

# West Devon Council



West Devon  
Borough  
Council

<b>Title:</b>	<b>Summons</b>																														
<b>Date:</b>	<b>Tuesday, 16th February, 2021</b>																														
<b>Time:</b>	<b>4.00 pm</b>																														
<b>Venue:</b>	<b>Teams</b>																														
<b>Full Members:</b>	<p style="text-align: center;"><b>Mayor</b> Cllr Leech <b>Deputy Mayor</b> Cllr Mott</p> <p><i>Members:</i></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Cllr Ball</td> <td style="width: 33%;">Cllr Moody</td> </tr> <tr> <td>Cllr Bolton</td> <td>Cllr Moyse</td> </tr> <tr> <td>Cllr Bridgewater</td> <td>Cllr Musgrave</td> </tr> <tr> <td>Cllr Cheadle</td> <td>Cllr Pearce</td> </tr> <tr> <td>Cllr Coulson</td> <td>Cllr Ratcliffe</td> </tr> <tr> <td>Cllr Crozier</td> <td>Cllr Renders</td> </tr> <tr> <td>Cllr Davies</td> <td>Cllr Ridgers</td> </tr> <tr> <td>Cllr Daniel</td> <td>Cllr Samuel</td> </tr> <tr> <td>Cllr Edmonds</td> <td>Cllr Sellis</td> </tr> <tr> <td>Cllr Ewings</td> <td>Cllr Southcott</td> </tr> <tr> <td>Cllr Heyworth</td> <td>Cllr Spettigue</td> </tr> <tr> <td>Cllr Hipsey</td> <td>Cllr Vachon</td> </tr> <tr> <td>Cllr Jory</td> <td>Cllr Wood</td> </tr> <tr> <td>Cllr Kemp</td> <td>Cllr Yelland</td> </tr> <tr> <td>Cllr Kimber</td> <td></td> </tr> </table>	Cllr Ball	Cllr Moody	Cllr Bolton	Cllr Moyse	Cllr Bridgewater	Cllr Musgrave	Cllr Cheadle	Cllr Pearce	Cllr Coulson	Cllr Ratcliffe	Cllr Crozier	Cllr Renders	Cllr Davies	Cllr Ridgers	Cllr Daniel	Cllr Samuel	Cllr Edmonds	Cllr Sellis	Cllr Ewings	Cllr Southcott	Cllr Heyworth	Cllr Spettigue	Cllr Hipsey	Cllr Vachon	Cllr Jory	Cllr Wood	Cllr Kemp	Cllr Yelland	Cllr Kimber	
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<b>Interests – Declaration and Restriction on Participation:</b>	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.																														
<b>Committee administrator:</b>	Democratic.Services@swdevon.gov.uk																														

**1. Apologies for Absence**

**2. Confirmation of Minutes**

**1 - 10**

To approve and adopt as a correct record the Minutes of the Meeting of Council held on 8 December 2020

**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.

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

**4. To receive communications from the Mayor or person presiding**

**5. Business brought forward by or with the consent of the Mayor**

**6. To respond to any questions submitted by the public and to receive deputations or petitions under Council Procedure Rule 21**

**7. To consider (any) questions submitted under Council Procedure Rule 21**

**8. To consider motions of which notice has been duly submitted by Members in accordance with Council Procedure Rule 15:**

**9. To receive the Minutes of the following Committees, to note the delegated decisions and to consider the adoption of those Recommendations which require approval:**

**11 - 32**

**(i) Hub Committee**

Meeting held on 8 December 2020

Recommendations to agree:

**HC 48: Month 7 Revenue Budget Monitoring  
2020/21**

That Council be **RECOMMENDED** to

3. transfer £220,000 into a COVID Earmarked Reserve to protect against future COVID losses in 2021/22 (as set out in Section 1.8 of the agenda report presented to the Hub Committee); and
4. fund £30,000 of Audio Visual equipment for the Tavistock Guildhall Heritage project, with this being financed from the Business Rates Retention Earmarked Reserve (as set out in Section 7 of the agenda report presented to the Hub Committee).

**2021/22 HC 49: Draft Revenue Budget Proposals**

That Council be **RECOMMENDED** to continue to be part of the Devon Business Rates Pool for 2021/22, subject to there being no announcements within the Finance Settlement (expected to be announced in the week commencing 14 December 2020), which in the opinion of the Section 151 Officer (in consultation with the Leader of the Council and the Portfolio Holder for Finance), would change this recommendation.

Meeting held on 2 February 2021

Recommendations to agree:

***(NB. recommendations HC 55: Revenue Budget Proposals 2021/22 and HC56: Capital Budget Proposals 2021/22 will be considered at standalone agenda items 10 and 11 (below) respectively)***

**HC 58 Devon Districts Procurement Strategy**

That Council be **RECOMMENDED** to adopt the Devon Districts Procurement Strategy for 2019-2022.

**(ii) Overview & Scrutiny Committee**

Meeting held on 10 November 2020

**(iii) Development Management & Licensing Committee**

Meeting held on 12 January 2021

<b>10. Revenue Budget Proposals for 2021/22</b>	<b>33 - 90</b>
<b>11. Capital Budget Proposals for 2021/22</b>	<b>91 - 100</b>
<b>12. Business Grants Scheme</b>	<b>101 - 134</b>

Dated this 8<sup>th</sup> of February 2020

Andy Bates  
Chief Executive

# Agenda Item 2

At the Meeting of the **WEST DEVON BOROUGH COUNCIL** held **REMOTELY** on **WEDNESDAY** the 8<sup>th</sup> day of **DECEMBER 2020** at **4.00pm** pursuant to Notice given and Summons duly served.

## **Present**

Cllr A F Leech – The Mayor (In the Chair)

Cllr K Ball	Cllr T Bolton
Cllr A Bridgewater	Cllr R Cheadle
Cllr A Coulson	Cllr P Crozier
Cllr L Daniel	Cllr M Davies
Cllr C Edmonds	Cllr M Ewings
Cllr S Hipsey	Cllr N Jory
Cllr C Kemp	Cllr P Kimber
Cllr J B Moody	Cllr C Mott
Cllr D E Moyse	Cllr C R Musgrave
Cllr T G Pearce	Cllr B Ratcliffe
Cllr M Renders	Cllr P Ridgers
Cllr L Samuel	Cllr D K A Sellis
Cllr T Southcott	Cllr J Spettigue
Cllr P Vachon	Cllr L Wood
Cllr J Yelland	

Senior Leadership Team  
Monitoring Officer  
Democratic Services Manager  
Senior Specialist – Climate Change  
Head of Practice – Commissioning & Contracts  
Senior Specialist – Parking  
Head of Environmental Health & Licensing

## **CM 17 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Cllr N Heyworth.

## **CM 18 CONFIRMATION OF MINUTES**

It was moved by Cllr N Jory, seconded by Cllr R Cheadle and, upon the motion being submitted to the Meeting, was declared to be **CARRIED** and **“RESOLVED** that the Council agree the minutes of the 22 September 2020 Meeting as a true and correct record.”

## **CM 19 DECLARATION OF INTEREST**

The Mayor invited Members to declare any interests in the items of business to be considered during the course of the meeting and these were recorded as follows:

Cllr D K A Sellis declared a personal interest in Item 12: ‘Public Space Protection Order – Dog Controls’ (Minute CM 28 below refers) by virtue of

walking her dog on Dartmoor and remained in the meeting and took part in the debate and vote thereon.

**CM 20 BUSINESS BROUGHT FORWARD BY THE MAYOR**

The Mayor informed the meeting that he had no urgent items to be brought forward to this Meeting.

**CM 21 MINUTES OF COMMITTEES**

**a. Development Management & Licensing Committee – 29 September 2020, 27 October 2020 and 24 November 2020**

It was moved by Cllr J Yelland, seconded by Cllr T Pearce and upon being submitted to the Meeting was declared to be **CARRIED** and **“RESOLVED** that the Minutes of the 29 September 2020, 27 October 2020 and 24 November 2020 Committee Meetings be received and noted, with the exception of Recommendation DM&L 33.”

In respect of the Recommendation:

**i. DM&L 33 Review of Statement of Licensing Policy for 2021-2026**

It was moved by Cllr J Yelland, seconded by Cllr T Pearce and upon being submitted to the Meeting was declared to be **CARRIED** and **“RESOLVED** that the draft Licensing Policy (as detailed at Appendix A of the presented agenda report to the Committee meeting) be adopted for the period from 7 January 2021 to 6 January 2026.”

**b. Overview and Scrutiny Committee – 6 October 2020**

It was moved by Cllr J Yelland, seconded by Cllr P Kimber and upon being submitted to the Meeting was declared to be **CARRIED** and **“RESOLVED** that the Minutes of the 6 October 2020 Committee Meeting be received and noted.”

**c. Audit Committee – 13 October 2020**

It was moved by Cllr M Davies, seconded by Cllr P Vachon and upon being submitted to the Meeting was declared to be **CARRIED** and **“RESOLVED** that the Minutes of the 13 October 2020 Committee Meeting be received and noted.”

**d. Hub Committee – 20 October 2020 and 1 December 2020**

It was moved by Cllr N Jory, seconded by Cllr L Samuel and upon being submitted to the Meeting was declared to be **CARRIED** and **“RESOLVED** that the Minutes of the 20 October 2020 and 1 December 2020 Committee Meetings be received and noted, with the exception of Recommendations HC 27, HC 29, HC 40 and HC 41.”

In respect of the Recommendations:

i. **HC 27 Medium Term Financial Strategy 2021/22 to 2025/26**

In discussion, reference was made to:

- the financial hardship being experienced by a number of local residents. In highlighting the financial impact of the COVID-19 pandemic, the point was made that this would need to be an important consideration for all Members during the 2021/22 Budget Setting process;
- the prudent financial management of the Council. A Member emphasised the importance of a robust Communications Strategy to underpin the Budget Setting process and stated that, without prudent financial management, the Council would not have been in a position to offer financial support to Fusion Leisure.

It was then moved by Cllr N Jory, seconded by Cllr L Samuel and upon being submitted to the Meeting was declared to be **CARRIED** and “**RESOLVED** that:

1. the strategic intention to raise Council Tax by the maximum allowed in any given year, without triggering a Council Tax Referendum, to endeavour to continue to deliver services (NB the actual Council Tax for any given year will be decided by Council in the preceding February);
2. the Council continue to respond to Government consultations on Business Rates Reform;
3. the Council continue to actively lobby and engage with the Government, Devon MPs, South West Councils, and other Sector Bodies (such as the District Councils’ Network and the Rural Services Network) for a realistic Business Rates baseline to be set for the Council for 2022 onwards, when the Business Rates reset would happen;
4. the Council continue to lobby in support of the Government eliminating Negative Revenue Support Grant in 2021/22 (and thereafter) and continue to lobby for Rural Services Delivery Grant allocations that adequately reflected the cost of rural service provision; and
5. the Council maintain an Upper Limit on External Borrowing (for all Council services) as part of the Medium Term Financial Strategy of £50 million.”

ii. **HC 29 Springhill Update**

In debate, a Member requested that consideration be given to amending part 2 of the Hub Committee recommendation to replace the word ‘*support*’ with the word ‘*note*’. The proposer and seconder of the motion confirmed that they were willing to accept this

amendment and it was then moved by Cllr N Jory, seconded by Cllr L Samuel and upon being submitted to the Meeting was declared to be **CARRIED** and “**RESOLVED** that the Council:

1. note the project aims and objectives (as set out in Section 3 of the attendant report presented to the Committee meeting);
2. note the current design direction (as detailed in Section 4 of the attendant report presented to the Committee meeting), recognising the opportunities for external funding; and
3. note the draft Business Case (as set out in the Exempt Appendix B of the attendant report presented to the Committee meeting).”

iii. **HC 40 Broadband Community Support**

It was moved by Cllr N Jory, seconded by Cllr L Samuel and upon being submitted to the Meeting was declared to be **CARRIED** and “**RESOLVED** that approval be given to the creation of a Broadband Community Support Reserve of £100,000, to be financed by transferring:

- £50,000 from the existing Business Rates Retention Earmarked Reserve; and
- £50,000 from the Business Rates Discretionary Fund (Additional Restrictions Grants (ARG) Scheme).”

iv. **HC 41 Cornwall and West Devon Mining Landscape World Heritage Site: Management Plan 2020-2025**

When questioned, it was confirmed that, once adopted, the Plan would be taken into account as part of the planning process.

A Member also asked for her appreciation that the Plan contained significant emphasis to Climate Change and Biodiversity be noted.

It was moved by Cllr N Jory, seconded by Cllr L Samuel and upon being submitted to the Meeting was declared to be **CARRIED** and “**RESOLVED** that, with immediate effect, the World Heritage Site Management Plan 2020-2025.”

e. **Invest to Earn Committee – 2 October 2020**

It was moved by Cllr C Edmonds, seconded by Cllr R Cheadle and upon being submitted to the Meeting was declared to be **CARRIED** and “**RESOLVED** that the Minutes of the 2 October 2020 and 1 December 2020 Committee Meetings be received and noted.”

In response to a Member wishing to ask a question on the exempt agenda report, it was it was moved by Cllr C Edmonds, seconded by Cllr R Cheadle and upon being submitted to the Meeting was declared to be **CARRIED** and “**RESOLVED** that, in accordance with Section 100(A)(4)

of the Local Government Act 1972, the public and press be excluded from the meeting during consideration of the following item of business as the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A to the Act is involved.”

In reply to the question, the Committee Chairman gave an assurance that, whilst it was not deemed appropriate in this instance, future proposals would be looked at on their own merits and the Committee would not rule out the potential to invest in future solar energy related schemes.

Once all Members were content that they had no further issues to raise on the exempt appendices, it was then moved by Cllr A F Leech, seconded by Cllr R Cheadle and upon being submitted to the Meeting was declared to be **CARRIED** and “**RESOLVED** that the public and press be re-admitted to the Meeting.”

#### **CM 22 DRAFT RECOVERY PLAN**

The Council considered a report that presented the draft Recovery and Renewal Plan for adoption.

In the ensuing debate, reference was made to:-

- (a) the agricultural industry. Members recognised the reliance of the agricultural industry to the West Devon Borough area and the importance of striking a balance between retention of the existing industry whilst encouraging diversification was highlighted;
- (b) support for the Plan. A number of Members wished to thank the lead officers for compiling an excellent Plan. Of particular note, some Members highlighted the need to consider the desire for smaller office units with access to shared boardrooms and the emphasis on tourism and prosperity was also welcomed;
- (c) the need to exploit new opportunities when they arose. In citing the return of the railway passenger service to Okehampton as an example, the point was made that the Plan must be allowed to evolve and adapt as new opportunities presented themselves.

It was consequently “**RESOLVED** that the COVID-19 Recovery and Renewal Plan (as attached at Appendix A of the presented agenda report) be adopted.”

#### **CM 23 CLIMATE CHANGE AND BIODIVERSITY STRATEGY AND ACTION PLAN**

Consideration was given to a report that sought adoption of the draft Climate Change and Biodiversity Strategy and Action Plan.

In discussion, the following points were raised:

- (a) Some Members stated the importance of progress being made on the establishment of a Cycle Route along the A386;
- (b) Officers confirmed that the Plan had been produced in close liaison with colleagues at Devon County Council;
- (c) A Member felt that the Plan did not necessarily reflect the key role that could be played by South West Water in investigating the issues and capacity for hydropower in the Borough area;
- (d) In response to a request, the proposer and seconder of the motion agreed to include the following additional wording within part 1 of their recommendation:

‘That the Climate Change and Biodiversity Strategy (as set out at Appendix 1 of the presented agenda report and including an updated Action Plan) be adopted, subject to point 1 on page 70 of the presented agenda report being amended to read:

*‘Encourage individuals to look at the impact of their diet and support the increase in the consumption of in season, locally produced food across Devon.’*

- (e) The close linkages to the Council’s now adopted Recovery Plan were noted by a number of Members;
- (f) In recognition of the rural nature of the Borough and the lack of public transport provision, a Member welcomed the emphasis in the Action Plan being given to Fuel Poverty;
- (g) A number of Members commended the role played by the Working Group and lead officers in producing the draft Strategy and Action Plan. In terms of next steps, it was recognised that the Working Group would need to now focus on the delivery of some quick achievable outcomes from the adopted Action Plan.

It was then moved by Cllr M Davies, seconded by Cllr S Hipsey and upon being submitted to the Meeting was declared to be **CARRIED** and **“RESOLVED** that:

- 1. the Climate Change and Biodiversity Strategy (as set out at Appendix 1 of the presented agenda report and including an updated Action Plan) be adopted, subject to point 1 on page 70 of the presented agenda report being amended to read:

*‘Encourage individuals to look at the impact of their diet and support the increase in the consumption of in season, locally produced food across Devon.’*

2. it be noted that the Action Plan will be a continually evolving document and that delegated authority be granted to the Director of Governance and Assurance to make revisions to the Plan as and when deemed necessary;
3. the Terms of Reference of the Hub Committee and the Overview and Scrutiny Committee be updated to enable for the Strategy and Action Plan to be updated (by the Hub Committee) and reviewed (by the Overview and Scrutiny Committee) on a six-monthly basis;
4. officers be instructed to establish an officer led Community Forum and hold a quarterly Community Forum meeting with each session focused around a Climate Change and Biodiversity Strategy theme; and
5. the Council puts on record its thanks to the Members of the Climate Change and Biodiversity Working Group for developing the draft Strategy and Action Plan.”

#### **CM 24**

#### **PLANNING DELEGATION SCHEME**

The Council considered a report that presented an amended Planning Delegation Scheme for approval.

During her introduction, the lead Hub Committee Member informed that, at the appropriate time, she would be recommending adoption of the revised Planning Delegation Scheme subject to inclusion of the following two minor revisions:

1. That definition point 1 ‘HOP Lead’ be amended to read ‘Head’ instead of ‘Community’; and
2. That paragraph 5.1.2 include an (s) after ‘Member’ to reflect the number of multi-Member Wards in the Borough.

In discussion, some concerns remained that there was still the potential for Members to be experiencing unforeseen issues (for example their IT equipment was not working) and not therefore able to call a planning application to Committee within the prescribed time period. In such instances, some Members felt that there was a need for pragmatism and the development of a protocol would be beneficial. As a reminder, the importance of all Members being personally responsible to inform Democratic Services at the earliest possible opportunity of any absence or unavailability (and, where appropriate, their nominated Member representative to act on their behalf) was stressed.

It was then moved by Cllr C Mott, seconded by Cllr J Yelland and upon being submitted to the Meeting was declared to be **CARRIED** and **"RESOLVED** that the changes to the Planning Delegation Scheme (as set out at Appendix A of the presented agenda report) be agreed, subject to:

- Definition point 1 'HOP Lead' reading 'Head' instead of 'Community'; and
- Paragraph 5.1.2 including an (s) after 'Member' to reflect the number of multi-Member Wards in the Borough."

**CM 25            RESOURCE AND WASTE MANAGEMENT STRATEGY FOR DEVON AND TORBAY**

A report was considered that sought approval for public consultation of the draft Resource and Waste Management Strategy for Devon and Torbay.

During the ensuing discussion, particular reference was made to:

- (a) the absence of any reference to Plymouth City Council. When questioned, officers advised that Plymouth City Council had decided to opt out of the partnership and develop their own Strategy;
- (b) 'minor changes' to the draft Strategy. Officers confirmed that the 'minor changes' referred to in part 2 of the recommendation would enable for minor typographical and grammatical errors in the draft Strategy to be amended prior to the public consultation exercise.

It was then moved by Cllr C Mott, seconded by Cllr N Jory and upon being submitted to the Meeting was declared to be **CARRIED** and **"RESOLVED** that:

1. the draft Resource and Waste Management Strategy for Devon and Torbay be approved for public consultation; and
2. delegated authority be granted to the Head of Contracts and Commissioning, in consultation with the lead Hub Committee Member for Environment, to make any minor changes considered necessary to the draft Strategy, prior to the public consultation exercise."

**CM 26            CAR PARK CHARGES**

The Council considered a report that sought approval to amend the pay and display charges in long stay West Devon off-street car parks.

During discussion, reference was made to:

- (a) the proportion of parking permits to parking spaces in the Mill Road Car Park, Okehampton. In response to a request from a local Ward Member, the lead Specialist and lead Member committed to reviewing the

proportion of parking permits within the Mill Road Car Park outside of this Council meeting;

- (b) the consultation exercise. A Member expressed his support for what he considered to be a reasonable set of proposals and thanked the lead Member for the extensive community consultation exercise that had been undertaken;
- (c) the impact of the COVID-19 Pandemic. A Member felt it important to reiterate the previously raised concerns (Minute CM 21 a above refers) that a number of residents were experiencing serious financial hardship as a result of the COVID-19 Pandemic. Whilst recognising the point, the lead Member replied that the proposals were intended to support local residents and businesses and the feedback gleaned from the consultation exercise did not indicate widespread concerns to these proposals.

It was then moved by Cllr T G Pearce, seconded by Cllr R Cheadle and upon being submitted to the Meeting was declared to be **CARRIED** and **"RESOLVED** that:

1. the pay and display charges in the long stay West Devon Off-Street car parks in accordance with Appendix A of the presented agenda report; and
2. consequential changes be made to the Council's Off-Street Parking Places Order 2015."

#### **CM 27 ANNUAL HEALTH AND SAFETY POLICY STATEMENT**

Members considered a report that presented the annual review (and suggested amendments) of the Health and Safety Policy

During discussion, reference was made to the Policy Statement applying to Members as well as officers. As a result, it was felt that the profile of the Policy Statement (and related policies) should be raised amongst Members. In particular, there was felt to be a need to make all related policies more electronically accessible to Members.

It was then moved by Cllr N Jory, seconded by Cllr P Ridgers and upon being submitted to the Meeting was declared to be **CARRIED** and **"RESOLVED** that the Council agree to adopt the revised Policy (as attached at Appendix A of the presented agenda report) and that it is signed by the Head of Paid Service and the Leader of the Council."

#### **CM 28 PUBLIC SPACE PROTECTION ORDER – DOG CONTROLS**

Members considered a report that asked Council to consider:

- extending the current Public Space Protection Order in relation to the Council of Dogs for a further three year period;
- removing specified sites from the current Order; and
- introducing two general articles that will apply to the whole Borough in relation to dog fouling and keeping dogs under control in the built environment.

During discussion, it was apparent that a number of Members had concerns regarding:

- the lack of reference within the presented agenda report to the consultation responses received; and
- the proposed Borough wide approach being appropriate for the towns and larger parish areas but wholly inappropriate for the Dartmoor National Park area of the Borough.

Following a detailed debate, a number of Members felt that the report required further consideration before the Council could make a final decision. As a result, it was then moved by Cllr C Mott, seconded by Cllr S Hipsey and upon being submitted to the Meeting was declared to be **CARRIED** and **"RESOLVED** that the report be deferred and presented back to a future Council meeting for further consideration."

#### CM 29

#### **APPOINTMENTS TO COUNCIL BODIES AND OTHER GROUPS**

Consideration was given to a report that sought to appoint, with immediate effect and for the remainder of the 2020/21 Municipal Year, replacements to a number of Member Groups.

It was then moved by Cllr N Jory, seconded by Cllr R Cheadle and upon being submitted to the Meeting was declared to be **CARRIED** and **"RESOLVED** that, with immediate effect and for the remainder of the 2020/21 Municipal Year:

1. Cllr J Spettigue be added to the list of Development Management & Licensing Committee Substitute Members for the West Devon Alliance Group;
2. Cllr L Wood replace Cllr R Musgrave as a Member of the Climate Change & Biodiversity Working Group;
3. Cllr R Cheadle replace Cllr R Musgrave as a Member of the Political Structures Working Group; and
4. Cllr M Ewings replace Cllr R Musgrave as a Member of the Waste Working Group."

(The Meeting terminated at 8.00 pm)

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**Mayor**

# Agenda Item 9

At a Meeting of the **HUB COMMITTEE** held via Teams on **TUESDAY** the **8<sup>th</sup>** day of **December 2020** at **2:00 pm**

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

Cllr R Cheadle	Cllr C Edmonds
Cllr A F Leech	Cllr J Moody
Cllr C Mott	Cllr T G Pearce
Cllr D K A Sellis	

**In attendance:** Chief Executive  
Section 151 Officer  
Monitoring Officer  
Democratic Services Manager

**Other Members in attendance:**

Cllrs Crozier, Daniel, Davies, Ewings, Hipsey, Kemp, Kimber, Musgrave, Renders, Southcott, Spettigue, Vachon, Wood and Yelland

**\*HC 42 APOLOGIES**

No apologies were received in advance of this meeting.

**\*HC 43 DECLARATIONS OF INTEREST**

Members were invited to declare any interests in the items of business to be discussed and these were declared as follows:

Cllr J B Moody declared a Personal Interest in agenda item 7: 'Month 7 Revenue Budget Monitoring 2020/21 (to the end of October 2020)' (Minute \*HC 48 below refers) by virtue of also being a Member of Tavistock Town Council and remained in the meeting and took part in the debate and vote thereon.

**\*HC 44 URGENT BUSINESS**

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

**\*HC 45 MINUTES OF LAST MEETING**

The Minutes of the Hub Committee meeting held on 1 December 2020 were confirmed as a true and correct record.

**\*HC 46 PUBLIC QUESTION TIME**

In accordance with the Hub Committee Procedure Rules, there were no questions submitted by members of the public.

**\*HC 47 HUB COMMITTEE FORWARD PLAN**

Members were presented with the most recently published Hub Committee Forward Plan that set out items on the agenda for Hub Committee meetings for the next four months.

In discussion, the need to reinstate the practice whereby each Hub Committee agenda included an opportunity for a Hub Committee Member to provide an update on their respective portfolio areas was recognised.

**\*HC 48 MONTH 7 REVENUE BUDGET MONITORING 2020/21 (TO THE END OF OCTOBER 2020)**

Consideration was given to a report that presented the latest Revenue Budget Monitoring position for the Council (i.e. to the end of October 2020).

In discussion, the following points were raised:-

- (a) A number of Members wished to put on record their thanks to the Section 151 Officer and her colleagues for their excellent financial stewardship;
- (b) When questioned, the lead Member confirmed that, as an approximate ballpark figure, the net revenue funding loss to the Council as a result of the COVID-19 Pandemic was in the region of £180,000;
- (c) By way of an update on the financial support being provided by the Council to Fusion Leisure, it was noted that Sports England was in the process of setting up a fund which it was hoped would help to mitigate the amount of financial support that would be required from the Council;
- (d) Whilst noting that lessons could be learned from the Tavistock Guildhall Heritage project, the Committee expressed its widespread support for the proposals. Furthermore, it was hoped that the project would become a major asset that would create considerable economic benefits for Tavistock.

It was then **RESOLVED** that:

1. the significant forecast income and expenditure variations for the 2020/21 financial year and the overall projected underspend of £90,000 (1.2% of the total annual Budget of £7.713 million) be noted;
2. the loss of income streams already experienced by the Council from April 2020 to October 2020 of £0.712 million (as set out in Section 6 of the presented agenda report) be noted;
3. Council be **RECOMMENDED** to transfer £220,000 into a COVID Earmarked Reserve to protect against future COVID losses in 2021-22 (as set out in Section 1.8 of the presented agenda report); and
4. Council be **RECOMMENDED** to fund £30,000 of audio-visual equipment for the Tavistock Guildhall Heritage project and to finance this from the Business Rates Retention Earmarked Reserve (as set out in Section 7 of the presented agenda report).

**\*HC 49**

**DRAFT REVENUE BUDGET PROPOSALS FOR 2021-22**

The Committee considered a report that set out the draft Revenue Budget Proposals for 2021-22.

During discussion, reference was made to the reader friendly nature of the report for which the Section 151 Officer was thanked.

It was then **RESOLVED** that the Hub Committee:

1. note the forecast budget gap for 2021/22 of £0.104 million (1.4% of the predicted Net Budget of £7.3 million) and the position for future years;
2. note the current options identified and timescales for closing the budget gap in 2021/22 and future years in order to achieve long term financial sustainability; and
3. **RECOMMEND** to Council that the Council continue to be part of the Devon Business Rates Pool for 2021/22, subject to there being no announcements within the Finance Settlement (expected to be announced in the week commencing 14 December 2020), which in the opinion of the Section 151 Officer (in consultation with the Leader of the Council and the Portfolio Holder for Finance), would change this recommendation.

