executive will assign the duties after inviting expressions of interest from within the SLT. An additional responsibility allowance of the greater of £8000 pa or 6.5% of the annual salary payable to the Chief Executive will be paid. The payment will not be consolidated and will not attract an annual cost of living increase.

Pay assimilation and progression

Existing staff appointed to the SLT with a salary within the relevant range will be assimilated to the nearest salary point.

Staff appointed from a salary lower than the relevant range will be appointed to the lowest point of the range.

Progression through the salary range will be by annual incremental progression, subject to satisfactory performance.

Performance related pay

Consideration will be given to introducing a link between performance and financial reward in the future. Any performance related pay scheme will be the subject of a separate consultation process.

Section 4: Selection Process

In accordance with the Councils' Managing Organisational Change policy, the roles of Strategic Director for Customer Service & Delivery and Corporate Director for Strategic Finance are considered to be not significantly different to the existing roles of Group Manager for Customer First and Support Services and Strategic Finance respectively. **Therefore it proposed to slot in the existing post holders.**

The roles of Strategic Director for Place & Enterprise and Corporate Director for Governance & Assurance are considered to be significantly different to any existing role and applications are invited for the new roles.

It is proposed that the roles are advertised internally in the first instance. An external advert will only be considered if a suitable candidate is not identified.

Applications are sought from candidates who can meet the requirements set out in the respective person specification. The Chief Executive will shortlist applicants in consultation with the LGA.

The shortlisted applicants will then asked to participate in an assessment centre consisting of:

- ◆ a structured assessment against IMPACT Band A behaviours
- ◆ a 20 minute presentation against a given topic
- ◆ a psychometric tool
- ◆ a topic discussion with the two Leaders

The assessment panel will be chaired by the Chief Executive and advised by a panel consisting of senior Members from both Councils and an independent advisor.

The proposed dates for assessment are 4, 5 and 6 September 2019.

It is proposed that the successful candidates will start their new role from 9 September 2019.

Section 5: Consultation

Comments and suggestions are invited on the proposals set out in this consultation paper. The final proposals will form the basis of a Report to Council in July.

Responses to the consultation should be addressed to SLTconsultation@swdevon.gov.uk and received by midnight on Wednesday 3 July 2019.

Report to: **Special Council**

Date: **25 July 2019**

Title: **Outside Bodies**

Portfolio Area: **Leader – Cllr Judy Pearce**

Wards Affected: **All**

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

Date next steps can be taken: **Immediately**

Author: **Darryl White** Role: **Senior Specialist – Democratic Services**

Contact: darryl.white@swdevon.gov.uk or **01803 861247**

RECOMMENDATION

That, for the remainder of the 2019/20 Municipal Year:

- 1. the Council be represented on the Hope Harbour and Governance Board (South Devon Healthcare NHS Foundation) Outside Bodies;**
- 2. That for the purposes of Members' Allowances, attendance at meetings of these Bodies be regarded as an Approved Duty; and**
- 3. That the Members appointed to these Outside Bodies provide regular feedback and consultation on issues affecting the Bodies concerned.**

1. Executive summary

- 1.1 On 16 May 2019, Annual Council appointed to the list of Outside Bodies for 2019/20 (Minute 15/19 refers).
- 1.2 As part of this process, Cllr Hawkins was appointed to serve on the 'Governance Board (South Devon Healthcare NHS Foundation Trust)'. However, we have since been notified that Cllr Hawkins has already been appointed by Devon County Council to serve on the Board and he is not permitted to represent both authorities on this Outside Body.
- 1.3 In addition, the Council did not appoint a representative to serve on the 'Hope Harbour' Outside Body for 2019/20. It has now become

apparent that it is a statutory requirement for the Council to appoint a representative to serve on this Body.

- 1.4 This report requests that the Council now appoints representatives to serve on these two Outside Bodies for the remainder of the 2019/20 Municipal Year.

2. Background

- 2.1 The Council makes annual appointments to a large number of Outside Bodies.
- 2.2 As part of the appointed list for 2019/20, it is necessary to revisit the following Outside Bodies:
 - Governance Board (South Devon Healthcare NHS Foundation); and
 - Hope Harbour.

3. Outcomes/outputs

- 3.1 Since Members are appointed to represent the Outside Bodies on behalf of the Council, there is an agreed Council practice (minutes 12/03 and 27/03 refer) of reporting back on the work of the body and highlighting issues of interest to the Council. Whilst some Members adhere to this requirement, in general, feedback and consultation remains at only a moderate level.
- 3.2 Members are therefore reminded that appointments to Outside Bodies includes:
 - A commitment to provide regular feedback on issues raised at such Bodies;
 - Consultation with other Members and relevant officers on issues coming up before the Bodies; and
 - Briefing / debriefing relevant officers as soon as possible after becoming aware of issues that may be of interest to the Council.
- 3.3 These requirements will help the Council in assessing whether continued membership of those Bodies remains in line with the Council's adopted Corporate Strategy.
- 3.4 The Group Leaders and Independent Members will be invited to make their nominations to serve on these two Outside Bodies and those nominations that are received will be reported to the Special Council meeting.

4 Options available and consideration of risk

- 4.1 The Council could decide that it does not wish to appoint to one (or both) of these Outside Bodies. However, such a course of action

would be in breach of the Hope Harbour Constitution and would result in the loss of a Council representative on the Governance Board (South Devon Healthcare NHS Foundation);

5. Proposed Way Forward

- 5.1 It is recommended that the Council makes appointments to the two Outside Bodies highlighted in this report.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	The Council Constitution requires the Council to approve the list of (and appointments to) the Outside Bodies.
Financial implications to include reference to value for money	Y	Attendance at meetings of Outside Bodies is already budgeted for within the Members' Allowances budget. To ensure value for money Members appointed to Outside Bodies provide regular feedback and consultation on issues affecting the Bodies concerned.
Risk	Y	In the event of any Member finding themselves in a position where interests conflict, they are strongly encouraged to seek early advice of the Council's Monitoring Officer.
Supporting Corporate Strategy	Y	Council Theme – <i>Efficient and effective</i>
Comprehensive Impact Assessment Implications		
Equality and Diversity	N	N/A
Safeguarding	N	N/A
Community Safety, Crime and Disorder	N	N/A
Health, Safety and Wellbeing	N	N/A
Other implications	N	None

Background Documents:

Council Constitution; and
Hope Harbour Constitution

This page is intentionally left blank

**MINUTES OF THE MEETING OF THE DEVELOPMENT MANAGEMENT
COMMITTEE HELD AT FOLLATON HOUSE, TOTNES, ON WEDNESDAY,
22 MAY 2019**

Members in attendance			
* Denotes attendance			
∅ Denotes apologies			
*	Cllr V Abbott	*	Cllr K Kemp
*	Cllr J Brazil (Chairman)	*	Cllr M Long
*	Cllr D Brown	∅	Cllr G Pannell
*	Cllr R J Foss (Vice Chairman)	*	Cllr K Pringle
*	Cllr J M Hodgson	*	Cllr R Rowe
*	Cllr T R Holway	∅	Cllr B Taylor

Other Members also in attendance:
Cllrs Baldry, Bastone, Pearce and Smerdon

Officers in attendance and participating:

Item No:	Application No:	Officers:
All agenda items		HOP Development Management, Planning Specialists, Deputy Monitoring Officer, Specialist Democratic Services

DM.01/19 MINUTES
The minutes of the meeting of the Committee held on 10 April 2019 were confirmed as a correct record and signed by the Chairman.

DM.02/19 DECLARATIONS OF INTEREST
Members and officers were invited to declare any interests in the items of business to be considered and the following were made:

Cllr K Kemp declared a personal interest in application **4214/18/FUL**: Residential development to provide 13 dwellings with associated access, car parking, public open space and landscaping – Land at Holwell Farm, St Anns Chapel, by virtue of knowing the land owner and she remained in the meeting and took part in the debate and vote thereon;

Cllr R Foss declared a personal interest in application **1021/19/PDM**: Notification for prior approval for proposed change of use of agricultural building to dwellinghouse (Class C3) and for associated operational development (Class Q (a+b) – Barn at Higher Yetson Farm, Ashprington, and he remained in the meeting for the duration of the debate and vote thereon;

Cllr J Brazil declared a personal interest in application **3851/18/HHO**: Retrospective householder permission for the erection of replacement single storey extension on rear elevation – 7 Greenhill Terrace, Greenhill, East Allington, by virtue of the applicants being known to him and he remained in the meeting for the duration of the debate and vote thereon;

Cllr R Rowe declared a personal interest in the following planning applications that were sited within the South Devon AONB by virtue of being a Member of the South Devon AONB Partnership Committee and remained in the meeting and took part in the debate and vote thereon:

4214/18/FUL: Residential development to provide 13 dwellings with associated access, car parking, public open space and landscaping – Land at Holwell Farm, St Anns Chapel;

2483/18/FUL: Construction of a new quay to improve access (resubmission of 3078/17/FUL) – 1 Old Coastguard Cottages, Wembury;

2484/18/LBC: Listed Building Consent for construction of a new quay to improve access – 1 Old Coastguard Cottage, Wembury;

0468/19/HHO: Householder application for conversion and extension of single storey bungalow to create new first floor above existing ground floor accommodation; Retained existing ground floor fabric to be thermally upgraded and re-clad and existing accommodation reconfigured; new adjoining flat roofed carport and garden store to be created; existing hardstanding to be adapted to suit new parking arrangement (Resubmission of 2918/18/HHO) – 8 Hillcrest Close, Wembury

DM.03/19 **PUBLIC PARTICIPATION**

The Chairman announced that a list of members of the public and town and parish council representatives, who had registered their wish to speak at the meeting, had been circulated.