(The meeting terminated at 2:35 pm)

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Chairman

***(NOTE: THESE DECISIONS, WITH THE EXCEPTION OF MINUTE HC 48 (PARTS 3 AND 4) AND HC 49 (PART 4) (WHICH ARE RECOMMENDATIONS TO THE COUNCIL MEETING TO BE HELD ON 16 FEBRUARY 2021) WILL BECOME EFFECTIVE FROM WEDNESDAY 16 DECEMBER 2020 UNLESS CALLED IN, IN ACCORDANCE WITH SCRUTINY PROCEDURE RULE 18)***

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At a Meeting of the **HUB COMMITTEE** held via TEAMS on **TUESDAY**  
the **2<sup>nd</sup>** day of **February 2021** at **2:00 pm**

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

Cllr R Cheadle	Cllr C Edmonds
Cllr A F Leech	Cllr J Moody
Cllr C Mott	Cllr T G Pearce
Cllr D K A Sellis	

**In attendance:** Chief Executive  
Director of Place and Enterprise  
Section 151 Officer  
Director of Governance & Assurance  
Head of Democratic Services  
Monitoring Officer  
Head of Strategy and Projects  
Head of Housing, Revenues, and Benefits  
Senior Specialist, Accountant Business Partner  
Senior Specialist, Place Making  
Senior Case Manager, Democratic Services  
Specialist, Affordable Housing  
Specialist Democratic Services  
Specialist, Application Support and Training  
Corporate Procurement Officer

**Other Members in attendance:**

Cllrs Crozier, Daniel, Ewings, Heyworth, Kemp,  
Musgrave, Ratcliffe, Renders, Southcott, Spettigue,  
Wood and Yelland

**\*HC 50 APOLOGIES**  
No apologies were received.

**\*HC 51 DECLARATIONS OF INTEREST**  
Members were invited to declare any interests in the items of business to be discussed and these were recorded as follows:

Cllr M Ewings declared a personal interest in agenda item 7: 'Revenue Budget Proposals for 2021/22' (Minute HC 55 below refers) and specifically recommendation 6 by virtue of being the Chairman of Tavistock Youth Café and remained in the meeting during the debate and vote on this item.

**\*HC 52 MINUTES**  
The Minutes of the Hub Committee meeting held on 8 December 2020 were confirmed as a correct record.

**\*HC 53 PUBLIC QUESTION TIME**  
There were no questions submitted by the Public

**\*HC 54 HUB COMMITTEE FORWARD PLAN**

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

The contents of the Forward Plan were agreed, with the addition of the Public Space Protection Order report to be brought to the Hub Committee meeting on 16 March 2021.

**HC 55 REVENUE BUDGET PROPOSALS FOR 2021/22**

The Leader presented Members with a report that set out the latest budget position for the Revenue Budget for 2021/22 and highlighted specific points for consideration, including the pressures inherent on the Council due to the Covid Pandemic; that Revenue Support Grant from Central Government was now nil; and that the receipt of £70,000 Lower Tier Service Grant had helped the Council to present a balanced budget for 2021/22.

Following the Leader's request for Members to input into the Report on the Business Case for providing additional funding to the Community Safety Partnership (Appendix F of the attendant report), there followed a full discussion, with the resultant alternative recommendation to part iv) of this item. Following proposal, and seconding, this alternative proposal was approved.

It was then **RESOLVED** that the Hub Committee **RECOMMENDED** to Council:

- i) The increase in Council Tax for 2021/22 of £5 (Band D of £241.63 for 2021/22 – an increase of 10 pence per week or £5 per year – equates to a 2.11% increase);
- ii) The financial pressures shown in Appendix A of £434,000;
- iii) The net contributions to/(from) Earmarked Reserves of £42,500 as shown in Appendix A;
- iv) The proposed use of £192,772 of New Homes Bonus funding to fund the 2021/22 Revenue Budget as set out in 4.24 of the report;
- v) The savings of £344,200 as shown in Appendix A;
- vi) To request that officers undertake further research before a final decision is taken for additional funding to be allocated to the Community Safety Partnership, with this research being reported back to Members as soon as is practically possible;
- vii) That the Total Net Expenditure of the Council is £7,301,695 for 2021/22;
- viii) To transfer £281,404 (the fifth tranche of COVID funding as set out in 11.2 and 1.11 of the report), into a COVID Earmarked Reserve, to protect against future COVID losses in 2021/22;

- ix) That the level of reserves as set out within this report and the assessment of their adequacy and the robustness of budget estimates be noted. (NOTE. this is a requirement of Part 2 of the Local Government Act 2003).
- x) The Environmental Health charges in Appendix D, with no proposed increases for 2021/22;
- xi) The level of fees and charges set out for Planning Applications and Enforcement in Appendix E, with no proposed increases for 2021/22;
- xii) The proposed fees and charges for Street Naming as set out at the end of Appendix E;
- xiii) The proposed Section 106 Monitoring fee shown at the end of Appendix E;
- xiv) That delegated authority is given to the Section 151 Officer in consultation with the Portfolio Holder to set the Local Land Charges as appropriate for cost recovery; and
- xv) That delegated authority is given to the relevant Head of Practice in consultation with the relevant Portfolio Holder, to adjust Fees and Charges within their service area by inflation at suitable periodic intervals, reporting to the Hub Committee as deemed appropriate.

#### **HC 56 CAPITAL BUDGET PROPOSALS 2021/22**

The Leader presented Members with a report that set out the Capital Programme proposals for 2021/22 and highlighted the £100,000 for replacement of IT hardware and a payroll and Human Resource software, both of which were confirmed as a 50:50 cost split with South Hams District Council.

It was then **RESOLVED** that the Hub Committee **RECOMMEND** to Council:

- a) The Capital Programme for 2021/22, which totals £1,075,000 (Appendix A); and
- b) The funding of the 2020/21 Capital Programme of £1,075,000 from the funding sources set out in Section 4.

#### **\*HC 57 CAPITAL BUDGET MONITORING 2020/21**

The Lead Member for Performance and Resources presented Members with a report that outlined the financial position as at 30<sup>th</sup> November 2020 for the purposes of budget monitoring. The meeting noted that all capital projects were within the individual capital budgets approved by Members.

Members' attention was drawn to a new table in Appendix C of the attendant report which highlighted Section 106 deposits showing list and expiry dates. Section 106 training would be arranged for Members in the near future, which would include a presentation on a proposed new process that would involve local Members being informed on the receipt of Section 106 monies, and give working examples.

The new process was intended to increase Members' awareness of projects in hand and ensure these projects were completed in a timely manner. The training would also look at the involvement of Devon County Council in relation to the Section 106 element for education and transport.

Following the training, officers agreed to bring a report back to Members outlining Section 106 monies due to be spent in the next three years.

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

## **HC 58            DEVON DISTRICTS PROCUREMENT STRATEGY**

The Leader presented the Hub with a report that outlined the draft Devon Districts' Procurement Strategy.

Following a question from a Member regarding some missing information in Column 4 of the table on page 89 of the agenda papers, the lead officer confirmed this information would be added and the updated report would be made available to the public.

During the questions, it was confirmed that collaboration with Devon County Council and Plymouth City Council was already in operation and opportunities for future collaboration on projects such as energy were being explored. These were noted as being relevant to part 2) of the recommendations.

The Leader confirmed that officers were currently reviewing what procurement could be achieved locally and would then set stretch targets for increased local buying to be achieved. Following the request from one Member, officers agreed to analyse the top five categories of spend and would bring this information back to the Financial Stability Review Group within the next few months.

It was then **RESOLVED** that the Hub Committee:

1. Note the progress made in delivery of the previous Devon Districts Procurement Strategy 2014-2018;
2. Consider any West Devon specific priorities or objectives which we should explore to be incorporated into the strategy delivery plan; and
3. **RECOMMEND** to Council to adopt the Devon Districts Procurement Strategy 2019-2022 (including the objectives set out in recommendation 2).

## **\*HC 59            MINUTES OF OTHER BODIES – OVERVIEW AND SCRUTINY COMMITTEE MEETING – 10 November 2020**

Following a review of the Minutes arising from the Overview & Scrutiny Committee meeting held on 10 November 2020:

## **Minute O&S 43: Safeguarding: Annual Update**

It was **RESOLVED**:

That the Hub Committee **ADOPT** the revised Safeguarding Policy (as attached at Appendix A of the presented agenda report to the Overview and Scrutiny Committee Meeting).

(The meeting terminated at 3:34 pm)

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Chairman

***(NOTE: THESE DECISIONS, WITH THE EXCEPTION OF MINUTES HC 55, HC 56, AND HC 58 PART 3, WHICH ARE RECOMMENDATIONS TO THE FULL COUNCIL MEETING ON 16 FEBRUARY 2021, WILL BECOME EFFECTIVE FROM WEDNESDAY 10 FEBRUARY 2021 UNLESS CALLED IN, IN ACCORDANCE WITH SCRUTINY PROCEDURE RULE 18)***

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At a Meeting of the **OVERVIEW & SCRUTINY COMMITTEE** held **REMOTELY via SKYPE** on **TUESDAY** the **10<sup>th</sup>** day of **NOVEMBER 2020** at **2.00pm**.

**Present:** Cllr M Ewings – Chairman  
Cllr P Kimber – Vice-Chairman

Cllr T Bolton	Cllr P Crozier
Cllr L Daniel	Cllr N Heyworth
Cllr S Hipsey	Cllr C Kemp
Cllr D Moyse	Cllr R Musgrave
Cllr B Ratcliffe	Cllr T Southcott
Cllr J Spettigue	Cllr L Wood

Chief Executive  
Deputy Chief Executive  
Director of Governance and Assurance  
Head of Strategy and Projects  
Monitoring Officer  
Business Manager  
Democratic Services Manager  
Community Safety Partnership Representatives  
Localities Team Leader

**Also in Attendance:** Cllrs Cheadle, Edmonds, Jory, Leech, Moody, Pearce, Renders, Samuel and Yelland

**\*O&S 37 APOLOGIES FOR ABSENCE**

Apologies for absence for this meeting were received from Cllr A Coulson

**\*O&S 38 CONFIRMATION OF MINUTES**

The minutes of the Meeting of the Overview and Scrutiny Committee held on 6 October 2020 were confirmed by the Meeting as a true and correct record.

For clarity, officers confirmed that:

- Minute Reference \*O&S 28 'A386 Transport Infrastructure – Verbal Update': with regard to the meeting between the Borough Council and the Dartmoor National Park Authority on the cycle proposals, it was noted that this meeting was to be held on 11 November 2020; and
- Minute Reference \*O&S 29 'Future IT Project Update': the launch of the Microsoft Teams platform was to be undertaken on 26 November, with Member Training being held on 27 and 30 November.

**\*O&S 39      DECLARATIONS OF INTEREST**

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

**\*O&S 40      PUBLIC FORUM**

The Chairman informed that no formal requests had been received in accordance with the Overview and Scrutiny Procedure Rules.

**\*O&S 41      HUB COMMITTEE FORWARD PLAN**

The Chairman confirmed that no prior requests had been received for updates on any future Hub Committee agenda items at this meeting.

**\*O&S 42      COMMUNITY SAFETY PARTNERSHIP – ANNUAL REPORT**

The Committee considered a report that provided it with the opportunity to scrutinise the work of the Community Safety Partnership (CSP) in accordance with Sections 19 and 20 of the Police and Justice Act 2006 and the Crime and Disorder (Overview and Scrutiny) Regulations 2009.

In the ensuing debate, the following points were raised:

- (a) With regard to the Local Delivery Plan, the Committee recognised that it would need to be reflective of both data and intelligence;
- (b) When questioned, the CSP representatives informed the Committee that there was an upward trend in instances of radicalisation and extremist behaviour and this was becoming a key area of work for the Partnership. In addition, the representatives acknowledged that local Ward Members were a good source of local intelligence that should be utilised;
- (c) The Committee noted that the CSP had recently been successful in obtaining a four year bid from the Office of the Police Crime Commissioner to a value of £225,000 per year. Members congratulated the CSP representatives on this achievement and recognised that this funding would have a significant impact;
- (d) For clarity, the CSP representatives advised that, in the event of Members wishing to report instances of anti-social behaviour, then these should be reported to the Police (for their evidence base) with the Council's CSP representative and Anti-Social Behaviour Officer also being made aware;

- (e) In respect of the Council annual funding contributions allocated to the CSP, the Chairman confirmed that, if Members wished to give consideration to increasing the current funding provision, then it would be more appropriate for this to be considered at the next Committee meeting to be held on 19 January 2021;
- (f) A Member asked that they be invited to attend the monthly Anti-Social Behaviour meetings with partner agencies. In reply, the representatives confirmed that they would action this request.

**O&S 43      SAFEGUARDING – ANNUAL UPDATE**

The Committee considered a report that provided Members with the opportunity to annually scrutinise and review Safeguarding practice and procedure.

It was then:

**RESOLVED**

1. That the Committee continue to review Safeguarding on an annual basis; and
2. That the Hub Committee be **RECOMMENDED** to adopt the revised Safeguarding Policy (as attached at Appendix A of the presented agenda report).

**\*O&S 44      LOCALITY SERVICE – ANNUAL UPDATE**

Consideration was given to a report that provided an annual update on the workings of the Locality Service and how it had evolved from its initial inception in 2015.

In discussion, reference was made to:

- (a) the success of the Service. A number of Members commended the work of the Service and were of the view that it remained one of the real success stories that had arisen from the Council's T18 Transformation Programme;
- (b) the ongoing Task and Finish Group Review. Officers informed that both the Council and South Hams District Council had recently established Task and Finish Groups to review the current working arrangements of the Service. In addition, the Borough Council review sought to consider the relationship between the Service, wider Council teams and the Community Clustering arrangements that were established in response to the COVID-19 Pandemic. At the request of the Committee, it was agreed that the review should also give consideration to the relationship between the Service and local town and parish councils.

It was then:

**RESOLVED**

That the Committee continues to support the Locality Model pending ongoing monitoring and a further report being presented to the Committee in twelve months' time.

**\*O&S 45      VERBAL UPDATE FROM THE RURAL BROADBAND WORKING GROUP**

The lead Hub Committee Member for the Economy advised that a report was to be presented to the Hub Committee meeting on 1 December 2020 that would seek to:

- approve the development of a 'Broadband Community Support Strategy' to support the Council's Economic and Health and Wellbeing objectives;
- recommend to Council approval of the creation of a Broadband Community Support Earmarked reserve of £100,000; and
- approve the Council entering into a Memorandum of Understanding with the Sydenham Damerel Community Fibre Partnership.

In discussion, the following points were raised:

- (a) Members hoped that the Sydenham Damerel Community Fibre Partnership could be used as a template for other areas and promote the benefits of encouraging others to adopt a similar approach;
- (b) The Committee recognised that this update was really positive and should be viewed as a good news story, with the social cohesion benefits also being recognised.

**\*O&S 46      VERBAL UPDATES FROM THE CHAIRMEN OF THE RECOVERY PLAN TASK AND FINISH GROUPS**

**(a) Consultation and Engagement Strategy**

The Chairman of the Task and Finish Group highlighted that the Review was progressing well and informed that particular focus was currently being given to:

- o How the Council could improve its means of communicating and engaging with hard to reach groups; and
- o The best means of obtaining (and addressing) suggestions and feedback received by residents and stakeholders.

## **(b) Localities and Clusters**

The Group Chairman highlighted the discussions that had been carried out earlier in this meeting on the Locality Service (Minute \*O&S 44 above refers) and committed to taking these into account at the next meeting of the Task and Finish Group.

## **(c) Economy Working Group**

The lead Hub Committee Member made particular reference to:

- The last Working Group meeting had reviewed the economic aspects of the draft Recovery Plan and Members had looked to identify some quick economic wins;
- The new Head of Placemaking had recently joined the employ of the Council;
- The Working Group was looking to facilitate a roundtable business meeting with local representatives with the intention of ascertaining whether there was anything that the Council could do to support businesses in these incredibly difficult times;
- Work being ongoing to develop a 'click and collect' service in Tavistock; and
- A car parking charges report being presented to the Council meeting to be held on 8 December 2020 that would present a set of recommendations that intended to provide support to local residents and businesses.

### **\*O&S 47 DRAFT ANNUAL WORK PROGRAMME 2020/21**

The Committee considered the latest version of its draft Annual Work Programme for 2020/21 and, in discussion, the Committee felt that an additional agenda item should be included for 19 January 2021 meeting to enable for Members to prepare for the attendance of Fusion representatives at the Committee meeting to be held on 2 March 2021.

### **\*O&S 48 MEMBER LEARNING AND DEVELOPMENT OPPORTUNITIES ARISING FROM THIS MEETING**

The Committee was reminded of the earlier assurances (Minute O&S 38 above refers) that had been given whereby Member training sessions on Microsoft Teams had been arranged to take place on 27 and 30 November 2020.

(The meeting terminated at 3.45 pm)

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Chairman

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At a Meeting of the **DEVELOPMENT MANAGEMENT & LICENSING COMMITTEE** held via Teams on **TUESDAY** the 12th day of **JANUARY 2021** at **9:30am**

**Present:** Cllr J Yelland – Chairman  
Cllr T G Pearce – Vice Chairman

Cllr R Cheadle	Cllr P Crozier
Cllr S Hipse	Cllr C Mott
Cllr D E Moyse	Cllr B Ratcliffe
Cllr M Renders	Cllr P Vachon

Head of Development Management (PW)  
Planning Case Officer (VC; BH)  
Solicitor (JF)  
Environmental Health Officer (JW)  
Strategic Planning Officer (JL)  
Democratic Services Manager (DW)  
Senior Case Officer, Democratic Services (AG)

**Other Members also in attendance and participating:**  
Cllr J Moody

**\*DM&L 38 APOLOGIES FOR ABSENCE**

There were no apologies forwarded to this Meeting.

**\*DM&L 39 DECLARATION OF INTEREST**

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

Cllr T G Pearce declared a personal interest in all applications by virtue of being a Member of the Devon Building Control Partnership and remained in the meeting and took part in the debate and vote thereon.

**\*DM&L 40 URGENT BUSINESS**

There was no urgent business brought forward to this Meeting however the Chairman advised that she had taken the opportunity to review the letter sent to the public outlining how they could request to speak and timescales involved. This had followed a complaint from a member of the public who had missed the deadline to request to speak at this Committee meeting. Further to this review, it was the Chairman's opinion that, as the instructions and deadlines were clearly outlined in the last paragraph of a single paged letter, it was reasonable for anyone to identify there was a deadline and the subsequent timescales.

**\*DM&L 41 CONFIRMATION OF MINUTES**

The Minutes of the Development Management and Licensing Committee Meeting held on 24 November 2020 were confirmed as a correct record.

**\*DM&L 42 PLANNING, LISTED BUILDING, TREE PRESERVATION ORDER AND ENFORCEMENT REPORTS**

The Committee proceeded to consider the application(s) that had been prepared by the Development Management Specialists and considered also the comments of the Town and Parish Councils together with other representations received, which were listed within the presented agenda report and summarised below, and **RESOLVED** that:

**(a) Application No: 2205/20/FUL                      Ward: Sourton**

**Site Address: The Stables, East Bowerland Farm, Okehampton, EX20 4LZ**

**READVERTISEMENT (revised plans and description) Erection of stables and change of use of land to paddock and (in part) a separate dog training and paddock area.**

During the Officer's update, it was outlined that a revised noise management plan had been submitted in December 2020, which was identical to the previous plan except to amend the hours of operation for doing training on the outside field. All hours for outside dog training were now consistent across the wider site. Condition 5 had been updated to reflect this and the last line of Condition 9 removed and altered to reflect this. One further letter of objection had been received which was added to the website. The letter did not raise any new matters. Although the Officer acknowledged that there had been a lack of implementation for mitigation planting on a previous application, this could not be considered at this meeting. The Officer outlined an error in the report (last paragraph of page 12 of the presented agenda report) where it stated that previous application 3851/17/FUL had been refused and was not supported by a noise report or management plan, however, it had had the noise report. The Officer also confirmed the hashed red line on the presented agenda report map did not accurately depict the site as some of the line was on the road however the OS submitted with the application was accurate.

The Environmental Health (EH) Officer updated the Committee that there was no longer an objection raised from EH as a previous noise complaint had been investigated resulting in a limit to the number of dogs allowed to be on site, which was 11, and the introduction of a comprehensive noise management plan which had mitigated the noise issues.

Speakers included:

Supporter – Ms L Langman;  
Parish Council Representative – Cllr S Eberle; The Councillor had also provided a video for the Committee to review. There were technical issues with the meeting unable to hear the sound on the video. As the sound was integral to the aim of the video, and no technical solution found during the 30 minutes break taken to attempt to resolve this issue, the video was instead emailed to all

Members of the Committee who then confirmed they had been able to see and hear the video prior to the application being debated;  
Local Ward Member – Cllr C Mott;

**RECOMMENDATION:** Conditional Approval

During discussion, the following points were raised:

- (a) The Ward Member informed that she had brought this application to Committee because of concerns from neighbours over current levels of noise and this would potentially lead to an increase in noise levels and duration. The Ward Member asked that, should the application be approved, there be a condition added which would not allow the storage of any dog training equipment to be stored in the stables.
- (b) The blue pipe in the field, as shown in one of the photographs, was confirmed by the applicant as left over from when a new electric line came in and could now be removed.
- (c) In the event of the application being conditionally approved, Members noted the particular importance of the applicants adhering to recommended Condition 9

**COMMITTEE DECISION:** Conditional Approval.

Conditions:

1. Time limit
2. Accord with plans
3. Sustainable form of drainage for stables
4. The total number of dogs utilising the existing training barn, existing outdoor training area and proposed land shall not exceed 11 at any time
5. Notwithstanding the details of the noise management plan, the use of the land for dog training shall not operate outside the hours of 8am to 8pm Monday to Saturday and 10am to 4pm on Sundays. A maximum of 3 hours of training classes can take place on Sundays between the hours of 10am and 4pm. For the avoidance of doubt the use of the land for the training of dogs shall not take place on Bank Holidays.
6. Dog training use ancillary to existing dog training facilities of East Bowerland Farm
7. Dog training shall only take place in area noted on site location plan
8. No external lighting without consent
9. Adherence to noise management plan
10. Adherence to management strategy
11. No burning of waste or manure
12. No parking on the site
13. Equine use for domestic purposes only – not commercial
14. No permanent dog training equipment on the site
15. Equine and dog training use only

16. Use of the stables shall be for equine purposes only and shall not be used for any purpose relating to the dog training use, including storage of equipment.

**(b) Application No: 1846/20/HHO**

**Ward: Tavistock North**

**Site Address: 12 Watts Road, Tavistock**

**Householder application for demolition of stone garden wall and creation of single storey kitchen extension, widening of drive entrance.**

There was no update to the Case Officer's report.

Speakers included:

Supporter – Mr E Persse;  
Local Ward Member – Cllr J Moody;

**RECOMMENDATION:** Refusal

In discussion, reference was made to:

- (a) the style of the proposed extension; and
- (b) the need to maintain the integrity of the Tavistock Conservation Area.

**COMMITTEE DECISION:** Refusal

#### **\*DM&L 43 HOUSING POSITION STATEMENT**

The Strategic Planning Officer for the Joint Local Plan (JLP) updated on the latest Housing Numbers position as the latest report had now been published. There is now a 6.1 year land supply with 1,449 homes built last year, cumulatively this is 653 homes above target. Going forward, there had been identified a supply of over 8,200 deliverable homes. The Officer highlighted that garden developments were excluded from the numbers due to Government changes to the definition, however these figures were not lost as they would be reported in 'windfall sites'.

The Authority Monitoring Report would be produced in February 2021 and would also include the split between brownfield and green field sites. Members would be invited to a future Briefing on this matter.

Members felt that the infrastructure did not keep up with the numbers of new houses built and the lead officer agreed that the relationship between homes and facilities and infrastructure was an issue and needed linking up. However, the advantage of having a plan did allow the Local Authorities to look ahead and try to direct infrastructure needed. Although good relationships existed with Devon County Council and other statutory providers, this would remain an issue in the future, particularly with reduced monies available. The lead officer proceeded to encourage Members to let her have their views on this point.

**\*DM&L 44 PLANNING APPEALS UPDATE**

The Head of Development Management updated the Members on each of the outstanding planning appeals.

**\*DM&L 45 UNDETERMINED MAJOR APPLICATIONS REPORT**

The Head of Development Management updated the Members on each of the undetermined Major applications.

In so doing, he confirmed that not all applications would be called in automatically and clarified that when an application was in the consultation phase, then any Member could call the application into Committee for determination, but once the application had passed that stage then only the Ward Member(s) could call to Committee. The lead officer also confirmed that he would update the notes to show when an application had been called in. When questioned, Wollen Mill site in North Tawton was confirmed as still being considered by the case officer. The applicant had referred to the Planning Inspector for non-determination appeal, even though the Council was still waiting for further information from applicant. Nothing had been received from the Inspector to say the application had been submitted and Development Management had asked the applicant to confirm.

(The Meeting terminated at 1:17 pm)

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**Chairman**

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Report to: **Council**

Date: **16th February 2021**

Title: **Draft Revenue Budget Proposals for 2021-22**

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

Wards Affected: **All**

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

Date next steps can be taken:

Immediatedly

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

Contact: **Email: [lisa.buckle@swdevon.gov.uk](mailto:lisa.buckle@swdevon.gov.uk)**

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## **Recommendations:**

### **It is recommended to Council:**

- i) To set an increase in Council Tax for 2021/22 of £5 (Band D of £241.63 for 2021/22 – an increase of 10 pence per week or £5 per year – equates to a 2.11% increase);
- ii) That the financial pressures shown in Appendix A of £434,000 are approved;
- iii) That the net contributions to/(from) Earmarked Reserves of £42,500 as shown in Appendix A are approved
- iv) The proposed use of £192,772 of New Homes Bonus funding to fund the 2021/22 Revenue Budget as set out in 4.24 of the report;
- v) That the savings of £344,200 as shown in Appendix A are approved; and

- vi) To request that officers undertake further research before a final decision is taken for additional funding to be allocated to the Community Safety Partnership, with this research being reported back to Members as soon as is practically possible. This is in relation to the business case for additional funding for the Community Safety Partnership, as per 5.2 (attached at Appendix F);
- vii) That the Total Net Expenditure of the Council is £7,301,695 for 2021/22;
- viii) To transfer £281,404 (the fifth tranche of COVID funding as set out in 11.2 and 1.12 of the report), into a COVID Earmarked Reserve, to protect against future COVID losses in 2021/22;
- ix) That the level of reserves as set out within this report and the assessment of their adequacy and the robustness of budget estimates be noted. This is a requirement of Part 2 of the Local Government Act 2003.

***That the Council also approve the Fees and Charges below which form part of the Revenue Budget Proposals for 2021/22 (see Section 7):***

- x) The Environmental Health charges in Appendix D, with no proposed increases for 2021/22.
- xi) The level of fees and charges set out for Planning Applications and Enforcement in Appendix E, with no proposed increases for 2021/22.
- xii) The proposed fees and charges for Street Naming as set out at the end of Appendix E.
- xiii) The proposed Section 106 Monitoring fee shown at the end of Appendix E.
- xiv) That delegated authority is given to the Section 151 Officer in consultation with the Portfolio Holder to set the Local Land Charges as appropriate for cost recovery.
- xv) That delegated authority is given to the relevant Head of Practice in consultation with the relevant Portfolio Holder, to adjust Fees and Charges within their service area by inflation at suitable periodic intervals, reporting to the Hub Committee as deemed appropriate.

## **1. Executive summary**

- 1.1 The Council's Medium Term Financial Strategy (MTFS) is based on a financial forecast over a rolling five year timeframe to 2025/26. The Council, along with other local authorities, has faced unprecedented reductions in Government funding. Between 2009/10 and 20/21, the Council's Core Government funding has reduced by £3 million. The Council now receives **no main Government Grant (Revenue Support Grant)** – this has been reduced to zero. Core Government funding has been reduced by £3million per year since 2009/2010.

- 1.2 West Devon has continued to work in partnership with South Hams District Council which has allowed West Devon Borough Council to achieve annual savings of £2.2 million and more importantly protect all statutory front line services. Between both Councils the annual shared services savings being achieved are over £6 million. However, the Councils continue to face considerable financial challenges as a result of uncertainty in the wider economy and constraints on public sector spending.
- 1.3 The Medium Term Financial Strategy (MTFS) was approved by Members on 20 October 2020 and it set out the budget strategy for the Council for the next five years, with regular reviews (at least annually) and updates when items are further known or are announced by the Government.
- 1.4 The MTFS sets out the strategic intention for all of the different strands of funding available to the Council. The Council will then be able to rely on this to inform future decisions.
- 1.5 A Cross Party Member Working Group (Financial Stability Review Group) was set up in November 2017 with defined Terms of Reference to look at the Medium Term Financial Strategy and to further look at options for securing financial stability for the longer term.
- 1.6 Covid 19 has caused financial strain for all Councils up and down the country where Councils find themselves being caught in a 'perfect storm'. Councils have to manage both the increased costs of coping with Covid19 and supporting vulnerable people in the community and the loss of key income streams such as car parking income and council tax income.
- 1.7 The factors affecting the Council's finances are issues affecting the whole Local Government sector. The Council is well-placed to meet the financial challenges arising from Covid19, due to its prudent financial management over previous years.
- 1.8 The Draft Budget Proposals report to the Hub Committee on 8<sup>th</sup> December 2020 showed a budget gap remaining for 2021/22 of £103,713. On the same day, the Draft Local Government Finance Settlement for 2021/22 was announced by the Government. Details of the main announcements are set out in Section 2. The Draft Finance Settlement stated that the Council will receive a Lower Tier Services Grant of £70,182 for 2021/22 and this extra funding announced has enabled the Council to close the budget gap and present a balanced budget position for 2021/22 to this meeting.  
***Section 2.15 sets out the changes to the budget position since the December Hub Committee meeting.***

1.9 The Final Local Government Finance Settlement has been announced on 4<sup>th</sup> February and the main change is that the Lower Tier Services Grant has increased by £20 to £70,202 in the Final Settlement. This small amendment of £20 has been amended in Appendix B and the income from business rates has been reduced by £20 to produce a balanced budget of the same amount (£7,301,695).

1.10 ***The report attached sets out proposals for the Council to achieve a balanced budget in 2021/22, as shown in Appendix B.*** West Devon Borough Council is currently forecasting a £115,912 budget gap by the following year, 2022/23. The cumulative aggregated Budget Gap by 2025/26 is £1.95 million, if no action has been taken in each individual year to close the budget gap annually.

<b>Budget Gaps</b>	<b>2021/22 £</b>	<b>2022/23 £</b>	<b>2023/24 £</b>	<b>2024/25 £</b>	<b>2025/26 £</b>	<b>Total Aggregated Budget Gap £</b>
'New' Budget Gap each year	<b>0 (Balanced Budget)</b>	115,912	325,413	163,326	188,218	792,869
*Cumulative Budget Gap	<b>0</b>	115,912	441,325	604,651	792,869	1,954,756

\* (Cumulative Budget Gap assumes annual new budget gaps have not been addressed)

**1.11 Income from fees and charges**

The fees and charges outlined in this report in Section 7 are expected to either be cost neutral or to have a non-material impact in 2021/22. Therefore no additional income has been built into the budget for 2021/22 for these.

1.12 It is recommended to transfer £281,404 (the fifth tranche of COVID funding as set out in 11.2 of the report), into a COVID Earmarked Reserve, to protect against future COVID losses in 2021/22. This will provide some funding in 2021/22, should the Council still be experiencing losses in income from COVID. (N.B This is in addition to the recommendation to Council to transfer £220,000 into a COVID Earmarked Reserve, as per the report to the Hub Committee on 8<sup>th</sup> December 2020, Revenue Budget Monitoring report for Month 7).

1.13 At the Hub Committee meeting of 2<sup>nd</sup> February 2021 (Minute HC55), it was requested that officers undertake further research before a final decision is taken for additional funding to be allocated to the Community Safety Partnership, with this research being reported back to Members as soon as is practically possible. This is in relation to the business case for additional funding for the Community Safety Partnership, as per 5.2 (attached at Appendix F). As this is one-off funding, it does not affect the setting of the Revenue Budget Proposals for 2021-22 as set out in this report.

## 2 CHANGES TO THE 2021/22 BUDGET REPORT SINCE THE HUB COMMITTEE MEETING OF 8TH DECEMBER 2020

- 2.1 On 17<sup>th</sup> December 2020, the Government announced the draft Finance Settlement for 2021/22 for consultation. The key points from the Finance Settlement are below. The full announcement is set out on the following link (Consultation responses are due by 16<sup>th</sup> January):

[Provisional local government finance settlement: England, 2021 to 2022 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/provisional-local-government-finance-settlement-england-2021-to-2022)

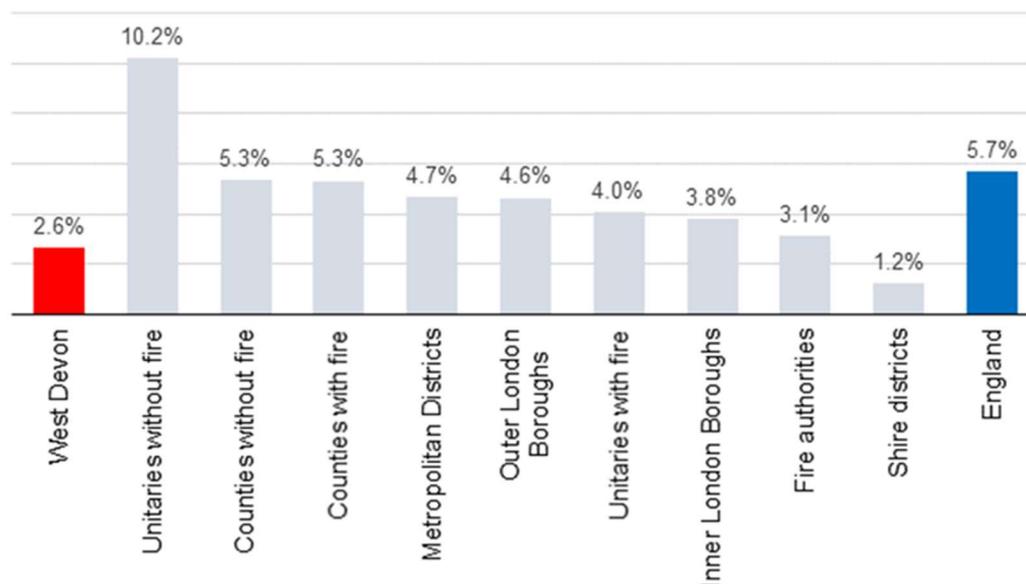
- 2.2 **Core Spending Power for West Devon has increased by 2.6% for 2021/22.** Core Spending Power is the term the Government use to say how much money Councils have to run their services. On looking at the detail below, it can be seen that the extra funding of 2.6% is mainly coming from assumed Council Tax increases in 2021/22.

**Table 1 - Core Spending Power (£m)**

	2020/21	2021/22	Change £m	Change %
<b>Core Spending Power</b>	<b>7.323</b>	<b>7.515</b>	<b>0.193</b>	<b>2.6%</b>
<i>Breakdown of Core Spending Power:</i>				
Settlement Funding Assessment	1.648	1.648	0.000	0.0%
Assumed Council Tax	4.797	4.931	0.134	2.8%
Other Grants	0.878	0.936	0.058	6.6%
<i>Breakdown of Other Grants:</i>				
New Homes Bonus	0.348	0.293	-0.055	-15.8%
Improved Better Care Fund	0.000	0.000	0.000	
Social Care Grant	0.000	0.000	0.000	
Rural Services Delivery Grant	0.464	0.487	0.023	4.9%
SFA multiplier compensation <sup>a</sup>	0.066	0.086	0.020	30.0%
Lower Tier Services Grant	0.000	0.070	0.070	

(a) Compensation for under-indexing the business rates multiplier

2.3 The Table below shows the change in Core Spending Power (CSP) by class of Authorities – Shire Districts on average had the lowest increase of 1.2%.



2.4 Lower Tier Services Grant - A new grant has been announced with the Finance Settlement, a Lower Tier Services Grant. West Devon will receive £70,182. This is unringfenced grant for 2021/22 and it equates to £111 million nationally. This has been increased to £70,202 in the Final Local Government Finance Settlement announced on 4<sup>th</sup> February.

2.5 The Council Tax Referendum Limit for Shire Districts has been confirmed at the higher of 1.99% or £5. There is no limit set for Town or Parish Councils for 2021/22. The limit for the Police and Crime Commissioner is £15.

2.6 Negative RSG (Revenue Support Grant) – It has been confirmed this has been eliminated for 2021/22.

2.7 Rural Services Delivery Grant – WDBC’s allocation will be £487,296 for 2021/22. This is £22,931 higher than in the latest Budget report to the Hub Committee which showed £464,365. This is due to the national allocation being increased from £81 million to £85 million.

2.8 New Homes Bonus – The 2021/22 allocation of NHB is £292,772.

2.9 The Business rates multiplier has been frozen for 2021/22 and the Devon Business Rates Pool is one of 22 Pools nationally for 2021/22.

- 2.10 Local Council Tax Support Grant – There will be £0.67billion provided for meeting the additional costs associated with increases in Local Council Tax Support caseloads in 2021/22. West Devon Borough Council’s allocation will be £102,816 for 2021/22.
- 2.11 Local Government Funding Reform – No papers were published with the Finance Settlement relating to the Fair Funding Review or the Business Rates Reset and the Minister could not confirm that the reforms will even take place next year.
- 2.12 Audit Fees – Funding of £15m has been announced to support Councils with the anticipated rise in audit fees for 2021/22. Allocations will be confirmed in the New Year.
- 2.13 For 2021/22 there will be a **one year “rollover” settlement**, similar to that in 2020/21. A one year settlement has the advantage that it is simple, and there is no significant redistribution of funds. All local authorities will face increased financial pressure through a combination of increased demand for personal & protective services and reduced income from both taxes and demand-led income streams. Capacity to absorb these pressures will vary – which in turn will lead to calls for re-distribution of the total sum available.
- 2.14 Support for the impact of Covid-19 has largely been kept separate from the core funding for local authorities.
- 2.15 The table below shows the summary of changes to the Budget report for 2021/22, following the announcement of the Draft Local Government Finance Settlement on 17<sup>th</sup> December. A balanced budget is shown for 2021/22 following the announcement.

	<b>Total (£)</b>
<b>Budget Gap for 2021/22 reported to the Hub Committee meeting on 8<sup>th</sup> December 2020</b>	<b>103,713</b>
<b><i>Increase in income or funding modelled</i></b>	
Increase the amount of Rural Services Delivery Grant for 21/22 (increased from £464,365 to £487,296)	(22,931)
Lower Tier Services Grant funding – see 2.4	(70,182)
Increase in Council Tax Income modelled (Increased from £4,832,117 to £4,890,473 to reflect the TaxBase for 2021/22 of 20,239.51)	(58,356)
Reduction in the future provision for a pay award (reduced from 2% provision to 1% provision) as set out in 3.2	(45,000)
Reduction in the Collection Fund Deficit for Council Tax (reduced from £26,000 to £9,771)	(16,229)
<b><i>Reduction in income modelled or increase in cost pressures</i></b>	

Reduction in Business Rates income modelled (Reduction from £1.78million to £1.67million)	106,757
Reduction in New Homes Bonus funding modelled to fund the 2021/22 Revenue Base Budget (Reduced from £195,000 to £192,772)	2,228
<b>Revised Budget Gap for 2021/22 as set out in this report (as at January 2021)</b>	<b>Nil – (A balanced budget position is presented)</b>

2.16 The Overview and Scrutiny Committee met on 19<sup>th</sup> January 2021 to consider the Draft Revenue Proposals for 2021/22, to enable its Members to input into the proposals. *All five parts of the recommendation below were unanimously approved.* In addition, the Committee acknowledged that a further business case will be received on additional partnership funding for the Community Safety Partnership.

**Recommendation to the Overview and Scrutiny Committee:**

- i) The proposed increase in Council Tax for 2021/22 of £5 (Band D of £241.63 for 2021/22 – an increase of 10 pence per week or £5 per year – equates to a 2.11% increase);
- ii) The financial pressures shown in Appendix A of £434,000;
- iii) The net contributions to/(from) Earmarked Reserves of £42,500 as shown in Appendix A
- iv) The proposed use of £192,772 of New Homes Bonus funding to fund the 2021/22 Revenue Budget as set out in 4.24 of the report;
- v) The savings of £344,200 as shown in Appendix A

2.17 At the Hub Committee meeting on 2<sup>nd</sup> February (Minute HC 55), the above recommendations were approved to be recommended to Council. It was also requested that officers undertake further research before a final decision is taken for additional funding to be allocated to the Community Safety Partnership, with this research being reported back to Members as soon as is practically possible. This is in relation to the business case for additional funding for the Community Safety Partnership, as per 5.2 (attached at Appendix F);

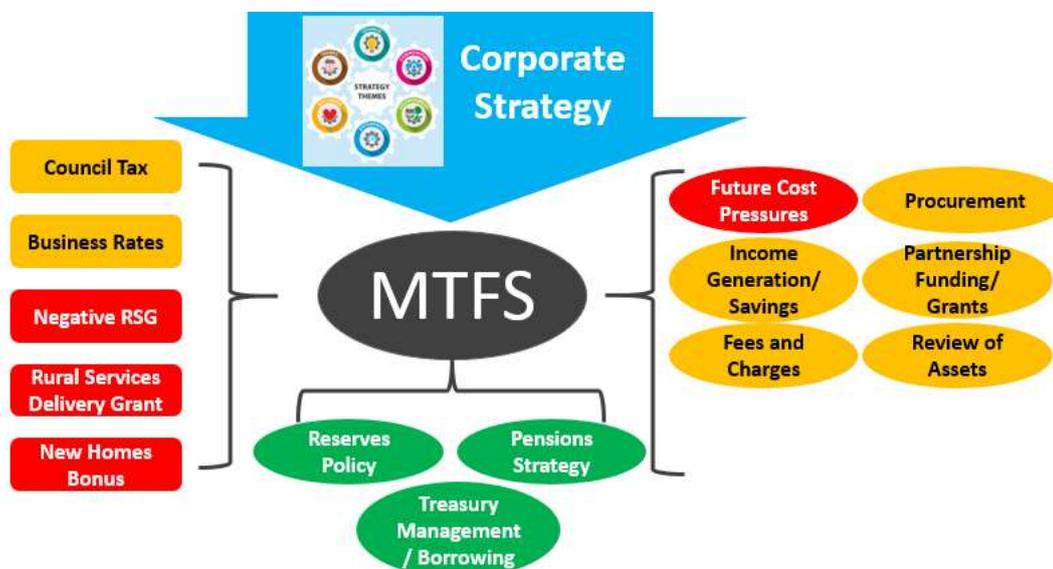
2.18 The Final Local Government Finance Settlement has been announced on 4<sup>th</sup> February and the main change is that the Lower Tier Services Grant has increased by £20 to £70,202 in the Final Settlement. This small amendment of £20 has been amended in Appendix B and the income from business rates has been reduced by £20 to produce a balanced budget of the same amount (£7,301,695).

### 3 THE COMPONENTS MAKING UP A MEDIUM TERM FINANCIAL STRATEGY (MTFS)

3.1 The Diagram below sets out all of the component parts which constitute the make-up of a Medium Term Financial Strategy. Items in Green denote those elements where the Council has a large degree of control over the setting of policies and strategies.

Items in Amber denote those components of the MTFS where the Council has a degree of control. Red items signal components where the Council has hardly any control over funding allocations which are decided by the Government and future cost pressures which can largely be outside of the Council's control or influence.

#### 2020/21 Net Amended Budget £7.7 million



3.2 The key assumptions within the MTFS are as below. Each of these is described in more detail in Section 4.

- A one year 'rollover settlement' (with no negative Revenue Support Grant in 2021/22)
- The business rates baseline reset will be deferred until 2022/23

- The Settlement Funding Assessment (SFA) will increase in line with inflation – this is essentially the business rates baseline and is the amount of money the Council retains from its share of the business rates income. September CPI was 0.5%.
- There will be a phasing in of negative Revenue Support Grant (RSG) as part of the business rates baseline reset with a transition period over three years, to avoid Local Authorities losing/gaining too much in one go
- Council Tax limits for District Councils will remain at the higher of £5 or 1.99%. In terms of the overall council tax bill, the County Council are able to increase their proportion of the council tax bill by up to 4.99% for 2021/22, to include a 3% precept for adult social care. This could lead to further requests for relief through Council Tax Support. Police and Crime Commissioners will be able to increase their share of the council tax bill by £15. No council tax referendum principles will apply to Town and Parish Councils in 2021/22.
- There will be one more year of the New Homes Bonus payments for 2021/22.
- A modest business rates pooling gain of £40,000 has been modelled for 2021/22 with no further gains for 2022/23 onwards. Business rates income is assumed to be down by 3%.
- Normally the Council receive a surplus share of around £67,000 per annum. The Collection Fund will be in deficit in 2021/22 by £9,771.
- Rural Services Delivery Grant has been assumed to continue at the same level with a slight inflationary increase across the 5 years of 3%.
- The last pay award offer for 2020-21 was 2.75%. A 1% pay increase has been modelled from 2021/22 onwards (1% equates to £45,000). Although setting pay levels in Local Government falls outside Central Government control, this freeze will have informed the setting of funding for Local Government and is likely to be a significant factor in determining the outcome. The Government has implied that it expects local government to exercise restraint about pay, given the wider macro-economic climate.
- No permanent reductions to the Council's income streams (such as car parking income, planning income etc. as a result of the Covid pandemic) have been built into the Base Budget for 2021/22. This will be regularly monitored over the next few months. The Government's income compensation scheme for sales, fees and charges for Councils has only been extended for the first three months of 2021/22. The Month 7 Revenue Budget Monitoring report for 2020/21 recommended to transfer £220,000 into a Covid Earmarked Reserve, to protect against future COVID losses in 2021/22.

## OVERALL POSITION – BUDGET GAP

- 3.3 Financial modelling has been undertaken for the next five years to predict the Council’s financial situation for the short and medium term.
- 3.4 **Appendix A** to the Medium Term Financial Strategy sets out the Budget Pressures forecast for the next five years and the additional savings and income forecast. **Appendix B** illustrates the overall financial forecast for the forthcoming five years. The Council’s Net Budget is £7.7 million in 2020/21.
- 3.5 A Summary forecast is shown below of the potential budget situation if all of the budget pressures and the savings and income generation in Appendix A were approved. It also shows the situation if the Council Tax is increased by £5 per annum (shown in Appendix B).
- 3.6 **The report attached sets out proposals for the Council to achieve a balanced budget in 2021/22, as shown in Appendix B.** West Devon Borough Council is currently forecasting a £115,912 budget gap by the following year, 2022/23. The cumulative aggregated Budget Gap by 2025/26 is £1.95 million, if no action has been taken in each individual year to close the budget gap annually.

Budget Gaps	2021/22 £	2022/23 £	2023/24 £	2024/25 £	2025/26 £	Total Aggregated Budget Gap £
'New' Budget Gap each year	<b>0 (Balanced Budget)</b>	115,912	325,413	163,326	188,218	792,869
*Cumulative Budget Gap	<b>0</b>	115,912	441,325	604,651	792,869	1,954,756

\* (Cumulative Budget Gap assumes annual new budget gaps have not been addressed)

- 3.7 The Government’s Spending Review announcement on 25<sup>th</sup> November 2020 contained no real surprises for local government, and largely confirmed the assumptions previously made within the Medium Term Financial Strategy (MTFS) in October.

#### **4 ASSUMPTIONS FOR FINANCIAL MODELLING PURPOSES**

- 4.1 In the Medium Term Financial Strategy (MTFS), it has been assumed that the Settlement Funding Assessment (SFA) will increase in line with inflation. The SFA is essentially the business rates baseline and is the amount of money the Council retains from its share of the business rates income.

#### **Business Rates and Negative Revenue Support Grant (RSG)**

- 4.2 The Business Rates Reset will be delayed to 2022/23. A reset based on the current taxbase would have been badly distorted by the current economic crisis, and very unlikely to reflect the potential business rates that authorities can collect in future years.
- 4.3 There will be a one year 'rollover settlement' (with no negative Revenue Support Grant in 2021/22). This means the Council won't have to forego some of its business rates income (£293,000) by paying some of it back to Government in the form of 'negative government grant' in 2021/22. Negative RSG is effectively the Council's further predicted funding cuts.
- 4.4 It is anticipated there will be a phasing in of negative RSG as part of the business rates baseline reset in 2022/23, with a transition period over three years, to avoid Local Authorities losing/gaining too much in one go. Some of the negative RSG is expected to be offset by growth being dispersed across as Local Authorities.
- 4.5 Estimates have been made of the business rates baseline funding levels for 2021/22 onwards and the relative deductions for negative RSG. For example in 2019/20, the £1.648m is the amount the Council retains from its business rates income collected of £10.6 million (the Council keeps about 16p in every £1 collected of business rates to fund its services). The Council responded to the Government consultation on the Call for Evidence on Business Rates Reform. A joint response was also sent by the Devon Business Rates Pooling partners. A final report setting out the full conclusions of the Government review will be published in Spring 2021.

	<b>Business Rates Income projected in the MTFS (£m)</b>					
	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
Business Rates Income	1.648	1.673	1.690	1.710	1.730	1.750
Less: Negative RSG change to baseline need	0	0	(0.136)	(0.182)	(0.227)	(0.293)
<b>TOTAL</b>	<b>1.648</b>	<b>1.673</b>	<b>1.554</b>	<b>1.528</b>	<b>1.503</b>	<b>1.457</b>

### **Business Rates reliefs**

- 4.6 Aside from the retail relief, the other variance expected in business rates income in 2020/21 will be due to the businesses failing and subsequent reliefs. This is forecast at a -3% reduction in 2020/21, with a further 3% reduction in 2021/22. It is too early to tell the implications for the economy of COVID, other than the more general expectations of negative growth. See 4.19 on the Collection Fund.
- 4.7 The net collectable debt for Business Rates is £4.86 million for 2020/21. Prior to the pandemic, this was predicted to be £10.6million and the additional NNDR reliefs for the total value of the expanded retail discount and nursery discount for 2020/21 total £6.087million. Therefore over £6million worth of the Council's normal business rates bills issued of £10million are entitled to 100% business rates relief and have no business rates to pay in 2020/21 due to the coronavirus expanded retail discount and nursery discount. This amount is being reimbursed to the Council by the Government through a Section 31 Grant.
- 4.8 The Council and SWCouncils are lobbying the Government for these business rates reliefs to continue into 2021/22. The Spending Review referred to a freeze in the business rates multiplier next year, as the multiplier was going to increase by 0.5% but will now be frozen. Many businesses are asking whether the business rates reliefs in 2020-21 will be extended into next year to support retail, hospitality and leisure businesses. The Government will make a decision on this in the New Year to respond to the 'evolving challenges presented by COVID-19'. If the Retail Discount is discontinued, then this will place more pressure on business rates income for Councils in 2021/22.

- 4.9 By November 2020, the Council has collected 69.85% of the net collectable debt. This is 5.16% lower than November 2019 – a cash reduction of £270,000. A reduction of 3% is assumed in the overall year – the impact of the national lockdown in November may have had an impact on payment profiles. The 2019/20 collection rate for West Devon for business rates was 97.62%. The national average was 98%.
- 4.10 The Government has stated that compensation will be provided for 75% of council tax or business rates income deemed to be irrecoverable. Further information is awaited on what criteria will be applied before tax is deemed to be irrecoverable, but this does at least provide some mitigation for losses that would otherwise feed into Collection Fund adjustments in 2022/23.

### **Devon Business Rates Pool**

- 4.11 It was recommended to Council that West Devon Borough Council continues to be part of the Devon Business Rates Pool for 2021/22. Modelling has been carried out with the other Devon Authorities and Local Government Futures to inform this recommendation. A modest business rates pooling gain of £40,000 has been modelled for 2021/22 with no further gains for 2022/23 onwards. The Devon Business Rates Pool is one of 22 Pools nationally for 2021/22.

### **Council Tax**

- 4.12 The Draft Council Tax Referendum Principles for 2021/22 have been published with the Draft Local Government Finance Settlement. This confirms that the Council Tax Referendum limits for Shire District Councils is the higher of 1.99% or £5, for 2021/22. ***This would equate to a Band D council tax for West Devon of £241.63 in 2021/22 as shown in Appendix B (an increase of £5 for the year (10 pence per week) which equates to a 2.11% increase)***. The council tax for 2021/22, the WDBC share, will be set at the Council meeting on 16th February 2021. (A 1% increase in council tax generates £49,000 of extra council tax income).

- 4.13 The table below shows how an average Band D council bill is made up for West Devon Borough for 2020/21 as compared to the previous year. Of an average Band D Council Tax within the Borough of £2,066.87, an amount of £236.63 is the element of a council tax bill set by West Devon Borough Council. Therefore 11pence of every £1 paid (11%) in council tax is received by West Devon Borough Council to pay for our services. The rest of the council tax bill is set by Devon County Council, the Fire, the Police and Town and Parish Councils to fund the services they provide.

<b>Precepting Authority</b>	<b>Band D 2019/20</b>	<b>Band D 2020/21</b>	<b>£ Increase</b>	<b>% Increase</b>
<b>West Devon Borough Council</b>	<b>£231.63</b>	<b>£236.63</b>	<b>£5.00</b>	<b>2.16%</b>
Devon County Council Precept	£1,286.19	£1,313.73	£27.54	3.99%
Adult Social Care Precept	£98.10	£125.73	£27.63	
Devon & Cornwall Police & Crime Commissioner	£212.28	£221.64	£9.36	4.41%
Devon & Somerset Fire & Rescue	£86.52	£88.24	£1.72	1.99%
Average Parishes/Towns	£72.02	£80.90	£8.88	12.33%
<b>TOTAL</b>	<b>£1,986.74</b>	<b>£2,066.87</b>	<b>£80.13</b>	<b>4.03%</b>

- 4.14 A 1% reduction in council tax collection rates has been assumed for 2021/22 onwards. As at the end of November 2020, 73.63% of the council tax has been collected. This is a decrease of 0.98% against the 2019/20 collection rates at the end of November. The 0.98% drop equates to £424,000 (WDBC share £46,640). See 4.19 on the Collection Fund.
- 4.15 The Borough Council is responsible for collecting all the Council Tax debt of £43m in 2020/21 as we are the Billing Authority. After keeping 11% of the council tax collected to run our services, the rest is paid over to Devon County Council, the Police, the Fire and Town and Parish Councils. The collection rate for Council Tax for West Devon was 97.71% for 2019/20. This was 0.91% higher than the national average of 96.8%.

- 4.16 On 15 December 2020, the Senior Leadership Team approved the calculation of the Council Tax Base for 2021/22 of **20,239.51**. This is a decrease of 32.20 Band D properties (0.2%) in comparison to 2020/21. (Individual Town and Parish Councils have different levels of increases and decreases in their Taxbase which they have been notified of). Although there were 199 net additions of housing stock and empty homes brought back into use, the higher levels of council tax support in working age claimants have meant an overall reduction in the Taxbase as a whole. In 2019/20 the actual Council Tax collection rate was 97.71%. Historically a collection rate of 97% has been used in the TaxBase calculation, but due to the impact of COVID-19, a collection rate of 96.5% has been assumed in the 2021/22 tax base calculation.
- 4.17 It has been assumed that the number of properties within the Borough will increase by 20 per annum from 2021/22 onwards. A low figure has been assumed to partly offset the impact of Council Tax Support on the Taxbase.
- 4.18 The Government is proposing to set no council tax referendum principles for Town and Parish Councils for 2021/22.