DM.04/19 **PLANNING APPLICATIONS**

The Committee considered the details of the planning applications prepared by the Planning Case Officers as presented in the agenda papers, and considered also the comments of Town and Parish Councils together with other representations received, which were listed within the presented agenda reports, and **RESOLVED** that:

a) **4214/18/FUL** Land at Holwell Farm, St Anns Chapel

Parish: Bigbury

Residential development to provide 13 dwellings with associated access, car parking, public open space and landscaping

Case Officer Update: The Case Officer updated on a number of corrections in the published report; the report stated that a holding objection had been received from Highways, but a formal response had now been received and there was no objection to the application but conditions were recommended; since drafting the report a further letter of representation had been received and additional issues such as it being dangerous to walk along the B3392, that affordable homes should be to buy not rent, that Historic England had suggested an alternative site should be found to protect the Holy Well, that Holwell Lane had a poor surface and was not suitable for disabled access and there was a loss of privacy to Oaklands along with overlooking

Speakers included: Objector – Mr Jeremy Adams: Supporter – Mr Rob Ellis: Parish Council – Cllr Beth Huntley

Recommendation: Delegate to Head of Development Management Practice (HoP), in conjunction with the Chairman of the Committee to conditionally grant planning permission, subject to a Section 106 legal obligation.

However, in the event that the Section 106 legal Agreement remains unsigned six months after this resolution, that the application is reviewed by the HoP, in consultation with the Chairman of the Committee, and if no progress is being made delegated authority is given to the HoP to refuse the application in the absence of an agreed S106 Agreement.

Committee Decision: Delegate to Head of Development Management Practice (HoP), in conjunction with the Chairman of the Committee to conditionally grant planning permission, subject to a Section 106 legal obligation.

However, in the event that the Section 106 legal Agreement remains unsigned six months after this resolution, that the application is reviewed by the HoP, in consultation with the Chairman of the Committee, and if no progress is being made delegated authority is given to the HoP to refuse the application in the absence of an agreed S106 Agreement.

Conditions:

1. Time
2. Accords with plans
3. CEMP
4. LEMP
5. Materials details/samples to be agreed and roof to the finished with natural slates fixed in the traditional way using nails not hooks

6. Levels to be agreed
7. Boundary treatment details, including any retaining walls, to be agreed and to provide permeability for wildlife and details of boundary treatments to ensure protection and retention of new and existing boundary hedgerows and planting to be agreed and implemented.
8. Details and materials of hard and soft landscaping to be agreed
9. Footpath to eastern site boundary to be provided prior to occupation of first dwelling
10. Parking areas to be provided prior to occupation
11. PD removed – roof alterations, boundary treatments, hard surfaces
12. Pre-commencement percolation testing
13. Pre-commencement surface water management scheme
14. ground water monitoring scheme
15. Pre-commencement construction phase surface water management scheme
16. Tamar Estuary mitigation
17. No external lighting unless agreed
18. Details of integral bird nest sites to be agreed and provided
19. Unsuspected contamination
20. Details of electric charging points to be agreed and provided
21. Acoustic fence to be provided on northern boundary of Holywell Stores
22. Details of kerb types, heights, road details etc are to be agreed
23. Tree protection details

Additional conditions: prior to commencement details of resurfacing of Holwell Lane to be submitted for approval and complete prior to first occupation; 3 metre cycle lane to be completed to the satisfaction of the Highway Authority and drainage condition 13 to be amended to 'DCC and the Highway Authority'.

b) 2483/18/FUL 1 Old Coastguard Cottages, Wembury

Parish: Wembury

Construction of a new quay to improve access (resubmission of 3078/17/FUL)

Case Officer Update: None

Speakers included: Objector – Mrs Diana Greene: Supporter – Mr Charles Stewart: Ward Members – Cllr Baldry (neighbouring Ward Member) and Cllr Brown

Recommendation: Delegate to Head of Development Management Practice (HoP), in conjunction with the Chairman of the Committee to conditionally grant planning permission, subject to a Section 106 legal obligation.

However, in the event that the Section 106 legal Agreement remains unsigned six months after this resolution, that the application is reviewed by the HoP, in consultation with the Chairman of the Committee, and if no progress is being made delegated authority is given to the HoP to refuse the application in the

absence of an agreed S106 Agreement.

Committee Decision: Delegate to Head of Development Management Practice (HoP), in conjunction with the Chairman of the Committee to conditionally grant planning permission, subject to a Section 106 legal obligation.

However, in the event that the Section 106 legal Agreement remains unsigned six months after this resolution, that the application is reviewed by the HoP, in consultation with the Chairman of the Committee, and if no progress is being made delegated authority is given to the HoP to refuse the application in the absence of an agreed S106 Agreement.

Conditions:

1. Time limit
2. In accordance with plans
3. If no longer needed to be removed
4. CEMP
5. No external lighting
6. Natural England best practice on construction on the foreshore
7. Details and sample of quay materials
8. In accordance with ecology report
9. No davit, ladder or lifting device to be attached
10. Railings to be removed
11. Any repairs to be made good in matching materials

c) 2484/18/LBC 1 Old Coastguard Cottages, Wembury

Parish: Wembury

Listed Building Consent for construction of a new quay to improve access

Case Officer Update: None

Speakers included: Objector – Mrs Diana Greene: Supporter – Mr Charles Stewart: Ward Members – Cllr Baldry (neighbouring Ward Member) and Cllr Brown

Recommendation: Delegate to Head of Development Management Practice (HoP), in conjunction with the Chairman of the Committee to conditionally grant planning permission, subject to a Section 106 legal obligation.

However, in the event that the Section 106 legal Agreement remains unsigned six months after this resolution, that the application is reviewed by the HoP, in consultation with the Chairman of the Committee, and if no progress is being made delegated authority is given to the HoP to refuse the application in the absence of an agreed S106 Agreement.

Committee Decision: Delegate to Head of Development Management Practice (HoP), in conjunction with the Chairman of the Committee to conditionally grant planning permission, subject to a Section 106 legal obligation.

However, in the event that the Section 106 legal Agreement remains unsigned six months after this resolution, that the application is reviewed by the HoP, in consultation with the Chairman of the Committee, and if no progress is being made delegated authority is given to the HoP to refuse the application in the absence of an agreed S106 Agreement.

Conditions:

1. Time limit
2. In accordance with plans
3. Details of methodology for fixing quay to stone revetment

d) 0468/19/HHO 8 Hillcrest Close, Wembury

Parish: Wembury

Householder application for conversion and extension of single storey bungalow to create new first floor above existing ground floor accommodation; Retained existing ground floor fabric to be thermally upgraded and re-clad and existing accommodation reconfigured; new adjoining flat roofed carport and garden store to be created; existing hardstanding to be adapted to suit new parking arrangement (Resubmission of 2918/18/HHO)

Case Officer Update: The case officer updated minor corrections to the published report, JLP policy numbers at the back of the report were noted; condition 2 was amended, condition 7 was amended and condition 10 was amended

Speakers included: Objector – Mr Geoffrey Farmiloe: Supporter – Mr Damien Bulman: Ward Member – Cllr Brown

Recommendation: Conditional Approval

Committee Decision: Conditional Approval

Conditions:

1. Commencement within three years
2. Accord with plans

3. Material details to be agreed
4. Adherence to ecological mitigation recommendations
5. Boundary retention
6. No business or commercial use
7. CMP to be submitted and agreed
8. Obscure glazing to be fitted in bathroom
9. Flush fitting roof lights
10. Surface water drainage system to be agreed
11. Foul water system to be approved
12. Flue to be painted black or grey
13. Car port to remain as storage for domestic vehicles
14. Application required for the decking if over Permitted Development criteria

e) 3851/18/HHO 7 Greenhill Terrace, Greenhill, East Allington

Parish: East Allington

Retrospective householder permission for the erection of replacement single storey extension on rear elevation

Case Officer Update: A late letter of representation had been received stating that there was already an extension in place and the proposal would obstruct light and infringe on privacy

Speakers included: Objector – Mr Soames Hargreaves: Supporter Mr Ruben Woods: Ward Member – Cllr Foss

Recommendation: Conditional Approval

Committee Decision: Conditional Approval

Conditions:

1. Standard time limit
2. Adherence to plans
3. Sample of proposed render
4. Privacy screen

f) 1021/19/PDM Barn at Higher Yetson Farm, Ashprington

Parish: Ashprington

Notification for prior approval for proposed change of use of agricultural building to dwellinghouse (Class C3) and for associated operational development (Class Q (a+b))

Case Officer Update: None

Recommendation: Conditional Approval

Committee Decision: Conditional Approval

Conditions:

1. Standard time limit
2. Adherence to plans
3. Sample of proposed render
4. Privacy screen

DM.05/19 **PLANNING APPEALS UPDATE**

Members noted the list of appeals as outlined in the presented agenda report. The HOP Development Management provided further detail on specific decisions.

(Meeting commenced at 11.30am and concluded at 4.00pm)

Chairman

Voting Analysis for Planning Applications – DM Committee 22 May 2019

Application No:	Site Address	Vote	Councillors who Voted Yes	Councillors who Voted No	Councillors who Voted Abstain	Absent
4214/18/FUL	Land at Holwell Farm, St Anns Chapel	Conditional Approval	Cllrs Abbott, Brazil, Brown, Foss, Hodgson, Holway, Kemp, Long, Pringle, Rowe (10)	(0)	(0)	Cllrs Pannell, Taylor (2)
2483/18/FUL	1 Old Coastguard Cottages, Wembury	Conditional Approval	Cllrs Holway, Pringle, Abbott, Brazil, Rowe (5)	Cllrs Hodgson, Kemp, Long (3)	Cllrs Foss, Brown (2)	Cllrs Pannell, Taylor (2)
2384/18/LBC	1 Old Coastguard Cottages, Wembury	Conditional Approval	Cllrs Holway, Pringle, Rowe, Abbott, Brown, Brazil, Foss (7)	Cllrs Hodgson, Kemp, Long (3)	(0)	Cllrs Pannell, Taylor (2)
0468/19/HHO	8 Hillcrest Close, Wembury	Conditional Approval	Cllrs Abbott, Brazil, Foss, Hodgson, Holway, Kemp, Pringle, Rowe (8)	Cllr Brown (1)	Cllr Long (1)	Cllrs Pannell, Taylor (2)
3851/18/HHO	7 Greenhill Terrace, East Allington	Conditional Approval	Cllrs Brazil, Abbott, Rowe, Pringle, Holway (5)	Cllrs Foss, Brown, Long, Hodgson (4)	Cllr Kemp (1)	Cllrs Pannell, Taylor (2)
1021/19/PDM	Barn at Higher Yetson Farm, Ashprington	Conditional Approval	Cllrs Abbott, Brazil, Brown, Foss, Hodgson, Holway, Kemp, Long, Pringle, Rowe (10)	(0)	(0)	Cllrs Pannell, Taylor (2)