#### **The Collection Fund - Council Tax and Business Rates Income**

- 4.19 The Collection Fund holds all payments in and out relating to Council Tax and Business Rates. As such any losses incurred will be suffered by the Collection Fund in the year and then distributed to the Council and Precepting Authorities in future years. A large part of the reductions in income will affect the Council's financial position in 2021/22 onwards, although it does affect the cashflow position of the Council in 2020/21. In view of the exceptional conditions experienced in 2020/21, the Government has introduced Regulations requiring that the Collection Fund deficit this year be divided equally across 2021/22, 2022/23 and 2023/24. This is a one-off change to established practice.
- 4.20 Council Tax and Business Rates form a large share of the funding for the Council's budget and therefore these income streams are funding the essential services being delivered.
- 4.21 In the Spending Review 2020, the Government announced a Tax Income Guarantee Scheme for 2020-21. This new reimbursement scheme, worth £762m for 2020-21 local tax losses, will be launched to compensate councils for 75% of irrecoverable losses of council tax and business rates revenues in 2020-21 that would otherwise need to be funded through local authority budgets in 2021-22 and later years. This will be paid through an unringfenced grant. Details of this scheme and how irrecoverable losses will be calculated are being worked through.

## Rural Services Delivery Grant

- 4.22 WDBC's allocation will be £487,296 for 2021/22. This is £22,931 higher than in the latest Budget report to the Hub Committee which showed £464,365. This is due to the national allocation being increased from £81 million to £85 million. This is Government grant to recognise the additional cost of delivering services in rural areas.

## New Homes Bonus (NHB)

- 4.23 The NHB allocation for West Devon for 2021/22 is **£292,772**. This is made up of a Year 11 payment of £148,219 and Legacy payments of £144,553. The Year 11 payment of £148,219 reflects 199 net additions in housing stock and empty homes brought into use less the deduction of 0.4% baseline of 100 properties (£1,454 is received for each being 80% of the average 2020/21 Council Tax of £1,817.62) and a payment of £4,200 for 15 affordable homes (at £280 per affordable home).

New Homes Bonus	2020/21	2021/22	2022/23	2023/24
	£m	£m	£m	£m
2017/18 allocation	0.109			
2018/19 allocation	0.038	0.038		
2019/20 allocation	0.107	0.107	0.107	
2020/21 allocation	0.094			
2021/22 allocation		0.148		
2022/23 forecast allocation			-	<i>NHB is being replaced in 2022/23</i>
<b>Equals NHB Funding</b>	<b>0.348</b>	<b>0.293</b>	<b>0.107</b>	<b>-</b>

- 4.24 The table below shows the proposed allocation of New Homes Bonus for 2021/22:-

New Homes Bonus (NHB)	Amount (£)
New Homes Bonus 2021/22 allocation	<b>£292,772</b>
Current proposed allocation:-	
To fund the Revenue Base Budget in 2021/22	(192,772)
To fund the Capital Programme for 2021/22 – see Capital Budget report for 2021/22	(100,000)
<b>Amount remaining unallocated</b>	<b>Nil</b>

- 4.25 It is anticipated that £100,000 of NHB will be required to fund the Capital Programme for 2021/22. This is £85,000 for an IT hardware capital bid and £15,000 for Community Grants. This would leave Nil NHB remaining unallocated from the 2021/22 allocation.

- 4.26 The modelling in the Budget therefore assumes NHB funding of £192,772 in 2021/22 will be available to fund the revenue base budget and that £107,000 from the replacement scheme for NHB will be available in 2022/23. The Government will consult on reforms to the New Homes Bonus scheme shortly, with a view to implementing reform in 2022/23 (2021/22 will be the last year of NHB funding).

#### **Other assumptions within the Medium Term Financial Strategy (MTFS)**

- 4.27 The last pay award offer for 2020/21 was 2.75%. A 1% pay increase has been modelled from 2021/22 onwards (1% equates to £45,000). The Medium Term Financial Strategy is not an expression of Council Policy on pay awards, but a means of ensuring an appropriate provision is made as part of the overall financial planning of the Council. See 3.2.
- 4.28 This report assumes inflation will run at 1% over the five year period. The Consumer Prices Index (CPI) was 1.0% in July 2020. RPI was 1.6%. CPI in September – the reference point for business rate increases and many welfare benefits – was 0.5%.
- 4.29 The predicted interest rate forecast from our treasury management advisors, Link Services, is that interest rates will remain at 0.1% up to March 2024.
- 4.30 The Council is preparing its Corporate Strategy for adoption by Summer 2021, which will set out any additional resource requirements to deliver the Strategy.

#### **SAVINGS**

- 4.31 On 22 September 2020 Council considered a report on strategic leisure options. It was agreed to continue with the Fusion contract as being the most appropriate means of supporting health and wellbeing objectives within the Borough. The savings from the re-profiled management fees from the leisure contract have been built within the Medium Term Financial Strategy. Management fees are repayable from 2021/22. A bid to the Government's £100m fund for Leisure has been submitted for £80,000 (the Council's provisional allocation from the fund).
- 4.32 On 15<sup>th</sup> September 2020 the Hub Committee considered a report on three weekly trials. The annual savings expected from a three weekly scheme across the whole Borough is estimated at between £100,000 to £150,000 a year. These savings are modelled in the Medium Term Financial Strategy and are dependent on the outcome report and the Council decision.

4.33 Minute HC19 states that the Committee approve the continuation of the trial of three weekly refuse collections to around 1,000 households in the Borough until March 2021 to allow a full year of data to be analysed. An outcome report in March 2021 will include an officer appraisal over whether or not the Committee should recommend to Council that a three weekly refuse collection should be implemented for all households in the Borough with a potential start date of Autumn 2021. The Hub Committee noted the success of the enhanced recycling service.

4.34 Due to the rapidly changing financial position, the Council is now undertaking frequent revenue budget monitoring reports. The latest revenue budget monitoring report for Month 7 (end of October) predicts an underspend (surplus) of £90,000 for 2020/21. This report was presented to the Hub Committee on 8<sup>th</sup> December 2020. This takes into account the Amended Budget for 2020/21 which was set by Council on 22 September 2020.

## **5 PARTNERSHIP FUNDING AND GRANTS**

5.1 The Hub Committee considered a report on Partnership funding on 5<sup>th</sup> November 2019. Minute HC50 on Partnership Funding resolved the following:-

It was then **RESOLVED** that:

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

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

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

Junior Life Skills - £2,510

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

Okehampton & District Community Transport Group - £6,533

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

Young Devon - £2,500

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

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

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

Cornwall & West Devon Mining Landscape World Heritage Site

Partnership Board (WHS) - £4,000; and

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

- 5.2 Some Members have requested that additional funds be made available to the Community Safety Partnership and included as a funding bid for 2021/22. This has not yet been factored into the Budget report. This item was discussed at a meeting of the Financial Stability Review Group (FSRG) on 16 November 2020 and it was agreed to request that the Partnership set out a business case to demonstrate the need for extra funding (e.g. for youth outreach). The business case for a funding bid for Young People for £21,250 is attached in Appendix F.
- 5.3 At the Hub Committee meeting of 2<sup>nd</sup> February 2021 (Minute HC55), it was requested that officers undertake further research before a final decision is taken for additional funding to be allocated to the Community Safety Partnership, with this research being reported back to Members as soon as is practically possible. This is in relation to the business case for additional funding for the Community Safety Partnership, as per 5.2 (attached at Appendix F); As this is one-off funding, it does not affect the setting of the Revenue Budget Proposals for 2021-22 as set out in this report.

## **6 Treasury Management and Borrowing Strategy**

- 6.1 The Council has taken external treasury management advice on the Council's overall borrowing levels and debt levels. The Council set an Upper Limit on External Borrowing (for all Council services) as part of the Medium Term Financial Strategy of £50 million in 2019. It is recommended to Council in December that this limit is retained as the Council's circumstances and financial indicators have not changed since this advice was procured. In March, the Government launched a consultation on reforms to the Public Works Loan Board intended to prevent the trend, in a minority of local authorities, of taking on debt to buy assets primarily for income.
- 6.2 In the Spending Review 2020, the Government has announced the outcome of the consultation and has lowered the interest rate of Public Works Loan Board lending by 1%. This brings Public Works Loan Board interest rates back to the levels they were at before October 2019. Local Authorities will be asked to submit a high-level description of their capital spending and financing plans for the following three years, including their expected use of the PWLB.

## **7 FEES AND CHARGES**

- 7.1 The fees and charges outlined in this report are expected to either be cost neutral or to have a non-material impact in 2021/22. Therefore no additional income has been built into the budget for 2021/22 for these.

### **Environmental Health Charges**

- 7.2 Appendix D sets out the Environmental Health Charges. These fees were reviewed in 2020/21 to ensure that they complied with the legislation in terms of the maximum charge being full cost recovery. It is proposed to keep the charges at the current levels for 2021/22 as it is more cost effective to increase fees by inflation in suitable periodic intervals, due to the administrative costs of implementing a change in the fee level.

### **Development Management – Planning Applications and Enforcement**

- 7.3 Substantial changes were made to the Planning Applications and Enforcement fees in 2019/20. It is considered that the current figures represent fair and appropriate amounts to charge for 2021/22 and so the proposal is to keep charges at their current levels. A breakdown of these fees can be found at Appendix E to this report.

### **Development Management - Street Naming and Numbering**

- 7.4 Street Naming and Numbering is a statutory service covered by Sections 17 and 19 of the Public Health Act which was formally adopted by the Council in 1976. The purpose of this control is to make sure that any new street names and numbers are allocated logically with a view to ensuring, amongst other things, the effective delivery of mail and that emergency services vehicles are able to locate any address to which they may be summoned. Anyone wishing to change the name or number of their property or seeking an address for a new property or wish to change the name of an existing street should apply in writing to the Council following the procedures detailed in the adopted Street Naming and Numbering Policy which was adopted in 2017. The fees charged under this policy have remained the same for a number of years. Following a full review of Street Naming and Numbering charges it is proposed to increase these fees for 2021/22 in order to ensure that the cost of providing the service is covered. The proposals are set out at the end of Appendix E.

The proposed fee for 2021/22 is (as set out in Appendix E):-

- £25 per property for changes to house names (20/21 fee £21)
- £40 per property for changes to street names (20/21 fee £37)
- £40 per property for naming and numbering new developments (20/21 fee £36)

These changes are expected to yield additional income of approximately £1,200 in 2021/22. However, no increase to the income target is proposed due to the current income levels. To date income of £5,400 has been received in 2020/21 against the annual budget of £15,000.

## **Development Management - Section 106 Monitoring**

- 7.5 Since 2019 Councils can charge a monitoring fee through section 106 planning obligations, to cover the cost of monitoring and reporting on delivery of that section 106 obligation. Monitoring fees can be used to monitor and report on any type of planning obligation, for the lifetime of that obligation. Monitoring fees should not be sought retrospectively for historic agreements. Benchmarking the proposed fees with other Councils has taken place and shows a variety of levels with many Councils in the process of setting a fee. The local context for seeking a Section 106 Agreement or undertaking is provided within the planning policies in the Joint Local Plan (JLP) and the guidance within the Supplementary Planning Document (SPD) both of which cover West Devon Borough Council, South Hams District Council, and Plymouth City Council. The proposed monitoring fee for 2021/22 set out at the end of Appendix E covers the cost of the monitoring required and aligns with the other Councils that are covered by the JLP and SPD.

As set out in Appendix E the proposed fee for 2021/22 is £667 per trigger point within the agreement/undertaking for a payment to be made or other action to be taken by the developer.

Currently no specific fee is in place, the cost of monitoring is deducted from each Section 106 on an individual basis. It is expected that this new fee will equate to the cost of administration resulting in no additional income for the Council.

## **Waste**

- 7.6 The current pricing models for both Garden Waste and Commercial Waste fees and charges have been reviewed and no increases are proposed for 2021/22.

## **Local Land Charges**

- 7.7 Local Land Charges (LLC) is a statutory service where the income raised is intended to cover the cost of providing the service, so far as it's possible to do so. Officers are in the process of determining the actual cost of providing the service in order to ensure the appropriate fees are being charged. It is proposed that delegated authority is given to the Section 151 Officer in consultation with the Portfolio Holder to agree the LLC fees for 2021/22.

## Income targets for 2021/22

- 7.8 No permanent reductions to the Council's income streams (such as car parking income, planning income etc. as a result of the Covid pandemic) have been built into the Base Budget for 2021/22. This will be regularly monitored over the next few months. The Government's income compensation scheme for sales, fees and charges for Councils will only run for the first three months of 2021/22, so any losses from July onwards will have to be addressed by the Council's own finances.

## 8 FINANCIAL SUSTAINABILITY AND TIMESCALES

- 8.1 The Council will assess various options for closing the budget gap for 2022/23 onwards, to achieve long term financial sustainability. The table below sets out a timescale for those options and the various strands that the Council is exploring.

Option	Possible Budget Impact	Timescale
<p><b>Extended Leadership Team (ELT) Budget options</b></p> <p>The Extended Leadership (ELT) will continually look to identify budget options for Members to consider for income generation/savings/reduced expenditure for 2022/23 onwards, taking into consideration the Council's corporate strategy and the latest budget monitoring position.</p> <p>Fees and Charges are on the agenda of this meeting for consideration.</p>	To be quantified	As per the Budget Timetable outlined in 12.3
<p><b>Asset Review</b></p> <p>Members and Officers are assessing options for the Council's Asset review.</p>	To be quantified	On-going
<p><b>Revenue Budget Monitoring report</b></p> <p>Each Revenue Budget Monitoring report to the Hub Committee will identify possible areas of future savings and additional income</p>	To be quantified	Options to be assessed as per the Budget Timetable outlined in 12.3

<b>Option</b>	<b>Possible Budget Impact</b>	<b>Timescale</b>
<p><b>Redevelopment of homeless provision</b> A separate report on the potential redevelopment of homeless provision was on the Hub Committee agenda for 20<sup>th</sup> October.</p>	<p>The capital project would provide a net income stream. This has not been reflected within the MTFS forecasts within this report.</p>	<p>Report was considered by the Hub Committee on 20<sup>th</sup> October.</p>
<p><b>Funding Options</b></p>		
<p><b>New Homes Bonus allocations for 2021/22 onwards</b></p> <p>The Council's NHB allocation for 2021/22 is <b>£292,772</b>. It is proposed to use £192,772 to fund the Revenue Base Budget and £100,000 to fund the Capital Programme. Further details are set out in 4.24 to 4.25.</p> <p>The Government consultation is now expected to be in the New Year (Spring 2021), with a view to implementing reform for NHB in 2022/23.</p>	<p>To be assessed. It is not known what NHB allocations (or a similar scheme) will be in future years when the NHB scheme is replaced.</p>	<p>Awaiting further consultation from the Government on a replacement scheme</p>
<p><b>Use of Earmarked Reserves as a temporary measure</b></p> <p>The Council could temporarily utilise an element of Earmarked Reserves to balance an element of the 2022/23 budget, whilst longer term solutions are being implemented.</p> <p>This would be a very short term solution though.</p>	<p>To be assessed</p>	<p>To be decided as part of the Budget Process</p>

- 8.2 Through the Financial Stability Review Group, further measures will continue to be considered to balance future years' budget positions.
- 8.3 Financial Stability is one of the themes within the Recovery and Renewal Plan. The action plan, setting out the areas being progressed and the timescales within which this will take place, was set out in Appendix 1 of the Recovery Plan. Following consideration of the Renewal and Recovery Plan in the Summer, the Action Plan for the Financial Stability Theme was updated and agreed by the Financial Stability Review Group (FSRG) on 18 August 2020.
- 8.4 The Revenue Budget Monitoring report (Month 7) for 2020/21 is projecting an underspend of £90,000, which is 1.2% of the overall budget set for 2020/21 of £7.7 million.

## **9 CAPITAL PROGRAMME AND PRUDENTIAL BORROWING**

- 9.1 The Capital Programme is set by the Council and may be funded by sale proceeds from the disposal of assets (capital receipts), external grants and contributions, directly from revenue or from borrowing. The Capital Budget Proposals for 2021/22 are a separate report on this agenda. This sets out a Proposed Capital Programme for 2021/22 of £1,075,000 and the sources of funding for the Capital Programme.
- 9.2 **Investment Property Strategy** – The Council has agreed an Investment Property strategy. To date, four investment properties have been purchased with a value of £21.3 million in aggregate.
- 9.3 Purchases made within the strategy are capital expenditure. An income projection of £300,000 from the net ancillary income from investments in Investment property has been included within the Medium Term Financial Strategy.
- 9.4 The Council's Asset Base is £44 million at 31 March 2020. The Council will continually review and challenge its asset base in order to deliver the optimum value for money from the Council's Assets.

## **10 Earmarked and Unearmarked Reserves Policy**

- 10.1 Earmarked Reserves at 31.3.2021 are predicted to be £4.612 million as set out in Appendix C.

- 10.2 Unearmarked Reserves are £1.086 million at 31.3.2020. The Council's Net Budget is £7.7 million for 2020/21. Therefore Unearmarked Reserves equate to 14% of the Council's Net Budget.
- 10.3 No contributions to Earmarked Reserves for the Planning Reserve (£25,000) or the Elections Reserve (£20,000) have been modelled for 2021/22. These contributions have been modelled to re-start in 2022/23.
- 10.4 Legislation does not prescribe how much the minimum level of reserves should be. The Section 151 officer is tasked with recommending the minimum level of reserves required as part of the budget setting process having regard to elements of risk in the Council's finances. Section 25 of the Local Government Act 2003 requires the S151 officer to report on the adequacy of the Council's financial resources on an annual basis. This is routinely done in February each year when the Budget is set.
- 10.5 In December 2020, Members set a minimum balance for Unearmarked Reserves of £900,000, based on a risk assessment. Appendix G sets out the latest sensitivity analysis and risk analysis of the Budget Proposals for 2021-22. The level of £900,000 is still an appropriate minimum level.

## **11 OTHER ANNOUNCEMENTS WITHIN THE SPENDING REVIEW 2020**

- 11.1 The compensation scheme for income lost from sales, fees and charges will continue for the first three months of 2021/22.
- 11.2 A further £1.55 billion in new funding for local government's COVID expenditure pressures was announced in the Spending Review. This is a 5th tranche of COVID funding which was announced with the Draft Local Government Finance Settlement. West Devon's allocation is £281,404. This is COVID grant payable in April 2021 and is for the 21-22 financial year (nationally it equates to £1.55billion). It is recommended that this fifth tranche is transferred into the COVID Earmarked Reserve, to protect against future COVID losses in 2021/22.
- 11.3 There will be separate grant funding to help tackle homelessness amounting to £254 million – considerably more than the £103 million previously announced. Details of allocations and criteria are not yet available. The LGA has requested greater flexibility in the use of these funds than has previously been allowed.
- 11.4 Finally, there is a new, albeit small, £16 million grant programme to help local authorities improve their cyber security.
- 11.5 Many of the Spending Review announcements related to capital investment, which will extend beyond 2021-22. Of particular interest are the following proposals (details of which will follow at a later date):

- a) a new Levelling Up Fund, allowing bids of up to £20 million to be made against a total allocation of £4 billion. Bids are to be evaluated jointly by the Treasury, MHCLG and Department for Transport. The inclusion of the latter department in evaluation suggests the likely focus of the overall fund. Bids must have real impact within the current Parliamentary term - which suggests a very short bidding and evaluation timescale if projects have to be complete and operational in less than four years' time - and must have local support, including that of the local MPs.
- b) £2 billion each for the Affordable Housing Programme and the National Home Building Fund in 2021-22. Over the next five years the funding for these two programmes is expected to come to nearly £20 billion in aggregate.
- c) £0.9 billion for flood and coastal defence projects. This is roughly double the previous provision, and is expected to continue at this level for at least a further four years.
- d) £220 million as a transitional arrangement pending introduction of a new UK Shared Prosperity Fund. This new Fund is intended to take the place of EU regeneration funds, although the 2021/22 funding appears to be for preparatory work, rather than fully-fledged schemes.

## 12 NEXT STEPS AND PROPOSED WAY FORWARD

- 12.1 This report is a snapshot (a position statement) in January 2021 and future Member decisions on the budget strategy will inform future budget reports. The table below shows the budget timetable for the future budget meetings for the 2021/22 Budget.
- 12.2 Officers will continue to work with the Financial Stability Review Group and the results of this will be incorporated into future Budget reports. Section 8 sets out the potential timescales against the areas identified.
- 12.3 The table below shows the budget timetable for the budget meetings for the 2021/22 Budget.

19 <sup>th</sup> January 2021	Overview and Scrutiny Committee – To consider draft proposals for the Revenue Budget for 2021/22
2 February 2021	Hub Committee – To recommend Final Budget Proposals to Council for 2021/22
<b>11th February 2021 (9am)</b>	<b>Date which Council Procedure Rule 16 applies</b>

16th February 2021	Full Council – To approve Final Budget Proposals for 2021/22 and set the WDBC share of the Council Tax
23rd February 2021	Council Tax Resolution Panel – to agree the Council Tax Resolution for 2021/22 (This is WDBC share plus all other precepting authorities share).

**Note 1-** Council Procedure Rule 16 states that ‘Where a member intends to move a motion or amendment in relation to the Budget, the text of that motion or amendment must be put in writing and submitted to the Head of Paid Service by 9am on the third working day before the meeting, in order that officers may have sufficient time to consider and advise the Council of the financial implications of any such motion or amendment’. As per the timetable above, this would need to be submitted by 9am on Thursday 11th February 2021.

### 13. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		<p>The Hub Committee is responsible for recommending to Council the budgetary framework. The views of the Overview and Scrutiny Committee are sought on the draft budget proposals before the final proposals are presented to Council in February.</p> <p>The preparation of the Budget report is evidence that the Council has considered and taken into account all relevant information and proper advice when determining its financial arrangements in accordance with statutory requirements, and in particular, that it will set a lawful budget.</p>
Financial implications to include reference to value for money		<p><b><i>The report attached sets out proposals for the Council to achieve a balanced budget in 2021/22, as shown in Appendix B.</i></b> West Devon Borough Council is currently forecasting a £115,912 budget gap by the following year, 2022/23. The cumulative aggregated Budget Gap by 2025/26 is £1.95 million, if no action has been taken in each individual year to close the budget gap annually.</p>

Implications	Relevant to proposals Y/N	Details and proposed measures to address
		<p>It is recommended to transfer £281,404 (the fifth tranche of COVID funding as set out in 11.2 and 1.12 of the report), into a COVID Earmarked Reserve, to protect against future COVID losses in 2021/22.</p> <p>The recommendations adopted and the annual budget setting process will ensure the Council has arrangements in place to secure economy, efficiency and effectiveness in its use of resources. The Council's auditors, Grant Thornton, provided an unqualified value for money opinion for the Borough Council for 2019/20, which was reported to the Council's Audit Committee on 13 October 2020.</p>
Risk		Each of the budget options taken forward by Members will consider the risks of the option.
Supporting Corporate Strategy		The Budget report supports all six of the Corporate Themes of Council, Homes, Enterprise, Communities, Environment and Wellbeing.
Climate Change - Carbon / Biodiversity Impact		<p>The Council declared a Climate Change and Biodiversity Emergency on 23 July 2019 and a Climate Change Action Plan was presented to Council in December 2019.</p> <p>Following this report, a strategy will be implemented as to how the Council could finance the items within the Action Plan, whether that is from external grant sources or some funding from the Council's own resources.</p> <p>On 8<sup>th</sup> December 2020, Council adopted the Climate Change and Biodiversity Strategy. The Council has committed to the following aims;</p>

Implications	Relevant to proposals Y/N	Details and proposed measures to address
		<ul style="list-style-type: none"> <li>a) That the Council aim to reduce its organisational carbon emissions to net-zero by 2030;</li> <li>b) That the Council commit to working with partners through the Devon Climate Emergency Response Group to aim to reduce the Borough of West Devon's carbon emissions to net zero by 2050 at the latest;</li> <li>c) That the Council aim for a 10% Biodiversity Net Gain in the habitat value of its green and wooded public open space by 2025</li> </ul>
<b>Comprehensive Impact Assessment Implications</b>		
Equality and Diversity		Equality Impact Assessments are completed for the budget proposals.
Safeguarding		None directly arising from this report.
Community Safety, Crime and Disorder		None directly arising from this report.
Health, Safety and Wellbeing		None directly arising from this report.
Other implications		None directly arising from this report.

### **Supporting Information**

#### **Appendices:**

Appendix A – Budget pressures and savings

Appendix B – Modelling of the Budget Position

Appendix C - Schedule of Earmarked Reserves

Appendix D – Schedule of Environmental Health Fees for 2021/22

Appendix E – Schedule of Development Management Fees and Charges for 2021/22

Appendix F – Community Safety Partnership – Business case for a funding bid for Young People

Appendix G – Sensitivity Analysis

Appendix H – Revenue Budget Analysis for 2021/22

**Background Papers:**

Hub Committee – 2<sup>nd</sup> February 2021 – Draft Revenue Budget Proposals for 2021/22

Overview and Scrutiny Committee – 19<sup>th</sup> January 2021 – Draft Revenue Budget Proposals for 2021/22

Council 8<sup>th</sup> December 2020 – Climate Change and Biodiversity Strategy and Action Plan update

Hub Committee 8<sup>th</sup> December 2020 – Revenue Budget Monitoring report (Month 7)

Hub Committee 8<sup>th</sup> December 2020 – Draft Revenue Budget Proposals for 2021/22

Council 22<sup>nd</sup> September 2020 – Amended Budget Proposals 2020-21

Hub Committee 20<sup>th</sup> October 2020 – Medium Term Financial Strategy

**Approval and clearance of report**

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

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**WEST DEVON BOROUGH COUNCIL**

	<b>BASE 2020/21 £</b>	<b>Yr1 2021/22 £</b>	<b>Yr2 2022/23 £</b>	<b>Yr3 2023/24 £</b>	<b>Yr 4 2024/25 £</b>	<b>Yr5 2025/26 £</b>
<b>BUDGET PRESSURES</b>						
Waste collection, recycling and cleansing contract (estimate)	80,000	80,000	80,000	80,000	80,000	80,000
ICT future service provision	150,000	0	0	0	0	0
Triennial Pension revaluation (increase in Pension Employer primary rate contributions)	75,000	0	0	75,000	0	0
Inflation on goods and services	70,000	70,000	70,000	70,000	70,000	70,000
Increase in salaries - increments and pay and grading	40,000	40,000	40,000	40,000	40,000	40,000
Salaries - provision for pay award at 1% for 21/22 onwards (the actual pay award for 20/21 was 2.75% and therefore 21/22 includes an extra 0.75% to build this extra amount for 2020/21 into the base budget)	90,000	79,000	45,000	45,000	45,000	45,000
Maintenance of trees	(20,000)	0	0	0	0	0
Reduction in Housing Benefit administration subsidy	10,000	10,000	10,000	10,000	10,000	10,000
National Insurance and National Living Wage	20,000	20,000	20,000	20,000	20,000	20,000
Two additional Planning Enforcement Case Managers (wdbc share of cost)	21,500	0	0	0	0	0
Climate Change Policy Officer (wdbc share of cost - 2 year temporary post)	25,000	0	(25,000)	0	0	0
Housing Posts (make three temporary posts permanent - wdbc share of costs - to be funded by Government grant - Flexible Homelessness Grant funding)	32,500	0	0	0	0	0
Economy Officer	25,000	0	0	0	0	0
SLT/ELT Restructure - redundancy/pension strain costs	25,000	0	0	(25,000)	0	0
Member Locality Fund (£500 per Member)	(15,500)	0	0	0	0	0
Payment Collection Expenses	20,000	0	0	0	0	0
Land Charges - reduction in Income target	15,000	0	0	0	0	0
Housing Benefit overpayment recoveries	0	135,000	0	0	0	0
<b>TOTAL IDENTIFIED BUDGET PRESSURES</b>	<b>663,500</b>	<b>434,000</b>	<b>240,000</b>	<b>315,000</b>	<b>265,000</b>	<b>265,000</b>

**WEST DEVON BOROUGH COUNCIL**

	<b>BASE 2020/21 £</b>	<b>Yr1 2021/22 £</b>	<b>Yr2 2022/23 £</b>	<b>Yr3 2023/24 £</b>	<b>Yr 4 2024/25 £</b>	<b>Yr5 2025/26 £</b>
<b>Contribution to Earmarked Reserves</b> <b>(This line shows the annual contributions into the Reserve)</b>						
Contribution to IT Development Reserve (£25K per annum)	25,000	25,000	25,000	25,000	25,000	25,000
Contribution to Planning Reserve (£25K per annum)	25,000	0	25,000	25,000	25,000	25,000
Contribution to Elections Reserve (20K per annum)	20,000	0	20,000	20,000	20,000	20,000
Contribution from the Flexible Homeless Government Grant for three housing posts (wdbc share of costs)	(32,500)	(32,500)	(32,500)	(32,500)	(32,500)	(32,500)
Contribution to Vehicles Replacement Reserve (£50K per annum) - Minute CM42	50,000	50,000	50,000	50,000	50,000	50,000
<b>Total Contribution to Earmarked Reserves</b>	<b>87,500</b>	<b>42,500</b>	<b>87,500</b>	<b>87,500</b>	<b>87,500</b>	<b>87,500</b>

**SAVINGS AND INCOME GENERATION IDENTIFIED**

	<b>BASE 2020/21 £</b>	<b>Yr1 2021/22 £</b>	<b>Yr2 2022/23 £</b>	<b>Yr3 2023/24 £</b>	<b>Yr 4 2024/25 £</b>	<b>Yr5 2025/26 £</b>
Income from Investment properties (£300,000 is in the Base Budget for 2021/22)	80,000	20,000	0	0	0	0
Re-procurement of contracts (e.g. savings from Leisure contract)	80,000	117,000	281,000	0	0	0
Income from three weekly trials (Hub Committee 15th September 2020)	0	50,000	75,000	0	0	0
Increase in Garden Waste income	0	40,000	0	0	0	0
Reduction in Pension Employer secondary rate contributions (due to a reduction in the actuarial deficit at 31.3.2019 - based on 17 year deficit recovery period)	175,000	80,000	0	0	0	0
Additional treasury management income (invest an extra £0.5m in CCLA)	15,000	0	0	0	0	0
Public Conveniences (£18K business rates savings in 2021/22)	0	18,000	0	0	0	0
Kilworthy Park - reduction in operating costs	0	10,000	0	0	0	0
Senior Leadership Team - Interim arrangement (£34,000) - Restructure (£60,000) as per July 2019 Council report	60,000	0	0	0	0	0
Additional Employments estates income	25,000	0	0	0	0	0
Income from Street Naming and Numbering	15,000	0	0	0	0	0
Reduction in Partnership funding	2,000	0	0	0	0	0
Corporate consultancy income	10,000	0	0	0	0	0
Council Tax Support Grant (CTSG) - the withdrawal of CTSG has been modelled from 1.4.2020	59,000	0	0	0	0	0
Reduction in ICT contracts	8,000	8,000	0	0	0	0
Implement e-billing in council tax	1,200	1,200	1,200	1,200	1,200	1,200
<b>TOTAL SAVINGS AND INCOME GENERATION</b>	<b>530,200</b>	<b>344,200</b>	<b>357,200</b>	<b>1,200</b>	<b>1,200</b>	<b>1,200</b>

<b>Modelling assumptions: Assumes Council Tax is increased by £5 annually</b>	<b>BASE (Amended Budget 2020-21)</b>	<b>Yr1</b>	<b>Yr2</b>	<b>Yr 3</b>	<b>Yr4</b>	<b>Yr5</b>
	<b>2020/21 £</b>	<b>2021/22 £</b>	<b>2022/23</b>	<b>2023/24 £</b>	<b>2024/25 £</b>	<b>2025/26 £</b>
Modelling for the financial years 2020/21 onwards						
Base budget brought forward	7,078,595	7,211,895	7,301,695	7,068,583	7,056,970	7,056,970
Budget pressures (as per Appendix A)	663,500	434,000	240,000	315,000	265,000	265,000
Predicted one-off shortfall from the 2020-21 Amended Budget in 2020-21	501,000					
Savings already identified (as per Appendix A)	(530,200)	(344,200)	(357,200)	(1,200)	(1,200)	(1,200)
<b>Projected Net Expenditure:</b>	<b>7,712,895</b>	<b>7,301,695</b>	<b>7,184,495</b>	<b>7,382,383</b>	<b>7,320,770</b>	<b>7,320,770</b>
<b>Funded By:-</b>						
<b>Council Tax income</b> - Modelling a £5 increase in council tax each year (Taxbase 21/22 = 20,239.51 Band D Equivalent properties) - assumes a 1% reduction in council tax collection rates	4,796,895	4,890,473	4,996,603	5,102,933	5,209,463	5,214,596
Collection Fund Surplus / (Deficit)	67,000	(9,771)	(3,435)	(3,435)	0	0
Localised Business Rates (baseline funding level)	1,648,000	1,673,223	1,690,000	1,710,000	1,730,000	1,750,000
Business Rates Tariff/Top Up Adjustment amount (Negative Revenue Support Grant change to baseline need)	0	0	(136,000)	(182,000)	(227,000)	(293,000)
Business Rates Pooling Gain	95,000	40,000	0	0	0	0
Funding from Rural Services Delivery Grant	464,365	487,296	501,915	516,972	532,481	548,456
Funding from New Homes Bonus	377,135	192,772	107,000	0	0	0
Funding from Lower Tier Services Grant		70,202	0	0	0	0
Less: Contribution to Earmarked Reserves	(87,500)	(42,500)	(87,500)	(87,500)	(87,500)	(87,500)
Less: Contribution from Unearmarked Reserves (2019-20 Statement of Accounts underspend used to fund the 2020-21 Amended Budget)	133,000					
Use of 3rd tranche of Government COVID funding and New burdens Government grant for the administration of the Business Rates Grants	219,000					
<b>Total Projected Funding Sources</b>	<b>7,712,895</b>	<b>7,301,695</b>	<b>7,068,583</b>	<b>7,056,970</b>	<b>7,157,444</b>	<b>7,132,552</b>
<b>Budget gap/(surplus) per year</b> (Projected Expenditure line 4 - Projected Funding line 16)	<b>0</b>	<b>0</b>	<b>115,912</b>	<b>325,413</b>	<b>163,326</b>	<b>188,218</b>
<b>Actual Predicted Cumulative Budget Gap</b>	<b>0</b>	<b>0</b>	<b>115,912</b>	<b>441,325</b>	<b>604,651</b>	<b>792,869</b>
<b>Aggregated Budget Gap (if no action is taken in each individual year to close the budget gap annually)</b>	<b>0</b>	<b>0</b>	<b>115,912</b>	<b>557,237</b>	<b>1,161,887</b>	<b>1,954,756</b>
<b>Modelling Assumptions: (Assumes an increase in Band D Equivalent properties of 20 per annum - This is low due to the anticipated impact of higher levels of Council Tax Support envisaged)</b>						
Council Tax (Band D) (an increase of £5 per annum has been modelled)	236.63	241.63	246.63	251.63	256.63	256.63
Council TaxBase	20,271.71	20,239.51	20,259.51	20,279.51	20,299.51	20,319.51

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RESERVES - PROJECTED BALANCES						
	Cost Centre	Opening Balance 01.04.2020 £000's	Additions to Reserve 2020/21 £000's	Predicted Spend 2020/21 £000's	Projected Balance 31.03.2021 £000's	Comments
<b>EARMARKED RESERVES</b>						
<b>Specific Reserves - General Fund</b>						
2016/17 Budget Surplus Contingency	W0848	196	0	(180)	16	This is the Budget Surplus from 2016/17 which was put into an Earmarked Reserve. Commitments mainly relate to the Capital Programme £50k, Future IT Procurement £18k, Community Housing Staffing £12k and Fusion Leisure Support £92K
Broadband Community Support	New code		100	(100)	0	As per the report to the Hub Committee on 1st December 2020, Council approved the creation of a Broadband Community Support Earmarked Reserve of £100,000, to be financed by transferring £50,000 from the existing Business Rates Retention Earmarked Reserve and £50,000 from the Business Rates Discretionary fund (Additional Restrictions Grants, ARG Scheme).
Business Rates Retention Scheme	W0824	904	0	(350)	554	This relates to a timing issue on the accounting adjustments required for the localisation of business rates. This reserve also deals with any volatility in Business Rate income e.g. due to appeals. Commitments relate to Fusion Leisure Support £200k and Town Centre Support Initiative £70k. It was also approved to spend £50,000 on the creation of a Broadband Community Earmarked Reserve and £30,000 on Audio Visual Equipment for the Guildhall, Tavistock (Recommendation 4 of the Budget Monitoring Hub Committee report of 8th December 2020).
Cannons Meadow, Tavistock	W0900	8	0	(3)	5	This reserve contains a commuted sum to be written down to revenue annually over 10 years
Car Parking Maintenance	W0833	464	0	(231)	233	The commitments include Brook Street Car Park, Council Owned Asset Investment & Development £20k (minute ref HC4) and Grounds Maintenance £30k (Hub 10/9/19)
COVID Earmarked Reserve (subject to Council approval)	New code	0	220	0	220	It is recommended that the COVID-19 LA Support Grant (4th tranche of £151K and the bank reconciliation adjustment of £69K) is put into a COVID Earmarked Reserve. (There is also a recommendation to transfer the fifth tranche of COVID funding of £281,404 into this Reserve, but this would not be until April 2021 when the amount is received from the Government).
Economic Grant Initiatives	W0914	22	0	(21)	1	Reopening High Street Grants - COVID 19 £17.5k, Pop Up Business School £3.7k
Elections	W0903	0	20	0	20	Reserve utilised in full in 2019/20 to fund the cost of District Council Elections held in May 19
Environmental Health Initiatives	W0857	20	0	(2)	18	Contribution towards the cost of an Environmental Health Specialist Student Placement
Financial Stability	W0859	454	0	0	454	This reserve was created in 2018/19 from the Business Rates Pilot funding. This funding was set aside to assist to smooth out future years' funding variations or reductions, in particular any changes from the Fair Funding Review (this has been delayed and it has been confirmed this will not happen in 2021-22).
Flood Works	W0915	16	0	0	16	
Grounds Maintenance	W0901	18	0	0	18	
Homelessness Prevention	W0924	115	0	0	115	This reserve has been created following underspends on Homelessness Prevention Costs in previous years
ICT Development	W0836	66	25	(91)	0	Major commitments are the New IT Procurement, Hub Cttee Jan 20 Min Ref HC73 (£65k) and CIVICA Financials archiving module (£19k). £25K a year is contributed to this reserve.
Innovation Fund (Invest to Earn)	W0850	432	0	(217)	215	Commitments totalling £247k mainly relate to the upgrading of Hayedown Depot. This reserve originated from New Homes Bonus funding.
Invest to Save	W0902	12	0	(8)	4	
Joint Local Plan	W0860	20	0	0	20	This is a new Reserve for Joint Local Plan funding, there are commitments to fund staffing costs.
Leisure Services	W0855	204	0	(204)	0	Capital Programme Funding, Fusion leisure monthly support due to temporary closure of leisure facilities during COVID-19 pandemic £46k (April - June 20) and a further £97k for period July - Sept. Playing pitch strategy £7k
Maintenance Fund (Estates)	W0927	170	0	0	170	
Management, Maintenance & Risk Management	W0861	190	119	(2)	307	This is a relatively new reserve set up to manage the ongoing maintenance costs of the Council's Commercial Property Portfolio. The contributions to the reserve equate to 10% of the rental income.
Neighbourhood Planning Grants	W0897	16	0	0	16	
New Homes Bonus (NHB)	W0804	401	348	(485)	264	The NHB is used to support the funding of the revenue budget and the Capital Programme. The commitment includes £297,135 to fund the 2020/21 revenue budget and £130,000 to fund the capital programme
Outdoor Sports & Recreation Grants	W0852	18	0	(6)	12	Cycling design work, Tavistock to Plymouth
Planning Policy and Major Developments	W0840	122	25	0	147	This reserve is for all planning matters and is also to meet appeal costs. £25K a year is contributed to this reserve.
Revenue Grants	W0821	508	0	(35)	473	This reserve comprises of government grants received for specific initiatives or new burdens and are held in the reserve for accounting purposes. The annual contribution of £32,500 from this reserve relates to the funding of three housing posts which were made permanent in the 2020/21 budget process and are funded from the Flexible Homelessness Support Grant.
Support Services Trading Opportunities	W0856	8	0	0	8	
Strategic Change (T18)	W0925	67	0	(60)	7	The commitments are £50,000 for the capital requirement of the Public Toilets pay on entry review (HC.19) and £10,000 for Kilworthy Park marketing.
Vehicle Replacement	W0931	396	50	(446)	0	This is a new reserve set up to fund the Council's vehicle replacement programme (Council 4 Dec 2018). £50K a year is contributed to this reserve.
Waste & Cleansing Options Review	W0853	104	0	(14)	90	The commitment relates to three weekly collection trial costs (Hub 4 June 2019)
Other Reserves below £15,000 (combined)		33	0	0	33	
<b>TOTAL EARMARKED RESERVES</b>		<b>4,984</b>	<b>907</b>	<b>(2,455)</b>	<b>3,436</b>	
<b>TOTAL UNEARMARKED RESERVES</b>	<b>W0950</b>	<b>1,086</b>	<b>90</b>		<b>1,176</b>	Note: This Unearmarked Reserve has a minimum balance of £900,000 (set by Members as part of the Medium Term Financial Strategy). The projected underspend for 2020-21 of £90,000 (as set out in Budget Monitoring report for Month 7) would be added to this Unearmarked Reserve
<b>TOTAL REVENUE RESERVES (EARMARKED AND UNEARMARKED RESERVES)</b>		<b>6,070</b>	<b>997</b>	<b>(2,455)</b>	<b>4,612</b>	

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<b>Appendix D - Environmental Health Charges Proposed for 2021/22</b>		
<b>(Note all 2021/22 Fees are proposed to remain the same as the 2020/21 Current Fees)</b>		
	<b>Current Fee 2020/21</b>	<b>Proposed Fee 2021/22</b>
<b><u>Acupuncture, Tattooing, Ear-piercing &amp; Electrolysis</u></b>		
Register of Person	£115.00	£115.00
Register of Premises	£115.00	£115.00
Changes to Premises registration particulars	£41.00	£41.00
<b><u>Animal Licence</u></b>		
Standard licence *	£350.70	£350.70
Home dog boarding	£276.70	£276.70
Each additional licensable activity	£124.55	£124.55
Rescore visit	£120.00	£120.00
Vets and fees expenses	Actual Cost	Actual Cost
<b><u>Dangerous Wild Animal Licence</u></b>		
Licence Fee (initial and renewal)	£394.00	£394.00
Plus vets fees and expenses	Actual cost	Actual cost
<b><u>Eco Certificate</u></b>		
Licence per film	£103.00	£103.00
Licence per festival	£515.00	£515.00
<b><u>Food Export Certificate</u></b>		
Export Certificate initial set up	£153.00	£153.00
Export Certificate renewal	£61.00	£61.00
Amendment to existing certificate (in addition to renewal fee)	£22.00	£22.00
<b><u>Food Hygiene Score Revisit inspection fee</u></b>		
Food Hygiene Score Revisit inspection fee	£130.00 per visit	£130.00 per visit
Food Hygiene Advice visit	£130 first hour , £65 per hour thereafter	£130 first hour , £65 per hour thereafter
Safer Food Better Business pack	£20 for the Catering SFBB Pack plus a years diary. £6 for a years diary	£20 for the Catering SFBB Pack plus a years diary. £6 for a years diary
<b><u>Food Premises Register</u></b>		
Food Premises Register (Full copy)	£304.00	£304.00
Food Premises Register (Part copy)	£103.00	£103.00
<b><u>Food Safety</u></b>		
Issue of unfit food certificate	£101.00	£101.00
<b><u>Hackney Carriage and Private Hire</u></b>		
Hackney Carriage Vehicle - fully wheelchair accessible	£20.00	£20.00
Hackney Carriage Vehicle - non wheelchair accessible	£181.00	£181.00
Private Hire Vehicle - fully wheelchair accessible	£20.00	£20.00
Private Hire Vehicle - non wheelchair accessible	£160.00	£160.00
Driving Licence (1 year)	£110.00	£110.00
Driving Licence initial application fee	£109.00	£109.00
Knowledge test	£50.00	£50.00
DBS	£56.00	£56.00
Driving Licence (3 years)	£281.00	£281.00
Replacement Plate	£20.00	£20.00
Transfer of ownership of vehicle	£50.00	£50.00
Operator Licence (Private Hire Only) 1 year	£125.00	£125.00
Operator Licence (Private Hire Only) 5 years	£472.00	£472.00
Replacement Driver's Badge	£15.00	£15.00
<b><u>Homes in Multiple Occupation</u></b>		
New Applications (new properties/change of ownership)	£372.00	£372.00
Renewals (every 5 years)	£372.00	£372.00
<b><u>Housing Act Enforcement Notice fee</u></b>		

<b>Appendix D - Environmental Health Charges Proposed for 2021/22</b>		
<b>(Note all 2021/22 Fees are proposed to remain the same as the 2020/21 Current Fees)</b>		
	<b>Current Fee 2020/21</b>	<b>Proposed Fee 2021/22</b>
Housing Act Enforcement Notice fee	£41.00 per hour	£41.00 per hour
<b><u>Housing Suitability (Immigration Inspection Certificate)</u></b>		
Housing Suitability (Immigration Inspection Certificate)	£80.00	£80.00
Inspection and report on Housing Conditions under the Homes (Fitness for Human Habitation) Act 2018	£300.00	£300.00
Charge for Court appearance by Inspecting officer	£41.00 per hour	£41.00 per hour
Depositing site rules with the Local Authority	£79.00	£79.00
Hypnotism Authorisation	£58.00	£58.00
<b><u>Private Water Supply</u></b>		
Private Water Supply Sampling Fee	£72.00	£72.00
Private Water Supply sample failure investigation	£100.00	£100.00
Private Water Supply Risk Assessment	£212.00 per risk assessment	£212.00 per risk assessment
<b><u>Residential Mobile Home/Caravan Site Licences</u></b>		
Annual Fee (£13 per pitch with a minimum of 5 pitches)	£65.00	£65.00
Transfer of Licence	£100.00	£100.00
Standard amendment	£200.00	£200.00
Site Expansion Amendment (Standard Amendment fee plus £10 per pitch)	£200.00 plus £10.00 per pitch	£200.00 plus £10.00 per pitch
Initial Licence (5 pitch site plus £10 per pitch thereafter)	£200.00	£200.00
Replacement Licence (due to loss)	£10.50	£10.50
Deposit of Site Rules	£77.00	£77.00
Service of Enforcement Notice	£40.00 per hour	£40.00 per hour
<b><u>Scrap Metal Dealer Licence</u></b>		
Grant of a Site Licence	£185.00	£185.00
Renewal of a Site Licence	£134.00	£134.00
Transfer from a Site to a Collector Licence	£77.00	£77.00
Grant of a Collector Licence	£134.00	£134.00
Renewal of a Collector Licence	£88.00	£88.00
Transfer from a Collector to a Site Licence	£82.00	£82.00
Change of Licence Holder's details	£16.00	£16.00
Change of Licensed site	£82.00	£82.00
Change of Site Manager	£44.00	£44.00
<b><u>Sex Establishments</u></b>		
New Application (Inclusive of first year annual licence)	£4,600.00	£4,600.00
Annual Renewal Fee	£450.00	£450.00
Transfer or Variation	£1,300.00	£1,300.00
Plus Premises Licence / Club Premises Certificate	Statutory Cost	Statutory Cost
<b><u>Zoo Licence</u></b>		
Grant of Licence (Valid 4 years)	£1,107.00	£1,107.00
Renewal of Licence (Valid for 6 years)	£1,353.00	£1,353.00
Transfer of Licence	£370.00	£370.00
Partially exempt premises	100% of above fees	100% of above fees
Inspection	Actual Cost	Actual Cost
* Standard licences are for the following activities. Dog boarding kennels, catteries, dog breeding establishments, horse riding establishments, pet shops, dog day care, keeping or training animals for exhibition.		

Activity	Current Fee £ (2020/21)	Proposed Fee £ (2021/22)	Comments
Confirmation of closure of enforcement case where it was found not expedient to take action. (available for a 12 month period following closure of the case)	£60	£60	If the Council has been in contact with you recently to investigate a breach of planning control and determined not to take any action you will be verbally advised of the outcome. Use this service if you require a letter of comfort confirming the Council's decision on the matter on a case closed in the last 12 months.
Confirmation of compliance with Enforcement Notice or Breach of Condition Notice (including site visit)	£300	£300	Includes a site visit, full check of the enforcement case and written confirmation of the outcome. Use this service if you require confirmation that an Enforcement Notice served by the Local Planning Authority has been complied with.
Confirmation of compliance with listed building consent (available for a 12 month period following completion of the development)	£300	£300	Includes a site visit to compare the development against the plans and written confirmation of our findings. Only available within 12 months of completion. Use this service if you have completed a listed building project and you wish to sell the property.

Activity	Current Fee £ (2020/21)	Proposed Fee £ (2021/22)	Comments
			If the completion was over 12 months ago, use the 'help resolving conveyancing issues' service detailed below
Help resolving planning history questions	£500	£500	Includes a full check of the planning and planning enforcement history, a site visit to view the development, a 1 hour meeting if it is deemed necessary by the case officer, any necessary in house consultations, written confirmation of the outcome, a formal decision as to whether enforcement action will be taken and/or confirmation of steps required to remedy the situation, if any. Response will be provided in 20 working days in most cases (can be extended by agreement if further consultation or investigation is required). Use this quick service if you are buying or selling a property/land and a planning query arises through the conveyancing process. For example, unauthorised works have been discovered or planning conditions have not been complied with.
Confirmation of compliance with section 106 planning obligations (desktop assessment)	£160 plus additional £115 if site visit needed	£160 plus additional £115 if site visit needed	This is a desktop check of the Council's records. If the clause in the agreement requires something to be undertaken on site it would be necessary to undertake a site visit for

Activity	Current Fee £ (2020/21)	Proposed Fee £ (2021/22)	Comments
			which there will be an additional charge. Use this service if you require confirmation that the clauses of the agreement have been complied with
Duty Planner	£40	£40	This is a 30 minute appointment with one of the Development Management planners by telephone or face to face.
The Validation checking service fee is in addition to the planning for processing. This will include an assessment of whether an application is valid, fee queries, and technical questions regarding what type of application is needed. There are three fee levels based on the complexity of the development. This would be undertaken on an appointment basis.			The Validation checking service fee is in addition to the planning for processing. This will include an assessment of whether an application is valid, fee queries, and technical questions regarding what type of application is needed. There are three fee levels based on the complexity of the development. This would be undertaken on an appointment basis.
Major Development - This will include 1 validation check of the application at plus 1 re-check	£85	£85	

Activity	Current Fee £ (2020/21)	Proposed Fee £ (2021/22)	Comments
Minor Development - This will include 1 validation check of the application at plus 1 re-check	£50	£50	
Householder and Other Development - This will include 1 validation check of the application at plus 1 re-check	£40	£40	
Pre-Application Fees	£180 plus £180 for any additional meeting/response required	£180 plus £180 for any additional meeting/response required	<p><b>Householder/Listed Building/Advertisements</b></p> <p>one meeting with a written response</p>
	£180	£180	<p><b>Small Minor (1-2 Dwellings or non-residential floor space up to 499 sqm, telecommunications, Lawful development Certificate Advice and changes or use except dwellings, where there is no operational development)</b></p> <p>One Scoping meeting with agreed notes from the meeting</p>

Activity	Current Fee £ (2020/21)	Proposed Fee £ (2021/22)	Comments
	£420 (£240 if it follows a scoping meeting) plus £180 for any additional meeting or response	£420 (£240 if it follows a scoping meeting) plus £180 for any additional meeting or response	Full pre-app – one meeting plus a written response.
	£240  £600 (£360 if it follows a scoping meeting) plus £180 for any additional meeting or response	£240  £600 (£360 if it follows a scoping meeting) plus £180 for any additional meeting or response	<p><b>Minor Development (between 3 – 9 dwellings or non-residential floor space between 500 – 999 sqm or a site area up to 1 Ha)</b></p> One Scoping meeting with agreed notes from the meeting  Full pre-app – one meeting plus a written response.

Activity	Current Fee £ (2020/21)	Proposed Fee £ (2021/22)	Comments
	<p>£480</p> <p>£1800 (£1320 if it follows a scoping meeting). Or a specific PPA.</p>	<p>£480</p> <p>£1800 (£1320 if it follows a scoping meeting). Or a specific PPA.</p>	<p><b>Small Scale Majors (up to 30 dwellings or Non-Residential floor space between 1000 – 4999 sqm or a site area between 1 – 2 Ha)</b></p> <p>One Scoping meeting with agreed notes from the meeting</p> <p>Full pre-app – two meetings plus a written response. If more than two meetings are required the pre-app will be the subject of a specific PPA.</p>
	<p>£720</p> <p>Specific PPA</p>	<p>£720</p> <p>Specific PPA</p>	<p><b>Large Majors (Over 31 dwellings or Non-Residential floor space over 500sqm or a site area over 2 Ha all renewable energy proposals unless a domestic scale and all development that requires an EIA)</b></p> <p>One Scoping meeting with agreed notes from the meeting</p> <p>Full Pre-app</p>

Activity	Current Fee £ (2020/21)	Proposed Fee £ (2021/22)	Comments
Exemptions:	No Charge	No Charge	100% Affordable Housing schemes
	No Charge	No Charge	Facilities for the disabled
	No Charge	No Charge	Parish/Town Council
Pre-App Charges Notes:			<p>Floor space refers to gross external floor space The fee stated are inclusive of VAT</p> <p>For the purposes of pre-app fees flats and holiday accommodation are considered as dwellings.</p> <p>Fees will be the subject of review</p>

Activity	Current Fee £ (2020/21)	Proposed Fee £ (2021/22)	Comments
<p><b>Street Name and Numbering</b></p>	<p>£21 per property for changes to house names.</p> <p>£37 per property for changes to street names</p> <p>£36 per property for naming and numbering new developments</p>	<p>£25 per property for changes to house names</p> <p>£40 per property for changes to street names</p> <p>£40 per property for naming and numbering new developments.</p>	<p>The current Street Naming and Numbering policy and Procedure was adopted in September 2017 and is a Statutory Function of the Council.</p>
<p><b>Monitoring of Section 106 agreements/undertakings.</b></p>	<p>No specific set monitoring fee, the cost of monitoring is currently deducted from the S106 monies.</p>	<p>£667 per trigger point within the agreement/undertaking for a payment to be made or other action to be taken by the developer.</p> <p>In the case of unilateral obligations where the only undertaking is the payment of a contribution to the Tamar Valley EMS the fee will be £45.</p>	<p>From the 1 September 2019 Councils can charge a monitoring fee through section 106 obligations to cover the cost of monitoring and reporting on delivery of that section 106 obligation.</p> <p>These are simple undertakings where the contribution can be very small and it would not be reasonable to have a higher fee given the simple nature of what is to be monitored.</p>

Following West Devon Members support of the Community Safety Partnership (CSP) at Overview and Scrutiny Committee in November 2020, they questioned how Young People could be further supported in West Devon in order to assist the CSP in their work.

A meeting was held with Youth Outreach Workers from across West Devon in early January 2021 which included members from the West Devon Youth Partnership and Space – Devon County Council’s commissioned service for youth provision.

A business case (outlined in this Appendix F) has been created from the information and professional knowledge of those gathered in the meeting, the total of the proposals is **£21,250** which would cover the whole of West Devon. Of this, £11,500 is laid out in the first half of the plan by Tavistock Youth Café and a further £9,750 in the second part by Space. Both providers would work together to further strengthen youth provision (as detailed) in West Devon and the West Devon Youth Partnership.