This page is intentionally left blank

**MINUTES OF A MEETING OF
THE EXECUTIVE
HELD AT FOLLATON HOUSE ON THURSDAY 6 JUNE 2019**

Members in attendance:			
* Denotes attendance			
∅ Denotes apologies for absence			
*	Cllr K J Baldry	*	Cllr N A Hopwood
∅	Cllr H D Bastone	*	Cllr D W May
*	Cllr J D Hawkins	*	Cllr J A Pearce

Also in attendance and participating		
Item 7	E.06/19	Cllrs Birch, Hodgson, Holway, Rose and Sweett
Item 9	E.08/19	Cllrs Pannell and Pennington

Also in attendance and not participating	
Cllrs Jackson, Mckay, Reeve and Taylor	

Officers in attendance and participating		
All items		Chief Executive, Deputy Chief Executive and Specialist Democratic Services
Item 7	E.06/19	Specialists Manager
Item 8	E.07/19	Commissioning Manager
Item 9	E.08/19	Senior Specialist Environmental Health
Item 10	E.09/19	Head of Assets Practice

E.01/19 MINUTES

The minutes of the Executive meeting held on 14 March 2019 were confirmed as a true and correct record and signed off by the Chairman.

E.02/19 URGENT BUSINESS

The Chairman advised that she had exercised her discretion to allow for one item of urgent business to be considered at this meeting that related to the recent IT connectivity issues.

The Chief Executive apologised to Members for the recent problems that they had experienced with the connectivity of their IT devices. The cause did not relate to the devices themselves, but a problem that affected the whole Council, including officers. The Deputy Chief Executive added that the problem had taken longer to rectify as the European Elections and the closure of accounts both had to take place before any updates were applied to the system. A report setting out more detail would be presented to the Overview and Scrutiny Panel at its meeting on 13 June 2019.

E.03/19 **DECLARATIONS OF INTEREST**

Members and officers were invited to declare any interests in the items of business to be considered during the course of this meeting and the following were made:

Cllr N A Hopwood declared a Disclosable Pecuniary Interest in Item 9: 'Devon Wide Housing Assistance Policy' (Minute E.08/19 below refers), and she left the meeting for the duration of this item.

E.04/19 **PUBLIC QUESTION TIME**

It was noted that the following public questions had been received in accordance with the Executive Procedure Rules, for consideration at this meeting. The responses are shown in italics. Supplementary questions were asked as shown.

Cllr Pearce responded to each of the following questions:

Question 1 from John Cummings:

"Will SHDC ensure that its Executive members and other councillors are trained and briefed about the IPCC and IPBES reports and that they obtain the knowledge required to engage in informed debate on climate change and biodiversity loss?"

Response:

The Climate Change report going to the Executive on June 6, 2019 includes a recommendation to the Executive for the convening of an all Member Workshop to help scope the challenges, set the priorities and inform the content of the draft Action Plan. The workshop will include briefing and training for Members and will involve external experts(s).

Supplementary question:

"Will the Council consider taking up offers to talk to councillors about climate change which have already been made, such as that from David Ramsden OBE, Founder of the Barn Owl Trust?"

Response:

Cross Panel experts will be identified through work likely to be led by Exeter University and organised by Devon County Council.

Question 2 from Gill Coombs:

"Does the Council have, or is it planning, a procurement policy to buy locally whenever possible? This would not only support local businesses and the local economy, but would avoid the carbon footprint of long distance transportation."

Response:

The Council procures products and services through a range of methods including frameworks at present and are bound to a degree by financial and legislative rules and laws.

There are discussions underway with Plymouth City Council, one of our Joint Local Plan partners, to develop a procurement policy to support local business and reduce carbon. Procurement will form part of the Action Plan recommended in the Climate Change Report.

Supplementary Question:

Does the Council agree that, given the emergency, financial considerations are less important and Climate Change will be given priority?

Response:

In recommending to full Council that a Climate Change Emergency is declared, the importance of responding to the challenges of climate change is recognised. The Council has a duty to manage a range of conflicting priorities whilst delivering key services to the community and setting a balanced budget. The proposed Action Plan will look at the costs and potential economic benefits of meeting the climate change challenge.

Question 3 From Trudy Turrell:

“Now Plymouth City Council, Devon County Council and soon West Devon Borough Council, have declared a Climate Emergency with a 2030 date, the South and West Devon Joint Local Plan becomes conflicting and unworkable. Will the JLP be reviewed and rewritten to comply and achieve the zero carbon target?”

Response:

The Joint Local Plan (JLP) sets, in Policy DEV32, a carbon reduction target in line with formal Government policy / targets that is to be achieved through effective implementation of its policies. Officers are currently preparing the JLP Supplementary Planning Document (JLP SPD), which elaborates on this policy and a number of other relevant policies. It is not possible to introduce in the SPD ‘new policies’ or targets, but that document can set a clear and high bar for prospective developers on the basis that responding positively to climate change in a rounded and effective way is commensurate with good design.

If and when the Government formally revises climate change targets it is likely that these will be enshrined in a revised National Planning Policy Framework and / or National Planning Policy Guidance. Such updated policies would be material considerations which could take precedence over JLP policies. There is, therefore, no need to review the JLP.

The Council is also working with Neighbourhood Planning Groups to support the inclusion in NPs of detailed policies and further specific measures that seek to address climate change in a balanced and effective way.

Supplementary question:

“Now that we are moving away from prioritising the economy and so building extra homes to boost the local economy. Will SHDC now halt the building of 2077 surplus/additional houses allocated in the Joint Local Plan, which are 27% above even the JLPs own assessment of housing needs?”

Response:

The JLP identifies a minimum number of homes to meet identified housing need, consistent with the JLP vision and strategy and delivering a prosperous and sustainable economy.

The Council does not consider that the declaration of Climate Change emergency necessarily equates to the economy being less of a priority, rather it is a matter of how potentially competing objectives are achieved.

Housing need will be considered in the first review of the plan.

Question 4 from Christopher Snow:

“Solar photovoltaic panels were installed on the roof of Follaton House in 2012 to reduce heating bills. Has there been an assessment of the economic viability of installing more panels on this building and on other properties used by this council or rented by tenant organisations?”

Prior to the installation of the panels on the roof of Follaton House, a full appraisal was undertaken to assess the capacity of the roof for solar generation. Whilst it would be physically possible to install more panels than we have, the constraints of the listed building and aspect of the remaining roofs meant that what has been installed was the optimal solution.

Response:

We have installed PV on other buildings we own and occupy, such as in Island Square, Salcombe (12kw). It is however economically challenging to install PV panels on buildings we own but rent out to tenants.

Question 5 from Peter Scott:

“As a partner in the ‘South West Devon Strategic Energy Study’ (2013), how is this council implementing this report’s recommendations, and those of DCC’s and RegenSW’s ‘Devon Community Energy Impact Report’ (2018), and how will it evaluate the income, investment and employment opportunities outlined in these reports?”

Response:

The Council has delivered a range of outputs, as detailed in the Climate Change Report to the Executive on June 6 2019, supporting the recommendations of the reports detailed above. Moving forward, the proposed Action Plan will detail future proposals, primarily with reference to the above and the IPCC, IPBES reports and emerging evidence.

Supplementary question:

“Could the Executive please recommend to the Devon Climate Emergency Response Group that they invite RegenSW to be a member of their committee?”

Response

The inclusion of RegenSW will be discussed with partner organisations.

Question 6 from Barbara Phillips:

“Will SHDC agree to set up a Citizens Assembly and an expert advisory panel to help it to draft and implement a Climate Emergency Action Plan?”

Response:

The Council recognise the need to engage with the community and relevant experts in developing the proposed action plan. As it stands there is a proposal emerging from the Devon Climate Emergency Response Group to produce a Devon Carbon Plan which will include the creation of a Citizens Panel which officers recommend that the Council support in principle.

Supplementary question:

How will SHDC obtain the advice of local energy experts?

Response

Cross Panel experts will be identified through work likely to be led by Exeter University and organised by Devon County Council. Ongoing, and including the letting of Council contracts, the Council will continue to liaise with local groups to identify suitable experts to deliver services and advice.

Question 7 from Leilani van Koten:

“In light of UNISON’s ‘Divest from Carbon’ campaign, launched last year, are UNISON and past and present council employees being consulted about whether their pensions should be invested in fossil fuel industries and other industries contributing to the Climate Emergency?”

Response:

The Council’s past and present employees are enrolled into the Devon Pension Fund, administered by Devon County Council. Investment strategy is set by the DCC Investment and Pension Fund Committee. UNISON representatives are included as non-voting members of the Committee. Each year Devon County Council holds an Annual Consultative Meeting which is open to all members of the Pension Fund. This includes presentations on the Pension Fund’s investment strategy and performance, and provides the opportunity for pension fund members to ask questions and raise issues. The last two annual consultative meetings have both included presentations on responsible investment including issues around climate change. The Devon Pension Fund’s approach is to manage the risks in relation to climate change and to promote change through engagement with companies rather than through disinvestment. The Devon Pension Fund is a member of the International Investors Group on Climate Change (IIGCC).

Supplementary Question:

Will you be taking the advice of the Pensions Minister, Guy Operman, who said on Monday that Pension Schemes should be supported for moving people's money out of fossil fuels and into renewables because the financial risks from the climate crisis are 'too important to ignore'?

Response:

The Devon Pension Fund's approach and current policy is to manage the risks in relation to climate change and to promote change through engagement with companies rather than through disinvestment.

Any issues relating to the Pension Fund are a matter for the Devon County Council Investment and Pension Fund Committee and do not fall within the remit of South Hams District Council.