Naturally there are opportunities to scale this down to fit a smaller funding stream as appropriate e.g. a £15,000 budget, however I am aware of the level of concern raised amongst professionals around young people post Covid and this would go a long way to mitigate these. To clarify, any level of funding from West Devon Borough Council would be used to support a project similar to that outlined in the business plan. Levels of engagement and numbers of sessions and programmes would need to be reduced accordingly and in agreement with Space and Tavistock Youth Café.

I would propose that any funding awarded for this project would be held by the Community Safety Partnership to ensure that financial regulations are adhered to. In addition the project would be monitored through the CSP, where representatives from West Devon Borough Council sit on the board and there is annual scrutiny by way of attendance at the WDBC Overview and Scrutiny Committee.

The following plan has been written by and with the support of West Devon Youth Partnership, Devon and Cornwall Police, Space and Tavistock Youth Café. The report has been collaborated and collated by Louisa Daley, West Devon Borough Council Specialist.

### **Project: Supporting young people post Covid.**

#### **Context**

Some young people will emerge from the pandemic restrictions relatively easily. But for others this has been a very traumatic experience and there is evidence of depression and introversion during the third lockdown to a much greater extent than previously.

This has its roots in:

- lack of social interaction
- worries about the future, in particular about educational opportunity and job prospects
- In some cases, domestic abuse, poverty and deprivation and safeguarding issues

It is quite clear that some young people will suffer from a form of post-traumatic stress disorder.

## **Key principles**

The project will be:

- intelligence led and targeted
- Involve all the partners in existing networks, such as the police, the West Devon Youth Partnership, the primary healthcare trust, Space, local secondary schools, and other agencies

## **Proposals**

### **Intelligence-led**

In order to establish which young people are in the greatest need, geographical areas where there is no provision for young people and where best to meet with them:

- meetings of key youth workers from Tavistock and Okehampton to plan and share intelligence
- liaison and collaboration with Space (Devon's commissioned service for youth provision)

Resources - **£200 for meeting time, administration etc.**

### **Outreach and Detached Youth Work.**

Aims:

- to establish a presence in places where young people may congregate
- to create circumstances in which young people will feel safe, talk and engage by providing hot drinks and a portable shelter
- to follow up on individual issues
- to take the portable shelter to areas in West Devon where there is currently no provision
- to be led by Space in identifying gaps in provision and highlight these with strategic partners

Outcomes

- to provide support and guidance, signposting as appropriate to other agencies, for young people
- to engage with those young people who may be disaffected from education or other agencies
- to discourage the presence of unwanted influences that may involve antisocial behaviour, supplying of drug or exploitation
- to support young people in the most isolated of rural areas with the possibility of establishing sustainable provision in the future
- to provide a "safe space" and outreach facility for young people in rural areas of West Devon
- to highlight gaps in provision and highlight these through reporting and monitoring mechanisms such as the community safety partnership to decision makers

Resources

10 sessions for Pop up 5 hour outreach sessions (including planning and delivery and Gazebo) £2,100  
6 sessions for Mobile detached 4 hour sessions in villages £900

**TOTAL £3,000**

### 3. Diversionary activity for young people

We live in an area of rural isolation which has pockets of deprivation with poor transport links to outlying areas and limited opportunities for young people. A programme of trips and activities builds confidence, tackles boredom and boosts self-esteem. Importantly it will promote structure for young people during the holidays when there is little to do and give them access to advice and guidance from experienced Youth Workers.

Timing: so much will be dependent on Covid restrictions, but it is reasonable to assume that with vaccinations and the onset of warmer weather, it may be possible to offer some activities during the June Half Term, then again in the summer and beyond that in October.

The initial focus will be on outdoor adventurous activities which aim to demonstrate the natural “high” that can be achieved through adrenalin and feel good factor, rather than any other method.

#### Resources

Youth workers’ hours on average 4 x half term trips	£1,600
Youth workers’ hours on average 8 x Summer Holiday Trips	£3,200
Outdoor Education qualified instructors as appropriate	£2,000
Minibus and fuel	£1,500
<b>Total</b>	<b>£8,300</b>

#### Outcomes

- up to 50 targeted young people involved in one or more activities
- evidence of young people being supported and helped to overcome issues such as mental health, lack of confidence, advice and support requirements
- to engage young people in activity to promote health and exercise
- to engage young people and encourage them to make positive choices

#### Summary

Organisation	£200
Detached Sessions	£3,000
Summer/Half term Activities	£8,300
<b>Total</b>	<b>£11,500</b>

The proposals outlined in the above would be provided by Tavistock Youth Café in partnership with other relevant agencies.

## West Devon Space\* Quote

The following Quote is for two Space Youth Workers to deliver street based Youth work, one evening per week, for one year in a West Devon Town (specific location to be decided with Partners).

### **Staffing levels:**

1x Senior Youth Support Work In Charge

1x Youth Support Worker.

Included in the quote:

Payment for staff time

Planning and prep time

Travel time

Mileage contribution

Contribution towards resources

NI & Pension contributions

Management fee

Administration support

**Total quote: £9,750**

*The proposal outlined above would be provided and any monies paid to Space.*

### **Statement from Space (Devon County Councils commissioned service for Youth provision)**

“In our joint discussions we fully support the idea of using funding to increase the offer of our holiday activities programme and also importantly to support rural youth projects. This would involve joint work with the Space communities team, village youth projects, Okehampton and Tavistock youth centres and possibly local Outdoor adventure centres and resources that would act as the hubs for the project.

The outreach projects would also allow young people to be signposted to and sustainably engage with their local provision or access support through other platforms such as the Space discord server, Room 13 in Okehampton, Tavistock Youth Cafe or their own local youth groups.

If we were to jointly receive this funding it would help to combat young people’s rural isolation by engaging with young people that may currently not be, or not been able to engage with any youth provision since March 2020.

We would embrace this opportunity to work collaboratively to enhance the support of young people across West Devon.”

### **Devon and Cornwall Police**

Police Sargent Nathan Walker and Inspector Mark Sloman from West Devon Neighbourhood Police team both fully endorse this collaborative approach towards Youth Outreach and diversionary activity in West Devon. They wished for their views to be made known to the West Devon Elected Members.

**Sensitivity analysis and risk analysis of the Budget Proposals 2021-22**

1. The budget assumes approximately £3.5 million of income from fees and charges, recycling and investments. Whilst this assumption is realistic, given the position of the economy there is a risk that income could fall or be less than anticipated. A 10% reduction in income would result in a loss of £350,000.
2. The Budget Proposals rely on proposed savings over the next 5 years of £705,000. A 5% reduction in the savings would equate to £35,250.
3. The Budget Proposals assume budget pressures over the next 5 years of £1,519,000. A 5% increase in the budget pressures would equate to £75,950.
4. Council Tax Income has been modelled based on an extra 20 Band D Equivalent properties per annum increase. If this figure were to actually be Nil (i.e. 20 properties less), this would mean that Council Tax Income would be £4,800 less.
5. Council Tax has been assumed in the Budget Proposals to increase by £5 to £241.63 in 2021/22. The additional council tax income this would generate is £101,200. If council tax for 2021/22 were to remain at £236.63, the income from council tax would be overstated by this amount in the Budget Proposals.
6. If Council Tax income collection fell by 1% (collection in 19/20 was 97.71%), this would mean a reduction of council tax income of £47,000. Similarly if Business Rates income collection fell by 1% (collection in 19/20 was 97.62%), this would mean a reduction in business rates income of £17,000.
7. Income from investments has been assumed to increase in line with the expected interest rate forecasts. A 0.25% variation in interest rates on investment income equates to £22,000.
8. The capital programme is funded by receipts, grants, and contributions. Realistic assumptions about these have been made for the future.
9. Known liabilities have been provided for and there are no significant outstanding claims.

## 10. Borrowing Levels

Exempt Appendix G of the Medium Term Financial Strategy presented to Council in September 2018, gave advice on the borrowing level for the Council (recommended at £50 million) and the Interest payments on the borrowing as a percentage of available Reserves. The tables below show the impact that a change of Interest payable at 2% on borrowing to 2.5% on borrowing has on this Indicator.

<b>Total Borrowing</b>	<b>Interest repayments at 2%</b>	<b>Level of Reserves £4.61m*</b>	<b>Interest payments (at 2%) as % of available Reserves</b>
<b>£50m</b>	£1,000,000	£4.61m	22%

<b>Total Borrowing</b>	<b>Interest repayments at 2.5%</b>	<b>Level of Reserves £4.61m*</b>	<b>Interest payments (at 2.5%) as % of available Reserves</b>
<b>£50m</b>	£1,250,000	£4.61m	27%

\*(£1.176m of Unearmarked Reserves and £3.436m of Earmarked Reserves)

### Summary & conclusion

Sensitivity analysis and risks are identified above with a potential total adverse revenue effect for 2021/22 of **£653,200**.

The minimum level of Unearmarked Reserves is £900,000 for 2021/22, to reflect the increase in financial risks which the Council faces (see Section 10 of the main report). I therefore confirm the robustness of the Budget Proposals and the adequacy of the reserves.

**Mrs Lisa Buckle, Corporate Director for Strategic Finance (S151 Officer)**

**West Devon Borough Council**  
**Base Budget for the Financial Year 2021/22**

**APPENDIX H**

Service Group	(1)	(2)	(1)+(2)= 2a	(3)	(4)	(5)	(6)	(2a)+(3)+(4)+(5)+(6)	
	20/21 Base Net Budget £'s	20/21 Adjusted COVID-19 Base Budget £'s	20/21 Virements £'s	20/21 Revised Net Budget £'s	21/22 Pressures/ (Savings) £'s	21/22 Reversal of COVID-19 Pressures £'s	21/22 Budget Preparation Virements £'s	21/22 Salary Estimate Virements £'s	21/22 Final Base Budget £'s
a) Customer Service & Delivery	5,560,478	5,988,478	0	5,988,478	322,300	(428,000)	0	29,600	5,912,378
b) Place & Enterprise	(1,097,158)	(184,158)	0	(184,158)	(28,100)	(913,000)	0	(2,500)	(1,127,758)
c) Governance & Assurance	2,796,421	2,754,421	(30,900)	2,723,521	(124,400)	42,000	0	17,900	2,659,021
d) Strategic Finance	506,342	(291,658)	30,900	(260,758)	(80,000)	798,000	0	(45,000)	412,242
<b>Total</b>	<b>7,766,083</b>	<b>8,267,083</b>	<b>0</b>	<b>8,267,083</b>	<b>89,800</b>	<b>(501,000)</b>	<b>0</b>	<b>0</b>	<b>7,855,883</b>
Reversal of Depreciation	(554,188)	(554,188)							(554,188)
<b>Net Budget Total</b>	<b>7,211,895</b>	<b>7,712,895</b>							<b>7,301,695</b>
<b>Funded by:</b>									
Localised Business Rates (baseline funding level)	1,648,000	1,648,000							1,673,223
Business Rates Pooling Gain	95,000	95,000							40,000
New Homes Bonus	228,135	377,135							192,772
Council Tax (modelling an increase of £5 in 21/22)	4,796,895	4,796,895							4,890,473
Collection Fund Surplus/(Deficit)	67,000	67,000							(9,771)
Rural Services Delivery Grant	464,365	464,365							487,296
Lower Tier Services Grant	0	0							70,202
Contributions to/(from) Earmarked Reserves	(87,500)	(87,500)							(42,500)
Contributions to/(from) Unearmarked Reserves	0	133,000							0
Use of 3rd Tranche COVID-19 Government Funding	0	219,000							0
<b>Total</b>	<b>7,211,895</b>	<b>7,712,895</b>							<b>7,301,695</b>

a)	Customer Service & Delivery	Budget Manager	(1)	(2)	(1)+(2)= 2a	(3)	(4)	(5)	(6)	(2a)+(3)+(4)+(5)+(6)
			20/21 Base Net Budget £'s	20/21 Adjusted COVID-19 Base Budget £'s	20/21 Virements £'s	20/21 Revised Net Budget £'s	21/22 Pressures/ (Savings) £'s	21/22 Reversal of COVID-19 Pressures £'s	21/22 Budget Preparation Virements £'s	21/22 Salary Estimate Virements £'s
W1010	Customer Contact Centre	Sarah Moody	224,500	224,500	(75,200)	149,300	5,300	0	(700)	153,900
W1020	Planning Applications and Advice	Pat Whymer	(369,795)	(369,795)	0	(369,795)	0	0	0	(369,795)
W1040	Local Land Charges	Pat Whymer	(73,806)	(44,806)	0	(44,806)	0	(29,000)	0	(73,806)
W1304	Grounds Maintenance	Sarah Moody	125,927	125,927	0	125,927	1,400	0	600	127,927
W1501	General Health	Ian Luscombe	14,170	14,170	0	14,170	0	0	0	14,170
W1531	Licensing	Ian Luscombe	(90,551)	(44,551)	0	(44,551)	0	(46,000)	0	(90,551)
W1533	Pest Control	Ian Luscombe	15,493	15,493	0	15,493	0	0	0	15,493
W1534	Pollution Control	Ian Luscombe	(2,671)	(2,671)	0	(2,671)	0	0	0	(2,671)
W1535	Food Safety	Ian Luscombe	698	698	0	698	0	0	0	698
W1536	Health & Safety at Work	Ian Luscombe	1,500	1,500	0	1,500	0	0	0	1,500
W1544	Community Safety	Ian Luscombe	6,500	6,500	0	6,500	0	0	0	6,500
W1545	Emergency Planning	Ian Luscombe	5,370	5,370	0	5,370	0	0	0	5,370
W1551	Homelessness	Isabel Blake	130,377	202,377	0	202,377	0	(72,000)	0	130,377
W1552	Housing Advice	Isabel Blake	1,200	1,200	0	1,200	0	0	0	1,200
W1555	Private Sector Housing Renewal	Ian Luscombe	31,595	31,595	0	31,595	0	0	0	31,595
W1565	Housing Benefit Payments	Isabel Blake	50,953	185,953	0	185,953	135,000	(135,000)	0	185,953
W1568	Housing Benefit Administration	Isabel Blake	(96,487)	(96,487)	0	(96,487)	10,000	0	(24,700)	(111,187)
W1571	Council Tax Collection	Isabel Blake	(201,694)	(150,694)	0	(150,694)	0	(51,000)	0	(201,694)
W1574	Council Tax Support	Isabel Blake	(56,000)	(56,000)	0	(56,000)	0	0	0	(56,000)
W1998	Case Management Customer Service & Delivery	Sarah Moody	1,043,400	1,043,400	61,600	1,105,000	50,700	0	0	1,289,600

W1999	Specialists Customer Service & Delivery	Catherine Bowen	1,156,700	1,156,700	3,400	1,160,100	55,600	0	0	(35,700)	1,180,000
W4001	Senior Leadership Team	Andy Bates	271,925	271,925	0	271,925	12,500	0	0	2,900	287,325
W4002	Extended Leadership Team	Andy Bates	452,300	452,300	700	453,000	26,400	0	0	8,300	487,700
W4004	Corporate Training & Occupational Health	Andy Wilson	18,183	18,183	0	18,183	0	0	0	0	18,183
W4005	Case Management Service Based Training	Sarah Moody	11,700	11,700	0	11,700	0	0	0	0	11,700
W4015	Specialists Service Based Training	Catherine Bowen	12,400	12,400	0	12,400	0	0	0	0	12,400
W4041	Internal Audit	Catherine Bowen	26,200	26,200	0	26,200	700	0	0	9,600	36,500
W4082	Landline Telephones	Mike Ward	21,000	21,000	0	21,000	0	0	0	0	21,000
W4084	ICT Support Contracts	Mike Ward	506,384	506,384	0	506,384	(8,000)	0	0	0	498,384
W4085	Mobile Phones	Mike Ward	14,000	14,000	0	14,000	0	0	0	0	14,000
W4086	ICT Hardware Replacement	Mike Ward	42,084	42,084	0	42,084	0	0	0	0	42,084
W4087	Photocopiers/MFD's	Mike Ward	10,000	10,000	0	10,000	0	0	0	0	10,000
W4100	Specialists Human Resources CoP	Catherine Bowen	38,240	38,240	0	38,240	1,000	0	0	600	39,840
W4101	Specialists Legal CoP	Catherine Bowen	120,300	120,300	0	120,300	4,800	0	0	(4,900)	120,200
W4102	Specialists Design CoP	Catherine Bowen	32,900	32,900	0	32,900	1,000	0	0	(400)	33,500
W4103	Specialists Finance CoP	Catherine Bowen	152,263	152,263	0	152,263	5,300	0	0	(4,200)	153,363
W4104	Specialists ICT CoP	Catherine Bowen	257,279	257,279	0	257,279	9,000	0	0	(6,800)	259,479
W4150	Case Management Support Services	Sarah Moody	211,900	211,900	0	211,900	8,000	0	0	(24,800)	195,100
W4155	Case Management Digital Mail Room	Sarah Moody	78,300	78,300	0	78,300	1,300	0	0	(500)	79,100
W4160	Corporate Management	Pauline Henstock	101,345	101,345	0	101,345	0	0	0	0	101,345
W4196	ICT Customer Support	Sarah Moody	63,500	63,500	0	63,500	2,300	0	0	(23,600)	42,200
W4199	Central Service Overheads	Catherine Bowen	8,142	8,142	9,500	17,642	0	0	0	0	17,642
W6040	Borrowing Costs	Pauline Henstock	1,298,075	1,298,075	0	1,298,075	0	0	0	0	1,298,075
W6050	Interest & Investment Income	Pauline Henstock	(105,321)	(10,321)	0	(10,321)	0	(95,000)	0	0	(105,321)
			5,560,478	5,988,478	0	5,988,478	322,300	(428,000)	0	29,600	5,912,378

(1) (2) (1)+(2)= 2a (3) (4) (5) (6) (2a)+(3)+(4)+(5)+(6)

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b)	Place & Enterprise	Budget Manager	20/21 Base Net Budget	20/21 Adjusted COVID-19 Base Budget	20/21 Virements	20/21 Revised Net Budget	21/22 Pressures/ (Savings)	21/22 Reversal of COVID-19 Pressures	21/22 Budget Preparation Virements	21/22 Salary Estimate Virements	21/22 Final Base Budget
			£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s
W1030	Economic Development	Sarah Gibson	63,862	63,862	0	63,862	0	0	0	0	63,862
W1060	Community Development	Sarah Gibson	42,500	42,500	0	42,500	0	0	0	0	42,500
W1102	Tamar Valley Trust	Laura Wotton	48,982	48,982	0	48,982	0	0	0	0	48,982
W1104	Land & Investment Properties	Laura Wotton	(1,061,600)	(841,600)	0	(841,600)	(20,000)	(220,000)	0	0	(1,081,600)
W1161	Kilworthy Park Offices	Laura Wotton	252,626	266,626	0	266,626	0	(14,000)	0	(300)	252,326
W1200	Public Transport Assistance	Sarah Gibson	13,185	13,185	0	13,185	0	0	0	0	13,185
W1306	Countryside Recreation	Laura Wotton	10,080	10,080	0	10,080	0	0	0	0	10,080
W1311	Outdoor Sports & Recreation	Laura Wotton	12,810	12,810	0	12,810	0	0	0	0	12,810
W1400	Employment Estates	Laura Wotton	(63,717)	18,283	0	18,283	0	(82,000)	0	0	(63,717)
W1553	Housing Enabling	Sarah Gibson	240	240	0	240	0	0	0	0	240
W2101	Car & Boat Parking	Laura Wotton	(612,061)	(15,061)	0	(15,061)	6,900	(597,000)	0	(2,200)	(607,361)
W2310	Dog Warden Service	Laura Wotton	3,322	3,322	0	3,322	0	0	0	0	3,322
W2400	Public Conveniences	Sarah Gibson	127,799	127,799	0	127,799	(15,000)	0	0	0	112,799
W2721	Waste Depots	Laura Wotton	64,814	64,814	0	64,814	0	0	0	0	64,814
			(1,097,158)	(184,158)	0	(184,158)	(28,100)	(913,000)	0	(2,500)	(1,127,758)

(1) (2) (1)+(2)= 2a (3) (4) (5) (6) (2a)+(3)+(4)+(5)+(6)

c)	Governance & Assurance	Budget Manager	20/21 Base Net Budget	20/21 Adjusted COVID-19 Base Budget	20/21 Virements	20/21 Revised Net Budget	21/22 Pressures/ (Savings)	21/22 Reversal of COVID-19 Pressures	21/22 Budget Preparation Virements	21/22 Salary Estimate Virements	21/22 Final Base Budget
			£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s
W1310	Leisure Centres	Jane Savage	143,077	143,077	0	143,077	(117,000)	0	0	0	26,077
W2017	Street and Beach Cleaning	Jane Savage	469,945	469,945	0	469,945	16,000	0	0	0	485,945
W2701	Waste & Recycling Collection Contract	Jane Savage	1,767,739	1,795,739	0	1,795,739	11,000	(28,000)	0	0	1,778,739
W2713	Trade Waste Services	Jane Savage	(15,000)	(15,000)	0	(15,000)	0	0	0	0	(15,000)
W2715	Garden Waste Collection	Jane Savage	(190,000)	(215,000)	0	(215,000)	(40,000)	25,000	0	0	(230,000)
W3001	Electoral Registration	Neil Hawke	96,145	96,145	0	96,145	2,000	0	0	(900)	97,245
W3030	Staff Forum	Lesley Crocker	5,000	5,000	0	5,000	0	0	0	0	5,000
W3041	Communications & Media	Lesley Crocker	66,030	66,030	(30,900)	35,130	1,000	0	0	2,300	38,430

W3050	Democratic Representation & Management	Darryl White	246,035	201,035	0	201,035	0	45,000	0	0	246,035
W3051	Member Support & Democratic Services	Darryl White	85,750	85,750	0	85,750	2,600	0	0	16,500	104,850
W4200	Insurance	Neil Hawke	83,231	83,231	0	83,231	0	0	0	0	83,231
W4511	Building Control Services	Drew Powell	38,469	38,469	0	38,469	0	0	0	0	38,469
			2,796,421	2,754,421	(30,900)	2,723,521	(124,400)	42,000	0	17,900	2,659,021

(1) (2) (1)+(2)= 2a (3) (4) (5) (6) (2a)+(3)+(4)+(5)+(6)

d)	Strategic Finance	Budget Manager	20/21 Base Net Budget	20/21 Adjusted COVID-19 Base Budget	20/21 Virements	20/21 Revised Net Budget	21/22 Pressures/ (Savings)	21/22 Reversal of COVID-19 Pressures	21/22 Budget Preparation Virements	21/22 Salary Estimate Virements	21/22 Final Base Budget
			£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s
W4009	Non Distributed Costs	Lisa Buckle	546,342	546,342	30,900	577,242	(80,000)	0	0	(45,000)	452,242
W4010	Inflation/Pension Provision	Lisa Buckle	0	0	0	0	0	0	0	0	0
W4011	Steady State Review	Lisa Buckle	0	0	0	0	0	0	0	0	0
W4175	COVID-19 Government Tranche Funding	Lisa Buckle	0	(933,000)	0	(933,000)	0	933,000	0	0	0
W6021	Council Tax Support Grant	Lisa Buckle	0	0	0	0	0	0	0	0	0
W6101	Business Rates Income	Lisa Buckle	(40,000)	95,000	0	95,000	0	(135,000)	0	0	(40,000)
			506,342	(291,658)	30,900	(260,758)	(80,000)	798,000	0	(45,000)	412,242

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Report to: **Council**  
Date: **16 February 2021**  
Title: **Capital Budget Proposals 2021/22**  
Portfolio Area: **Budget Proposals – Cllr N Jory**  
Wards Affected: **All**

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

Date next steps can be taken: Council 16<sup>th</sup> February 2021

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

Contact: **Email: [lisa.buckle@swdevon.gov.uk](mailto:lisa.buckle@swdevon.gov.uk)**

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## **Recommendations:**

### **That Council approve:-**

- a) The Capital Programme for 2021/22, which totals £1,075,000 (Appendix A)**
- b) The funding of the 2020/21 Capital Programme of £1,075,000 from the funding sources set out in Section 4.**

## **1. Executive summary**

- 1.1** The report sets out the Capital Bids to the 2021/22 Capital Programme totalling £1,075,000 and a suggested way that these Bids can be funded. All items in this proposed Capital Programme are based on budget estimates and will be subject to the normal project appraisal procedures.

- 1.2** The Council has limited resources, in the form of capital receipts, to fund Capital Projects in 2021/22.

Consideration needs to be given to the funding options for the 2021/22 Capital Programme. The Capital Programme is set by the Council and may be funded by sale proceeds from the disposal of assets (capital receipts), external grants and contributions, directly from revenue or from borrowing.

- 1.3** The Prudential Code for capital, which came into effect from 1<sup>st</sup> April 2004, replaced the previous Government regulated limits on capital expenditure and borrowing. In its place Councils now have the power to determine their own appropriate levels of capital expenditure and borrowing for capital purposes, based on the principles of affordability, prudence and sustainability.
- 1.4** The Code requires the Council, in setting its capital spending plans, to assess the impact on its revenue account and council tax levels. Section 4 demonstrates that there are sufficient capital funds in 2021/22 to fund the bids which have been submitted by project officers within the Council.

## **2. Background**

- 2.1** The capital programme for 2020/21 was approved by Council on 18 February 2020 (CM65 and HC69 refer).
- 2.2** A new Capital Programme is proposed for 2021/22. The Head of Finance Practice invited bids for capital funding from all service areas, for a new capital programme during October 2020 on the strict proviso that all bids must go towards meeting a strategic priority. All capital bids received would be ranked against a prescribed priority criteria set out in the bid process.
- 2.3** The submitted capital bids have now been assessed against the categories in each priority. Priority I categories include meeting strategic priorities and statutory obligations (e.g. Health and Safety, DDA etc) and other capital works required to ensure the existing Council property assets remain open. Priority 2 categories link to good asset management whereby the capital work proposed would either generate capital/revenue income or reduce revenue spending. A capital bid that will enable rationalised service delivery or improvement is also considered a Priority 2 category to meet the Council's aims and objectives.

**2.4** The programme outlines the principles of the projects proposed for capital expenditure and includes an estimate of predicted costs including fees. All projects will be subject to project appraisals as required under the Council's Asset Strategy.

**2.5** *The Capital Budget Proposals for 2021/22 were considered by the Hub Committee on 2.2.2021 (Minute HC56). The recommendations set out in this report were recommended to Council.*

### **3. Outcomes/outputs**

Members are requested to give their views on the proposals for the Capital Programme for 2021/22. Appendix A sets out the bids which total £1,075,000.

#### **3.1 Capital Programme 2021/22**

#### **3.2 Community Project Grants**

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

Whilst there was no budget allocation in the 2020/21 Capital Programme, an allocation of £15,000 is required for 2021/22 for Community Project Grants.

#### **3.3 Affordable Housing**

In recent times, the capital programme has facilitated affordable housing developments in rural areas by providing a sum of money, normally between £10,000 and £15,000 per plot, to enable the development to proceed.

These schemes are typically on exception sites and therefore do not rely on cross subsidy from open market properties, evidence from a Registered Provider (RP) is provided to ensure additional money is required to make the scheme viable. Money is normally required where there are 'abnormals' on the site or there is a shortage of public subsidy.

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

### **3.4 Waste Fleet Replacement**

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

The Council and FCC liaise over the timing of purchasing replacements. Contributions are made into the Vehicle Replacement Earmarked Reserve annually and are sufficient to fund all replacements until the end of the contract term (an 8 year contract term). This was agreed by Council in December 2018.

### **3.5 Private Sector Renewals (including Disabled Facilities Grants)**

This budget is used to fund Private Sector Renewals, primarily Disabled Facilities Grants (DFG's). DFG's are mandatory, means tested and enable people to live independently within their own home. Adaptations range from simple stair lifts and Level Access Showers through to full extensions. The budget of £860,000 will be funded from the Better Care Fund (Government Grant). The demand for DFG's is not under the Council's control and cannot be predicted at this stage.

### **3.6 Replacement Payroll & HR Software**

Officers are currently looking at a replacement Payroll and HR system. The current software is outdated and nearing end of life resulting in additional support payments. The market has been tested and the costs bench marked. The cost is being shared 50/50 with South Hams District Council, £15,000 represents West Devon Borough Council's 50% share.

### 3.7 Replacement of IT Hardware

The Hardware in need of replacement includes the existing servers and data storage. The existing equipment is approaching end of life and is subject to reliability issues and storage space limitations. Additional annual support payments will be required as the original supplier support has ended.

The servers were purchased in March 2017 and the current support and maintenance ends in early March 2021. Our existing servers are running more virtual servers than they are specified for. While a number of our applications are Cloud based, such as the Netcall LoCode platform, Goss Website, Northgate Land Charges and Concerto Asset Management, the Councils still have 146 virtual servers on the cluster including the new Northgate Assure solution and Northgate Information at Work document management system.

New servers and storage will be more reliable and more responsive. The new hardware will reduce the likelihood of system outages and recover quicker should the necessity arise. This approach is more cost effective than attempting to move all of our server and storage capacity to the cloud. The cost is being shared 50/50 with South Hams District Council, £85,000 represents West Devon Borough Council's 50% share.

## 4 FINANCING THE CAPITAL PROGRAMME

**4.1** Capital bids shown in Appendix A total £1,075,000. Funding of £1,075,000 is therefore required. The table below shows the recommended way that these projects are financed:-

<b>Capital Programme 2020/21</b> <i>Appendix A bids</i>	<b>£</b> <b>1,075,000</b>
<b>Funded By:</b>	
Capital Receipts	65,000
Vehicle & Plant Renewals Reserve	50,000
Better Care Grant funding towards Disabled Facilities Grants (estimated)	860,000
New Homes Bonus	100,000
<b>TOTAL</b>	<b>1,075,000</b>

## 5. IMPLICATIONS

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/ Governance	Y	<p>The Hub Committee is responsible for control of the Council's capital expenditure. The Heads of Finance and Assets Practices are responsible for providing Capital Monitoring reports to the Hub Committee, detailing the latest position of the Council's Capital Programme.</p> <p>Council is responsible for setting the Capital Programme and approving the Capital Budget, following consideration and recommendation from the Hub Committee.</p>
Financial Implications to include reference to Value for Money	Y	<p>The report sets out the Capital Bids to the 2021/22 Capital Programme totalling £1,075,000 and a suggested way that these bids can be funded. All items in this proposed Capital Programme are based on budget estimates and will be subject to the normal project appraisal procedures.</p> <p>Section 4 demonstrates that there are sufficient capital funds in 2021/22 to fund the bids which have been submitted by project officers within the Council.</p> <p>The regular monitoring of the Capital Programme ensures the Council has arrangements in place to secure economy, efficiency and effectiveness in its use of resources.</p>

Risk	Y	<p>There is a risk that the Capital Programme does not meet the Council's strategic priorities in line with the Council's Asset Strategy and the opportunity to assess emerging projects, which could contribute to the Council's priorities.</p> <p>The mitigation is that there is a project appraisal for each proposal.</p> <p>This is taken into account when assessing possible implementation timescales. Complex capital programmes have a relatively long lead-in period.</p> <p>The Council demonstrates that capital investment contributes to strategic priorities, provides value for money and takes account of the revenue implications of the investment.</p> <p>Regular monitoring of the capital programme and consideration of new pressures enables Members to control the programme and secure appropriate mitigation where problems arise.</p> <p>There is regular quarterly monitoring of the Capital Programme to Members where any cost overruns are identified at an early stage.</p>
Supporting Corporate Strategy		<p>The Capital Programme supports all six of the Corporate Themes of the Council, Homes, Enterprise, Communities, Environment and Wellbeing.</p>
Climate Change - Carbon / Biodiversity Impact		<p>The Council declared a Climate Change and Biodiversity Emergency on 23 July 2019 and a Climate Change Action Plan was presented to Council in December 2019. Following this report, a strategy will be implemented as to how the Council could finance the items within the Action Plan, whether that is from external grant sources or some funding from the Council's own resources.</p> <p>On 8<sup>th</sup> December 2020, Council adopted the Climate Change and Biodiversity Strategy. The Council has committed to the following aims;</p>

		<p>a) That the Council aim to reduce its organisational carbon emissions to net-zero by 2030;</p> <p>b) That the Council commit to working with partners through the Devon Climate Emergency Response Group to aim to reduce the Borough of West Devon's carbon emissions to net zero by 2050 at the latest;</p> <p>c) That the Council aim for a 10% Biodiversity Net Gain in the habitat value of its green and wooded public open space by 2025;</p>
Comprehensive Impact Assessment Implications		
Equality and Diversity		None directly arising from this report.
Safeguarding		None directly arising from this report.
Community Safety, Crime and Disorder		None directly arising from this report.
Health, Safety and Wellbeing		None directly arising from this report.
Other implications		None directly arising from this report.

### Supporting Information

Appendices:

Appendix A – Summary of Capital Bids for 2021/2022

### Background papers

Capital Budget Proposals 2021/22 – Hub Committee 2 February 2021

Capital Programme for 2020/21 - Council 18 February 2020 (CM65 and HC69 refer)

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

Appendix A

Proposed Capital Projects 2021/22 - 2023/24 - PART I							
Priority Criteria							
Statutory Obligations	1		Compliance, H&S, DDA				
	2		Essential to keep Operational Assets open				
Good Asset Management	3		Rationalise service delivery or service improvement				
	4		Generate income, capital value or reduce revenue costs				
Service	Site	Project	Lead officer	Proposed 2021/22 £'000	Proposed 2022/23 £'000	Proposed 2023/24 £'000	Priority code / notes
Placemaking	Community Project Grants		RS	15	15	15	1,3
Affordable Housing			AR	50	50	50	3,4
Commercial Services		Waste Fleet Replacement	JS	50	50	50	1,2,3
Public Sector Renewals (inc Disabled Facility Grants)			IL	860	860	860	1
Support Services		Replacement Payroll and HR Software (this cost is being shared 50/50 with South Hams District Council, £15,000 represents WDBC's 50% share of the cost)	NH	15			3

<b>Support Services</b>	Follaton House	Replacement of IT Hardware (this cost is being shared 50/50 with South Hams District Council, £85,000 represents WDBC's 50% share of the cost)	MW	85			3,4
<b>Totals</b>				<b>1,075</b>	<b>975</b>	<b>975</b>	

Report to: **Council**  
Date: **16<sup>th</sup> February 2021**  
Title: **Business Grants – Cllr Ric Cheadle**  
Portfolio Area: **Finance / Enterprise**

Wards Affected: **Which Wards/all**

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

Date next steps can be taken:

Author: **Chris Brook** Role: **Director Place and Enterprise**

Contact: **Telephone/email: Chris.Brook@swdevon.gov.uk**

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## **Recommendations:**

1. To note the Local Restrictions Support Grant (LRSG) (Closed) Addendum & the Closed Business Lockdown Payment (CBLP) Scheme details set out within the report.
2. To note changes made to the operation of the Additional Restrictions Grant (ARG) and LRSG (Open) under the Scheme of Delegation.
3. To allocate a further £320,000 (20%) under the ARG scheme towards strategic economic recovery projects and priorities.
4. ARG funding not issued by 31<sup>st</sup> December 2021 in the form of direct business grants will be retained in a business support earmarked reserve for sustained economic support activities.
5. To delegate authority to Director for Place and Enterprise in consultation with Leader, Portfolio Holder for Finance and the S151 Officer to approve subsequent grant policies should we move back into local restrictions.

## **1. Executive summary**

- 1.1. The grant application process has been improved to streamline access to the multiple grants currently available. This has reduced processing and grant payment times for the businesses applying.
- 1.2. Recognising the need to maximise support to businesses and a lack of uptake in the November lockdown, we have fundamentally revised the ARG policy to increase eligibility criteria and allow a greater number of businesses to apply. We are supporting businesses with the application process to these grants both internally (often via Councillors) and externally via Business Information Point (BIP).
- 1.3. Recognising that it is difficult to design a grant scheme that works for all business, there is a clear intention within the guidance provided by BEIS that the ARG funding is designed to provide wider 'business support'. There are immediate issues and measures set out in Section 6 that will help to support the sustained recovery of the business sector, funded from the ARG and LRSG (Open).
- 1.4. Whilst the funding for ARG is until March 2022, it is considered essential to commit to wider business support activities from this point forward, especially given the relatively positive outlook of the COVID vaccination programme.
- 1.5. The report also sets out an update on the various schemes that have been running since going into national restrictions from 5<sup>th</sup> November 2020.

## **2. Background**

- 2.1. Now that we have moved into another period of national restrictions there are further business grant schemes that have been implemented. These are the:
  - Local Restrictions Support Grant (Closed) Addendum scheme (LRSG (C) Addendum) – running from 5 January – until national restrictions end.
  - One off top up closed business lockdown payment of up to £9K
  - Additional restrictions grant (ARG) – to widen out support under our existing discretionary grant scheme to cover further periods of restrictions.
  - LRSG (Open) – for those businesses not mandated to close
- 2.2. In addition to the above schemes we are still live with a number of other grant schemes that are available to support businesses since the start of national restrictions - 5 November 2020. We then moved into Tier 2 on 2 December and then into Tier 3 on 31 December before national restrictions started on 5 January 2021. Set out under appendix 1 is a timeline of the different schemes, the payments available under these schemes and the current status of these schemes.
- 2.3. With all the different schemes that are now available to businesses it is appreciated how confusing it has become. Also, having moved into Tier 3 for 5 days this has added another layer of complexity because certain sectors that could remain open under Tier 2 had to close

under Tier 3 (hotels, restaurants, pubs, etc). This means that they are no longer eligible under the open scheme but instead can claim under the LRSG (Closed) scheme for that short period. We need to account to government for each scheme separately.

### **3. Local Restrictions Support Grant (Closed) Addendum Scheme**

- 3.1. This mirrors the scheme that was in place for the November lockdown and provides support to businesses that have been mandated to close by government because they provide in-person services. This includes non-essential retail, leisure, personal care, sports facilities and hospitality businesses.
- 3.2. Businesses that have chosen to close but were not required to, will not be eligible for this grant. For example; businesses in the supply chain to the retail, leisure and hospitality sector fall outside this scheme so although clearly impacted they would need to be supported via our discretionary ARG scheme.
- 3.3. Other types of businesses that are excluded are those that are able to conduct their main service because they do not depend on providing direct in-person services from premises and can operate their services effectively remotely (eg accountants, solicitors, estate agents, etc). In addition those businesses that have already received support to the maximum of state aid rules, or in administration, insolvent or where a striking off notice has been made will not be eligible.
- 3.4. As the government will not be reviewing the restrictions until middle of February, businesses will be entitled to a payment equivalent to 6 weeks.
- 3.5. The payment levels are linked to rateable values and are shown in the table below but are also included in appendix 1.

Rateable value	Payment amount based on 42 day period
£15K or under	£2,001
Over £15K & below £51K	£3,000
£51K and above	£4,500

- 3.6. Payments do not need to be paid in arrears and we are currently approving payments.
- 3.7. For these first 42 day payments, applications must be submitted by 31 March 2021 as the scheme closes on this date and final payments must be made by 30 April 2021.
- 3.8. Government guidance on this scheme is available here:  
<https://www.gov.uk/government/publications/local-restrictions-support-grants-lrsg-and-additional-restrictions-grant-arg-guidance-for-local-authorities>

#### 4. Closed business lockdown payment (CBLP) - one off top-up payment

- 4.1. In addition to the LRSG (Closed) Addendum scheme the government are providing a one off top up payment to eligible businesses that are that have been mandated to close by Government and include non-essential retail, leisure, personal care, sports facilities and hospitality businesses (applicable 5 January onwards). The level of payments are set out below:

Rateable value	Payment amount
£15K or under	£4,000
Over £15K & below £51K	£6,000
£51K and above	£9,000

- 4.2. This is a government mandated scheme and there is no discretion for Members to alter criteria or payments.

#### 5. Additional Restrictions Grant

- 5.1. The previous ARG scheme was approved by the HUB committee in December 2020, following the receipt of £1,115,920 to administer to businesses that were not eligible for the LRSG Closed scheme, and undertake wider business support measures. The funding was to last until March 2022.
- 5.2. The government has since announced a further top up to the ARG funding allocation, of £495,639, which was announced on the 15th of January. This money is also to last until March 2022.
- 5.3. As of Wednesday 04<sup>th</sup> February, the Council has paid out the following in ARG direct business grant support:

##### West Devon ARG Payments Breakdown

	£	No.
ARG - November	£84,982	85
ARG - January	£15,006	7
ARG Retail Lockdown	£4,000	1
	<b>£103,988</b>	<b>93</b>

- 5.4. Having reviewed the take up of the ARG during the November lockdown, which was low and listened to the feedback from businesses the scheme has been amended so as to make larger payments to eligible businesses, and therefore boost uptake and financial support.
- 5.5. The threshold to access the grant has also been significantly lowered. The previous scheme set the bar at having to evidence a 50% reduction in turnover or profit. The updated scheme has a requirement to evidence a 10% impact in turnover or profit.

- 5.6. The government requires the scheme to have such a mechanism within it, but it is entirely within the Council's gift as to where it is set. It is hoped that this far easier test allows nearly all businesses who are impacted to access grant support.
- 5.7. This same change to the definition of "impact" has been applied to the LRSG (Open) Policy (in Appendix 3) to allow greater access. A slight relaxation to the policy of not paying second home owners from the LRSG (Open) grant has also been made such that now, only those whose main residence is in Devon are eligible.
- 5.8. The previous scheme aligned ARG payments to the rates set out in the LRSG Open scheme of £500, £934, £1400 or £2100, per 28 day period depending on the Rateable Value (RV) of the premises.
- 5.9. The new scheme aligns the payments to the LRSG Closed scheme set out in the table below for a 28 day period:

<b>Non-Business Rated</b>	£1,334
<b>£15,000 exactly or under</b>	£1,334
<b>Over £15,000 but less than £51,000</b>	£2,000
<b>£51,000 exactly or over</b>	£3,000

- 5.10. This recognises that many businesses that are not forced to close and therefore are not eligible for the LRSG Closed payment, face large running costs remaining open, but have minimal trade. They are may not be able to take advantage of furlough schemes, have higher running and stock costs and continue to have premises related payments.
- 5.11. There is also some disquiet amongst food shops that sell "less essential" foodstuffs such as sweets who understandably believed they should close. However, as technically, they are not mandated to close, they may have inadvertently ruled themselves out of the LRSG Closed payments. Aligning the payment thresholds ensures all businesses are treated consistently.
- 5.12. A further group of businesses has emerged as requiring support. Those premises which are mainly non retail, but have a small retail element are not mandated to close and yet face a significant impact as a result of not being able to trade through their retail / customer facing part of the building.
- 5.13. They are not eligible for the CBLP payment, and so are at a significant disadvantage. The ARG scheme has been revised to match the CBLP grant awards for this and subsequent periods where the ARG scheme is live. It is strictly limited to businesses with an element of retail use within their hereditament (premises).
- 5.14. The ARG one of payments for businesses such as these will be:

Rateable value	Payment amount
£15K or under	£4,000
Over £15K & below £51K	£6,000
£51K and above	£9,000

- 5.15. It is hoped that uptake will be sufficient to issue the entire additional allocation made to the Council to businesses during this lockdown period.
- 5.16. Previously an approach of dividing up the money into thirds had been agreed. The 1<sup>st</sup> lockdown in November resulted in about 5% of the available money being applied for. Given this, should demand in this lockdown exceed the £495k figure, grants will continue to be made from the money not allocated during the 1st lockdown. Direct grant awards to businesses is our priority.

## **6. ARG Strategic Economic Recovery Projects and Support**

- 6.1. The Council has previously approved £50k of ARG funding to be put towards the support of broadband roll out and a further £50k towards business support measures (such as BIP, LEAF / LAG etc).
- 6.2. It is proposed to set aside a further £320k from the fund towards strategic economic recovery projects and priorities.
- 6.3. By way of example, these may include:
- 6.3.1. The extension of the COVID support officers beyond their current 6 month term which ends in spring.
  - 6.3.2. Town marketing activities including a programme of vacant shop window dressing (temporary facades that improve the aesthetic, have a local place focus and expedite re-letting).
  - 6.3.3. The ability to support and engage with the LEP Productivity Plan, as part of wider business support, provided by a business support role within the Council.
  - 6.3.4. Gap funding employment units that would have a tangible benefit to the local economy, for example the marine economy.
- 6.4. The spending of the funding set aside should link to the Recovery Plan, particularly (but not exclusively) section 1; ensuring adequate infrastructure, broadening supply chains, regeneration & commercial and Section 2; Built Environment.
- 6.5. Looking further ahead towards the economy and placemaking ambitions of the Corporate Strategy, multiple business connectivity, tourism and town centre stimulus strands will doubtless emerge and will require funding to stimulate the economy and improve West Devon for all businesses.
- 6.6. For the avoidance of doubt, having undertaken modelling of the ARG revised scheme set out in section 5, it can be said with some confidence that this proposal will not impact the availability of direct grant funding to eligible businesses.
- 6.7. The approach set out is consistent with that taken by other authorities in Devon. East Devon are setting aside £950k representing about a third of their ARG allocation, and Plymouth CC are setting aside C. £750k for business support and strategic economic priorities.

## **7. Outcomes/outputs**

- 7.1. The key outputs of the changes made to the ARG policy are:
- 7.1.1. Consistency and fairness of grant awards across multiple grant schemes
  - 7.1.2. Increased uptake of the ARG scheme
  - 7.1.3. Greater grant payments to businesses recognising the need for those not mandated to close
  - 7.1.4. Reduced threshold for access – 10% impact not 50% impact.
  - 7.1.5. Increased support for businesses with an element of retail within their hereditament that are not mandated to close.
  - 7.1.6. Greater funding to support strategic economic recovery and support projects into the future.

## **8. Options available and consideration of risk**

- 8.1. BEIS had made it clear that there would be no further funding for the ARG and yet further funding has now been made available. It is unknown how long the scheme will need to operate for and there is no clarity of future restrictions. However, following a very low number of applications for the original ARG, action must be taken to boost uptake and support businesses where it is needed.
- 8.2. There is a risk that the demand for ARG support and the funding do not align and the Council will have to stand by the choices it has made in the ARG scheme. Previously this was; an on demand approach to payment and a “soft” cut off initially of 1/3<sup>rd</sup> of the funding. That soft cut off was not reached following the November ARG and the top up funding is also unallocated at the current time. In the unlikely event that the top up funding and 1<sup>st</sup> third be paid out to businesses in direct grant support, then the remaining funds apart from that set aside for wider business support will be made available.
- 8.3. Should this occur, it should be seen as a success, as the Council would have successfully issued over a £1m in ARG grants in line with the guidance and aspirations set out from Government, via BEIS.
- 8.4. Members will be kept informed of the demand and performance of the ARG through the member’s bulletin and other channels including as required, member briefings.

## **9. Proposed Way Forward**

- 9.1. That the Council note and support the recommendations set out in this report, so as to maximise the flow of grant money to businesses in need at this critical time.
- 9.2. Furthermore, that the need for future wider business support in the form of strategic economic projects and priorities will be critical to the West Devon economy and financial provision for those crucial future interventions needs to be made.

## **10. Implications**

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		None
Financial implications to include reference to value for money		The funding award of £1,115,920 and subsequent additional allocation of £495,639 is to be spent through the ARG scheme (including wider business support) and no other purpose. It is to support the ARG until March 2022 or until it is spent, whichever is the soonest.
Risk		The policy is being administered in line with the current government advice on fraud. A balance of speed of processing Vs fraud checks and audit has been struck. As set out in the recommendations and report, any funds remaining as at December 31 <sup>st</sup> 2021 will be placed in a business support earmarked reserve
Comprehensive Impact Assessment Implications		
Supporting Corporate Strategy		Enterprise
Equality and Diversity		None
Safeguarding		N/A
Community Safety, Crime and Disorder		N/A
Health, Safety and Wellbeing		
Other implications		

## **Supporting Information**

### **Appendices:**

- Appendix 1 – Summary of Grants timeline
- Appendix 2 – ARG Policy Version 2
- Appendix 3 – LRSG (Open) Version 2

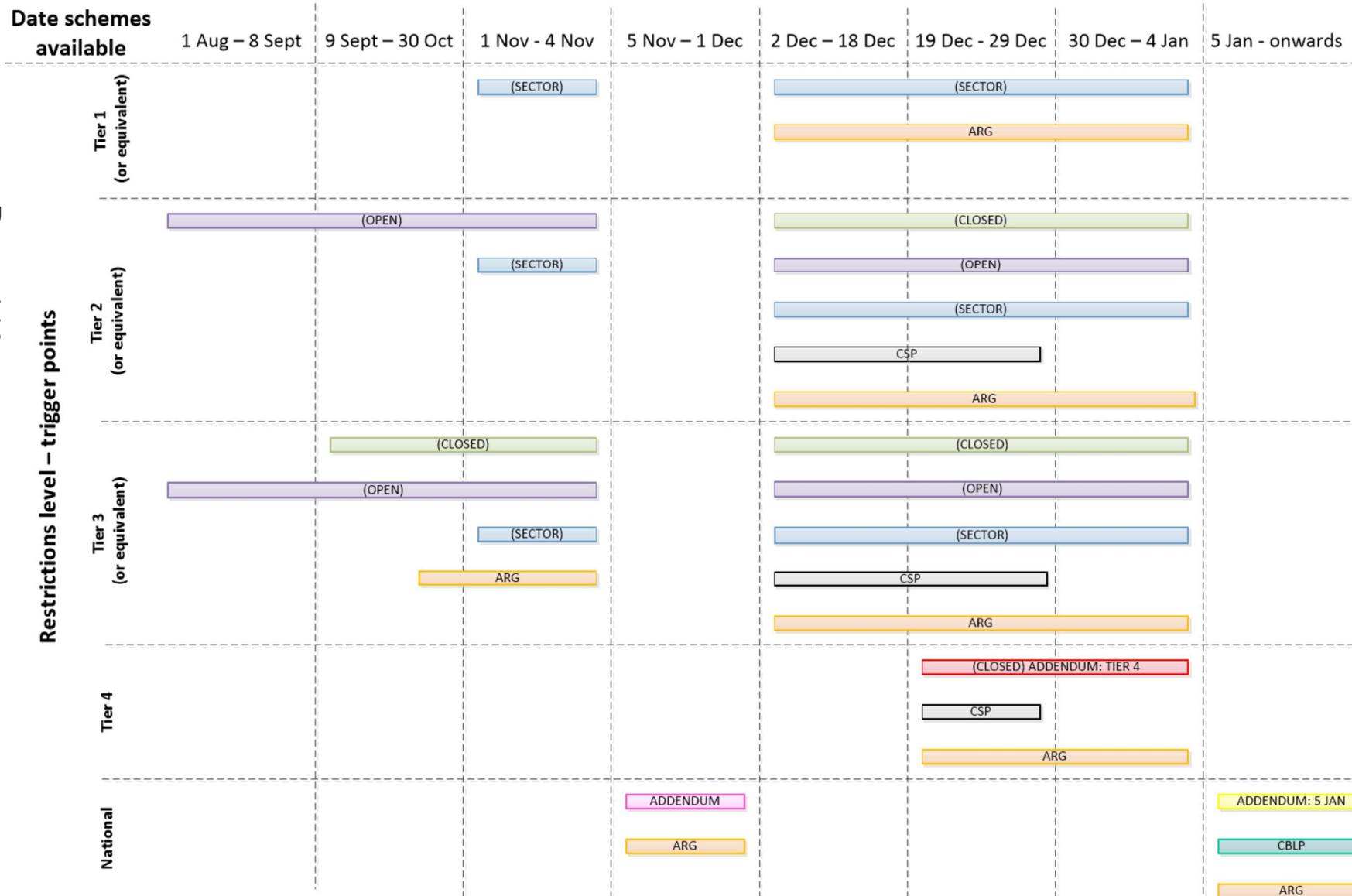
### **Background Papers:**

HUB Committee Report, 1<sup>st</sup> December 2020



# Appendix 1

## Covid-19 business support grants Dates, trigger points and eligibility periods



### KEY:

- Local Restrictions Support Grant (Sector)
- Local Restrictions Support Grant (Closed)
- Local Restrictions Support Grant (Open)
- Additional Restrictions Grant
- Christmas Support Payment for wet-led pubs
- Local Restrictions Support Grant (Closed) Addendum
- Local Restrictions Support Grant (Closed) Addendum: Tier 4
- Local Restrictions Support Grant (Closed) Addendum: 5 January onwards
- Closed Businesses Lockdown Payment



# West Devon Borough Council Additional Restrictions Grants (ARG) Scheme

Version 2

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## **Overview**

West Devon Borough Council (the Council) recognises the incredibly challenging trading conditions that exist at the moment. In response to this situation, this revised ARG policy increases the payment amounts to align with the LRGs Closed payment thresholds. This recognises the reality that staying open for limited trading opportunities, can be as, if not more expensive than being mandated to close. The threshold for accessing the grant payments has also been revised from 50% impact in trade to just 10%, to increase uptake.

Furthermore it introduces a “one off” lockdown payment from the ARG, similar to the Closed Business Lockdown Payment (CBLP), for those business that have not been mandated to close, and therefore cannot access the CBLP payment, but who do have retail premises as part of their business unit (hereditament).

The Council hopes that these steps will address any perceived or actual inequity of circumstance businesses face as a result of national policy implementation. The Council will continue to strive to make fair and fast payments to those businesses in need, within the framework set out by national government.

## **Definitions**

The following definitions are used within this document:

**‘Additional Restrictions Grant (ARG)’** means the additional funding provided by Government. Funding will be made available to eligible Local Authorities at the point that national restrictions are imposed or at the point the Local Authority first entered LCAL 3 or higher local restrictions;

**‘COVID-19’ (coronavirus);** means the infectious disease caused by the most recently discovered coronavirus;

**‘Department for Business, Energy & Industrial Strategy (BEIS)’;** means the Government department responsible for the scheme and guidance;

**‘Effective date’;** means, for eligibility of the grant, the date of the local restrictions or the date of widespread national restrictions. For the purpose of this scheme the date cannot be before 14<sup>th</sup> October 2020;

**‘Hereditament(s);** means the assessment defined within Section 64 of the Local Government Finance Act 1988;

**‘Local Covid Alert Level’ (LCAL)** means the level of alert determined by Government and Local Authorities for the area. LCALs have four Tiers. Tier 1 (Medium): Tier 2 (High), Tier 3 (Very High) and Tier 4 (Stay at home). For the purposes of these schemes the definitions used are LCAL1, LCAL2, LCAL3 and LCAL 4.

**‘Local lockdown’;** means the same as **‘Local restrictions’;**

**‘Local rating list’;** means the list as defined by Section 41 of the Local Government Finance Act 1988

**‘Local restrictions’;** and **‘Localised restrictions’** means legally binding restrictions imposed on specific Local Authority areas or multiple Local Authority areas, where the Secretary of State for Health and Social Care requires the closure of businesses in a local area under regulations made

using powers in Part 2A of the Public Health (Control of Disease) Act 1984 in response to the threat posed by coronavirus and commonly as part of a wider set of measures;

**'Local Restrictions Support Grant Scheme (Closed)'**; means the grant scheme developed by the Council in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy made on 9<sup>th</sup> September 2020 and amended on 9<sup>th</sup> October 2020 and which is applicable to businesses forced to close under either LCAL3 or where national restrictions are in place;

**'Local Restrictions Support Grant Scheme (Closed) Addendum'**; means the changes made to the Local Restrictions Support Grant Scheme (Closed) due to widespread nationwide restrictions;

**'Ratepayer'**; means the person who, according to the Council's records, was the ratepayer liable for occupied rates in respect of the hereditament at the date of the local restrictions or widespread national restrictions;

**'State Aid Framework'**; means the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak published on 19 March 2020; and

**'Temporary Framework for State aid'**; means the same as the **'State Aid Framework'**.

## 1.0 Purpose of the Scheme and background.

- 1.1 The purpose of this document is to determine eligibility for a payment under the Council's Additional Restrictions Grant Scheme (ARG). The Council, as the Business Rates Billing Authority is responsible for payment of these grants.
- 1.2 This discretionary grant scheme has been developed by the Council in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy which sets out the basic circumstances whereby an additional restriction grant payment may be made by the Council to a business which has to close or are severely affected due to localised or widespread national restrictions being put in place to manage coronavirus and save lives.
- 1.3 Whilst the awarding of grants will largely be at the Council's discretion, the Department for Business, Energy & Industrial Strategy (BEIS) has set down criteria which **must** be met by each business making an application.
- 1.4 This scheme applies for the period of the current widespread national lockdown and any subsequent ones, including Tier 3 local restrictions from the end of the national lockdown that commenced on the 5<sup>th</sup> Jan 2021. National restrictions are nationally binding widespread restrictions imposed by Parliament under legislation. The current national restrictions are made under the Health Protection (Coronavirus, Restrictions) (England) (No. 4) Regulations 2020.
- 1.5 Additional Restrictions Grant funding will be available for the 2020/21 and 2021/22 financial years only.