Question 8 from Gordon Nicholson:

"In response to the IPCC and IPBES reports, how many hectares of public space owned by this council have potential for being converted to woodland or forest and so increase local carbon storage, flood mitigation and biodiversity – and how is this option being assessed?"

Response:

This concept will be considered within the emerging action plan. It would require community support and buy in, given that a significant amount of our land is public open space which serves a recreational purpose to our towns and villages.

It's quite hard to ascertain exactly how much land has the potential for planting, but we have about 40 Ha of amenity grass and informal space, some of which may be viable.

Supplementary Question:

Would your Climate Action Plan contain proposals for increasing tree cover in and around council car parks?

Response

In developing the Action Plan the issue of trees on council owned land will be explored.

Question 9 from Robert Vint:

"As a signatory to the 'Devon, Plymouth and Torbay Declaration on Climate Change and Fuel Poverty' (2007), what options are the Council investigating to ensure that all housing, especially social housing, is now built or retrofitted to zero carbon standards or other affordable warmth standards exceeding minimum building regulations?"

Response:

In terms of new housing and carbon reduction, policy DEV32 requires a 20% uplift above building regs for houses on major schemes through onsite renewables and solar orientation. If that can't be achieved, we may look at fabric first solutions that respond positively to the energy hierarchy.

All schemes, regardless of scale, must now provide us with an energy assessment and an indication of which renewable/carbon-reduction technologies have been considered.

The only way to ensure zero carbon homes through the building control process is to change building regs themselves, and that sits with central government, not at LPA. Lobbying Government is an option that will be considered within the emerging action plan.

For existing housing, the Council is working with LiveWest, the main stockholder of Social Housing across the District. LiveWest utilise a fabric first principal where they lead on the design and specification of new build homes, and incorporate low and zero carbon heating systems (for example, ASHP, GSHP, solar and district heating networks) where appropriate and financially viable. In addition, they are committed to updating the thermal performance of social homes across District. This has enhances the SAP rating of these properties and reduces the annual fuel costs for residents.

In addition, the Environmental Health Team secure carbon reduction whilst tackling fuel poverty across the District through:

- *Enforcing the minimum energy standards for private rental properties.*
- *Allowing energy efficiency measures to be installed under the ECO LA flex scheme. The council has published a statement of intent, which widens the eligibility criteria for ECO (Energy Company Obligation), so that more households can benefit from grants from energy companies. The energy efficiency measures, include insulation and traditional heating methods, however renewables for example heat pumps and photovoltaics are included. The council sign a declaration, confirming the household is eligible for the energy company. Under the councils housing assistance policy, where there is a shortfall in ECO funding for a measure, the council can top it up. Last year the council signed 553 declarations and issued 20 ECO top grants.*
- *Other areas include supporting the local community energy groups and Citizen's advice through clear referral pathways and exchange of knowledge.*

Supplementary question:

If the Council wished to strengthen or update the Sustainable Construction standards in the JLP what would be the quickest way to make such changes?

Response

Consideration is being given to inclusion in the JLP Supplementary Planning Document of stronger standards with respect to achieving climate change objectives. The SPD will be the subject of public consultation in later summer / autumn this year, with adoption anticipated early 2020.

A comprehensive update won't be possible until the Government issues formal advice and enacts legislation. Such new guidance is likely to include updates to the National Planning Policy Framework and National Planning Policy Guidance, which could take precedence over JLP policies if they are then deemed to be out of date.

Irrespective of the above the JLP will be revised with a view to adopting in 2024 / 2025.

Question 10 from Ella Dangerfield:

“As IPCC/IPBES reports say achieving global net carbon neutrality by 2050 only gives a 55%-66% chance of avoiding global warming of over 1.5 degrees C, and as UK carbon emissions per capita are almost twice the global average, will SHDC join 47+ councils in seeking net carbon neutrality by 2030?”

Response:

The Council recognises the contents of the report. The Climate Change report going to the Executive on June 6th 2019 recommends that:

- 1. The Council declares a Climate Change Emergency;*
- 2. An Action Plan that outlines how the Council will address the Emergency, and meet or exceed the targets set by the Intergovernmental Panel on Climate Change (IPCC), to be brought to Council for approval within 6 months;*
- 3. The Council commits to collaborating with Devon County Council and other agencies to address the Emergency. Pending the outcome of the report it is envisaged that the action plan will look at the feasibility of setting specific dates.*

Supplementary question:

Will the Council assess what it would need to do to meet a 2025 or 2030 target for becoming carbon neutral before it finalised it's own targets for a Climate Action Plan?

Response

Working with partner organisations the Council will explore a wide range of scenarios and options, including the most challenging targets.

Question 11 from Cllr Hodgson:

“Can the Leader confirm that a SHDC Task & Finish / working group will be established to develop a strategy and action plan for South Hams District Council further to the proposed Members Workshop to take forward the Climate Emergency declaration and include cross party Councillor membership to ensure an informed and representative response?”

Response:

Pending the outcome of the report to Executive and the outputs of the Member Workshop, the most appropriate vehicle to develop the proposed action plan will be established. The exact form this will take cannot be confirmed at this stage but will clearly include Members.

In the absence of the Lead Member for Strategic Assets, Cllr Bastone, the Lead Member for Enterprise (Cllr May) responded to the following question:

Question 12 from Mike Mills:

“Can you advise the outcome of the Impact Study conducted on the Health & Wellbeing Centre Project in Dartmouth and the proposals to re-provide an overflow car park ?”

Response:

It is noted that the Health and Wellbeing Centre Project will have an impact on the capacity of the over flow car park. This is expected to be C 40 spaces, as the current car park capacity is 120-130 and the proposed car park is C. 90. The car park that serves the H&W centre will be available for parking for the Park and Ride (P&R) as well. The two operations have broadly compatible parking patterns, the P&R at weekends and the H&W centre during the week. There is no proposal to re-provide an overflow car park at this time.

Supplementary Question:

Can you advise why an impact study was not used as set out in best practice?

Response

The Council has not made a decision on the Health and Wellbeing Hub. When it does so, the benefits and risks of the proposal will be set out for the Members to consider, including any loss of Park and Ride overflow parking and any associated impact (as set out in the response above).

Cllr Pearce responded to the following question:

Question 13 from Emily Price:

“Opportunities for investing in solar photovoltaic panels over Council owned car parks were assessed by this council in 2013. What were the findings of that assessment and what further research is planned into solar energy investment opportunities for the council?”

Response:

One of the strands of the response to the climate emergency will need to review this fully to consider: Current grid capacity, planning policy, economic viability and feed in tariff levels. South Hams commercial acquisition strategy also gives it the opportunity to invest in solar PV projects should they be forthcoming and judged a good use of public finance.

Cllr Baldry responded to the following question as Lead Member for Environment.

Question 14 from Jay Tompt:

“What percentage and tonnage of South Hams domestic waste disposed of in black bin bags and currently incinerated at Devonport is plastic, paper, card, compostable waste or other material that could be recycled rather than burned – and how can these figures be reduced?”

Response:

We have based the following calculations on information gained from a waste analysis carried out in the South Hams in 2017 and applied to the tonnages from last year to give an up to date response.

Under the current recycling service, we estimate that the following domestic waste was incinerated at the Devonport Energy from Waste plant:

1% of plastic or 231 tonnes for the year, 3% paper or 558t for the year, 3% card or 438 tonnes for the year. In addition 26% of the black sack waste was compostable equivalent to 4363 tonnes for the year. The majority of this compostable waste is food waste.

We expect to reduce these figures significantly from September 2020 when a new recycling scheme is introduced which will put the emphasis from disposal to recycling by changing the recycling collection to weekly and extending the amount of materials that can be collected from the kerbside to include glass, plastic pots, tubs and trays, printer cartridges and textiles. This will mean that, based on the 2017 waste audit, 48% could potentially be removed from grey bin collections from this date if the new recycling service is fully utilised by residents.

Cllr Hawkins responded to the following question as Lead Member for Wellbeing.

Question 15 from Colin Moore:

“After 2003 Council Home Repair Grants were replaced by Home Improvement Loans and Landlord Loans provided via partner organisations. What proportion of tenants in the South Hams currently live in fuel poverty and how many have benefitted from such loans to reduce fuel poverty over the previous year?”

Response:

Households that experience fuel poverty are now based on the “Low income, high cost” methodology, where required fuel costs are above the national average, and where spending that amount would be left with a residual income below the official fuel poverty line. The key elements in determining fuel poverty are income, fuel prices and fuel consumption.

Department for Business, Energy and industrial Strategy statistics 2018 reported that in 2016 out of the 38,828 households in the South Hams 3,918 were experiencing fuel poverty (10.1%). Devon average is 10.9% The Council does not offer grants to Social Housing tenants specifically to tackle fuel poverty as this is the responsibility of the Registered Provider (Housing Association)

The Council does provide disabled facilities grants that may deal with the insulation properties of a social house where certain conditions prevail.

Total numbers of loans/grants by SHDC to owner occupiers/private tenants in 18/19;

In 2018/19 we provided 49 properties with Eco top up grants from SHDC – a contribution towards central heating/insulation measures. We have facilitated approx. 500 Eco installations facilitated by our ECO declaration (The Energy Company Obligation (ECO) is a government energy efficiency scheme in Great Britain to help reduce carbon emissions and tackle fuel poverty)

2 Wessex Loans provided for upgrades to heating and double glazed windows.

Supplementary Question:

Does the Council have any target dates for the elimination or reduction of Fuel Poverty within the District?

Response:

The Council is currently working towards the government target of 'ensuring that as many fuel poor homes as is reasonable practicable achieve a minimum energy efficiency rating of Band C, by 2030' (Department of Energy and Climate Change). The Council's Fuel Poverty target will be included in the discussions regarding the Action Plan, where consideration may be given towards developing a local target.

E.05/19 EXECUTIVE FORWARD PLAN

Members were presented with the Executive Forward Plan setting out items on the agenda for Executive meetings for the next four months and noted its content without any comment.

E.06/19 CLIMATE CHANGE

Members were presented with a report that outlined recent developments with regard to climate change and set out proposals to investigate how the council could further reduce its carbon footprint in response to the IPCC report and the declaration of a 'Climate Change Emergency'.

The Leader introduced the report and, as part of her introduction, updated the Members following her attendance at the Devon Districts Forum and Devon Local Government Steering Group meetings held on 31 May 2019. In so doing, she advised that Teignbridge District Council had now started to commission scoping work for a district council and this Council had agreed to share the costs with them as this would be a sensible way of moving forward.

The Leader concluded by stating that the intention was to take an informed and evidence based approach working with partners and the public.

During discussion, points raised included the following:

- How to work with local town and parish councils. The Leader responded that this could be addressed as part of the scoping work;
- How to address biodiversity and habitat loss as part of the Action Plan. The Leader responded that this should be raised in the Member workshop;
- Whether the workshop invitation could be extended to staff and tenants, and whether steps could be taken to make Follaton plastic free. The Lead Member for Customer Satisfaction responded that the Waste Working Group had undertaken work on the use of plastics and an update would be sought;
- That work had been done by other agencies that could support some of the initiatives being discussed such as DCC who had produced an Action Plan on what they could do about plastics and the work of Devon Pensions on assessing their carbon footprint;
- Whether it would be possible to host a forum on the Council website to enable residents to share their ideas and experiences.

Members supported the report and thanked the Leader for the work undertaken to produce the report in a short space of time. The Leader asked that thanks be noted to the Specialists Manager who had written the report.

It was then:

RESOLVED

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

1. The Council declares a Climate Change Emergency;
2. An Action Plan be developed that outlines how the Council will address the Emergency, and meet or exceed the targets set by the Intergovernmental Panel on Climate Change (IPCC), including an assessment of the viability of a 2030 target, to be brought to Council for approval within 6 months;
3. The Council commits to collaborating with Devon County Council, all the Devon District Councils, Plymouth City Council and other agencies, to address the Emergency;
4. The Action Plan identifies key performance indicators measured against any relevant national standards;

That the Executive **RESOLVES** to:

5. approve the convening of an all Member Workshop to help scope the challenges, set the priorities and inform the content of the draft Action Plan; and
6. delegate authority to the Head of Paid Service, in conjunction with the Leader, who has the responsibility for the Climate Change programme, to sign the Devon-wide Declaration on Climate Change.

E.07/19 **CUSTOMER SATISFACTION ACTION PLAN PROGRESS**

The Executive was presented with a report that detailed progress made since March 2019 on improving customer satisfaction and also included recommended next steps to continue to improve the customer experience by further honing the Council website, to pre-empt customer needs and manage expectations.

The Lead Member for Customer Satisfaction introduced the report, and gave an example of service improvements. She also asked that an additional recommendation be included, that the Action Plan Progress report be presented to Executive on a quarterly basis, rather than monthly.

It was then:

RESOLVED that:

1. The progress made to date in improving customer satisfaction as detailed in section 3 of the report be noted;
2. The next steps as outlined in section 5 of the report be supported; and
3. That future progress reports be presented on a quarterly basis.

E.08/19 **DEVON WIDE HOUSING ASSISTANCE POLICY**

Members were presented with a report that provided an outline of proposals to change the existing policy to better utilise the budget with more flexible assistance packages that will be available to a greater number of vulnerable residents.

The Lead Member for Wellbeing introduced the report, and the Senior Specialist Environmental Health responded to questions.

It was then:

RESOLVED

That Council be **RECOMMENDED** that the existing 2018-19 Homes Assistance Policy be updated with the revised 2019-21 Devon Housing Assistance Policy.

E.09/19 **GRANTING OF LONG LEASES IN DARTMOUTH, SALCOMBE AND KINGSBRIDGE**

Members were presented with a report that set out the details of three new long leases that were proposed for a term greater than 15 years.

The Lead Member for Assets introduced the report.

It was then:

RESOLVED

1. That the granting of three long leases be approved, to formalise the historic use of an area in Dartmouth and to support the commemoration of 150 years of the Salcombe and Kingsbridge Lifeboat; and
2. That final agreement of the Heads of Terms be delegated to the Head of Assets Practice in consultation with the Lead Member for Assets.

(NOTE: THESE DECISIONS, WITH THE EXCEPTION OF E.06/19 (1), (2), (3) and (4), AND E.08/19 WHICH WERE RECOMMENDATIONS TO THE SPECIAL COUNCIL MEETING TO BE HELD ON 25 JULY 2019, WILL BECOME EFFECTIVE FROM 5.00PM ON MONDAY 17 JUNE 2019 UNLESS CALLED IN, IN ACCORDANCE WITH SCRUTINY PROCEDURE RULE 18).

(Meeting commenced at 10.00 am and concluded at 11.05 am)

Chairman

**MINUTES OF THE MEETING OF THE
OVERVIEW & SCRUTINY PANEL
HELD AT FOLLATON HOUSE, TOTNES ON
THURSDAY, 13 JUNE 2019**

Panel Members in attendance:			
* Denotes attendance		∅ Denotes apology for absence	
∅	Cllr L Austen	*	Cllr H Reeve
*	Cllr J P Birch (Chairman)	*	Cllr J Rose
∅	Cllr M Chown	*	Cllr P C Smerdon (Vice Chairman)
*	Cllr S Jackson	∅	Cllr B Spencer
*	Cllr J McKay	*	Cllr J Sweett
∅	Cllr D M O'Callaghan	∅	Cllr D Thomas
*	Cllr J T Pennington		

Other Members also in attendance:
Cllrs V Abbott, H D Bastone, D Brown, J D Hawkins, T R Holway, N A Hopwood, D W May, G Pannell, J A Pearce and R Rowe

Item No	Minute Ref No below refers	Officers in attendance and participating
All		Chief Executive; Group Manager – Customer First; and Senior Specialist – Democratic Services
8	O&S.5/19	Specialists Manager
9	O&S.6/19	Head of IT Practice
10	O&S.7/19	Head of Practice – Environmental Health and Environmental Health: Senior Specialist

O&S.1/19 MINUTES

The minutes of the meeting of the Overview and Scrutiny Panel held on 28 March 2019 were confirmed as a correct record and signed by the Chairman.

O&S.2/19 DECLARATIONS OF INTEREST

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

O&S.3/19 PUBLIC FORUM

In accordance with the Public Forum Procedure Rules, the Chairman informed that one question had been received for consideration during this agenda item.

Question from Mr Robert Vint

'How will the Council be assessing the viability of a 2030 target for achieving carbon-neutrality in its Climate Action Plan, what independent organisations is it contacting for advice on how to do this and by what date does it currently intend to set a target?'

In response, Cllr Pearce made the following points:

- The Executive had recommended to the Special Council meeting on 25 July 2019 that: *'An Action Plan be developed that outlines how the Council will address the Emergency and meet or exceed the targets set by the Intergovernmental Panel on Climate Change, including an assessment of the viability of a 2030 target, to be brought to Council for approval within six months'* and it would be through this process that the Council would assess the viability of a 2030 date;
- The Council was already working with a range of organisations, including Exeter University, through the Climate Emergency Response Group (CERG) that was chaired by Devon County Council;
- It was expected that a range of organisations would be engaged through the process of producing the Action Plan;
- The Council did not have a date by which it intended to set a target other than as detailed in the Executive recommendation to the Special Council meeting.

O&S.4/19

GOVERNMENT OVERVIEW & SCRUTINY GUIDANCE

A report was presented that sought to brief the new Panel on the 'Statutory Guidance on Overview and Scrutiny in Local and Combined Authorities' that had recently been produced by the Ministry of Housing, Communities and Local Government.

In his introduction, the Chairman of the Panel drew particular attention to the following extracts of the Guidance:

- The importance of ensuring early and regular engagement between the Executive and Scrutiny;
- The need to maintain the interest of full Council in the work of the Overview and Scrutiny Panel;
- An effective Overview and Scrutiny function needing to have a defined impact on the ground, with the Panel making recommendations that would make a tangible difference to the work of the Council;
- The view that Scrutiny works best when it had a clear role and function;
- With regard to shortlisting topics, these should reflect the overall role of Scrutiny in the Council and, when considering whether an item should be included on the work programme, Members should consider the following questions:

- Do we understand the benefits that Scrutiny would bring to the issue?
- How could we best carry out work on this subject?
- What would be the best outcome of this work? and
- How would this work engage with the activity of the Executive and other decision-makers (including partners)?

It was then:

RESOLVED

That the Panel:

1. support the contents of the 'Statutory Guidance on Overview and Scrutiny in Local and Combined Authorities';
2. convene an all Member Training Session in September 2019 that will incorporate the viewing of a web streamed Devon County Council Scrutiny Committee meeting and will review the effectiveness of the first three Panel meetings (held in June, July and September 2019).

O&S.5/19 EXECUTIVE FORWARD PLAN

The Panel was presented with the most recently published Executive Forward Plan. In accordance with Procedure Rules, the Chairman had requested prior to this meeting that the Leader provide responses to a series of questions on the following Executive agenda item:

(a) Climate Change Programme

Question 1. Prior to the Special Council meeting on 25 July 2019, can Members be informed which professional advisors will be consulted and which strategies are being considered by Plymouth, Exeter and Teignbridge Councils to help them achieve carbon neutrality by 2030?

In response, the Leader reminded the Panel that the Council had yet to formally consider the Executive recommendations and it was therefore very early days to be in a position to provide such information. However, the Leader and Chief Executive both emphasised that a great deal of combined working was already being carried out. Whilst both the University of Plymouth and University of Exeter had committed to supporting the work, there were potential procurement matters that would require addressing.

Assuming that Members approved the Executive recommendations on 25 July 2019, then the Council would also then commit to working with the Devon Climate Emergency Response Group.

Question 2. Prior to the July Special Council meeting, can Members be informed which professional advisors the Council is considering using

and which strategies will it consider adopting, in order to assess the viability of a target for the South Hams of Carbon Neutrality by 2030?

In reply, the Leader informed that the Response Group would be setting up a website that would contain extensive information (including the notes and action points arising from meetings) and be hosted by Devon County Council. Once it was established, officers gave a commitment to providing a link to the website to all Members.