## 2.0 Funding

- 2.1 Under the Additional Restrictions Grant Scheme (ARG) provisions, Local Authorities receive funding when local restrictions (LCAL3 or higher) or widespread national restrictions are imposed.
- 2.2 The Council has been allocated funds which will be used to;
  - support businesses during the widespread national restrictions;
  - provide strategic Economic Development projects both during and post the COVID-19 crisis; and
  - provide funding in case of further national or LCAL3 (or higher) restrictions before 31<sup>st</sup> March 2022.

### 3.0 Eligibility criteria and awards

- 3.1 The Council is able to use this funding for business support activities and Government envisage that this will primarily take the form of discretionary grants although it ~~can~~will be ~~used~~ for wider business support activities.
- 3.2 If Local Authorities use the Additional Restriction Grant for direct business support grants, Government has stated that the same conditions of grant **must** apply as for the Local Restrictions Support Grant (Closed) scheme. However, the Council will have the discretion to alter the amount of funding offered to individual businesses and the frequency of payment.
- 3.3 Government has stated that the Council *may* also consider making grant payments to those businesses which, while not legally forced to close are nonetheless impacted by the restrictions put in place to control the spread of COVID-19. Government has also stated that the Council may also wish to assist businesses which are outside of the rating system and which are effectively forced to close but, in all cases, will be awarded subject to evidence of need.
- 3.4 This document details the eligibility criteria for the widespread national restriction period 5<sup>th</sup> November 2020 until 2<sup>nd</sup> December 2020 and the subsequent widespread national restriction from 5<sup>th</sup> January 2021.

#### Eligibility Criteria - widespread national restriction period

- 3.5 For the purposes of this scheme the Council has decided that the following eligibility criteria must be met in order to receive an Additional Restriction Grant (ARG) during the widespread national restriction period.
- 3.6 In line with Government guidance, the Council's Additional Restrictions Grants (ARG) scheme will support businesses that have had their trade affected by the current restrictions. This includes closed businesses that don't pay business rates as well as businesses that have not been required to close but are still impacted by the restrictions.
- 3.7 The Council particularly encourages applications from businesses both within and which supply the retail, hospitality and leisure sectors, including the events sector. In prioritising support to those businesses most adversely impacted by the current restrictions, the Council will be proactive in communicating the availability of the Additional Restrictions Grants (ARG) to retail, hospitality and leisure related businesses, including those with whom the Council had contact in relation to the previous Local Authority Discretionary Business Grants. Businesses in these sectors will still have to evidence they have been impacted as set out in 3.9 below.
- 3.8 Businesses and organisations which are not included within the specific list of exclusions detailed within this scheme will be able to apply to the Additional Restrictions Grants (ARG) scheme if sufficient evidence can be provided that they have been impacted by the current national restrictions or future Tier 3 / 4 local restrictions. This includes non-

excluded home-based and mobile businesses that can evidence they are registered companies or sole traders.

- 3.9 Each application will be considered on a case-by-case basis and the Council considers ‘impact’ to describe an evident drop in the businesses’ normal trading, income or service provision of at least 10% compared to a more representative period of comparable trading. It should be shown that this decreased level of trade is a direct consequence of the period of national restrictions, and not as a result of more predictable (e.g. seasonal) fluctuations in demand.
- 3.10 Full details on how to claim are shown in Section 4.
- 3.11 To prevent an overspend from the Council’s allocation of funding, applications will not be accepted from any business that is eligible for an award from the Local Restrictions Support Grant (Closed) Scheme.
- 3.12 Only one Additional Restrictions Grants (ARG) will be awarded to any business covering the national restriction period (5<sup>th</sup> Nov 2020 to 2<sup>nd</sup> Dec 2020) and for the subsequent national restriction which commenced on 5<sup>th</sup> January 2021 the Council will make an initial payment to cover an initial period of 6 weeks. The Council will make further payments on a pro-rata basis if the current national restriction period is extended. This scheme will apply for future national lock downs and local restrictions for which the ARG is open.

**Award Levels**

- 3.13 The Council has decided the following grant award levels for the widespread national restrictions. The awards shown reflect a 28-day payment period. Any other period will be calculated on a pro-rata period. The ARG funding amounts set out below match exactly the funding available through the LRGS Closed (addendum) scheme, so no business will be worse off as a result.

<b>Total payment per 28 days (where the widespread national restrictions are for a greater period, payments will be calculated pro-rata)</b>	
Where the business suffers a financial impact; <b>or</b> where the business is closed, and the business is not subject to Non-Domestic rating;	<b>Lower grant level</b> £500 <b>Upper grant level</b> £1334
Where the business suffers a financial impact and is subject to Non-Domestic rating (Business Rates); RV £0 - £15,000	£1334
Where the business suffers a financial impact and is subject to Non-Domestic rating (Business Rates); RV over £15,001 - £50,999	£2,000
Where the business suffers a financial impact and is subject to Non-Domestic rating (Business Rates);	£3,000

RV £51,000	
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In taking decision on the appropriate level of grant, the Council will take into account the level of fixed costs faced by the business in question, whether they are unable to trade online and the consequent scale of coronavirus losses.

### **3.14 ARG “one off” lockdown payment**

Businesses that are not mandated to close, pay business rates and have a customer facing retail element to their hereditament (for example, they are predominantly a manufacturer but have a small retail unit as well) will also be eligible for an additional ARG payment matched to the Closed Business Lockdown Payment (CBLP) grant scheme amounts.

Those businesses will receive a one of payment in relation to the national lockdown that started on 5<sup>th</sup> January. Should any future national lockdown periods occur, the same principle will apply, subject to there being available funding.

The grant amount is based on the rateable value of your business. If your business has a rateable value of:

- exactly £15,000 or under on 5 January 2021, you will receive £4,000
- £15,001 and less than £51,000 on 5 January 2021, you will receive £6,000
- exactly £51,000 or above on 5 January 2021, you will receive £9,000

The Council has decided to implement the ARG “one off” lockdown payment, because it recognises that footfall has dramatically fallen, and open businesses are generally just as impacted as those mandated to close. Furthermore, they have additional and ongoing costs, as staff may not be furloughed and premises need to be occupied, heated and stocked.

### **Excluded businesses**

3.14 The following businesses will **not** be eligible for an award:

- Businesses which can obtain a grant under the Local Restrictions Support Grant Scheme (Closed);
- Businesses in areas outside the scope of the restrictions, as defined by Government and not subject to a widespread national restriction;
- Businesses which have already received grant payments that equal the maximum levels of State aid permitted under the de minimis and the COVID-19 Temporary State Aid Framework; and
- Businesses that were in administration, are insolvent or where a striking-off notice has been made at the date of the local restriction or widespread national restriction.

3.15 In addition to the above and to ensure limited grant funds are prioritised to those businesses most impacted by the current national restrictions, the following businesses and hereditaments are specifically excluded from Council’s Additional Restrictions Grants (ARG) scheme:

- Any properties or parts of properties used for personal use

- Charitable business receiving other help from public funds;
- Show homes;
- Car parking;
- Storage containers; Containers; Storage premises;
- Yards, land or properties used for storage only;
- Advertising or advertising stations or hoardings;
- Communication stations or telecommunication equipment;
- Solar panel sites;
- ATM's, cash machines or equivalent;
- Schools / Academies / Educational establishments and premises (which are publicly funded);
- Lockers; Beach huts or similar structures;
- Businesses in the accommodation sector that advertise solely on home sharing websites;
- Businesses in the accommodation sector that are second homes, whole homes or part homes that are also let to paying guests; and
- Businesses that are able to trade as they are not wholly dependent on providing 'in person' services from the premises.

### **The Effective Date**

- 3.16 The effective date for eligibility is the date of any widespread national restriction. Businesses **must** have been trading on the day prior to national restrictions to be eligible to receive grant support.

### **Who can receive the grant?**

- 3.17 Government has stated that the person who will receive the grant will be the person who, according to the Council's records, was the ratepayer in respect of the hereditament at the effective date. Where there is no entry in the rating list for the business, the Council will have discretion to determine who should receive the grant.
- 3.18 Where the Council has reason to believe that the information it holds about the ratepayer or applicant at the effective date is inaccurate, it may withhold or recover the grant and take reasonable steps to identify the correct ratepayer or applicant.
- 3.19 Where, it is subsequently determined that the records held are incorrect, the Council reserves the right to recover any grant incorrectly paid.
- 3.20 Where any business or individual misrepresents information or contrives to take advantage of the scheme, the Council will look to recover any grant paid and take appropriate legal action. Likewise, if any person is found to have falsified records in order to obtain a grant.

## **4.0 How will grants be provided to Businesses?**

- 4.1 The Council is fully aware of the importance of these grants to assist businesses and support the local community and economy. The Council's Additional Restrictions Grant (ARG) scheme together with the Local Restrictions Support Grant (Closed) will offer a lifeline to businesses who are struggling to survive during to the COVID-19 crisis.
- 4.2 Full details of the Council's scheme, including how to apply are available online at: <https://www.westdevon.gov.uk/ARGhttps://www.westdevon.gov.uk/covid19businesses>
- 4.3 The application form is available to complete and end date for each application period is shown on the Council's website.
- 4.4 All applicant businesses will be required to upload up to date bank statement(s) (for the account used by the business). This must contain the name of account, sort code and account number for verification purposes. The statement(s) should include recent transactions to show trading at the beginning of the national lockdown.
- 4.5 The Council will undertake both pre- and post-payment anti-fraud checks. Any attempt to fraudulently claim public grant funding will result in funds being recovered and legal action being taken.

- 4.6 In all cases, businesses will be required to confirm that they are eligible to receive the grants. Businesses are under an obligation to notify the Council should they no longer meet the eligibility criteria for any additional grants.
- 4.7 The Council reserves the right request any supplementary information from businesses, and they should look to provide this, where requested, as soon as possible.
- 4.8 An application for an Additional Restriction Grant is deemed to have been made when a duly completed application form is received via the Council's online procedure.
- 4.9 All monies paid under this scheme will be funded by Government and paid to the Council under S31 of the Local Government Act 2003.

## **5.0 EU State Aid requirements**

- 5.1 Any grant is given as aid under the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak published on 19 March 2020. This means that businesses receiving support under these provisions can receive up to €800,000 in aid over three years (being the current and the previous two years).
- 5.2 Any grant awarded is required to comply with the EU law on State Aid. This will involve the applicant declaring to the Council if they have received any other de minimis State aid or aid provided under the EU Commission COVID-19 Temporary Framework.
- 5.3 If the applicant has not received any other de minimis State aid, they are not required to make that declaration to the Council or to complete any declaration statement.

## **6.0 Scheme of Delegation**

- 6.1 This scheme is considered a matter of urgency by the Head of Paid Service under Part 3a of the scheme of delegation and shall be delegated to him in consultation with the Chairman and Vice-Chairman of the Executive subject to a report being made to the next meeting of the Executive.
- 6.2 Officers of the Council will administer the scheme and the S151 Officer, Director of Place and Enterprise are authorised to make technical amendments to the scheme, and, to determine individual awards as required outside of the levels specified in 3.13 in rare circumstances.
- 6.3 The Council reserves the right to change this scheme at any time.

## **7.0 Notification of Decisions**

- 7.1 All decisions made by the Council shall be notified to the applicant either in writing or by email. A decision shall be made as soon as practicable after an application is received.

## **8.0 Reviews of Decisions**

- 8.1 All grants will be approved by the S151 Officer, Director of Place and Enterprise and Head of Customer Improvement. This decision will be final and there will be no appeal process.

## **9.0 Complaints**

- 9.1 The Council's 'Complaints Procedure' (available on the Council's website) will be applied in the event of any complaint received about this scheme.

## **10.0 Taxation and the provision of information to Her Majesty's Revenues and Customs (HMRC)**

- 10.1 The Council has been informed by Government that all payments under the scheme are taxable.
- 10.2 The Council does not accept any responsibility in relation to an applicant's tax liabilities and all applicants should make their own enquiries to establish any tax position.
- 10.3 All applicants should note that the Council is required to inform Her Majesty's Revenue and Customs (HMRC) of all payments made to businesses.

## **11.0 Managing the risk of fraud**

- 11.1 Neither the Council, nor Government will accept deliberate manipulation of the schemes or fraud. Any applicant caught falsifying information to gain grant money or failing to declare entitlement to any of the specified grants will face prosecution and any funding issued will be recovered from them.
- 11.2 Fraud tools such as the digital due diligence tool Spotlight and the National Fraud Initiative (NFI) tool will be used as part of the assurance process.
- 11.3 Applicants should note that, where a grant is paid by the Council, details of each individual grant may be passed to Government.

## **12.0 Recovery of amounts incorrectly paid**

- 12.1 If it is established that **any** award has been made incorrectly due to error, misrepresentation or incorrect information provided to the Council by an applicant or their representative(s), the Council will look to recover the amount in full.

### **13.0 Data Protection and use of data**

- 13.1 All information and data provided by applicants shall be dealt with in accordance with the Council's Data Protection policy and Privacy Notices which are available on the Council's website.

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# West Devon Borough Council Local Restrictions Support Grant (OPEN) Scheme (2<sup>nd</sup> December 2020 onwards)

Version 2

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## Definitions

The following definitions are used within this document:

**‘Additional Restrictions Grant (ARG)’** means the additional funding provided by Government. Funding will be made available to eligible Local Authorities at the point that national restrictions are imposed or at the point the Local Authority first entered LCAL 3 local restrictions;

**‘COVID-19’ (coronavirus);** means the infectious disease caused by the most recently discovered coronavirus;

**‘Department for Business, Energy & Industrial Strategy (BEIS)’;** means the Government department responsible for the scheme and guidance;

**‘Effective date’;** means, for eligibility of the grant, the date of the local restrictions or the date of widespread national restrictions. For the purpose of this scheme the date cannot be before 9<sup>th</sup> September 2020;

**‘Hereditament(s);** means the assessment defined within Section 64 of the Local Government Finance Act 1988;

**‘In-person services’** means services which are wholly or mainly provided by the business to their customers face to face and which **cannot** be provided by other means such as online or remotely by telephone, email, video link, or written communication;

**‘Local Covid Alert Level’** (LCAL) means the level of alert determined by Government and Local Authorities for the area. LCALs have four Tiers. Tier 1 (Medium): Tier 2 (High), Tier 3 (Very High) and Tier 4 (Stay at home). For the purposes of these schemes the definitions used are LCAL1, LCAL2, LCAL3 and LCAL 4.

**‘Local lockdown’;** means the same as **‘Local restrictions’;**

**‘Local rating list’;** means the list as defined by Section 41 of the Local Government Finance Act 1988

**‘Local restrictions’;** and **‘Localised restrictions’** means legally binding restrictions imposed on specific Local Authority areas or multiple Local Authority areas, where the Secretary of State for Health and Social Care requires the closure of businesses in a local area under regulations made using powers in Part 2A of the Public Health (Control of Disease) Act 1984 in response to the threat posed by coronavirus and commonly as part of a wider set of measures;

**‘Local Restrictions Support Grant Scheme (Closed);** means the grant scheme developed by the Council in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy made on 9<sup>th</sup> September 2020, amended on 9<sup>th</sup> October 2020 and which is applicable to businesses forced to close under either LCAL2, LCAL3 or where national restrictions are in place;

**Local Restrictions Support Grant Scheme (Open);** means the grant scheme developed by the Council in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy made on 22<sup>nd</sup> October 2020 and which is applicable to businesses that are still open but severely impacted by the restrictions imposed by LCAL2 and LCAL3;

**Local Restrictions Support Grant Scheme (Sector);** means the grant scheme developed by the Council in response to an announcement made by the Secretary of State for Business, Energy &

Industrial Strategy made on 9<sup>th</sup> October 2020 (effective from 1<sup>st</sup> November) and which is applicable to businesses that have been required to close on a national basis since 23<sup>rd</sup> March 2020 due to restrictions being put in place to manage coronavirus;

**'Rateable value'**; means the rateable value for the hereditament shown in the Council's local rating list at the date of the local restrictions;

**'Ratepayer'**; means the person who will receive the grant will be the person who, according to the Council's records, was the ratepayer liable for occupied rates in respect of the hereditament at the date of the local restrictions;

**'State Aid Framework'**; means the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak published on 19 March 2020; and

**'Temporary Framework for State aid'**; means the same as the **'State Aid Framework'**.

## **1.0 Purpose of the Scheme and background.**

- 1.1 The purpose of this document is to determine eligibility for a payment under the Council's Local Restrictions Support Grant Scheme (Open).
- 1.2 The grant scheme has been developed by the Council in response to an announcement made by the Secretary of State for Business, Energy & Industrial Strategy made on 22<sup>nd</sup> October 2020 which sets out circumstances whereby a grant payment may be made by the Council to businesses that are not legally required to close but which are **severely** impacted by the localised restrictions on socialising put in place to manage coronavirus and save lives.
- 1.3 Whilst the awarding of grants will be the Council's responsibility, the Department for Business, Energy & Industrial Strategy (BEIS) has set down certain criteria which **must** be met by each business making an application. The Department has also indicated the types of business which should be given the grant.
- 1.4 The scheme applies where local restrictions either under LCAL2 (High) or LCAL3 (Very High) are put in place on or after 1<sup>st</sup> August 2020.
- 1.5 Localised restrictions are legally binding restrictions imposed on specific Local Authority areas or multiple Local Authority areas, where the Secretary of State for Health and Social Care requires the closure of businesses in a local area under regulations made using powers in Part 2A of the Public Health (Control of Disease) Act 1984 in response to the threat posed by coronavirus and commonly as part of a wider set of measures.
- 1.6 Grants under this scheme will be available for the 2020/21 financial year only.
- 1.7 Where there is a widespread national restriction, this scheme will be replaced by the Council's Local Restrictions Support Grant Scheme (Closed) and potentially the Additional Restrictions Grant (ARG) scheme.

## **2.0 Funding**

- 2.1 Local Authorities, subject to local eligibility, will receive funding to meet the cost of payments to businesses within the business rates system based on an assessment of the number of eligible business hereditaments.

## **3.0 Eligibility criteria.**

- 3.1 The Local Restrictions Support Grant (Open) is primarily aimed at hospitality, hotel, bed & breakfast and leisure businesses. The Council does have the discretion as to how to award grant funding to individual businesses and will award to businesses outside of these sectors.

3.2 Government, whilst wanting Councils to exercise their local knowledge and discretion, has strongly suggested that the Council follow their criteria for the awards. The Council has decided to adopt these principles, and, in all cases, the Council will only consider businesses for grants where **all** of the criteria are met.

#### **Eligibility criteria determined by the Council.**

- 3.3 The Council has determined the following criteria:
- (a) Businesses that were established and trading on the day prior to the introduction of LCAL 2-type (High) or LCAL 3-type (Very High) restrictions within the area are eligible;
  - (b) All businesses can apply however, those that provide hospitality, hotel, bed & breakfast and leisure businesses will be considered as priority;
  - (c) All businesses that are not legally required to close but which are ~~severely~~ impacted by the localised restrictions on socialising are eligible. Each business will be required to certify to the Council that they have been ~~severely~~ impacted by the restrictions.

## **4.0 The grant award, award periods and excluded businesses**

### **Where the business is shown in the local non-domestic rating list**

- 4.1 The Council has decided that the following awards shall be granted:
- (a) Grants of up to £667 per 14-day period for businesses occupying hereditaments with a rateable value of exactly £15,000 or under on the date of the commencement of the local restrictions (LCAL2 or LCAL3);
  - (b) Grants of up to £1,000 per 14-day period for businesses occupying hereditaments with a rateable value over £15,000 and less than £51,000 on the date of the commencement of the local restrictions (LCAL2 or LCAL3);
  - (c) Grants of up to £1,500 per 14-day period for businesses occupying hereditaments with a rateable value of exactly £51,000 or above on the date of the commencement of the local restrictions (LCAL2 or LCAL3).

### **Where the business is NOT shown in the local non-domestic rating list**

- 4.2 In addition to the above, the Council has decided that the following awards will be available to businesses who are not currently shown in the non-domestic rating list, who are able to remain open but who are ~~severely~~ impacted by the restrictions will receive a grant of ~~£4667~~ per 14-day period.

### **Award periods**

- 4.3 It should be noted that, in all cases, grants will be paid for every 14-day period that the criteria are met. Any business failing to meet the criteria will not be awarded a grant.

## 5.0 Excluded businesses

5.1 The following businesses will **not** be eligible for an award:

- (a) Businesses that are able to continue to trade and are not ~~severely~~ impacted as they can continue to provide their services normally;
- (b) Businesses in areas outside the scope of the localised restrictions, as defined by Government;
- (c) Businesses that are primarily used as second homes or self-catering accommodation will not be eligible, unless the property owners' main residence is also within Devon County boundary;
- (d) Businesses which have already received grant payments that equal the maximum levels of State aid permitted under the de minimis and the COVID-19 Temporary State Aid Framework;
- (e) Businesses that were in administration, are insolvent or where a striking-off notice has been made at the date of the local restriction or national restriction; and
- (f) Specific businesses subject to national closures since 23<sup>rd</sup> March 2020 will not be eligible for this funding. They will be provided support through the strand of the Local Restrictions Support Grant (Sector) for nationally mandated business closures.

## 6.0 The Effective Date

- 6.1 The effective date for eligibility of grants under this scheme is the date of the local restrictions.
- 6.2 Where a business is shown in the local non-domestic rating list the Rateable Value used in determining the level of grant will be that shown for the hereditament in the local rating list as at the effective date. Any changes to the local rating List (Rateable Value or to the hereditament) after that date, including changes which have been backdated to this date, will be ignored for the purposes of eligibility.
- 6.3 The Council is not required to adjust, pay or recover grants where the local rating list is subsequently amended retrospectively to the effective date.

## 7.0 Who can receive the grant?

- 7.1 Government has stated that the person who will receive the grant will be, where the business has a hereditament in the local non-domestic rating list, the person who, according to the Council's records, was the ratepayer in respect of the hereditament at the effective date. Where the business is not subject to rating, the Council will decide who should receive the grant.
- 7.2 Where grants are awarded to businesses who are not liable for rates, the Council shall decide who shall be awarded the grant.

- 7.3 Where the Council has reason to believe that the information it holds about the ratepayer or business at the effective date is inaccurate, it may withhold or recover the grant and take reasonable steps to identify the correct ratepayer.
- 7.4 Where, it is subsequently determined that the records held are incorrect, the Council reserves the right to recover any grant incorrectly paid.
- 7.5 Where any business or individual misrepresents information or contrives to take advantage of the scheme, the Council will look to recover any grant paid and take appropriate legal action. Likewise, if any business or individual is found to have falsified records in order to obtain a grant.

## **8.0 How will grants be provided to Businesses?**

- 8.1 The Council is fully aware of the importance of these grants to assist businesses and support the local community and economy. The Local Restrictions Support Grant (Open) scheme will offer a lifeline to businesses who are struggling to survive during to the COVID-19 crisis.
- 8.2 Details of how to obtain grants are available on the Council's website:  
[www.westdevon.gov.uk/covid19businessesLRSG-open](http://www.westdevon.gov.uk/covid19businessesLRSG-open)
- 8.3 In all cases businesses will be required to confirm that they are eligible to receive the grants. This includes where the Council already has bank details for the business and are in a position to send out funding immediately. Businesses are under an obligation to notify the Council should they no longer meet the eligibility criteria for any additional grants.
- 8.4 The Council reserves the right request any supplementary information from businesses, and they should look to provide this, where requested, as soon as possible.
- 8.5 An application for a Local Restrictions Support Grant (Open) is deemed to have been made when a duly completed application form is received via the Council's online procedure.
- 8.6 All monies paid under this scheme will be funded by Government and paid to the Council under S31 of the Local Government Act 2003.

## **9.0 EU State Aid requirements**

- 9.1 Any Local Restrictions Support Grant is given as aid under the Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak published on 19 March 2020. This means that businesses receiving support under these provisions can receive up to €800,000 in aid over three years (being the current and the previous two years).
- 9.2 Any grant awarded is required to comply with the EU law on State Aid. This will involve the applicant declaring to the Council if they have received any other de minimis State aid or aid provided under the EU Commission COVID-19 Temporary Framework.

- 9.3 If the applicant has not received any other de minimis State aid, they are not required to make that declaration to the Council or to complete any declaration statement.

## **10.0 Scheme of Delegation**

- 10.1 This scheme is considered a matter of urgency by the Head of Paid Service under Part 3a of the scheme of delegation and shall be delegated to him in consultation with the Chairman and Vice-Chairman of the Hub Committee subject to a report being made to the next meeting of the Hub Committee.
- 10.2 Officers of the Council will administer the scheme and the S151 Officer, Director of Place and Enterprise are authorised to make technical amendments to the scheme, and, to determine individual awards as required outside of the levels specified in 3.3 in rare circumstances.
- 10.3 The Council reserves the right to change this scheme at any time.

## **11.0 Notification of Decisions**

- 11.1 All decisions made by the Council shall be notified to the applicant either in writing or by email. A decision shall be made as soon as practicable after an application is received.
- 11.2 Applications will be considered on behalf of the Council by a multidisciplinary team including processing by external approved partners.
- 11.3 All applications that are approved will be prioritised based on information supplied by the applicant and paid in priority order up to the limit of funds. Acceptance of the application will not be confirmation of funds being paid

## **12.0 Reviews of Decisions**

- 12.1 All grants will be approved by the S151 Officer, Director of Place and Enterprise and Head of Customer Improvement. The Council will operate an internal review of all refused application prior to informing the applicant so the Council's decision will be final.
- 12.2 Only material errors in submitting the initial application will be reviewed

## **13.0 Complaints**

- 13.1 The Council's 'Complaints Procedure' (available on the Council's website) will be applied in the event of any complaint received about this scheme.

## **14.0 Taxation and the provision of information to Her Majesty's Revenues and Customs (HMRC)**

- 14.1 The Council has been informed by Government that all payments under the scheme are taxable.
- 14.2 The Council does not accept any responsibility in relation to an applicant's tax liabilities and all applicants should make their own enquiries to establish any tax position.
- 14.3 All applicants should note that the Council is required to inform Her Majesty's Revenue and Customs (HMRC) of all payments made to businesses.

## **15.0 Managing the risk of fraud**

- 15.1 Neither the Council, nor Government will accept deliberate manipulation of the schemes or fraud. Any applicant caught falsifying information to gain grant money or failing to declare entitlement to any of the specified grants will face prosecution and any funding issued will be recovered from them.
- 15.2 Applicants should note that, where a grant is paid by the Council, details of each individual grant may be passed to Government.

## **16.0 Recovery of amounts incorrectly paid**

- 16.1 If it is established that **any** award has been made incorrectly due to error, misrepresentation or incorrect information provided to the Council by an applicant or their representative(s), the Council will look to recover the amount in full.

## **17.0 Data Protection and use of data**

- 17.1 All information and data provided by applicants shall be dealt with in accordance with the Council's Data Protection policy and Privacy Notices which are available on the Council's website.