In highlighting that resources were scarce and a co-ordinated response would be vital, the Leader stated that the work required to calculate the Council's Carbon Footprint would be far more straightforward than the research required to establish the Devonwide picture.

Question 3. The Council aims to produce a Climate Action Plan within six months – prior to the Special Council meeting in July, can Members be provided with a draft timetable of stages to reach that goal, including how and when external experts, this Panel, other Members and the public would be consulted?

Whilst it was felt too early to be able to provide this information, the Leader recognised the importance of keeping the wider membership fully informed and she gave a commitment for Members to be kept informed of progress via regular updates in the Members Bulletin.

Question 4. In drawing up the Action Plan, will the Council seek to identify, assess and maximise the potential economic, social and environmental 'co-benefits' of the following:

- *reducing Council energy bills;*
- *generating income from renewable energy opportunities;*
- *reducing fuel poverty and hypothermia;*
- *reducing air pollution;*
- *creating new local business, employment and investment opportunities;*
- *increasing local economic resilience and self-reliance; and*
- *increasing tree cover and biodiversity?*

With the possible exception of increasing tree cover and biodiversity, the Leader was of the view that each of these points were classified as 'business as usual' for the Council.

Question 5. Prior to the July Special Council meeting, can Members be informed what steps are being taken or proposed in respect of working with other councils to address the proposed Emergency?

The Leader advised that this question had been addressed in the previous responses that had been given.

In the subsequent debate, reference was made to:-

- (a) the decision-making process at Special Council. The overriding view was that the commitment to provide regular updates in the

Members Bulletin, coupled with the website link being circulated, would be sufficient and there would consequently be no need for an additional report to be produced for consideration at the Special Council meeting;

- (b) the development of the Action Plan. Assurances were given to the Panel that all Members would be fully involved in the development of the Action Plan;
- (c) the proposed Member Workshop. Whilst the final details were still to be confirmed, it was noted that the provisional date of Wednesday, 18 September 2019 had been set aside for the Workshop to be held at the Woolwell Community Centre.

O&S.6/19 **IT SYSTEM UPDATE**

A report was considered that provided an update on the IT systems issues that had been experienced by Members since May 2019 and presented an outline plan for reducing the impact of future issues.

In introducing the report, both the lead Executive Member and lead officer apologised to Members for the inconvenience that they had experienced with their IT devices. Whilst it was no excuse, there were a number of challenges and complexities around providing IT support to a diverse range of Council services.

The lead Member also wished to remind her colleagues of the ability for IT officers to remotely access their devices without the need to make a visit to the Council offices and her intention for a quarterly update report to be presented to the Panel to enable for performance to be regularly monitored. Finally, the Member also highlighted that an 'IT Resilience' report was to be presented to the next Panel meeting on 11 July 2019.

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

- (a) A number of Members paid tribute to the support that was being provided by the Member IT Officer and the Panel welcomed the news that his contract had recently been extended;
- (b) Whilst the issues had been very frustrating, the Panel felt that the regular communication from officers had in part mitigated the levels of impact and disruption experienced by Members;
- (c) A Member had given advanced notice of the following question:

'What research, if any, was carried out before the purchase of the new Surface Go tablets into the likelihood of the small size of the type being displayed causing eye strain if the device is used for any length of time? Also what research, if any, was done on the suitability of the smaller keyboard for use for writing longer documents, especially for those with ageing or arthritic fingers?'

In response, the lead Member informed that the Surface Go devices were rigorously tested during the previous Council and this was not identified as being an issue during the trial. However, the importance of Members having a positive experience with their IT devices was recognised and if any Members were experiencing such issues, then they were encouraged to speak to her and/or the Head of Practice for IT outside of this meeting;

- (d) With regard to communicating with IT officers out of normal office hours, it was confirmed that consideration had been given to this option. However, it had been concluded that the cost of providing out of hours IT support was very expensive and currently deemed unaffordable;
- (e) The benefits of all Members having the 'Blackberry Client' application installed on their mobile phones to enable them to access their Council emails was emphasised by a number of Members.

It was then:

RESOLVED

That the Panel:

1. request that the IT Head of Practice consider the best methods and frequency for communicating system outages and resolution times to Members;
2. ask that the IT Head of Practice note the concerns raised by Members and ensure that these are highlighted in the IT Resilience report that is to be presented to the Panel meeting on 11 July 2019; and
3. encourage all Members to have the 'Blackberry Client' application installed on their mobile phones.

O&S.7/19 FOOD SAFETY SERVICE PLAN

Consideration was given to a report that provided Members with the opportunity to comment upon and agree the Food Safety Service Plan 2019/20.

During the ensuing discussion, reference was made to:-

- (a) the potential impact of a no deal Brexit. Whilst the implications were potentially very significant, officers did assure the Panel that the Council was fully prepared for this eventuality;
- (b) the achievement of maintaining a 100% food safety inspection rate in each of the last two years. The Panel paid tribute to the team's performance and noted that very few local authorities achieve this level of performance. As a general point, a Member asked whether there was any scope to slightly reduce the inspection levels on the traditionally

highest scoring establishments in order to release some time for officers to undertake alternative duties;

- (c) areas for improvement and future development. In referring to the list of areas identified, the Panel did pay particular attention to the importance of *'continuing to integrate Case Managers, Specialists and Locality Officer roles into the related work streams, with a view to freeing up officers to deliver service at the appropriate level'*;
- (d) working relationships with the NHS and Clinical Commissioning Groups (CCGs). Officers advised that they were developing good working relationships with the NHS and local CCGs and it was recognised that there was significant opportunities for the Council in this respect;
- (e) income generation opportunities. The importance of the service investigating all possible options to increase income was recognised. Indeed, such was the importance, that the Panel requested a six-monthly update on this matter.

It was then:

RESOLVED

That the Food Safety Service Plan 2019/20 be approved, subject to, a six-monthly progress report being presented to the Panel that makes reference to opportunities available to the service to increase income and the areas identified for improvement and future development.

O&S.8/19 ANNUAL WORK PROGRAMME

During consideration of the latest version of the Panel's Annual Work Programme, the following additions, amendments and deletions were made:

- (a) With regard to the Peer Challenge Action Plan Update (that was to be considered at the Panel meeting on 11 July 2019), the Panel felt that it would be useful for a copy of the Peer Review Team's concluding report to be circulated to all Members in advance of this meeting;
- (b) It was agreed that an additional agenda item entitled: 'Review of Council's Property Assets' should be added to the Work Programme for consideration at the next Panel meeting on 11 July 2019;
- (c) Members concluded that an agenda item entitled: 'Delivery of Social Affordable Housing within the South Hams' was worthy of further consideration by the Panel. In light of the close linkages with the 'Homelessness Strategy Action Plan – Annual Update', it was concluded that both items should be considered by the Panel at its meeting on 5 September 2019. With regard to the Housing and Homelessness agenda, the value in all Members attending the training session on the morning of Thursday, 4 July 2019 was stressed;

- (d) The Panel approved the suggestion that a 'Town Centre Strategies Update' agenda item be considered by the Panel at its 17 October 2019 meeting;
- (e) In respect of the 2019 Customer Satisfaction Survey, it was agreed that the results would be presented to the Panel meeting on 21 November 2019;
- (f) In light of the Panel decision to receive a six monthly progress report on the Food Safety Service Plan 2019/20 (Minute O&S.7/19 above refers), it was agreed that this should be scheduled for the Panel meeting on the afternoon of Thursday, 23 January 2020.

(Meeting started at 10.00 am and concluded at 11.55 am)

Chairman

**MINUTES OF THE MEETING OF THE DEVELOPMENT MANAGEMENT
COMMITTEE HELD AT FOLLATON HOUSE, TOTNES, ON WEDNESDAY,
19 JUNE 2019**

Members in attendance			
* Denotes attendance			
∅ Denotes apologies			
*	Cllr V Abbott	*	Cllr K Kemp
*	Cllr J Brazil (Chairman)	*	Cllr M Long
*	Cllr D Brown	*	Cllr G Pannell
*	Cllr R J Foss (Vice Chairman)	∅	Cllr K Pringle
*	Cllr J M Hodgson	*	Cllr R Rowe
*	Cllr T R Holway	*	Cllr B Taylor

Other Members also in attendance:
Cllr Pearce

Officers in attendance and participating:

Item No:	Application No:	Officers:
All agenda items		HOP Development Management, Planning Specialists, Deputy Monitoring Officer, Specialist Democratic Services

DM.06/19 **MINUTES**
The minutes of the meeting of the Committee held on 22 May 2019 were confirmed as a correct record and signed by the Chairman.

DM.07/19 **URGENT BUSINESS**
The Chairman confirmed that the following application had been deferred from the published agenda to a subsequent meeting:

3193/18/ARM: Reserved matters application for the development of 64no. dwellings (including market, affordable and retirement housing), landscaping and associated works following grant of outline consent 0771/16/OPA – Land to the rear of Green Park Way, Chillington

DM.08/19 **DECLARATIONS OF INTEREST**
Members and officers were invited to declare any interests in the items of business to be considered and the following were made:

Cllr Pannell declared a personal interest in application 4100/18/FUL: erection of polytunnel, greenhouse, 2no. barns, construction of new access track, hardstanding adjacent to barns and hardstanding adjacent to site entrance, construction of pond – Field at Gladsfield, Diptford, by virtue of knowing the applicant and he remained in the meeting and took part in the debate and vote thereon.

DM.09/19 PUBLIC PARTICIPATION

The Chairman announced that a list of members of the public and town and parish council representatives, who had registered their wish to speak at the meeting, had been circulated.

DM.10/19 PLANNING APPLICATIONS

The Committee considered the details of the planning applications prepared by the Planning Case Officers as presented in the agenda papers, and considered also the comments of Town and Parish Councils together with other representations received, which were listed within the presented agenda reports, and **RESOLVED** that:

a) 3480/18/ARM Land North of Canes Orchard, Brixton

Parish: Brixton

Reserved Matters application for the approval of appearance, landscaping, scale and layout of 28 no. dwellings following grant of outline permission 1825/16/OPA

Case Officer Update: A correction to the report in that the first para of the analysis included reference to policies CS7 and DP1 that should be removed along with 'emerging' in relation to the JLP; The application has been readvertised and the site notice expires today, and in addition, not all drawings submitted had been on the website for the requisite period of 14 days, so the officer recommendation is amended to take account of this; amendment to condition 9 to state in consultation with the parish council; parish council comments on the revised scheme were read out to the committee and six further letters had been received from local residents raising points including no updated engineering drawings received, overbearing impact on neighbours, plots 1 to 13 densely packed, higher density scheme than Phase 1, parking for plots 1-13 was tight, wall shown south of unit 28 on Barratt's land and not within control of applicant; provision of estate railing around play area would force people to walk on a road with no pavements; no energy saving proposals; foul services should connect into the A379 and not into the Orchard Road and Daisy Park sewer; consultation period expires 19 June after committee decision; overlooking to neighbours and possible loss of light to neighbours

Speakers included: Supporter – Mr Alex Graves: Parish Council – Cllr Liz Hitchins; Ward Member – Cllr Brown

Recommendation: Conditional Approval, subject to no new material planning considerations being raised during this extended period

Committee Decision: Conditional Approval, subject to no new material planning considerations being raised during this extended period

Conditions:

1. Time limit for reserved matters
2. Accords with plans
3. Materials to be agreed
4. Roofs to be finished with natural slates fixed using nails and not hooks
5. Hard landscaping materials to be agreed including road, pavement and parking areas
6. Details of POS landscaping, equipment and boundary treatment to be agreed and provided
7. Boundary treatments to be agreed
8. Details of FFL and external ground levels to be agreed, including levels of public open space areas

b) 4100/18/FUL Field at Gladsfield, Diptford

Parish: Diptford

Erection of polytunnel, greenhouse, 2no. barns, construction of new access track, hardstanding adjacent to barns and hardstanding adjacent to site entrance, construction of pond

Case Officer Update: The description refers to barns but this should be corrected to 'barn' and the location plan was incorrect, a new plan was shown

Speakers included: Supporter – Mr James Shorten: Ward Member – Cllr Pannell

Recommendation: Conditional Approval

Committee Decision: Conditional Approval

Conditions:

1. Time limit for commencement
2. Accord with plans
3. Agricultural use
4. Remove following cessation of use
5. Surface water drainage
6. Hedgerow
7. No flood lighting

**c) 3954/18/FUL Lower Cottage, 2 Priddhamsleigh Cottages,
Ashburton**

Parish: Staverton

**Change of use of stables/barns/residential outbuildings to
business/wellness**

Case Officer Update: A further letter of support had been received

Speakers included: Objector – Mr John Caunter: Supporter – Ms Jackie Lake:

Recommendation: Conditional Approval

Committee Decision: Conditional Approval

Conditions:

1. Time limit
2. Accord with plans
3. Surface water
4. Foul drainage
5. Use as a wellness centre only
6. Hours limitation (9am – 6pm)
7. Maximum of 12 visitors per day
8. No outside audio
9. No overnight stays
10. Hard and soft landscaping scheme
11. Provide visibility splay

DM.11/19 PLANNING APPEALS UPDATE

Members noted the list of appeals as outlined in the presented agenda report. The HOP Development Management provided further detail on specific decisions.

(Meeting commenced at 2.00pm and concluded at 3.40pm)

Chairman

Voting Analysis for Planning Applications – DM Committee 19 June 2019

Application No:	Site Address	Vote	Councillors who Voted Yes	Councillors who Voted No	Councillors who Voted Abstain	Absent
3480/18/ARM	Land North of Canes Orchard, Brixton	Conditional Approval	Cllrs Abbott, Brazil, Foss, Holway, Taylor, Pannell, Rowe (7)	Cllrs Hodgson, Kemp, Long, Brown (4)	(0)	Cllr Pringle (1)
4100/18/FUL	Field at Gladsfield, Diptford	Conditional Approval	Cllrs Abbott, Brazil, Brown, Foss, Hodgson, Holway, Kemp, Long, Pannell, Taylor, Rowe (11)	(0)	(0)	Cllr Pringle (1)
354/18/FUL	Lower Cottage, 2 Pridhamsleigh Cottages, Ashburton	Conditional Approval	Cllrs Abbott, Brazil, Brown, Foss, Hodgson, Holway, Kemp, Long, Pannell, Taylor, Rowe (11)	(0)	(0)	Cllr Pringle (1)

This page is intentionally left blank

**MINUTES OF A MEETING OF THE AUDIT COMMITTEE
 HELD AT FOLLATON HOUSE, TOTNES ON THURSDAY 20 JUNE 2019**

Members in attendance			
* Denotes attendance			
∅ Denotes apology for absence			
∅	Cllr L Austen (Vice-Chairman)	*	Cllr J T Pennington
*	Cllr J Brazil	*	Cllr B Spencer
*	Cllr T R Holway (Chairman)	*	Cllr B Taylor
*	Cllr J McKay		

Members also in attendance:
Cllrs V Abbott, H D Bastone, N A Hopwood, D W May and J A Pearce

Item No	Minute Ref No below refers	Officers and Visitors in attendance
All Items		Chief Executive; Section 151 Officer; Finance HOP Lead; Internal Audit Manager; Support Services Specialists Manager; Monitoring Officer; and Senior Specialist – Democratic Services

A.1/19 MINUTES

The minutes of the meeting of the Committee held on 21 March 2019 were confirmed as a correct record and signed by the Chairman.

A.2/19 URGENT BUSINESS

The Chairman advised that he had no urgent items to be raised at this meeting.

A.3/19 DECLARATIONS OF INTEREST

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

A.4/19 GRANT THORNTON AUDIT PROGRESS REPORT

The Committee considered a paper from Grant Thornton that provided an update on progress in delivering their responsibilities to the Council as its External Auditors.

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

- (a) Members welcomed the fact that Grant Thornton had found no issues that it felt were necessary to bring to the attention of the Committee;
- (b) It was noted that Grant Thornton had identified one Value for Money risk (that related to 'informed decision-making – financial challenges'). As a result, Grant Thornton had requested that the Grant Thornton Audit Plan be re-included on this meeting agenda (Minute A.5/19 below refers) as a follow up to its previous consideration at the Committee meeting of 31 January 2019 (Minute A.38/18 refers).

It was then:

RESOLVED

That the contents of the Grant Thornton Audit Progress Report be acknowledged.

A.5/19 GRANT THORNTON AUDIT PLAN

Members considered a document that provided an overview of the planned scope and timing of the statutory audit of the Council.

In discussion, the Committee noted those significant risks that had been identified and was informed that the annual Grant Thornton Fraud report was intended to be presented to the Committee meeting on 25 July 2019 to report back to Members on the conclusion of the audit of the accounts and the Value for Money opinion.

It was then:

RESOLVED

That the contents of the Grant Thornton Audit Plan be acknowledged.

A.6/19 GRANT THORNTON EXTERNAL AUDIT FEE LETTER

Members were presented with the Audit Fee Letter from Grant Thornton.

Whilst welcoming the considerable recent reductions in Audit Fees that were paid annually by the Council, the Committee was advised that this had been partly offset by officers now being required to provide additional support to Grant Thornton as part of their External Audit work.

It was then:

RESOLVED

That the contents of the External Audit Fee Letter be noted.

A.7/19

DRAFT STATEMENT OF ACCOUNTS 2018/19 AND DRAFT ANNUAL GOVERNANCE STATEMENT 2018/2019

The Committee was presented with a report that presented the Draft Statement of Accounts for 2018/19 and the Draft Annual Governance Statement for 2018/19.

In discussion, reference was made to:-

- (a) levels of Earmarked Reserves. Officers advised that it was ultimately a decision for Members to determine what they considered to be a prudent level of Earmarked Reserves. It was then noted that the next review of Earmarked Reserves was due to take place in September 2019 as part of the Council's Medium Term Financial Strategy;
- (b) Section 106 Deposits. Members requested a breakdown of the Section 106 Deposits be circulated to the Committee outside of this meeting;
- (c) the Servaco Limited Trading Company. The Section 151 Officer informed that officers would be producing a future report that would seek approval to formally close down Servaco Limited;
- (d) the removal of 100% Business Rate Relief on the letting of self-catering holiday homes. Following the decision of Council at its meeting on 6 December 2018 (Minute 47/18(a) refers), the Section 151 Officer was in the process of writing to her colleagues from those local authorities that had similarly high proportions of self-catering holiday homes to ask them whether they wished to join the Council in lobbying Central Government to close this loophole. In addition, the Committee noted that officers would be attending the upcoming Local Government Association Annual Conference and they were intending to lobby at this event. When questioned, officers confirmed that the closure of this loophole would generate an additional £220,000 for the Council;
- (e) the main budget variations in Commercial Services. Such was the extent of the variances, that Members stated the importance of these being closely monitored;
- (f) the additional planning income generated in 2018/19. Officers advised that early indications for 2019/20 were suggesting a downturn in planning income and it was felt that the additional monies generated in 2018/19 were a one-off and therefore not part of a recurring trend.

Members were also reminded that, as part of the 2019/20 Budget Setting process, support was given to the addition of a Level 5 Specialist within the Development Management service (that was to be funded through planning income). As part of this approval, the Council also requested that a *'further service capacity review be undertaken by the Overview and Scrutiny Panel six months after this additional resource takes up their post'*;

- (g) the work of the Finance Community Of Practice (COP). Members paid tribute to the achievements of the Finance COP in meeting the requirement to publish the Council's Accounts before the end of May 2019.

It was then:

RESOLVED

1. That the draft Statement of Accounts and the Draft Annual Governance Statement for the financial year ended 31 March 2019 be noted;
2. That the Committee elect to present in other comprehensive income changes in the fair values of all equity instruments including the CCLA investments in accordance with IFRS9 – Financial Instruments, with effect from 1 April 2018; and
3. That it be noted that delegated authority has been exercised by the Section 151 Officer to transfer £30,000 of additional planning income received in 2018/19 to the Planning Policy and Major Developments Earmarked Reserve.

A.8/19

ANNUAL REPORT OF THE STATUTORY OFFICERS' PANEL (2018-2019)

A report was presented to the Committee that informed Members of the work that the Statutory Officers' Panel had carried out over the last Financial Year (April 2018 to March 2019).

In discussion, the following points were raised:-

- (a) Officers and Members alike recognised the value and effectiveness of the Panel;
- (b) Members were reminded that a joint South Hams and West Devon Member Workshop to review the Shared Corporate Risk Register had been arranged to take place on Wednesday, 10 July 2019 at 1.30pm.

It was then:

RESOLVED

That the Annual Report of the Statutory Officers' Panel be approved.

A.9/19 INTERNAL AUDIT ANNUAL REPORT 2018/19

Consideration was given to a report that informed Members of the principal activities and findings of the Council's Internal Audit team for 2018/19 to 31 March 2019 by:

- providing a summary of the main issues raised by completed individual audits;
- showing the progress made by Internal Audit against the 2018/19 annual internal audit plan, as approved by the Committee in March 2018; and
- providing an opinion on the adequacy of the Council's Control Environment.

During discussion, the following points were raised:-

- (a) In recognising the value of the Internal Audit Team, some Members highlighted that a number of management responses made reference to a lack of resources. As a result, these Members questioned whether this was always wholly accurate or, in some instances, was actually due to inefficient working practices. The Internal Audit Manager responded that it was not within the remit of the Team to provide an opinion on the adequacy of resource levels. However, if it was felt to be worthwhile, the Team would be happy to be involved in the upcoming capacity audit of the organisation;
- (b) With regard to the Business Continuity Plans (BCP) Audit, the Committee noted that Internal Audit was content with the progress being made. In addition, officers confirmed that a follow-up audit was currently being undertaken. Also, it was widely acknowledged that a BCP could not cover every eventuality, however the specific risks around IT resilience were deemed so important that the Overview and Scrutiny Panel was to receive an update report at its next meeting on 11 July 2019.

It was then:

RESOLVED

That the Audit Committee note:

1. that, overall and based on work performed during 2018/19 and of our experience from previous year's Audit, the Head of Internal Audit's Opinion is of 'Substantial Assurance' on the adequacy and effectiveness of the Authority's Internal Control Framework; and
2. the satisfactory performance and achievements of the Internal Audit Team during 2018/19.

A.10/19 **PROPOSED COMMITTEE WORKPLAN FOR THE 2019/20 FINANCIAL YEAR**

In considering its Annual Workplan, the Committee made reference to:-

- (a) the wish for the 'Six Monthly Update – Strategic Debt Review' agenda item to include reference to aged debtors;
- (b) the value of all Committee Members attending the South West Audit Partnership and Devon Audit Partnership sponsored training session at Buckfast Abbey on 1 October 2019 was emphasised.

(Meeting commenced at 10.00 am and finished at 11.35 am)

Chairman

**MINUTES OF THE MEETING OF
THE SALCOMBE HARBOUR BOARD
HELD AT CLIFF HOUSE, SALCOMBE ON MONDAY, 24 JUNE 2019**

Members in attendance			
* Denotes attendance		∅ Denotes apology for absence	
*	Cllr J Brazil (Chairman)	*	Ms A Jones
*	Cllr D Brown	*	Mr M Mackley
∅	Cllr R J Foss	*	Mr H Marriage (Vice-Chairman)
*	Cllr M Long	*	Mr C Plant
		*	Mr I Stewart
		*	Mr M Taylor

Item No	Minute Ref No below refers	Officers in attendance and participating
All agenda items		Chief Executive; Salcombe Harbour Master; Deputy Section 151 Officer; Head of Assets Practice; Deputy Monitoring Officer; and Senior Specialist - Democratic Services

SH.1/19 WELCOME

The Chairman welcome Cllr Brown and Mr Plant to their first Board meeting following their respective successful applications to serve on the Harbour Board.

SH.2/19 MINUTES

The minutes of the meeting of the Salcombe Harbour Board held on 1 April 2019 were confirmed as a correct record and signed by the Chairman.

SH.3/19 CODE OF CONDUCT DISPENSATIONS

The Deputy Monitoring Officer reminded the Board of the implications under the adopted Code of Conduct. She went on to advise that the payment of harbour dues constituted a contract with the Council, and therefore should be declared by Members as a Disclosable Pecuniary Interest (DPI). In the event of declaring a DPI, a Member would have to update their Register of Interest forms immediately.

As a number of Board Members were in this position of paying Harbour Dues, the Deputy Monitoring Officer granted a dispensation to all Members to enable them to take part in the meeting, (as stated in Paragraph 8.1 (c) of the Members Code of Conduct) as otherwise the meeting would be inquorate. This dispensation would be in force until the next Annual Council meeting in May 2020.

SH.4/19 **DECLARATIONS OF INTEREST**

Members were invited to declare any interests in the items of business to be considered during the course of the meeting, and the following were made:

Ms Jones, Mr Mackley, Mr Marriage, Mr Plant, Mr Stewart and Mr Taylor each declared a disclosable pecuniary interest in all related agenda items by virtue of paying harbour dues to the Council. As a result of the Deputy Monitoring Officer granting each Board Member a dispensation, they were all able to take part in the debate and vote on any related matters (Minute SH.3/19 refers).

SH.5/19 **PUBLIC QUESTION TIME**

In accordance with the Public Question Time Procedure Rules, the following member of the public addressed the Board:

(a) Mr Tim Tucker, South Sands Ferry

In addressing the Board and citing a recent accident that had required an ambulance being called, Mr Tucker stressed the importance of the stream being prevented from undermining the slipway at South Sands.

Officers responded by stating that, whilst the slipway was unregistered, the Council was committed to finding a solution to this problem.

SH.5/19 **FEEDBACK FROM HARBOUR COMMUNITY FORUMS**

The Board received verbal update reports from those Members who attended the Harbour Community Forums. The updates were given as follows:

Salcombe Kingsbridge Estuary Conservation Forum (SKECF)

The representative advised that there had not been a SKECF meeting held recently.

South Devon & Channel Shellfishermen

The representative advised that:

- Progress remained positive with the Fish Quay. Currently, the on-site defibrillator had been sent away for a service in an attempt to get it operational;
- he was willing to take a lead on making an application to the Maritime Management Organisation for funding towards the purchase of Personal Flotation Devices; and
- the two main Fish Quay users were now able to plug into an electricity meter supply on site.

Kingsbridge and Salcombe Marine Business Forum

The representative informed that the marine businesses were working well together and with the Harbour staff.

In addition, the representative stated that the businesses were of the view that there had been a lack of recent progress updates over the proposed commercial units at Batson. In reply, officers informed that the timetable was still on schedule whereby the planning application was due to be determined by the Development Management Committee at its meeting on 17 July 2019. In the event of any parties wishing to make representations on the planning application, they were encouraged to do so via the planning portal on the Council website.

Subject to planning approval being granted by the Committee, it was then intended for a due diligence exercise to be undertaken on the preferred contractor. If this exercise was proven to be satisfactory, then the development was anticipated to commence in September 2019 and concluded by Easter 2020.

Kingsbridge Estuary Boat Club (KEBC)

The representative did not provide an updated to this Board meeting.

East Portlemouth

The representative informed that the old pontoons were now being fully utilised.

SH.6/19 2018/19 YEAR END FINANCIAL REPORT

Consideration was given to a report that advised the Board of the Harbour's final trading position in 2018/19 together with brief details of the main variations from the original Budget. Furthermore, the report also presented a summary of the Harbour Reserves.

During the ensuing discussion, reference was made to the trading surplus of £20,499 being welcomed. In addition, officers were thanked for the presentation of the accounts that were felt to be concise and more reader friendly than in previous reports presented to the Board.

It was then:

RESOLVED

1. That the income and expenditure variations for 2018/19 be noted;
2. That the overall trading surplus of £20,499 be noted; and
3. That this surplus be allocated to the Harbour's General Reserve Fund.

SH.7/19 **HARBOUR MASTER'S REPORT**

The Board considered a report that provided an update on a number of recent issues that had affected the Harbour. In particular, the report provided an update on service performance, major projects and any other issues that impacted upon the Harbour.

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

- (a) It was confirmed that the Rates and Charges Member Workshop would be held on the morning of Wednesday, 3 July 2019;
- (b) Following a successful recruitment and selection exercise, 27 applications had been received for the vacant Mooring Officer post and the Harbour Master stated that the role had now been filled, with the successful postholder due to take up their role on 1 September 2019;
- (c) As a general point, a Member emphasised the importance of all Harbour staff training needs being identified and addressed. In response to a Member wishing for the Board to be satisfied that staff remuneration was no longer an issue, it was felt that the Harbour's five-year business plan was the appropriate forum for this to be undertaken. By way of assurance, the Chief Executive highlighted the amount of time that had previously been taken on this matter and she confirmed her belief that the solution that had been reached had resolved this matter;
- (d) Whilst the content would evolve, the Harbour Master stated his confidence that the new website would be a quality product once it was fully completed;
- (e) As a follow up to the Salcombe Dinghy Sailing presentation that was delivered to the last Board meeting (Minute SH.30/18(b) refers), it was **PROPOSED** and **SECONDED** and when put to the vote declared **CARRIED** that:

'A 50% reduction of Salcombe Dinghy Sailing's annual invoice be approved and the Harbour Authority monitors and works closely with the organisation to monitor the impact of the proposal for the remainder of 2019, with an update then being presented to a Board meeting during early 2020.'
- (f) A Member asked that consideration be given to future Board meetings being hosted at different venues around the Estuary.

It was then:

RESOLVED

1. That the content of the report be noted and endorsed;
2. That a Rates and Charges Board Workshop be arranged for the morning of Wednesday, 3 July 2019; and

3. That approval be given to a 50% reduction of Salcombe Dinghy Sailing's annual invoice and that the Harbour Authority work closely with the organisation to monitor the impact of the proposal for the remainder of 2019, with an update then being presented to a Board meeting during early 2020.

(Meeting commenced at 2.30 pm and concluded at 3.30 pm)

Chairman

This page is intentionally left blank